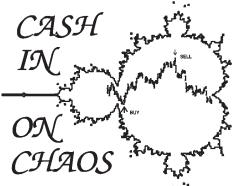
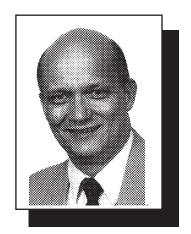
Yes, you can





http://www.cashinonchaos.com/hans

CASH IN ON CHAOS NEWSLETTER - February 23, 1999-99-2

Dr. Hans Hannula, voice 303-452-5566, fax 303-457-9871,email allarson@cashinonchaos.com

Stocks continue to hold under the high of the year, may decline sharply. Thonds remain weak. Swiss Franc continues going south. Gold fishing for bottom. Greenspan suggests that investors may be disappointed. Wheat still working on historic bottom. World markets mixed. Your joy-gloom curve explained. Evening sky tells the high.

STOCKS

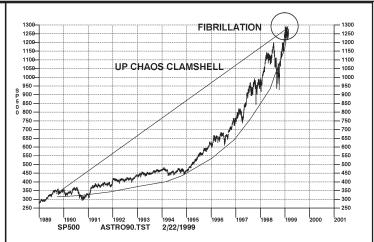
Stocks continue to hold below their highs. The pattern so far this year suggests that a major top is in place. We expect several months of decline.

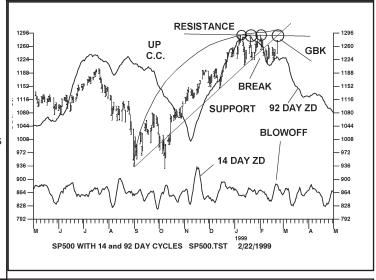
The long term chart shows the up Chaos Clamshell from 1990. The price action at the end of this Clamshell has been very erratic forming a pattern called fibrillation. This is a precursor to chaos.

The near term chart shows how prices have met resistance at the highs. This resistance has been tested four times, so Gann's Rule of Four applies. This rule says that a failure to break a resistance level after four tries is followed by a panic. This interpretation agrees with our 92 day ZD energy forecast.

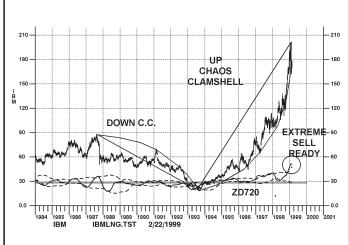
A support line up from the September lows is shown. This line has been broken. The rally of the last few days has moved up to touch this line from the bottom. I call that a GBK-"good-bye kiss". The brief blowoff rally of this week was forecast by the 14 day ZD. A blowoff is typical at the end of an up Chaos Clamshell (C.C.).

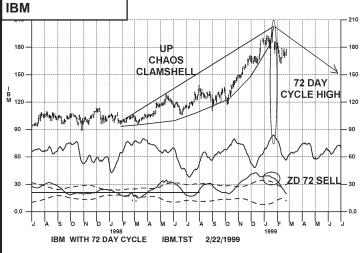
Investors should be out of stocks. Traders are building a short position for the decline.





This letter is written by Dr. Hans Hannula, full time trader, PhD (Electrical and Computer Engineering), RSA, CTA. It incorporates his original scientific research into market chaos, its causes, patterns, and trading techniques. The Chaos Clamshell shown is the unclassified version of the confidential *Hannula Market Fractal*, which is taught in his *Cash In On Chaos* course. Hotline updates to this letter are give at 7 PM Eastern, 1-900-776-7272, \$2 per minute for 2-3 minutes, \$6-8 total. See page seven for more details.





IBM has completed its long term Chaos Clamshell and is now headed down. The ZD720 cycle is in an extreme sell ready position and is expected to give a sell signal soon.

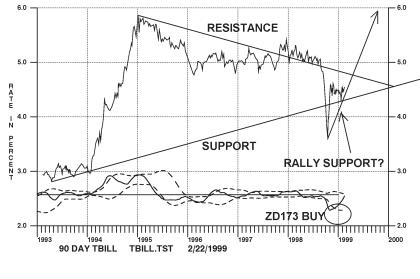
On the near term chart one can see an up Chaos Clamshell ending on the recent high. That high came exactly in line with the high in the 72 day ZD energy cycle. It also coincided with a sell on the ZD72 price cycle. This suggests that IBM will decline for several months.

For stocks or commodities not covered in this newsletter or on the hotline, you can track the cycles and trade the Chaos Clamshells using the Trading System Toolkit.

ECONOMY/RATES

The interest rate chart continues to be very interesting. It shows a large converging triangle between the support and resistance lines. The sharp drop of last fall made a spike low. That low has been followed by a rally, which triggered a ZD173 buy signal. A trendline under that rally shows that interest rates could rise sharply. Allen Greenspan has hinted that the economy does not need stimulation, either by a tax cut or by lower interest rates. This position, along with his statement that investors may be disappointed in company profits, has established a climate of uncertainty and fear. The market usually declines under these conditions.

Meanwhile the economy continues to march along. However, there are signs of weakness in some business sectors. For

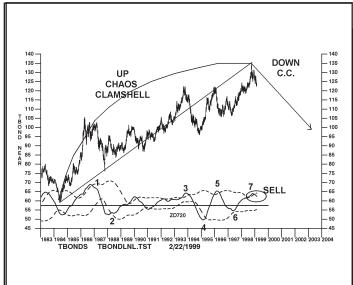


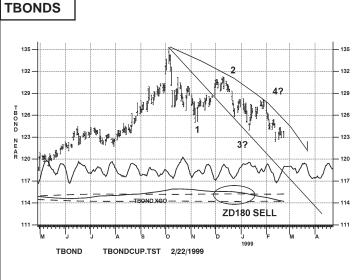
example Levi, suffering from a lower sales of bluejeans is closing its U. S. plants. In other sectors there is signs that competition has forced cost cutting to the point that profits have disappeared. This is true in technology stocks, Internet stocks, and health care, and probably other industries. Now these companies will either have to raise prices to maintain profitability or suffer losses. This means that stocks will go through a period of consolidation. Even such darlings as Microsoft and Intel have pulled back well off of their highs. The Internet stocks, as you well

know, have completed their blowoffs.

The highest reward for a person's toil is not what they get for it, but what they become by it.

John Ruskin





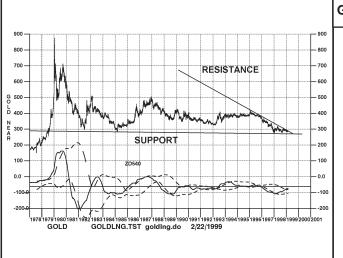
The Theorem 1.2 The long term chart shows that the average pullback in bonds has lasted between 18 and 24 months.

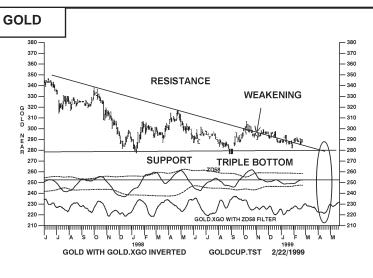
The intermediate term chart shows bonds in a steady downtrend, possibly forming a down CC as shown. Most significantly the ZD180 cycle, which tracks the Saturn-Node cycle. That cycle turned down November 30, 1998, and should continue down to September 3, 1999. So this is not a good time for investors to be holding bonds.

Success is simply a matter of luck.

Ask any failure.

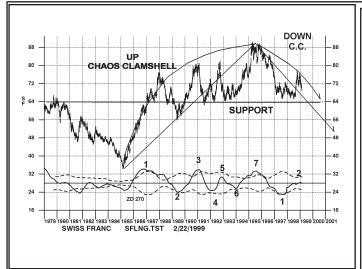
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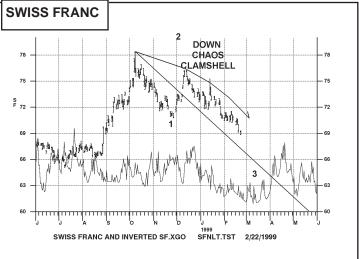




Gold remains wedged between its long term support line of 280 and a downward resistance line. This is shown on both the long term and near term charts. Obviously a "pinch" like this will not continue forever.

The near term chart shows that prices have actually broken through the resistance line and then crawled down along it. Meanwhile the support line has been tested three times forming a triple bottom. Both of these suggest that the downward resistance is weakening. The 58 day energy cycle shows a bottom in April, which coincides with the apex of the triangle formed by the resistance and support lines. Look for a major low in gold at that time.





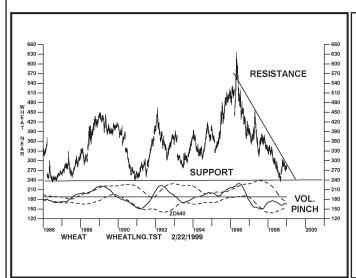
The Swiss Franc has continued to head south. On the long term chart it appears to be in a move 3 of a down Chaos Clamshell. The ZD270 cycle has turned down. This suggests weakness in the Swiss Franc for several years to come. This may be a reaction to the Euro.

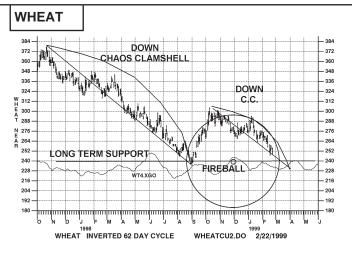
The near term chart shows the current decline following the forecast energy. We should see a low in March with a rally into April and then a continuation of the decline.

Traders are short. Check the hotline for updates.

Genius is the ability to reduce the complicated to the simple.

C. W. Ceran





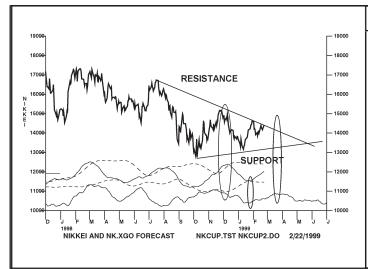
Last month I said:

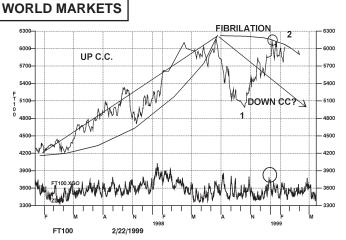
Wheat is still "boxed into the corner" on the long term chart. The downward resistance line is being pressured. The support is holding.

That still applies to the long term chart.

The near term chart shows a very interesting pattern. After forming a down Chaos Clamshell, prices rallied in a very small CC then declined in another down CC as shown. This rally and retest of the lows has formed a circular pattern that I call a "fireball." That fireball is centered on December 1st when Jupiter passed zero degrees. That is a significant point as it opposes wheat's natal Mercury, Venus, Mars, Uranus heliocentrically. This means it is a major energy point. It is the sort of point that could propel a strong rally off of the historic support line.

George Bayer wrote about trading wheat using Mercury, Saturn and Jupiter. You can learn to find astrocycles with the aid of the Trader's Ephemeris and the Finding Astrocycles video-JUST \$99.

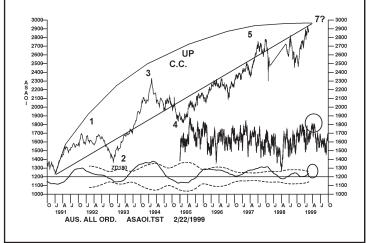




The rally in the Japanese market has failed to break to new highs and is forming a converging triangle as shown. The swings in that triangle are following the energy forecast well. This says we can expect a high in the Nikkei in March and then a decline of several months.

The British market is showing fibrillation after its two month rally. This rally fell short of last year's highs. This supports the interpretation that the British market is in a down CC.

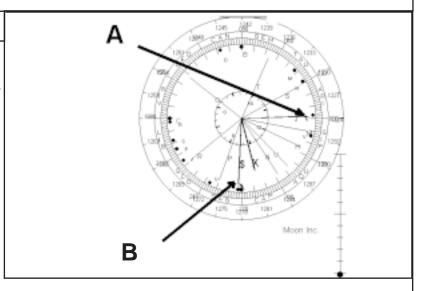
The Australian market has managed to rally as per its energy function, but looks like it is ending its up CC of several years.



ASTROPHYSICS AND CHAOS THEORY

This is a quick lesson on Price Squaring Time. W.D. Gann is credited with using the phrase "Price Squares Time." Unfortunately, there are many different interpretations of what Gann meant. Here is my interpretation. I have seen it work many, many times.

The last few evenings our local news channel has carried a news report of the beautiful site of Venus and Jupiter in the evening sky. That is a timing event. Venus lining up with Jupiter is shown at A on the geocentric ephemeris wheel to the right. When that aspect applied to prices, it caused the S&P to make a low at 1224. At that point price was equal to time.



Moves often swing 90, 180, or 270 degrees around the ephemeris wheel. The point B on the wheel shows the price high of this Venus-Jupiter swing. Price had moved 270 degrees, or square to time, where time is the position of the planetary event causing the swing.

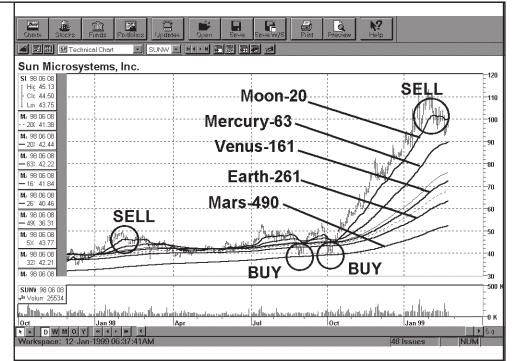
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CHAOS CLASSROOM

Power Investor is the only commercial piece of market software that I use. For \$92 a year you can track 3600 stocks and 1200 mutual funds. That includes daily updating over the Internet. For additional details check out the website at www.freequote.com.

A major problem with commercial software is that they don't necessarily draw good charts. My students know how important proper scaling of a chart is. It turns out that Power Investor can produce reasonably well scaled charts. One can then use the Cash In On Chaos/Fractal of Pi/Face Of God mylar overlays with the charts.

Additionally, one can program a set of moving averages scaled to



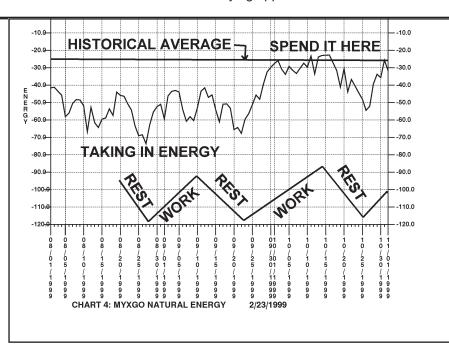
astrocycles. Since we are dealing in trading days we have to take the length of the cycle period, divide it by seven, then multiply it by five. Doing that gives the moving average lengths shown on the chart for the different planets. Study of the charts then gives you some means of interpreting price action. On the chart shown, when prices are well above all the lines and break the Moon line, its time to sell. Tests of the Mars line are buying opportunities.

ENERGY

The chart at the right shows my XGO chart for the third quarter of this year. An XGO chart is a very valuable tool for planning one's activities. The XGO function calculates the energy being received by a person or a market from the universe.

Lows in the chart show those points in time when the entity is being charged by the universe. This is a reverse current flow just as is used to charge up an automobile battery. The rallies in the chart are times when you can spend the energy the universe has given you.

The obvious way to use the chart is to do the simple, easy things, and if possible, rest during the declines planning your work activities for the rallies. Plan special events that require high energy output, such as a business presentation, for the highs.



Further, noticing how the energy function differs from your historical average gives you an idea of what activities will be easiest. The extreme lows are often times of inspiration and insight, as you are "cosmically connected." The extreme lows are good times to plan some private time, meditation, or a retreat. Near your historical average, you will feel more connected with those around you. That's a good time to plan family get-togethers.

QUALITY IMPROVEMENT

Quality efforts this month focused on our Internet access. We had major problems with two of our Friday Chaos Clinics. We discovered that two pieces of software were causing abnormally high error rates on our Internet connection. We managed to limp through our Chaos Clinic sessions, but even after fixing the software problems we still have connectivity problems. We are moving to resolve those by installing a digital ISDN line. Once that line is in place and operating our Chaos Clinics should be easier to conduct and things such as our screen upload will be ten times a fast.

Meanwhile, we are continuing to convert all of our documents to electronic form. In the near future all of our course material and products except for the video tapes will be available via email. We failed to complete our data base so have not yet tested the email delivery of this newsletter but hope to get to it soon.

When our company overhaul is all complete life in Chaos Manor may return to normal but for now it is a bit chaotic.



PEOPLE AND HAPPENINGS

We have had a lot of email this month and have managed to keep up with it fairly well. We appreciate the feedback on our Chaos Clinics and your continuing interest in and support of my work. We have also detected a sense of frustration and irritability amongst people over the last six weeks. This is a sign that the vibrations caused by Mars square Neptune oppose Saturn are being felt. Mars is the source of the frustration and irritability. One has to keep in mind that these are external forces affecting all people, not just the ones you are dealing with. So it is a time to be calm, be patient, and love one another. It is also a time to get out of equities if you are still in them.

All for now. See you next month.

Hono

We did purge addresses last month. If this is a sample newsletter, you will stay on our list until purged. The date after your name tells you the last month you will receive unless you renew. Renewals are \$240/year. Renew now. I do take 3 month and 6 month renewals as well. Just pro-rate the cost. Call 303-452-5566 with your renewal. Visa and Mastercard taken.

The Cash In On Chaos Newsletter (formerly the Market AstroPhysics Newsletter) is published 12 times per year, between the 1st and the 25th of the month. Subscriptions are \$250 per year or \$300 to include subscription to the AstroDow and Astropoint timing service. We may or may not hold securities mentioned. Sources of information are believed to be reliable, but are not guaranteed. Opinions and recommendations are given with the understanding that our sophisticated investors are aware of the risks involved. Past success is no guarantee of future success. Simulated trading results may over or understate actual results. MAP Newsletter is written and published by Dr. Hans Hannula, PhD, RSA, CTA. 303-452-5566., fax 303-457-9871 MicroMedia (The Chaos Mint), Box 33071, Northglenn, CO 80233. Mastercard, Visa accepted. Hotline number 1-900-776-7272. \$2 / minute for 2 to 4 minutes. Access from non-900 areas can be arranged by calling 303 224 4441.

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Your Electric Life, Science for a New Age

by Dr. Al Lason, Ph.D. (aka Dr. Hans Hannula)

Whether you realize it or not, you are being strongly influenced by a very powerful electrical force - the earths electric field. This field produces currents through your body that are 250,000 times as strong as the currents that run your brain. Recognition of this fact, research, and experimentation have led former Bell Labs engineer and scientist Al Larson to a series of insights into many previously unexplained phenomena. His findings cover a wide range of topics, such as dowsing, the human aura, consciousness, bio-circuits, Feng Shui, natal astrology, stock markets, remote viewing, energy field medicine, de ja vu, dreams, and religious experiences. His own discovery of sudden impulses *shows how we are all connected by the field in a Cosmic Internet*. Al provides a rational explanation of how these phenomena work through the earths electric field, along with guidance of how this knowledge can be used to improve your own life. Do not miss this clear, concise, convincing explanation of how things work.

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