

Dynamic Trader Daily Report

Comprehensive Analysis and Education For the Serious Trader and Investor

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The analysis and trading strategies described in this report are for educational purposes only. The commentary in this report may or may not relate to a specific trade recommendation made in the Dynamic Trader Report. The weekday issues of the Dynamic Trader Report are prepared by Stephen Griffiths and are primarily for trading education purposes with alerts for potential trade set-ups for markets described in the Saturday issue prepared by Robert Miner.

Today's Lesson

Using a close only chart to help in the adjustment of stops on current open positions.

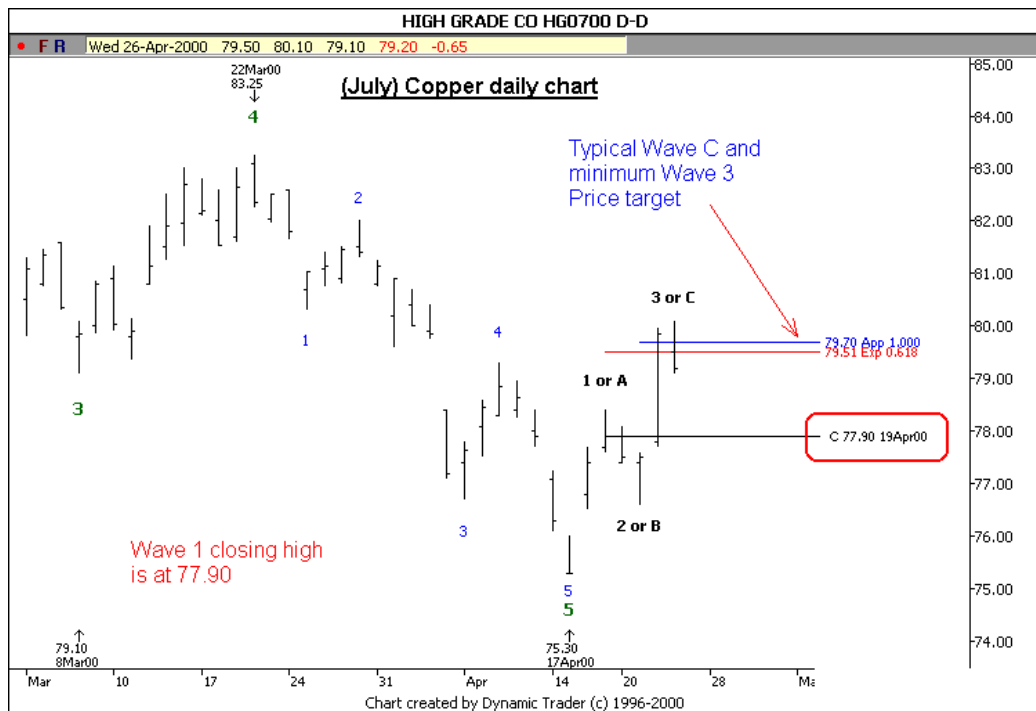
Today I would like to have a look at the stop loss adjustment on two recent trades in the report, concentrating on using closing prices as a guide.

For the first example, I would like to have a look at a daily crude oil chart, where a long position was taken off the Wave 2 or B low:

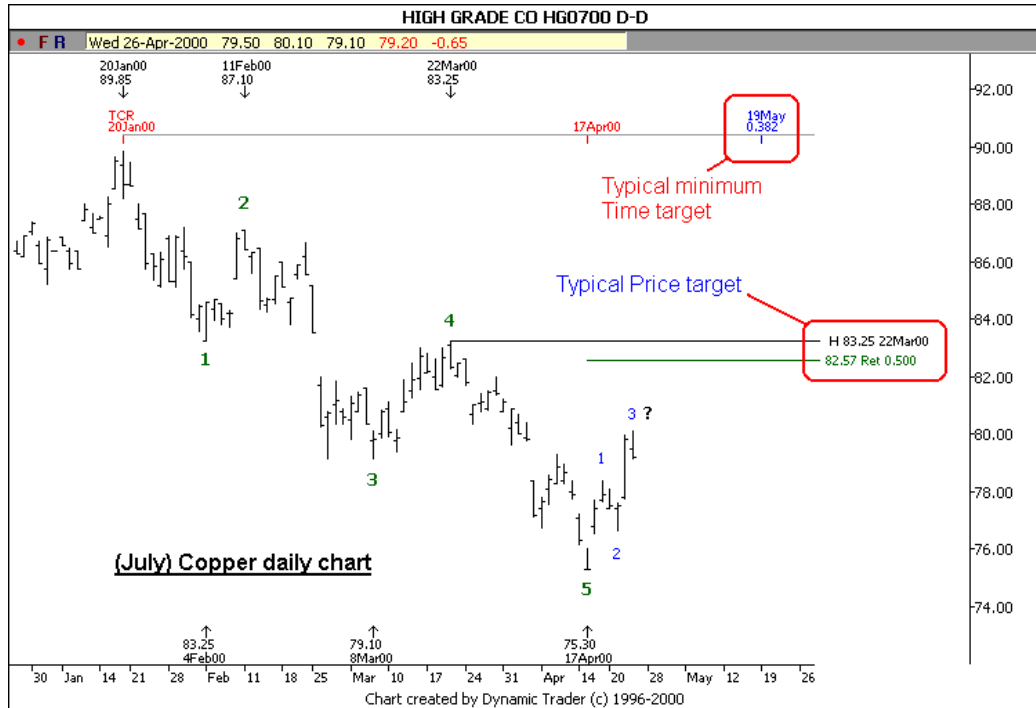


Here Crude Oil appears to have made a Wave 3 or C high on Apr 24, right at the *typical* Wave C (and *minimum* Wave 3) price target.

Wave 1 closing high in (July) Copper



Larger degree picture – minimum Price and Time targets



The second chart shows how the larger degree picture is very different from the position on Crude Oil. Crude has met the *minimum* Price and Time targets for a corrective high (please see the analysis in the Apr 22 Saturday report), whereas Copper is still short of the 38.2% Time retracement of the prior five wave sequence.

When a market has unfolded in a clear five wave sequence, *usually* the first target for the move off the completed Wave 5 is the prior Wave 4. In the current copper example this is also in the area of the 50% retracement, both of which are still well above the current price of Copper.

Therefore the rally off the Apr 17 low is probably still in the initial stages of a rally, hence stops should be kept further away to allow the market room to breath.

Lessons Learned

Using a close only chart can help in the adjustment of stops on current open positions.

Good Trading,

Steve

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Specific Trade Recommendations Summary For April 27

This table only includes those markets with outstanding trades and new specific trade recommendations.

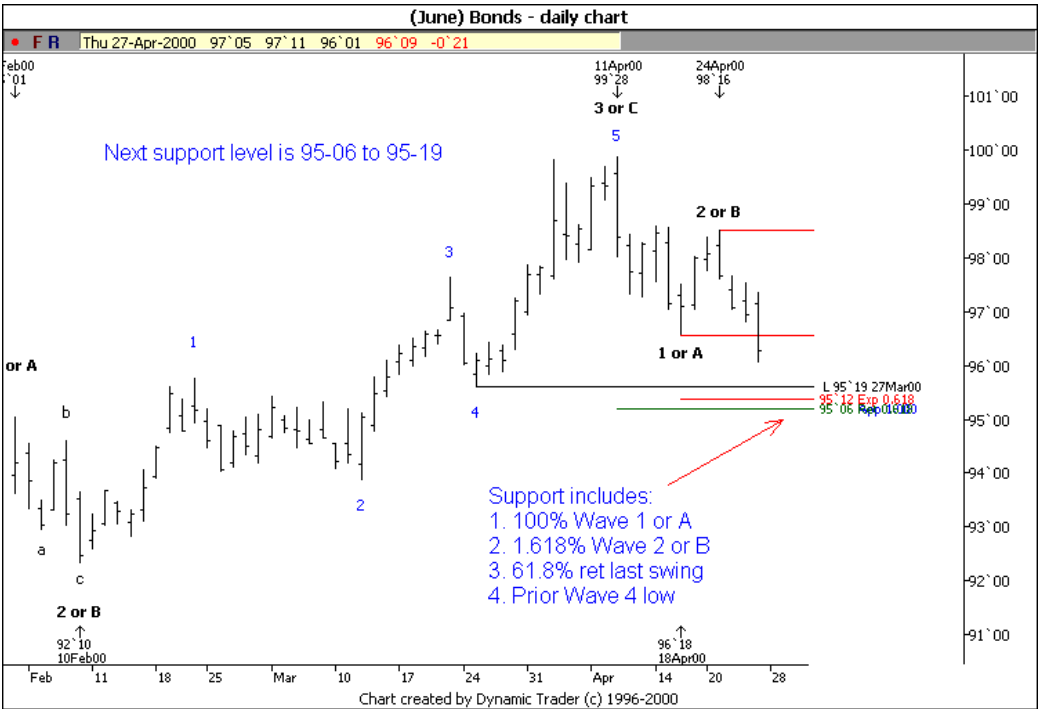
Market – Current Position	New Trade Recommendations or Stop-Loss For Existing Positions for April 27
<p>BP: June</p> <p>S&P: June S-4/26, 1474.0</p>	<p>Today the BP traded below 1.5750, therefore voiding the go-long set-up.</p> <p>Analysis and trade strategies for the full S&P contract. Trade execution on the E-Mini contract.</p> <p>A close below the minor Wave B low of Apr 24 at 1417 would confirm that Apr 26 completed a Wave 4 high.</p> <p><u>ST & IT units:</u> Maintain the protective buy -stop at 1495.50, one tick above the reversal day high.</p>
<p>Copper: July L-4/27, 79.10</p>	<p>A new long position was taken in the July contract on open at 79.10.</p> <p><u>ST & IT units:</u> Maintain the protective sell-stop at 77.85.</p>
<p>Bonds: June S-4/17, 97.03</p>	<p>Today Bonds continued to decline as anticipated and closed below both 96-31 and the Apr 18 low of 96-18.</p> <p>The next support level is 95-06 to 95-19. See chart on next page.</p> <p><u>ST & IT units:</u> Maintain the protective buy-stop on both units at 98.17.</p> <p>If Bonds trade below 95-06, trail the protective buy-stop on the ST position one tick above the prior day's high.</p>

Other Markets of Interest Summary For April 27

Market	Other Markets of Interest – April 27
Soybeans: July	Today Beans continued to decline as anticipated yesterday. A close below the lesser degree Wave B low of Apr 20 at 541.4 would confirm Apr 26 as a Wave 2 or B high. See chart on next page.
Sugar: July	No additional comments.
Cotton: July	Cotton made an inside day, an advance above 58.48 would probably signal a Wave 2 or B low completed on Apr 24.
Corn: July	As with Soybeans, Corn continued to decline as anticipated.

Continued on next page.

(June) Bonds – daily chart



(July) Beans – daily chart

