

CSI NEWS

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CBT MARKET PROFILE: Work on the CBT Market Profile is nearing completion, but one of the key programmers on the project had to take a week off for surgery, and we expect to have this material ready for release around the middle of May. We know that many customers are interested in this project, and we are doing everything possible to have it ready soon.

CSI INDUSTRY INDEX: The state of development of the Industry Indices is now such that we have extended these time series back to July 3 of 1967. Both the even-numbered three-month-forward delivery month codes which use a recent base period average and the odd-numbered industries indices using a geometric averaging approach are available. Only delivery month code 57, which represents the cash financial version of the Industrial Index, is unavailable at this time. You may order any amount of history on these time series at the sale price. The CSI #50 contract should only be compared with even-numbered industry indices. There is a tendency in the market for a given product monitored with the #50 PERPETUAL INDEXsm to move in the direction of the industry of which it is a part. To guide you in trading live hogs, for example, it would be most beneficial to see how the live hog index is reacting with respect to the livestock industry index. If the livestock industry index is much higher than the live hog index, then there will be a tendency for live hog prices to move in the direction of the industry index which tracks all livestock prices. These points will be covered in more detail in the enclosed article "How to Straddle Your Way to the Bank with the PERPETUAL INDEX".

CSI has put forth substantial effort to develop these indices and the way in which they may be used. Although we are interested in customers purchasing data from us, we want your trading efforts to be a success, and we have developed them more for that reason than for data sales. An informed customer will do better in the market and stay with us longer if the data that he receives is put into a form wherein he can assume consistent benefit.

AVAILABILITY OF PAST WEEKS OF DATA: Due to space limitations on our computer system, the third most distant week will not hold Monday, Tuesday, or Wednesday data. In other words, when you collect your data each week and you are asked for which week, you will not be able to access Monday, Tuesday, or Wednesday of Past Week 3. This is a temporary situation that only affects one of the pair of systems you may reach when calling for your data. We hope to again have available a full three weeks of data at some later date. Please avoid letting your files get more than two weeks out of date.

CHOOSING BETWEEN 39 and 49 PERPETUAL: Customers have asked which one is better. The 39 Perpetual monitors the market three months forward; the 49 Perpetual also monitors the market three months forward, but because of the assumption that the two contracts which lie adjacent to the three month forward date will expire earlier than they, in actuality, will, the price quoted is more representative of an extra three to five weeks forward. The 39 Perpetual looks at more volatile markets because they are closer in, whereas the 49 Perpetual works with typically further distant, high-priced, but better behaved, markets. Since the 49 Perpetual rolls on the 10th of the month prior to delivery, and the 39 Perpetual rolls on the last trading day, the chance for price aberrations when the last trading day is identified are far more for the 39 than for the 49 Perpetual. We now favor the 49 Perpetual because of its stability and smoothness.

PERPETUAL INDEXsm is a Service Mark of Commodity Systems, Inc.

NEW RELEASES OF APPLE AND IBM QUICKTRIEVEtm DISCS: The new releases of these software products support CSI's new PERPETUAL INDEX product. Since these index products, both at the commodity level and at the industry level, reveal information about market direction, we know you will be interested in observing the market from this point of view. The Apple QUICKTRIEVE can display two years of weekly data on the screen at one time, and the IBM QUICKTRIEVE can display five years. You will need to observe as much data as possible to make wise inter-market straddle decisions. Both systems have built-in oscillator software for comparing intermarket indices. One oscillator over a five year period drawn with the IBM QUICKTRIEVE is enclosed which compares an S&P Index-index with CSI's Commodity #235's Industry Index for industrial products (Delivery Month #46). It is included in the preview article introduced below.

If you haven't already purchased the new release of QUICKTRIEVE, we urge you to do so. The price remains at a nominal \$40.00 for any new release purchased by May 10th. Thereafter, it will be standardized at \$50.00 because of the depth of the current new enhancements. Incidentally, our QUICKTRIEVE software, available at \$135.00 to new subscribers, does more work faster and better than any other product we know about. Alternative products that retrieve data, analyze data, and graphically display market data are usually separated into several packages and cost five to ten times the price. We still wish to improve further, however, and we ask your help in pointing out any identifiable defects and in adding new features that you recommend. Please let us know of any thoughts you may have.

We have received many orders for the new release of the Apple QUICKTRIEVE. Because we had to print a new manual and because we had more problems than anticipated in getting the new release prepared, we do not anticipate mailing the new disc until approximately May 15. The enhancements for the new disc include: (1) forming oscillators, (2) vector movement of data, (3) the ability to annotate charts on the screen before they are printed with custom titles and illustrations on the face of the plotting surface, (4) trendline extension and a facility to draw parallel trendlines, (5) field-by-field display of data, (6) improved grid dots, (7) daily charts have annotated tic marks to identify each Monday, weekly charts to identify the first week of each month, and monthly charts to identify each June and December, and (8) a facility to allow fast cursor movement around the screen.

This new product is available for the new release fee of \$40.00. In addition, the Apple QUICKTRIEVE can now be purchased with a study disc. The study disc is an extra fee of \$50.00 for existing customers only and will be eventually raised to \$95.00. The study disc includes on-balance volume, stochastic calculation, momentum calculation, the ability to divide two contracts, the treatment of spreads, a user study module where the customer may introduce up to three studies based upon a user-introduced equation and have the results plot on the screen. If you wish to order this new QUICKTRIEVE study disc for the Apple, please add \$50 to your payment.

USE OF OUR CUSTOMER SUBSYSTEM: In our last Newsletter, we encouraged users to avoid making In-WATS calls and encouraged the use of the Customer Subsystem to reduce errors in the processing of daily changes and the ordering of historical data. Customers who call us to place an historical order through voice contact must order at least \$10 worth of data. There is no minimum order fee for using the Customer Subsystem. In addition, any order which involves changing your daily portfolio mix or adding to it will be subject to a \$5.00 minimum voice order. If you order more than \$10 worth of historical data over the phone, we will add those contracts to your daily portfolio at no charge.

PERPETUAL DATA SALE: We are extending for a final month our PERPETUAL INDEX sale. However, the price will be increased slightly for those sending in their orders before May 10, 1985. Any orders received before May 10 may purchase the data for \$.40 per data month. After May 10 and before June 10, the price will be \$.60 per data month. Thereafter, regular Perpetual prices will apply.

"HOW TO STRADDLE YOUR WAY TO THE BANK" with the PERPETUAL INDEX: If you or your clients are not consistent winners in the commodity markets, maybe an altogether new approach, a new way thinking about the markets should be considered. The enclosed article, we believe, has substantial merit. It is not yet a publicly available method and is now only offered as a preview to CSI's customer base. Far less capable systems, techniques and procedures have been sold on the seminar route for thousands of dollars per attendee. The approach we recommend will require some work and study by the user. Little dollar investment is required except perhaps an updated QUICKTRIEVE disc and some new data. We will not solve the entire problem for you, but with some sharp and flexible tools, you can have the enjoyment of solving the problem on your own.

RELEVANCE III - MASTER CHART SOFTWARE FOR THE IBM PC: Maynard Holt, of Holt Investments, Inc., sent CSI a copy of the output to his charting software package, and we were very impressed with both the chart resolution and the amount of detail presented with each chart printed on a graphics printer. Each chart shows a bar chart, speed lines, moving averages, and five studies. The studies are plotted out at the base of each chart which shows a stochastic time series, volume and open interest, on-balance volume, % R and an RSI study. Chart resolution and clarity are outstanding. We did not have a copy of the program for the IBM PC, so we cannot go into great detail. I understand the charts take about ten minutes to produce and look at the market from a short, intermediate, and long term basis. I invite you to contact Holt Investments at area code 615/242-9217, (12th Floor, First American Center, Nashville, Tennessee 37238) for more details. They offer a money-back guarantee, and the price of their product is \$399.

N-SQUARED MARKET ANALYZER: We received a complimentary copy of the N-Squared Market Analyzer because it is now compatible with the QUICKTRIEVE data feed for the IBM PC. The system performs moving average studies, exponential smoothing, momentum, trendlines, and on balance volume, and numerous other transcendental functions are a part of the package. In addition to operating with the QUICKTRIEVE format, it also has the facility for inputting and analyzing Barrons' laboratory data, which will soon be a part of CSI's data feed. Other interesting features are the capability to plot two series at once in a split screen mode. The software appears to be well-written and worthy of its low price of \$295. Contact N-Squared Computing at 5318 Forest Ridge Road, Silverton, Oregon 97381 (Gregory Morris).

PAID ADVERTISEMENTS: The Commodity Futures Trading Commission each month provides a report titled "Commitments of Traders". It is released between the 11th and 15th of the month. The report reflects the situation on the last day of the preceding month. Weiss Research forms an index or graph from the statistics in the report and mails it to subscribers. The "Commitments of Traders" report breaks down the open interest of various markets into categories, such as Commercials, large traders, and small traders. The Weiss Research solicitation is enclosed.

Omega Research, Inc. has also enclosed a paid advertisement for their software, which is compatible with CSI's data formats.

Bob Pelletier
Robert C. Pelletier
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Note: Any advertisements enclosed with CSI's monthly Newsletter, or any comments, descriptions, or reviews of any products included in our Newsletter, other than those concerning CSI's own products, are not to be construed as endorsements or recommendations of Commodity Systems, Inc., but are for information purposes only.