

IFTA UPDATE

2016 Volume 23 Issue 4

IN THIS ISSUE

- 1 President's Report to Colleagues
- 2 IFTA2016 Sydney
Australia Highlights
- 5 Calendar At-A-Glance
- 6 Congratulations New CFTes!
- 6 *IFTA Journal* 2017 – Now Available!

Education Lounge

- 7 Using Recent Returns for Mean Reversion
- 9 A 29-Month Cycle Low Indicates Gold
May Hit a Bottom Around April 2018
- 11 Member News
- 12 Congratulations New and Re-Elected IFTA
Board Members (Term October 2016 –
October 2019)
- 13 MFTA and CFTe Exam Dates
- 14 *IFTA Journal* Call for Submissions
- 15 IFTA Member Societies
- 15 IFTA Update Schedule
- 15 Board of Directors

Next Issue: March 2017

Submission Deadlines

Education articles: February 15—
send submissions to newsletter@ifta.org

All other content: March 1—
send submissions to admin@ifta.org

Advertise in the UPDATE and reach more than 6,950+ IFTA colleagues worldwide. For more information, go to www.ifta.org/publications/newsletter/.

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

President's Report to Colleagues

Dear IFTA Colleagues,

Almost two months have passed since we held our annual 29th IFTA Conference in Sydney, hosted by the ATAA. Whether it was the exceptional list of guest speakers, the stimulating theme and topics, or the overall organization, the conference was a great success. This can only be attributed to the tremendous work and effort of our ATAA Conference Committee colleagues as well as the ATAA board and other members who were responsible for delivering such an outstanding event.

In recognition for their tremendous undertaking and accomplishment this year, I offer a special thank you note to Alek Jankowski, IFTA conference director and ATAA president; Robert Grigg, conference chair; Robert Brain, Conference Committee member; John Zubrinich, Conference Committee member; George Gross, Conference Committee member; and Max Knobel, master of ceremonies.

IFTA's AGM was held one day prior to the conference. Three board directors stepped down after generously and passionately serving on the IFTA board for two consecutive terms. We

bid farewell to Akira Homma (director/VP Asia Pacific), Dan Valcu (marketing and membership director), and Mohamed Ashraf (director/VP Middle East and Africa). On behalf of IFTA, I thank you for your profound, active, passionate and significant contributions to IFTA over the past years. I have certainly enjoyed working with you, and I sincerely wish you all the best in your future endeavors.

Moreover, at the AGM, liaisons and representatives on behalf of your societies voted to elect six new board members, some of whom had previously served a single term. IFTA welcomes Gregor Bauer (VTAD), Alek Jankowski (ATAA) and Jeanette Schwartz-Young (AAPTA), who are now serving their second terms on the IFTA board, as well as new colleagues Simon Warren (STA), Takashi Nakamura (NTAA) and Francesco Caruso (SIAT).

Our next conference will be held in Milan, Italy, October 13–15, 2017, at the Excelsior Hotel Gallia. The conference will be hosted by Societa Italiana di Analisi Tecnica (SIAT). It has been well over 19 years since ATAA hosted its last

The *IFTA UPDATE* is a publication of the International Federation of Technical Analysts, Inc. www.ifta.org, a not-for-profit professional organization incorporated in 1986.

International Federation of Technical Analysts
9707 Key West Avenue, Suite 100
Rockville, MD 20850 USA

Email: admin@ifta.org · Phone: +1 240-404-6508

IFTA Annual Conference (1998 in Rome), and I very much look forward to attending the 30th Annual IFTA Conference in Milan!

After a short break in our webinar program, I am pleased to inform you that we are preparing for a series of new webinars in 2017 with a list of highly regarded keynote speakers lined up. I hope you will find the upcoming webinar series as interesting and educational as always.

Last, but not least, I would like to thank all member societies who have shared updates and news from your local societies. Sharing information, knowledge and experience is and will always be, in spirit, the reason why IFTA exists and continues to do so.

Best wishes for the new year and happy holidays to all!

Mohamed El Saïd, CFTe MFTA
IFTA President

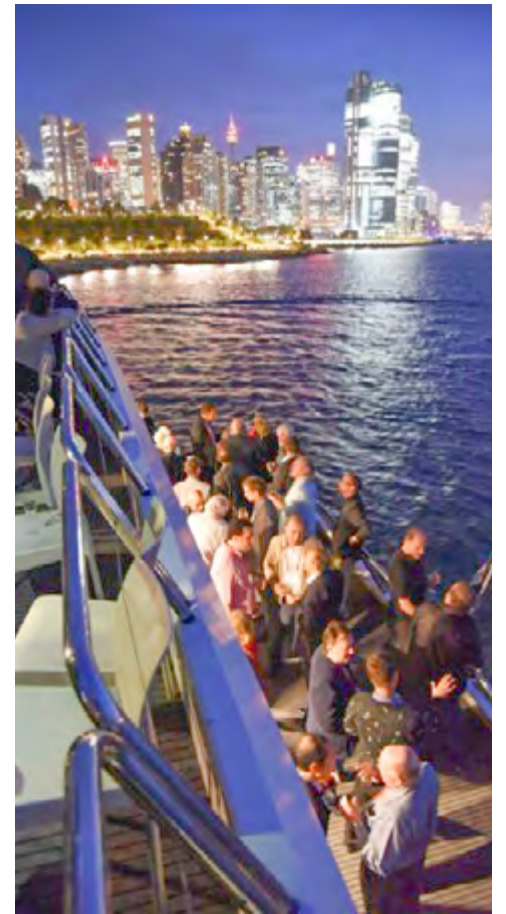
IFTA2016 Sydney Australia Highlights

From Theory to Profitability: Achieving Better Returns Through Technical Analysis

- 235 delegates and partners
- 20 countries
- 24 speakers
- 5 Sponsors and Exhibitors
- Cocktail Party, Sydney Harbour Boat Cruise, Grand Dinner



IFTA 2016 Annual Conference Photos continued



IFTA 2017

October 2017 **Milan, Italy**

Hosted by: Società Italiana di Analisi Tecnica (SIAT)



30th Annual Conference
October 13-15, 2017
Excelsior Hotel Gallia
Piazza Duca D'Aosta 9
Milan, Italy
www.excelsiorhotelgallia.com



Calendar At-A-Glance

Date	Topic	Host	Speaker	Location	Time	Contact
Monthly	Presentations from local and international speakers 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	Varies	www.stanz.co.nz/
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 (Australia)	Various	Various	Varies	www.ataa.com.au/meetings
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 communities by connecting individuals and promoting technical analysis.	CSTA Chapters (Canada)	Various	Various	Varies	www.csta.org
Monthly	Meetings & Events: The STA holds monthly meetings in London, usually on the second Tuesday of every month, except for a summer break in August.	STA	Varies	British Bankers Association • Pinners Hall 105 – 108 Old Broad Street • London EC2N 1EX	Varies	Katie Abberton, info@sta-uk.org
2017						
Feb	15	IFTA Update submission deadline for educational articles (mid-March release)	IFTA	NA	NA	Varies newsletter@ifta.org Attn: Aurélie Gerber, Journal Director
	28	Master of Financial Technical Analysis (MFTA) Alternative Path, Session 1 application deadline.	IFTA	NA	NA	NA http://www.ifta.org
Mar	1	IFTA Update submission deadline for news content (mid-March release)	IFTA	NA	NA	Varies admin@ifta.org
	3	Certified Financial Technician (CFTe) Level II—deadline to register for April examination	IFTA	NA	Varies	Varies admin@ifta.org
	15	Master of Financial Technical Analysis (MFTA) Session 1 paper submission deadline	IFTA	NA	Varies	Varies admin@ifta.org http://www.ifta.org
Apr	20	CFTe II Examination	IFTA	NA	Varies	Varies admin@ifta.org http://www.ifta.org
May	1	Certified Financial Technician (CFTe) Level II – registration opens for October examination through IFTA website	IFTA	NA	Varies	Varies http://www.ifta.org
	2	Master of Financial Technical Analysis (MFTA) Session 1 application, outline, and fees deadline	IFTA	NA	NA	NA admin@ifta.org
	15	IFTA Update submission deadline for educational articles (mid-June release)	IFTA	NA	NA	Varies newsletter@ifta.org Attn: Aurélie Gerber
	31	IFTA Journal Call for Papers submissions deadline	IFTA	NA	NA	NA journal@ifta.org
June	1	IFTA Update submission deadline for news content (mid-June release)	IFTA	NA	NA	Varies admin@ifta.org
Oct	2	Master of Financial Technical Analysis (MFTA) Session 2 application, outline and fees deadline	IFTA	NA	NA	NA admin@ifta.org
	12	IFTA Annual General Meeting (AGM)	IFTA & SIAT	Varies	Excelsior Hotel Gallia Piazza Duca D'Aosta 9, Milan, Italy	16:00-17:30 admin@ifta.org ; www.ifta.org
	13-15	IFTA 30th Annual Conference	IFTA & SIAT	Varies	Excelsior Hotel Gallia Piazza Duca D'Aosta 9, Milan, Italy	Varies admin@ifta.org ; www.ifta.org
	15	Master of Financial Technical Analysis (MFTA) Session 1 paper submission deadline	IFTA	NA	NA	NA admin@ifta.org
	TBD	Certified Financial Technician (CFTe) Examination	IFTA	NA	Varies	Varies admin@ifta.org ; www.ifta.org
Nov	1	IFTA Journal Web publication	IFTA	NA	NA	NA http://www.ifta.org/publications/journal/
	15	IFTA Update submission deadline for educational articles (mid-December release)	IFTA	NA	NA	Varies newsletter@ifta.org Attn: Aurélie Gerber, Journal Director
Dec	1	IFTA Update submission deadline for news content (mid-December release)	IFTA	NA	NA	Varies admin@ifta.org
	1	IFTA Journal Web publication	IFTA	NA	NA	NA http://www.ifta.org/publications/journal/

Congratulations New CFTes!

Mohamed Ahmed-Mansour Abdelfattah (ESTA)	Thoecharis Georgiou (STA)	Mohd Hafiz Farhan Bin Mustafa (MATA)
Yahia Fathi Abdelkader (ESTA)	Mohamed Saleh Ghaith (ESTA)	Konstantin Oldenburger (VTAD)
Hussein Gabr Abdelnaser (ESTA)	Gioele Giordano	Mohd Azli Bin Othman (MATA)
Mohd Hamdan Bin Abdul Manaf (MATA)	Bogdan-Alexandru Grigore (STA)	Cristie Parker (STA)
Mohd Shukri Bin Abdullah (MATA)	Carlos Grima Izquierdo (IEATEC)	Nik Ihsan Bin Raja Abdullah (MATA)
Anas Kamal-Ali Aboelghet (ESTA)	Priyesh Halai (STA)	Mohamad Shahril Nizam bin Ramli (STA)
Shaymaa Tharwat Abou Salem	Ehab Ossam Hanna (ESTA)	Ahmad Izzudeen Bin Razali (MATA)
Mohd Ghazali Bin Abu Bakar (MATA)	Mohd Amir Bin Hassan (MATA)	Mina Magdy-Monier Reyad (ESTA)
Ibrahim Abdelaziz Ali (ESTA)	Noorhasnizam Bin Hassan (MATA)	Nicolas Robert (AFATE)
Jean-Regis Allard (STA)	Aw Yong Tuck Lee Henry (TASS)	Edward Rushton
Munzir Bin Alwi (MATA)	Ignacio Hernandez Fradejas (IEATEC)	Nazrin Effendi Bin Saleh (MATA)
Moneer Mohamed Aly (ESTA)	Marion Justine Houlet (STA)	Mahmoud Mostafa-Ahmed Salem (ESTA)
Heba Mahmoud Amin (ESTA)	Mohd Oqbal Bin Ilias (MATA)	Swen Sander (VTAD)
Wieland Artl (VTAD)	Effendy Bin Ismail (MATA)	Aria Santoso (AATI)
Moufid Ayoubi	Jazli Izzuddin Bin Jamaludin (STA)	Marian Yacoub-Tawfeek Sedrak (ESTA)
Mohd Zulhazlami Bin Azizana (MATA)	Adzrul Afni Kadri (STA)	Charalampos Shaniotis (STA)
Laszlo Bajtai (STA)	Nurul Husna Binti Mustafa Kamal (MATA)	Mohamed Ali-Abdallah Shokr (ESTA)
Zoe Bancroft (STA)	Imran Bin Kamali (MATA)	Soon Hee Song (STA)
Omar Mohamed-Tayssir Beshir (ESTA)	Mohamad Amir Marwan Bin Mohamad Kamar (MATA)	Jochen Stanzl (VTAD)
Peter Anwar Bishay (ESTA)	Alexander Keck (VTAD)	Ahmad Ridzuan Bil Sulaiman (MATA)
Heng Boon Yong (STA)	Mohammed Mamdooh Khalil (ESTA)	Fazida Binti Suliman (STA)
Jens Burczak (VTAD)	Patrick Klimek (VTAD)	Paul Tellwright (STA)
Zahid Bin Chee Mee (MATA)	Krishan Kumar (ATA)	Sebastian Thein
Mohamed Ahmed Darwish (ESTA)	Abdul Hafiez Bin Abdul Latiff (MATA)	Jonas Pastor Tunon (IEATEC)
Stephanie Eismann (VTAD)	Tse Lee	Christian Urbigkeith (VTAD)
El Sayed Ahmed El Sayed (ESTA)	Edward Luta Anak Gidion Lembang (MATA)	Mahmoud Wahby (ESTA)
Mohamed Mounir-Abdelhamid Elalkamy (ESTA)	Tan Yung Lung (MATA)	Ji Wei (ATAA)
Mohamed Mohamed Bahiey Elkholly (ESTA)	Ahmed Karem Mahmoud (ESTA)	Denis Winter (VTAD)
Ahmed Samir-Sayed Elmallah (ESTA)	Peter Masry Makanota (ESTA)	Kai Sheng Wong (STA)
Ahmed Hussein Elsayed (ESTA)	MD Hasrin Bin MD Hassim (MATA)	Karen Wong (ATAA)
Ayman Mohamed-Nagah Elsayed (ESTA)	Gabor Mehringer (VTAD)	Marwa Yehia Younis (ESTA)
Ashraf Shawky-Abdelazey Elsherbeny (ESTA)	Marco Meola (STA)	Sameh Gharib Younis (ESTA)
André Fellendorf (VTAD)	Essam Hassan Metwally (ESTA)	Noha Abdelrahman Youssef (ESTA)
Emad Wafky-Kamel Georey (ESTA)	Mohamed Hussein Mohamed (ESTA)	Wael Shawky Youssef (ESTA)
	Mohd Ridha Bin Mohd Rashdan (MATA)	Raja Fadilah Binti Raja Zaifohad (MATA)
	Noor Faizah Binti Muridan (STA)	Kyraki Zeniou-Themistokleous (STA)

IFTA Journal 2017 – Now Available!

We are pleased to announce that the 2017 *IFTA Journal* is now available for viewing and download from the [IFTA website](#). Please share with your society colleagues and/or post to your website.

Inside this issue:

MFTA Papers

- Line Break Charts
- Entropy of Market Profile: A New Method of Determining Trend Days in Futures Markets
- The Composite Index: A Divergence Analysis Study
- Trend Without Hiccups—A Kalman Filter Approach
- Wrestling With a Grizzly Bear: An Argument Against Pure Buy and Hold Investing
- StockCharts Technical Ranking (SCTR) System: How the SCTR Indicator Can Help Novice and Advanced Investors Rapidly Evaluate a Stock in Real Time
- The Significance of the 400-Day Moving Average as a Sell Signal as Compared to Other Moving Averages
- Price Rotation Around Pyramid Cones Theory and Square of Nine Bands Indicator and Oscillator
- The Calculation of the Target Levels of Japanese Candlestick Patterns by Using Patterns Confirmation Filters

Articles

- Constructing Optimal Momentum Systems—Optimize or Diversify?
- A Point-and-Figure Chart Study of the US Stock Market, 2015–16: The Wyckoff Method Applied
- An Empirical Comparison of Fast and Slow Stochastics
- Multivariate Regression Analysis: Considering the Relevance of Past Performance
- and more...

For the things we have to learn before we can do them, we learn by doing them.

—Aristotle, The Nicomachean Ethics †



Using Recent Returns for Mean Reversion

By Cesar Alvarez

In most of my mean reversion posts, I use RSI(2) to determine if a stock has sold off. In this post, I will explore how to use a stock's recent return to determine if it has sold off. This will be done in way to normalize the return between low and high volatile stocks. This basic strategy has only two setup rules.

Rate of Change

We will be using Rate of Change (ROC) of the closing price. The formula is:

$$ROC(\text{length}) = 100 * (\text{today's close} / \text{the close length days ago} - 1)$$

Here is recent data on the S&P 500 index:

Ticker	Date/Time	Close	ROC(3)
\$SPX	11/15/2016	2180.39	0.60%
\$SPX	11/16/2016	2176.94	0.58%
\$SPX	11/17/2016	2187.12	1.06%
\$SPX	11/18/2016	2181.90	0.07%
\$SPX	11/21/2016	2198.18	0.98%
\$SPX	11/22/2016	2202.94	0.72%
\$SPX	11/23/2016	2204.72	1.05%
\$SPX	11/25/2016	2213.35	0.69%

A ROC(3), which is the 3-day rate of change, would be: $ROC(3) = 100 * (\text{today's close} / \text{the close 3 days ago} - 1)$, and for 11/25/2016 it would be:

$$ROC(3) = 100 * (2213.35 / 2198.18 - 1) = .69\%$$

Potential Issues With ROC

One could simply have a buy rule that ROC be less than -10% to determine if a stock has sold off. The potential problem with this is that for a high volatile stock, this may not be a very big sell off. But for a stock with low volatility, this may rarely happen. How do we normalize this so we get signals that make sense for both low and high volatile stocks?

PercentRank

What we want to know is, how does the current ROC(n) compare to the past ROC(n) of the stock. In particular, I want to know where the current ROC(n) ranks over all the ROC(n)s over the last year.

For AmiBroker users, I am using the PercentRank formula. This is how AmiBroker defines it: *Returns percent rank (0..100) of the current element within all elements over the specified range.*

A value of 100 indicates that the current element is the highest for the given lookback range, while a value of 0 indicates that the current value is the lowest for the given lookback range.

Walking through an example should make it clearer.

Example of PercentRank of ROC(3) over the last 30 days using the S&P-500:

Ticker	Date/Time	Close	ROC(3)
\$SPX	11/15/2016	2180.39	0.60%
\$SPX	11/16/2016	2176.94	0.58%
\$SPX	11/17/2016	2187.12	1.06%
\$SPX	11/18/2016	2181.90	0.07%
\$SPX	11/21/2016	2198.18	0.98%
\$SPX	11/22/2016	2202.94	0.72%
\$SPX	11/23/2016	2204.72	1.05%
\$SPX	11/25/2016	2213.35	0.69%

In the "ROC(3)" column, we have all the 3-day returns for the last 30 days. Next we want to know what is the PercentRank for the return on 11/25/2016. For each of the last 30 days, we enter a "1" under the "Count?" column if that day's return is less than or equal to the return on 11/25/2016 of .69%. Next, we add up the values over the last 30 days. Here, we have 20. We then take this total and divide it by the lookback period of 30. $PercentRank = 100 * (20 / 30) = 66.67\%$. This tells us the 3-day return on 11/25 is better than 66% of the returns over the last 30 days.

Since we are looking for a selloff and I want to compare to over the last year, we want PercentRank over the last 252 days of the ROC(3) to be less than 15. Clear as mud? If this does not make sense, ask questions in the comments below.

The Strategy Setup

- Stock is member of the Russell 1000 index.
- The price of the stock is greater than \$1. We want to avoid very low-priced stocks.



Using Recent Returns for Mean Reversion continued

Education Lounge

- The 21-day moving average of Close time Volume is greater than \$10 million. We want to make sure there is liquidity.
- The close is above the 100-day moving average.
- The 252-day PercentRank of the 2-day returns is below 5.

Buy

- Enter at a limit price today at 1/2 of ATR(10) below previous close.
- 12.5% of portfolio in each position.
- Only enter orders so that if they all fill, we will not have over eight open positions.

Sell

- 2 period RSI greater than 40.
- Exit on next open.

Nothing fancy here. Simple setup, entry, and exit rules.

Results

Dates: 1/1/2006 to 10/31/2016

Exposure %	CAR	RAR	Max. Sys % Drawdown	# Trades	Avg % Profit/Loss	Avg Bars Held	% of Winners	2006 Ret %	2007 Ret %	2008 Ret %	2009 Ret %	2010 Ret %	2011 Ret %	2012 Ret %	2013 Ret %	2014 Ret %	2015 Ret %	2016 Ret %
49.29	16.24	32.94	(22.70)	2917	0.48	4.78	62.46	21.94	17.07	61.20	20.12	20.99	5.48	10.03	30.14	8.70	0.36	(6.32)

These are some decent looking numbers given the rules. Unfortunately, like a lot of stock mean reversion strategies, the last couple of years have not been that great. 📉

<http://alvarezquanttrading.com/2016/12/07/using-recent-returns-for-mean-reversion/>

About the Author



Cesar Alvarez attended the University of California, Berkeley, where he received his bachelor of science degree in electrical engineering and computer science in 1989 and his master of science degree in computer science in 1990.

He was a software engineer on Excel versions 3, 4, and 5, helping Microsoft Excel go from a single digit market share to owning the market.

Mr. Alvarez spent nine years as a professional market researcher for [Connors Research](#) and [TradingMarkets.com](#). He has been at the forefront of stock market research, having developed a number of successful trading systems now used by numerous investors and fund managers in the United States and

internationally. Mr. Alvarez has given trading presentations both over the web and in person to hundreds of traders.

MetaStock XV
is here!

Featuring "Analyze the Markets Anywhere You Freakin' Want" Mode

Visit us at the MetaStock Booth to discover all the NEW features in MetaStock XV... and get a GREAT deal!

A 29-Month Cycle Low Indicates Gold May Hit a Bottom Around April 2018

By KC Chan

Introduction

The U.S. presidential election ended just a few weeks ago; it was an unforgettable show, even though you might feel deceived by the polls. The result shocked both political world and financial markets.

Many people kept saying that if Trump won, the market uncertainty would help to drag hot capital to protective asset class, such as Yen and Gold. Why then, on election day, did Gold and Yen both lose their luster and start to tumble?

I strongly believe that if you are a technical analyst, it is not hard to figure out why. Recall back in October 2014 and 2015, during the IFTA conferences, two of our speakers used cycle analysis successfully to project that the USD was already back to its uptrend from its historical low of 1 USD to 75.54 Yen in Oct 2011. According to their analysis, a local peak of the USD should have occurred in June 2015 when USYEN was traded at 125.8, followed by a correction, to be seen in June 2016. Finally, USYEN was traded at its local bottom in June 2016 at 98.96 Yen. This forecast was made by Mr. Naohiko Miyata and is definitely impressive!

Using Time Cycle Analysis

When we talk about cycles in mathematical terms, the cosine function describes a cycle.

By using this mathematical cycles study of the wave form, scientist can precisely read radio wave frequency and predict natural phenomena such as tidal waves, sunrise and sunset, etc., though not earthquakes and tornados.

However, in terms of the markets, could the cycles predict the price so precisely like a tuning fork? There is no controversy—the answer is “no”. The reason is simple; because mathematical cycles are all about measuring, interpreting and describing the physical nature. All these cycles fall into a regular pattern, and basically no deviation exists. But human behavior is never like physical activities. Markets are made by humans, and we humans are easily affected by enormous exogenous factors (i.e., “noise”) in their decision-making processes. This is the main reason no trading model exists that can successfully quantify the market movements at a mathematical level like was used to forecast the tidal waves.

There are no true harmonics in all markets. Even when we observe a cycle in the Dow Jones Index, it doesn't imply the same cycle happens in the Hang Seng Index. In fact, more and more studies and findings show market trend tends to be periodic, and extremes can be measured in time. By the observation of periodicity of price performance, there are clues to show the correlation, not the causation, of the price

movements and the time, hence making use of these cycles to forecast the cyclical timing of future price movements.

You may have come across some studies about the correlation between the Sun's black spot and the S&P 500, the SIM seasonality pattern of the Dow Jones Index. The annual cycle exists in the agricultural commodities as well as the Presidential cycle every four years in the United States. Even though you have confidence over these “human cycles,” you may not have the capability to measure the amplitude (power or volatility) of these cycles. To address this issue, I suggest to using bands or envelopes for price projection.

From the inspiration of Mr. Naohiko Miyata at the Tokyo IFTA conference, he clearly showed that the USD/YEN has experienced five 8-year cycle peaks since 1982, which are 277 Yen in 1982, 160 Yen in 1990,

146 Yen in 1998, 124 Yen in 2007 and 125 Yen in 2015, respectively. Meanwhile, USD/YEN also experienced 16.5-year cycle lows since Oct 1978 when USD/YEN was traded at 177 Yen; the next low happened precisely at April 1995 (79 Yen) and again 16.5 years later—a historical low at 75 Yen struck in October 2011. This cycle of peaks and lows indicates that the next cycle high could be expected to happen in June 2023 and the next cycle low in March 2028.

FIGURE 1. USD/YEN monthly chart since 1980



Education Lounge

By using the cycle analysis in Gold since 2000, after Gold hit a historical low since 1979 at \$252 in September 1999, it has experienced four 56-month cycle peaks, in September 2011 \$296, May 2006 \$730, September 2011 \$1,920 and July 2016 \$1375, respectively. For the cycle lows, Gold has a 29-month cycle low since mid-2006. These lows are clearly indicated by the green lines in FIGURE 2.

Interestingly, Gold just experienced a cycle peak in July of this year, which is strong evidence that Gold is probably approaching its cycle low in April 2018. We also learned that

the cycle peak in July was tamed by the resistance produced from the cycle peak in 2011 and \$1,500 in October 2012.

The price of Gold was under pressure from the Ichimoku Kino Hyo Senko Span at \$1,387 in June of this year. Also, the same level is the 38.2% of the Fibonacci retracement. In addition, the long black candle afterwards in November and the head and shoulder top pattern happen in the weekly chart of FIGURE 4 .

Gold has a good chance to challenge \$1,090 in Q1 2017 and approach a new low by April 2018.

Conclusion

Cycle analysis is important for any investment strategy; it provides savvy players with a good tool for projecting the timing of the next peak and bottom of their asset classes. For Gold, I expect another cycle low will be around February 2023, coinciding with the USD 8-year cycle peak.

Finally, if you want to buy Gold for medium-term investment, be patient and do it after April 2018.

About the Author



KC Chan is the founder and chief technical analyst of KAB Strategy Ltd. (www.kab.hk).

Mr. Chan started his career in 1989 as an FX analyst and a columnist of four financial newspapers in Hong Kong.

He has a bachelor's degree in banking and finance and was granted his CFTe in 2012. ♣

Mr. Chan started FTAA, a developing society of IFTA in Hong Kong, China, in April 2014, and currently he is the chairman of the society.

FIGURE 2. GOLD monthly chart since 2000



FIGURE 3. Gold monthly chart with Ichimoku Kino Hyo and Fibonacci retracement



FIGURE 4. Gold Weekly chart with oscillators



Member News

STA (United Kingdom) Society of Technical Analysts

On Wednesday, November 30, the Society of Technical Analysts celebrated its 30th anniversary with a dinner at the National Liberal Club in London, commemorating three decades as the industry's guiding body. The STA is in fact the oldest professional body of its kind in the world. Its predecessor, the Association of Chart and Technical Analysts, or ACTA, was founded in 1968.

"Looking around at everyone here this evening, old members and new, brings home to me just how far we have come since 1968 in expanding awareness and understanding of technical analysis and behavioural finance," said STA Chair Axel Rudolph, FSTA MCSI. "Half a century ago, technical analysis was about as mainstream as witchcraft. Today, our discipline is accepted and welcomed as a vital investment tool in an increasingly complex financial universe."

Mr. Rudolph thanked two of his predecessors for their many years of hard work. The STA's very first leader, Philip Gray, chairperson from 1986–1989, made an audio presentation to the 119 guests, while the after dinner speech was given by Robin Griffiths, who chaired the Society from 1989–1992.

Mr. Griffiths reminded members just how much financial techniques have advanced along with modern technology. His first adventures with technical analysis involved laboriously filling in sheets of graph paper, a methodology

that predates modern computers and spreadsheets by many years.

Also thanked at the dinner were the STA head of marketing, Karen Jones, responsible for the

Society's Marketing Committee; former chair, Anne Whitby; and honorary fellow, Mark Tennyson d'Eyncourt. †

Have you signed up to the free Optuma Blog?



Weekly posts featuring:

- Market commentary from seasoned experts
- Insights into Technical Analysis breakthroughs
- Innovative Quantitative ideas for Technical Analysts

Optuma.com/Blog

Optuma[®]
by Market Analyst

Congratulations New and Re-Elected IFTA Board Members (Term October 2016 – October 2019)

Gregor Bauer, Ph.D., CFTe

Examination Director



Gregor Bauer works as an independent asset manager for private clients and companies in Germany. He is also the president of the German Association of Technical Analysts (www.VTAD.de).

Gregor authored two books on technical analysis and covers a regular technical outlook on German TV. He also writes articles for leading financial newspapers on a regular basis. He is specialized in applying advanced candlestick techniques in combination with traditional western techniques.

Gregor conducts lectures in portfolio management and technical analysis at various elite universities in Germany and Liechtenstein and runs seminars and workshops on technical analysis for institutional investors. Together with a partner, he runs a very successful computer-based, medium-term ETF trading system, which is now also open to institutional investors.

Gregor serves on the board of directors of IFTA as a member of the Execution Committee, and in his capacity as exam management director, he oversees the exam administration and

is responsible for structuring the exams. For further information please visit: www.drbauer-consult.de or follow him on Facebook.

Francesco Caruso, MFTA

Conference Director



Francesco Caruso graduated from Bocconi University with a degree in economics. Since 1989, as fund manager and chief of relevant European financial organizations, he has focused on the development of

trading systems and the application of technical and algorithmic analysis to asset management and asset allocation.

Francesco has published books and articles for financial media and created many technical models and indicators, including the Composite Momentum®. He is a two-time winner (1997 and 1998) of the international award, Leonardo d'Oro della Ricerca Finanziaria®, in the technical analysis division. In 2008, he became the first MFTA in Italian history and was awarded IFTA's John Brooks Award® for the best MFTA paper. The paper, "Technical Tools and Equity Selection: A Reward/Risk Rating Indicator for the Stock Market Components", was also published

in the official 2010 IFTA Journal. In 2011, Francesco entered the newly organized SIAT Awards for the first time and won. He won again in 2015.

Francesco has 30 years of experience in all the fields of financial markets, from technical and quantitative analysis to trading, asset allocation, and asset management. He is a strategist, chief of financial area, member of the board of directors, CEO, and consultant for primary financial groups (UBIBANCA, BANCA DEL SEMPIONE, ARCA GROUP, RCF, MELIOBANCA, BANCA INTERMOBILIARE, BANQUE MORVAL etc.). He is currently a prominent financial blogger and author of technical books and specialized articles, founder and owner of Market Risk Management, and an Italian leader in independent advisory. He is also an advisor for banks and funds and is associate professor at the Cassino University in the Executive Master's degree in Quantitative and Technical Analysis of the Financial Markets.

Francesco is vice president of SIAT, the Italian Technical Analysis Society, and president of the Scientific Committee of the association. He has held many courses and conferences on technical analysis and markets and has already been an official speaker at IFTA 1998 (Rome) and IFTA 2006 (Lugano) and the SIAT ambassador at the IFTA Annual Congress 2007.

Alek Jankowski, BE, M.Eng.Sc., Grad.Dip.Mgt.

Membership Director



Alek Jankowski originally trained as an electrical engineer (University of New South Wales) and also holds post-graduate degrees in industrial engineering (operations research) and management. Prior to retiring

from full-time employment, Alek worked for a Fortune 500 international corporation as group general manager, with responsibility for several businesses in Australia, New Zealand and Southeast Asia. During his career, he worked for several international corporations where he held senior executive roles. He joined the ATAA some nine years ago and since retirement, has taken an active role within the organisation. Alek joined the local Chapter Council in 2013 and then the National Board in 2014. He was elected president in November 2015.

Alek has a keen interest in financial markets, with his current focus on the management of his personal investment portfolio and the development of his own trading systems. He has been instrumental in the development of a large aged care facility in Sydney and has been the finance director for some 15 years. He is

Congratulations New and Re-Elected IFTA Board Members continued

now the deputy chairman. An active Rotarian for 32 years, he has served that organisation at Club and District levels.

Takashi Nakamura, MFTA, MBA, MA, CIA, CMA, CFP, MRICS, CTP, SMECA

Secretary, Development Director
Asia-Pacific Affairs



Takashi Nakamura is a senior strategist at Tokai-Tokyo Research Center, mainly focusing on the Japanese stock market, including J-REIT utilizing technical analysis in combination with fundamental approach and behavioral finance theory. Prior to his current position, Takashi worked for both sell-side and buy-side, Yamaichi Securities, Merrill Lynch Japan Securities, Japan Investment Trust, Sompo Japan Asset Management, and Okasan Asset Management.

Takashi has more than 15 years of experience in the field of financial markets. In his previous positions at the asset management companies he has served, he managed pension fund and mutual fund portfolios as a fund manager, investing in stocks (including REIT) in developed countries; emerging markets (mainly focusing on Asian markets); and large-, mid-, and small-cap funds; and employing active quantitative investment strategies and bottom-up approach complemented by fundamental and technical analysis.

Takashi graduated from Keio University (Faculty of Business and Commerce). He

received his MBA from the University of Wales HABS and an M.A. in clinical psychology from Alliant International University/California School of Professional Psychology. He is a visiting professor at Buckinghamshire New University.

Jeanette Schwarz Young CFP®, CMT, M.S.
Vice President Americas



Jeanette Schwarz Young has been a Wall Street professional since 1981, when she began her professional career with Thomson McKinnon Securities. Her career includes portfolio management, syndication, option strategist, hedger, operations principal, bond principal, pit trader, and general market trader. Jeanette worked for the NYBOT (New York Board of Trade) and later ICE, where she wrote, produced, and aired two daily market reports covering the financials, currencies, and softs, which include Frozen Concentrated Orange Juice, Sugar, Cocoa, Coffee and Cotton. She has been a frequent guest on FOX, CNBC, Bloomberg, Yorba TV, CNN and others. She was a market maker in the FINEX ring (Russell 2000 ring) and became an expert hedger. As such, she has used this skill-set to protect capital and make money.

Jeanette was the first director of the CMT program for the Market Technicians Association and is the past president of American Association of Professional Technical Analysts and continues to serve on the board

of directors. She is also a past and current member of IFTA's board of directors. Jeanette is the author of the Option Queen Letter, a weekly newsletter issued and published every Sunday. She is a member of ICE, COMEX, and CHX holdings, and is also a member of the Adelphi University Presidents Counsel.

In 2007, her book *The Options Doctor* was published by John Wiley & Son. She placed third in the globe in the National Investment Challenge Pro Option's Division in the mid-90s.

Simon Warren, FSTA
Vice President Europe



Simon Warren was head of investments at Bupa for seven years, with responsibility for £3.7bn of assets and £1.1bn of debt. Prior to that, he was deputy treasurer and head of front office trading, where he was responsible for all transactional and FX hedging.

Simon is a fellow of the Association of Certified Accountants and began his career at Bupa in 1987 as an accountant before moving over to the treasury and investment areas, where he utilizes his technical analysis skills.

Simon has been treasurer of the STA since 2003 and was also a director of IFTA for three years, where he was chair of the Finance Committee. †

MFTA and CFTE Exam Dates

Certified Financial Technician (CFTe)—Level I

Date	Offered Year-round
------	--------------------

See our website for further instructions
www.ifta.org/certifications/registration/

Syllabus and Study Guide http://www.ifta.org/public/files/publication-downloads/IFTA_CFTE_Syllabus.pdf

Certified Financial Technician (CFTe)—Level II

Date	20 Apr 2017	October 2017
------	-------------	--------------

Registration deadline	10 March 2017	25 Aug 2017
-----------------------	---------------	-------------

Register at www.ifta.org/register/cfte2.php

Syllabus and Study Guide http://www.ifta.org/public/files/publication-downloads/IFTA_CFTE_Syllabus.pdf

For more information on the CFTE program, visit <http://www.ifta.org/certifications>.

Master of Financial Technical Analysis (MFTA)

Alternative Path Pre-Application Deadline	28 Feb 2017	31 July 2017
---	-------------	--------------

Application/Outline Deadline	2 May 2017	2 Oct 2017
------------------------------	------------	------------

Paper Deadline	15 Oct 2017	15 Mar 2018
----------------	-------------	-------------

(Session 1) Register at www.ifta.org/register/mfta_alt_session1.php/

(Session 2) Register at [www.ifta.org/register/mfta_alt_session2.php/MFTA/IFTA Journal Style Guide](http://www.ifta.org/register/mfta_alt_session2.php/MFTA/IFTA_Journal_Style_Guide)

IFTA Journal Call for Submissions

The *IFTA Journal* is an annual publication established by the International Federation of Technical Analysts. It is collated by a committee of IFTA colleagues. The *IFTA Journal* is essential reading for academics, students, and practitioners of technical analysis in all arenas. It is an excellent reference for anyone interested in technical analysis, containing a wealth of resource material.

Credibility and Recognition

The *IFTA Journal* is the only international journal with original contributions from all continents covering developments in technical analysis in global markets. The *Journal* reaches leading practitioners and students of technical analysis throughout the world.

The *IFTA Journal* is a major professional resource. Its archival online publication on the IFTA website will make your original work available as a future resource to the worldwide community of technical analysts.

Topics

IFTA is seeking papers that cover developments impacting, either directly or indirectly, the field of technical analysis; they may be drawn from such areas as:

- Basic market analysis techniques
- Indicators—sentiment, volume analysis, momentum, etc.
- Global and intraglobal technical analysis
- Styles of technical analysis
- Data
- The changing role of technical analysis in the investment community

We would especially like to see contributions that draw from areas not previously examined and/or topics tangential to technical analysis.

The above list is just a guide and should in no way be considered restrictive. We wish to make the *Journal* open to new and innovative ideas from all areas of technical analysis and those that connect with it.

Submitting Contributions

Registration and submission of contributions is online via <http://www.ifta.org>, or by email to the editor, Aurélia Gerber, journal@ifta.org.

Language

Contributions must be submitted in English, with British grammar required.

Writing Style

Papers should be written in a thesis style. A guidance can be found at the following link:

http://www.ifta.org/public/files/publication-downloads/MFTA_Thesis_IFTA%20Journal_Guide.pdf

Referencing

All texts referred to in the paper must be appropriately referenced in a list of "References" at the end of the text. Further all notes are to be included as endnotes ("Notes"). A Bibliography is not to be included.

The author is responsible for the accuracy of references and quotations. We expect the author to check them thoroughly before submission.

Figures, Charts, and Tables

Illustrations and charts must be referred to by figure number and source. Tables must be referred to by table number and source.

Length of Contribution

Papers should be approximately 1,200 to 3,000 words, with supporting graphs and charts.

Format

We ask for submissions in MS Word or other text format, as well as a PDF. Charts and graphs may be in

.GIF or .JPG, but we ask that authors also keep a .TIF format in case it is required for printing purposes. An Excel spreadsheet supporting your submission may also be included.

Licenses and Copyright

We require all submissions to include the author's signature on the Publication Agreement at the end of this document.

We may publish online. We require that you place your submission under the Creative Commons Attribution-NonCommercial 3.0.

Unless another license is noted, we will assume that your contribution is under this license.

Editorial Timeline

December	Call for papers distributed
May 31	Deadline for all submissions
May 31	Papers distributed for review
July 31	Reviewer's comments returned to editor
August 15	Notification of acceptance/rejection
August 31	Submission to printer
October	Worldwide distribution
December	Web publication

For more information, see our website www.ifta.org/publications/journal/.

IFTA Member Societies

AUSTRALIA—ATAA Australian Technical Analysts Association www.ataa.com.au
CANADA—CSTA Canadian Society of Technical Analysts www.csta.org
EGYPT—ESTA Egyptian Society of Technical Analysts www.estaegypt.org
FRANCE—AFATE Association Française des Analystes Techniques www.afate.com
GERMANY—VTAD Vereinigung der Technischer Analysten Deutschlands e.V. www.vtad.de
HONG KONG—FTAA* Financial Technical Analyst Association www.ftaa.org.hk
INDIA—ATA The Association of Technical Analysis www.taindia.org
INDONESIA—AATI Asosiasi Analis Teknikal Indonesia
ITALY—SIAT Società Italiana di Analisi Tecnica www.siat.org
JAPAN—NTAA Nippon Technical Analysts Association www.ntaa.org.jp
LEBANON—LSTA Lebanese Society of Technical Analysts www.lstalebanon.com
MALAYSIA—MATA* Malaysia Malaysian Association of Technical Analysts site.malaysianchartist.com
NIGERIA—TASN Technical Analysts Society, Nigeria www.tasnigeria.org
NEW ZEALAND—STANZ Society of Technical Analysts of New Zealand www.stanz.co.nz
ROMANIA—AATROM Asociatia Analistilor Tehnici din Romania www.aatrom.org
SCANDINAVIA—STAF Skandinavians Tekniska Analytikers Förening www.staf.nu
SINGAPORE—TASS Technical Analysts Society (Singapore) www.tass.org.sg
SPAIN—IEATEC Instituto Español de Analistas Técnicos y Cuantitativos www.ieatec.es
SOUTH AFRICA—TASSA Technical Analysts Society of Southern Africa www.tassa.org.za
SWITZERLAND—SAMT Swiss Association of Market Technicians www.samt-arg.ch
TUNISIA—ATAT* Association Tunisienne des Analystes Technique
UNITED KINGDOM—STA Society of Technical Analysts Ltd. www.sta-uk.org
USA—TSAASF Technical Securities Analysts Association www.tsaasf.org
USA—AAPTA American Association of Professional Technical Analysts www.aapta.com

* Developing

IFTA Update Schedule

The *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

March Issue	Education articles: February 15	All other content: March 1
June Issue	Education articles: May 15	All other content: June 1
September Issue	Education articles: August 15	All other content: September 1
December Issue	Education articles: November 15	All other content: December 1

Send education article submissions to newsletter@ifta.org. Send all other content to admin@ifta.org

For more information and to advertise, visit our website: www.ifta.org/publications/newsletter/

Board of Directors

President Mohamed El Saiid, MFTA, CFTe (ESTA)
m.elsaiid@gmail.com

Treasurer Karin Roller, CFTe (VTAD)
mailto:karin.roller@vtad.de

Vice President Middle East and Africa; Examination Director Saleh Nasser, CMT (ESTA)
saleh.nasser@pharosholding.com

Vice President Europe Simon Warren, MSTA, CFTe (STA)
simonwarren18@gmail.com

Vice President Americas Jeanette Anne Schwarz Young, CFP®, CMT, M.S. CFTe (AAPTA)
optnqueen@aol.com

Vice President Asia-Pacific Affairs Akihiro Niimi, MFTA, CFTe (NTAA)
niimia@aifam.jp

Education Director Dr. Gregor Bauer, Ph.D., CFTe (VTAD)
gregor.bauer@vtad.de

Conference Director Mr. Francesco Caruso, MFTA (SIAT)
info@cieliemercati.it

Development Director Ron William, MSTA, CMT (SAMT)
ron.william@samt-arg.ch

Secretary, Development Director and Asia-Pacific Affairs Takashi Nakamura, MFTA, CFTe (NTAA)
nakamtak@mse.biglobe.ne.jp

Journal and Newsletter Director Aurélie Gerber, MBA, CFA (SAMT)
aurelia.gerber@ifta.org

Membership Director Alek Jankowski, BE, M.Eng.Sc., Grad.Dip.Mgt. (ATAA)
Alek.Jankowski@ATAA.asn.au

Marketing and Webinar Director Tom Hicks (STA)
tom.hicks@live.co.uk

Staff

Executive Director Beth W. Palys, FASAE, CAE

Vice President, Meetings Grace L. Jan, CAE, CMP

Senior Member Services Manager Linda Bernetich, CAE

Marketing Manager Julie Hill

Senior Graphic Designer Jon Benjamin

Accounting Dawn Rosenfeld

Editor Lynne Agoston

IFTA HEADQUARTERS

International Federation of Technical Analysts
 9707 Key West Avenue, Suite 100
 Rockville, MD 20850 USA

Phone: +1 240-404-6508
 Fax: +1 301-990-9771
 Email: admin@ifta.org