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Today's 'Stock Traders and Investors Free Weekly Wrap' Article is based on EXTRACTS from Editions 350 & 352 of the Mentoring style 'Investing & Online Trading' Newsletter

1. Rising Trend Signal!



Last Friday, the 20th April was a very significant day that we've all been waiting for. First, as background:

In December 2007, Jim Berg warned Members of our '[Investing & Online Trading](#)' mentoring style Newsletter of the potential for a Bear Market or crash and closed the Newsletter's Portfolio 2 weeks later in January 2008, i.e. **BEFORE** the GFC.

Jim re-entered the market 18 months later in June 2009, issued his next caution in March 2011 and closed the portfolio **again** in July 2011, i.e. **BEFORE** the large falls of August to November 2011.

Those Members who followed Jim's lead in the past 4 years did **NOT** lose millions of dollars between them.

Since July 2011, the portfolio has remained closed and our on-going series of articles on Top ASX100 and ASX200 Falls has shown several examples of the value in using Stops to exit the market prior to August 2011.

In January 2012, the DOW and the Nasdaq in the USA switched from falling to rising trends by Jim's criteria.

After consolidating for several months, the ASX 200 in Australia (XJO) broke above 4300 resistance in March 2012. On Page 6 of [this week's Newsletter](#), Jim shows that the XJO has also switched to a **rising trend** by his criteria. Jim is now therefore looking for shares to progressively re-open this Newsletter's notional Portfolio.

With this in mind, on Page 21 Jim also presents his latest list of ASX300 shares which are in rising trends and have given a JB Alert signal. Jim will now use this list as a Watch List to see which ones give a complete JB Volatility entry signal by his Trading Rules in coming days – as a basis for selecting the first shares to place in this portfolio.

Starting next week, [Newsletter Members](#) will be able to follow Jim Berg step-by-step as he shows, through his notional Newsletter Portfolio:

- How he finds **WHICH** shares to buy
- How he decides **WHEN** to buy, using his common sense 'Weight-of-Evidence' approach and unique JB Volatility Indicators
- How he manages each notional trade, week by week
- His Trading Rules on precisely **WHEN** he sells
- The notional results for each notional trade

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2. New Free Bonus DVD/Trading Guide Welcome Package

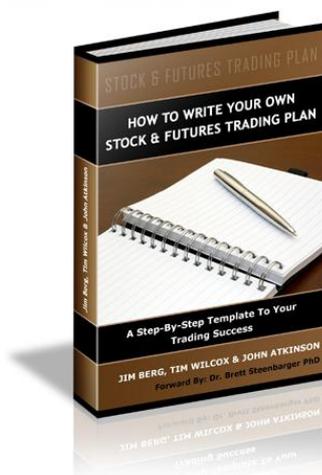
To celebrate Jim Berg's upcoming re-opening of our Newsletter Portfolio, today we introduce this new Free Bonus DVD Welcome package (*worth \$222*):

For a limited time only, become a Member of the Investing & Online Trading Newsletter and you will receive FREE copies of Jim's:



1. **DVD:** [‘How to Maximize Profits & Minimize Losses’](#)
(usually \$125)

(We will mail your free DVD within 2 business days)



2. **Guide:** [‘How to Write Your Own Trading Plan’](#)
(usually \$97)

(You will be able to instantly download your free copy within seconds of joining)

There is no lock-in contract, so you may cancel at any time.

To claim your Free Bonus DVD/Trading Guide Welcome package (*worth \$222*),

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Exit Stage Right –or Left?

Exit Strategies Comparison Part 2

By Jim Berg and John Atkinson

Exit Strategy #2: Using Profit Targets

No trading system will ever consistently find absolute bottoms or tops. Your aim should be to have your own tested and documented system which you can rely on to provide more and larger profits than losses.

In Edition 349 we looked at how to take profits using the first of Jim's 4 main exit strategies, using his JB Profit Taker, which is based on the individual volatility of each stock. Today, we continue with the second strategy, applied to **Stock X** as an example.

When our Newsletter Portfolio is open, we aim to demonstrate a number of examples of notional trades to show how Jim filters his watch list to find WHICH shares to buy, his notional entries, trade management and exits to show WHEN to buy and sell.

As a second exit strategy, we have a rule to exit at a 15% profit. This figure was chosen as a realistic figure for shares above \$1 to achieve in a relatively short time (a few days to a few weeks) in good markets.

More speculative shares (e.g. less than a \$1) can often show returns like these in a day or so, but they can also fall this much more and even quicker, so Jim prefers to stand clear of such shares.

The 15% Profit Target is not locked in stone. We are aware that some traders have chosen to extend this to 20% or 25%.

Other traders may prefer to calculate the potential profit from the proposed entry price to a proposed exit price based on their own criteria, e.g.:

- Based on target projections, such as ascending triangles or flag patterns (e.g. as described by Daryl Guppy in his book '[Snapshot Trading](#)'), or
- Just under previous chart resistance or psychological round number potential resistance, e.g. \$2, \$5 or \$10, etc.

Importantly, **test and measure** your choice of profit target on the type of shares you usually trade before making any changes.



Stock X Daily Chart at Entry and Exit Strategy #2: Profit Target

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Jim created the JB Profit Taker (see above) to lock-in profits quickly. His analysis of countless potential trades has shown that after prices spike up above their 'normal' range and close above the Profit Taker, they often retrace soon after.

In this particular case, **STOCK X** prices continued to rise after it had closed the Profit Taker, so a trader preferring to use a 15% Profit Target would have achieved his/her target, as shown in the chart above:

Entry - \$6.42 (08/09/2010)

Exit - \$7.38 (22/10/2010)

Result + 15 % in 6.3 weeks

A trader using a 20% profit target would have also achieved his/her goal and exited at \$7.70 the next day.

Again we stress that this is not typical. It can work the other way, such that traders using the 15% profit target or JB Profit Taker may achieve their profits more frequently than those who sit longer, waiting patiently for higher outcomes which may or may not occur.

In [next week's Newsletter](#), we will look at the third of Jim's main 4 exit strategies – using his JB Volatility Trailing Stop. At the end of this series, we will summarise and compare the results.

"Now Less Than 2 Weeks Left"



Jim Berg recently wrote:

"... From my 30 years trading experience, I believe that there has not been a better time since mid 2009 to fully prepare yourself to take maximum advantage of the next rising trend..."

There are now less than **2 weeks left** before Jim's new 1 Day Intensive Workshops in **Melbourne, Sydney & Gold Coast**

- A whole day of hands-on, '**Learn-by- Doing**' training on stock selection and entry & exit strategies with Jim Berg
- **Suitable for all levels of experience**- from complete beginners to seasoned traders & investors
- **Bonus Package:** You will receive Jim's Home Study Course Manual & our 2 latest DVDs before attending (>\$1,000 value alone) , 1 month free trial of OracleSCAN; Jim's 'Shares to Buy and When' and 12 months email support from Jim afterwards
- Learn all the details of Jim's Trading Plan and **how to take advantage of the 'First Moves'** in the next rising trend
- Discounts of **35 to 60%** available.

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A whole day of laser focussed 'Hands-On' training on how to trade & invest.

Your chance to 'learn by doing' with Jim Berg.



May 2012

| Melbourne | Sydney | Gold Coast |

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in a rising trend.**

**After many months of
consolidation the ASX 200 has
signalled a trend reversal... "**

Jim Berg

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Jim Berg's JB Volatility Indicators, JB Charts and Data

1) JB Premium Charts, includes 1 Year of End-of-Day Data for USA or ASX



The charts featured by Jim Berg in this Newsletter feature his JB Volatility Indicators. They are drawn each week using JB Premium Charts, which Jim uses personally.

Jim combined the Free Charting Program (see below) with his own JB Volatility Indicators (incl. his Blue Bar Volatility Entry Signal, Trailing Stops and JB Profit Taker) to create our [JB Premium Charts](#) package -- which also includes 12 months JB Premium Data for USA or ASX.



2. JB Premium Data + FREE Charting Program & Free Vodcasts

[JB Premium Data](#) is a highly reliable source of 'clean' data for ASX, USA and Singapore Stocks & Shares, as well as Futures, Commodities and FX. It is suitable for users of many charting programs including MetaStock, Amibroker, Market Analyst and BullCharts.

JB Premium Data also comes with its own **FREE Charting program** (which excludes Jim's JB Volatility Indicators). If you are switching from an existing Data supplier, you also receive

FREE History Data (save \$99).

To view Jim's Vodcasts on how to install and use this Free Charting program and to start your [Free 3 Week Trial](#) of this program and JB Premium Data for ASX, USA or Futures, [Click Here Now](#).

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- ❖ FREE Report: 'Jim Berg Dispels the Myth'

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