

How to best use...  
*Wall Street Trader's Column™*

*Wall Street Trader's Column™* comprises a number of very useful trading tools. This brief description will serve to help you best use your subscription.

1. **Today's Sector Analysis:** Highlights our sector call for the day. Stocks in this sector are listed on the bottom line of the spreadsheet with entry prices and are asterisked (\*) in the ticker symbol column.
2. **Featured Stock:** This is the stock at the bottom half of the page with the featured technical chart. This is the first stock you should look at if you're looking for a single best idea. This is usually a big-name company receiving a lot of press.
3. **Buy Alert:** This is the second stock for consideration. This is a strong momentum stock that has had good upward movement recently.
4. **Market Call:** Our near-term price target for the Dow Jones Industrial Average. The arrow next to the target shows whether we're long or short the market at this time. (FYI: We came off the short side of the market on October 13, 1998 after achieving our initial price objective of DJIA 7400 *exactly*. We achieved our initial long-side price objective of DJIA 9300 on November 23, 1998 at which point we raised our near-term price objective to DJIA 10,500)
5. **Daily Spreadsheet:** The first three columns are self-explanatory.

**RSI:** *or Relative Strength Index* is an index that measures the strength of the momentum of the company. The Index runs from 0 to 100. A high number is good if we are buying a stock. A low number is good if we are recommending a short sale.

**Options:** An asterisk in this column indicates that options are available on this security.

**Entry Price:** *is always above the previous day's close for buy recommendations and below the previous day's close for sell short recommendations.* This is the price at which the recommended company may be bought (or sold in case of a short sale). This is the *Low Risk Entry Point*.

**Stops:** This is the price at which a protective stop should be entered. As position advances, stops should be adjusted accordingly.

**Three Strikes and You're Out:** Our stops are close to the market. We will not risk more than 3 7/8 on any trade. If we get stopped out of a position, we have two more opportunities to re-enter the trade if it penetrates the buy point again. After getting stopped out a third time, we call the trade a bust.

**Price Objective:** This is our near-term objective for this stock. Our price objectives are arrived through various technical studies (e.g. point and figure horizontal and vertical point counts, leg measurements, etc.)

**Close Price:** This is previous days close for this security.

**Italicized stock in bold face:** This is the third stock for consideration. It is the highlighted stock of the spreadsheet.

6. **Buy Alerts** (bottom right of spreadsheet): These stocks come in three varieties – Low-priced stocks (under \$30), recent IPO's and short sales.
7. **Buy Recommendations and Sell Recommendations** The "Buy and Sell Recs" is a list of 12 buy and 12 sell recommendations that just didn't make it into our main report. These lists tend to be very strong, and many of the stock choices will perform just as well as the companies recommended in our 16 stock report. Use this list to add to existing positions, to buy companies you've been watching, or to get out of positions.
8. **The "Hot 100" List** One of the greatest benefits of your Wall Street Trader's Column subscription is The "Hot 100" List. This list is derived from the top 3% - 5% of all volume leading stocks on the major exchanges. Use the Hot 100 list to follow up on previous WST recommendations. Stocks that were recommended in our 16 stock report will generally continue to appear on the Hot 100 buy list if they are still buy candidates. If you own companies that are not mentioned in the 16 stock report, you may find them on the Hot 100 list. The Hot 100 sell list may be used as source for unloading non-profitable positions. The Hot 100 list is usually posted between 10PM and 12AM EST, while our other reports are usually posted 3 - 4 hours before the market opens. Various financial institutions, bank and money managers use the Hot 100 list as a source of trading ideas. Profit from it!
9. **How to Capitalize from "The Second Day Syndrome"** "The Second Day Syndrome" is a unique way to profit from Wall Street Trader's Technical analysis. Our analysis is based on a stock's price momentum and volume. Certain stocks will forge ahead after they give a buy signal. Other companies will have a strong up day generating a recommendation and then back off. Watch for these companies! When they eventually penetrate the buy price (usually on the "Second Day" after being recommended,) they will typically produce a strong up move. This greatly lessens your chances of getting "stopped - out" of this trade.

Our service is based on pure technical analysis. As such, we do not discuss the market with or wish to know our client's positions. We find that such interplay is detrimental to our objectivity. We screen over 9000 companies daily, choosing the top 5% volume leaders on all 3 major exchanges for further consideration. Our extensive analysis further screens these 500+ companies to help us arrive at our daily choices.

We hope that this brief explanation helps you to better enjoy our service. Happy Trading!