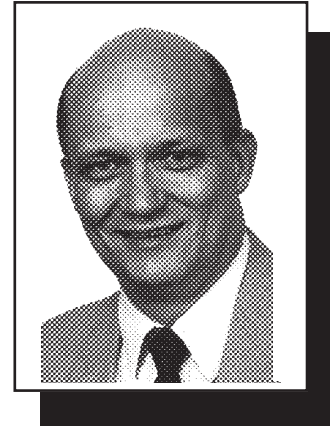
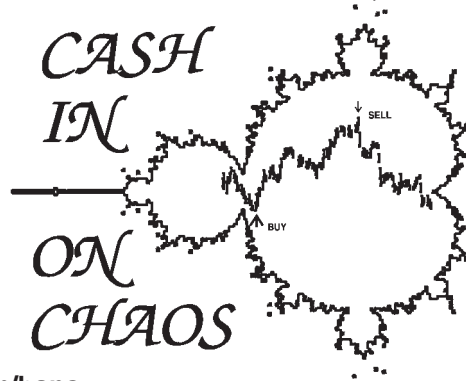


Yes,
you
can



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

CASH IN ON CHAOS NEWSLETTER - December 20, 2001-12

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

Stocks set up for 2002 decline. Tbonds very sick. IBM top in place. Economy struggles. Swiss Franc rallies a bit. Gold again trying to break out of the Mother of All Converging Triangles. Wheat heading up. World markets mixed. AstroDow 4. Year end mania market review. Solar stirring force review.

STOCKS

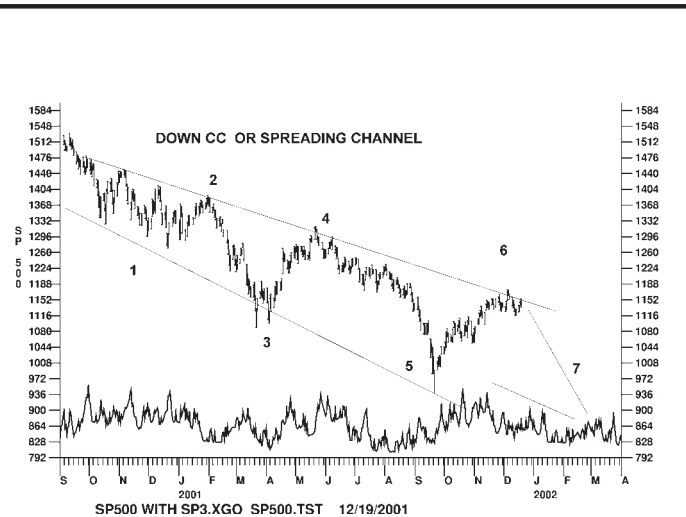
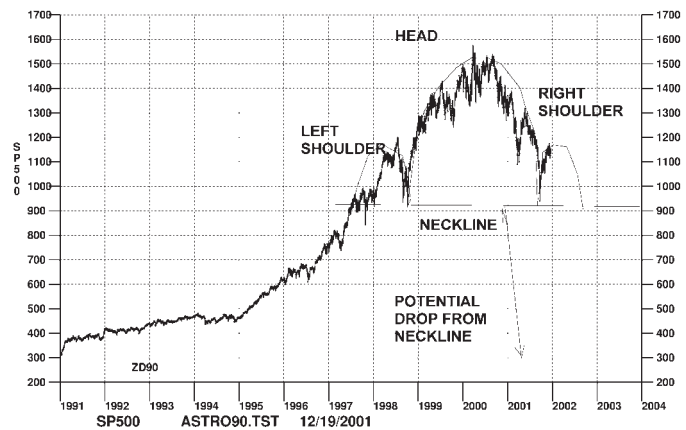
Stocks have peaked and are heading lower into the new year.

2002 promises to be an ugly year for stocks, as the US economy struggles to improve. Company profits and stock prices are under severe pressure. Even the most optimistic economic forecasters do not expect significant improvement until mid-2002.

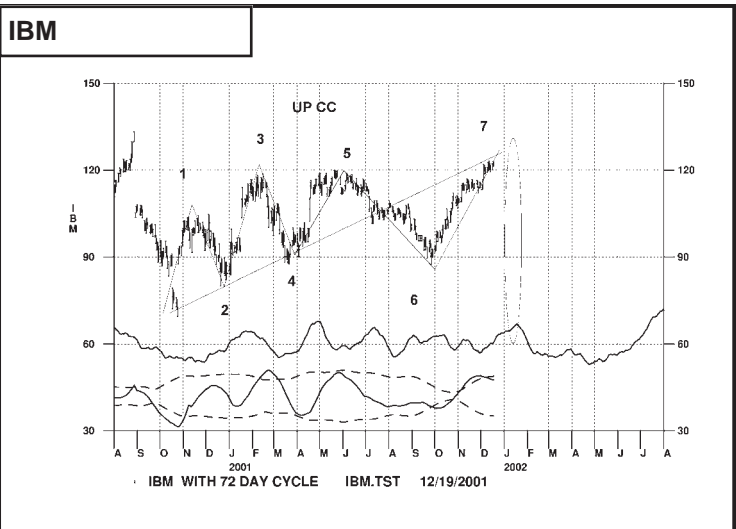
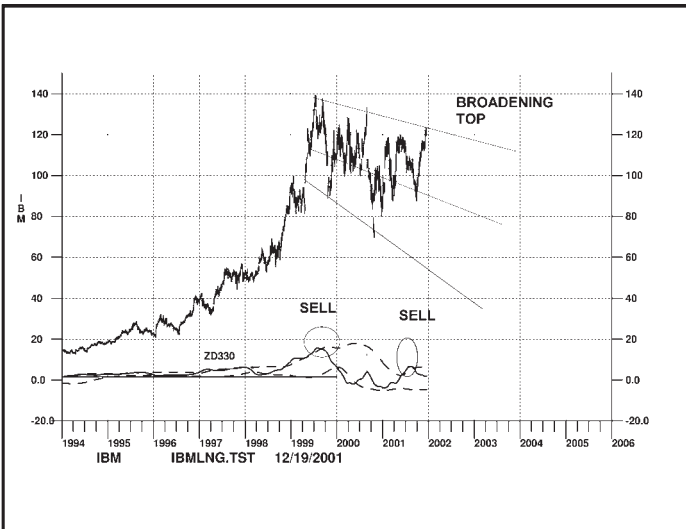
The long term chart shows a potentially disastrous pattern. The head and shoulders pattern is one of the oldest and most respected patterns in technical analysis. The long term chart shows this pattern forming in the S&P 500. The market is turning down in the formation of the right shoulder. The pattern suggests the next move is to the neckline near 900. A break of that neckline, according to technical theory, could produce a move that goes as far below the neckline as above. Should this extreme scenario happen, the S&P 500 could drop to 300. I personally do not believe this scenario will happen, but one has to pay attention to what the patterns are telling you.

The near term chart shows the market declining in a spreading channel. The next down move should reach the bottom of the channel. This should occur in April or May 2002.

Investors should remain out of stocks. Traders are currently shopping for a short position.



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 completed or about to complete its topping pattern.

The long term chart shows the formation of a broadening top pattern. Prices have now reached the top of that pattern. A sharp decline from that point is very common in the broadening top.

The near term chart shows 7 moves in a very distorted Chaos Clamshell. The distortion has squashed the clamshell vertically, suggesting strong selling pressure overhead. I expect that clamshell to break down not later than mid-January.

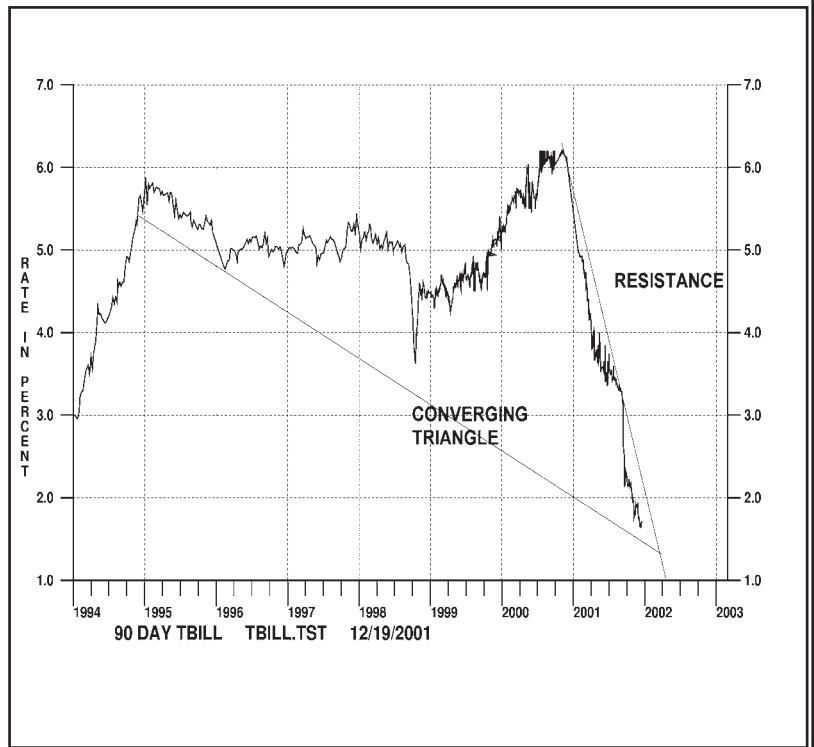
For stocks or commodities not covered in this newsletter or on the hotline, you can track the cycles and trade the Chaos Clamshells using the **Trading System Toolkit**.

ECONOMY/RATES

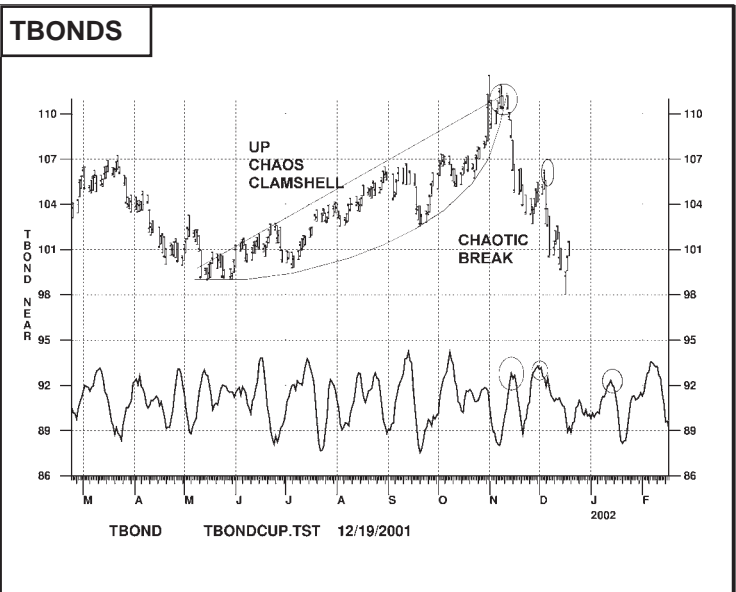
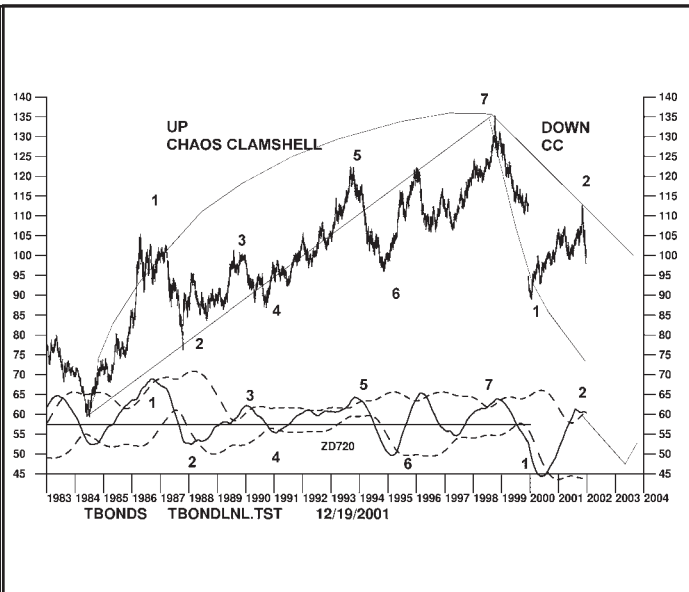
It is very interesting how one's Christmas cards can tell you how the economy is doing. In this year's Christmas cards two of our friends have taken early retirement, and another is on the verge of retiring. Two others have been recalled from overseas ventures by their company. So in my own small circle, the slowing economy is very obvious.

Meanwhile, the Federal Reserve continues to cut interest rates. This is apparently having little effect on the economy. The chart at the right shows the steepest interest rate cutting spree in history. Most of us who saw interest rates at 3 percent in our childhood, never thought we would see them that low again. But here they are, under 2 percent. The last rate cut was .25 points. That gives the Fed seven more cuts before the rate is zero. Sooner or later, these low rates will rupture the banking system. When that happens, the economy is in very deep trouble.

So what can the individual do about this? First, if you have a home mortgage with more than 15 years left on it, refinance with a 15 year fixed rate loan. Second, accumulate and hoard cash. Do not charge any more than you have to on credit cards, which are still charging 10-12 percent. If you do charge, pay the entire bill off the next month.



The secret of life is to know who you are and where you are going.
Unknown

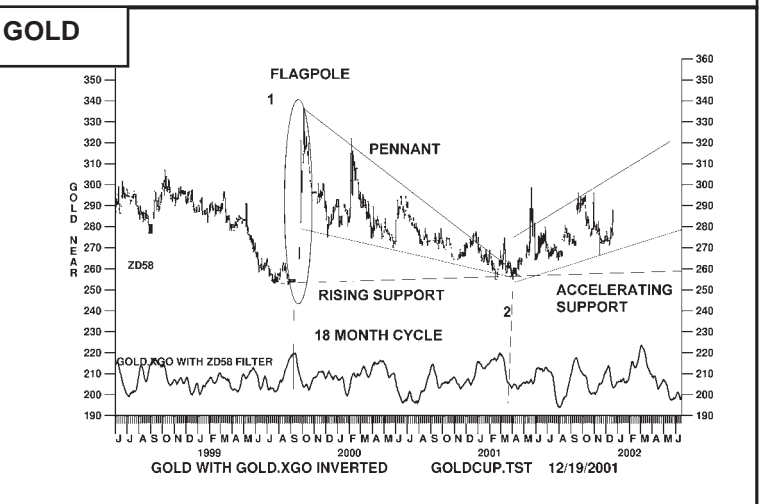
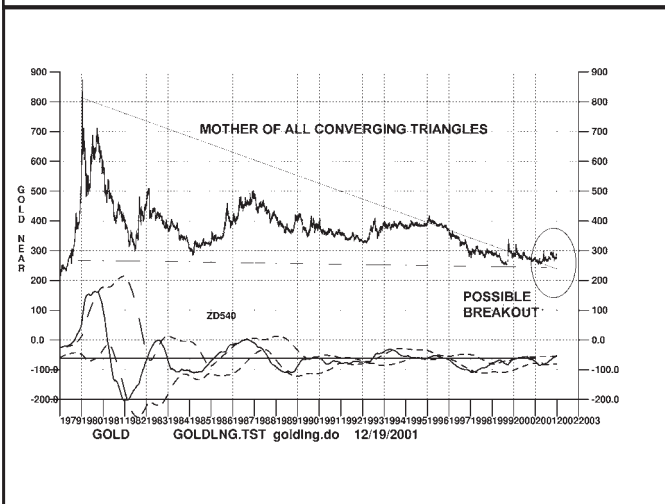


Tbonds have continued to decline in their sharp break. The long term chart shows that this decline is move 3 in the current down Chaos Clamshell. Over the past 20 years the moves have averaged 18 months. This suggests that tbonds will decline into mid-2003.

The near term chart shows the up Chaos Clamshell shown in previous newsletters. When it completed, tbonds made a chaotic break. This type of sharp break is a precursor to a longer down trend.

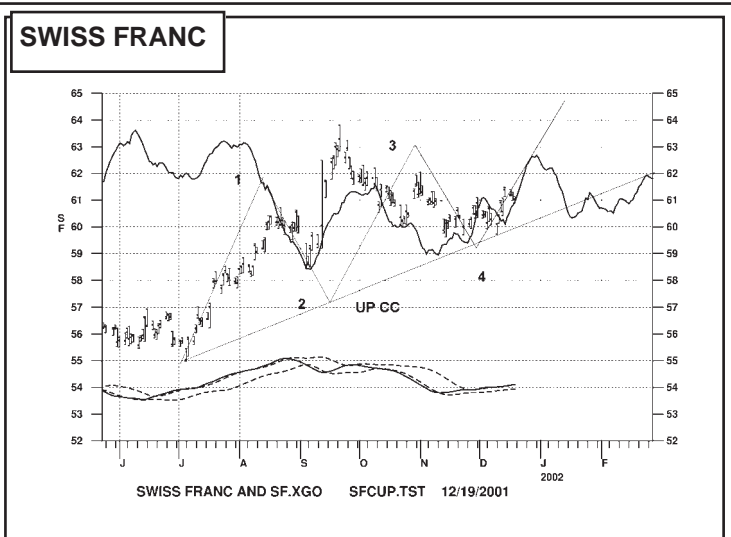
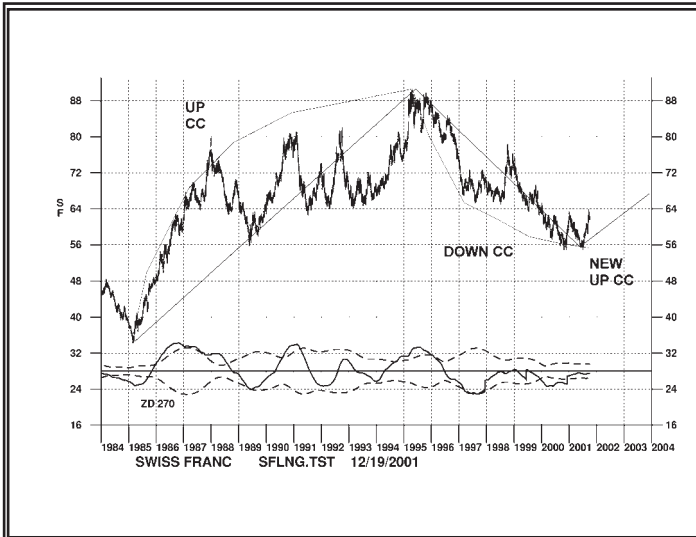
To accomplish great things we must not only act, but also dream; not only plan, but also believe.

Unknown



Gold is still working on breaking out of the Mother of all descending triangles. I hold my breath when I say this, but it may be about to succeed. The long term chart shows this triangle and a potential breakout from it.

The near term chart shows a choppy, but steady rise from the March low. That low was a higher low than the 1999 low. The most recent low shows evidence of acceleration in the buying support. The flagpole and pennant pattern took 18 months to form. The current rally should last 18 months from the March 2001 low. That would suggest this move in gold lasting into September 2002. If it continues to move at the current average rate of increase, it WILL break out of the Mother of all descending triangles.

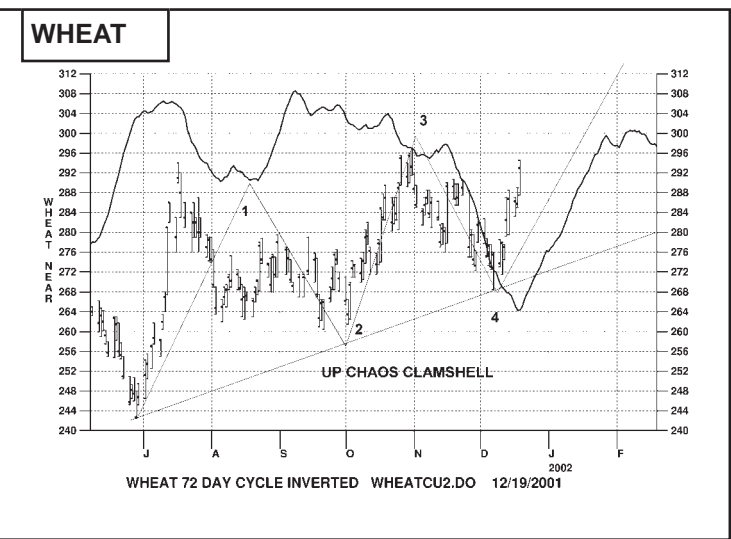
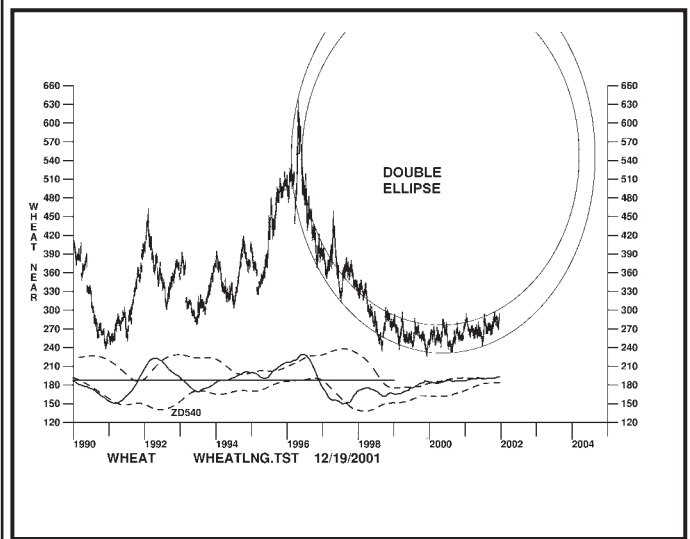


The Swiss Franc is making a modest rally as forecast. The long term chart shows that the Swiss Franc is probably in a new up Chaos Clamshell.

The near term chart shows that the first move of that up Chaos Clamshell is about halfway finished. It is now starting move 5 in that pattern. The 55 day energy is up into January, pulls back into a mid-January low, and then rises again.

Good, better, best; never let it rest till your good is better and your better is best.

Unknown



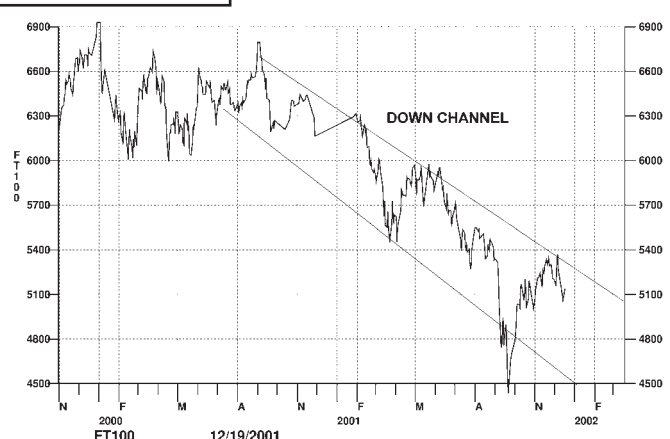
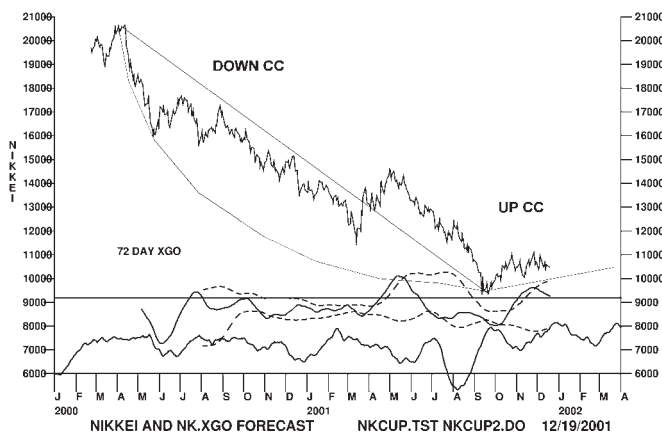
Wheat is headed higher. The double ellipse pattern shown on the long term chart continues to work. It shows wheat prices accelerating into a 2004 high.

The near term chart shows the current up Chaos Clamshell in wheat starting its 5th move. The 72 day energy cycle is strongly up into February. Hotline traders are long on this move.

This is the beginning of a historic move in wheat and is a rare trading 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 \$100.**

WORLD MARKETS

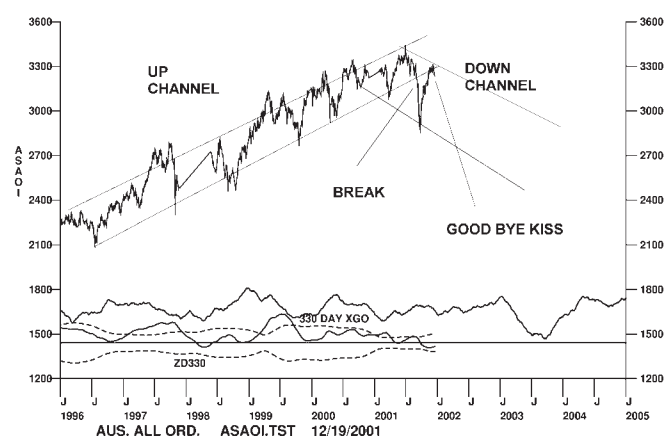


The Japanese market is struggling to advance after completing a down Chaos Clamshell.

The British market is poised for further decline.

The Australian market looks to be forming a new down channel. A decline from the current level will confirm this.

Over all, world markets look weak.



CHAOS CLASSROOM

This newsletter includes the 2002 Chaos Calendar. Marked on that calendar are several significant events. One set of such events are the AstroDow turning points. The little number 2's on the calendar mark the dates of the AstroDow 2 cycle. These turns occur about once a week. The number 3's mark the AstroDow 3 cycle, which gives turns about once a month. The AstroDow 4 cycle, marked with 4's, give turns about 3 or 4 times a year.

These turning points are statistically average turning points. They may not be exact, but they often give a good idea of the market trends.

This chart shows the AstroDow 4 turning points for last year and next year. There may be inversions between the turning points. This year there were none in the AstroDow 4. If that holds, we are in for a decline into April 10th.



ASTROPHYSICS AND CHAOS THEORY

This chart updates the mania market chart. The chart shows the current US market, overlaid with the Japanese stock market of the 1990's.

Both of these markets have shown a pattern of explosive growth, followed by disastrous decline. In that decline, both markets have shown a "hope is alive" rally.

That rally has brought us to where we are now. Prices have rallied from the September lows to the critical 1170 price level, from which they are now declining.

This chart has done well this year in helping us anticipate the market. If it continues to work as well next year, by December 2002, the S&P should be near 810.

Keep in mind that not all past market analogs work forever. But the nature of human behavior does not change. We do go through cycles of optimism and pessimism. That is what this chart is showing.



The journey of a thousand miles starts with a single step.

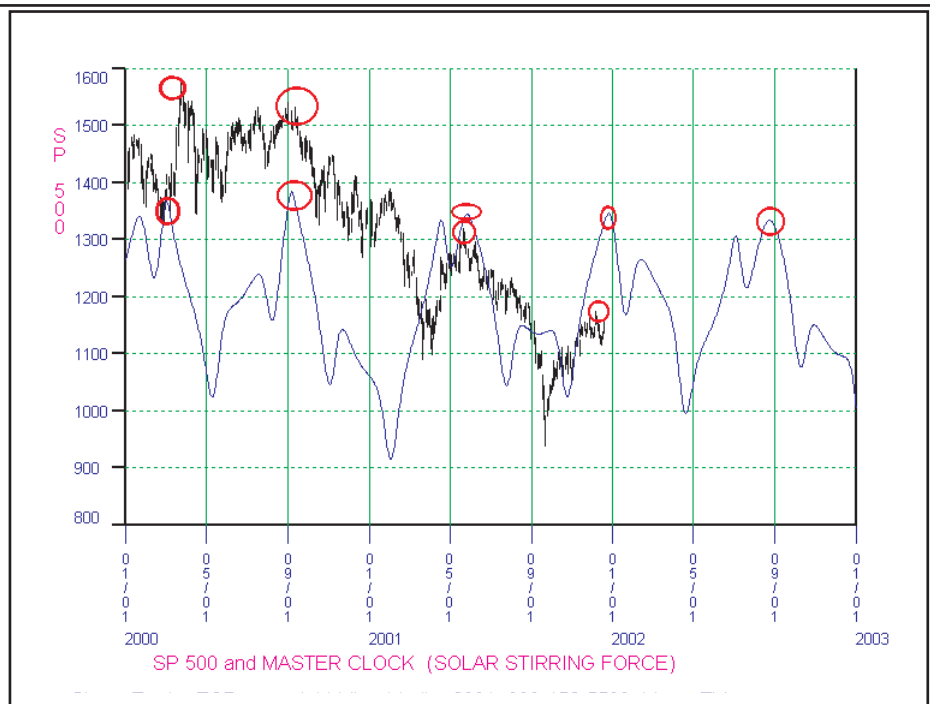
Chinese Proverb

ENERGY

This chart shows the solar stirring force versus the US stock market. A larger chart of the solar stirring force for 2002 is included with this newsletter.

The solar stirring force is a computation of the tidal forces the moving planets set up on the sun's surface. These tidal forces set up swirls in the sun's gases, forming sun spots, coronal holes, and solar flares. These phenomena effect the amount of radiation coming off of the sun. This changing radiation effects the voltage on our ionosphere, which in turn effects the emotional currents flowing through traders. These emotional changes show up in stock prices.

On this chart I have marked the significant highs in both prices and the solar stirring force. The correlation is excellent. Note that the solar stirring force is now turning down and remains down into April.



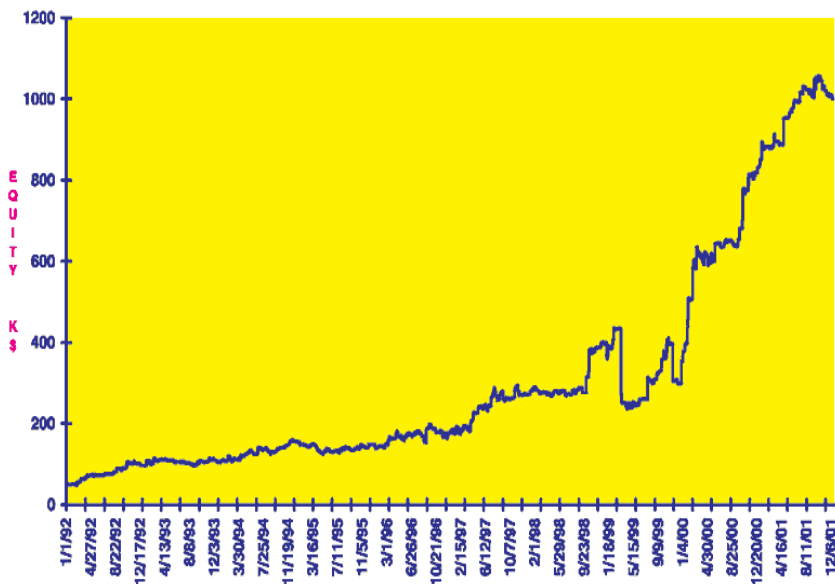
QUALITY IMPROVEMENT

This month's quality improvement efforts have focused on consolidating the many changes we have made this year.

We were again struck with an email virus, which penetrated our defenses. So we once again have upgraded all of our software, deployed more virus protection, changed passwords everywhere, and adopted more defensive office procedures. This has been a year when America was not only attacked by terrorists, but American business was attacked by serious cyber-crooks.

Besides these defensive measures, we have upgraded our network and our data sources. We have a new server, and are developing software for it. When that software is finished, we will be able to offer even better services in 2002 than we did in 2001.

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

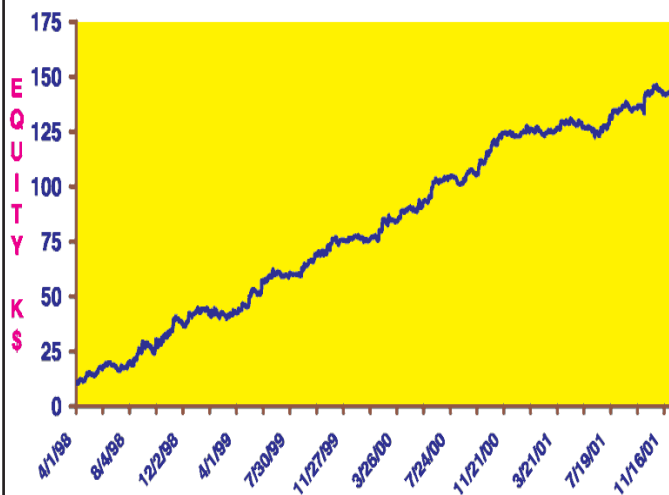
This has been a busy month with many emails, comments, and questions. We think we have most questions answered. I sincerely appreciate your interest in my work.

This is the season to enjoy the gains of this year, and anticipate the coming year. We are very thankful that our hotline performance has remained positive during a difficult year in the markets.

Wava and I wish each of you and yours a Very Merry Christmas and a Happy and Prosperous New Year. Relax and enjoy the holidays, and we will see you next year.

All for now,

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.

The **Cash In On Chaos Newsletter** (formerly the Market AstroPhysics Newsletter) is published 12 times per year, between the 20th and the 31st of the month. Subscriptions are \$240 per year, including the AstroDow and Master Clock timing information. 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. CIOC Newsletter is written and published by Dr. Al Larson, PhD, RSA, CTA. 303-452-5566., fax 303-457-9871 MicroMedia , 4224 East 126th Ave., Thornton, CO 80241. Mastercard , Visa accepted. Hotline available daily (Chaos Trader's Email or Tomorrow's Market Email). Just \$99/Mo, billed for 3mos @ \$297, renewed automatically. Sign up at: <http://moneytide.com>

DECEMBER

S	M	T	W	Th	F	Sa	
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23	24	25	26	27 ²	28	29 V	
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JANUARY

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N 13	14 ³	15	16	17	18	19
20	21	22 ^{M 2}	23	24	25	26
27	28 ^F	29	30	31 ²		

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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CHRISTMAS SPECIAL

Part 1:Chaos Trader's Trilogy=Cash In On Chaos + Fractal Of Pi + Face Of God Courses, normally \$5040, now \$3728. But during December, 2001, only \$3384.
 Part 2: Cash In On Chaos Course \$360 (save \$360).
 Part 3: If you've taken CIOC, then Fractal Of Pi Course \$360 (save \$360).
 Part 4: If you have taken CIOC and FOP, Face Of God Course \$2664 (save \$936).
 Part 5: Take 20% off any order over \$300, excluding Hotlines, Jumbos, and other discounts.

Good until midnight on January 31, 2002.

2002 CASH IN ON CHAOS CALENDAR

JANUARY							FEBRUARY							MARCH						
S	M	T	W	Th	F	Sa	S	M	T	W	Th	F	Sa	S	M	T	W	Th	F	Sa
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OCTOBER							NOVEMBER							DECEMBER						
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^N 6	7	8	9	² 10	11	12	3	^N 4	² 5	6	7	8	9	8	² 9	10	11	12	13	14
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2 = AstroDow2

4 = AstroDow4

F = Full moon

M = Mercury Lunar Chaos

3 = AstroDow3

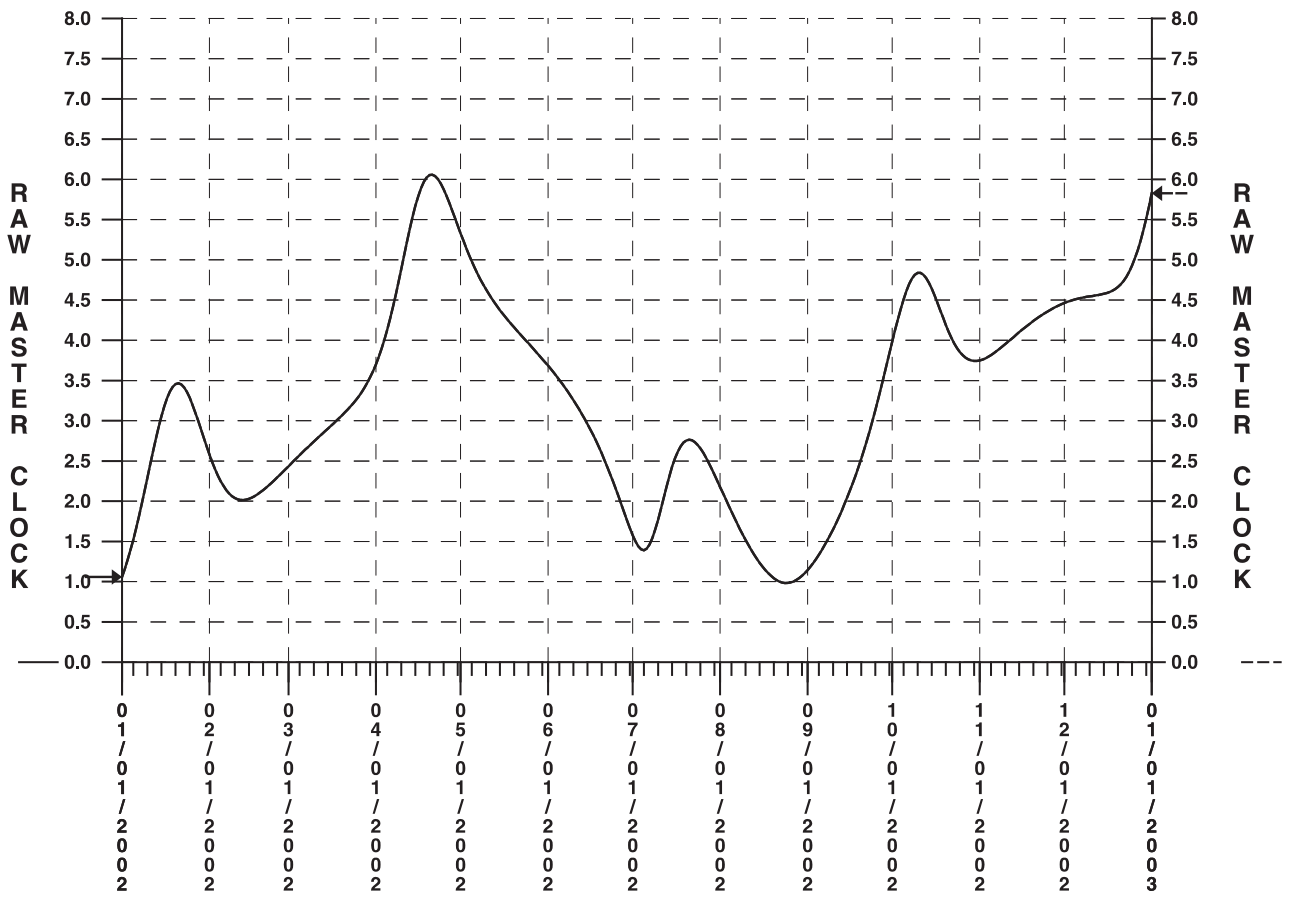
P = AstroPoint

N = New Moon

V = Venus Lunar Chaos

Dr. Al Larson, MicroMedia, 4224 East 126th Ave, Thornton CO 80241, 303-452-5566

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RAW MASTER CLOCK (vegamandelbrotplotspsdplot<dofi02)