Technical Trading Alert
Using Technical Analysis To Score Quick Profits

NOVEMBER 2009

ONE INDUSTRY READY TO BOUNCE, AND ANOTHER STEPPING UP!

This Month's Issue:

Trade #1: TAN

The Solar Industry has had a rough time lately. That may be about to change…

Trade #2: MOO

Agribusiness is about to pick back up. Let's jump on this ETF and be a part of the next boom in agriculture…

Open Position Update

…see page 10

QUESTIONS OR COMMENTS?

customerservice@hyperionfinancial.com

PUBLISHER
Hyperion Financial Group

EDITOR
Justin Bennett

This is our first issue of the *Technical Trading Alert.* I'm honored to have you as a subscriber. I'm looking forward to presenting some outstanding trading opportunities.

Hopefully by now you've read all of our free reports. These reports are essential to the service. If you haven't already, take a few minutes to read them. They outline the basics of this service. You can find them on the website under the special reports link.

We have a lot to cover, so let's get to it…

BROAD MARKET UPDATE

As you may know, the markets have experienced a phenomenal rally over the last eight months.

During this time, many investors have been yelling and screaming about all the fundamental wrongs with the economy. Inflation, recession, depression, retail numbers, unemployment, etc… the list of worries goes on and on.

No doubt the economy has seen many problems over the last year and a half. And it still has many more to overcome.

But one thing all experienced traders realize is this… **the market is always right**.

This is one rule I want you to memorize.

No matter what you **think** the market should be doing, the market will ultimately do what it wants. This is why it is so important to watch the charts.

The charts hold the most important technical aspect of trading… **price action.**

By watching the charts, you can see the collective behavior of the market. If you have the patience to find a low risk entry point, you can make a killing. Watching the charts, you can see the recent trends. **And right now, the trend in the broad market is UP!**

Let me show you what I mean…

This is the S&P 500 index over the last eight months. Notice the strong trend upward. Everyone should be trading with the trend and taking advantage of low risk buy points.

Take a quick look at upper right hand corner of the chart. The S&P 500 recently broke through short term resistance, the 1100 level. (It's the horizontal red line on the chart.)

If the S&P 500 holds above the 1100 level, there's a very good chance it will continue higher into the end of the year. If it breaks significantly below 1100, we could see a correction down to the 1025 level.

Even though the markets may be short term overbought at these levels, we still want to be looking for **low risk, long trades**. We don't want to trade against the trend of the broad markets. Always remember, the trend is your friend.

Ok. Now you're up to speed with the broad markets, let's focus on this month's trades.

TRADE #1: Buy Claymore/MAC Global Solar Energy ETF (TAN)

TAN is an ETF representing the solar industry. Some of its main holdings include **First Solar** (FSLR), **Suntech Power** (STP), **Trina Solar** (TSL), and **Yingli Green Energy** (YGE).

The solar industry has been hit hard in 2009. With the global recession, producers had to slash prices to move product. Sometimes they couldn't move product at all. This lead to a **glut** in solar panel supply. (Lower oil prices didn't help either.)

I've been watching closely and the solar industry hasn't participated in the broad market rally. But that may be about to change…

Strong demand is starting to emerge in Europe and Asia, and many analysts see the supply glut resolving itself in early 2010. Once this happens, sales and profitability in the solar industry will be back on track.

We want to be in solar **before** that happens… before most investors get a clue and start bidding up prices.

We're already seeing the tide change…

Some of the top producers such as TSL, YGE, and STP recently reported strong earnings. TAN holds all of these top producers.

And it just so happens we have a nice low risk set up in TAN. Let's take a look....

Support Level Bounce With A Building Triangle

Here's why this is a solid setup for us to trade...

1. Look at the green #1 on the chart. This is the support zone for TAN. Each time TAN tested this $8 zone it bounced higher. There's strong support at this level and we'll use it to control our risk. Unless the broad markets absolutely fall apart in the near future, TAN shouldn't go below $8 again. More on that in a minute...

2. Look at the blue #2 on the chart. This is the upper trend line. Notice how it is sloping down to meet the lower support line. TAN is consolidating down into a triangle, which would benefit us even more. Triangles usually resolve themselves with a big move. In the case of TAN, that move should be **UP**.

3. Look at the red #3 on the chart. This is a minor inside trend line. This minor resistance may cause TAN to turn back down in the short term. However, TAN should eventually break through both the red and blue trend lines. This will be the breakout we're looking for.

Trade Details

ENTRY

Buy TAN at $9.60 or better.

TAN is currently trading at $9.36. The ideal entry is between the $8 support zone and $9.60. Go ahead and buy here, but **don't buy over $9.60**, we don't want to chase it too much.

Don't be surprised if TAN retests the $8 level. If it does, use it as an opportunity to add to your position. It looks like TAN is forming a triangle which sets up the potential for a big move up. I wouldn't be surprised to see it trade sideways for a couple more weeks. If TAN does break out to the upside, you'll be glad you bought at these levels. **DON'T BUY BELOW $8.**

STOP LOSS

Set a stop loss at the $7.45 area.

This is **$1.91** of chart risk from our entry price of $9.36 ($9.36-$7.45=$1.91). This is a nice low risk entry with good reward potential. But, if for some reason the pattern fails, we want to cut our losses. **Sell TAN if it hits $7.45**. No questions asked! The key to long term success in trading is cutting your losers short and letting your winners run.

PROFIT TARGET

If this setup pans out like I expect, TAN could approach **$16**. We'll see some strong resistance in the $11.50 to $12 area. Let's see what the broad markets give us over the next couple of weeks**.** If the market continues to rally, TAN could break above $10 and we could be off to the races. I'm setting a profit target of **$14.** This results in a reward/risk ratio (RRR) of nearly **2.5 to 1** (we're risking $1.91 to make $4.64… $4.64/$1.91=**2.42**).

Trade Summary:

Current price:	**$9.36**
Entry Price:	**$9.60 or better**
Stop Loss:	**$7.45**
Profit Target:	**$14**
RRR:	**2.5 to 1**

Remember to use appropriate position sizing for your portfolio. (See the user's guide for more info.)

Cut any losers quickly, and let your winners run. Remember to take money off the table at our profit target. If you want to hold longer, that's up to you.

If any of the technical jargon's confusing, don't worry, I explain everything you need to know in our user's guide and free reports.

TRADE #2: Buy the Market Vectors Agribusiness (MOO)

MOO is an ETF tracking the movement of companies in the agribusiness industry. Some of the larger holdings of MOO are **Monsanto** (MON), **Potash** (POT), and **Mosaic** (MOS).

Wheat, corn, and other Ag commodities have been trading at multiyear lows. However, recent price action suggests the low has been set. As prices rise for these commodities, demand and prices for fertilizer and seed will also rise.

Performance will start improving for all of the companies in MOO.

Let's take a look at a low risk way opportunity to profit from the next boom in agriculture.

The Step Up

Here's what I like about this setup…

1. Look at the green #1 on the chart. This is the former resistance at $42 that MOO **just broke through**. There's a rule in technical analysis stating "Old resistance becomes new support". **This old resistance at $42 is now support for MOO**. MOO has "stepped up" through this resistance zone. I suspect MOO will come back to test this $42 support zone, and then continue higher. This support zone is the basis for this trade.

2. Look at blue #2. This is the upper trend line MOO has been trading against for the last eight months. This trend line may be what causes MOO to turn down to test the $42 level. We're ultimately looking for MOO to break above this upper trend line and continue higher.

3. Look at the green #3. This is the secondary support zone at the $40 level. If the broad markets fall over the next few weeks, MOO may retest these levels. This is the area we will use for our stop loss.

Trade Details

ENTRY

Buy MOO at $43.25 or better

MOO is currently trading at $42.90. We're buying MOO on the breakout above $42. There is a very good chance MOO will come back to test the $42 level. Don't buy over $43.25, we don't want to chase this trade. **DON'T BUY BELOW $39.00.**

STOP LOSS

Set a stop loss at the $38.45 area.

This is below the $40 secondary support level. This gives us a chart risk of **$4.45** ($42.90-$38.45).

There is a chance MOO could come back to test the $40 level. If the S&P 500 can't hold the 1100 level, as I mentioned in the broad market update, MOO may do just that. This is why I'm setting a wide stop.

If MOO hits $38.45, sell. Remember, the key to successful trading is to cut the losers quickly and let your winners run.

PROFIT TARGET

MOO should test **$50,** the next major resistance area. This gives us a possible reward of $7.10 ($50-$42.90=$7.10). This will give us a **RRR of nearly 2 to 1** (we're risking $4.45 to get $7.10… $7.10/$4.45=**1.60**). With a wider stop like this, our RRR goes down slightly.

Trade Summary

Current Price:	**$42.90**
Entry Price:	**$43.25 or better**
Stop Loss:	**$38.45**
Profit Target:	**$50**
RRR:	**1.60 to 1**

Remember to use appropriate position sizing for your portfolio. (See the user's guide for more info.)

Cut any losers quickly, and let your winners run. Remember to take money off the table at our profit target. If you want to hold longer, that's up to you.

If any of the technical jargon's confusing, don't worry, I explain everything you need to know in our user's guide and free reports.

OPEN POSITION UPDATE

- This is the first issue of the *Technical Trading Alert.* In future issues, you'll find updates on all of our trades. Since this is our first issue, there's nothing to update.

PERFORMANCE TABLE

Date	Commodity	Buy Price	Current Price	Peak Price	Peak Return	Status
11/19/09	Claymore/MAC Global Solar Energy ETF (TAN)	$9.36	$9.36	NEW	NEW	Buy up to $9.60
11/19/09	Market Vectors Agribusiness ETF (MOO)	$42.90	$42.90	NEW	NEW	Buy up to $43.25

Data as of 11/18/2009
Performance Table Notes:

1) Buy price is the closing price as of the date the recommendation was made. Your entry prices may be higher or lower. Buy prices have been adjusted for dividends.

2) Current Price is as of the update.

3) Peak price is the highest point a stock has traded at since the recommendation.

Copyright © Hyperion Financial Group, LLC. All Rights Reserved. Protected by copyright laws of the United States and international treaties. This email may only be used pursuant to the subscription agreement and any reproduction, copying, or redistribution, in whole or in part, is strictly prohibited without the express written permission of Hyperion Financial Group, LLC.

LEGAL DISCLAIMER: Neither Hyperion Financial Group LLC nor Justin Bennett is a registered investment advisor or a Broker/Dealer. As such, Hyperion Financial Group, LLC does not offer or provide personalized investment advice. Although Hyperion Financial Group, LLC employees may answer general customer service questions, they are not licensed under securities laws to address your particular investment situation. Nothing in this report, nor any communication by our employees to you should be considered personalized investment advice.

Owners and writers may have positions in the securities that are discussed. However, all associated employees may not engage in any transaction that directly or indirectly competes with the interests of our subscribers. We accept no compensation from any companies mentioned in our reports.

Past performance is no guarantee of future results. All information is issued solely for informational purposes and is not to be construed as an offer to sell or the solicitation of an offer to buy, nor is it to be construed as a recommendation to buy, hold or sell any security. All opinions, analyses and information contained herein are based on sources believed to be reliable and written in good faith, but no representation or warranty of any kind, expressed or implied, is made including but not limited to any representation or warranty concerning accuracy, completeness, correctness, timeliness or appropriateness. Investments recommended in this publication should only be made after consulting with your financial advisor.

Any brokers mentioned herein constitute a partial list of available brokers and is for your information only. We do not recommend or endorse any brokers, dealers, or investment advisors. Use of this report is bound by the terms of use found on Technical Trading Alert website at www.hyperionfinancial.com/tta/tta-home.htm.