



# Aussie Rob's Weekly Newsletter



**Aussie Rob News: 21**  
21<sup>st</sup> Jan 2006

Giddy Folks

Some great correspondence came in again this week and a fair amount has been about datafeed, which is great as the more we discuss these kinds of issues, the more of an understanding you'll get of both the market and my software. As you know, I'm all about education and full disclosure which is how you become more proficient with your trading tools and ultimately a more successful trader!

For the benefit of our new clients, each week I include a selection of correspondence (the Good, Bad and the Ugly sometimes) as, there are a lot of great questions/comments that can help a lot of people. As I'm sure you can appreciate, I do not have enough hours in the day for one-on-one training so I want my time to benefit everyone, not just a few. My update enables me to achieve this! I am sure that you'll find a few nuggets every week. After all, just one tiny thing can have an exponential effect to your trading.

Rob

The naked put "S" comes up as Sears on your stock charts however "S" everywhere else I checked indicates it to be Sprint....I'm confused.

Thanks, Tom

Thanks for bringing this to my attention Tom! "S" had been the symbol for Sears virtually since Jesus played quarterback for Jerusalem but it had to change it's ticker symbol when it merged with Kmart last year. You'll find the following story interesting:

[http://www.usatoday.com/money/industries/retail/2005-02-02-sears\\_x.htm](http://www.usatoday.com/money/industries/retail/2005-02-02-sears_x.htm)

Some data suppliers still have "S" as Sears while it is now Sprint. We're talking to our data supplier to rectify this. If you ever notice this in the future with other stocks and then you wonder if the pick was for example, Sears or Sprint, simply confirm the price of the stock and then you'll know which stock is the candidate.

Hello Rob:

Good to see that you are continuing on your way to full recovery.

Just a couple questions about the ARLT that I think might also be of concern to other traders.



1. Your program has a naked put scanner but not a naked call scanner. Is this because we are in a bull market now and would you consider adding a naked call scanner once the next bear market comes around? Or are there other reasons for having specifically the naked PUT scanner.

A. It's very difficult for people to get Level 5 option approval to enable them to trade Naked Calls, hence the reason why I have not incorporated it into my scanner. If most people can't trade them, there is no point scanning for them.

2. I always have learned that selling naked puts is a very risky undertaking and I still feel quite uncomfortable with it, especially during earnings season when frequently gaps (down) occur. Therefore, I am thinking of buying a longer term (6 months + ) put for my protection. I know that this reduces my profit but at least I can sleep at night. What are your thoughts about this?

A. I agree and I have written about it in my training manual. You might wanna review the option portion again.

3. I am eagerly looking forward to the real time forex capabilities. I am happy to see that it will be available soon.

A. You can download a demo here: [http://www.aussierob.biz/forex\\_demo.htm](http://www.aussierob.biz/forex_demo.htm) I look forward to your comments on it!

Have a great day,

Oskar.

Junior G wrote in saying the following: In the famous words "How can these charts not make money?"

Finally I am having some green numbers. My favourite timber (go on have another go.....everyone has their baby trade, this is mine), beanies, pigs and the old faithful oj and sugar. It is strange, that when I started (keeping journal you see) OJ and sugar were the two that did me dough ALL the time, couldn't take a trick, now they go up, and slide on down just as uniform. Made a bit from gold and the \*\*\*\*\* (Edited) called cocoa better not nose dive tomorrow. It is interesting (well ur right again) that when something bases (eg cocoa or crude) they tend to spike away (down or up who cares they make dinas either way) nicely, just hope the energies bounce back again tomorrow.

Thanks for the update Junior G. Folks, Geoff has been following my charts for a long time now and understands what it's like for an account to cycle. You make some great money, you get a bit of a draw down, you make some more, you draw down again. This is what happens when you trade Commodities the simply Aussie Rob way. This is why I ALWAYS suggest that you papertrade for at least 3 months. As you know, it should only take a few days to get the hang of my charts and you know that my charts work. The part that doesn't work initially and needs further training is that thing between your chair and your keyboard! Yes, that thing is you and your little problem called "emotion".

Imagine coming onboard and jumping into the market trading with real money from day one and your first 3 trades are losing trades. You'd probably pack up shop and say that my software doesn't work. Right? To overcome this, papertrade, papertrade and papertrade some more to



experience both the ups and downs of trading. If it starts down, you'll know from your papertrading experience that it will eventually turn and you'll be back in the green again!

I totally understand the excitement and by no means am I trying to dampen your enthusiasm but NOTHING beats experience! The market has been around for some time now and will probably be around for a lot longer! It's not going anywhere so it'll still be there when you've passed your apprenticeship! This game is all about survival, if you jump in prematurely and blow your dough, how are you gunna continue trading? Baby steps, patience and discipline.... Go a long way to help you stay in the game!

Hi Rob

I have downloaded your FX demo, it is easily the best set up I have seen and I have downloaded a few. I can place Demo trades on this platform right?

Regards Rolph

You certainly can Mate and feel free to pass the link onto any of your trading buddies so they can place demo trades too. When you're ready, I'll help you get a real account set up too!

Tom wrote the following:

Rob...I sold T and got a call back from the brokerage house explaining a very unique situation for T. The Jan 20 puts consist of only 77 shares of T and the rest cash. Not sure of all the technical stuff that goes with it however the bottom line is that the Puts in this case are ITM and not OTM as indicated by your Scanner. What's your advice on non-standard options?

G'day Tom

You'll need to do the math to work out what to do, your broker should definitely be able to help you with this. If there is ever a time like this that you don't know what to do, when your broker calls, get him to explain the deal to you and if you don't fully understand it, pass on the deal as there's always another opportunity around the corner.

StrikePrice	Symbol	Last	Change	Vol	Bid	Ask	Open Int.
5.00	TMA					0.05	312.00
5.00	TIJMA					0.05	312.00
7.50	TMT	0.05		35.00		0.05	1,147.00
7.50	TIJMT	0.05		70.00		0.05	1,109.00
10.00	TMB	0.05	+0.03	2.00		0.05	308.00
10.00	WFEMB	0.05		8.00		0.05	308.00
12.50	TMV	0.10		50.00	0.05	0.05	479.00
12.50	WFEMV	0.05		18.00	0.05	0.05	479.00
15.00	TMC	0.05		6.00	0.05	0.05	1,233.00
15.00	TIJMC	0.05		2.00		0.05	47,150.00
17.50	TMW	0.15	-0.10	4.00	0.05	0.15	20,218.00
17.50	TIJMW	0.05		476.00	0.05	0.05	19,128.00
20.00	TMD	0.05		7.00	1.15	0.05	25,898.00
20.00	TIJMD	0.80	+0.15	495.00	0.70	0.80	33,738.00
22.50	TMX	0.05	+0.02	15.00	0.05	0.05	48,981.00
22.50	TIJMX	3.40	+0.20	48.00	3.20	3.30	43,165.00
<b>24.71</b>	Last as of 1/20/2006 4:03:00 PM						

Folks, we're working on a way to filter non-standard options. In the meantime, a simple way to see if the option could possibly be non-standard is to have a look at the option chain on your broker's trading platform as per the example on the left and look for more than one option with the same strike.

As you can see, "T" has 2 x 20 strikes as per Tom's example above.



Another tell-tale sign that something could be “abnormal” is the incredible return. Notice how “T” came up on the scan on Friday (Expiration Friday) showing a 20+% return for one day. If something looks too good to be true, then guess what? It probably is....

**Aussie Rob's Lifestyle Trader**

Support Update

Commodities Stocks Options Forex

**Option Scanner**

Covered Calls Naked Puts

**Stock Price**  
From: 5 To: 30

**Expiration Month**  
JAN ~ 2006

**%OTM or Greater**  
5%

**% Return if Put Not Assigned**  
From: 5 To: 30

**Scan**

**Export To Excel**

**Aussie Rob's High Yield Naked Puts Current Month**

Stock	Stock Price	Option	Strike	Last Trade	Option Bid	Option Ask	Open Interest	Option Volume	Not Assigne Return%	Margin Per Contract	OTM%
T	24.90	TJMD	20.00	0.65	0.55	0.7	27637	101	21.57	\$255.00	19.68
GNSS	19.23	GFEMW	17.50	0.35	0.2	0.3	3809	2343	6.10	\$327.75	9.00

### Computer glitch strikes at Nasdaq

JANUARY 20, 2006 COMPUTER problems at the Nasdaq Stock Market have led to erroneous stock quotes on a number of major online financial news sites and brokerages.

The incident has prevented approximately 81 thousand trades from being reported in the last minutes of the previous trading session.

The stocks affected are listed on the New York Stock Exchange but can also be traded electronically on Nasdaq's computer platform.

Nasdaq is responsible for reporting those trades to a consolidated listing service so that investors can see the latest price for a given stock traded on the floor of the NYSE or via Nasdaq's computers.

It's not yet known how many NYSE-listed stocks were affected by the computer errors.

**Editor's Note:** There is always the possibility of a split second glitch or even longer with datafeed and sometimes there can be erroneous data. It's not the software's fault as it pulls the data from the data suppliers.



If you ever see something that doesn't look quite right, always confirm with your Broker or Professional Advisor!

I'm bringing this to your attention to demonstrate as with any electronic tool, the tool can only process the data that it receives. You then have to check and confirm the results prior to placing a trade. This is the reality of the electronic world that we live in. It's perfect "most" of the time but due diligence is always required.

### **ARLT Version 3.3**

Thanks for the great feedback on 3.3 this week! I was amazed at the amount of people saying, "Thanks but no thanks".... as they have already weaned themselves OFF Technical Analysis! Nothing excites me more when I hear that as it continually proves the potency of my charts.

### **CFDs are now a Reality!**

YES, existing applications are being processed right now as I type this newsletter. More info to follow next week!

### **AussieRob FX Trader**

Have you set up your demo account yet? FREE streaming data and FREE streaming charts. Set it up now by going to: [http://www.aussierob.biz/forex\\_demo.htm](http://www.aussierob.biz/forex_demo.htm)

You'll instantly receive an auto reply with your User Name and Password. Then go to: <http://www.aussierob.biz/downloads.htm> to download the software and see how addictive FOREX trading can be. Remember, it trades virtually 24 x 7 so if you get the urge to trade at 3am, you can jump on your computer and get your trading fix.

### **Stock Alerts**

*You asked for them so here they are....*

What to buy? When to buy? What's your profit target? Are some of the most common questions I get asked and the great news is, you can now receive a bundle of stocks each weekend that my team and I have analyzed and are on our radar screen waiting to possibly trade the following week.

As you'll see in the attached spreadsheet, I'll be listing the stocks that we're look'n at along with several different profit targets to satisfy both the conservative and the speculative trader. In addition to that, there'll be comments on most of the candidates to help you with your decision making.

Now that 3.3 has been launched, you'll have both my proprietary signals as well as an abundance of technical indicators to help you make your decision on when to get in and when to get out of your trades. Add to this my new Alert Service..... arming you with more than enough trading opportunities!

The service will retail for \$49.95 per month but like I always do for my existing clients, you can capitalize on the pre-launch special of only US\$29.95 per month. That's less than \$1 per day for more than enough great trading opportunities! If you're serious about your trading, then you



need to consider what it takes to recoup this minimal cost? I know that some of you have paid more than that for brokerage on just one trade!

Think about it... For virtually the same cost as trading commission, you can receive an abundance of high probability trades with profit targets every week. Lifestyle Trading is what it's all about. Tools and services to minimize the time spent on your trading, enabling you to spend more time with the other important things in your life! *It's easy to make money but very difficult to make more time, that's why professional tradesman use professional tools.*

Click on the following link to activate your 2 week FREE trial:

[www.aussierob.biz/stockalertstrial.htm](http://www.aussierob.biz/stockalertstrial.htm)

### **Welcome Noshee! – From Student to Mentor!**

Noshee is an Options student who has come of age and I'm excited to welcome him onboard the Aussie Rob TEAM! Noshee has taken to stock analysis like an Aussie to Fosters and shrimp on a barby. He'll be analyzing my weekly Watchlist with an array of technical analysis to project various profit targets and reduce the list down to a group of hand picked high probability stocks. He'll be adding a few of his favorites to the list too!

My Watchlist will remain as a FREE service, however, the Stock Alerts will be a premium service as previously explained.

### **Commodity Alerts?**

YES, coming real soon...

### **Brokerage ~ Aussie Rob Financial Services**

Don't forget one of the great advantages of trading through Aussie Rob's Financial Services is not only the low, low commissions but the cutting edge Trading Platforms with FREE real time streaming data and charts. I seriously suggest that you check out our services at:

<http://www.aussierob.biz/brokerage/index.htm>

### **Commodities ~ What's Hot**

The Peso is continuing it's gradual but profitable climb. Right click the daily chart and switch to the weekly chart and you'll see what a fantabulous run it's had for the last 5 months.

Gold has continued from being the buzz commodity of 05 by making a 25 year high this week. What was your best commodity for 05? Oil or Gold? OK Geoff, what about Lumber? :-))))

Crude has continued it's rally with a vengeance thanks to Iran. Heating Oil is trending well too and Unleaded Gas is creating new highs. As Junior G said awhile back, he's not worried about the price of petrol/gas as he's earned enough outta Crude to cover the cost of running his car for how long? ;-)

Last week the following statement was in the "What's Not" category and now this week it's here.... "Heating Oil has been trending nicely making us profits on the way up and now short profits are flowing too." Now we're back long making more profits! How cool is this?



Great profits taken off the table with our long grain rice or is that rice long or long rice!?!?!?

Copper, Gold, Palladium & Platinum have all triggered long exits. Add the profit of these 4 no-brainers and you've probably made more on these trades in the last month than most traders make in a year. How'd ya go Erik? Not a bad first month or so, eh? Ya better get that keg of Fosters ready for me! :-))))))

What an interesting couple of days with Cotton! Fantabulous long profits taken off the table and now I'm getting ready to pounce all over it again.

Sugar: Last week I said: "Sugar has triggered an entry for Monday after taking a bit of a rest from it's last rally." And what happened? The basing theory struck again! Check out the profits!!!

### **Commodities ~ What's Not**

Corn has finally made up it's mind and is heading south. Switch to the Weekly chart and see if you can see what I can see. The charts tell it all.

I'm gunna reinforce what I said about Soy last week: "Soy.... Well what can I say? Fantastic profits on the way up and now Fantabulous profits on the way down. Show me the Moneeeeeeeey! :-))))))"

For all of you Stock traders..... what are all of the E-mini's saying? As the US stock market plummets, or short futures positions are overflowing with profits! The same goes with the Nikkei and the Russell.

Feeders are still jitterly (you like that new word?) heading south as the Japs have banned US beef again within a week of giving it the all clear.

The Piggies are both producing more short profits too!

Lumber - timberrrrrrrrrr

What did I say the other week about OJ? "OJ has been trending nicely. Beautiful short trade then a nice little recovery and now another nice short. Pretty easy trading, eh!" Well here we are again, squeezing some profits outta this little beauty!

### **Commodities – Neutral**

I guess no-one knows what's gunna happen with the greenback atm as the Aussie Dollar, British Pound, Euro are all trading sideways, taking a big breath and waiting to pounce or collapse. Which way will it go? Bugged if I know, keep an eye on the charts and my Lifestyle Trader will tell ya! ;-)

With the major currencies trending sideways atm, the US Dollar Index has to join them.

We took some great profits off the table this week with our Natural Gas short so I guess we'll let it trend sideways for awhile so it can work out where it's gunna go next.



The 10 Yr Note has continued to flounder sideways.

Coffee has tried to continue it's uptrend but it's really gone nowhere this last week.

**New to Commodities:** Please and I mean PLEASE.... Do not get carried away with the incredible profits that are coming from some of these commodities. This happens most of the time! The market has been around for some time now and it will probably still be around in 90 days time. Always, and I mean ALWAYS paper trade something new for at least 90 days before using real money! You can get whipsawed around, sorry, I should have said, YOU WILL GET WHIPSAWED AROUND and a lot of people cannot handle that happening, however those who follow the rules and paper trade first, understand that whipsawing is part of the game. You will have losing trades, probably more losing trades than winning trades, however, in the long run, my commodities module has been producing consistent profits over time! Be disciplined and play by the rules so you'll be in the game for the long haul. If not, YOU WILL get wiped out. I'm not saying that to scare you out of trading commodities, I say that because I want you to be in the game long enough to be able to enjoy the profits! Follow the rules and paper trade! *"End of lecture"*

### Aussie Rob's Watch List

The whole idea of my Watch Lists is for you to keep an eye on my previous Watch Lists to find trending stocks to put into your own Watch Lists.

I run 5 different scans and then select the stocks that appear in at least 3 scans.

5 Scan:	Bullish ( <b>Green</b> )	Bearish ( <b>Red</b> )
4 Scan:	Bullish ( <b>Blue</b> )	Bearish ( <b>Blue</b> )
3 Scan:	Bullish ( <b>Black</b> )	Bearish ( <b>Black</b> )

The Bulls continue to outnumber the Bears again this week 42:17.

#### Bullish List

**ACO**  
AHT  
**AOS**  
AVGN  
**AVII**  
**AVM**  
BDE  
**BHI**  
**BLK**  
BWNG  
CHAP  
CLC  
CRED  
DSS  
ESCL

#### Bearish List

BBT  
FARO  
GE  
HBAN  
ICH  
INTC  
IQW  
JRC  
LYTS  
MI  
**MOD**  
PVD  
STI  
TBAC  
TCB



FPB  
FRC  
GAN  
HAL  
IGT  
**IMN**  
**LIFE**  
MDCI  
MEAD  
**MICC**  
**NICH**  
**NRPH**  
**OIH**  
OMN  
PSO  
PTSI  
PVA  
RELV  
**RS**  
**SHPGY**  
**SLB**  
SNP  
STIZ  
STKL  
**TWTC**  
**WFT**  
WOS

TVL  
WSH

Well that's it for another week, I hope you're taking advantage of the great opportunities in the market and claiming your fair share of the profits!

Until next week...

Kind Regards  
Aussie Rob

[www.aussierob.biz](http://www.aussierob.biz)

*"Everything's EASY when you know how!"*

