



# Share Trading Education.com

Your Financial Independence is at the Heart of Everything We Teach

Today's 'Stock Traders and Investors Free Weekly Wrap' is based on an EXTRACT from Edition 329 of the Mentoring style '*Investing & Online Trading*' Newsletter

## 1. NEW! Jim Berg's JB Volatility Workshops



The following announcement is literally hot off the press (or at least the modern day equivalent), as only a few minutes ago we finalised arrangements and went live with a [brand new webpage](#) detailing the following initiative:

Over the past six years, Jim Berg has held a weekend Boot Camp in May in Queensland.

Next year, in place of Boot Camp, Jim will run a one day '**hands-on**' **JB Volatility Workshop in Melbourne, Sydney and the Gold Coast** – to make it easier for traders and investors to learn all the details of his trading rules – at locations closer to home for some.

- Those attendees who do not already have a copy will be able to download Jim's Home Study Course Manual (\$780 value), so you can best prepare yourself before Jim's workshop.

All attendees will also receive:

- Our 2 new DVDs (due to be released within the next month) on '*Introduction to the Market*' and '*Money and Risk Management*' (\$200 value), plus
- 12 months email support direct from Jim himself (*priceless*)

**Discounts of 35% to 60%** are available for Newsletter Members, previous Boot Camp and Home Study Course graduates and partners/ family.

To help spread your budget, **until 30 November only**, you can also take advantage of our **special early bird** facility and secure your place with **6 Interest-Free Easy Payments**.

To discover more, we invite you to *check out our new webpage now at*

<http://www.sharetradingeducation.com/JBVolatilityStockTradingWorkshop.aspx>

## 2. What Should I Do?

Yesterday we received an email from a new visitor to our website, asking;

*"XXX says sell - what should I do ?"*

We replied that we do not offer specific, i.e. personal advice. Each individual must make his/her own Financial decisions and be responsible and accountable for such decisions, based on what they learn and thoroughly back-test and from what they may be advised by their own financial advisor, accountant etc.

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

What we do provide is the education on how to trade or invest in the market using Jim Berg's common sense approach, so you can see how Jim trades and invests. In fact, since we started this newsletter in July 2005, *Jim has not had one major loss of greater than 20% in any notional portfolio trade*, with nearly every notional loss contained to less than 10% and many of them less than 5%.

Jim has also provided warnings and closed the notional portfolio ahead of every significant downtrend since 2005 (including the GFC in 2008/9) and saved those Members who followed his lead from *not* losing millions of dollars between them.

The education we provide in this Newsletter includes:

- Jim Berg's series of caution articles, starting in March this year, through closure of the newsletter portfolio in July through to his current updates each
- Jim's documented trading rules for short term trading and longer term investing, using daily and weekly charts respectively
- Two exercises each week to help you comprehend and use Jim's Rules, with the results of Jim's own analysis provided the following week:
  1. **Tutorial 1:** How to Filter a Watch List using Jim's weight of evidence
  2. **Tutorial 2:** How to Analyse Trends (including Pivot Points), Entries and Exits and how to manage short term trades ((incl Initial, Trailing and 16 Day Stops)

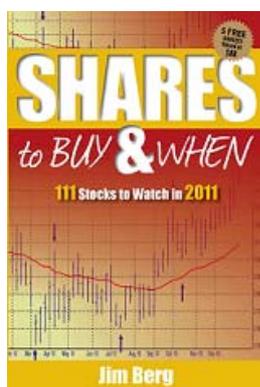
We encourage you to take the time to go through these weekly exercises as we know you will gain so much more from this Newsletter as a result

- Jim's analysis of RSI Alerts in the ASX and USA markets - currently for shorts. These Alerts will be replaced for trading long when Jim shows an overall market re-entry signal has been given in his weekly market update
- Daryl Guppy's weekly View of the Market and contributions from other well-known traders/educators

Jim and I believe that those who take the time out to '*sharpen their axe*' in the current market by educating themselves now will be in the best position to take maximum advantage of the first moves in the next rising (bull) market, once an overall market re-entry has been confirmed.

**A request please:** To keep our (and therefore your) costs low, we rely heavily on word-of-mouth advertising, so we would greatly appreciate your referring us to as many of your like-minded family members, friends and associates as you can - thank you.

### 3. JB Book Clearance Sale



Now you can save on Jim Berg's 2011 book '*Shares to Buy & When*':

Jim is not currently planning to release a follow up for 2012. However, he says:

*" Many of the companies in this book will probably be recommended again by 'experts' for 2012. This book provides a valuable reference tool from which it is easy to work out the yearly return and compare returns when applying a disciplined trading strategy."*

While stocks last, the publisher has reduced this educational resource to only AU\$13.50, including delivery in Australia, **so you save \$22.**

To discover more, [Click Here >>>](#)

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).



## The Top ASX 100 Falls: The Vital Importance of Using Stops

*By Jim Berg and John Atkinson*

### 1) Recap

The past year has been a very difficult year for most traders - as the market spent much of the year in a sideways crabbing pattern, with short periods of increased volatility, before turning down strongly in recent months.

On Tuesday 9 August 2011, markets tumbled around the world, following a drop of about 5.6% on the DOW in its previous trading session in the USA. (refer to our coverage in Edition 317).

In Australia that day, many shares fell substantially, then rebounded spectacularly off their Lows.

This followed what appeared to be capitulation selling e.g. by margin lenders dumping stocks on behalf of those clients who had received margin calls (and hence were obliged to produce extra cash) and those investors who had bought Blue Chips on a "Buy and Hold for the long term" basis, but who found they could not actually 'take the pain' any longer, so sold out in a panic.

We commenced this new section of this Newsletter in Edition 318. We are progressively examining all of the ASX100 Charts - to compare the outcomes of our two hypothetical traders; **JB Trader #1** and **Trader #2 'Buy and Hold'**.

We will analyse only those ASX100 shares which have given a JB Volatility Entry signal within the last 12 months.

In particular, for each of the ASX100 shares, we will look at *the last potential trade which occurred in a Rising Trend over the last year*. For each ASX100 share, Jim will:

- ✓ Provide a *weekly chart as at August 2011* and show whether the share was in a Rising Trend or a Falling Trend, by Jim's definitions
- ✓ If necessary, go back in time to find the last time each share was in a Rising Trend, then detail the notional management of JB Entries and Exits for the last potential Rising Trend Trade - using Jim's short term Trading Rules on a *daily chart* - and will provide the notional results
- ✓ Show a chart of the price action which occurred after the last JB Exit
- ✓ Include the results in 3 summary Tables at the end, so you can compare the outcomes for our hypothetical Traders #1 and 2.

We encourage you to follow very closely the details shown in Jim's charts and his accompanying analysis descriptions, as this will further advance your understanding of his common sense approach.

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## 2) In-depth Comparative Analysis

### ASX100 Stock #1

#### Analysis of the Last Rising Trend Potential Trade

**Trend Analysis as at August 2011:** Stock #1 was in a **falling trend**.



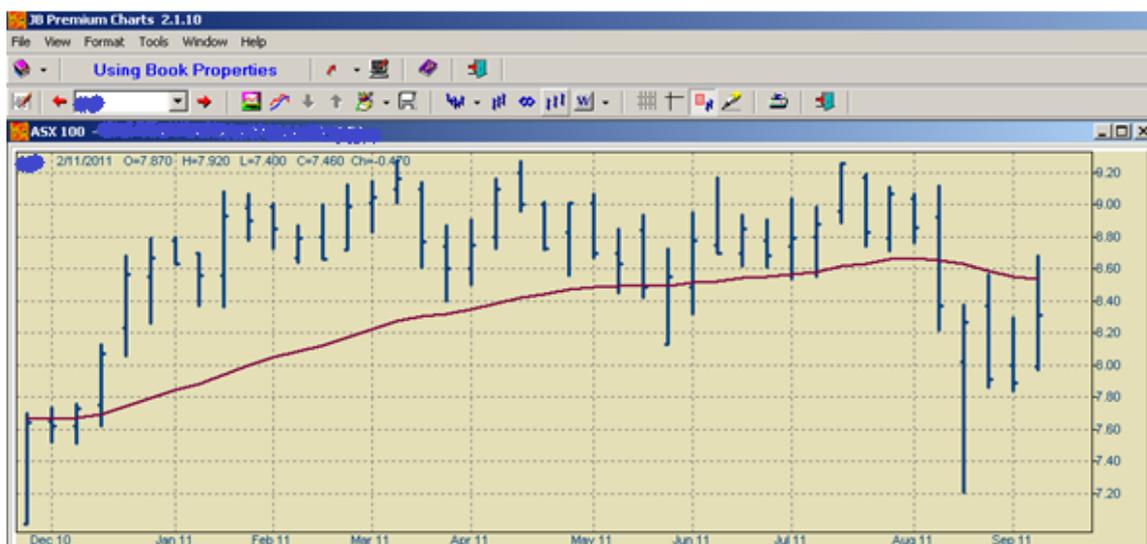
*Stock #1 Weekly Chart*

**Stock #1 Entry Analysis:** There has not been a **Volatility Entry** signal in over a year.

### ASX100 Stock #2

#### Analysis of the Last Rising Trend Potential Trade (Stock #2)

**Trend Analysis as at August 2011:** STOCK #2 was in a **rising trend**.



*Stock #2 Weekly Chart*

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## Stock #2 Last Rising Trend Potential Trade: Entry & Exit Analyses



Stock #2 Daily Chart at Entry & Exit

{ Please Note: This is an *edited extract*. Stock codes/names; Jim Berg's complete Entry and Exit and other Trading Rules are provided in the *full Editions* - for [Newsletter Members](#) only. }

**Entry - \$8.62 (20/05/2011)**

**Exit - \$8.74 (19/07/2011)**

**Result + 1.4 %**

## Price Action since Last Potential Trade Exited (Stock #2)



Stock #2 Daily Chart

**Exit - \$8.74 (19/07/2011)**

**9/8 low - \$7.21**

**Result - 17.5 %**

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## ASX100 Stock #3

### Analysis of the Last Rising Trend Potential Trade (Stock #3)

**Stock #3 Trend Analysis as at August 2011: Stock #3** was in a **falling trend**.



*Stock #3 Weekly Chart*

### Stock #3 Last Rising Trend Potential Trade: Entry & Exit Analyses



*Stock #3 Daily Chart at Entry & Exit*

{ **Please Note:** This is an *edited extract*. Stock codes/names; Jim Berg's complete Entry and Exit and other Trading Rules are provided in the *full Editions* - for [Newsletter Members](#) only. }

**Entry - \$2.03 (24/06/2011)**

**Exit - \$1.795 (04/07/2011)**

**Result - 11.6 %**

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

### Price Action since Last Potential Trade Exited (Stock #3)



Stock #3 Daily Chart

Exit - \$1.795 (04/07/2011)  
 9/8 low - \$1.685  
 Result - 6.1 %

### ASX100 Stock #4

#### Analysis of the Last Rising Trend Potential Trade (Stock #4)

Stock #4 Trend Analysis as at August 2011: Stock #4 was in a rising trend.



Stock #4 Weekly Chart

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## Stock #4 Last Rising Trend Potential Trade: Entry & Exit Analyses



Stock #4 Daily Chart at Entry & Exit

{Please Note: This is an *edited extract*. Stock codes/names; Jim Berg's complete Entry and Exit and other Trading Rules are provided in the *full Editions* - for [Newsletter Members](#) only.}

**Entry - \$3.02 (27/04/2011)**

**Exit - \$3.42 (23/06/2011)**

**Result +13.2 %**

### A) Price Action since Last Potential Trade Exited (Stock #4)



Stock #4 Daily Chart

**Exit - \$3.42 (23/06/2011)**

**9/8 low - \$2.89**

**Result - 15.5 %**

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## ASX100 Stock #5

### Analysis of the Last Rising Trend Potential Trade (Stock #5)

**Stock #5 Trend Analysis as at August 2011:** Stock #5 was in a **falling trend**.



*Stock #5 Weekly Chart*

**Stock #5 Entry Analysis:** There has not been a **Volatility Entry** signal in over a year.

### 3) Summary Tables

The above analysis shows:

- As at August 2011, 3 of the 5 stocks were in a **falling trend** and two were in a **rising trend**.
- 2 shares had not given a JB Volatility Entry signal for over a year and
- How effectively the use of Jim's Stops would have helped traders to minimise losses at the end of the previous rising trend.

The following Tables summarise the ASX100 shares analysed in this Edition. At the end of this series of articles we will pull all the results together for an overall comparison. To facilitate the analysis, transaction costs and extra income from dividends will be ignored. At the outset, we do not know what the final result will be, so we are all following the progress of this back testing research together.

Let's now compare the results for the shares analysed above for our two hypothetical traders:

- **JB Trader #1**, who used Jim's Trading Plan and exited on his stops and profit targets
- **Trader #2 'Buy and Hold'**, who held on to his shares in recent weeks

For the purpose of this comparative analysis, we will assume both traders have '*bottomless pockets*', ignore money and risk management principles and buy a position for each potential trade.

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

Jim's Trading Rules, developed specifically for the 'Investing & Online Trading' Newsletter, are summarised in our Guide 'How To Write Your Own Trading Plan' – as provided with our compliments, in the [Members Only Library](#).

Using these Rules, Table 1 shows JB Trader #1's summary of the last potential Rising Trend trades which were possible for the ASX100 shares detailed above.

Table 1

JB Trader #1: Analysis of the Last Rising Trend Potential Trade						
Security	JB Entry Price	JB Entry Date	Exit Price	JB Exit Date	WEEKS in JB Trade	Profit/Loss
Stock #1	( N/A: No JB Volatility Entry signal for > 1 year )					
Stock #2	\$ 8.620	20/05/2011	\$ 8.74	19/07/2011	8.6	1.4%
Stock #3	\$ 2.03	24/06/2011	\$ 1.795	4/07/2011	1.4	-11.6%
Stock #4	\$ 3.020	27/04/2011	\$ 3.42	23/06/2011	8.1	13.2%
Stock #5	( N/A: No JB Volatility Entry signal for > 1 year )					
<b>Mean (3 shares)</b>					<b>6.0</b>	<b>1.0%</b>

For each of these shares, Table 2 shows the extent of the falls after Jim's JB Exit Signal would have been taken and how many weeks since - through to the Low of 9 August 2011.

Table 2

Price Action since JB Exit			
Security	Low on 9/08/2011	WEEKS since JB Exit	Fall since JB Exit
Stock #1		n/a	
Stock #2	\$ 7.210	3.0	-17.5%
Stock #3	\$ 1.685	5.1	-6.1%
Stock #4	\$ 2.89	6.7	-15.5%
Stock #5		n/a	
<b>Mean (3 shares)</b>		<b>5.0</b>	<b>-13.0%</b>
		weeks	

Table 3 shows Trader #2 (Buy and Hold)'s summary of open positions as at the Low of 9 August 2011:

Table 3

Trader #2 'Buy and Hold': Status as at Low of 9/8/11		
Security	WEEKS in trade	Open Loss since JB Entry
Stock #1	n/a	
Stock #2	11.6	-16.4%
Stock #3	6.6	-17.0%
Stock #4	14.9	-4.3%
Stock #5	n/a	
<b>Mean (3 shares)</b>		<b>-12.6%</b>
		weeks

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

Jim Berg originally *closed* this newsletter's notional portfolio in January 2008, ahead of the GFC and *re-opened* it again after the market had confirmed an overall market re-entry signal in June 2009.

In March/April 2011, Jim and I began to provide caution warnings in this Newsletter. Jim closed the notional portfolio again in July 2011, with the triggering of a stop loss on the final notional trade example. It is important to note that:

1. It is extremely unlikely that any rising trend will continue forever. Eventually, most rising trends roll over, turn down and subsequently become falling trends.
2. Since the start of 2011, several shares (including many of the ASX100 featured in this series of articles) ended their rising trends and followed the pattern described above
3. In these articles, as we are mainly looking at the last potential trades which occurred in a rising trend over the last year, then by definition, we would expect that in this market most of these potential trades would either be :
  - a. Providing their last chance to take a profit using JB Rules, or
  - b. On their way down after rolling over - in which case we would expect to see Jim's stop losses to kick-in to minimise potential losses.

In fact, the comparison of potential trades using Jim's Rules for the four ASX100 shares analysed above shows:

- Table 1 shows that using Jim's documented Rules:
  - Stock #1 would have been exited at a profit target of **1.4%**, Stock #2 would have been stopped out at a loss of **-11.6%** and Stock #3 would have been exited using Jim's JB Profit Taker at a profit of **13.4%**.
  - JB Trader #1 would have protected his capital, '*gone to cash*' and thereby minimised notional losses to an average of **-1.0%** per share for 3 shares in an average of **3.6 weeks**
- Table 2 shows that after triggering JB Exits, these ASX100 shares subsequently fell further by an average of **-13.0%** per share in **5 weeks**.

(Not shown in this table is that Stock #2 continued to fall to a Low of \$0.857 on 26 September, i.e. a fall of **-52.3 %** below Jim's exit price of \$1.795 shown in Table 1.)

- Table 3 shows the comparative outcome if Trader #2 '*Buy and Hold*' had held on to each of the 3 positions shown above. By the Low on 9 August 2011, i.e. an average of **11 weeks** after entry, they were in an overall average notional losing position of **-12.6%**.

The overall pattern of these results is similar to those shown in Editions 319 to 328 (incl.) for the 35 other charts of the ASX100 shares analysed so far by Jim.

In Edition 319 we showed that the cruelty of the market is such that falls of 20% to 50% cannot be set straight by a rally of 30%..... They actually need rises of **+25% to 100% respectively** to get back to where the share prices were previously.

---

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## 4) Tutorial #1

Next week, we will continue with Jim's in-depth comparative analysis for the next five ASX100 shares in this series:

**{Please Note:** This is an *edited extract*. Stock codes/names; Jim Berg's complete Entry and Exit and other Trading Rules are provided in the *full Editions* - for [Newsletter Members](#) only.}

In the meantime, we suggest you take the time during this coming week to do your own analysis of those 5 shares yourself, as follows:

1. Place the 5 shares listed above into a new folder/book in your charting program
2. For each share:
  - a. Open a *weekly chart* and determine whether the share is currently in a Rising Trend or a Falling Trend, by Jim's definitions
  - b. Go back to the last time within the past 12 months (*only*) that the share was in a Rising Trend, then
  - c. Determine the entry date and entry price for the last potential Rising Trend Trade, using Jim's short term Trading Rules - on a *daily chart*
  - d. Determine the exit reason (trigger), exit date and exit price for that last potential Rising Trend Trade,
  - e. Record your results and compare with Jim's 'answers' next week

We believe that those Members who commit to undertake this exercise will find that it should prove to be invaluable - as it should help you increase your understanding of Jim's documented rules for:

- ✓ Trend Analysis, including Pivot Points
- ✓ Entry Analysis, including RSI Alert, Blue Bar Entry Signal and other entry rules
- ✓ Initial and Trailing Stops and Jim's 16 Day Rule
- ✓ Exit Analysis, including Stops, short term profit targets and JB Profit Taker

We also suggest you observe closely Jim's analysis of this week's shares above and review again those which we previously published in Editions 319 to 329 - as this will also help increase your understanding and act as a lead to help you with your own analysis of today's tutorial.

**Please Note:** To access all the stock codes,  
Jim Berg's complete Entry and Exit and other Trading Rules,  
We Invite You to [Become a Member Now >>>>](#)

---

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## TO CONTINUE READING .....

**IN THIS WEEK'S EDITION 330**of the **'Investing & Online Trading'** mentoring-style Newsletter:

Article	Author	Page
Introduction to Edition 330	John Atkinson, Mark Hulbert, Sam Subramanian and MarketWatch	2
Caution Update	Jim Berg	6
Top ASX100 Falls – The Vital Importance of Using Stops	Jim Berg and John Atkinson	8
<i>Step 1</i> How to Filter a List of "Experts' Picks for 2011	Jim Berg and John Atkinson	16
<i>Step 2</i> Recent RSI Alerts – ASX300	Jim Berg	20
<i>Step 3</i> Short Term Trading Portfolio Update	Jim Berg and John Atkinson	21
Recent RSI Alerts – USA Market	Jim Berg	21
Solving Your Trading Problems: <i>ASX100 Falls, Rising Trend, JB Premium Data Free Trial</i>	Jim Berg and John Atkinson	23

**To Continue Reading .....either:**

[1\) Download This Week's Edition 330 for only \\$6.90 >>>](#)

Or .....

[2\) Become a Member Now with NO Lock-In Contract - and Claim Your FREE BONUS Welcome Package \(Worth \\$194\)](#)

[Click Here Now >>>>](#)

**Disclaimer:** Direct investing in the stock market can result in financial loss. Historical results are no guarantee of future returns. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Stock tips or 'buy' or sell recommendations are **not** provided. This educational information is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs. This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. Avestra Capital Pty Ltd (Avestra) AFSL 292464, and ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra, disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. Refer also to the full disclaimer at the back of each newsletter Edition and our [Terms of Use](#).

## 'How to Maximize Profits and Minimize Losses' Jim Berg's Latest DVD



This DVD includes a section on Jim's 'Big Picture' investment approach – the key signals Jim used to exit the market in January 2008, ahead of the GFC ..... and to re-enter afterwards in June 2009. Jim saved those Newsletter Members who followed his lead from **NOT losing** millions of dollars between them.

This presentation of about 1.5 is full of information on how Jim Berg trades and invests in the market.

We recently loaded two new extracts from the presentation on this [webpage >>>>](#) You now have the opportunity to play and replay this DVD, so you can fully understand Jim's profitable stock trading and investing strategies that really work.

For more info on "[How to Maximize Profits and Minimise Losses](#)":

[Click Here Now >>>](#)

**DISCLAIMER AND COPYRIGHT** Direct investing in the stock market can result in financial loss. Past performance is no indication of future performance. Results reflect absolute trading stop loss discipline. Case study trades are monitored and managed in real time, and management reports are delivered every week in the newsletter. Except where noted, all case study trades are notional examples using reasonably attainable entry and exit points. Unlike an actual performance record, simulated results do not represent actual trading. Also, since the trades have not actually been executed, the results may have over or under compensated for impact, if any, of certain market factors, such as lack of liquidity. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. Full trade summaries, with charts, are provided each year. In preparing this newsletter ShareTradingEducation.com ("STE"), as Corporate Authorized Representative of Avestra Capital Pty Ltd (Avestra) AFSL 292464, has not taken into account the investment objectives, financial situation and particular needs of any particular investor. Before making an investment decision on the basis of this newsletter and the accompanying material, the investor needs to consider, with or without the assistance of an adviser, whether the advice is appropriate for them in view of their individual financial circumstances. Any projections made in this letter are estimates only and no guarantee is provided that those projections will be realised. Further, STE and/or Avestra do not warrant the accuracy of the information in this newsletter. STE and/or Avestra and its officers, employees, agents, associates and alliance partners ("Associates") may have or may obtain an interest in the securities referred to in this letter and will receive commissions, brokerage and other fees from dealing in the securities or advising in respect of the proposed listing of the securities. Avestra and/or STE believe that the information contained in this letter was accurate at the time it was compiled. Avestra and/or STE do not warrant that the information contained in this letter is accurate, complete, reliable or up to date and to the fullest extent permitted by law disclaims all liability of Avestra, STE and its Associates for any loss or damage suffered by any person by reason of the use by that person of, or their reliance on any information contained herein, whether arising from the negligence of Avestra, STE or its Associates or otherwise. This publication, which is generally available to the public, falls under the ASIC Media Advice provisions. These analysis notes are based on the authors' experience of applying technical and fundamental analysis to the market and are designed to be used as a tutorial showing how fundamental and technical analysis can be applied to a chart example based on recent trading data. Stock tips or 'buy' or 'sell' recommendations are not provided. This newsletter is a tool to assist you in your personal judgment. It is not designed to replace your Licensed Financial Consultant or your Stockbroker. It has been prepared without regard to any particular person's investment objectives, financial situation and particular needs because readers come from diverse backgrounds, with diverse objectives and financial situations. **Liability:** This information is of a general nature only so you should seek advice from your broker or other investment advisors as appropriate before taking any action. The decision to trade and the method of trading is for the reader alone to decide. The authors and publisher expressly disclaim all and any liability to any person, whether the purchase of this publication or not, in respect of anything and of the consequences of any thing done or omitted to be done by any such person in reliance, whether whole or partial, upon the whole or any part of the contents of this publication. Whilst all care has been taken, Avestra and/or STE and their officers, employees and agents or the authors or contributors of this newsletter accept no liability for any reliance upon any material and information provided by them and no responsibility is accepted for any losses, charges, damages or expenses which may be sustained or incurred by any participant or otherwise by reason of any reliance upon the materials or information given. **Copyright:** The information contained in the newsletter is copyright and for the sole use of trial and prepaid readers. It cannot be circulated to other readers without the permission of the author. Each issue incorporates fingerprint protection that enables us to track the original source of pirate copies. Contributed material reflects the personal opinion of the authors and is not necessarily those of the publisher. Articles accurately reflect the personal views of the authors. Sharetradingeducation.com is an independent financial education organization and research is supported by subscription fees and affiliate rebates. OFFICES: Head Office, 16 Vista Avenue Copacabana, NSW 2251, Australia; and 3 Clonarg Street, Glen Iris, Victoria, 3146 Australia. **Disclosure of Interest:** Avestra/STE and their associates and authors of the *Investing & Online Trading Newsletter*© team may hold shares in the companies featured in this newsletter. **Further Conditions** are specified in the [Terms of Use](#) at [www.sharetradingeducation.com](http://www.sharetradingeducation.com).

**Did You Enjoy this week's Free Weekly Wrap? If so,  
Please email this on and  
share it with someone else**

They'll appreciate it and so will we! *Please do not spam, thank you.*

If you have been sent this by a friend, we invite you to sign up to our Free Club  
at [www.ShareTradingEducation.com](http://www.ShareTradingEducation.com) - to receive your:

- ❖ Future copies of the Free Weekly Wrap sent directly to you
- ❖ Jim Berg's Free AUDIO MP3 - '3 Steps to Successful Investing'
- ❖ 2 Free Reports; '6 TRADING SECRETS - How to Outperform the Experts' and 'Jim Berg Dispels the Myth'

To YOUR Success - from Jim Berg and the ShareTradingEducation.com team