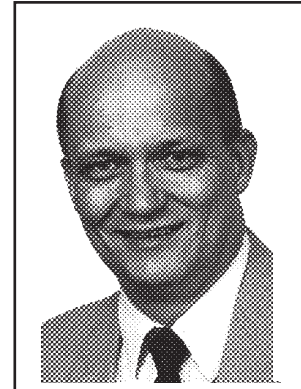
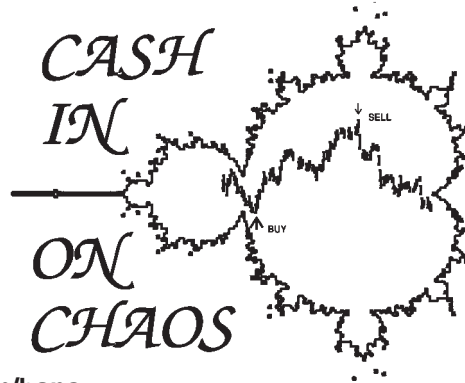


Yes,
you
can



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

CASH IN ON CHAOS NEWSLETTER - April 29, 1999- 99-4

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

Stocks have continued their rally, but are showing loss of momentum. Tbonds continue down. Swiss Franc weakens. Gold remains lackluster. Wheat retesting historic bottom. World markets nearing tops. Solar stirring force revisited. Market harmonics explained. A great man passes.

STOCKS

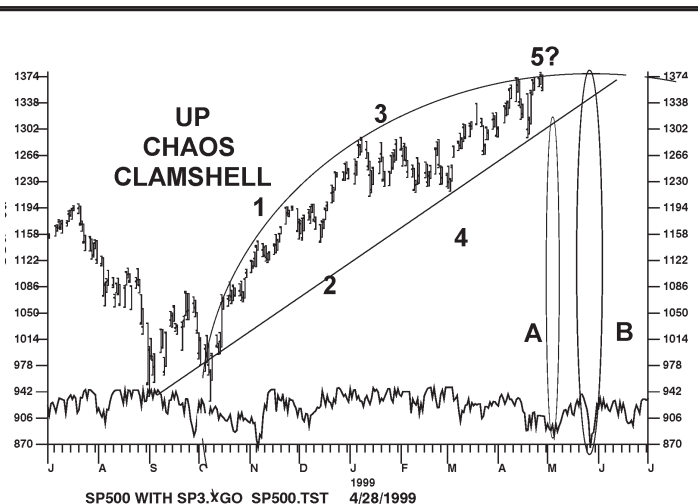
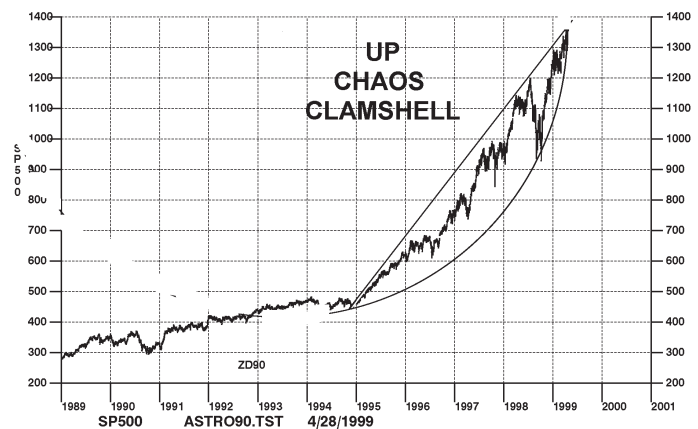
Stocks have continued their rally, but are losing momentum.

Stocks have continued to rebound very strongly off of the October 1998 low. This rally appears to be the final stages of an up Chaos Clamshell from 1994. As shown in the long term chart, prices are meeting resistance at the straight line that forms the top of the up Chaos Clamshell. We can expect some short term weakness this month.

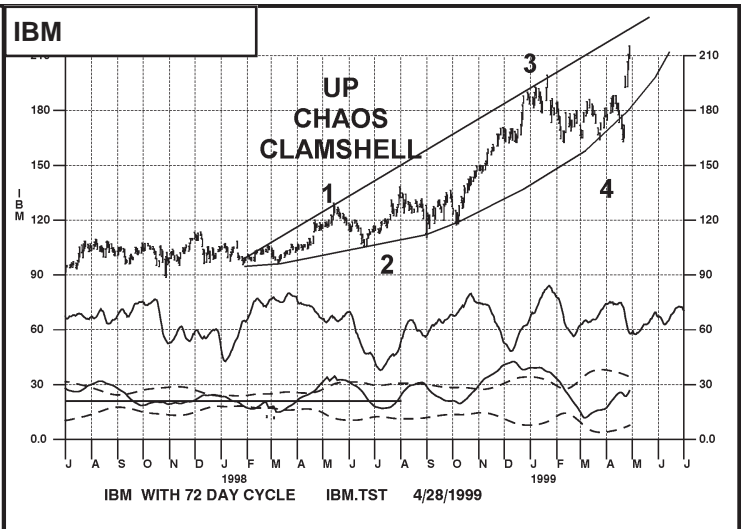
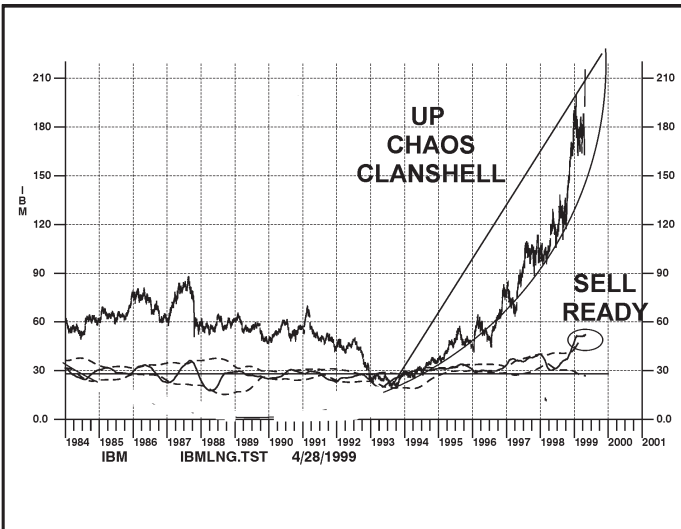
The near term chart shows the up Chaos Clamshell from the October low. It is showing resistance at the top arc. We can expect a pullback in May. Then we can expect a final rally into the first week of June. Following that I suspect that the market will correct a major part of the rally since last October.

Many individual stocks have already topped and many stock groups are in decline. We have recently witnessed significant divergence between the Dow 30 stocks and the broader based S&P 500. This divergence is usually a sign of weakness just ahead.

Investors should be out of stocks. Traders are currently short. Check the hotline for updates.



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 broken sharply higher. This looks to be a continuation of the up Chaos Clamshell shown on the long term chart.

The near term chart shows the last stage of this stupendous rise. It appears that the pullback discussed last month was merely a buying opportunity. We can expect a move 5, 6, and 7 ahead. With the Internet stocks, many of who have zero profits, trading in the 200's it appears that a solid business like IBM can easily command such prices in today's Millennium Mania.

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**.

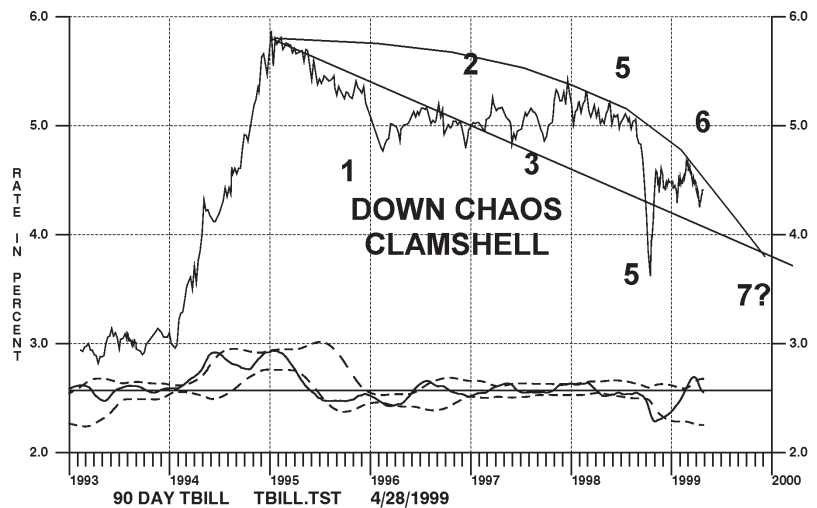
ECONOMY/RATES

Interest rates have dropped a bit. They look to be forming a down Chaos Clamshell as shown on the chart.

Meanwhile the U.S. economy continues to move along well. However the broader world economy is not as healthy. Asia is struggling to recover from its difficulties. The Soviet Union continues to be a black hole for money. The plight of the average Russian continues to be bleak.

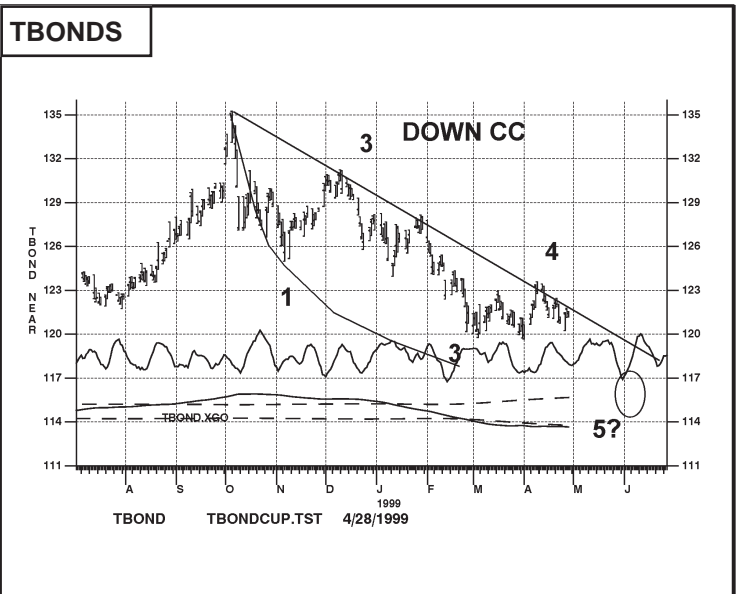
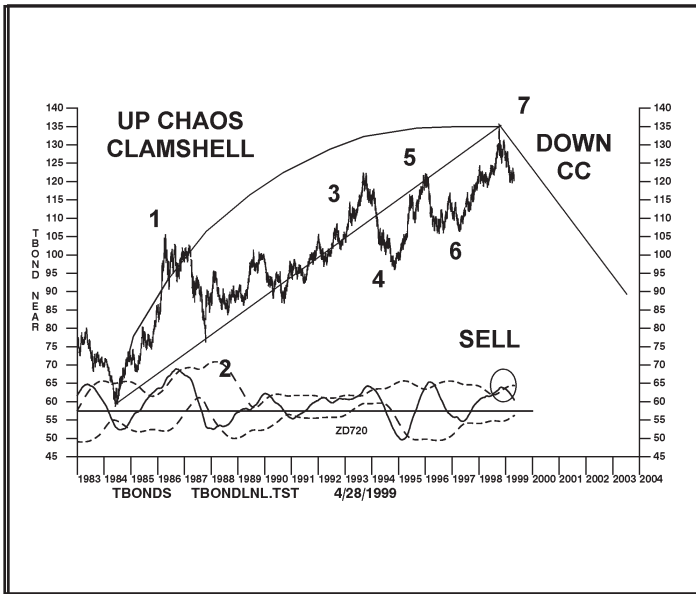
The \$64,000 question is whether the strong U.S. economy can pull the world economy up, or will the world economy drag the U.S. economy down? With the Y2K problem dead ahead, my guess is that the world economy will negatively impact the U.S. economy. Most companies in the U.S. have taken aggressive action to fix any Y2K problems. This is not true in the lesser developed countries. So disruptions in those countries may affect world trade in year 2000.

I do not believe the Y2K problem will be anything like a world disaster. The amount of computer software that actually subtracts two years is a small percentage of the world's total software. There is a mistaken belief that computers imbedded in such things as generator controllers, navigation systems, and other process control applications will all fail in 2000. This is not so because most of those programs do not even use dates. So while we may have some disruptions, I think they will be temporary.



The only time you can't afford to fail is the last time you try.

Charles Kettering

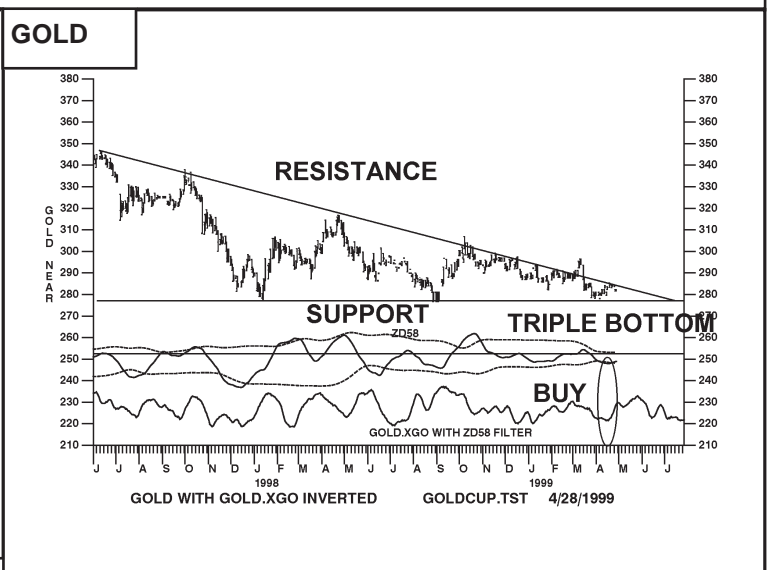
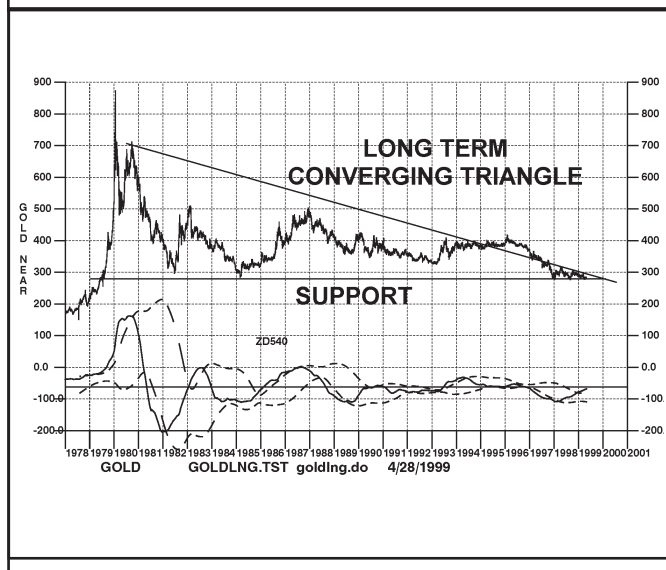


Tbonds continue weak. The long term chart shows that the high of late last year was a significant high. It ended a 12 year rally in bonds. The ZD540 cycle gave a clear sell signal on that top. That cycle is expected to be down for another 12 months.

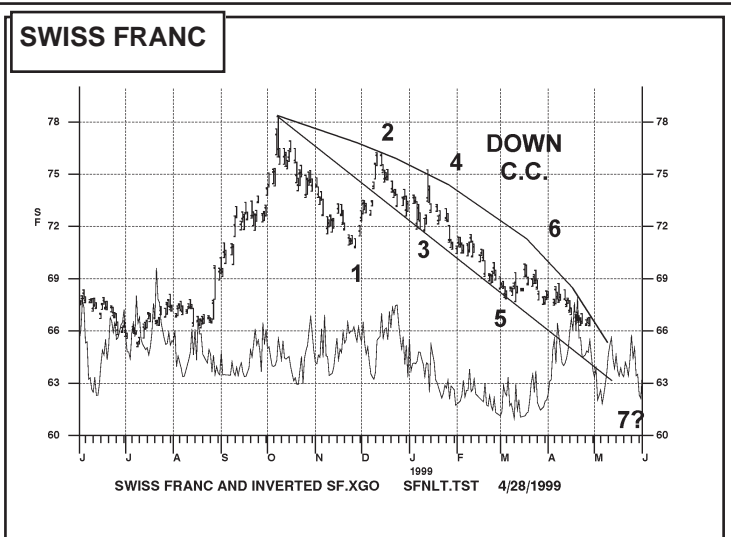
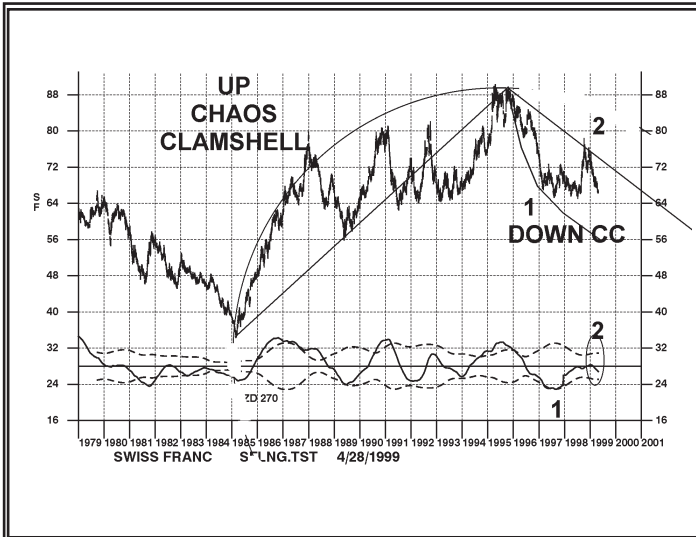
The near term chart shows the current down Chaos Clamshell. It appears to be in move 5 of the 7 moves down. The TB.XGO shows a sharp low in early June which looks to be the likely point of move 5 down. Move 5's are frequently very strong, so do not be surprised if bonds break badly in late May.

The spirit, the will to win, and the will to excel are the things that endure. These qualities are so much more important than the events that occur.

Vince Lombardi
NFL Coach



There is a new way to spell boring - GOLD. Gold continues to rest on its historical support level on both the long term and near term charts. It is hard to imagine that this will go on forever, but only patient investors can stand the tension of holding gold. On the other hand, traders have an easy trading setup in this pattern. One simply puts a buy stop above the resistance line of the converging triangle, and a sell stop below the support line. When one stop is hit the other stop becomes the protective stop. Cycles are indicating that gold is about to rise, so long term holders of gold should probably sit tight. Those not holding gold should start to accumulate rapidly if the resistance line is broken to the upside.



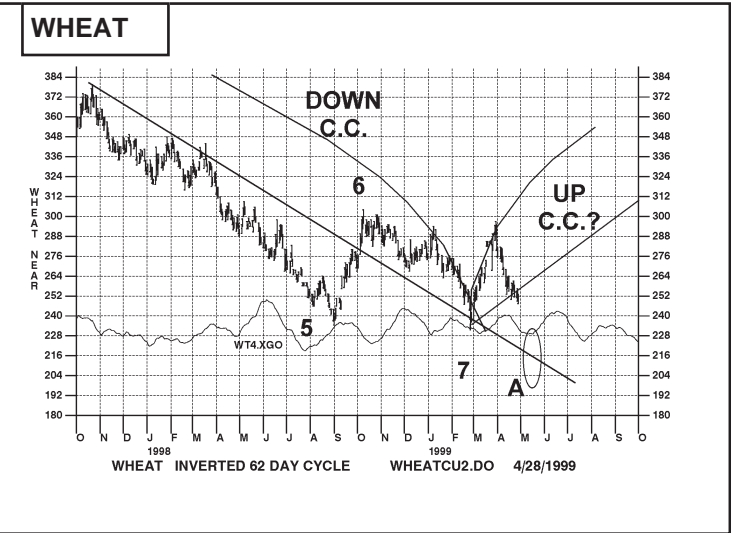
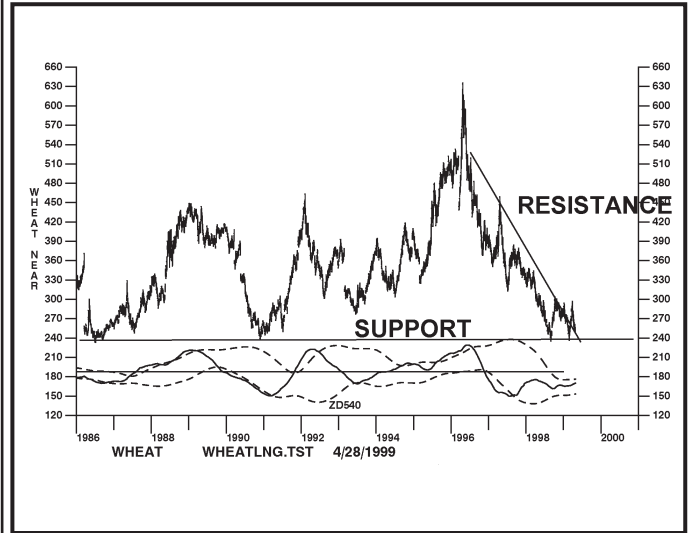
The Swiss Franc continues to be weak. The long term chart shows that the Swiss Franc is in a down CC. It is approaching the support level of 65. A break below that support could lead to a rapid selloff. If that support holds we could expect congestion in a move 3 and 4.

The near term chart shows the down CC which began last October. The SF.XGO inverted shows a sharp low in May. This may be a blowoff type move 7 in this developing pattern.

Traders are currently short. Check the hotline for updates.

Act as though it were impossible to fail.

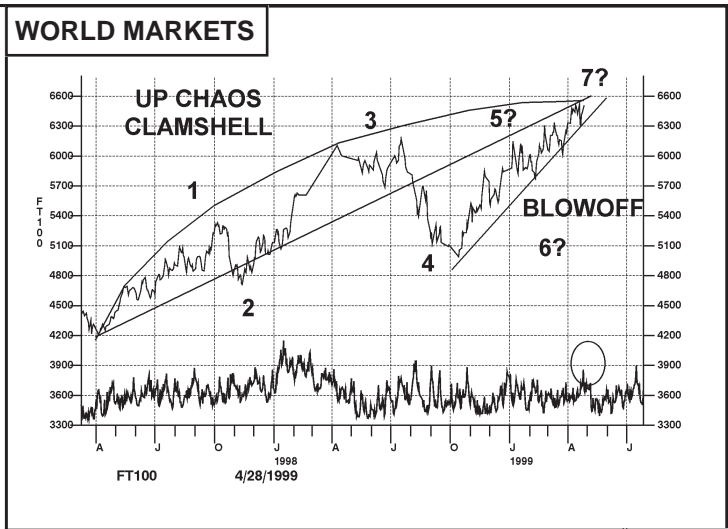
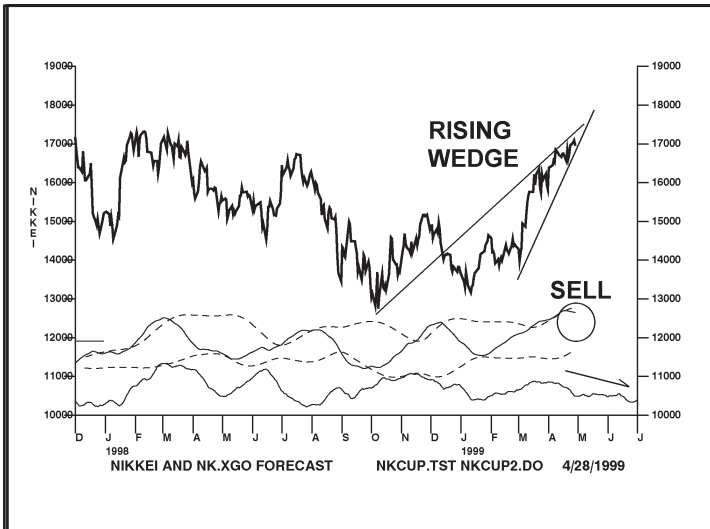
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Wheat is making a retest of its historic bottom at 240. The long term chart shows the convergence of this support line and the down-coming resistance line off the recent highs.

The near term chart shows that wheat is coming into an energy low and should rally over the next three weeks. If we develop a higher low followed by a higher high, we will have a confirmed change in trend. Wheat can move rapidly. So watch this pattern closely. If wheat rallies, get on board for a big up move.

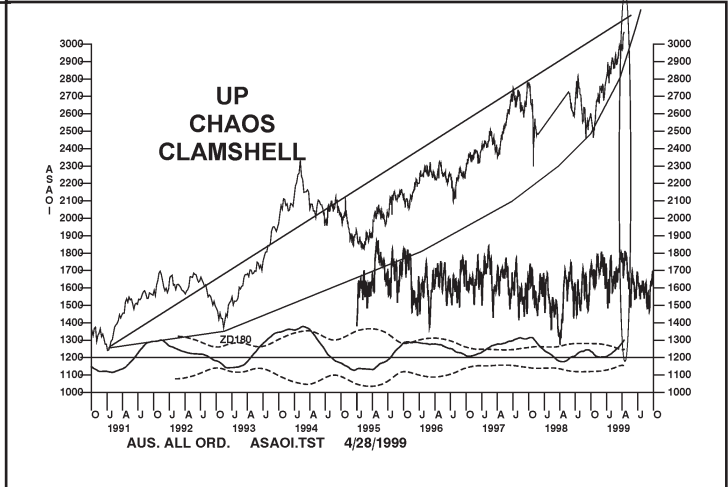
George Bayer wrote about trading wheat using Mercury, Saturn and Jupiter. You can learn to find astrocycles with the aid of the **Trader's Ephemeris** and the **Finding Astrocycles** video-**JUST \$99.**



The Nikkei has formed a rising wedge pattern, which appears ready to break down. The ZD540 cycle has given a sell signal and the energy curve is down for the next two months.

The British market has rallied strongly in what appears to be a move 7 of an up CC. Watch for a break of the trend line of the rally.

The Australian market has also continued to rally to new highs. It is approaching a high point in its energy curve, so it may break sharply.

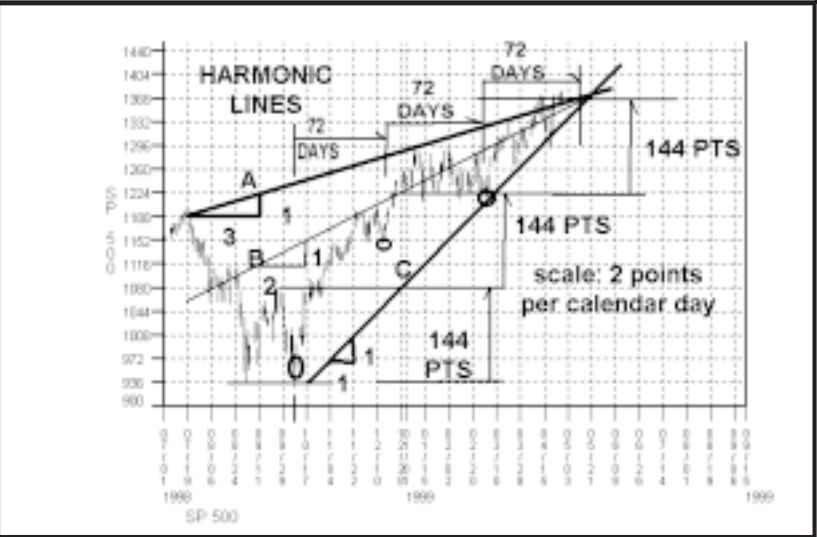


CHAOS CLASSROOM

This is a short lesson on market harmonics.

The chart at the right has been carefully scaled to 2 points per calendar day. A correctly scaled chart is critical to finding market harmonics. The chart is also marked off in 18 calendar day intervals with the price scale marked off in 36 point intervals. This creates a square grid.

One can find harmonic lines on this grid. By harmonic I mean that the line rises an even number of grid squares for so many grid squares in time. The line A rises one grid for three grids in time. This is a Gann 3X1 line. Also shown on the chart is a 1X1 at C, and a 2X1 at B. Notice how they trap prices in a cone. Standard Gann lines are drawn off of the highs or lows. I have found it very useful to draw these lines off the intersections of the grid squares nearest the highs or lows.



Harmonics mean multiples. You can see multiples of 144 points looking vertical on the chart. Corresponding to these price harmonics are time harmonics of 72 days, which mark the lows as shown.

This behavior of prices is not at all accidental. It is a result of the laws of energy addition.

ASTROPHYSICS AND CHAOS THEORY

My introduction to the idea that the solar system affected prices is due to Col. Ev Garrett. It is with great sadness that I learned of his passing this month. Those of you who have read my website have encountered him under the code name, "The Solar Eagle."

He first introduced me to the idea that the radiation coming off of the Sun affected cycles on Earth. In discussing this with him I learned that there was a formula for the tidal forces that the planets exert on the Sun. I volunteered to write a computer program for Ev to calculate this force. I researched the correlation between this tidal force and all the cycles reported by the Foundation for the Studies of Cycles. Every single cycle that they had found had some relationship to this Solar stirring force. I, therefore, began calling this function the Master Clock.

This chart shows the relationship of the Solar stirring force to the U.S. stock market over the past 10 months. The Master Clock was an excellent prediction of prices until last February. Note how it caught the lows at A & C and the highs at B & D. In late February prices began following the inverted, or upside down, version of this curve.



ENERGY **This chart shows the inverted version of the Master Clock.**

You can see that since February it has provided a decent forecast for price action. One can even see 7 moves in a small up Chaos Clamshell from the February low.

Chaos theory says that markets have at least two solutions. The electrical waves caused by the energy coming off of the Sun travel both ways around the globe, thereby forming two competing wave patterns. So we are always faced with the possibility of pattern inversions. That is why we use stops.

If the market should follow this curve in June, July, and August we could see a sharp pullback in prices to about 1050 on the S&P. This would be a .786 retracement of the rally up from last October. The number .786 is the square root of the Fibonacci ratio .618. My good friend Larry Pesavento (520-529-0491) uses these ratios extensively in his trading. It was only last week while listening to his speak at the Astro Economics Conference that it finally sunk into my thick skull the fundamental reason these ratios work. The linear ratios (.618 and 1.618) have to do with how energy waves of any size add together. The square root ratios (.786 and 1.27) have to do with the circular waves generated as electrical waves propagate through the ionosphere. So the pattern shown on the chart is possible.

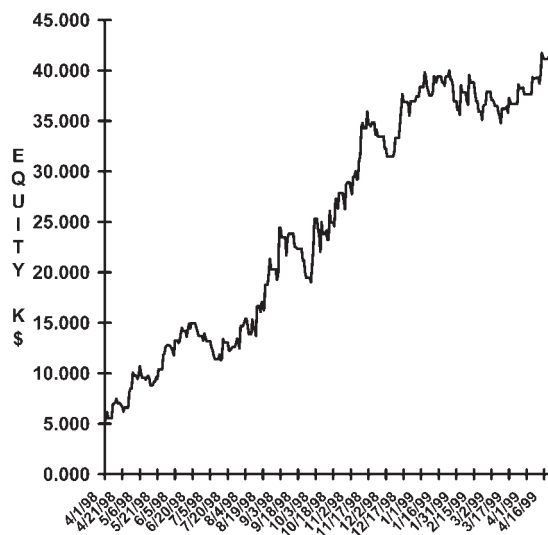


QUALITY IMPROVEMENT

Finally, after two months of work, we have our ISDN Internet connection set up and working well. Our ISDN line brings digital Internet connectivity to a 3com router. This router box connects the ISDN line to our Ethernet local area network. Our 8 computers communicate over this local area network. For messages that are not destined to one of the computers on the network, the router box automatically switches them onto the Internet. This all happens transparently through the magic of the microprocessor software in the router box. It is amazing to me that a box this complex even works. I spent many years designing such equipment, and I am staggered at the complexity of this little box. It is very difficult to configure correctly, but once configured, it can do almost anything you want.

We are continuing to work on improving our website. We have upgraded our web server with more memory and duplicate disc drives. We are converting our customer data base to an Access Data Base which can be kept on the web server to

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PEOPLE AND HAPPENINGS

As mentioned earlier, we were deeply saddened by the passing of Col. E.T. Garrett. Those of you wishing to send condolences to his wife, Virginia, can mail them to P.O. Box 278, US Air Force Academy, CO, 80840.

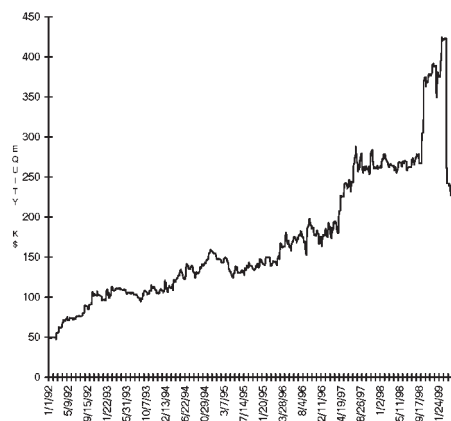
The highlight of this month was attending the Astro Economic Conference in Vancouver. Vancouver is a beautiful city, the people are friendly, and the weather was gorgeous. As always, Grace Morris put together an excellent conference. While small, this conference brought together the best of the best in the financial astrology world. Because the conference and the exhibits were all contained in one large room, I was able to sit at my exhibit and listen to all the talks. Audio tapes and view graph copies are all available from Grace Morris at Astro Economics, Inc., Regency Towers, 1415 W. 22nd Street, Tower Floor, Oak Brook, IL, 60523, (708) 636-3858, Fax (708) 425-7380, email: astro@netwave.net.

If you missed the conference these tapes are a good investment.

See you next month. Happy Trading!

Hans

HOTLINE POSITION TRADING TRACK RECORD



Simulated result of trading one contract in all markets. Simulated trading results may not equal actual results. 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.** 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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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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