

# IFTA UPDATE

2014 Volume 21 Issue 2

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**Next issue: September 2014**

### Submission Deadlines

**Education articles:** August 15—  
send submissions to [newsletter@ifta.org](mailto:newsletter@ifta.org)

**All other content:** September 1—  
send submissions to [admin@ifta.org](mailto:admin@ifta.org)

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a newsletter for the colleagues of the International Federation of Technical Analysts

## President's Report to Colleagues

Dear IFTA Colleagues,

I am pleased to announce that we have a new member within the IFTA family. The Financial Technical Analysts Association (FTAA), from the jurisdiction of Hong Kong, joined IFTA as a developing society in April 2014. The IFTA board unanimously accepted the application of FTAA. We welcome FTAA and wish them success and all the best for their future endeavors.

### IFTA Conference

"Unravelling the DNA of the Market" is the theme of the next IFTA conference. The event will take place 9–11 October 2014, at the Waldorf Hilton Hotel in central London and will be hosted by STA. The organizer has put together a list of keynote speakers who should help us to explore some of the underlying causes of market behavior. To date, the confirmed speakers include:

- **Marcus du Sautoy**, professor of mathematics at the University of Oxford, is an outstanding communicator and

author of bestselling books that have been translated into 10 languages.

- **Alexander Elder**, a professional trader and teacher of traders, is the author of several books.
- **John Murphy**, former technical analyst for CNBC, is the author of several popular books. His work on intermarket analysis created a new branch of market analysis emphasizing global linkages.
- **Tony Plummer** is the director of Helmsman Economics Ltd and a fellow of STA.
- **Cyril Baudrillart**, senior investment advisor for BBSP, specializes in market timing consulting.
- **David Sneddon** is a managing director at Credit Suisse.
- **Richard Taffler** is professor of finance at Warwick Business School. His research is focused on the role of the emotions and the unconscious in investment decisions.
- **Robin Mesch** has been building breakthrough market models for more than 25 years and is considered one of the world's top minds in technical analysis.

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## IFTA 2014 Annual General Meeting

**Wednesday, October 8, 2014  
16:30 to 17:30 (4:30pm – 5:30pm)**

[The Waldorf Hilton Hotel](#)  
London, UK

All IFTA colleagues are invited and encouraged to attend. For further information, contact the IFTA staff at [admin@ifta.org](mailto:admin@ifta.org)

I would like to invite every IFTA colleague to this wonderful conference in London. Those who have not registered yet should take to opportunity to register soon. Apart from the challenging program, IFTA conferences are a good platform for meeting old colleagues and making new friends.

President's Report (continued)

## Webinar Program

Since 2013, IFTA has offered webinars to our colleagues. Our marketing director, Dan Valcu, has organized the webinars—in 2013, in cooperation with the German society VTAD, and in 2014, with our own platform. Under Dan's guidance, we will be offered regular webinars with known speakers and interesting topics. The idea of the webinar series is to deliver technical analysis content to the colleagues in the societies. Being one step ahead, this program should also be used to give colleagues a platform for presenting themselves or their research. A wonderful example is Victor Hugo, a colleague from TASSA, our South African society. Victor presented "Some Uses of Market Geometry: Time, Price and Gradients" in May. If you are interested in viewing past webinars or registering for future webinars, please check with your local society for details. If you want to apply to be a speaker, please send a proposal to our our staff. Whether you have a research presentation or one on an educational topic, please tell us about your idea. Finally, since webinar registration and attendance are high and distribution is international, if you would like to be a webinar sponsor, please contact us.

I want to thank the societies for all the information about their activities. Furthermore, I want to thank our colleagues who contributed articles for this newsletter or who helped to edit and produce it.

I hope to see you all in London! †

Best regards,



Rolf Wetzer, Ph.D.  
IFTA President

# IFTA2014

Unravelling the DNA of the Market



The Society of Technical Analysts (STA) is delighted to be hosting the 2014 International Federation of Technical Analysts' Conference in London.

The conference will take place on 9-11th October at the Waldorf Hilton Hotel in central London. The theme of the conference "Unravelling the DNA of the market" will allow us to explore some of the underlying causes of market behaviour.

Keynote speakers include:

Professor Marcus du Sautoy OBE – the Simonyi Professor for the Public Understanding of Science and a Professor of Mathematics at the University of Oxford. Presenter of The Code on BBC2.

John Murphy, Dr Alexander Elder and Tony Plummer – widely acknowledged as today's leading experts on technical analysis and trading.

London is quite simply the most popular tourist destination in the world. It is a fascinating combination of the old and the new – 21st century technology and architecture nestle among buildings that reflect the city's 1000 year history.

Delegates will have the opportunity to explore world-class museums and galleries as well as to see spectacular theatres and shows.

The STA looks forward to welcoming you to a fascinating conference which will include a buzzy social programme.

Come and experience all that London has to offer.

Deborah Owen  
Conference Director  
Society of Technical Analysts

For Booking and updates go to [conference.ifta.org/2014](http://conference.ifta.org/2014)

**See Page 21 For Full Brochure**



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# Calendar At-A-Glance

Date	Topic	Host	Speaker	Location	Time	Contact	
Monthly	Presentations from local and international speaker on a comprehensive range of topics (e.g., sharemarket, CFDs, options, futures, FOREX trading, methodologies, money management, psychology).	STANZ (New Zealand)	Various	Epsom Community Centre 200-206 Gillies Ave. Auckland, NZ	Various	<a href="http://www.stanz.co.nz/">www.stanz.co.nz/</a>	
Monthly	Meetings are held monthly in nine cities across Australia. All monthly meetings are free to members. Visitors are welcome to attend. Bookings are not required. Visitors fee is \$30.	ATAA	Various	Various	Various	<a href="http://www.ataa.com.au/meetings">www.ataa.com.au/meetings</a>	
Monthly	Chapter leaders and their volunteer members serve as ambassadors for the CSTA and plan social and educational events for the area. Events include presentations by industry professionals and technical analysis experts and peer learning gatherings. Chapters also play a vital role in their community by connecting individuals and promoting technical analysis.	CSTA Chapters	Various	Various	Various	<a href="http://www.csta.org">www.csta.org</a>	
July	2	STA Diploma I Exam	STA	N/A	Queen Mary University London	18.00-20.00	<a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	5	Society Meeting	ATA		ISBF Campus, New Delhi	16:00-18:00	<a href="http://www.taindia.org/Events">http://www.taindia.org/Events</a>
	9	Where We Are in the Runaway Bull Market	TSAASF	Dr. Hank Pruden	Golden Gate University San Francisco, CA USA	15:00-16:30	<a href="http://www.tsaasf.org">http://www.tsaasf.org</a>
	12	Introductory Technical Analysis Course for New Members	TASN	Membership Committee	77B Mobolaji Bank Anthony Way, Behind Ikeja Plaza Ikeja, Lagos	10.00	<a href="mailto:admin@tasnigeria.org">admin@tasnigeria.org</a>
	15	Summer Party	STA	TBA	British Bankers Association, Pinners Hall 105-108 Old Broad Street, London EC2N 1EX	18.00-20.00	<a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	19	Monthly Meeting	TASN	TBA	77B Mobolaji Bank Anthony Way, Behind Ikeja Plaza Ikeja, Lagos	10.00	<a href="mailto:admin@tasnigeria.org">admin@tasnigeria.org</a>
	31	Master of Financial Technical Analysis (MFTA) Alternative Path, Session 2 application deadline.	IFTA	NA	NA	NA	<a href="http://www.ifta.org">www.ifta.org</a>
August	9	CFTe Training	TASN	TBA	77B Mobolaji Bank Anthony Way, Behind Ikeja Plaza Ikeja, Lagos	10.00	<a href="mailto:admin@tasnigeria.org">admin@tasnigeria.org</a>
	15	IFTA Update submission deadline for educational articles (mid-September release)	IFTA	NA	NA	Various	<a href="mailto:newsletter@ifta.org">newsletter@ifta.org</a> Attn: Aurélie Gerber, Journal Director
	15	IFTA Journal applicants notification of acceptance/rejection	IFTA	NA	NA	NA	<a href="mailto:journal@ifta.org">journal@ifta.org</a>
	26	Market Analysis Training	TASN	TBA	77B Mobolaji Bank Anthony Way, Behind Ikeja Plaza Ikeja, Lagos	10.00	<a href="mailto:admin@tasnigeria.org">admin@tasnigeria.org</a>
	23	Monthly Meeting	TASN	TBA	77B Mobolaji Bank Anthony Way, Behind Ikeja Plaza Ikeja, Lagos	10.00	<a href="mailto:admin@tasnigeria.org">admin@tasnigeria.org</a>

## Calendar At-A-Glance (continued)

Date	Topic	Host	Speaker	Location	Time	Contact
September	1	<i>IFTA Update</i> submission deadline for news content (mid-September release)	IFTA	NA	Various	<a href="mailto:admin@ifta.org">admin@ifta.org</a>
	9	Monthly Meeting	STA	TBA	British Bankers Association, Pinners Hall 105-108 Old Broad Street, London EC2N 1EX	18.00-20.00 <a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	20	2014 Roundtable Discussion	TASN	TBA	TBA	10.00 <a href="mailto:admin@tasnigeria.org">admin@tasnigeria.org</a>
	11	Why Technical Analysis Provides a More Objective Rational Approach to the Investment Process	TSAASF	Greg Morris	Golden Gate University San Francisco, CA USA	15:00-16:30 <a href="http://www.tsaasf.org">http://www.tsaasf.org</a>
October	2	Master of Financial Technical Analysis (MFTA) Session 2 application, outline and fees deadline	IFTA	NA	NA	NA <a href="mailto:admin@ifta.org">admin@ifta.org</a>
	8	Certified Financial Technician (CFTe) Level II Examination	IFTA	NA	Various	Various <a href="mailto:admin@ifta.org">admin@ifta.org</a> <a href="http://www.ifta.org">www.ifta.org</a>
	8	IFTA Board of Director's Meeting	IFTA	Various	The Waldorf Hilton Hotel, London	TBA <a href="mailto:admin@ifta.org">admin@ifta.org</a>
	8	IFTA Annual General Meeting (Members Only)	IFTA	Various	The Waldorf Hilton Hotel, London	TBA <a href="mailto:admin@ifta.org">admin@ifta.org</a>
	8	STA Diploma II Exam	STA	N/A	TBA	13.00-17.00 <a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	9-11	<i>IFTA 27<sup>th</sup> Annual Conference: Unravelling the DNA of the Market</i>	IFTA & STA	TBA	The Waldorf Hilton Hotel, London	Various <a href="mailto:admin@ifta.org">admin@ifta.org</a> <a href="http://www.ifta.org">www.ifta.org</a>
	14	Monthly Meeting	STA	TBA	British Bankers Association, Pinners Hall 105-108 Old Broad Street, London EC2N 1EX	18.00-20.00 <a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	15	Master of Financial Technical Analysis (MFTA) Session 1 paper submission deadline	IFTA	NA	NA	NA <a href="mailto:admin@ifta.org">admin@ifta.org</a>
November	11	Monthly Meeting	STA	TBA	British Bankers Association, Pinners Hall 105-108 Old Broad Street, London EC2N 1EX	18.00-20.00 <a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	15	<i>IFTA Update</i> submission deadline for educational articles (mid-December release)	IFTA	NA	NA	Various <a href="mailto:newsletter@ifta.org">newsletter@ifta.org</a> Attn: Aurélie Gerber, Journal Director
December	1	<i>IFTA Update</i> submission deadline for news content (mid-December release)	IFTA	NA	NA	Various <a href="mailto:admin@ifta.org">admin@ifta.org</a>
	9	Christmas Party	STA	TBA	British Bankers Association, Pinners Hall 105-108 Old Broad Street, London EC2N 1EX	18.00-20.00 <a href="mailto:info@sta-uk.org">info@sta-uk.org</a>
	31	<i>IFTA Journal</i> Web publication	IFTA	NA	NA	NA <a href="http://www.ifta.org/publications/journal/">www.ifta.org/publications/journal/</a>

## Member News

### AAPTA (USA)

On March 28 and 29, 2014, AAPTA (the American Association of Professional Technical Analysts) held its Annual Conference and Brainstorming Session in Austin, Texas, USA. Approximately 30 members attended. The theme of the conference was "Practical Applications of Technical Analysis."

On the first day, after welcoming remarks by Ms. Tamara Trittschuch, president of AAPTA, the attendees heard a mind-stretching address from Mr. Ed Seykota (a market wizard) on "Govopoly in the 39th Day." That was followed by "The Fold Methodology – Symmetrically Alpha," by Doug Johnson, CQG product specialist, and then "Back to Basics with Market Structure: What I Learned from a 30-year Market Veteran," by Nigel Badhur.

The members were then treated to "The History of AAPTA," by Mike Jepson, and "Application of Momentum Indicators," by Cynthia Kase. Dinner followed at the Iron Cactus Restaurant.

The next day, March 29, featured "Harnessing the Power of Relative Strength for Portfolio Management,"

by Mike Moody; "The Janus Factor," by Gary Anderson; and "Sacred Chickens, the Holy Grail and Dow Theory," by Charles Bassetti. The conference concluded with a "Brainstorm" interactive session that included special perspectives given by Ian McAvity.

AAPTA comprises an elite group of technicians with seven or more years of experience. Membership is by invitation [www.aapta.com](http://www.aapta.com).

### FTAA (Hong Kong)

In April, FTAA (the Financial Technical Analysts Association), from the jurisdiction of Hong Kong, joined IFTA as a developing society. Welcome FTAA!

### ESTA (Egypt)

ESTA is currently in the process of signing a Memorandum of Understanding (MOU) with Reuters. The main objective of this MOU is to establish mutual cooperation between both parties in order to i) disseminate technical analysis in Egypt, ii) help Reuters to educate its clients with the technical analysis tools that are offered on Reuters' Eikon terminals, and iii) establish and develop a strong relationship with Reuters (as a data service provider) that will

benefit ESTA members in terms of courses, software, and information.

A draft of the MOU has undergone review by ESTA through a "Thomson Reuters Cairo Focus Event" that was held on March 25 in the Clubhouse in uptown Cairo. This great one-day event was intended to provide ESTA members and Reuters clients with a combination of technical analysis outlook, market insight with the innovative workflow tools in Eikon 4, and parallel workshops with special focus on certain asset classes to maximize the Eikon experience.

The event started with registration, followed by an opening note from Mr. Aaron Fairchild, head of desktop sales, MENA, at Thomson Reuters. Then, Mr. Mohamed Ashraf, CETA, CFTe, MFTA, and ESTA board member, presented a technical analysis session titled "The Relative Strength index as a trading tool and a market trend identifier". After the coffee break and some games for the attendees, two parallel workshops were offered: "Seeking Alpha in MENA Markets" and "FX, Money Markets and Fixed Income". At the end of the event, some gifts and rewards were distributed to the attendees.



Aaron Fairchild, head of desktop sales, MENA, and Dina Mostafa, cross asset specialist, MENA, in Thomson Reuters distributing gifts to the attendees.



Mohamed Ashraf, CETA, CFTe, MFTA, is giving a lecture titled "The Relative Strength index as a trading tool and a market trend identifier".



Workshop titled "FX, Money Markets and Fixed Income".

Member News continued



Some of the candidates playing games during the break.



Workshop titled "Seeking Alpha in MENA Markets".

**IEATEC (Spain)**

IEATEC (Instituto Español de Analistas Técnicos y Cuantitativos), the new Spanish technical analysts society, made its official debut on March 13 in Madrid. The event was hosted by Abante Asesores and attended by representatives from the main financial institutions as well as banks, brokers, and fund managers, who welcomed the presence of a society that can encompass all the technical analysts that currently work in Spain.

Speakers from IEAF (Spanish Financial Analyst Society) and IEATEC highlighted the importance of association and certification in every field of financial analysis and research as a means of guaranteeing the highest level of quality and ethics when managing and advising clients, especially when a host of new regulations is being passed in many countries. Another theme was the increasing role of technical analysis in today's research and management, and the need to increase education and provide the market with the necessary tools for its development. After the presentations, attendees spent some time networking and sharing market perspectives.

IEATEC is sponsoring a new course to prepare for the CFTe certification that will start in May at Escuela FEF, and is currently in conversations to implement in-company certification programs for several banks and brokers.



Mr. Carlos Jaureguizar, president of IEATEC, gave a speech on the evolution of technical analysis since its origin in Japan in the 17<sup>th</sup> century and in the United States since the early 20<sup>th</sup> century.



Mr. Miguel Jaureguizar, Secretary General of IEATEC, addressed the attendees to explain the roles of IEATEC and IFTA in the financial markets associations landscape.



Mr. Javier Méndez Llera, Secretary General of IEAF, gave a lecture on the role of the technical analyst as a member of the financial analysts' community.



Mr. Enrique Borrateros, head of business development in Abante, host of the presentation, spoke on the importance of certifications such as CFTe.



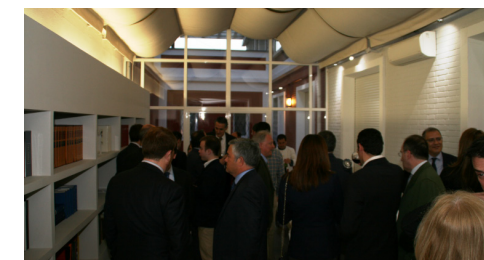
A full auditorium attended IEATEC's presentation.



The presentation of IEAF marks the start of a series of Technical Analysis meetings in Spain, where professionals from the field meet to exchange ideas and network.



(left to right) Mr. Miguel Jaureguizar, Secretary General of IEATEC; Mr. Javier Méndez Llera, Secretary General of IEAF; Mr. Javier de la Parte, board member; and Mr. Carlos Jaureguizar, president of IEATEC.



After the presentation, the attending public enjoyed some networking time to share market views and ideas on the development of the field in Spain.



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## CFTe Program Updates

The IFTA Education Committee recently made significant changes to the CFTe syllabus and exams. These changes will be implemented starting with the upcoming level I and level II examinations beginning on October 1.

Edwards and Magee remains the core reading for the CFTe level I exam. We have added some chapters from the book and will be giving it more weight than before. We have omitted a few chapters from *Murphy's Technical Analysis of the Financial Markets* but kept some important topics, such as philosophy of technical analysis, volume and open interest, and cycles. Note that questions regarding cycles in the level I exam will be from Murphy's chapter on this subject.

A new book was added: *Technical Traders Guide to Computer Analysis of the Futures Market*, by Le Beau Charles, Lucas David. This is a very important book, as it deals with indicators and oscillators as well as to system building. Questions on oscillators and indicators will be from this book. We believe Le Beau's book is one of the best books written on this subject and that it will greatly benefit candidates. We recommend that candidates study this book thoroughly.

Nison's *Candlestick Charting Techniques* and Du Plesis' *The Definitive Guide to Point and Figure* are the core readings for Candlesticks Charting Techniques and Point and Figure, respectively. We have also retained some important chapters in Pring's *Technical Analysis Explained* that we believe are a must read for every candidate.

Last but not least, candidates are requested to study the additional material posted on the IFTA website, including:

- *Elliott Wave Principle*, written by Mohamed ElSaeed, CFTe, MFTA. Mohamed is the current president of the Egyptian Society of Technical Analysts (ESTA).
- *Breadth Indicators*, written by Tamer Gamal, CFTe, CETA. Tamer is the past president of ESTA.
- *Point and Figure*, written by Mohamed Younes CETA, CFTe. Mohamed is a member of ESTA.

As for the CFTe level I exam, we have made significant changes to old questions and added many new questions. The questions mainly deal with understanding the concepts of Technical Analysis. Candidates must have a good grasp of the concepts and psychology. To make things easier for candidates, we will be publishing a

mock exam with about 60 questions that are similar to what you will see in the final exam. (Note that the exam consists of 120 multiple choice questions.)

Regarding the level II exam, Edwards and Magee, LeBEau, Du Plesis, and Pring are the same as level I. We have, however, replaced Nison's *Candlestick Charting Techniques* in level II with his second book, *Beyond Candlesticks*, which is an excellent book that introduces lots of psychology while explaining the formations. In addition, the book contains the three Japanese charting techniques: Three line break, Renko, and Kagi charts. Expect to see questions on these subjects in the exam!

We added Howard Bandy's book *Quantitative Trading Systems, practical methods for designing, testing, and validation*. This book will benefit candidates, as it deals with system construction and optimization.

Prechter's *Elliott Wave Principle: Key to market behavior* is the core reading on Elliott Wave for the CFTe level II exam. We also added some important chapters from Kirkpatrick's *Technical Analysis: the complete resource for financial market technicians*.

One of the newly added books is *SteidlMayer on Markets. Trading with Market Profile*. Questions on this subject will be easy and direct, but we recommend that candidates not skip this book! The core reading on cycles for the level II exam is Brian Millard's *Future Trends from Past Cycles*. Questions on this subject will also be direct.

In addition to these books, IFTA will upload on its website additional "core" readings:

- *Ichimoku Kinko Hyo*, written by Yukitoshi Higashino, MFTA, who is the director of the Japanese Society of Technical Analysts (NTAA).
- *Relative Strength Analysis*, written by Mohamed ElSaeed, CFTe, MFTA. Mohamed is the current president of the Egyptian Society of Technical Analysts (ESTA).

In addition, reading material on quantitative and behavioral finance are currently being written by Dr. Rolf Wetzer, IFTA president. If the material is not finished during June, we will postpone it to the next exam.

As for the CFTe level II exam, the first question will consist of two main parts.



*CFTe Program Updates continued*

The first part is an analysis of a market index with different timeframes and indicators. The candidate will be expected to make a sound analysis, showing major, intermediate, and short-term trends; important support and resistance levels, signs of strengths, and weaknesses on price charts; and indicators, as well as a clear strategy on what to do and how to manage money.

The second part of the question will contain charts from different markets (e.g., commodities, equities, bond, yields, FX), and the candidate will be expected to analyse these markets based on their relative performance "RS Analysis", and on their charts and indicators. Candidates will decide what to buy, hold, and sell and will assign weights as if they are constructing a portfolio. Note that there is no right and wrong here, it all depends on your analysis and the sound rationale you present to back up your decisions. Question 1 (including both the first and second part) will encompass 40 points

Section two of the exam will involve of six essay questions, with each question consisting of three or four sub-questions. Candidates will be required to answer two sub-questions from each main question. Section two will encompass 60 points.

We wish all candidates good luck.

The IFTA Education Committee

## Important Changes to the CFTe Program



IFTA Certified Financial Technician

### Syllabus and Study Guides

CFTe Level I (offered all year long) and CFTe Level II (offered biannually in April and October) candidates should study the [current Syllabus and Study Guide for CFTe Level I](#) and [CFTe Level II](#) for any exam taken through 30 September 2014, and the [new Syllabus and Study Guide](#) for any exam taken on or after 1 October 2014.

### Languages

Effective 1 October 2014, the CFTe I will only be available in English, German, and Arabic. The CFTe II will be offered in English, German, Arabic, Italian, French, and Spanish through 8 October 2014. After this date, the exam will only be available in English, German, and Arabic.

### Why Certify?

Obtaining the CFTe or MFTA designation(s) demonstrates that you have achieved the highest level of expertise in the field of technical analysis. Join an elite group who have already recognized the importance of these certification(s) in elevating their professional standing by becoming certified by the International Federation of Technical Analysts.

## Congratulations New CFTes!

Poh E-Shawn Alvin (TASS)  
 Wael Mahmoud Amhaz (LSTA)  
 Muhammad Akmal Ashraaf (STA)  
 Magnus Berchtold (VTAD)  
 Carlo Edward U. Berroya (TASS)  
 Tarry Lim Sun Chin (TASS)  
 Lee Chun Wei Clarence (TASS)  
 Tobias Dietl (VTAD)  
 Marian Leonard Dilirici (AATROM)  
 Vincenzo Fico (SAMT)  
 Mohamed Filali (STA)  
 Antoine Fraysse-Soulier (STA)  
 Peter Ganglmair (Non-Member)  
 Kypros Hermes Georgiou (STA)  
 Andrei Hangan (AATROM)  
 Siraj Hudda (ATA)  
 Philip Morgen (VTAD)  
 Alfonso Morte Ezquerro (Non-Member)  
 Zainal Ariffin Osman (STA)  
 Richard Allen Perry (STA)  
 Deepak Pimplikar (ATA)  
 Yuri Rabassa (SAMT)  
 Carsten Riedel (VTAD)  
 George Rowe (STA)  
 Mohammad Turki Said (STA)  
 Martin Stappert (VTAD)  
 Ralf Stock (VTAD)  
 Christian Sutter (SAMT)  
 Anand Vishwanath Thalange (ATA)  
 Maik Thielen (VTAD)  
 Frank Voelker (VTAD)  
 Wan Daim Jumuatullail Bin Wan Yussof (STA)  
 Ben Wiseman (ATAA)  
 Sandro Zwysig (SAMT)

## Press Release: ESCTAC Courses



Based on the strong relationship between the International Federation of Technical Analysts and the Emirates Securities and Commodities Authority (ESCA), we proudly announce the ESCA Training Center official training plan for year 2014. This plan provides a bouquet of specialized training and professional qualifications programs in capital markets and investment sectors. The training programs are offered in Arabic and English in cooperation with prestigious international institutes, qualification bodies, and experts.

The plan includes a variety of preparation courses for the qualifications-led licensing regime for CISI exams. It also offers

international qualifications programs such as "Accredited Financial Analyst" and "Chartered Wealth Manager" by the American Academy of Financial Management, in addition to the start of the first official preparation course for the **Certified Financial Technician CFTe I**, amongst many professional certificates and programs.

It is worth noting that this is the first official SCATC public training offering that targets key stakeholders, such as capital market and commodity professionals, investors, and all interested parties inside and outside the UAE. The training program fees are reasonable and affordable.

Programs	Location	Date	Month	Price (AED)
Selection & Analysis of Investment Funds	Dubai	15-17	April	2500
Global Securities Exam Preparation-CISI	Dubai	19-20	April	3500
Certified Technical Analyst CFTe-Level I	Dubai	4-8	May	5000
Tools & Products of Derivatives in the Capital Market	Dubai	18-19	May	2500
Operational Risk Exam Preparation-CISI	Dubai	17-28	May	3500
Understanding Warrants & Installments	Dubai	11-12	August	2500
Trading Securities	Dubai	19-20	August	2500
Corporate Governance, Compliance, Inspection and Ethics	Dubai	27-28	August	2500
Subscription: Process and Mechanism	Dubai	15-16	September	2500
Islamic Capital Markets: Pathway to a Successful Structure	Dubai	29-1	October/ November	2500
Certified Technical Analyst CFTe Level I	Dubai	26-30	October	5000
Certified Wealth Manager	Dubai	2-6	November	5000
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 Publisher and Editor, Triggers\$.com,  
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 Victor Hugo, Director, Hugo Capital;  
 President, Technical Analysts' Society of  
 Southern Africa (TASSA), South Africa

7 May  
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# Education Lounge

## A Tale From a Coffee Shop

By Mario Kfoury, CFTe (MSTA)

A light breeze was carrying the fresh fragrance of newly opened spring buds floating in the air, as if to tickle the olfactory senses, awakening them to the simple beauty and pleasures of life, while the sun was settling down across the horizon, reminding us of another day gone by, another page turned in our personal history... As I strolled down the narrow streets and alleys of the city's center, a map in my hands, looking for a quiet place to disengage, I couldn't stop pondering, being the technical analyst I am and having the second nature that comes with it, the little details, subtle things along my way that are indicative and predictive of certain meanings and values and precursors of coming changes, some sort of crowd psychology. Every city has its own story, history, and architecture revealing a lot about the people that inhabit it, reflecting the neuronal order or chaos, organization

or disorganization that sprang and settled in their minds a long time ago due to the myths, legends, and stories they adopted as their collective archetypes, and consequently founded their religion, culture, and civilization. Like the financial chart on my screens, the map in my hand was yielding a treasure trove of information, depending on whether we're living in the pragmatic or existential modes and levels. As I ushered open the door, the atmosphere was warm and serene in that coffee shop, which offered comfortable couches and pleasant music. The speakers were filling the space with the deep, voluptuous voice of Emeli Sandé in her majestic song "Clown." A moment later, my favorite smoothie in hand, I sunk into a thick comfortable couch, took a deep breath, and closed my eyes, savoring

the moment. I had just avoided a big loss, having escaped a bull trap in one of the indices and, only after a couple of restless days and nights, was able to reverse my positions at the right levels and time, turning a loss into a profit that deserved a little break, a moment of self-reflection. As far as I can remember, this was the path I chose, for when at 16, my father came to ask me what I wanted to do after school and heard my reply—aviation pilot—his immediate response was: "You will study to become a doctor or work as a garbage collector." Two years later, after finishing school, I cleaned out my savings account, packed my bag, and landed in Los Angeles, California, with



a couple thousand dollars in my pocket, odd jobs in perspective to pay my physical education tuition, perfect my job, face my fears, and test my will in boxing rings. Chance later brought me to real estate and then aviation, when I had the time

*A Tale from a Coffee Shop (continued)*

and money, and I wouldn't have done it any other way, because nothing matches walking the unbeaten trails and drawing your own print in earth's dust and mud, where we all come from... We spend half our life being taught what to think, do, and say, and if we're lucky, the other half trying to unlearn it in order to realize our true self and our true potential and find our way back to what we were destined to be. I was lucky enough not to have wasted all that time from the beginning and was very glad to have chosen trial and error and sweat and blood over the comfort and safety of my home or some alluring wall diploma. Having survived the streets of Beirut, LA, and NY and completed my formal education in boxing gyms and weight rooms, I had developed a certain resilience and durable disposition and tolerance, most necessary, I discovered later, for the stock market. All this is history now and fades to pale next to my latest trials and tribulations, for which I owe my survival to an endless, insatiable thirst for learning and as well, a little shiny star in the dark skies.

A young teenage couple was holding hands, kissing each other with tender love and care, the boy showing his mate a lot of attention and respect, not like some macho guys

who feel compelled to act arrogant and superior according to certain cultural and social molds or because of deep ingrained fears or insecurities brought about from the beauty and freedom of an educated, independent woman. Man's best pastime has always been war, while woman's has been love and life giving. History is supposed to be a springboard to the future, not some self-glorifying, self-gratifying, boasting, ruminating station and proxy for war, cult of the personalities, and aggressions. Yet more often than not, it ends up being misinterpreted, misunderstood, and misused. No violence—physical or otherwise—has ever brought justice or a solution to a problem, yet stories and myths of illusory glories and transient victories still abound in history books and create in the individual a sense of self-importance, chauvinism, and bigotry. I discovered later that we are our own worst enemy; that life is an individual battle between one and oneself and not an organized collective of one against others; that we build egos and social masks as scarecrows to deter; that we are scared and insecure from the inside no matter how we appear on the outside; that most of the blows we receive are merely bruises to our egos but also life's gift for progress and advancement in one's perpetual journey; that



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*A Tale From a Coffee Shop (continued)*

## Education Lounge

a lot of the superstitions around stem from our own projections on others; that some people cultivate ugliness over beauty in a defensive, preventive way; that the pen is mightier than the sword, and whoever

**"...life is a gift and a cycle..."** Pythagoras,

kills in the name of God is the enemy of life and of its designer because life is a gift and a cycle, and they would be guilty of interrupting it; and that the fundamental cultural differences lie between the sterile search for morals and meanings on the existential level and the search for universal values and ethics on the pragmatic one, which leads inevitably to assuming responsibility based on the golden rule of consensual reciprocity, equal genders rights, freedoms of thoughts and expression, respect for others, and any other creature that crawls the earth because every organism movable or immovable has a purpose.

As my train of thought was dwelling over all those places, my couch quivered like someone just bumped into it; as I opened my eyes, emerging from my contemplation, a guy in his mid-50s, Kangol cap over his head, a steaming beverage in hand, was just passing by, and I could see from the hind of his back, a tall emaciated shape and a gait that felt familiar. He also displayed a ponytail and an unshaven gray

beard, but it wasn't until he turned as if to excuse himself that I was able to recognize who he really was! "Hey! It is good to see you here again, mister" he said with that nagging smile, "Where is your trading hardware?" "Hey

Pythagoras, good to see you too, it's a well-

deserved day off today. How have you been?" I shot back returning his smile, knowing from my previous meeting this will not be a fortuitous encounter and nothing is left to chance with this guy. "Well, you know me, satisfaction is the mother of content," he said lightheartedly. "Do you mind if I share that place with you?" I was pleased to see him again, and as he pulled up a chair and settled down across from me I followed, "You know, it's been hard the past couple days. I lost and recovered a significant sum of money but ended up with a nice little profit, so I went out to blow off some steam." "Tell me about it, would you care?" he said, while putting down his cup. I looked at him with bewilderment and amazement; a lot of strength and wisdom was emanating from this man, not in terms of brute physical force but from within, from a sense of knowledge and understanding. "It was a bull trap, I fell victim to my own greed and over-confidence and a sequence of flawless trades" "Hum, trading is a very rewarding yet unforgiving discipline; If you overtrade you burn yourself, and if you

don't, you lose the touch, you have to balance between the markets and your personal life." Two young women with Fibs proportions passed us by, looking for a place most probably to settle down and unload their secrets (one can tell from their apparent verve and complicity); we looked at them together in appreciation. "Balance is a very elusive word, Pythagoras. It is more like tightrope walking nowadays." "Balance is very important, Mario; everything in life is Karma, fractals, and proportionality. As for the effects, the causes go back in time, and our genes as far as our ancestors and creation. Everything in this universe is a manifestation and distribution of the element of love, the fifth element, according to a cosmic balance sheet. And don't forget, trading is a three-legged stool: technical analysis, money management, and psychology, the latest by far being the most important." Oops, I thought, I knew it was coming, let's see what he got in his bag this time... "You have to know yourself, dude. Do you use a checklist?" "I do, but sometimes I feel compelled to act out of boredom or excitement." "Yes...overtrading is one of the most recurring mistakes in the markets; patience is a virtue, delayed over immediate gratification and, most importantly, selectiveness according to the highest standards and criteria. This is why one of the foremost and vital tasks in everything is to know your true motives. Why do you trade?... most of the time we do

anything in the absence of better choices, and end up messing up. This world is spinning, and all this activity around is the search for love; attention by acknowledgment and validation, everybody wants to be right. The market depicts all this activity, and that is the captivating thing about it, especially when it is translated into something concrete—money, which is nothing else than a conventional reward, a substitute to gauge and measure human labor and activity. In a psychosomatic world operating on ideas, myths, and beliefs, the real token, the real currency is attention in our daily interactions, and that implicates our five senses on the neurovegetative system. Once our five senses are balanced and moderated, they awaken the sixth sense, which is intuition. You've got to clear your mind before you trade. It is as you said, like tightrope walking, a fine line but between antagonists, mainly our anima and animus, selflessness versus selfishness, objectivity versus subjectivity. Trading with high expectations can be very dangerous. In this current macho world run by men; woman is the most sought after and desired of God's creation, which is why any culture that does not respect this universal principle is doomed to remain unbalanced, dysfunctional, and aggressive, even though it might pretend otherwise and lay the blame on others or some conspiracy theory. You can measure the level of peacefulness or conversely, aggressiveness, in a

*A Tale From a Coffee Shop (continued)*

## Education Lounge

culture by the presence of emaciated women and the proximity of birds in the cities. Demography is a culprit, mixed with spiritual greed on the existential level called religion, everybody wants to be like God and achieve immortality, and it all falls in the biogenetical greed and emotional immaturity; parental authority replacement. Voltaire, one of the brightest intellectual minds of the enlightenment era, said "God is a comedian playing to an audience too afraid to laugh." People live in the mode of "having" instead of the mode of "being nowadays," having an extra eternal life, having a docile wife, a big car, big bank account, a house... Religion is not only the opiate of the masses but of the fear of death, and the more the fear is repressed the more aggressive and violent the outcome by implosion or explosion. All these do's and don'ts generate a lot of frustration, repression, and neuroses. Instead of accepting and assuming responsibility for life's natural cycle, they choose to live in denial. No society is balanced without the free feminine element, yet man invented a long time ago the apple myth to control and manipulate the woman by burdening her with the guilt complex." James Brown was now playing the famous song "It's a man's world" in an unequivocal play of synchronicity. "You know Mario, women are better traders than us. If you teach a woman how to trade, she will set her mind to make enough money for her next Louis Vuitton

or Chanel acquisition," he said laughing kindheartedly, "They have a stronger psychology. There's a science called proxemics which defines the space and distance in every culture with regard to people's daily interactions, just like the price and time axis on the chart and the divine geometry for which the 45 degree angle is the center of gravity. People swing and vibrate around these distances depending on their need for attention; likewise, this angle in the stock market portrays all the activity and volatility around it and the chaos happening in the world nowadays because of disparities in cultures and demographics. The Internet and user-friendly platforms introduced new participants from various cultural backgrounds and time and money expectations, and thus changed the paradigms and parameters of the market, not to mention high frequency, robotic, and algorithmic trading. Just like climate change, volatility is here to stay, and their main causes are man-made, discrepancies in cultures and biogenetical greed and demography, the latter being the most lethal to the planet by far. In the 18th century, Thomas Robert Malthus warned of its dangers but was treated as a beast and unhuman, it just got worse in our time. If one person can generate a number of problems and inflict a degree of damage to the environment, two, three, and five individuals will multiply these problems and damages exponentially, and that level is neither manageable

nor reversible in the short term. But politicians and people in decision-making roles prefer to live in denial and not address these problems in a frontal manner but rather apply Botox therapy. The Internet and global communications have opened a Pandora's Box for which the world was not prepared. Take the time to relax man, to replenish your resources and balance your physical and mental states before you trade. The center of gravity lies between your feminine and masculine provinces." As I swallowed my pride and hid my shame knowing I was guilty of what he was talking about, I uttered these words, "But how do we overcome, transcend this entire complicated situation!" "We come to this life with a predisposition of what is popularly identified as determinism and then a free will, but it is actually a book half-written, and a pen life endows us with, you have the ability to complete, re-write the story, and here lies the difference between fate and destiny. You are a free person with your own choices and responsibilities—assume this responsibility. May I ask you what system you use while trading, for example?" "I use Dow theory, Elliott wave, and sometimes Ichimoku for quick evaluation but Gann for execution" "Elliott wave is very nice in theory, in an

exemplary world; it depicts a human behavior that occurs sometimes in practice, sometimes not. Unfortunately no two Elliotticians agree on the wave structures, so it is like a Rorschach test most of the time—not very clear and very subjective. The error most technicians make is to force the count on every market and every time-frame. Yes, there are long and short waves in the market but their count, construction, and configuration are at times arbitrary and do not fit the perfect graphic. The

**"You are a free person with your own choices and responsibilities—assume this responsibility."**

anatomy and rhythm of the market have changed with the inflow of capital from different cultures that have various behavior models, and therefore, reactions to events not to mention again robotic HF machine psychology trading. In a fast moving and unpredictable market, you need a simpler system and to constantly reassess yourself and expectations. There are three phases in the markets: accumulation, participation, and distribution—you know where you want to be." "You know, that's easier said than done. After a while we get addicted to the market, we miss the adrenaline when we don't trade." "I know

*A Tale From a Coffee Shop (continued)*

Education Lounge

what you mean. people criticize the likes of Soros, Buffett, and Gates because of their considerable accumulated wealth, but remember all these shrewd investors bought when everybody was fearful and sold when everybody was confident, and they forget that these people, although not always for the best philanthropic incentives, have contributed to more good than all the synagogues, churches, and mosques combined with no stains of blood on their hands. I am not saying that we should be condoning the ruthlessness of capitalism nor the oppressiveness of communism, but rather what I am implying is that we should start seriously thinking about a new system and a new way to manage our affairs on this very precious planet, some sort of social capitalism or capital socialism based not on Karl Marx's or Adam Smith's extreme ideas but on mending the gaps between them—wage disparities, equal gender, and humans right—and providing basic needs to every human being according to the United Nations charter within the respect of our planet and its ecology." "But all this is massive Pythagoras, titanic!" "The alternative my friend is Titanic; people bicker over details and take part in senseless debate about who is right and who is wrong and confuse the form for the content of the messages. Take creation and evolution, for example. They feel compelled to take a stand regarding this or that, but what is the big deal if there was one or the other or both at the same time,

some sort of creative evolution or evolutionary creation. Do they really think the creator needs their help and assistance, or would they rather that they need to find the right path to be just, virtuous, and peaceful in this world, by their own means and merits? Everybody is confusing the form for the content like an egg and chicken riddle and getting drawn in a puddle of water. The purpose of life is to realize your humanity by balancing yourself between opposites on the 45 degrees angle."

As outside the night had shifted and thrown its cloak on the fading remaining daylights, gold was now finishing a 50% correction while crossing the 200MA and respecting a long-term major trend line. I remember a quote that crossed my way once in a NYC public library: "In a world governed by productivity, become dissatisfied with life, sell your possessions and ride around the world on a bicycle or a donkey to acquire wisdom. This world is impossible to understand, useless to explain, live your life in exclamation not in explanation."

*I would like to thank Avramis Despotis for introducing me to his river concept and trading methodology. Special thanks to Lynne Agoston, Linda Bernetich, Aurelia Gerber Duverger, Constantinos Eracleous, Pythagoras, and Tradopedia Academy [www.facebook.com/Tradopedia](http://www.facebook.com/Tradopedia).*

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## **About the Author**

Born in Beirut, Lebanon, Mario G. Kfoury, CFTe, holds credentials in technical analysis, physical education, martial arts instruction, and real estate; he is also a commercial multi-engine IFR pilot. Self-taught in the streets of Beirut, Brussels, and New York, he synthesizes his view and experience in life through different cultural and disciplinary prisms that lead, in his opinion, to a peaceful and humanitarian way of life.





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# Head and Shoulders Above the Rest? The Performance of Institutional Portfolio Managers Who Use Technical Analysis

By David Smith, Christophe Faugère, and Ying Wang

## ARTICLE SYNOPSIS by Professor Christophe Faugère

For decades, students have been told by finance professors that technical analysis (TA) is worth about as much as astrology or alchemy. Hence, the subject is brushed aside in most business schools' finance curriculum around the world. Yet, TA remains a staple among many retail and institutional investors. These special skills are either learned on the job or through special training programs. For instance, the Certified Financial Technician (CFTe) or the Chartered Market Technician (CMT) program offered by respectively the International Federation of Technical Analysts (IFTA) and the Market Technicians Association (MTA) provides a formalized curriculum and whose successful completion requires two to three exams plus significant work experience. If, as mainstream academics believe, TA is essentially worthless, why would investment outfits keep pouring resources in this type of expertise over decades? Like most people, if professional investors can be fooled some of the time, they won't be

fooled all the time by a tool that does not work, or works only by sheer luck.

The biggest adversary of TA is the strong held belief in the Efficient Market Hypothesis (EMH). In 1965 Paul Samuelson was the first to give a rigorous formulation of EMH: the market is efficient and prices are equal to fundamental values when there is perfect competition, assuming all participants have free access to all relevant information. In that case, all the relevant information is incorporated into prices, and because the flow of information is random, therefore prices follow a martingale process. Consequently, no one should be expected to profit from statistical or chart analysis of past prices. That same year, Eugene Fama pointed out somewhat sardonically that the theory of random walks in stock market prices constitutes an important challenge to the proponents of both technical analysis and fundamental analysis.

In most cases, past academic studies have found that indeed TA does not generate

above normal returns especially not enough to cover transaction costs. A major drawback of these academic studies is that they all rely on testing specific "run-of-the-mill" technical indicators, without necessarily replicating the combinatorial aspect and organic nature of the actual strategies used by asset management firms. More importantly, any portfolio manager who finds a TA strategy that produces above normal performance has little incentive to discuss that method with researchers. Thus, strategies that do work are likely to remain concealed.

In this article, we rely solely on institutional portfolio managers' testimonials about the extent to which they use TA, irrespective of the form in which it is implemented. We use the PSN Enterprise database, which contains survey responses collected by Informa Investment Solutions. This gives us a sample of 10,452 actively managed U.S. equity, international/global equity, U.S. balanced, and international/global balanced portfolios, collected as of July 2012.

In this large sample, we find that TA is utilized by about one-third of U.S. and international/global equity and balanced portfolio investors. Among equity fund managers, it is slightly more common for micro-cap and all-cap managers. Interestingly, five percent of portfolios for which managers said TA is "very important" are at least co-managed by someone who holds the CMT designation.

Let us now move to the important question addressed in the article. How effective is TA? To answer this question we examine five financial performance metrics: (1) raw rate of return, (2) benchmark-adjusted return, (3) the information ratio, (4) Fama and French's 3-factor alpha, and (5) Carhart's 4-factor alpha. For raw rates of return and benchmark adjusted returns, we calculate equally weighted portfolio returns for each ranking category for each month over the 231 months between January 1993 and March 2012. For inclusion in the sample, we require that a portfolio reports at least 30 months of returns.

*Head and Shoulders Above the Rest? (continued)*

## Education Lounge

With respect to mean and median values, the performance advantage of TA is slight, but statistically significant over the period considered. The contrast appears more salient when performance is measured relative to a declared primary benchmark, in particular during down markets. Given that TA purports to give traders an edge in market timing, it should be expected that performance metrics during down months in particular will be superior for portfolios using technical strategies. This insight is confirmed here. On the basis of benchmark adjusted returns, managers who consider TA to be "very important" outperform those who do not use it by an average of 19 basis points per month, in declining markets.

Regarding the Fama-French's and Carhart's alphas, we also compute the means and medians for each of the categories of usage intensity of TA. A difference of 10 to 12 basis points per month is statistically significant in favor of the portfolios whose manager rate TA as "very important" vs. those who do not use it at all.

The variability of returns is somewhat more elevated in technically managed portfolios. Nevertheless, the cross-section of portfolios managed using TA shows remarkably high right-skewness and kurtosis values relative to portfolios that don't. These patterns can be advantageous to investors. In view of these findings, we

conclude that the net effect of TA on the management of institutional equity-related portfolios has been beneficial, although in an unexpected way.

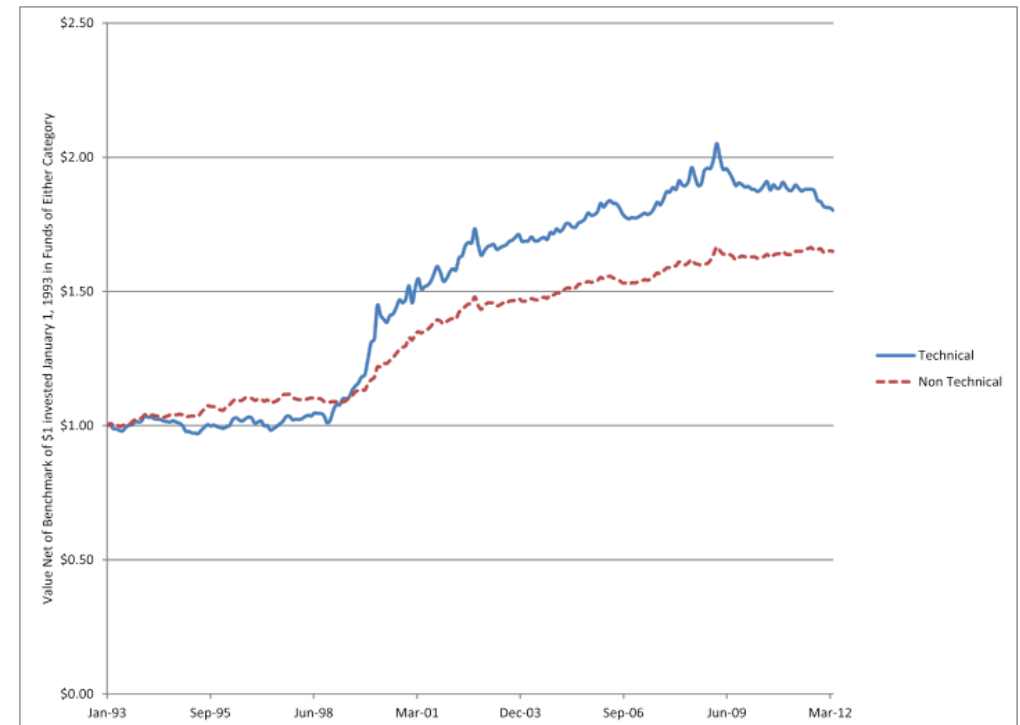
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*Christophe has taught courses in investments, corporate finance, derivatives, fixed income, macroeconomics and monetary economics at the graduate and undergraduate levels, as well as in executive programs in the United States. In 2006, he received the University of Albany School of Business Harold L. Cannon memorial award for best teacher at the undergraduate level and was voted best professor in the University at Albany School of Business MBA program in 2002. His preferred areas of teaching are stock market valuation, modern portfolio theory,*



**Fig. 1. Cumulative Return Net of Benchmark for Institutional Portfolios Using Technical Analysis vs. Funds That Do Not.** Note: This graph shows the cumulative value of \$1 invested on January 1, 1993, in the average institutional portfolio managed using TA versus the average portfolio matched on asset class, market capitalization, and primary equity investment style.

*asset pricing, market risk premia, financial crises, monetary policy, ethics, and behavioral finance.*

*His current research focuses on ethics, financial markets, and monetary economics. In particular, his main research program is on models of asset valuation (gold, treasuries, stock indexes) that are based on a combination of rational and irrational investor behavior. He is the co-inventor of Required Yield Theory, one of the most accurate theories for valuing the S&P 500 and gold. He has extensively*

*published in top tier U.S. academic journals such as the Journal of Portfolio Management and Financial Markets, Institutions & Instruments. One of his published articles on "Sell Discipline" received extensive coverage in the New York Times and International Herald Tribune in 2004.*

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 SAUDI ARABIA—SSTA\* *Saudi Society of Technical Analysts* [www.saudi-sta.org](http://www.saudi-sta.org)  
 SCANDINAVIA—STAF *Skandinavien Tekniska Analytikernas Förening* [www.staf.nu](http://www.staf.nu)  
 SINGAPORE—TASS *Technical Analysts Society (Singapore)* [www.tass.org.sg](http://www.tass.org.sg)  
 SPAIN—IEATEC\* *Instituto Español de Analistas Técnicos y Cuantitativos* [www.ieatec.es](http://www.ieatec.es)  
 SOUTH AFRICA—TASSA *Technical Analysts Society of Southern Africa* [www.tassa.org.za](http://www.tassa.org.za)  
 SWITZERLAND—SAMT *Swiss Association of Market Technicians* [www.samt-arg.ch](http://www.samt-arg.ch)  
 TUNISIA—ATAT\* *Association Tunisienne des Analystes Technique*  
 UNITED KINGDOM—STA *Society of Technical Analysts Ltd.* [www.sta-uk.org](http://www.sta-uk.org)  
 USA—TSAASF *Technical Securities Analysts Association* [www.tsaasf.org](http://www.tsaasf.org)  
 USA—AAPTA *American Association of Professional Technical Analysts* [www.aapta.com](http://www.aapta.com)

\* Developing

## IFTA Update Schedule

*IFTA Update* is the quarterly electronic newsletter of the International Federation of Technical Analysts, reaching more than 6,950+ IFTA colleagues worldwide. The *Update* is an efficient and cost-effective way to communicate with IFTA's member societies and colleagues.

### PUBLICATION SCHEDULE

September Issue ..... Education articles: August 15—send submissions to [newsletter@ifta.org](mailto:newsletter@ifta.org)  
 All other content: September 1—send submissions to [admin@ifta.org](mailto:admin@ifta.org)

December Issue ..... Education articles: November 15 ..... All other content: December 1

March Issue ..... Education articles: February 15 ..... All other content: March 1

June Issue ..... Education articles: May 15 ..... All other content: June 1

For more information and to advertise, visit our website:

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# IFTA2014



Unravelling the DNA of the Market

## 27<sup>th</sup> Annual Conference

9–11 October 2014

The Waldorf Hilton Hotel, London

### Preliminary Programme

**IFTA**  
International Federation of Technical Analysts



# WELCOME

The Society of Technical Analysts (STA) is delighted to be hosting the 2014 International Federation of Technical Analysts' Conference in London.

The conference will take place on 9–11th October at the Waldorf Hilton Hotel in central London. The theme of the conference “Unravelling the DNA of the market” will allow us to explore some of the underlying causes of market behaviour.

Keynote speakers include:

- **Professor Marcus du Sautoy OBE** – the Simonyi Professor for the Public Understanding of Science and a Professor of Mathematics at the University of Oxford. Presenter of *The Code* on BBC2.
- **John Murphy, Dr Alexander Elder and Tony Plummer** – widely acknowledged as today's leading experts on technical analysis and trading.

London is quite simply the most popular tourist destination in the world. It is a fascinating combination of the old and the new – 21st century technology and architecture nestle among buildings that reflect the city's 1000 year history. Delegates will have the opportunity to explore world-class museums and galleries as well as to see spectacular theatres and shows.

The STA looks forward to welcoming you to a fascinating conference which will include a buzzy social programme. Come and experience all that London has to offer.



**Deborah Owen**  
Conference Director  
Society of Technical Analysts



## Committee Members

Deborah Owen – Chair  
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Katie Abberton  
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Jeremy du Plessis  
Udata

Jeff Hochman  
Fidelity

# GENERAL INFORMATION

## Date

Thursday 9<sup>th</sup> to Saturday 11<sup>th</sup> October 2014

## Venue

IFTA 2014 will be held at The Waldorf Hilton Hotel located on Aldwych, London WC2B 4DD

## Accommodation

Rooms have been held at a preferential rate at The Waldorf Hilton. The hotel offers unbeatable bedroom rates to delegates attending this year's Conference from **GBP 239** per room per night **including VAT and breakfast** (single occupancy) from the 7<sup>th</sup> to the 12<sup>th</sup> October 2014.

Book your accommodation before **8<sup>th</sup> September 2014** and benefit from our discounted rates.

You can book your accommodation via the hotel's website by clicking [here](#) or you can contact the Hilton reservation team by email [hzl\\_mail@hilton.com](mailto:hzl_mail@hilton.com) or phone 0870 5 909090 (when in the UK) or +44 (0) 207 836 2400 (for international calls).

Please note that only delegates registered to the Conference will be able to take advantage of our special rates.



## PROGRAMME OVERVIEW

	Wednesday 8 October	Thursday 9 October	Friday 10 October	Saturday 11 October
8:30		Registration & Exhibition Open Arrival Refreshments	Registration & Exhibition Open Arrival Refreshments <b>BREAKFAST SYMPOSIUM, BLOOMBERG</b>	Registration & Exhibition Open Arrival Refreshments <b>BREAKFAST SYMPOSIUM, BLOOMBERG</b>
IFTA Executive Board Meeting		Opening Ceremony and Technical Walkabout	New approaches in behavioural finance <b>Prof Richard Taffler</b> , University of Warwick	Neuroscience of trading <b>Tony Plummer</b> , Helmsman Economics
		Refreshment Break in the Exhibition Hall	Applying behavioural finance to the markets <b>Larry Berman</b> , ETF Capital Management	Tuning your emotions for better trading Part I <b>Dr Alexander Elder</b>
		Unravelling the DNA of the Financial Markets <b>Deborah Owen</b> , Society of Technical Analysts	Refreshment Break in the Exhibition Hall	Refreshment Break in the Exhibition Hall
		Keynote Address <b>Dr Marcus du Sautoy OBE</b> , University of Oxford	Intermarket analysis <b>John J Murphy</b> , StockCharts.com	Tuning your emotions for better trading Part II <b>Dr Alexander Elder</b>
		Lunch in the Exhibition Hall	Market Profile <b>Robin Mesch</b> , Robin Mesch Associates	Power Hour
		<b>David Sneddon</b> , Credit Suisse	Lunch in the Exhibition Hall <b>LUNCH SYMPOSIUM, MA</b>	Lunch in the Exhibition Hall <b>LUNCH SYMPOSIUM, MA</b>
		Refreshment Break in the Exhibition Hall	Use of point and figure to avoid black swans <b>Cyril Baudrillart</b> , BSSP Partners	Conference Session
		Panel Session "Understanding risk"	Power Hour – Focus on Japan <b>Feng Han</b> , Fidelity Investments <b>Chris Grafton</b> , Hurst Cycles	Refreshment Break in the Exhibition Hall
			Refreshment Break in the Exhibition Hall	Conference Session
16:30	AGM		Conference Session	
17:00	Registration			
19:00		Evening Reception at The London Transport Museum		Conference Dinner at Middle Temple



## SOCIAL PROGRAMME

The **IFTA Social Evening** will be held on Thursday 9 October from 18.30 – 21.30 at the London Transport Museum, located only minutes away from the Waldorf Hilton Conference Hotel.

The museum has on display many examples of buses, trams, trolleybuses and rail vehicles from 19<sup>th</sup> and 20<sup>th</sup> centuries as well as artefacts and exhibits related to the operation and marketing of passenger services and the impact that the developing transport network has had on London and its population.



The **Conference Dinner** will be held on Saturday 11 October from 18.30 – 23.00 in the magnificent surroundings of Middle Temple Hall. Virtually unaltered since completion in the 1570s, it is one of the finest Elizabethan halls in the country. The first performance of 'Twelfth Night' was acted in the hall in 1602 with Shakespeare as a member of the cast.

The gala dinner in this stunning central London location needs to be booked in addition to the conference. It costs £125.00 per person for a three course meal, beverages and evening entertainment.



# REGISTRATION

All delegates are required to register for the 27<sup>th</sup> IFTA Annual Conference via the online registration form found on the IFTA 2014 Conference website: <http://conference.ifta.org/2014/>

## Registration Fees

	<b>Early</b> (Before 31 July 2014)	<b>Standard</b> (1 August – 5 October 2014)	<b>Onsite</b> (8 -11 October 2014)
<b>IFTA &amp; STA member</b>	£799.00	£999.00	£1,250.00
<b>Professional Body Discount*</b>	£849.00	£1,099.00	£1,350.00
<b>Non Member</b>	£999.00	£1,249.00	£1,399.00

\* Promotional code required

In case you are not an IFTA or STA member you can become one for 12 months for £85 which will entitle you to the discounted rates above. You may join the STA here: <http://www.sta-uk.org/NewApp.html>

Full delegate registration includes:

- All appropriate Conference documentation and name badge
- Entry to all official Conference Sessions
- Access to Exhibition Area
- Attendance at the Welcome Reception
- Attendance at the Thursday Evening Reception
- Tea and coffee breaks
- Lunches

## Terms and Conditions

### Cancellation

A refund of fees will be given less a 20% administration charge, provided that the Conference Secretariat receives notice of cancellation in writing to [IFTA2014@contendam.com](mailto:IFTA2014@contendam.com) on or before Wednesday 27 August 2014. After this date, no refund will be given. Substitutions of attendees can be made at any time. Refunds will not be given for no-shows at the Conference.

# EXHIBITION AND SPONSORSHIP

## Why IFTA 2014?

- Contact new prospects and generate leads
- Market your product to delegates and leading industry professionals globally
- Showcase new innovations to the technical analysis community
- Promote company image and maximise market exposure
- Discuss the needs of your clients first-hand and demonstrate the solutions
- Gain insight into market trends to aid in your strategic planning

## Involvement in IFTA 2014 will...

- Promote your company/organisation as a leading supporter of IFTA
- Provide you with a platform to develop high level, long term contacts with key opinion leaders
- Strengthen your brand and existing relationships
- Differentiate you from your competitors
- Allow you to maximise the gains from our extensive local and global marketing activities

To secure your commitment, please complete the Sponsorship Application Form and Contract or the Exhibition Application Form and Contract.

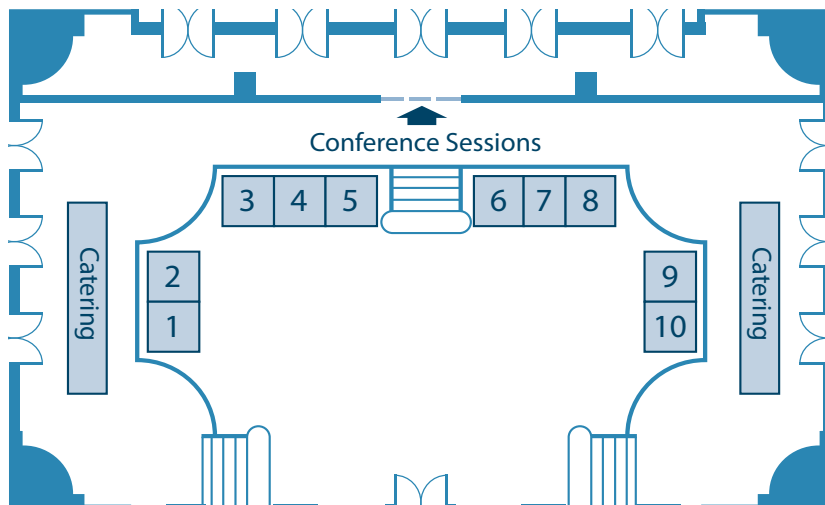
For further information please contact:

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## Exhibition Floorplan



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A non-profit-making organisation dedicated to the promotion of technical analysis. It serves as a forum for traders and investors interested in using technical analysis methodologies for their trading and investment. STA is an affiliated society of IFTA, International Federation of Technical Analysts.

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The STA is affiliated to **The International Federation of Technical Analysts (IFTA)**, which is the global organization of Technical Analysis Societies and Associations. IFTA is an international non-profit professional organization with member societies in more than 26 countries. The STA's qualifications are recognised by IFTA. IFTA provides a worldwide Professional Technical Analysts certification.

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