

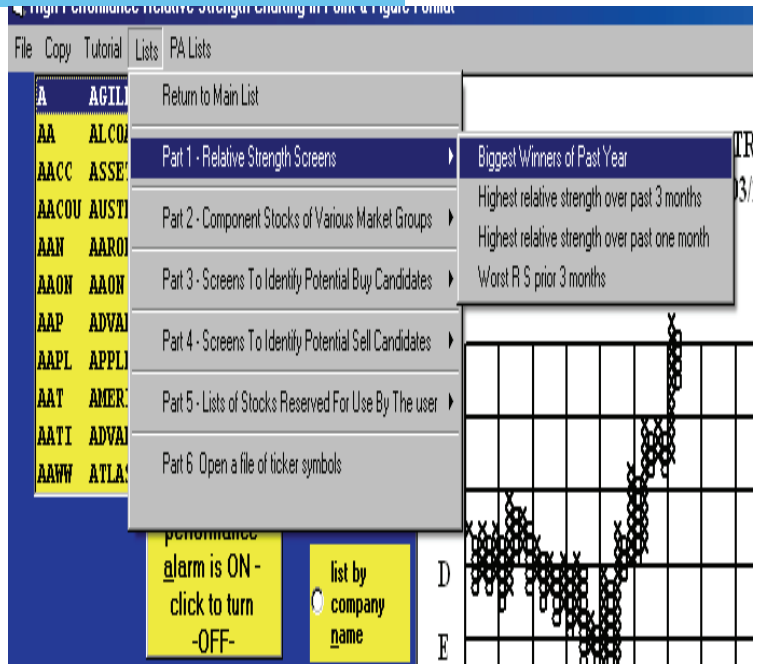
The Market Dynamics Relative Strength Screens

Portfolios heavy with under-performing stocks almost never outperform the market.

Ignat's Law

The Market Dynamics relative strength charting system contains four screens based on relative strength. Three of the screens are based on positive relative strength over different time periods. One screen shows the stocks with the worst relative strength over the past three months. Each list contains 100 stock ticker symbols

These relative



Buying begets buying and selling begets selling."

Old Wall Street aphorism

strength screens are calculated using a point to point difference of relative strength calculated on one month, three months and the biggest winners of the past year. The stocks with the worst relative strength are calculated using a three month time frame. These screens are updated daily and sent to Market Dynamics users along with the daily downloads.

To access these screens click on the Lists caption at the top of the Market Dynamics main charting screen and clicking on Part 1. The dropdown menu will appear that lists the four relative strength screens and the users can click on the list that suits his investment time frame.

The lists of 100 stocks can be viewed, printed out or the charts can be saved for use in other applications. The lists are shown in alpha sequence either by ticker symbol or by company name. The entire list can be saved or printed out by right clicking the save or print buttons on the main charting screens and save or print the complete list. This can use a large quantity of paper when the print button is used.

A large part of successful portfolio management is in keeping track of the action of the market. These screens should help the portfolio manager to track the best and worst stocks on a continuous basis. The lists are very dynamic and should be reviewed frequently. The Market Dynamics service covers almost 5000 stocks so the best list of 100 is a very small proportion of the entire universe of stocks.

Investment time frames vary from manager to manager. The user is free to select the time frame that best suits his investment philosophy. The stocks should be reviewed to find those stocks that are showing good relative strength after an extended period of accumulation (a base). In this way the portfolio manager can keep the portfolio fresh and in-step with the action in the market. There is no need to fundamentally follow stocks that are in down trends.

W. Clay Allen CFA

A collection of recent newsletters is available on the web site.

Please visit my web site at http://www.clavallen.com/

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