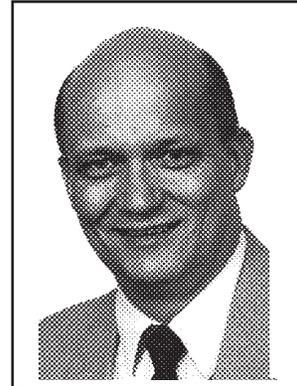
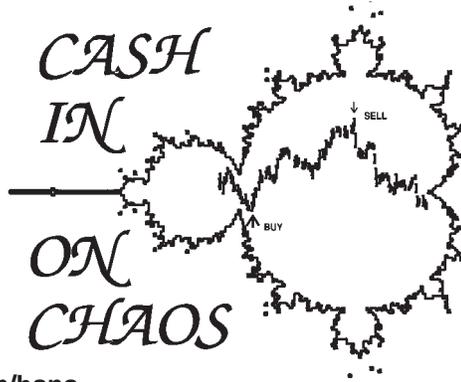


Yes,
you
can



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

CASH IN ON CHAOS NEWSLETTER - March 30, 1999- 99-3

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

Stocks have resumed their rally, reaching a high of 10,000 on the Dow. Stocks remain vulnerable to a drop. Tbonds continue down. Swiss Franc congests. Gold remains lackluster. Wheat bounces off of historic bottom. World markets nearing tops. Basics of Market AstroPhysics revisited. The market meets Combust. Channel techniques explained.

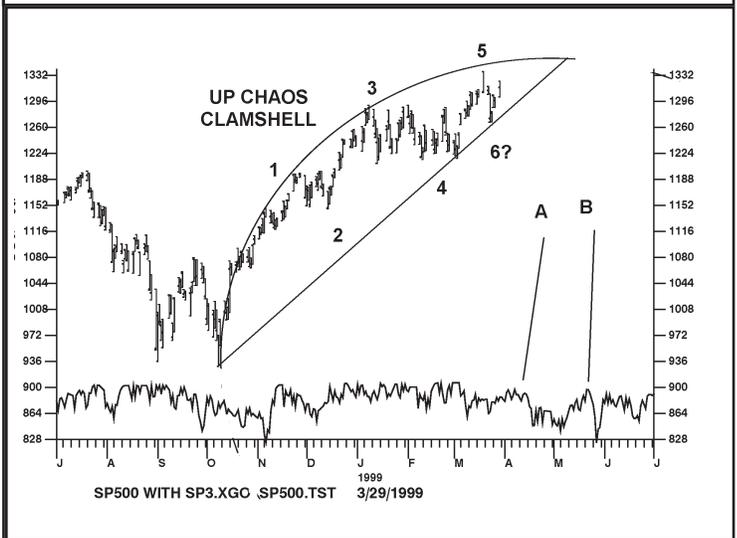
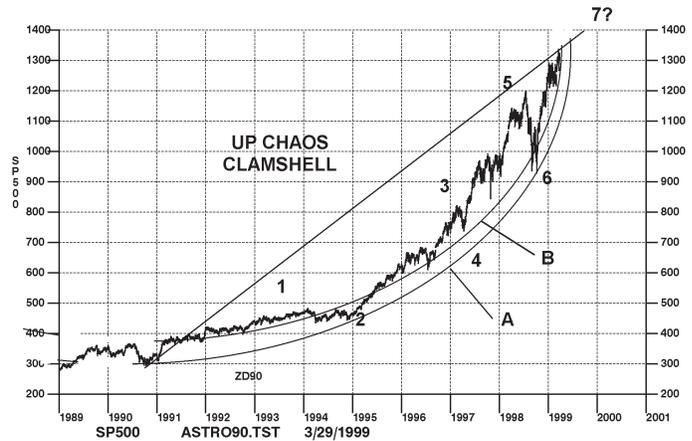
STOCKS

Stocks broke through the resistance of the last two months to rally to new record highs. We believe that this is a marginal new high that should not be chased.

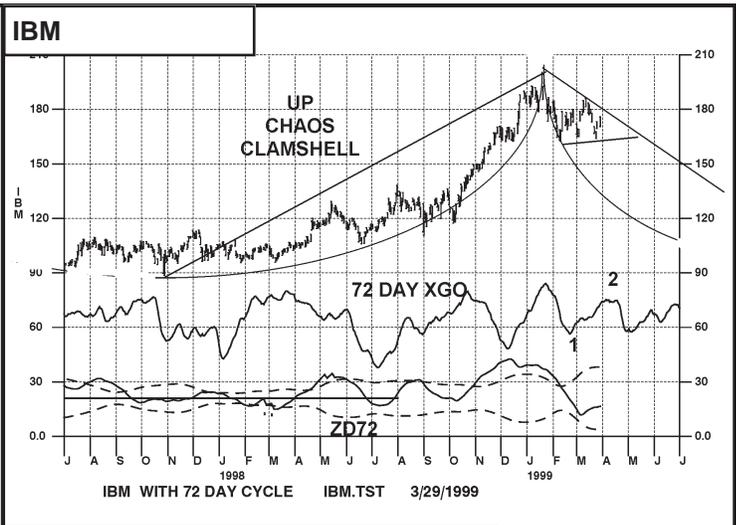
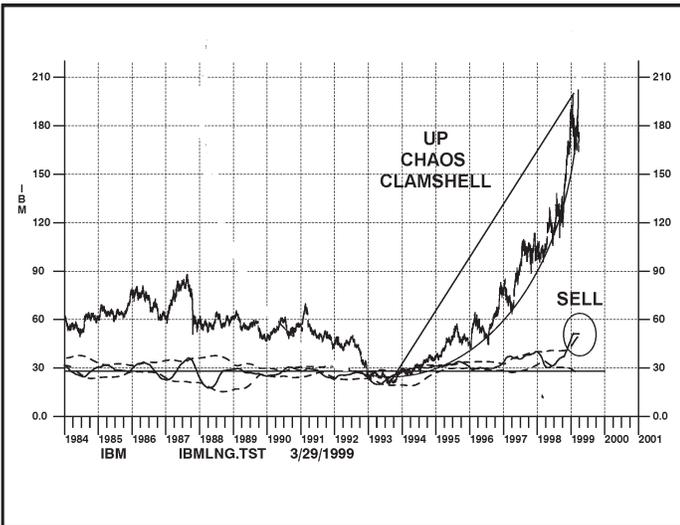
The long term chart shows the up Chaos Clamshell of the past several years. It is clear that the current market is in a blowoff. This up CC has two vortex swirls supporting its bottom. The vortex swirl marked B is nearing its end. We can expect a drop back to the vortex swirl at A, probably followed by another rally along that vortex swirl.

The near term chart shows the up Chaos Clamshell since last October. The SP3.XGO energy curve tops out in early April (marked A), declines into May, and shows a top in late May (marked B). That top is followed by a sharp drop near where we would expect the end of the Chaos Clamshell.

We continue to believe that investors should be out of stocks, since it is very hard to find good bargains. Many quality stocks are down sharply from their highs and are vulnerable to further decline on any bad earnings reports. There will come a time later in the year when purchase of stocks is advisable. That time is not now.



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 fallen off of its highs, probably starting a new down Chaos Clamshell.

The long term chart shows the tremendous up Chaos Clamshell since IBM reached its lows five years ago. The ZD540 cycle has given a sell signal.

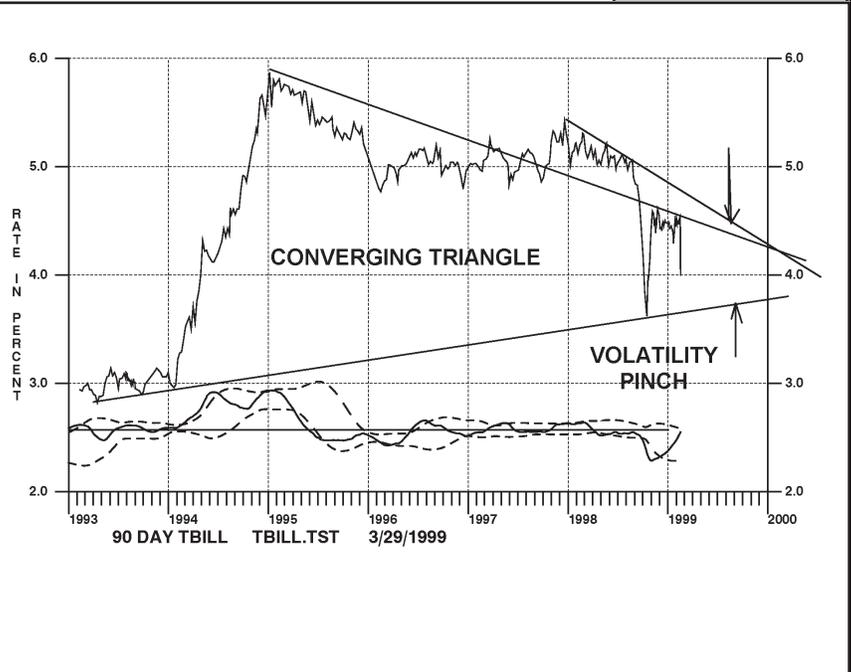
The near term chart shows the 72 day XGO energy cycle and the 72 day ZD72 price cycle. They are matching quite well. The down CC shows a probable move 1 complete and a move 2 ending in April. We can expect a move 3 down into early May.

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 made a sharp dip this month. They remain trapped within a large converging triangle. As this triangle pinches together the probability increases that interest rates will make a major move. However, as long as rates stay within the triangle we should not expect any action by the Federal Reserve Board.

The U.S. economy continues strong. There is little sign of inflation. Profit margins for most companies remain high. Major parts of the world economy are suffering. This is what is keeping the pressure off of inflation. These economies are willing to produce goods and services at lower prices. I believe that this is a temporary situation which cannot go on for a long time. Sooner or later the haves and the have-nots must reach a better form of equilibrium. What form these corrections to a more balanced world economy will take is anyone's speculation.

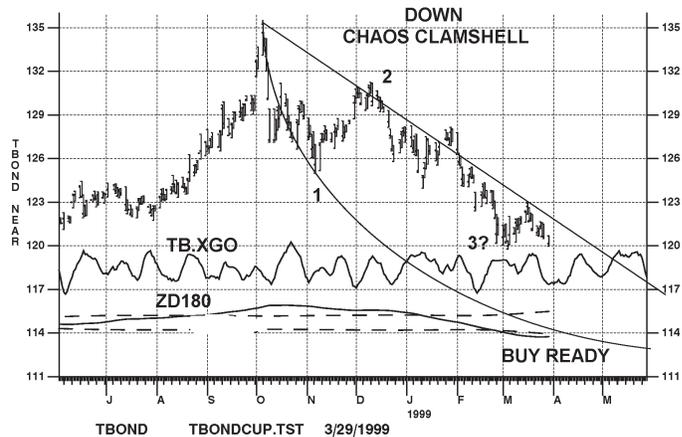
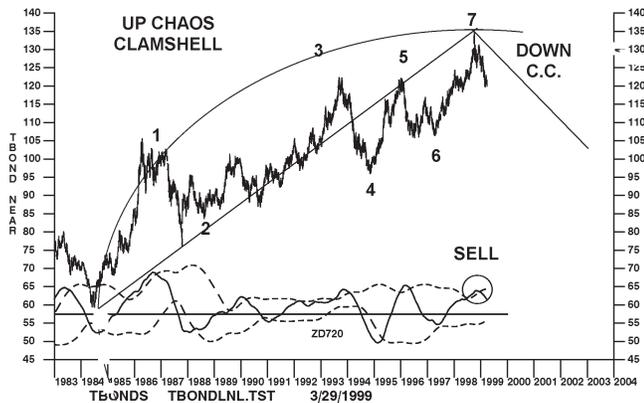


Even for the companies that are doing well this remains a dangerous period. Things can change so fast that a well thought out business plan based on last week's conditions may become invalid overnight. The future belongs to those companies who are nimble, flexible, and offer unique products. In the past technology was a unique product, so technology stocks did well. Investors should be cautious that their technology stocks are not selling technology that is becoming commonplace. Remember that value is based upon rarity.

The greatest thing in this world is not so much where we are, but in what direction we are moving.

O. W. Holmes

TBONDS



Tbonds continue their decline. The long term chart shows that Tbonds are in a down CC following a 12 year long up CC. The ZD540 cycle gave a sell signal at the top and is many months away from a buy signal.

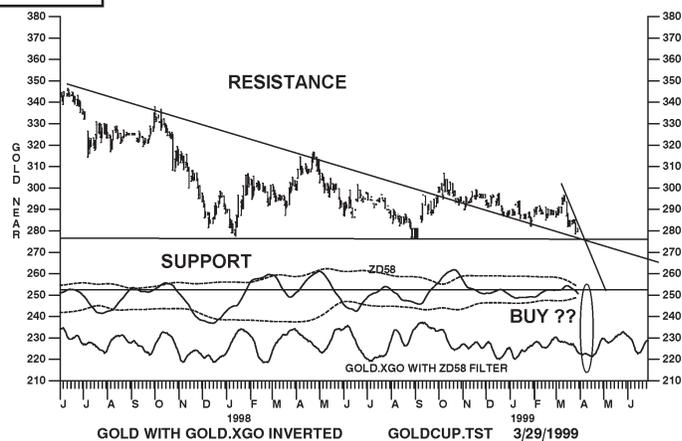
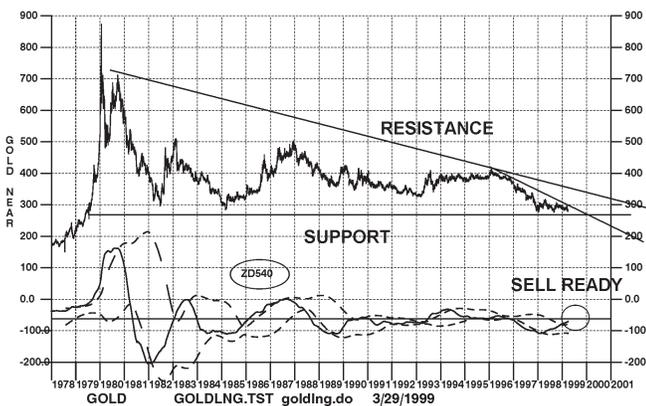
The near term chart shows the down Chaos Clamshell from the October high. After a brief rally near year end bonds have declined steadily. We expect them to continue to do so for several months.

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

Only those who dare to fail greatly can ever achieve greatly.

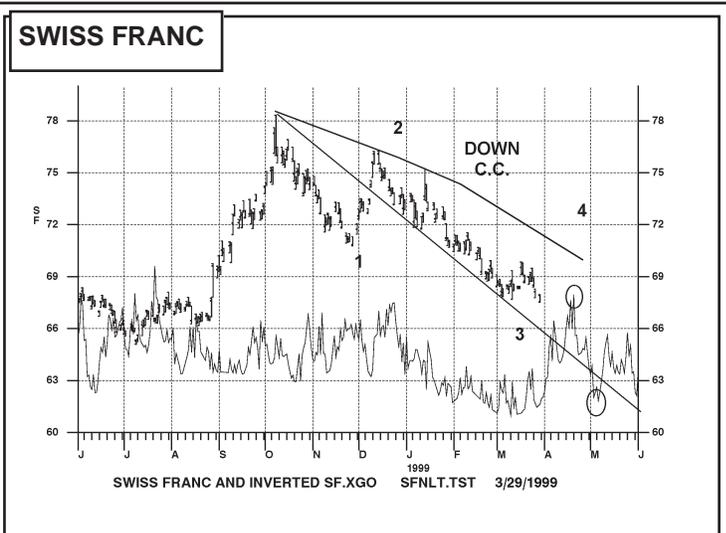
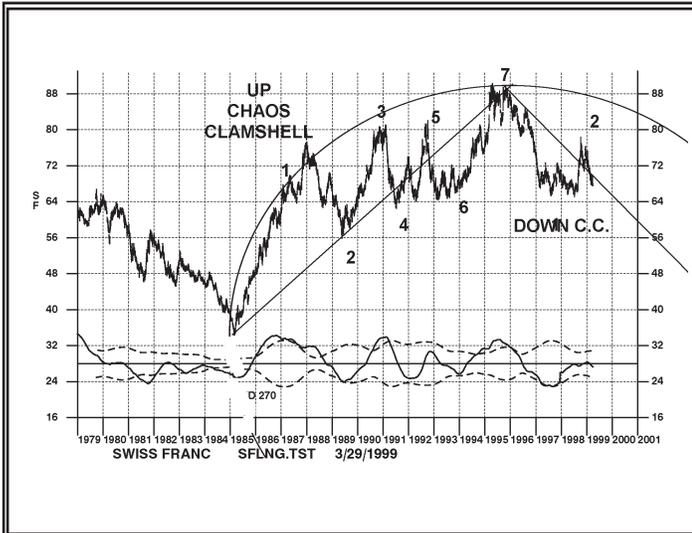
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GOLD



Gold continues to cling to the historic support level of 276. The long term chart shows a huge converging triangle covering 20 years. If gold can rally off of this support level we could see a major move.

The near term chart gives a close up view of the end of that triangle. The ZD58 cycle is nearing a buy signal. The 58 day energy cycle has a low in early April. That could be the beginning of a major up move. However, if 276 is broken to the downside, we can expect a sharp drop to as low as 240. If that happens be alert for a buying opportunity.



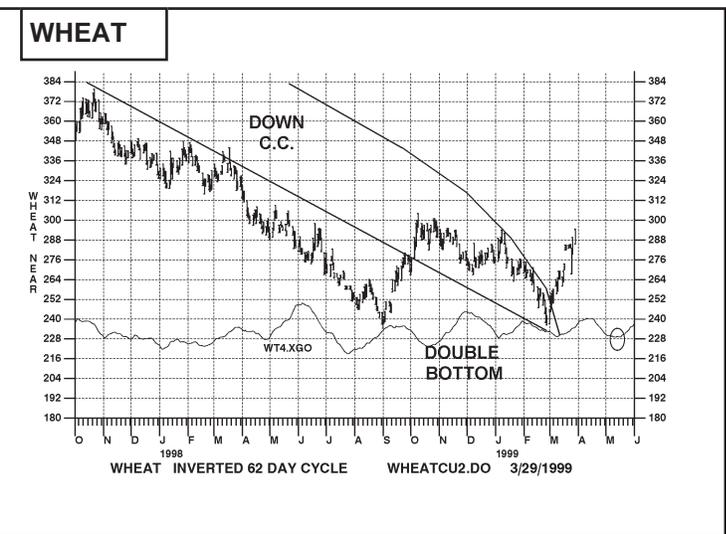
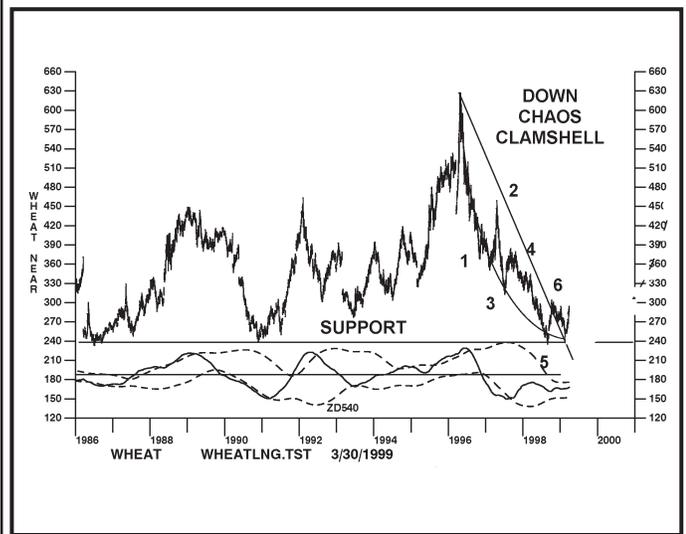
The Swiss Franc continues in a major downtrend. The long term chart shows that it is probably in move 3 of a down CC from its all time high.

The near term chart shows that the Swiss Franc has followed its inverted energy curve pretty well. That curve is now showing a rally for the next month. That looks to be a move 4 in the intermediate term down CC. That rally is expected to top the third week of April. That may be a good shorting opportunity.

Traders are currently trailing a buy stop above the market, working to catch the short term rally. Check the hotline for updates.

If you don't invest very much, then defeat doesn't hurt very much and winning is not very exciting.

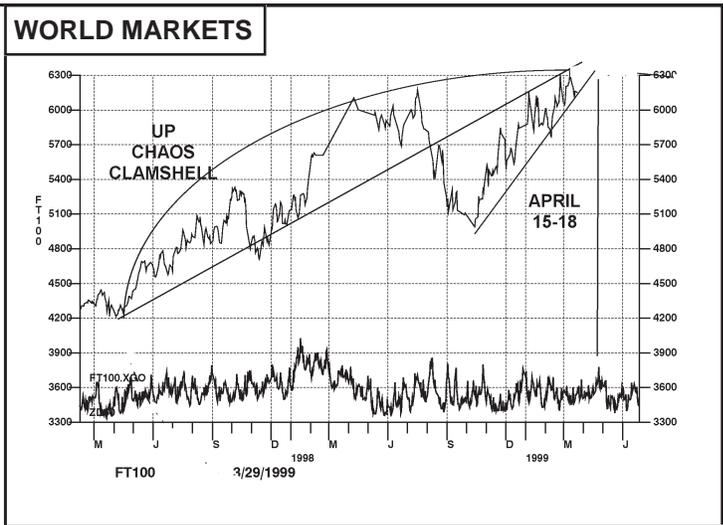
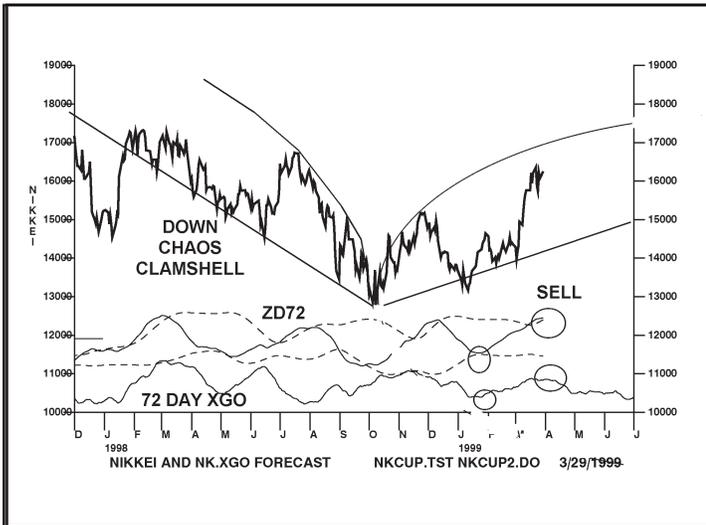
Dick Vermeil
NFL Coach



Wheat did manage a strong bounce off of the historic 240 support level. We managed to pick up a nice gain from that bounce. The long term chart shows the support level and the downward resistance line. We now have a double bottom on the support line. This is a major bullish indication. The down move from the high is a clear 7 move Chaos Clamshell.

The near term chart shows that the wheat energy cycle is peaking. We can, therefore, expect a pullback in prices. We should see a low in May which will be a major buying opportunity.

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.**

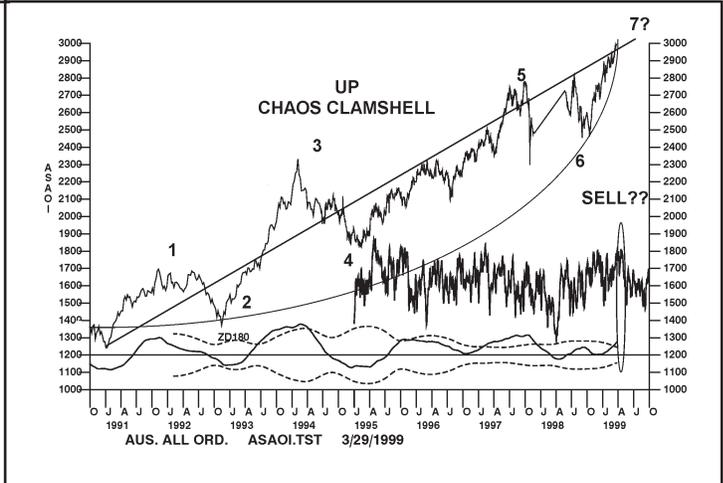


The Nikkei has given a sell signal on its ZD72 price cycle. That comes in the time frame forecast by the 72 day XGO. We can now expect the Nikkei to decline for 3 months or more.

The British market has rallied to new highs in what appears to be a move 7 blowoff in an up CC. That says we can expect a pullback in that market.

The Australian has similarly rallied in what looks to be a move 7 in an up CC. The energy curve is peaking and the ZD180 is sell ready.

All these markets seem to be topping.



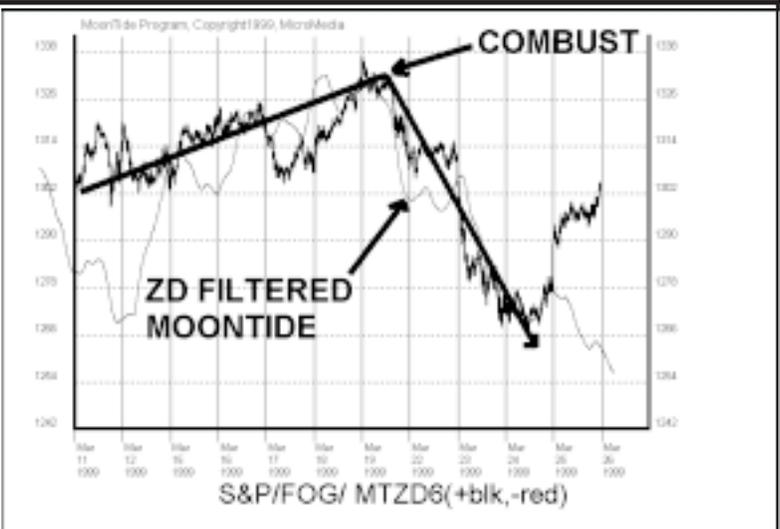
ASTROPHYSICS AND CHAOS THEORY

One of the most dramatic examples of planetary motion affecting prices comes from the planet Mercury. Mercury is the closest planet to the Sun and has a strong influence on the amount of radiation the Sun gives off. As Mercury orbits the Sun it periodically passes between the Earth and the Sun. When it does so it temporarily blocks energy flowing from the Sun to the Earth. Astronomers call this configuration "inferior conjunction." Astrologers call this "Combust." They do so because this configuration has been found to "ignite changes."

The chart shows how Combust worked in the S&P 500 on March 19th, 1999. The market had been working steadily higher for several days. At the exact time of Combust the market turned sharply lower and declined for 3 days.

The Moon was also involved. This is shown by our 6-8 day filtered version of the MoonTides.

Keep an eye on Combust. It will show you some interesting things.



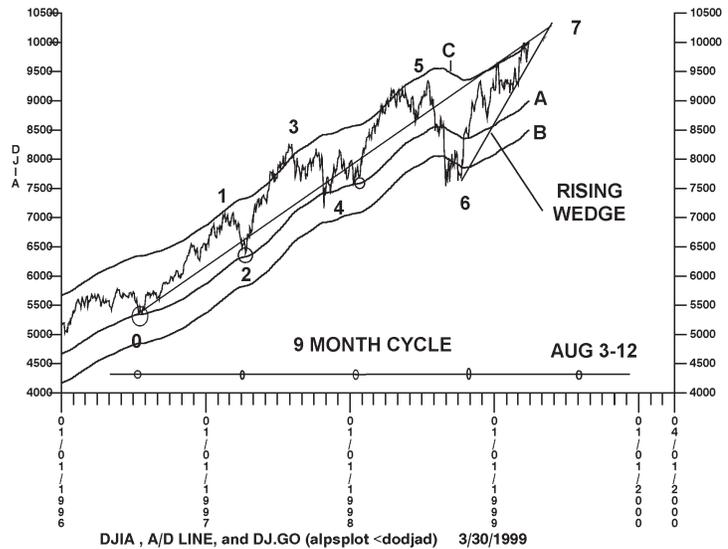
CHAOS CLASSROOM

This is a short lesson on trading channels. While there are many ways to establish trading channels a moving average system is easy to do. The line at A is a 200 day moving average. The line at B is the same moving average plotted 500 points lower. The line at C is the same moving average plotted 1,000 points higher. These lines mark the trading range of the DOW over the past three years.

These lines are useful in identifying major highs and lows. The points where prices dipped to the 200 day moving average are circled. These form a 9 month cycle of lows. This permits a forecast that a major low should be seen in early August.

The top channel line at C marks points where the market is vulnerable to a decline.

If one numbers the moves 1 through 7 as in a Chaos Clamshell starting in mid-1996, one sees that the market is currently vulnerable to a decline. This is both because it is near the top of its channel and because it has expended energy in 7 moves in its rally from 5,000. A trendline under the lows of the last rally shows a rising wedge pattern. Rising wedges into highs are usually retraced violently. So the simple technique gives you a clear picture that this is not the time to be buying stocks.

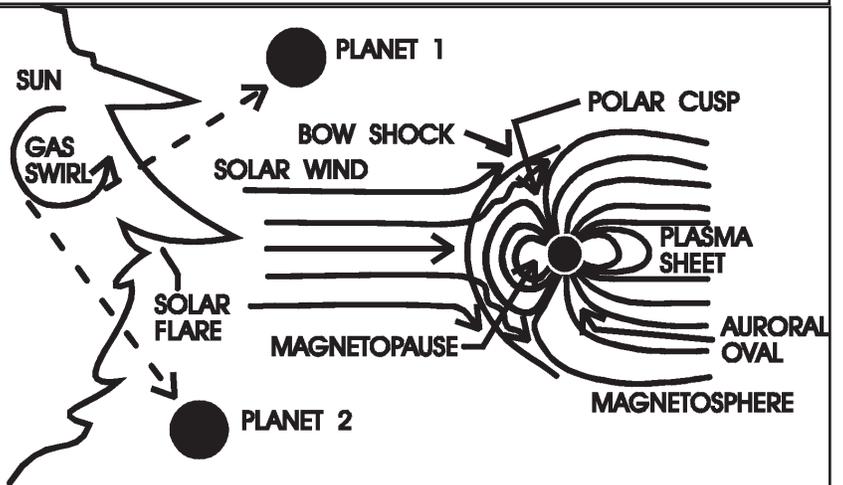


ENERGY **Think what our world would be like if there were no Sun.**

Our planet would be as dark and as cold as the backside of distant Pluto. Only because the Sun exists do we have light, life, and markets to trade. So it should not come as a surprise to learn that the Solar Energy System does affect markets. Market AstroPhysics is the study of how this system affects price motion in markets.

The Sun gives off radiation which varies by about 2 percent. These variations are caused by tidal forces that the revolving planets exert on the gases in the Sun. These tides cause vortexes in the Sun's surface leading to solar flares, coronal holes, and magnetic storms. The energy changes from these are carried to Earth on an ionized stream of particles called the Solar Wind. When the Solar Wind reaches

Earth it is deflected around the Earth by the Earth's magnetic field. This creates a magnetosphere around the Earth. At the poles ionized particles can penetrate the Earth's atmosphere. These charged particles build up a layer of ionized gas above the Earth called the ionosphere. Changes in the solar radiation cause changes in the voltage in the ionosphere. This in turn causes changes in the electrical currents flowing through people standing on the Earth. We feel these currents as emotions. These emotional surges cause us to trade emotionally. These emotional swings account for about 40 percent of price motion.



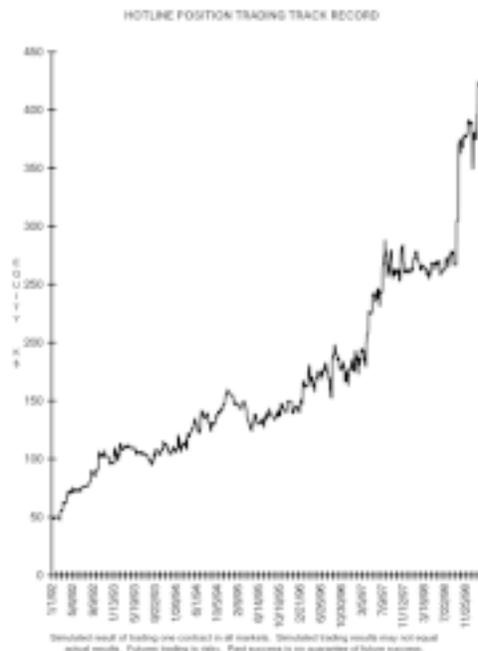
QUALITY IMPROVEMENT

This has been a very busy month for quality

improvement work. We have added an ISDN line. This gives us 128 kilobit connectivity to the Internet. This line along with a box called a router allows any of our eight computers high speed access to the Internet. This has improved our response time for things like our Friday Chaos Clinic and is the precursor of more improvements.

We have also completed a new version of the MoonTide program which incorporates the ability to overlay the Face Of God pattern. This software is now available to purchasers of the Face Of God course.

Unfortunately not all of our efforts were in a positive direction. We made a trading blunder on our Position Trading Hotline. We decided to average more contracts into our short position in the S&P. When the market did not drop in March as we had forecast we were stopped out for a 50 point loss on 12 contracts instead of our normal 2. Once again this points out the need for strict discipline and adherence to rules when trading. We do not plan to do such multiple contract averaging again.



PEOPLE AND HAPPENINGS

Again this was a busy month. We enjoyed a brief vacation in San Francisco, one of my favorite cities. Besides visiting our favorite spots we also visited family.

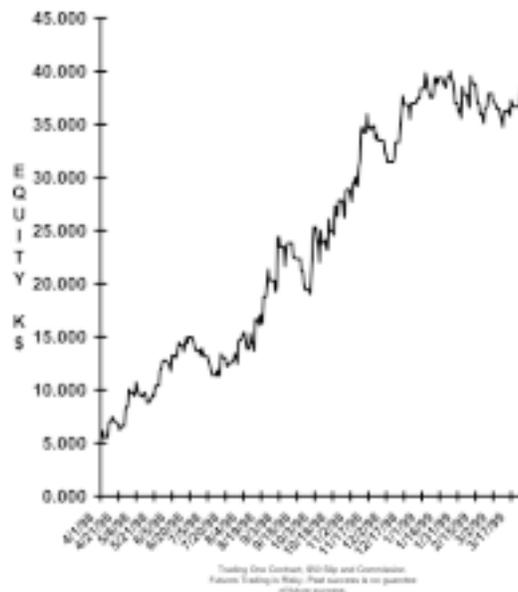
Thank you for the many emails and phone calls. We sincerely appreciate the interest in our work and the suggestions and comments. We have improved our email system and should be sending this newsletter both by snail mail and email. If you have given us an email address and have not received a copy by email, please contact us.

In April we will be speaking at the Astro Economics conference in Vancouver. It is April 24th and 25th. For more information call Grace Morris at (708) 636-3858. Hope to see you there.

Till next month, Happy Tides.

Hans

MOONTIDE ONE-A-DAY EQUITY



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.

MARCH						
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25 ^V	26	27	28	29 ^F	30	

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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