

In This Issue

Revolutionary New Software is Almost Here !..... 1
 Getting Connected 3
 Ask Customer Service 4
 (Topic: Unfair Advantage®)
 Product Summary 5
 Market Statistics
 Update & IPOs 6, 7 & 8

Editor: Sabrina Carle
 Publisher: Commodity Systems, Inc.
 Layout/design: Moran Advertising, Inc.

Notice: The views and information expressed in this document reflect exclusively the opinions and experience of the author, Robert C. Pelletier. **NEITHER CSI NOR THE AUTHOR UNDERTAKE OR INTEND TO PROVIDE TAX ADVICE OR TRADING ADVICE IN ANY MARKET OR ENDORSE ANY OUTSIDE INDIVIDUAL OR FIRM. ALL RECOMMENDATIONS ARE PROVIDED FOR THEIR INFORMATIONAL VALUE ONLY.** Readers should consult competent financial advisors or outside counsel before making any trading, software purchase, or investment decision. CSI does not stand behind or endorse the products of any outside firms.

Advertisement Enclosed: We have enclosed an advertisement for "Uncover the Hidden Order of the Market!" offered by Natural Order Educators.

CSI accepts advertisements to accompany our Technical Journal for the sole purpose of defraying postage costs.

Copyright © 1996 Commodity Systems, Inc. (CSI). All rights reserved.

Revolutionary New Software is Almost Here !

After years of planning and revising and enduring more than a few false starts, the Unfair Advantage® software will soon be solving the data management problems of investors around the world. The system is performing superbly in our testing and I can now say with confidence that its official release is just around the corner.

DATA BASE SCOPE

The initial version will include an unabridged copy of our world commodity data base. This covers more than 400 commodity futures (many thousands of contracts) and cash markets. With very few exceptions, CSI historical data stretches back to the very first day of trading. Future releases will add U.S., Canadian, and U.K. stocks; U.S. mutual funds; summary option premiums for all U.S. futures markets back to the first day of trading; many popular U.S. stock options and a data base of economic fundamentals from the U.S. Departments of Labor, Commerce, Agriculture, the Federal Reserve and various U.S. trade associations. The fundamental data will be available on a bi-weekly, monthly or quarterly basis, depending upon the series. All other data is available in a daily frequency.

In the many years since its inception, Unfair Advantage has evolved into a data management system that

will greatly simplify the way market data is supported, distributed, managed and analyzed. Although it will be massive in scope, the entire first release will occupy little more space

on your hard drive than your WordPerfect® or similar word processing software. The plan is to hold all data locally on the user's own hard drive for instant access and daily appendage.

CHARTING AND ANALYSIS

The design allows you to instantly prepare customized charts as never before. Files of back-adjusted continuous

futures contracts, Perpetual Contract® series, nearest future contracts, W.D. Gann contracts, and others can be instantly created for any market you choose. The cumulative seasonal indices introduced in the March 1996 CSI Technical Journal and numerous studies are also available.

With Unfair Advantage you can plot any length time series on your screen, or review any series in numerical form with adjacent screens for study and review. A rich diet of additional capability is on the menu for future Unfair Advantage treatment. The complete scope and plans for new and powerful features will be announced in later editions of this journal.

(continued on Page 2)

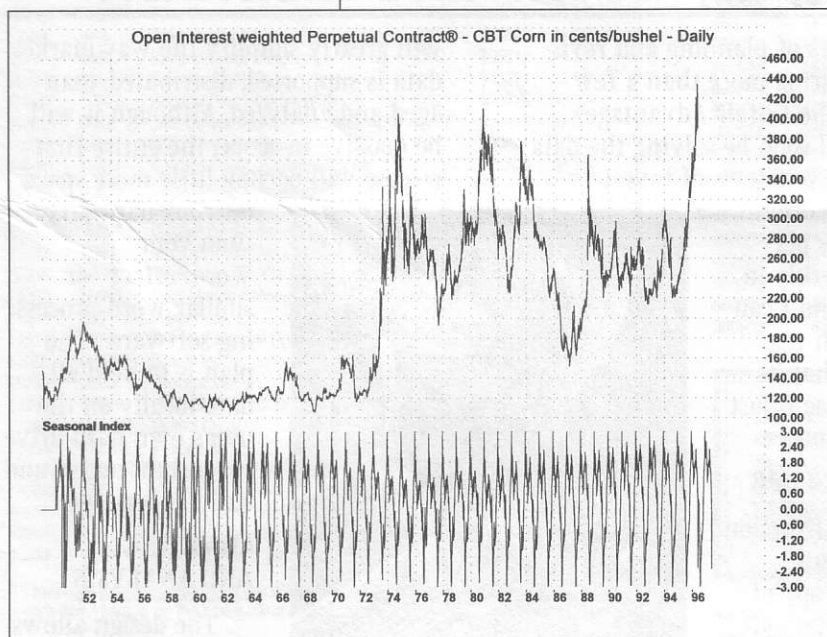


Revolutionary New Software ...

(continued from page 1)

FORMATS SUPPORTED

A number of important formats have been addressed by Unfair Advantage to make it easy for users to supply data for their favorite trading system or



spread sheet. Portfolios of market data can be arranged for most popular applications. A sampling of supported formats includes CSI, Meta-stock,[®] Excel,[®] ASCII, dBase, Lotus,[®] Paradox[®] and MS Access. Others will be available in future releases to meet the changing needs of our customers.

ERROR CORRECTION

Right from the start, users of Unfair Advantage will have the benefit of CSI's highly accurate data base of market information. A feature I especially covet is Unfair Advantage's automatic error correction capability. Whenever an error is detected in the CSI data base, a correction is automatically included in each user's daily update. Therefore every user will have an exact copy of the same data base. Although errors are rare in CSI data, when they do occur, they are carefully recorded by our data department staff. Customers are asked to identify any

suspected error to CSI for permanent correction and they are rewarded for being the first to report.

WORLD EVENT/HOLIDAY LOG

Another helpful attribute of Unfair Advantage is the handling of special situations which affect the markets and are reflected in the data. Events such as holidays, floods, fires, explosions, bomb scares, hurricanes, embargoes, currency devaluations and other significant events are included in the total package. This permits any historical void in any given chart display to be specifically identified. In addition, an inventory of commodity facts and contract specifications is held locally and updated automatically for regular review.

NEW METHOD OF DATA BANKING AND WAREHOUSING

Unfair Advantage is able to perform these feats because it adopts a new way to save and retrieve data from the master data base. The older design of the typical data base involves thousands of lengthy time series that are individually addressed. Such a design typically defines each series as a single file in multiple directories. This approach requires a linear search and individual opens and closes by the operating system as data is read or appended to the master directories. In such applications, the effort to search a large data base can take hours. The data management process for this older design approach inadvertently makes the disk operating system an integral part of the data base design.

Unfair Advantage takes a more pragmatic approach. Files are stored in a way where only a handful of addressable files need be referenced to capture from or deposit information into the data warehouse. The data base management operations of searching, reading, retrieving, writing and append-

Getting Connected

ing take just seconds, yet perhaps as many as one hundred thousand virtual files may be easily addressed.

DOWNLOADING UPDATES

The Internet, which can be reached through an access provider such as Prodigy,[®] America Online,[®] AT&T[®] and others, is the preferred way to retrieve daily updates. It will provide the fastest and most reliable service. Another alternative is to call CSI directly. This connection could take longer than the Internet for one day of data depending on your modem speed. Either way, a daily update from CSI will typically take one to four minutes using the forthcoming release. Seconds later all of your data will be stored on your hard disk in a minimum of space ready for analysis by your favorite market trading algorithm.

SAVING YOU TIME AND MONEY

With the release of Unfair Advantage version 1.0, which we hope to begin shipping in late July, CSI will have created a new, higher standard for market analysis systems. At last, the busy investment professional and private investor can share in new technology that will make an appreciable difference in the quality and scope of market data available. It will also give you more control over how you spend your time. Will the benefits gained by using Unfair Advantage be worth the years of engineering put into the product? I think so and I think you'll agree. If you would like to learn more about this upcoming product, please see the "Ask Customer Service" column and the enclosed brochure or contact a CSI Marketing representative at your convenience. ♦

Bob Pelletier

The Internet, with its labyrinth of URLs and bewildering vernacular of GOPHERs and FTPs can be an intimidating place for the uninitiated. Unfair Advantage is designed to easily get your data through the "net" even if you're not an experienced surfer. It does require, however, that you have access to the Internet through a third-party service and that you have your own web browser.

The big three in Internet access are:
America Online[®] (800) 827-6364
CompuServe[®] (800) 848-8199
Prodigy[®] (800) 776-3449

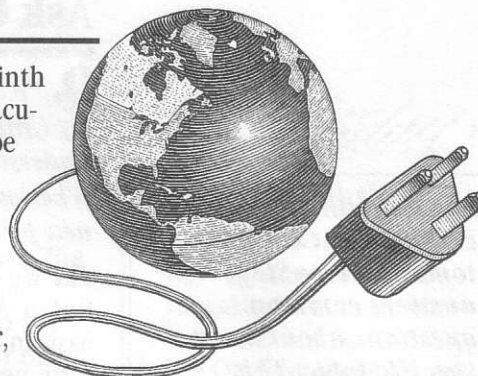
Free start-up software (which includes a web browser) and a free limited trial period are available from each of these services. Be prepared to supply a credit card number to get started - even for your free trial.

AT&T Worldnet[®] (800-967-5363) offers free software and a year of limited free service to some AT&T customers. Call them to see if you qualify.

Whatever service you use, the time involved in accessing data for Unfair Advantage will typically consume less than one hour per month. Please call the respective services for information on their monthly rates.

If you have purchased your computer recently, you probably already have the software to access one or more of these services. They are distributed widely with new systems and may be included with your Microsoft Windows[®] package. Check your Windows program manager for any of the above icons and look through the stacks of disks and CDs that came with your computer system.

Another fast way to get on-line with these services is to buy a computer magazine that includes a free access CD. Check your local bookstore or magazine stand for these offers. ♦



Unfair Advantage Hardware Requirements

386 or higher PC compatible computer running Windows[®] 3.1 or higher, CD ROM drive, 40MB free disk space, minimum 4MB RAM (8MB recommended), modem and VGA compatible monitor.

Each month in this column the CSI Customer Service Staff answers common questions about a specific topic. This month the buzz word is Unfair Advantage - our upcoming data retrieval, management and delivery system. Unfair Advantage is about more than just data, however. You will be learning much more about this product following its debut.

Ask Customer Service

Q. *I have seen your advertisements for Unfair Advantage, but I understand it isn't available yet. When will you begin shipping the new program?*

A. We expect to begin delivering Unfair Advantage on a very limited basis in early July and in a full release form near the end of the month. Users of the system will receive much more than just a program. The package includes the complete CSI world futures data base on CD for transfer to your hard drive and daily updates on all futures. Everything needed will be local to your site.

Q. *How are daily updates retrieved with Unfair Advantage?*

A. The recommended method of access is via the Internet. Using your own Internet connection (CompuServe, Prodigy, America Online, etc.), you can avoid additional telephone expenses and get massive amounts of data in efficient high-speed connections. Same-speed or slower dial-up collections will also be available directly from CSI as a back-up using our modem rotary.

Q. *What data is downloaded each day with Unfair Advantage?*

A. The software picks up daily updates for ALL contracts of ALL world commodities for ALL days inclusive of your last collection for up to a two month period through the current day. The initial release will support just commodities and futures indices, but stocks, funds, indices and options will follow later.

Q. *How long does it take to download every market and distribute to my complete data base?*

A. It takes one to four minutes to download over 2,000 contracts and a couple of seconds to distribute.

Q. *Why is historical data stored on the user's own hard drive after delivery on CD?*

A. Most CD ROMs cannot be updated, requiring that you store new updates on your hard drive and purchase new history CDs quarterly or semi-annually. This is not the case with Unfair Advantage. Our software squeezes a copy of the ENTIRE commodity data base on your hard drive and updates or corrects errors daily using minimal space. The initial release requires about 30 megabytes of hard disk space.

Q. *What will happen if I don't update my files for a while?*

A. When you begin accessing again, Unfair Advantage will automatically pick up all the days you missed for up to nine weeks in the recent past. This product requires that all users maintain their files in intervals of nine weeks or less. If you ignore this requirement, a set-up fee must be paid at then-current prices to receive a new CD and re-activate the software. Please note that since this is a licensing agreement at far less than regular rates, data will not be accessible with Unfair Advantage if you discontinue daily updates for more than the nine-week reserve period.

Q. *What type of analysis is provided with Unfair Advantage?*

A. Unfair Advantage's data storage technique allows you to build and graphically or numerically view specific contracts or any type of continuous file at will. For example, if you are interested in CBT Corn, Unfair Advantage can display a back-adjusted up-to fifty-year chart in a second or two. From there, you can select from a few technical indicators including seasonal calculations or, if you prefer, use your favorite third-party analysis system for study.

Q. What kind of customer support is available for Unfair Advantage?

A. CSI's full staff of customer service representatives is being trained in using the software. We will be available for direct-dial phone support 8:30 a.m. to 10 p.m. Monday - Friday. You will probably find that you need very little personal assistance with Unfair Advantage because of its simple design and context-sensitive on-line help feature.

Q. Please explain the fee structure for Unfair Advantage.

A. Unfair Advantage is offered under a plan whereby users pay for a license to use CSI's historical data base and Unfair Advantage software. In addition, an update charge of \$22 per month (\$264 per year) is imposed. The license fee for historical data and software of \$135 is discounted to \$99 for current CSI subscribers. Your only additional expenses will be for your Internet or phone connection and nominal new release charges when applicable. ♦

Holiday Schedule

CSI will be closed for voice communication on Thursday, July 4th for the Independence Day holiday. The CSI host computer will be accessible and data from overseas exchanges will be available as usual. Happy 4th of July!

CSI Software Product Summary

Please check all that apply and complete the information box at right.

Mail or fax to CSI, 200 West Palmetto Park Road, Boca Raton, Florida 33432; Fax: (561) 392-7761; E-mail: marketing@csidata.com

- QuickTrieve®/QuickManager®** for PC - To retrieve, manage & edit data (includes 1996 Alerts Calendar and on-line manual); New daily user \$59. QuickTrieve/QuickManager version 4.06 upgrade (for current QT users only): \$39
- QuickTrieve/QuickManager Printed Manual** \$14.95
- 1996 Commodity Alerts Calendar** for use with QuickTrieve \$25
- QuickPlot®/QuickStudy®** for PC - Charting & analysis software (requires QT/QM) \$89
- Trading System Performance Evaluator™** (TSPE) for PC - Computes your system's capital requirements \$149
- Trader's Money Manager™** for PC - \$399 (includes TSPE); Demo disk: \$15
- TraDesk™** for PC - Traders' complete accounting system - CSI daily user \$149; Unrestricted use \$299; 30-day trial version \$22
- Seasonal Index Value Pack** for PC - Ten years of history for 33 popular commodities \$315
- Daily Updates** for PC - Starting at \$10.80 per month
- CSI Technical Journal Subscription** - \$24/Yr. - Reprints \$5/each Issues requested: _____
- CSI Mailing List** - \$200/1,000 names (CSI users omitted)
- CSI Data Retrieval Service Information Package** - *FREE*
- Hardcopy Commodity Fact Sheets** (includes options) \$4; **Stock Fact Sheets** \$6. Visit our Internet Home Page for free on-line copies: <http://www.csidata.com>

NAME _____

ADDRESS _____

DAY PHONE (____) _____

USER ID# _____

DISK PREFERENCE

- 5.25"/360K 5.25"/1.2 MB (HIGH DENSITY)
 3.5"/720K 3.5"/1.44 MB (HIGH DENSITY)

METHOD OF PAYMENT (PREPAYMENT REQUIRED)

- CHECK MASTERCARD VISA
 DISCOVER AMERICAN EXPRESS

AMOUNT ENCLOSED \$ _____

CARD # _____

EXP. DATE _____

SIGNATURE _____

7/96

Please add \$34 per software package for overseas shipping.
 All prices subject to change without notice.