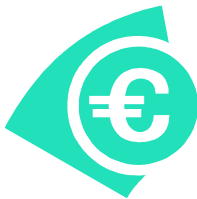
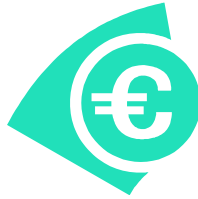


The Caribbean Technical Analysis Magazine



THE FIRST AND ONLY
CARIBBEAN-BASED
SUCH PUBLICATION



June 2012
US\$3.99



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BILLION
DOLLARS
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CYBER-TRADING:

['sī-bər] - of, relating to, or involving computers or computer networks (as the Internet). Word first used in 1991.

['treɪ-dɪŋ] – the act of buying and selling (or shorting and covering) of securities (stocks, futures, currencies, etc.) at either wholesale or retail prices on specially designated Exchanges within a country or abroad. Word first used in 1553.

WHAT DOES CYBER-TRADING ENTAIL?

1. Education.
2. Practice.
3. Analysis of simulated results.
4. Performing.
5. Analysis of real performance.
6. Repeat 1 – 5 above for as long as you are active.

You must have computer, charting software and reliable Internet connection. You will download the data in the evening and look for buy (or sell) signals for tomorrow morning.

You can calculate risks and rewards, and, to succeed at it long-term, you must learn to minimize losses and maximize profits.

You can work part-time as a private swing trader or investor, and when your profit-laden capital allows it, you can quit your job to day-trade full-time.

There is no guarantee, but you can get rich and you can grow to afford to help and donate generously to good causes.

*Cyber-trading is unlike anything else you tried: **you are in control!** ...*



Do not let complexity fool you!



Just like fame, fortune and elegance, cyber-trading is not for everybody but is it for **YOU?**

Do you think you are able to quit consuming value and begin creating it?

To stop daydreaming and start on the road to positive results, get

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June 2012, Vol. 1

**THE CARIBBEAN
TECHNICAL ANALYSIS
MAGAZINE**

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John Craciun

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Welcome to the first edition of the Carib-
bean Technical Analysis Magazine, the first such
publication in this part of the world.

After having published technical analysis
and cyber-trading related articles in the leading St.
Lucian newspaper weekly for five years from Oct.
2006 until Nov. 2011 for free for the first time in
St. Lucia and the Caribbean, and after a well-de-

served break of six months, I decided to continue spreading the word on
the same topics in an independent magazine format. Here it is!

Writing is my most time-consuming pursuit and cold logic dictates
I eliminate it to free up time for my other more rewarding duties. However,
the warm heart, which is another kind of logic, dictated I carry on writing for
two reasons:

1. St. Lucian and, by extension, Caribbean youths, highly computer lite-
rate as they are, deserve to know that more income generating oppor-
tunities than keeping a local “job” or “business” exist.
Anybody can buy and sell securities for a living from home if he is pro-
perly educated in this field and motivated to do so.
The best individuals for developing investing skills are the adolescents
of today. Although their trading capital may be small or zero, there is
no real reason for someone to ignore cyber-trading when everybody
loves to do it if they could.
2. Private cyber-trading is the world’s best profession: you do not work
for money (which is demeaning); you work with money (which is up-
lifting and reflects a superior mindset).
Contrary to popular beliefs, the investing game is not about cash, mo-
ney or dollars; it is about scoring and winning.
Small traders may be active full-time to be free from nuisances of a
job, big traders may be active full-time to achieve great results and
money managers are active full-time to obtain financial and spiritual
freedom, above average performance and customer gratitude.
Definitely, there is a biscuit for everyone in cyber-trading.

My one regret is that I have not been inspired enough to start this
e-magazine in Oct. 2006, and my other regret is that such periodical did
not exist in St. Lucia back in 1991-1993 when I was eagerly looking for a
radical career change in my life without knowing what it will be until I found
it ...

Tons of literature on electronic trading flooded the Net by now and
technical analysis is 110+ years old already. Computer hardware and soft-
ware are very good and Internet is everywhere. Forex is big business and
plenty of help is readily available if you ask for it.

The only missing link is you to want to cyber-trade. You have no-
thing to lose other than your present dire situation.

The 2008 recession reminded everybody that the only line of work
that functioned perfectly and paid well throughout the global economic
slump is none other than online securities trading. Some guys, as des-
cribed in The Money Gods articles, made billions of dollars on the down-
trend.

By the way, the last recession is not the last. Are you waiting for
new bad times to hurt you again before you get smart?

John Craciun

Money Gods: James H. Simons

If such a thing as God of Gods exists, then Jim more than fits the bill.

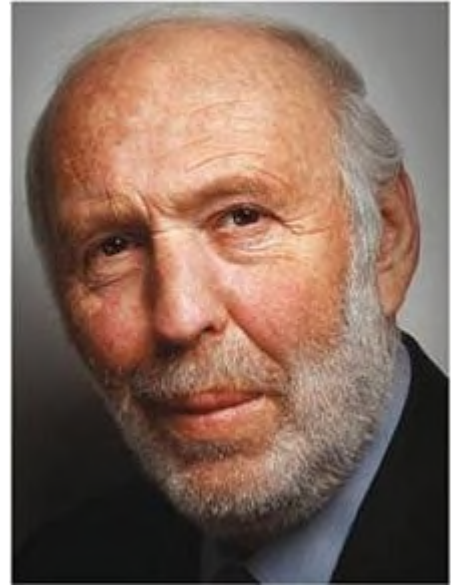
Let's start with the beginning. In 1958, Jim received his BS in mathematics from Massachusetts Institute of Technology and Ph.D. also in mathematics from University of California, Berkeley in 1961.

His career began as a theoretical mathematician with very important assignments at the US Department of Defense, cracking secret codes during the Vietnam War era. He also held prestigious teaching jobs (1964 – 1978) and has been awarded several prizes for scientific research, too numerous to list in here.

It is unknown why Jim left the safety of highly paid academic positions to venture out into the risky investment arena in 1978 when he established a fund trading commodities on discretionary basis. Perhaps he had the vision of testing his mathematical formulas in the financial markets. Encouraged by his early success, he launched the now famous Renaissance Technologies hedge fund in 1982, where he continued using sophisticated computer models to benefit from inefficiencies in liquid global securities, fund which now has US\$15B in assets.

Preferring PhDs to MDAs, Jim hired a staff of 400 – 500 quantitative analysts over the years, not only traders, but also high caliber mathematicians, physicists and statisticians who did lots of research work laying the foundation for what today we call "high frequency trading". It took Jim 20 years to grow superrich from the techniques he pioneered and only recently did high frequency trading catch up with a few entrepreneurs who started several new companies specializing exclusively in ultra fast trading. Jim made good money throughout his life, but it was only in 2005 that tons of dollars bills began raining on him heavily when, for three consecutive years, he took home more than US\$1B.

His Medallion Fund is the best hedge fund there is. In 2007, it returned 73% and in the recessionary year of 2008, it returned 80%. Jim alone earned US\$2.5B that year, when scores of faulty businesses closed down hurting everybody and everything. Over time, Jim's company managed capital from outside investors just like everybody else in the industry, but after Jim revised his policies, he switched completely to managing only his money together with capital from past and current employees, their families and close friends.



"How dare you talk about money?", Jim seems to tease the world.

Jim owns 25% - 50% of Renaissance and charges 5% of total managed assets plus 44% of profits. Nobody in the investment industry dares to charge that much or they will get no customers, but it doesn't matter since the company is made out of a closely-knit bunch, and things go well for them.

The Medallion Fund is one of the few funds the company manages with returns of 21% - 98%/year from 1988 until 2009. The only losing year was 1989 when losses amounted to a mere -4%. This is nothing compared with the profits that followed. Many analysts said that Jim's fund was the cream of the crop of hedge funds and that he could have been the richest man on Earth if he had started to play the markets long before 1978.

Disliking interviews, Jim shrouded his operations in secrecy, which is understandable: when you hit gold, you, for obvious reasons, don't shout out loudly. You spend the time, which now has become very precious, on digging for more gold, not on feeding free information to thrill seekers.

Of Jewish descent, Jim has been deeply involved with many charities and several independent research projects where he donated considerable funds, and even presided over some of them. So many are his benefactor activities that I can't even start mentioning them by name here.

Jim enlisted the help of his second wife in his philanthropic work. If you care to read on the Net how many beautiful things Jim did, you will be amazed by his generosity and energy.

Two of his three children died tragically: one son at the age of 34 in a freak car/bicycle accident and another son at the age of 24 drowned in Bali, Indonesia.

Because of these tragedies, Jim founded two charitable organizations, Paul Simons Foundation, which supports projects related to health and education together with scientific research, and Nick Simons Institute, which channels large donations for healthcare programs in Nepal.

In 2006, the London-based international business newspaper Financial Times named Jim as the world's smartest billionaire, which is the greatest of all honors.

He retired in Jan. 2010 but remains the non-executive Chairman of the company.

At the age of 73 in 2011, with a net worth of US\$10.6B, Jim is the USA's 27th and the world's 74th richest man according to Forbes March 2011 multibillionaire list.

How does it feel to be a genius among the humanity's best 100 living people?

How does it feel to work with a staff of 300+ enlightened minds without fearing they come late to work, steal or leave for another job at the first opportunity? How does it feel to be the boss of a top dollar generating crew of 300+ quality employees? How does it feel to be unworried about three meals a day tomorrow? How does it feel to hardly wait for the morning to come to go to work happy to know for sure that you and your colleagues will make another million dollars profit or more for the day contributing to the improvement of not only your

pocket or the company's coffers but also to the betterment of society and capitalism, and that your team helps with creating value as opposed to countless businesses that nobody other than their owner really needs and barely survive on hope more than on positive results? How does it feel to be one of the talented individuals who make tons of new dollars as opposed to the many individuals who keep stretching the same old damned dollar?

How does it feel to be as wealthy as to be able to spend US\$1Mil./month for the next 883 years like Jim's US\$10.6B fortune allows him to? How does it feel to see other folks making solid cash, but not you?

And one more thing: as someone who copies everything and everybody every time, why don't you copy Jim for a change?

WORDS TO LIVE BY

LIFE'S GREATEST PUNISHMENT
COMES FROM EXCELLENCE WHEN
NOT PURSUED.

*

THOSE WHO THINK, MAKE MONEY.
THOSE WHO WORK, MAKE A LIVING.

*

TIME REWARDS ONLY THOSE WHO
DO NOT WASTE IT.

*

FEED NOT YOUR FANTASIES BUT
YOUR ABILITIES .

*

THERE ARE 1,000s OF OBSTACLES FOR
GROWING RICH BUT NONE AT ALL
FOR STAYING POOR.

BOOKS FOR TRADERS

ANYBODY CAN BUY BOOKS FROM THE INTERNET:
HOT RELEASES, DISCOUNTED OR USED BOOKS ARE
PLENTYFULLY AVAILABLE TO ANYONE.
BUT DO YOU KNOW WHICH BOOK TO BUY FIRST?
AS A NOVICE, YOU DON'T KNOW, AND CHANCES
ARE YOU WILL GET THE WRONG ONE(S).
WHEN YOU THOUGHT YOU ARE PURSUING YOUR
DREAM, YOU MAY IN FACT BE SABOTAGING
YOURSELF FROM THE START IN A PROFESSION
WHERE ALL THE ODDS ARE AGAINST YOU.
FURTHERMORE, IN ST. LUCIA YOU HAVE ONLY
AMATEUR INVESTORS TO WHOM TO SPEAK.
DO NOT LET CONFUSION HAPPEN TO YOU!

DO NOT TOUCH CREDIT CARDS!

IT'S OK TO HAVE NO MONEY, BUT IF YOU USE CREDIT CARDS YOU ARE
GUARANTEED TO HAVE MORE NO MONEY.

**YOU ARE MORE
USEFUL TO THE
COUNTRY AS AN
INVESTOR THAN
AN EMPLOYEE OR
EMPLOYER.**

**GOOD LUCK
NEVER GIVES;
IT ONLY LENDS.**
Swedish proverb

**A DOLLAR WON
IS TWICE AS
SWEET AS A
DOLLAR EARNED.**
*Paul Newman,
The Color of Money*



David, the mouse, and ...



... Goliath, the elephant.

CARIBBEAN EXCHANGES

Bahamas International Securities Exchange
Barbados Stock Exchange
Bermuda Stock Exchange
Cayman Islands Stock Exchange
Dominican Republic Stock Exchange
Eastern Caribbean Securities Exchange
Guyana Stock Exchange
Haitian Stock Exchange
Jamaica Stock Exchange
Trinidad & Tobago Stock Exchange

<http://www.bisxbahamas.com>
<http://www.bse.com.bb>
<http://www.bsx.com>
<http://www.csx.com.ky>
<http://www.bolsard.com>
<http://www.ecseonline.com>
<http://www.gasci.com>
<http://www.haitianstockexchange.com>
<http://www.jamstockex.com>
<http://www.stockex.co.tt>

What do these Exchanges have in common?

1. Most of them are now electronic, meaning that the automatic buy/sell matchmaking on sophisticated software trading platforms replaced the old open outcry model, which is good because it reduces the number of human errors.
2. Opportunities to make solid money locally are few and profits are small, which is bad. The probability for this negative situation to improve is zero.
3. Management likes to call their staff traders when in fact the person handling the orders from your broker is just a regular order taker. Traders by definition are highly trained persons at

investment firms abroad who, as per their seniority with the company, get millions of dollars to invest according to company policies.

Caribbean order takers do not belong to the trader category.

Nobody in his right mind would give millions of dollars to somebody to experiment or play the markets for real because nobody trusts the zero trading ability of order takers.

Especially in the small islands members of the Eastern Caribbean Securities Exchange, no employee is mentally fit to invest millions of dollars on his/her own.

All they do on Exchanges is to take buy/sell orders from brokers, but do not actually trade themselves. This is OK but using pompous misnomers is not OK.

4. Management of Caribbean Exchanges (and of Exchanges overseas) consists of accountants, past Bank executives, office managers and the likes, but not real traders with proven passion for the markets.

Their input may be good and their experience in accounting or running Banks may be extensive, but their trading results are nil. No real trader quits trading professionally or privately to fill a high rank Exchange job unless his mind is perverse.

The securities markets are not made by theoreticians, university professors, bureaucrats or Bank managers, but by true practitioners who trade securities day in and day out pushing themselves to generate profits. The former like to ornate themselves with titles and medals thriving on high visibility occasions, the latter like to pursue and create value in silence out of limelight. The former may be replaced at anytime in minutes after which they get lost at the sea of good intentions, the latter are hard to find, irreplaceable and, with their unique results, they show them the way. The former are in large supply and little demand, the latter are in strong demand and short supply.

The current grim situation boils down to Exchange employees who, unable to extract profits from the markets as they are, or worse, who may have lost money big time in the game, give themselves importance and are now officially making rules on a salary basis for real investors to follow ...

Hordes of hungry blind bipeds are taking over the world, and now in the Caribbean, they are teaching us how the colors of the rainbow look like ...

5. Transaction fees are high: usually 3% to buy and 3% to sell like in USA 50+ years ago. Such carnage on the investor's money is another reason connoisseurs stay away from Caribbean Exchanges.
6. No serious foreign investor invests in securities on these Caribbean Exchanges because such well-heeled individuals stick to active trading where big opportunities come often.
If no mega-investor invests here, nor should you.
7. Good moneymaking opportunities existed right after the opening of our local Exchanges because of initial mass euphoria, but certainly not because of superb investing skills of islanders, skills that were and are inexistent.
With opportunities from the modest beginnings now gone forever, the euphoria from the start will never return. What other mass euphoria could the Caribbean produce again and when should we expect it to happen?
8. Because of too many ills, day-trading for a living on Caribbean Exchanges for private traders is impossible.
9. How many members of the staff at these Exchanges do actually invest profitably on their own in USA, the Caribbean or elsewhere?
They don't, because if they knew how to do it, they would stay at home creating value to begin with, not rush across the town to work for a salary that comes from your pocket.
10. Public awareness on financial investments now exists in the islands, but not classy education. Caribbean investors have no clue how to calculate

their cost, nor do they excel in technical or fundamental analysis.

It is true that, by definition, Exchanges everywhere are not famous for their public educational programs. The Caribbean Exchanges did and do nothing to fill this gap despite the fact that only increased public involvement is what will help them stay open in the long run.

11. As far as I know, Caribbean Exchanges do nothing to encourage more and more businesses to become publicly traded companies. With most of them, the listed companies are the same old bunch, with no new businesses opening up to public shareholders.

This is sad, very sad.

12. As it stands now, the Caribbean Exchanges seem to be trapped in what I call "subsistence investing" for islanders. Trading activity, no matter how heavy (by Caribbean standards), fails to create local companies and products superior to companies and products from overseas.

13. Regionally listed companies could have listed themselves on Exchanges overseas if they had been up to overseas standards. Because they were not, they went the local route.

The results of local companies getting listed overseas are difficult to guess, but the fact that they at least are listed locally is laudable.

The outcome today is not.

14. Due to our minuscule markets, the local Exchanges must differ from Exchanges abroad in initiatives that, admittedly, Exchanges abroad leave out.

Exchanges in big countries may copy NYSE or LSE¹ 100%, but here in the

insular Caribbean, copying everything entirely must make room to public education programs, among other initiatives, if they are to survive a hostile business environment, which is unlike the business environment from abroad.

15. Caribbean Exchanges may be a veiled attempt to restore values in an area of the world where theft, rip-offs and underperformance are the norm for thousands of years reflecting the poor mind of local inhabitants. If local Exchanges fail to fulfill their role, they at least serve as reminders of the real thing that exists and works flawlessly abroad.

16. The trend with local Exchanges is to consolidate their activities. There is talk of Exchanges in Jamaica, Barbados and Trinidad to establish a Caribbean Exchange Network, which is a good idea, and for them to join USA and Canadian Exchanges, which is a bad idea because of the many unworkable issues common between very small and very large operations.

17. The Caribbean Exchanges do not like price charts. The small graphics on display at of their web sites are not for the 21st century. They display tables with numbers representing only the Close and Trading Volume, but no such modern information like the Open, High and Low for the day because there is no intra-day heavy trading due to lack of strong, healthy demand.

The officials maintain an atmosphere of suspect ambiguity on price charts either because they do not know anything about them (which is hard to believe considering the model that the Exchanges overseas have set) or because they do not want the islander investors to become too smart.

¹ New York Stock Exchange and London Stock Exchange.

I already pulled the alarm on this issue in an article in 2007, but nothing changed for the better. A conspiracy?

An explanation from those who pretend to keep their customers happy would be interesting to hear.

Investors of the Caribbean, demand from your broker and Exchange to show clear charts. Do not let them do less and less on more and more of your money!

18. Cayman and Bermuda Exchanges are a class apart: they also list offshore funds and companies apart from resident firms.

19. The Haitian Stock Exchange web site behaves like a yo-yo: sometimes is up, sometimes is down. Down at the time of this writing (May 2012), it shows how not to run business.

While web sites that go down are excusable with struggling businesses, they are not excusable for Exchanges, which are supposed to serve national interests.

20. The Belize Stock Exchange began operations a few years ago only to shut down recently. Such incident does not work in favor of national interests either.

Indeed, over the past 300+ years since the invention of Exchanges overseas, some of them closed down merging with their national Exchange.

This was not the case with Belize where not even Windows XP or superfast computers managed to lead a society of gatherers and hunters stuck in Stone Age to the information highway and the cyber-energy of electronic markets.

With their only Exchange now cancelled, Belizeans are again left in the dark of the hot tropical nights to fend for themselves unsupervised and with no rules in place ... For Belizeans, it's back to the jungles for a long time to come.

LAST WORD

Exchanges are the first and last bastions of capitalism, the healthy heart of commerce of the free world. No business can ever surpass them or do without them. Also, cyber-trading is the first and last human endeavor: man's best personal, portable, rewarding and invisible profession.

Anybody denying it, is uninformed or mean. His destiny is to suffer: he was, is and will forever be unable to trade.

Whether commoners or City Mayors, everybody's secret dream is to work at home fulltime doing what private traders do, while the traders' worst nightmare is never to do for a living again what the 9-to-5-ers must do for a living.

It remains to be seen if the Caribbean Exchanges are going to make their countries richer or to produce merely a new form of hot air to cover up for a new wave of mass poverty.

The drama of pit trading with hand signals very fast and very brutal in a very crowded space resembling street fights is replaced by ...



... the quiet office atmosphere and less error-prone computer assisted buy/sell order matchmaking than human activity.

Indicators

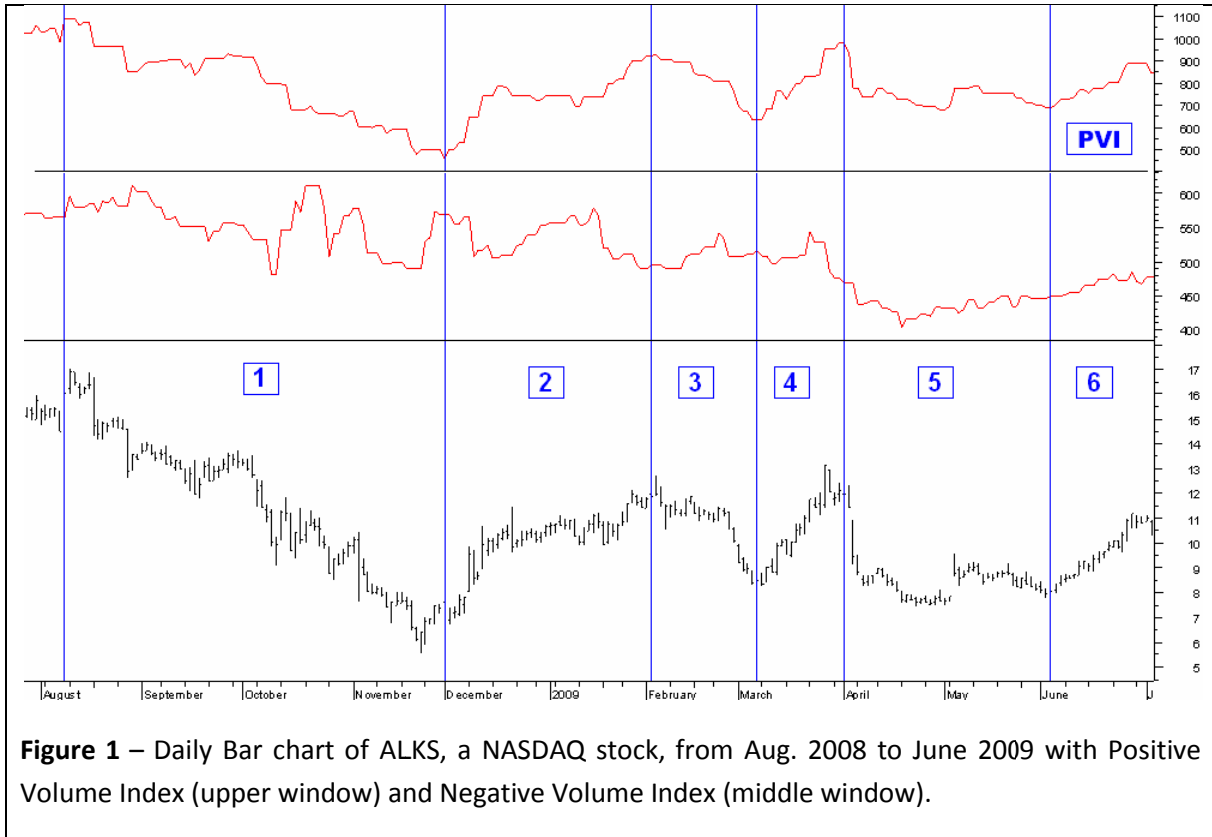


Figure 1 – Daily Bar chart of ALKS, a NASDAQ stock, from Aug. 2008 to June 2009 with Positive Volume Index (upper window) and Negative Volume Index (middle window).

Positive & Negative Volume Indexes

USA analyst Norman G. Fosback developed the Positive Volume Index (PVI) and its counterpart, the Negative Volume Index (NVI), and published them in 1969.

PVI links up trading Volume increases to price changes. When Volume is higher than yesterday, PVI is adjusted by the percentage change in price. Rising prices are mostly the result of increasing Volume and because PVI's formula works only if a positive difference between today's Volume and yesterday's Volume exists, PVI will tend to trend upward.

It is believed that when PVI goes up, the crowd-following investors come into the market. They are supposed to be the uninformed players who react to news.

NVI links up trading Volume decreases to price changes. When Volume is lower than yesterday, NVI is adjusted by the percentage change in price. Falling prices are mostly the result of decreasing Volume and because NVI's formula works only if a negative difference between today's Volume and yesterday's Volume exists, NVI will tend to trend downward.

It is believed that when NVI goes down, the smart money investors quietly enter the market.

They are supposed to be the informed players – the deep pockets – who anticipate or make the news.

Smart money always fishes for bottoms where they could buy heavily at low prices. They test the market with 500 shares and are willing to take losses in order to detect how quickly or slowly their order is absorbed and ultimately if demand prevails over supply (or vice-versa in the case of going short). They can afford to enter several times – even if taking repeated small losses – in order to position themselves where the trend begins.

As such, we can say that smart money operates in areas of price congestions where they accumulate shares (at bottoms) or re-accumulate shares on the way up and distribute shares (at tops) or re-distribute shares by going short on the way down.

The uninformed investors are the ones who react to news and begin buying in relatively small lots of shares. As the news spreads, so is the buying until nobody is left to react to news and the news becomes outdated. With their little capital, uninformed investors can't afford to test the markets. They are the ones feeding the trends in earnest.

Things of course are a little bit more complicated than this logical explanation and include exceptions. There is no hard and fast rule saying that money managers, wealthy investors and industry professionals operate only and only within price congestion areas completely shying away from buying or selling into trends.

MetaStock includes PVI and NVI giving chartists the possibility of customizing them. Both Indexes are calculated on Close, but they could be made to display Volume changes as they relate to the High, Low or Open. Your homework is to analyze PVI and NVI calculated on the High or Low to see how the two of them change compared to the Close-based design.

No clear signals to buy or sell exist when using PVI and NVI only. It's best to plot this pair of Indicators together on the chart like in Fig. 1 for bar-by-bar comparison.

Let's examine the chart above to get a grasp how these two closely related Indicators work.

During period 1 in Fig. 1 a 4-month trend can be seen. With PVI declining and NVI oscillating, you may say that the uninformed investors kept on selling in cascade-like fashion while the smart money swung between buying and selling.

During the period at 2, you can see PVI climbing up twice while NVI climbed up only once. At 3, PVI drops while NVI rises briefly exposing the smart money selling. At 4 with PVI soaring, the uninformed investors hurried to buy while the smart money swung between buying and selling three times. At 5, a price congestion lasting two months took shape. With PVI oscillating, the uninformed investors were chasing one another perhaps because no news to motivate them in one direction or another existed. It is during this period that NVI had its lowest value on this chart marking the very place where smart money began buying. For the remainder of period 5 they kept on buying.

During period 6, PVI and NVI went up concomitantly revealing that uninformed investors were buying shoulder-to-shoulder with the smart money.

Norman conducted various studies on his two Indexes and observed that the odds of a bull market developing are 95% when the NVI of the Dow Jones Industrials is above its 1-year Moving Average. It is important to know where new trends could start so as to position yourself accordingly.

Would it have made sense to have a separate window for real trading Volume on the chart above? No, because it could trap the chartist into overanalysis. Just with the PVI and NVI on, chartists get more analysis opportunities than they could bargain for.

One must believe in the Indicator he uses and not always look for extra safety from additional ones. When insecure, the trader must develop his own chart tool.

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BEARS MAKE MONEY BUT
PIGS GET SLAUGHTERED.



DO NOT BE A PIG!

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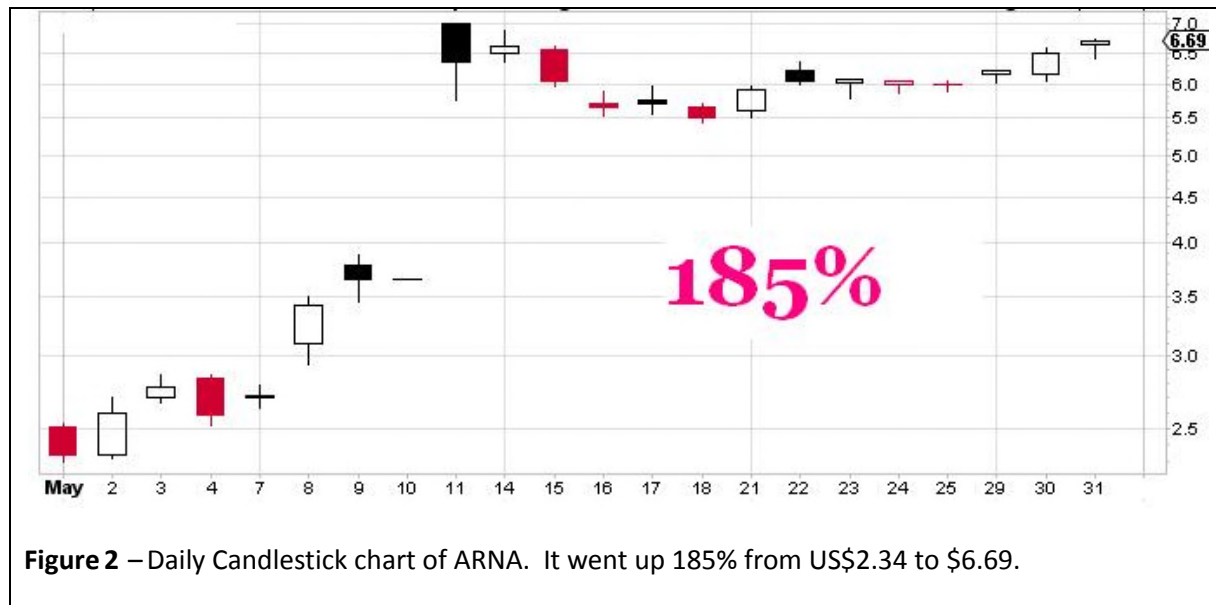
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INVESTORS? DON'T LEAVE THE PUBLIC IN THE DARK!
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BY THEMSELVES FOR THEMSELVES PART-TIME OR FULL-TIME FROM HOME.

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Market report



May 2012 USA market view

STOCKS. In the 1-month category, the best three stocks are ARNA @ 185%, IMUC @ 43% and UCFC @ 42%.

A stock trading on NasdaqGS, ARNA belongs to the Healthcare sector, Biotechnology industry. With 266 employees, this company engages in discovering, developing and commercializing oral drugs that target the therapeutic areas of cardiovascular, central nervous system, inflammatory and metabolic diseases.

The stock price went up because FDA approved one of its drugs, good financials, good news and institutional share buying. It always was all over the media during April and May.

The top three stocks in the 3-month category are ARNA @ 271%, HCIIW @ 192% and GV @ 183%.

The top three stocks in the YTD category are GV @ 525%, HCIIW @ 338% and ARNA @ 257%.

The best three stocks in the 12-month category are PATK @ 489%, ARNA @ 367% and PCYC @ 361%.

Three stocks with the biggest 1-month decline are WFAR @ -54%, JAG and HMPR @ -55% and PCX @ -61%.

In the “What’s hot, what’s not” category, the five hottest stocks are AMBT, MVIS, IMUC, DFR and CFK; the five least hot stocks are TEA, SURG, PBY, JRCC and UBNT.

SECTORS. Only 14 industry sectors out of 184 are in green territory.

The top three winners are Communications – Infrastructure, Movie & TV Production and Medical – Hospitals.

The three sectors at the bottom are Medical – Services, Aerospace – Defense Equipment and Computer – Storage Devices.

MUTUAL FUNDS. The top performers this month are two of the Ultra Short Latin America Profunds @ 30%, three of the Rydex Srs Fds Inverse Emerging Funds @ 28% and two of the Ultrashort International Profunds @ 27%.

EXCHANGE TRADED FUNDS. The best three ETFs this month are Russia Bear 3X Direxion @ 81%, Short Extended S&P @ 74% and 3X Inverse Crude ETN @ 72%.

FUTURES. The top contracts are: (Currencies) Japanese Yen @ 2.3%, (Energies) Natural Gas @ -3%, (Financials) Ultra T-bond @ 9%, (Grains) Red Wheat @ 1.8%, (Indices) CBOE S&P500 VIX @ 30%, (Meats) Milk @ 5%, (Metals) Gold @ -6% and (Softs) Lumber @ 0.25%.

INDEXES. The best three indices are CBOE Volatility Index @ 44%, Dollar Index @ 5% and DOW Utilities @ -1%. The worst three indices are S&P GSCI Index @ -13%, CRB Index @ -11% and AMEX Composite @ -9%.

DOW Jones Industrial Average finished down this month.

*

Of relevance in May were titles like: "Dow hits 4-year high, lifted by factory data", "Energy will lead in a 2012 reflation", "Flood of Americans give up citizenship to dodge taxes", "Americans: too broke to go bankrupt", "Higher education is a bubble: Bennett", "Bank of America starts mortgage reduction effort", "Austerity or stimulus? Americans want both", "New ideal age for retirement: 67", "Housing's best case: bouncing along the bottom?", "Bank of America to forgive mortgage debt", "The economy is muddling along a cliff's edge", "Faber sees crash if US stocks climb higher", "Facebook IPO makes Zuckerberg richer than Google founders", "Student loan bubble putting hundreds of colleges at risk", "Poverty increasing among retirees", "Traders calm as CBO warns fiscal cliff will put us back in recession", "HP to lay off 27,000 as profit slides 31%", "Home prices lowest since 2002", "US reduces length of jobless benefits", "Is America already bankrupt?", "Is your stock a tennis ball or an egg", "Schiff: America is already bankrupt", "Mortgage rates plummet, a 15-year fixed rate falls below 3%", which are self-explanatory.

**CHECK THE LATEST
MONTHLY REPORT AT
SUNNYTRADERS.COM**

Larry Williams, famous technical analysis innovator, author, educator and trader who once won a world trading contest with returns of 1,000%+ and whose daughter also won the same contest a few years later with the same amazing gains of 1,000%+ , lamented that he is always wrong in the markets despite his illustrious career of more than 40 years. Says Larry:
"When I win, I regret I bought too few shares, when I lose, I regret I bought too many! ..."

**DO NOT SPEND
THE MONEY OR
THE MONEY
WILL SPEND
YOU!**

**WHY DON'T YOU TRADE? AND IF YOU CANNOT TRADE
NOW, WHAT MAKES YOU THINK YOU WILL ONE DAY?**



Fig. 1 – Daily bar chart of Du Pont (Nov. 2005 – Dec. 2006).

MetaStock, oldest charting software

In 1983, Steve B. Achelis, an investor and self-taught computer programmer with love for the financial markets, produced his latest work: a piece of software in DOS to display price charts, called The Technician.

From those beginnings, a new company, Equis International, and a world-class, new product, MetaStock, emerged². Along with TradeStation, MetaStock is the oldest technical analysis and charting software in the world, and top award winner year after year.

² I have a copy of MetaStock for DOS on a 3.5" diskette that came with a book by David L. Brown & Cassandra Bentley "Cyber-investing" I bought in 1995. How things changed since then! ...

Such success determined Reuters – the global leader in financial news and information – to buy Equis in 1996. It is estimated that 150,000 MetaStock copies have been sold to individuals and corporations in more than 97 countries over time.

MetaStock has become the standard by which other charting software packages are judged.

What is so special about it?

It opened the door to private traders and investors to do what wealthy investors, professional traders and money managers do: follow the markets religiously and ... extract profits from them. It also contributed immensely to the widespread dissemination of technical

analysis concepts and indirectly encouraged education among members of the public. The software is a combination of several modules.

The charting module allows for high-resolution price charts to be displayed, modified and saved in nine distinct customizable styles.

The Indicator module contains a library of 140+ Indicators that can be attached to charts easily, along with explanations and bibliographic references. All charts and Indicators can be put on view with different colors and several visual adjustments for every need and taste.

The Explorer module makes it possible for users to scan up to 6,000 securities at one time to detect those few ones that meet their criteria.

Do you want to find stocks that just crossed their 50-day Moving Average? The Explorer searches through your basket of securities in a matter of seconds for the ones that meet the condition and then, voilà, it ranks the results alphabetically. This module also serves several other tasks.

The Expert Advisor module (Fig. 2) is unique in that different trading styles together with detailed commentaries can be attached to any chart. This module consists of many technical analysis methods developed by experts with many years of market and trading experience under their belt, and generates automatic buy/sell trading signals.

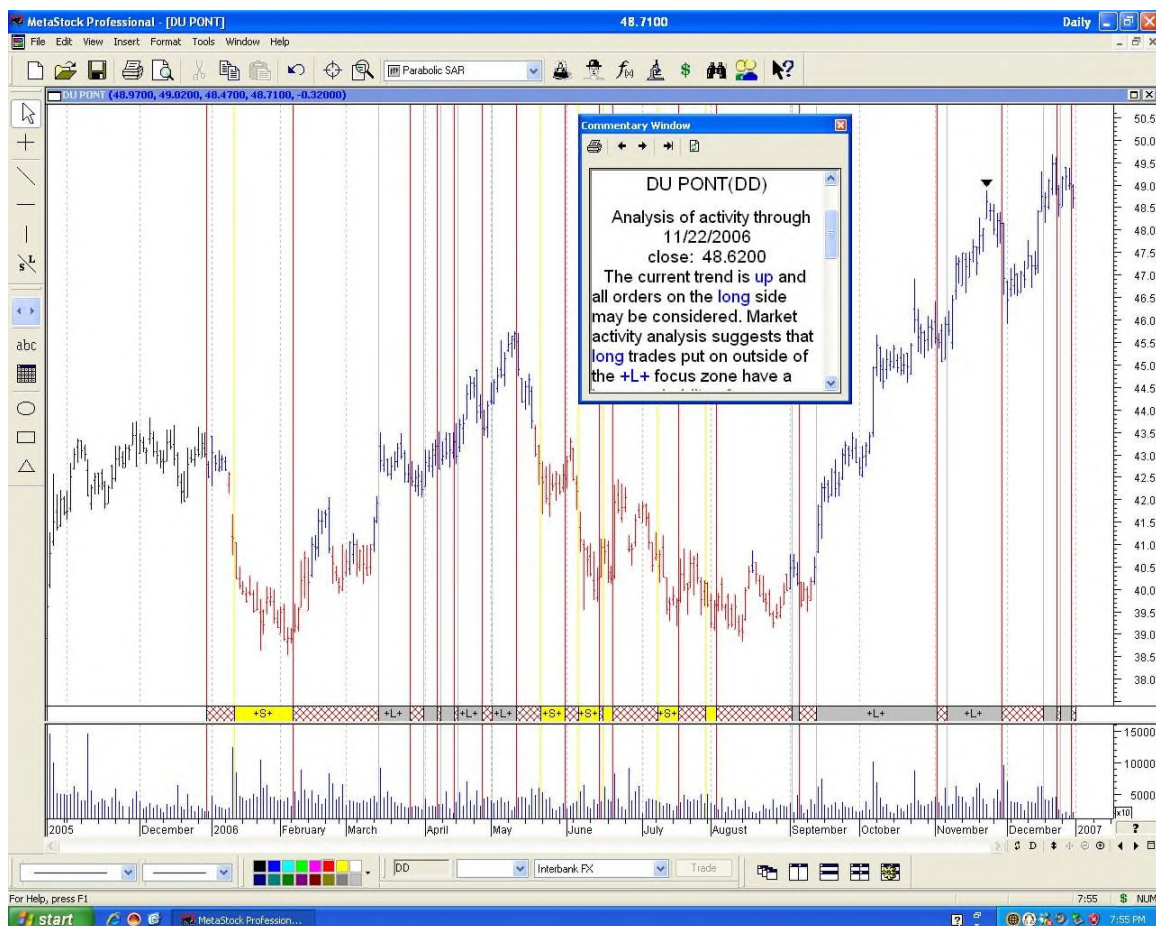


Fig. 2 – Daily bar chart of Du Pont (Nov. 2005 – Dec. 2006) with Expert Advisor and commentary.

Do you want to inspect your chart for MACD trading signals?

All you have to do is select the MACD expert advisor from the list and, with a mouse click, attach it to the chart.

Another mouse click and up pops a window with a commentary for any bar in the chart.

The Enhanced System Tester module facilitates the back-testing and testing of multiple mechanical trading systems to compare performance. You can run a single trading system across many securities to see which security produced the best results, or you can run multiple systems on just one security to see which particular system worked best with it. You can also run multiple trading systems across multiple securities for a complete best trading system and best security performer list.

The Downloader module enables users to download data at the end of the day or in real-time with automatic, unobtrusive data correction. It also provides for effective data manipulation such as splitting and merging securities, symbol sorting, error notification and conversion among different data file types.

Got data in ASCII³ format? No problem. The Downloader converts that data into MetaStock proprietary format, and vice-versa.

Data is available for stocks, indexes, ETFs, mutual funds, futures and currencies from all Exchanges around the world on subscription basis.

The OptionScope module is for those who analyze and trade options.

*

The finest feature of MetaStock is that allows traders and investors with a taste for research to program their own Indicators, explorations, Expert Advisors and System Testers, and also to exchange them with their friends. Simple Excel spreadsheet programming skills are required.

At its web site, www.Equis.com (or www.MetaStock.com), Reuters offers a constantly evolving selection of add-on and plug-in software.

Standalone software plug-ins can be written for you by others and linked to MetaStock for proprietary analysis and trading.

³ Acronym for American Standard Code for Information Interchange and is a character-encoding scheme based on the ordering of the English alphabet.

To get discounts, go to www.Equis.com/craciun; that's me – an authorized MetaStock reseller – selling the entire suite of tools cheaper, something I accepted to be involved with for my occasional students.

Many traders in cyberspace now sell their own MetaStock add-ons and plug-ins independently, not through Reuters' web site.

With a large customer base, the software has strong Internet forums where help is available gratis only to registered users, not to bootleggers.

I remember going to bed very late on too many occasions, tired for being unable to finish programming my studies only to jump out of sleep in the wee hours of the morning, turn the computer on and solve the daunting puzzle out of the blue. MetaStock has plenty of bells and whistles but only 10 – 15% of its functionality is actually being used, specialists say. Everybody seems to be happy with what they get from the default settings and standard fountain of knowledge in MetaStock, and feels no need to delve deep into everything it offers.

The rule is: if you cannot make money with a piece of \$50 software, you will barely make any, if at all, with a sophisticated one. To be robust, things must be kept simple. MetaStock helps reduce market complexity to trading simplicity.

*

I enjoy MetaStock since 1997 as a registered user. (Actually, all my software in my computers has been paid for, never pirated and never lent from or borrowed to friends). I started with the End Of Day (EOD) version, which helped keeping costs down during my learning years and beginner phase, and switched to the Pro version in 2000. From that time on, I kept upgrading it as new versions became available.

In July 2002, I have designed the Trading System Testing Software, TSTS, a novelty that allows users to input their hypothetical, simulated and real trades manually and analyze the same results found in MetaStock, something for which MetaStock made no provisions.

Over time, I purchased other technical analysis software packages, but MetaStock is the one I go from and come back to at all times.

DO NOT GIVE THEM YOUR MONEY

What happens in St. Lucia is outrageous: the staff at “financial” businesses promotes all sorts of “investment” schemes, which in fact are outright frauds, for them to fill their pockets from your savings.

We are starting a campaign of unmasking such miserable persons and companies behind them who give advice without ever investing (*and making a profit!*) themselves.

Investors who make profits in the markets NEED NOT commit fraud!

A new type of vermin entered our island society and we must repel them.

Naïve St. Lucians go to “investment seminars” where they are charged an entry fee only to be told nothing of importance and where they, in elegant evening attire, are hyped up to join in - *mind you!* ... - collective zumba body exercises.

The only person making money is the presenter’s employer and the zumba teacher, not you. You made the mistake to dish out \$100 to attend a show of bad taste with information you can find free on the Net!

Getting tricked into paying for useless news is a great lesson in itself, but when it comes from someone who already robbed you, it is a loss.

THE PLAN:

- First, stop attending such zero-quality seminars from unscrupulous rip-off companies to stop their attacks on your wallet.
- Second, save your dollars and chase the swindlers away.
- Third, learn where the money is and how to get it!

Watch this space in the next months for accusatory articles.

Pass the word about us around to your friends!

**WHY DO
WE DO
THIS?**

AT THE SAME TIME THE CRIMINALS WHO CANNIBALIZE THE WEALTH OF THE NATION MUST BE STOPPED, THE VICTIMS MUST LEARN TO CREATE AND PRESERVE VALUE FOR AN UNCERTAIN FUTURE.

DO NOT LET YOUR SAVINGS FILL THE POCKETS OF THE CROOKS OR BE SOMEBODY ELSE’S PROFITS!

WE, AT THE CARIBBEAN TECHNICAL ANALYSIS MAGAZINE, EXPOSE THE ILLS OF THE INVESTMENT INDUSTRY IN ST. LUCIA AND THE PERSONS WHO BROUGHT IT DOWN TO THIS DEPLORABLE STATE, IN THE “ALERTS” SECTION OF OUR FINANCIAL FORUM AT <http://www.sunnytraders.com/phpbb2/>



METASTOCK EOD METASTOCK PRO METASTOCK PRO FX

FACTS:

- ❖ Leading charting, data and analysis software package since 1982
- ❖ 150,000 customers in 97 countries
- ❖ 60+ employees
- ❖ Owned by media giant Thompson Reuters
- ❖ 13,000+ forum members
- ❖ Numerous user groups
- ❖ Free newsletters
- ❖ Free webinars
- ❖ Readers' Choice awards for 20 consecutive years

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CHECK THIS OUT

- ✓ Software programs like CompuTrac are long gone.
- ✓ Most investing software makers are struggling ...
- ✓ *MetaStock stays on top.*

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**SCAN, ANALYZE AND TEST
STOCKS, OPTIONS, INDICES, FUTURES, CURRENCIES, ETFs, BONDS**