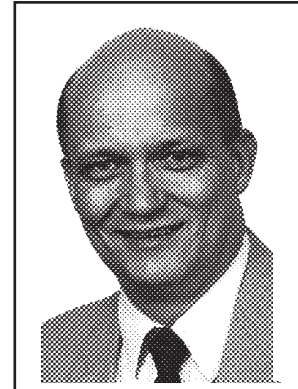
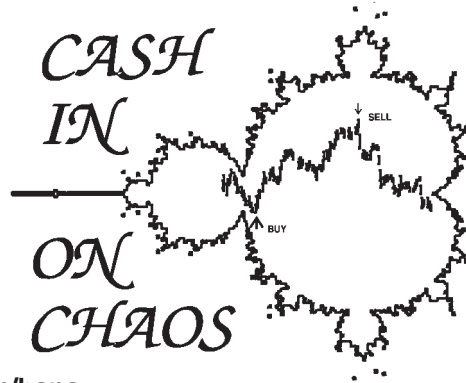


Yes,
you
can



<http://www.cashinonchaos.com/hans>
<http://moneytide.com>

CASH IN ON CHAOS NEWSLETTER - February 28, 2002-2

Dr. Al Larson, aka Hans Hannula, voice 303-452-5566, fax 303-457-9871, email allarson@moneytide.com

Stocks hold up in February, may make minor rally. Tbonds correcting. IBM remains weak. Economy supposedly ending recession. Swiss Franc down. Gold may have broken out of the Mother of All Converging Triangles. Wheat rally fades into important low. Japanese market bottoms. An S&P hex trade.. Super moons explained. Nikkie energy.

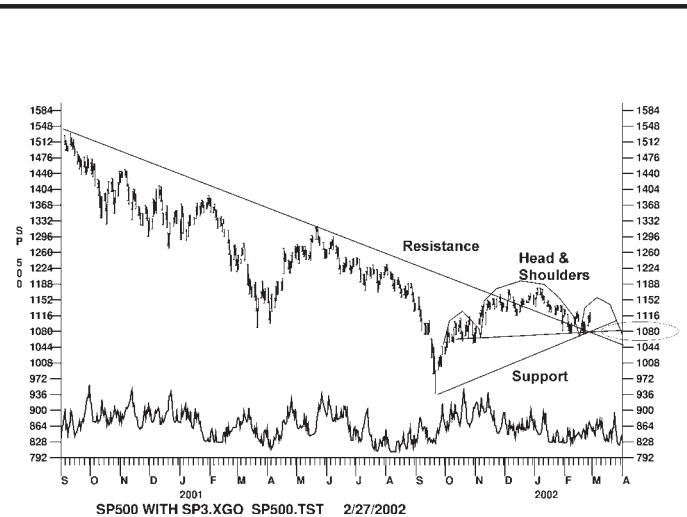
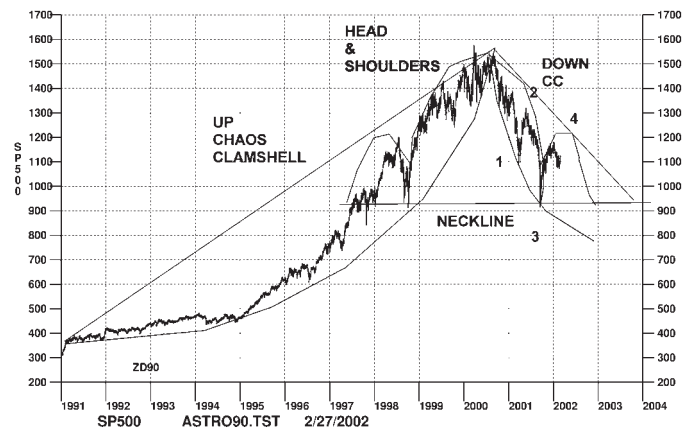
STOCKS

In February stocks have held up, rallying several times off the key S&P 1080 level. While the longer term outlook remains bearish, a rally back up to 1152 in the S&P is possible over the next 6 weeks.

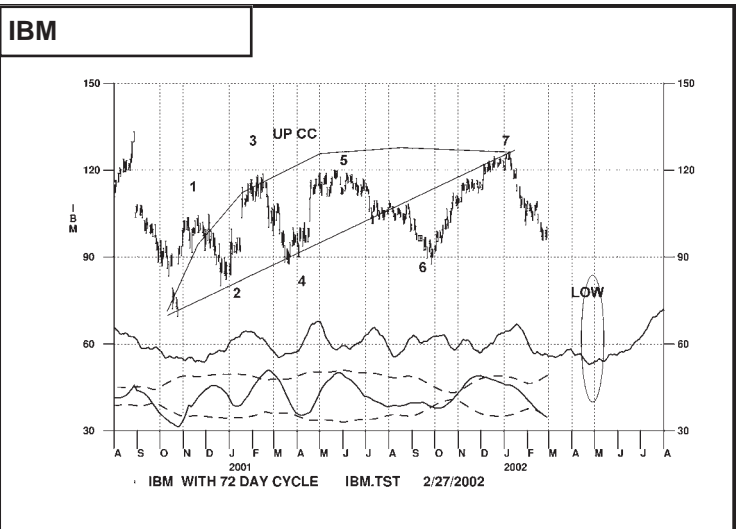
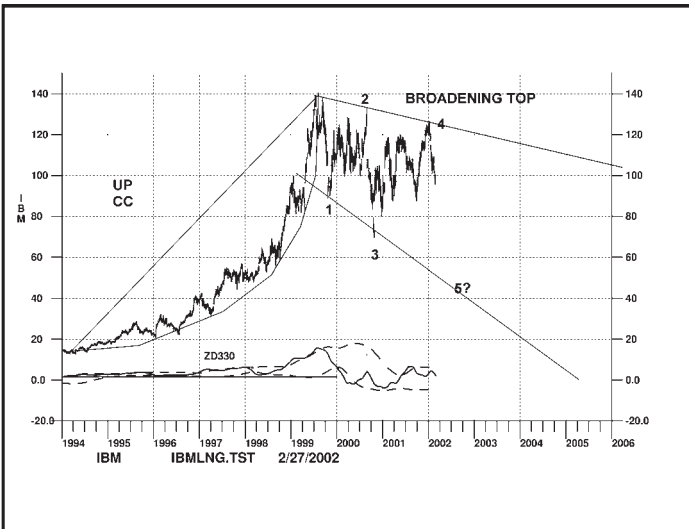
The long term chart shows that prices are forming the right shoulder of a large head and shoulders pattern. After that shoulder tops out, prices will probably decline to the 990 level. After that a break of the head and shoulders neckline is possible. Such a break would set up a very bearish second half 2002 and a bearish 2003.

The near term chart shows that prices have broken above the resistance line along the tops of this bear market. The recent lows are holding well above the September lows. A trendline under the lows crosses the trendline along the highs at 1080. This suggests that prices will continue to come back to 1080 in the near term.

The chart also shows a small head and shoulders formed by the November through February price action. This head and shoulders is also forming its right shoulder. This suggests that for the next month or two this is a trader's market. Active traders should sign up for our hotline service to capture these two to six day moves. Investors should remain on the sidelines but be researching stocks to buy.



This letter is written by Al Larson, aka 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. **Hot-line updates to this letter are available daily on email as Chaos Trader's Hotline and Tomorrow's Market Hotline available for \$99/Mo., billed for 3Mos.at \$297, renewed automatically.** See page seven for more details.



IBM has continued to decline steadily. The long term chart shows that it is making a broadening top. Broadening tops typically have 5 moves, the highs and lows of which form a megaphone. IBM has made four of those highs and lows. If the fifth one goes to the bottom of the megaphone, which is typical, IBM could plummet to 50.

The short term chart shows no upturn in the energy forecast until late April or early May. Clearly IBM is not a stock to be holding right now.

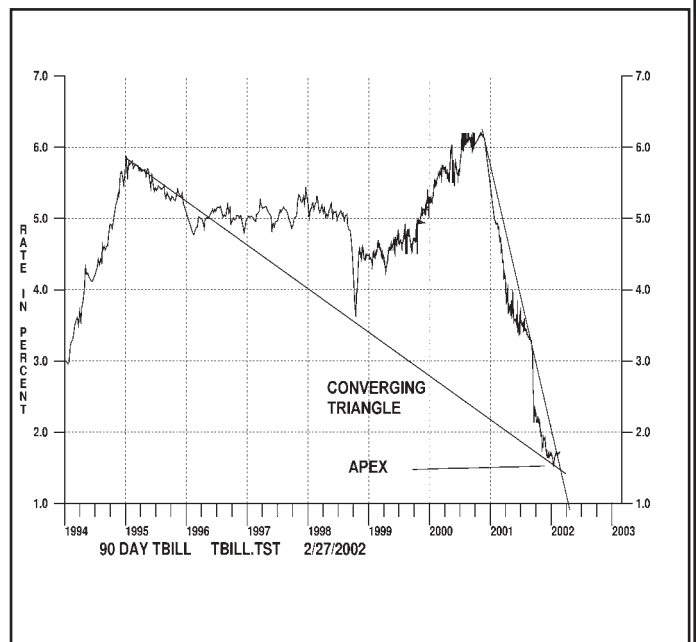
For stocks or commodities not covered in this newsletter or on the hotline, you can track the cycles and trade the Chaos Clamshells using the **Trading System Toolkit**.

ECONOMY/RATES

There are some indications that the economy is improving. Supposedly, the numbers indicate that the recession might be over. However, Alan Greenspan warned that a robust recovery is not to be expected. Personally, I think this is a warning of the possibility of a "double dip" recession.

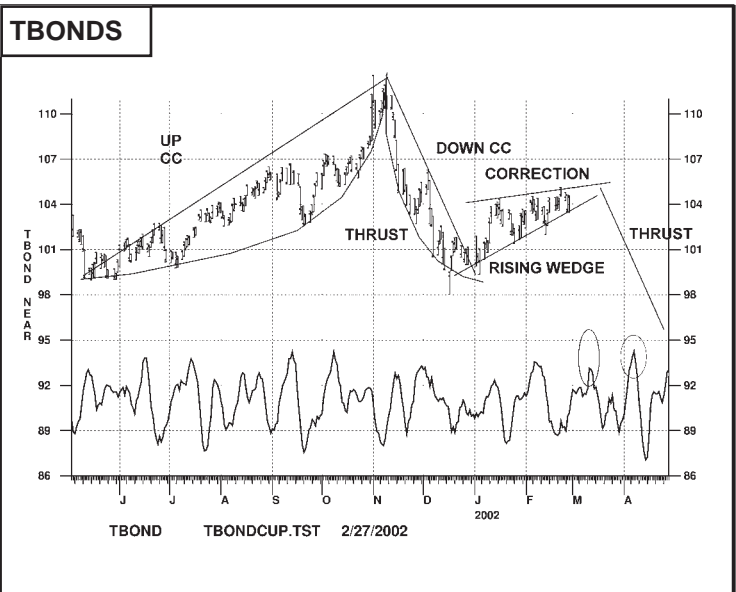
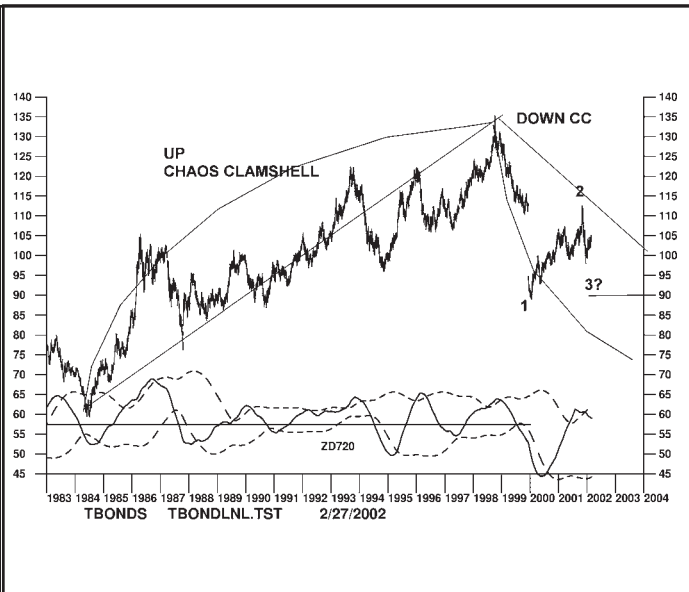
Meanwhile, the Enron situation has created a new set of accounting rules which should be a great benefit to traders. It seems that Enron, with the help of its auditors, found a way to change the sign of a loss from a minus to a plus, making it a profit. By adapting this new accounting principle, traders can assure their trading success by simply calling their brokers every time that have a loss, and telling the broker "Change the sign in front of that trade, would you?" Using this new accounting principle, it should be easy for any trader to accumulate huge profits in their accounts and pay themselves a \$5 million dollar bonus. And when they do that, they can forget to report this gain to the IRS, following the illustrious lead of the Enron leadership team. Now, is this trading made easy, or what?

The interest rate chart shows a small increase in interest rates, just as we come to the apex of the converging triangle shown. This suggests that we have seen the low in interest rates and that the next interest rate change will probably be an increase. Remember, banks depend on charging enough interest to keep themselves afloat, buy a few yachts, and some second homes. So they can't afford to keep interest rates low for very long.



Many receive advice, Only the wise profit from it.

Syrus

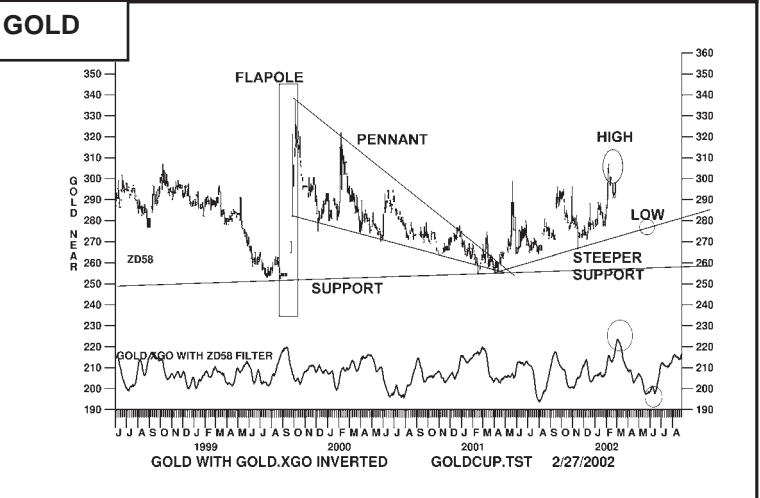


Tbonds are in a correction within a larger decline. The long term chart shows that T Bonds are in a multi-year Chaos Clamshell. Within that Chaos Clamshell T Bonds have begun move 3.

The near term chart shows that move 3 has begun with a thrust, is now in a correction, and is set up for another thrust in March and April. The Tbond energy shows the decline starting approximately March 12th or April 9th.

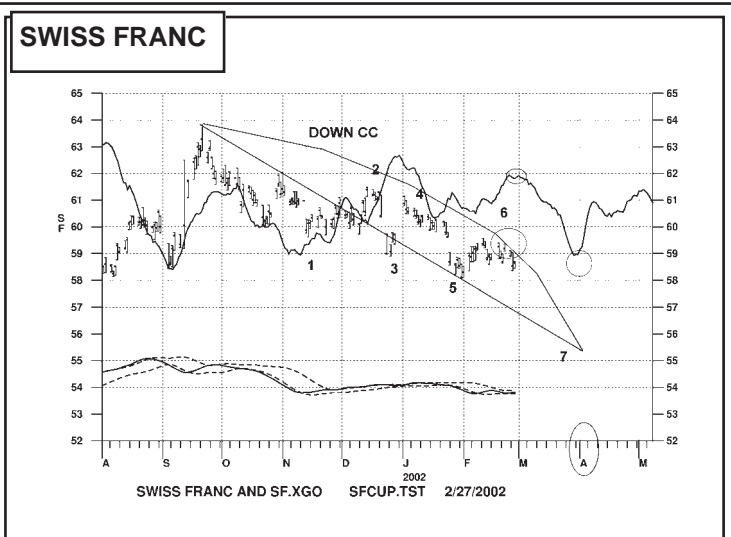
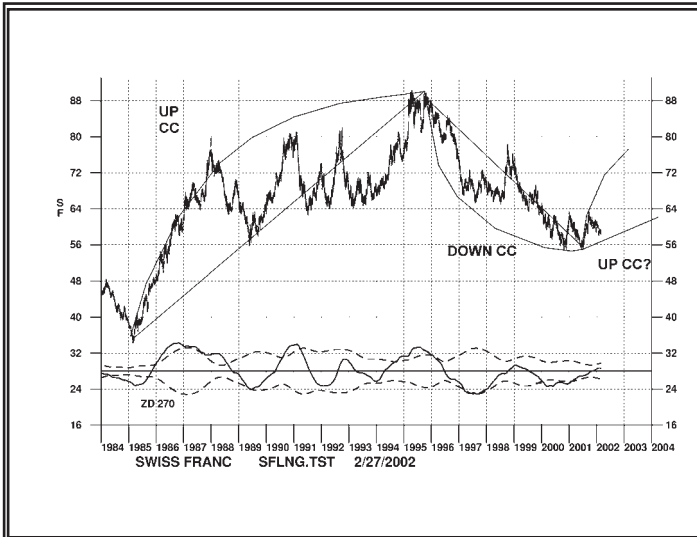
The only good luck many great men ever had was being born with the ability and determination to overcome bad luck.

Channing Pollock



Gold has managed to rally just enough to suggest that it has finally broken out of the Mother of All Converging Triangles. This is shown on the long term chart to the left.

The near term chart shows that just ahead is a dip in gold prices. The chart shows a support line turning into a steeper support line. The energy forecast is showing a downturn. That decline will probably bring gold prices back to the steeper support line near a price of 276 in mid to late May.



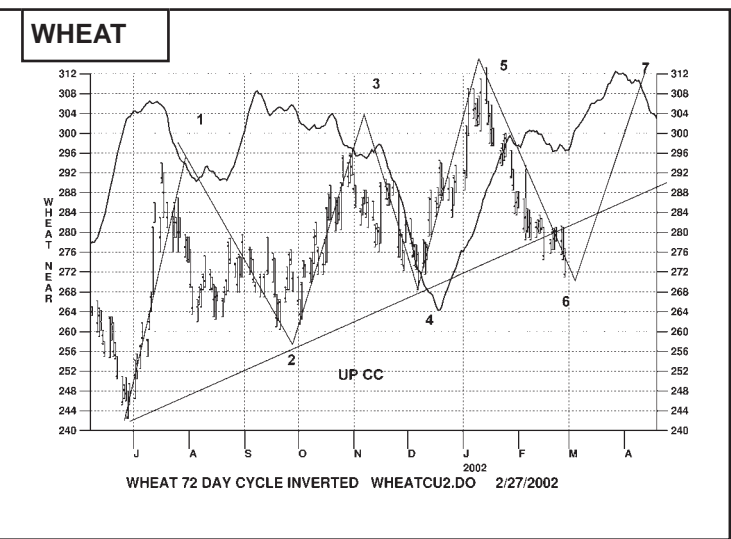
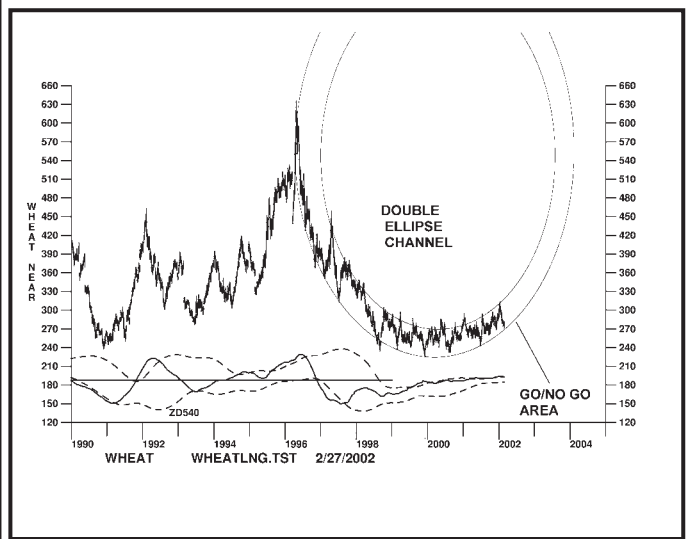
The Swiss Franc is set up for a month long decline.

The long term chart shows that the Swiss Franc is probably just starting a new up Chaos Clamshell. So this decline could reach as low as 56 without changing this outlook.

The near term chart shows a probable down Chaos Clamshell entering move 7. The 55 days XGO energy forecast the low to come in late May.

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

C. W. Ceran

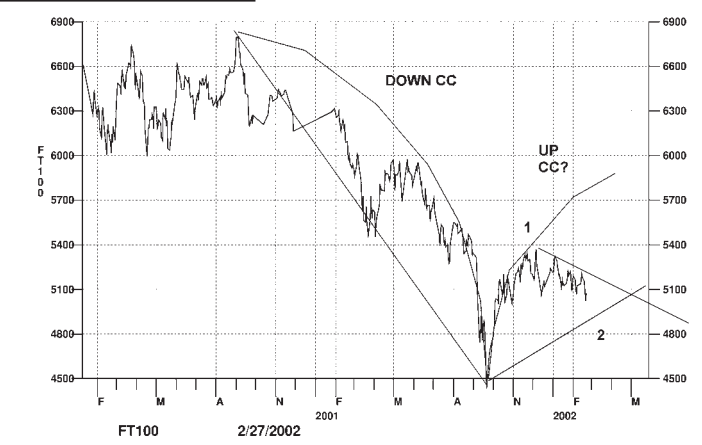
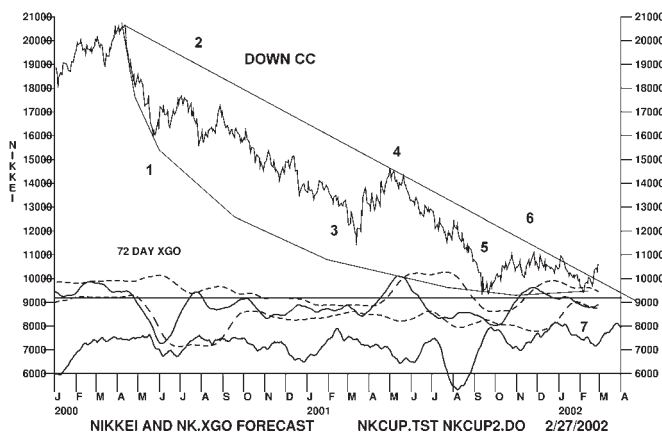


Wheat is still holding within the bounds of the double ellipse pattern shown on the long term chart. It is approaching the point where it must either start to rise sharply within the channel between the two ellipses, or break the 3 year pattern.

The near term chart shows that the next move in wheat is probably up, starting any day now. While I have labeled the pattern on the short term chart as a 7 move Chaos Clamshell, the longer term pattern suggests that this may become one of those Clamshells that has 13 moves. Long term call options on wheat may be a good position trade.

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 \$100.**

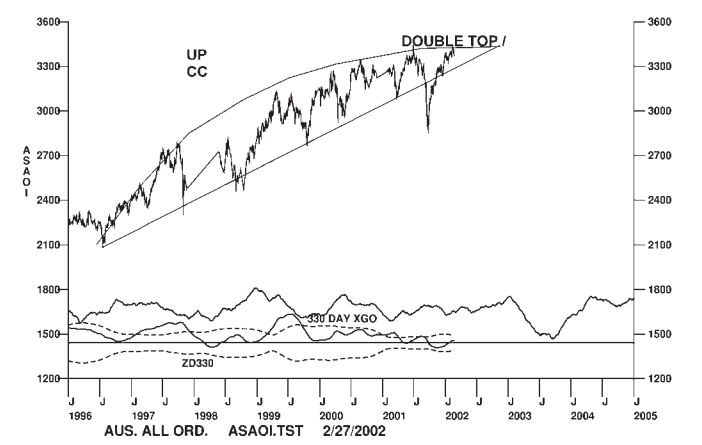
WORLD MARKETS



The Japanese market has made a double bottom and looks like it has completed the down Chaos Clamshell shown on the chart. The Nikkei should now rally.

The British market shows a clear down CC and what could be the first move and a half on a new up CC. Any break above the trendline along the highs of the recent pullback would be a buy signal.

The Australian market has managed to rally to test its highs, but has not been able to break them significantly. The energy forecast shows a downturn later in the year.

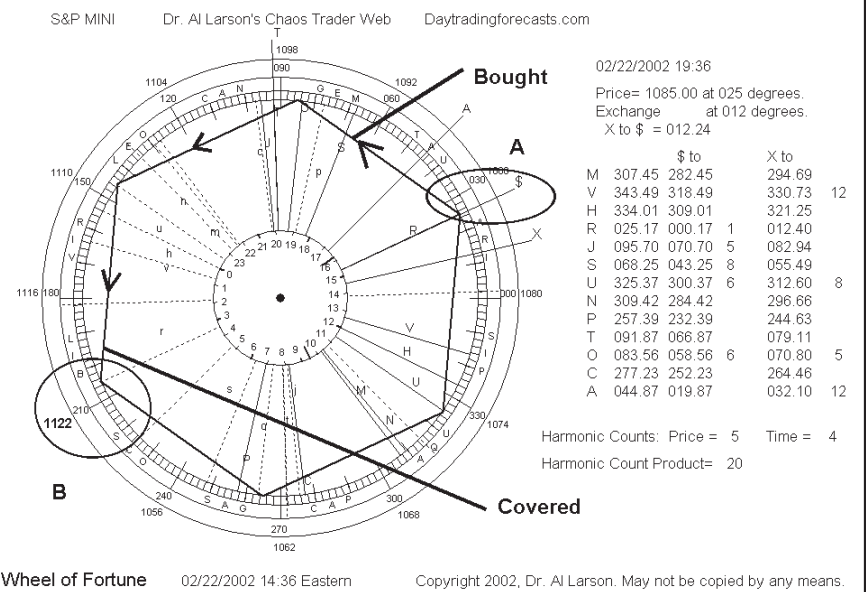


CHAOS CLASSROOM

This chart shows a screen from our new online daytradingforecast.com site. This is an ephemeris wheel with the S&P price added to it.

I have written many pages showing hexagon patterns in this wheel. Until now, each of these patterns was recognized manually. Now the new website includes a "wizard" program which looks for these hex patterns constantly. When one is found, it is recorded and site users are alerted.

This hex pattern occurred late on Friday, the 22nd. It indicated that prices were going higher, probably half way around the hex to 1121. We bought the open on Monday at 1092.5. On Wednesday, prices had reached 1122, and we took our profits at 1119.5. This was our first trade made off of this "snow flake wizard." Subscribers to our hotline have access to this trading tool every day.



ASTROPHYSICS AND CHAOS THEORY

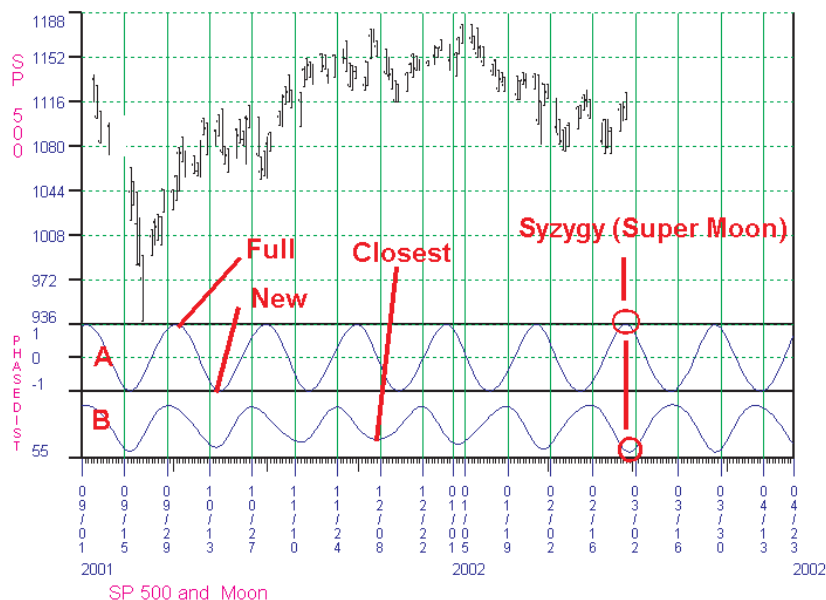
February 27th was a “super moon day.” It got a lot of attention because Bob Prechter mentioned this in his newsletter. While Bob cited Paul M. Montgomery as an expert on lunar effects, my choice is Dr. Jane Blizzard.

Dr. Jane Blizzard was a member of the University of Colorado faculty. For years she published a quarterly lunar newsletter. In it she reported the hundreds of scientific studies that had correlated various human conditions with the moon. One of the things that she repeatedly pointed out was the importance of syzygies. A syzygy is a case where a full moon or new moon occurs when the moon is closest to the Earth.

I have shown these on the chart using curves A and B. Curve A makes a top on full moon and a bottom on new moon.

Curve B makes a low when the moon is at its closest point to the Earth. I have marked the February 27th syzygy.

The closeness of the moon does little to change the electric fields that I call MoonTides. It has a direct effect on the ocean tides and biological processes that depend on fluid pressure. So while it has a multitude of effects on human beings, I have found that syzygy by itself is not that useful for trading. I prefer my MoonTides.



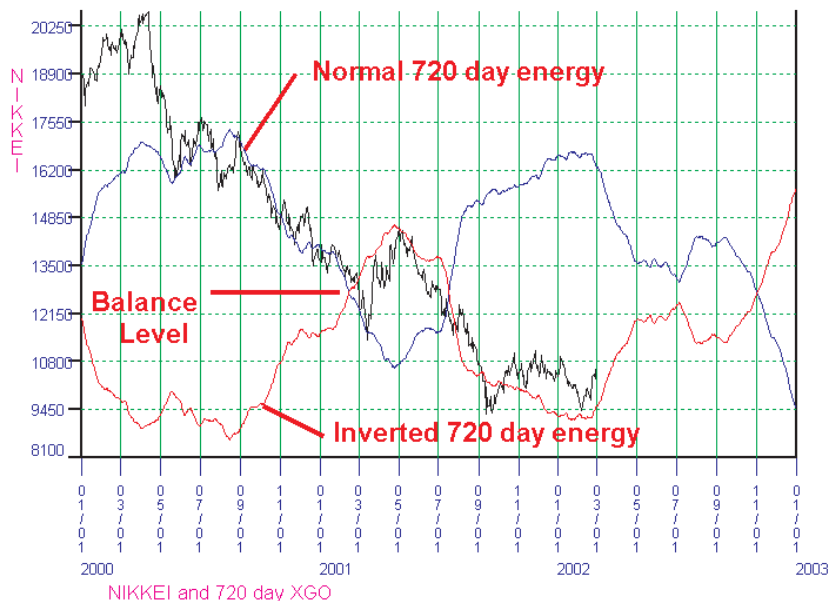
A great pleasure in life is doing what people say you cannot do.

Walter Gagehot

ENERGY

Every market reacts to a certain energy pattern that I call XGO. XGO is a good tool for anticipating the short term turns in markets. One of my Master Course graduates, GM, discovered that filtering the XGO energy with a proper length Zero Delay filter would do a nice job of making long term energy forecasts. Of course, these forecasts still have the property of chaotic systems in that the market can follow the forecast or the inverted forecast. This pair of forecasts form a Market Fractal set. The forecasts tend to cross at a balance level, from which prices may move either direction.

This chart shows the 720 day XGO energy for the Nikkei. The Nikkei has been following the forecast very well for 18 months. It is now following the forecast rally. We used this tool to get our position trader's long very close to the Nikkei low.



QUALITY IMPROVEMENT

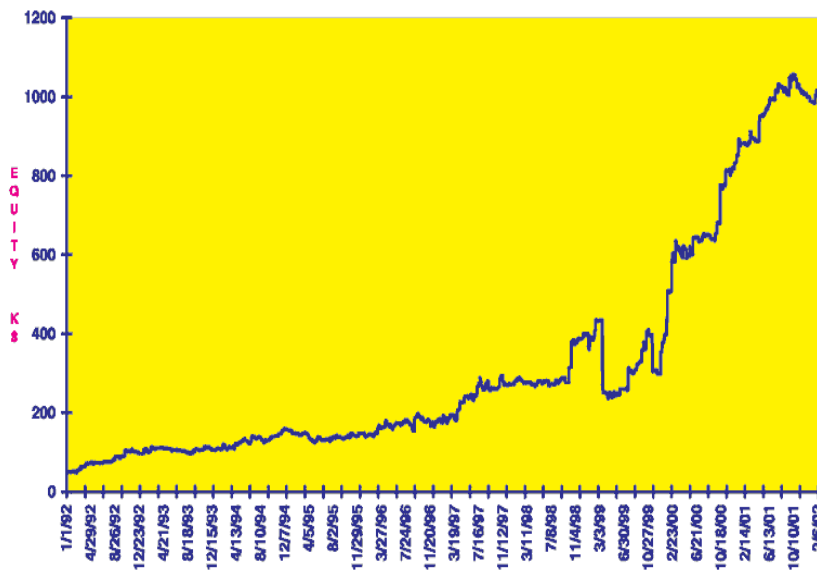
This was a busy month developing our daytradingforecast.com website. We now have the site running fairly smoothly with most hotline subscribers logging in and using it daily.

In addition to this website development, we have also improved the way we trade the MoonTide forecast. This has brought an even better track record to our daytrading. Subscribers and Friday visitors can read a tutorial on this new technique on <http://daytradingforecast.com>.

Additionally, our automated charts on the website have kept a particular S&P 9 day chart in front of us daily, and we have made several nice position trades using that chart and our Face Of God pattern.

We are not done yet, but we keep hammering away. Quality improvement is a continuous process.

HOTLINE POSITION TRADING TRACK RECORD



Simulated result of trading specified number of contract in all markets. Simulated trading results may not equal actual results. Futures trading is risky. Past success is no guarantee of future success.

PEOPLE AND HAPPENINGS

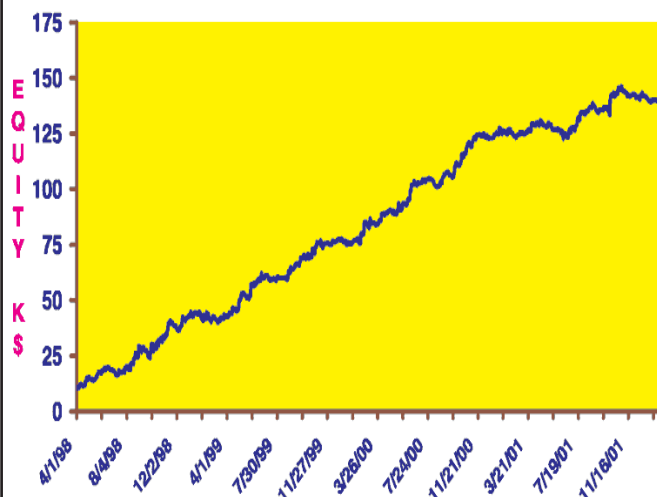
The February session of the Chaos Institute went well. It is always educational to me as well as the student to reteach my material in person. The next Institute is March 21st. If you are interested in coming, sign up now.

We have had a pile of email inquiries and hopefully we have them all up to date. I sincerely appreciate the interest in my work.

Now is the time to think about your summer vacation. Special moments do not happen by themselves. You need to plan them and make them happen. If you are like most traders, you work extremely hard. You cannot trade well if you keep that up without a good vacation. So, get out your calendar, mark some dates, commit to them, and set yourself up with a special vacation.

So long for now. See you next month.

MOONTIDE ONE-A-DAY EQUITY



Trading One Contract, \$50 Slip and Commission. Futures Trading is Risky. Past success is no guarantee of future success.

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 or order online.** Visa and Mastercard taken.

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FEBRUARY

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2 = AstroDow2 3= AstroDow3 4=AstroDow4
 P=AstroPoint extreme
 F=Full moon N= New Moon
 M = Mercury Lunar Chaos
 V= Venus Lunar Chaos

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 earth's 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 earth's 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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