



Chat Logs for hotto 4/4/2004

[4/4/2004 3:03:23 AM] <croy> 02/24 ?
[4/4/2004 11:02:39 AM] <kmack> looking at intraday breadth analysis...the thermometer....I know new high/lows is most imp't...can anyone tell me what exactly is monitored?
[4/4/2004 11:07:46 AM] <gary12> the Advance / Decline , DJ-30, SPY all interday
[4/4/2004 12:40:42 PM] <acmetrader> .
[4/4/2004 3:14:41 PM] <ibuckskin> .
[4/4/2004 3:29:40 PM] <HOTTO> EWolf has joined the club. Please welcome your new member.
[4/4/2004 4:40:53 PM] <kennethroyal> Hotto uses term SWGC quite often (last occasion was immediately after Sat, Apr 3, Chat Class) ? means, Tks:)
[4/4/2004 4:43:34 PM] <Beebe> Kenneth...Stocks with good charts
[4/4/2004 4:43:41 PM] <CDYTrader> SWGC = Stocks with Good Charts
[4/4/2004 4:44:23 PM] <kennethroyal> Thanks Bebee & CDY
[4/4/2004 6:22:13 PM] <signaltap> Just wanna let to everyone on Hotto can have access of my watchlists, by the way I like that watchlist you have called NanoList from 4/1, thank you Hotto!
[4/4/2004 6:24:02 PM] <signaltap> nice list of 26 stocks (NanoList on 4/1)
[4/4/2004 7:44:57 PM] <BWill> just noticed that TCNet is preparing to add the new Merrill Nanotech index... NNZ--X nothing there yet, but might make a good addition after some data happens (wonder if OBV will be real? probably not unless the thing is traded actively)
[4/4/2004 8:03:18 PM] <jjk3> Did Hotto do a market review Saturday, yesterday, and if so where is it located? Thanks
[4/4/2004 8:04:30 PM] <Tradeboy> Hotto club-logs 4/3/04
[4/4/2004 8:05:47 PM] <BWill> jjk3, yes, hotto did his usual excellent Saturday presentation... you can access it by clicking "clubs", going to hotto club, then click "logs", and request 4/3/2004
[4/4/2004 8:07:14 PM] <BWill> btw, I just noticed the obv isn't real on any of the --x indexes, so the new one pro'ly won't either
[4/4/2004 8:08:54 PM] <Zathrus> Yep - unless there's a tracking stock you can't have any volume - hence no OBV
[4/4/2004 8:10:09 PM] <BWill> so, they need to hurry up and get a Holder we can track lol
[4/4/2004 8:10:30 PM] <Zathrus> hey - let's start our own!
[4/4/2004 8:11:08 PM] <BWill> B)
[4/4/2004 8:12:52 PM] <Zathrus> frankly though, I was just recalling what happened to internet stocks about the same time everybody created indexes for them - maybe a good time to short nano's :(
[4/4/2004 8:18:14 PM] <BWill> I was thinking the same thing yesterday when my wife came home from work and told me one of her customers told her "the next MSFT" will be something called a 'nano'...
[4/4/2004 8:19:34 PM] <kellam> ASE looks ready for move back to UBB IMO
[4/4/2004 8:19:42 PM] <BWill> the rest of the advice was, since there are so many of them, just buy some company called 'Harris' :D
[4/4/2004 8:20:20 PM] <Zathrus> :D
[4/4/2004 8:21:40 PM] <BWill> you're right Zath, it's close to the top... hotto was

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compounding, and people are telling the florist to buy nano stocks...

[4/4/2004 8:21:51 PM] <BWill> ;)

[4/4/2004 8:22:17 PM] <Zathrus> I just wish Hotto would open a hedge fund - all my worries would be over!

[4/4/2004 8:23:03 PM] <kellam> ditto Zath

[4/4/2004 8:23:59 PM] <BWill> he's just now learning how to take Sunday's off! Don't pile it up on him by making him start a hedge fund too!

[4/4/2004 8:24:02 PM] <Zathrus> unfortunately, I think moving large amounts of money would screw up hotto's style.

[4/4/2004 8:24:22 PM] <kellam> PETD ready for move to UBB IMO

[4/4/2004 8:25:53 PM] <Zathrus> PETD is sure testing that 26 support level though...

[4/4/2004 8:27:21 PM] <kellam> agree check weekly pattern as well

[4/4/2004 8:27:29 PM] <kellam> PETD

[4/4/2004 8:28:08 PM] <kellam> check signals template on 60' PETD

[4/4/2004 8:28:17 PM] <Zathrus> my 55 day break out system is telling me to buy EBAY CGI MET MNST MU and PTV tomorrow.

[4/4/2004 8:28:37 PM] <Zathrus> MET looks real juicy....

[4/4/2004 8:28:59 PM] <croy> jmet

[4/4/2004 8:29:05 PM] <croy> sorry

[4/4/2004 8:29:55 PM] <croy> Zathrus ... EBay is a new high with no confirm of new high on the OBV

[4/4/2004 8:31:02 PM] <Zathrus> that's the joy of system trading :)

[4/4/2004 8:31:02 PM] <kellam> Zath MET may be testing the UBB hotto template, i would wait for some PB on this one

[4/4/2004 8:32:12 PM] <Zathrus> I agree with both of you - I'm still trying to get comfortable with this thing, but the backtesting has been very encouraging with it.

[4/4/2004 8:33:06 PM] <croy> Black Box trading hummmmm that is one thing I haven't tried I guess beeing the system rather than using the system gives me a sense of control LOL

[4/4/2004 8:33:33 PM] <Zathrus> well, it's not really blackbox - I'm writing the code using Wealth-lab -

[4/4/2004 8:34:22 PM] <croy> Ok That is one way and so far good results ? Your system is based on what trading approach?

[4/4/2004 8:35:04 PM] <Zathrus> It looks for 55 day breakout - that's about all. Uses a ratchet stop starting from the 55 day low and working upwards.

[4/4/2004 8:35:34 PM] <croy> why 55 days ?

[4/4/2004 8:36:03 PM] <Zathrus> that was one of the turtle trading rules originally, dunno why, but seemed an interesting place to start

[4/4/2004 8:36:17 PM] <croy> LOL ok I see

[4/4/2004 8:36:18 PM] <Zathrus> since then I've also tried 20, 63 and a few others

[4/4/2004 8:36:36 PM] <Zathrus> 63 seems to be the best, but has fewer opportunities

[4/4/2004 8:36:40 PM] <croy> Yeah that was about my comment Hotto is 63

[4/4/2004 8:37:05 PM] <croy> But in the end do you manually inspect the trade before committing money ?

[4/4/2004 8:37:26 PM] <Zathrus> yes - if there's anything obvious I won't do it. But it has to be really obvious

[4/4/2004 8:38:36 PM] <Zathrus> I just re-ran the results on the SP-500 tonight - Win% = 47 since 1984

[4/4/2004 8:39:01 PM] <croy> Well ... my 2 cents of wisdom here is that it should work in a bull market but since Hotto has been teaching us that the easy money is over be carefull ... the market from here on will be choppy ... so a breakout system should be tough to hold on tight stops

[4/4/2004 8:39:12 PM] <Zathrus> And average win gain was 34% as opposed to average loss of 10% - not bad.

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[4/4/2004 8:39:15 PM] <croy> Tolerance will be needed to not be stopped out
[4/4/2004 8:39:32 PM] <croy> Good luck with it
[4/4/2004 8:39:34 PM] <Zathrus> that's why I have the ratchet going.....
[4/4/2004 8:39:39 PM] <Zathrus> thanks
[4/4/2004 8:39:54 PM] <croy> can you explain the ratchet ???
[4/4/2004 8:40:24 PM] <Zathrus> yes - it uses the number of days in the trade, and tightens the stop a little every day for the first 30 days.
[4/4/2004 8:40:48 PM] <croy> Ok I see I have seen a lot of stops system based on this principle
[4/4/2004 8:40:50 PM] <Zathrus> $ratchet := (atr(bar, 20) * 0.05) * daysintrade$;
[4/4/2004 8:41:01 PM] <Zathrus> $sellprice := lowest(bar, \#low, 55) + ratchet$;
[4/4/2004 8:41:40 PM] <Zathrus> Yes - the SAR system does that
[4/4/2004 8:41:56 PM] <croy> Interesting concept more flexible than the traditional % of the SAR of lows
[4/4/2004 8:42:30 PM] <croy> I did use with some success the AVG3 of sars on lows
[4/4/2004 8:42:37 PM] <Zathrus> yes- I borrowed most of this system from a script posted on the Wealth-lab site - just tweaking it....
[4/4/2004 8:42:45 PM] <Zathrus> Ah - that's an interesting idea
[4/4/2004 8:43:05 PM] <croy> but the SAR stop gave too much obvious profit at the end of the trade on a snap back
[4/4/2004 8:43:11 PM] <Zathrus> I've also tried Van Tharps system of $3 * ATR$ - but this works better
[4/4/2004 8:43:22 PM] <croy> I think so
[4/4/2004 8:43:43 PM] <croy> ADR and ATR are too wide after a break out
[4/4/2004 8:43:53 PM] <croy> I used ATR14 and ADR14
[4/4/2004 8:44:19 PM] <croy> now that built soo much into the breakout that at the end of the breakout it was costing a lot
[4/4/2004 8:44:34 PM] <croy> then I tried a % of ATR
[4/4/2004 8:44:37 PM] <Zathrus> it's funny - this new system is probably the widest I've seen at the outset, but it seems to work pretty well...
[4/4/2004 8:44:44 PM] <croy> Anyways this is an art not a science
[4/4/2004 8:44:56 PM] <Zathrus> yep - weird science!
[4/4/2004 8:45:20 PM] <croy> unfortunately otherwise we all would be rich.... as Hotto said we do this because it ain't easy LOL
[4/4/2004 8:45:49 PM] <croy> good luck ... I enjoyed the chat ... keep us posted on the results :)
[4/4/2004 8:45:58 PM] <Zathrus> Will do - thanks
[4/4/2004 9:07:35 PM] <w2jc> at this time, all the weekly Elliott Wave Analyzer chart sets have been updated at <http://www.elliottwaves.us> -- these include: Major Indexes, DJ-30, DJ-20 stocks, MG Sectors, SirPoolPlayer & Ycc & w2jc watchlists and 1400+ stocks.
[4/4/2004 11:16:27 PM] <hud> .