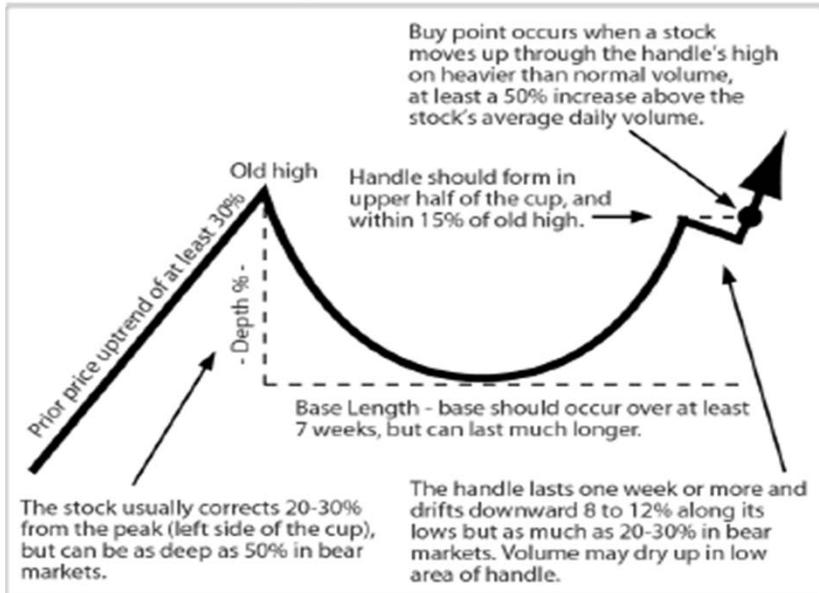


Trading Checklist

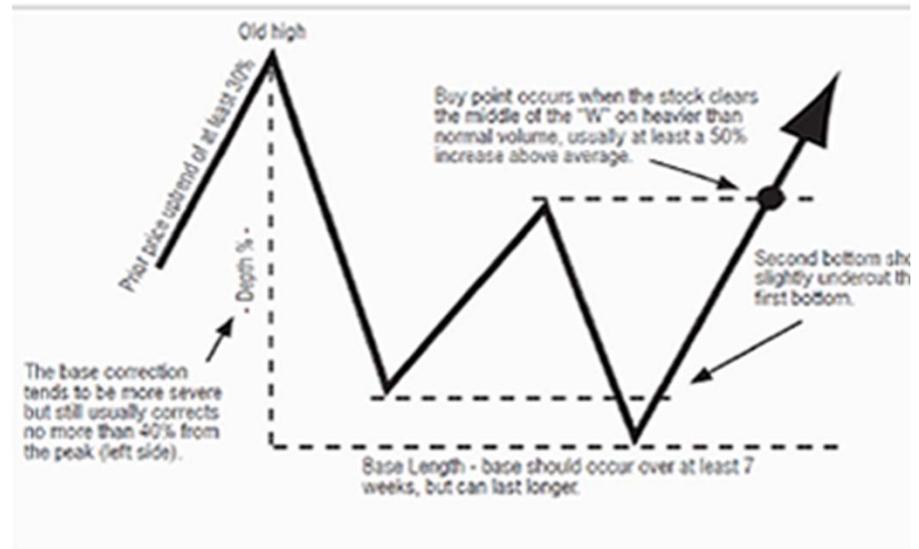
Stock		
Stock Name		
Fundamental		
EPS Rating		80 or higher.
RS Rating		80 or higher.
Comp Rating		80 or higher.
ROE		Annual return on equity should be 17% or more.
A/D Rating		A or B; Should be increasing in Institutional Sponsorship trecent quarters with at least 1 or 2
# Qtrs of EPS >15%		
Ann. EPS		Per share should be up 25% or more in each of the last three years.
EPS Last Qrt		Per share should be up 25% or more and in many cases accelerating at some point in recent quarters.
EPS Prior Qrt		
3 Yr EPS Growth Rate		Per share should be up 25% or more in each of the last three years.
Reason for purchasing stock		
Technical- Base Pattern		
Is the market in a confirmed uptrend?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Determine if the S&P 500, Dow, or Nasdaq index is in a confirmed up trend or not.
Can you identify the type of base?	<input type="checkbox"/> Yes <input type="checkbox"/> No	(cup with handle, double bottom, etc.)
How long is the base? Start count from the <u>first</u> down week in pattern.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> At least 4 weeks for square box base <input type="checkbox"/> At least 5 weeks for flat base <input type="checkbox"/> At least 7 weeks for a cup -with handle or double-bottom

Does the base elements of strength?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Gap UP on volume in daily chart <input type="checkbox"/> RS line new high territory <input type="checkbox"/> More weeks of accumulation than distribution
Dose the base have elements of support?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Base on top of base <input type="checkbox"/> price above 200-day MA <input type="checkbox"/> Closes near high of weekly range
Has there been a "shakeout" (heavy-volume sell-off) near lows of the base?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
If the base contains a handle area:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Is it within the upper 1/2 of the entire base? <input type="checkbox"/> Does it drift down on lower than average volume?
At the ideal buy point, does the stock surge higher on volume at least 40%-50% above average?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Cup-with-Handle



Double Bottom



IBD Screens & Articles Review	Pg.	Description	Completed
• New America	A8		<input type="checkbox"/> Yes <input type="checkbox"/> No
• New Issue	A8		<input type="checkbox"/> Yes <input type="checkbox"/> No
• IPO Filings Soon to Be Priced	A8		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Prices of Recent IPO	A8		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Follow The Leader	A9		<input type="checkbox"/> Yes <input type="checkbox"/> No
• IBD 50	B1+		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Stock Spotlight	B11		<input type="checkbox"/> Yes <input type="checkbox"/> No
• New High List Analysis	B11		<input type="checkbox"/> Yes <input type="checkbox"/> No
• IBD TimeSaver Table	B13		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Income Investor	B15		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Inside the 50	B2		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Weekly Stocks On the Move	B2		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Earning Calendar	B2		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Company Earning Report	B6		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Smart Table Review	B7		<input type="checkbox"/> Yes <input type="checkbox"/> No
• NYSE Stock on the Move	B7		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Nasdaq Stock on the Move	B7		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Market Pulse in Big Picture	B8		<input type="checkbox"/> Yes <input type="checkbox"/> No
• Sector Leaders	B9		<input type="checkbox"/> Yes <input type="checkbox"/> No

Trading Checklist and Pocket Pivot Checklist

Stock		
Stock Name		
Fundamental		
EPS Rating		80 or higher.
RS Rating		80 or higher.
Comp Rating		80 or higher.
ROE		Annual return on equity should be 17% or more.
A/D Rating		A or B; Should be increasing in Institutional Sponsorship trecent quarters with at least 1 or 2
# Qtrs of EPS >15%		
Ann. EPS		Per share should be up 25% or more in each of the last three years.
EPS Last Qrt		Per share should be up 25% or more and in many cases accelerating at some point in recent quarters.
EPS Prior Qrt		
3 Yr EPS Growth Rate		Per share should be up 25% or more in each of the last three years.
Reason for purchasing stock		
Technical- Base Pattern		
Is the market in a confirmed uptrend?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Determine if the S&P 500, Dow, or Nasdaq index is in a confirmed up trend or not.
Can you identify the type of base?	<input type="checkbox"/> Yes <input type="checkbox"/> No	(cup with handle, double bottom, etc.)
How long is the base? Start count from the <u>first</u> down week in pattern.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> At least 4 weeks for square box base <input type="checkbox"/> At least 5 weeks for flat base <input type="checkbox"/> At least 7 weeks for a cup -with handle or double-bottom

Does the base elements of strength?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Gap UP on volume in daily chart <input type="checkbox"/> RS line new high territory <input type="checkbox"/> More weeks of accumulation than distribution
Dose the base have elements of support?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Base on top of base <input type="checkbox"/> price above 200-day MA <input type="checkbox"/> Closes near high of weekly range
Has there been a "shakeout" (heavy-volume sell-off) near lows of the base?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
If the base contains a handle area:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Is it within the upper 1/2 of the entire base? <input type="checkbox"/> Does it drift down on lower than average volume?
At the ideal buy point, does the stock surge higher on volume at least 40%-50% above average?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Technical-Pocket Pivot		
Was there or is there a base?	<input type="checkbox"/> Yes <input type="checkbox"/> No	(cup with handle, double bottom, etc.)
Are the stock's fundamentals strong?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Excellent earnings, sales, pretax margins, ROE, strong leader in its space, etc
Is today's volume should be larger than the highest down volume day over the prior 10 days.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Count 10 days from today's date on the daily chart
Is the stock in an uptrend during the 10 Days.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	It can undercut its 10-dma as long as it shows resilience by showing volume that is greater than the highest down volume day over the prior 10 days.
Is the pocket pivot occurring with base breakouts or with gap ups.	<input type="checkbox"/> Yes <input type="checkbox"/> No	This can be thought of as added upside power should this occur
Is overall good chart up formation during a multi-month trend (5 months or longer).	<input type="checkbox"/> Yes <input type="checkbox"/> No	If NO, then do not buy if the overall chart formation is in a multi-month downtrend .
Is the stock is above a critical moving average such as the 50-DMA or 200-DMA	<input type="checkbox"/> Yes <input type="checkbox"/> No	If well under its 50-dma, and getting support near the 200-dma, it can be bought provided the base is constructive.
Is the stock NOT in a 'V' shape during the 10-dma or 50-dma	<input type="checkbox"/> Yes <input type="checkbox"/> No	'V' where it sells off hard down through the 10-dma or 50-dma then shoots straight back up in a 'V' formation. Such formations are failure prone.
Is the stock NOT in wedging patterns.	<input type="checkbox"/> Yes <input type="checkbox"/> No	This is an upward-slanting handle not the typical downward-sloping handle form near the end of a stock's cup-shaped base
Is pocket pivots occurring before the stock is extended from the base?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Don't buy if they are too extended from the 10 or 50 day moving averages (no specific threshold but 2% or more above those MAs is probably a starting points)