

TAG XVIII

New Orleans

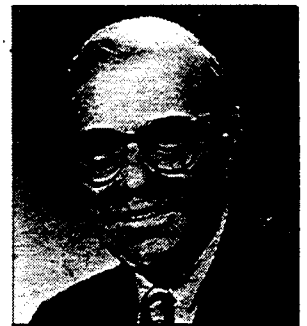
1996

VISUAL INVESTING—RETURNING TO THE BASICS

John Murphy's workshop will show how relatively simple charting concepts like trendlines and support and resistance levels can be used to great advantage. The main focus of the workshop will be to show how simple charting principles, combined with some intermarket ideas, can be applied to stock market sectors and mutual fund selection, which is the subject of his latest book, *The Visual Investor*.

John Murphy, CNBC-TV's technical analyst for the past six years, wrote the book many technicians consider the core of their technical analysis library—Technical Analysis of the Futures Markets (New York Institute of Finance/Prentice Hall, 1986). Along with his daily broadcasts discussing the financial markets, John also heads his own consulting firm—JJM Technical Advisors, Inc., based in Oradell, New Jersey. John founded JJM Technical Advisors in 1981, after serving for a number of years as Director of Commodity Technical Analysis and Senior Managed Account Trading Advisor with Merrill Lynch. He is a past Director and Director Emeritus of the MTA. John also wrote Intermarket Technical Analysis (John Wiley & Sons, 1991). His latest book, The Visual Investor, is scheduled for publication by John Wiley & Sons during the Fall of 1996.

John received the very first award given for Contribution to Global Technical Analysis, presented at the International Federation of Technical Analysts 5th World Conference in October, 1992. ■



**JOHN
MURPHY**

JJM TECHNICAL ADVISORS/CNBC

297/101 KINDERKAMACK RD. #148

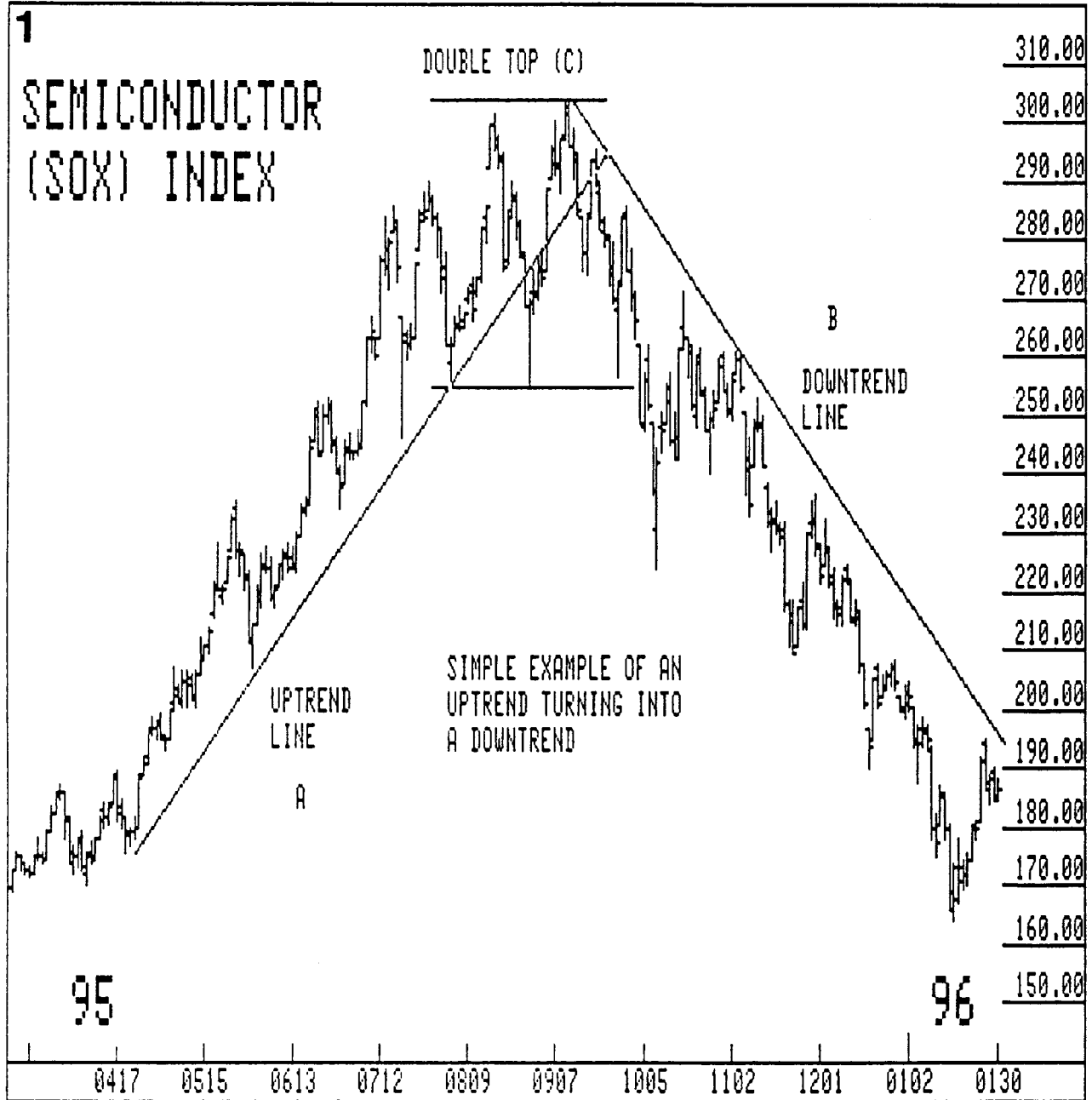
ORADEL, NJ 07649

(201) 265-4881

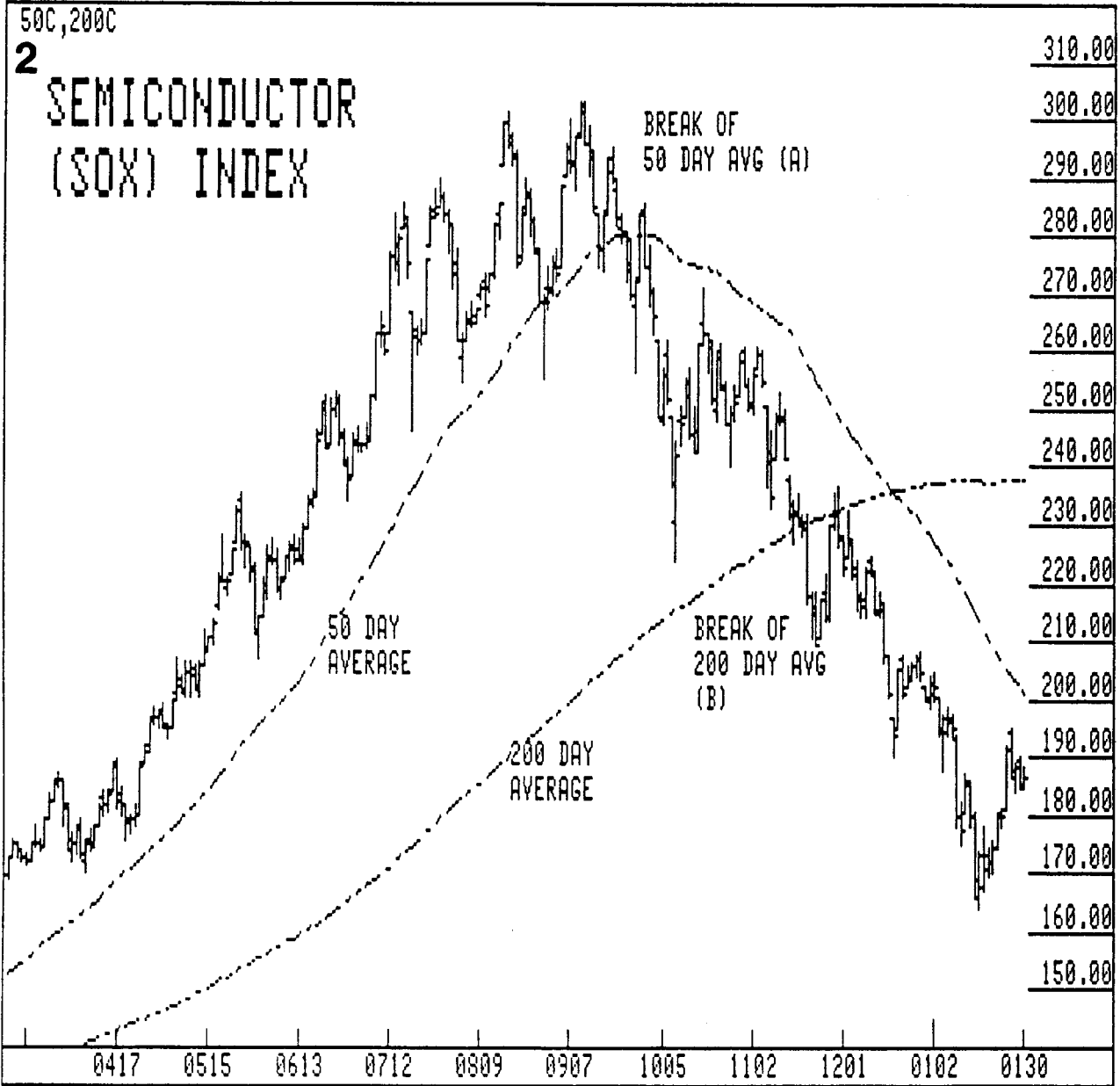
CNBC (201) 585-6210

FAX (201) 261-6026

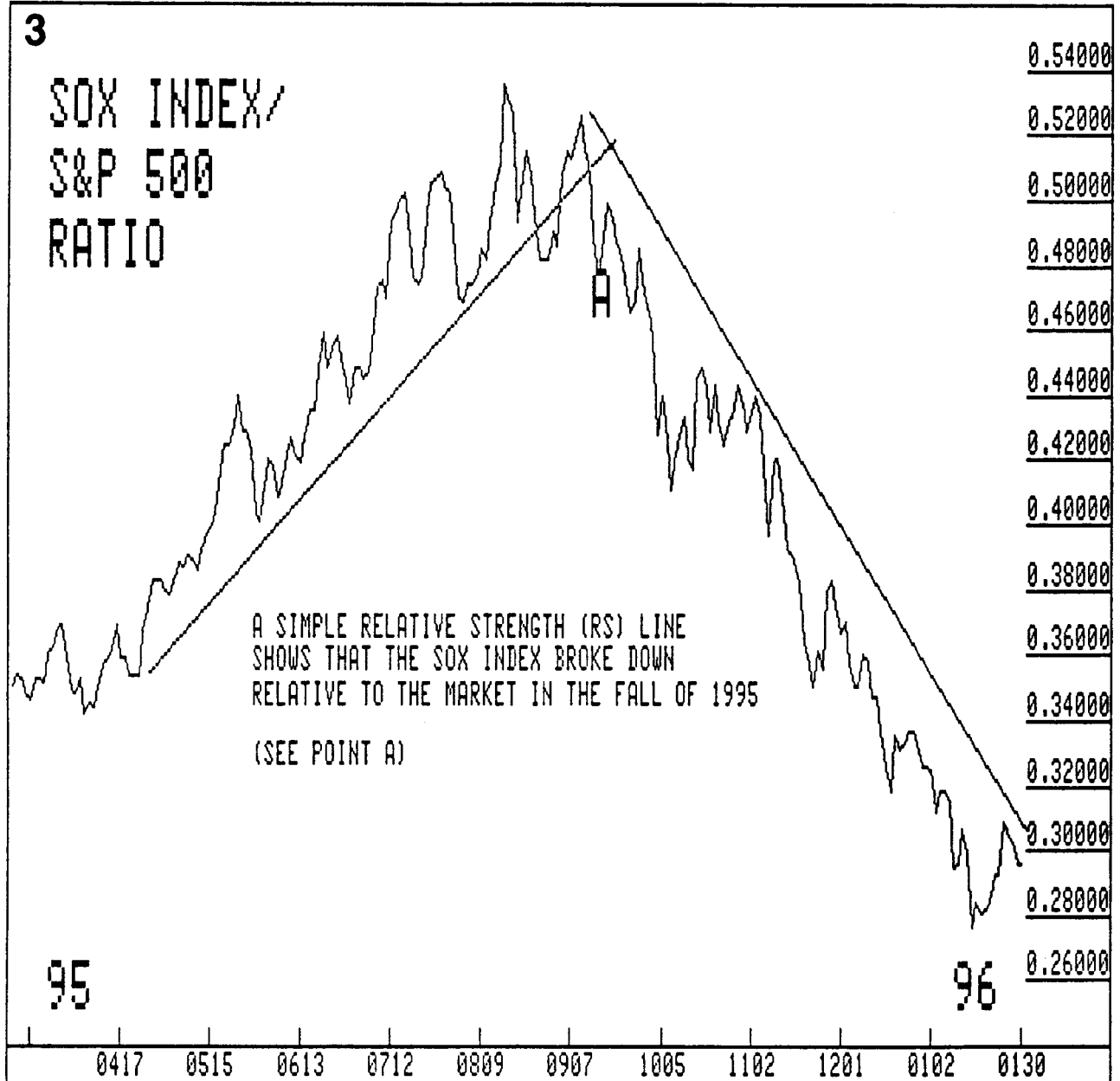
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 OPEN = 185.15 LOW = 185.00 TRADES = 0 SPAN= 225



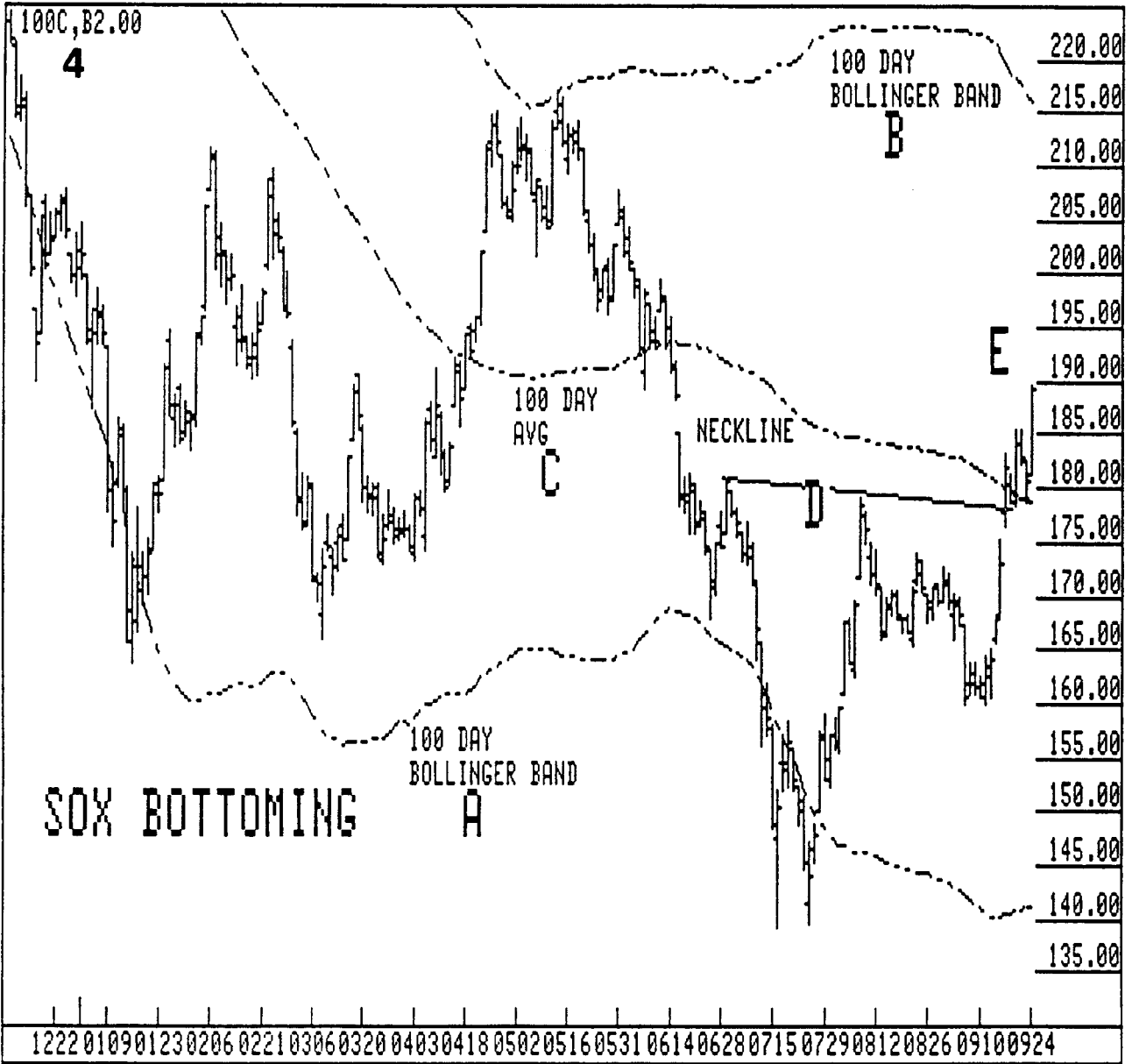
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OPEN = 185.15 LOW = 185.00 TRADES = 0 SPAN= 225



DR 01/30/96
SOX LAST = 186.30 TRADES = 0 RATIO = 0.29564
SPX LAST = 630.15 TRADES = 0 SPAN = 225



DB SOX 09/24/96
 LAST = 189.49 HIGH = 189.77 PCLOSE = 180.69
 OPEN = 181.29 LOW = 181.29 TRADES = 437 SPAN= 200

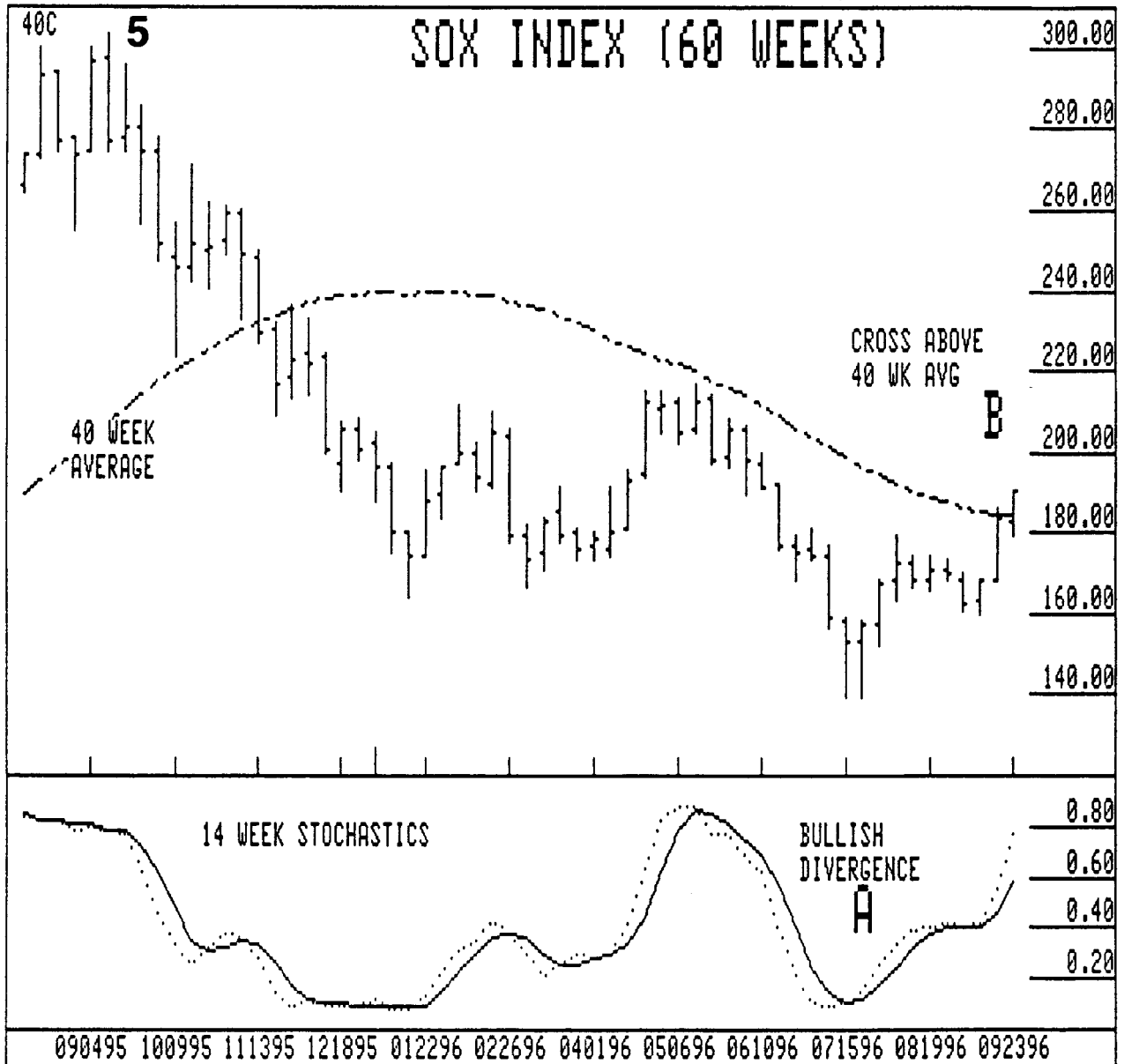


WK SOX

09/24/96

LAST = 189.99 HIGH = 190.18 SLOW-K= 0.77 14 Weeks in index

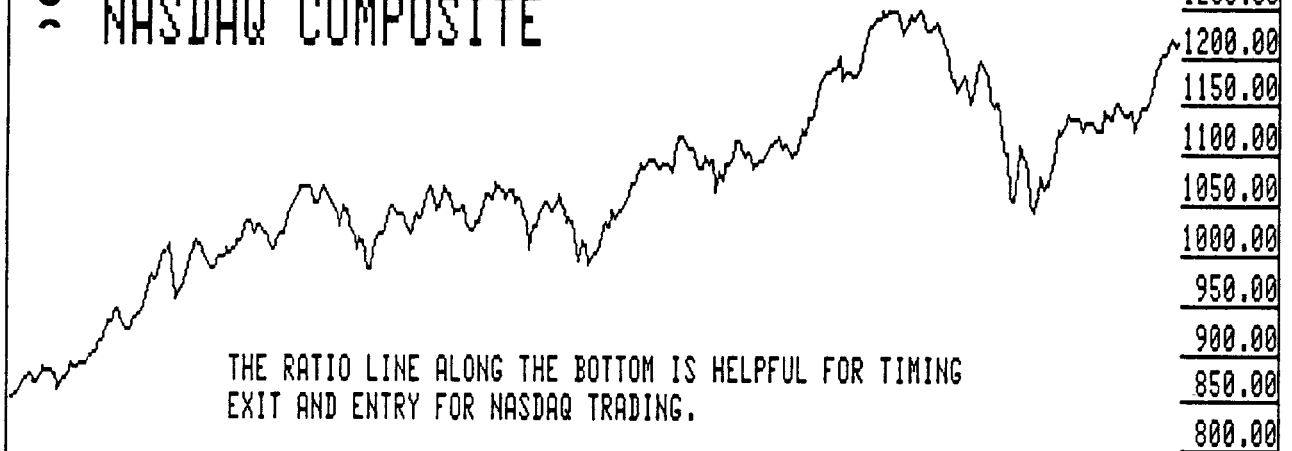
OPEN = 181.29 LOW = 181.29 SLOW-D= 0.58 SPAN = 60 K = D = —



09/24/96

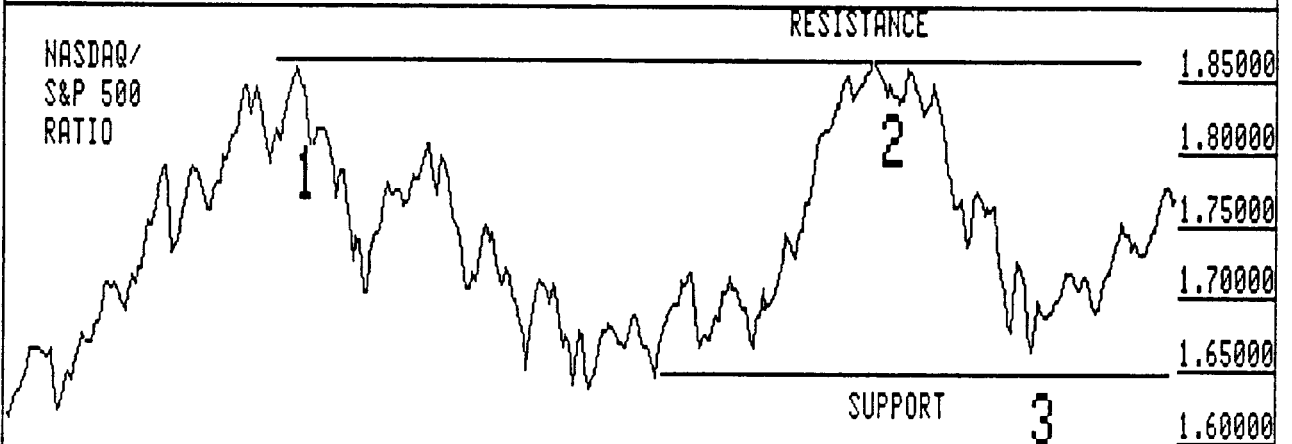
1DC COMPQ 1217.09 350

6 NASDAQ COMPOSITE



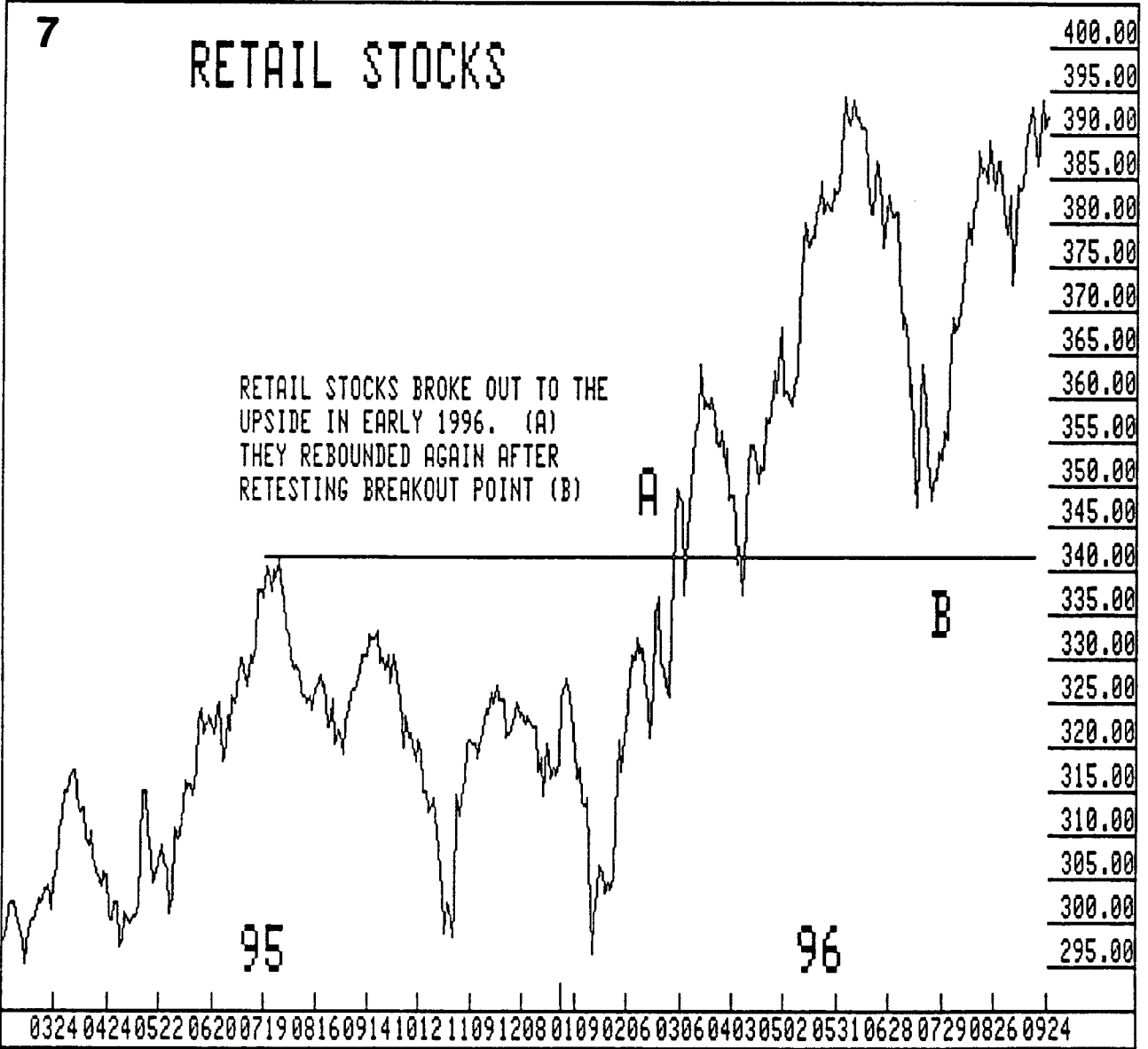
0522 0620 0719 0816 0914 1012 1109 1208 0109 0206 0306 0403 0502 0531 0628 0729 0826 0924

2DR COMPQ LST =1217.09 RTO =1.76843
SPX LST = 688.23 SPN = 350



0522 0620 0719 0816 0914 1012 1109 1208 0109 0206 0306 0403 0502 0531 0628 0729 0826 0924

DC RLX 09/24/96
 LAST = 392.08 HIGH = 393.65 PCLOSE = 390.88
 OPEN = 390.88 LOW = 389.09 TRADES = 664 SPAN= 400



DR 09/24/96
RLX LAST = 392.21 TRADES = 672 RATIO = 0.57190
SPX LAST = 685.80 TRADES = 683 SPAN = 500

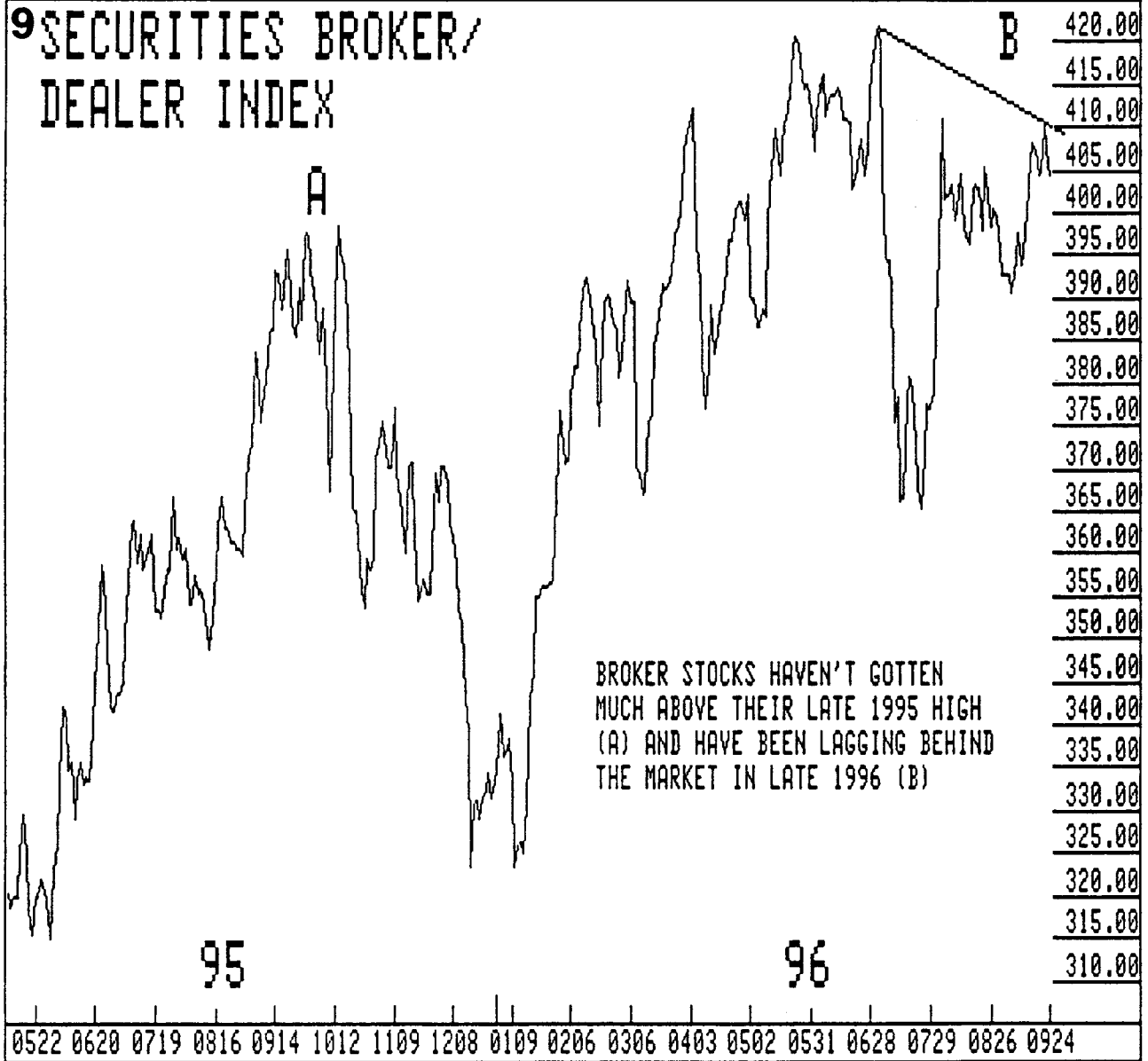


DC XBD

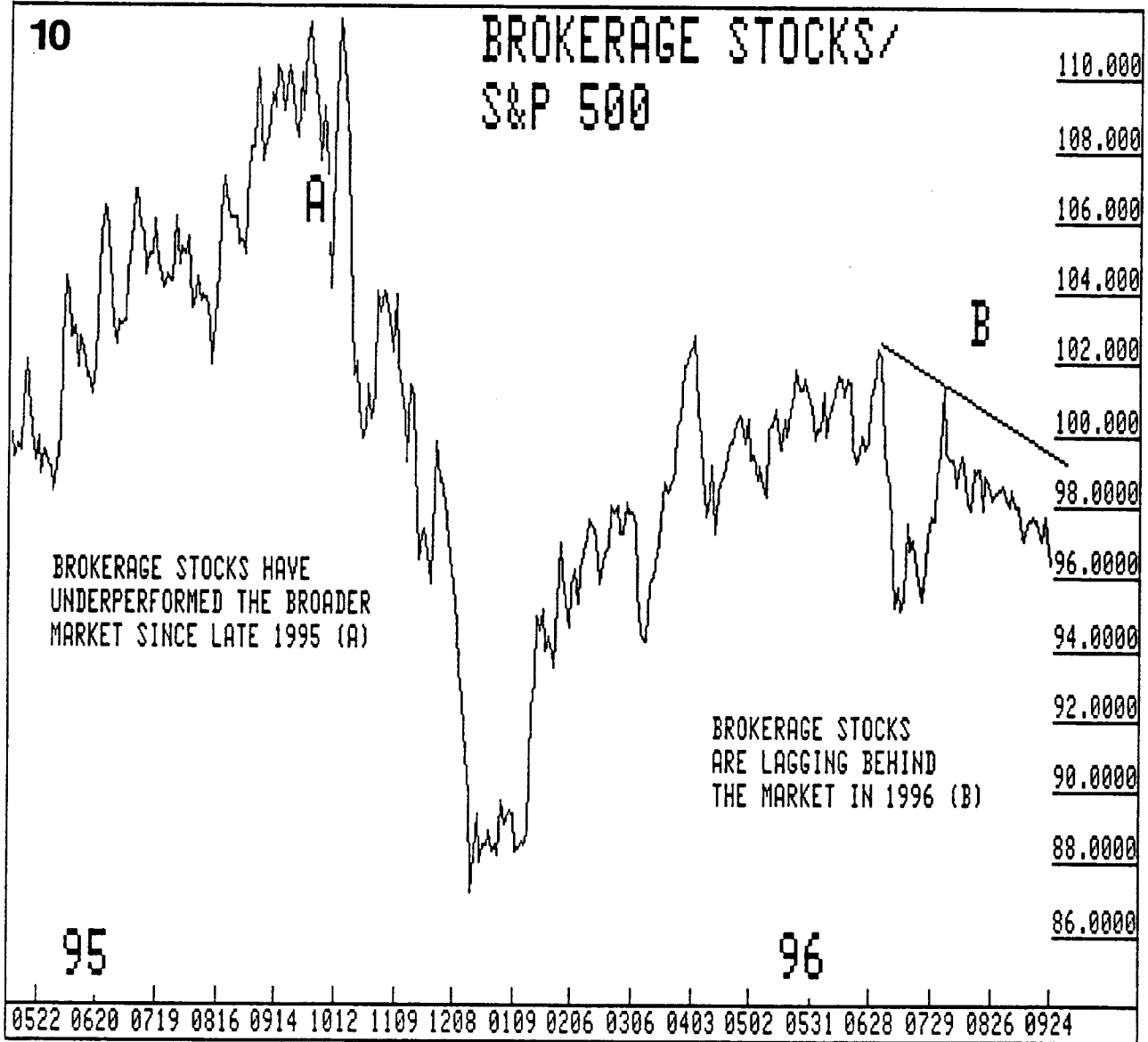
09/24/96

LAST = 404.62 HIGH = 407.64 PCLOSE = 406.05

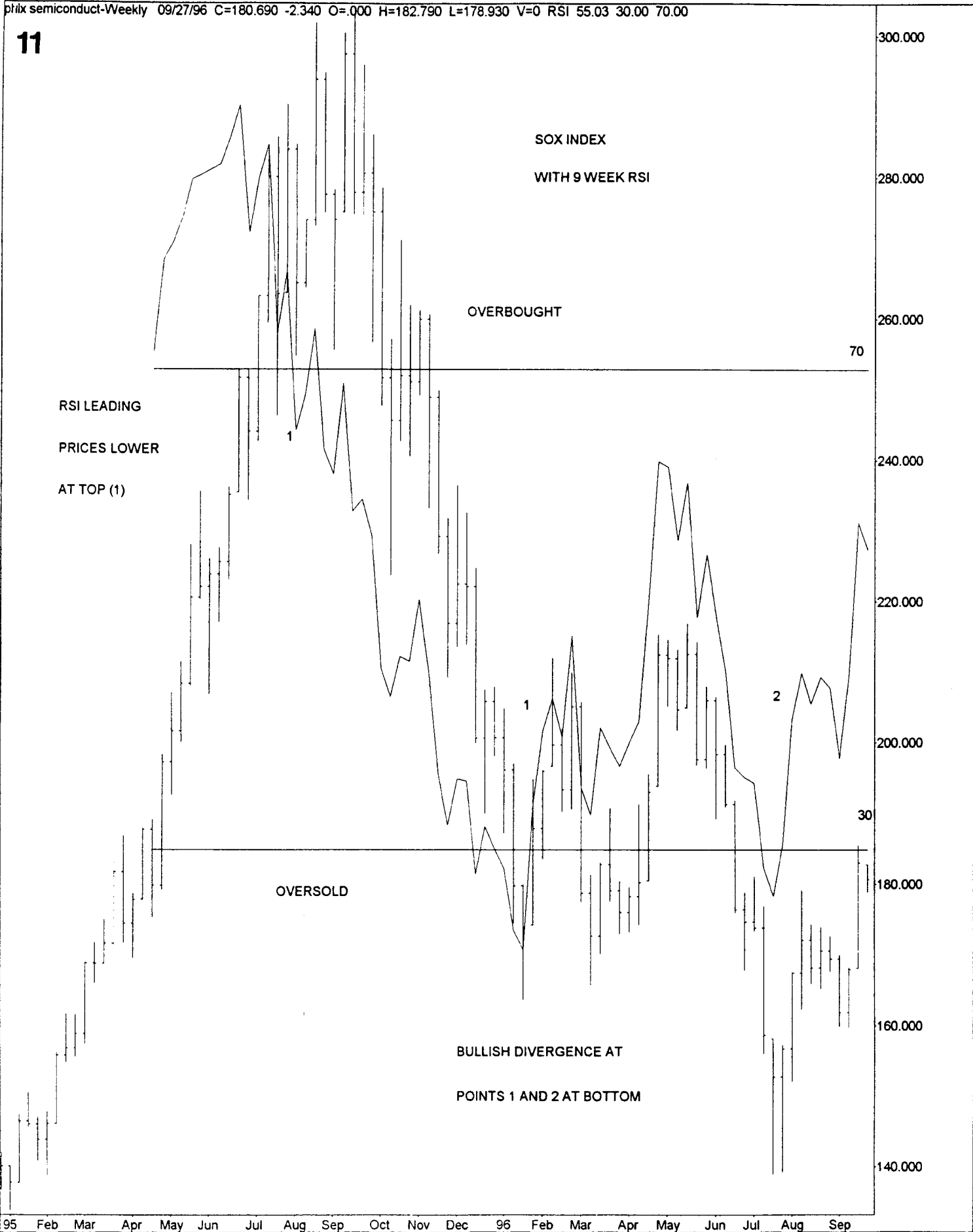
OPEN = 406.05 LOW = 404.58 TRADES = 541 SPAN= 350



RR 09/24/96
XBD LAST = 404.30 TRADES = 561 RATIO = 96.3676
SPX LAST = 686.14 TRADES = 766 SPAN = 350



11



12

SOX INDEX

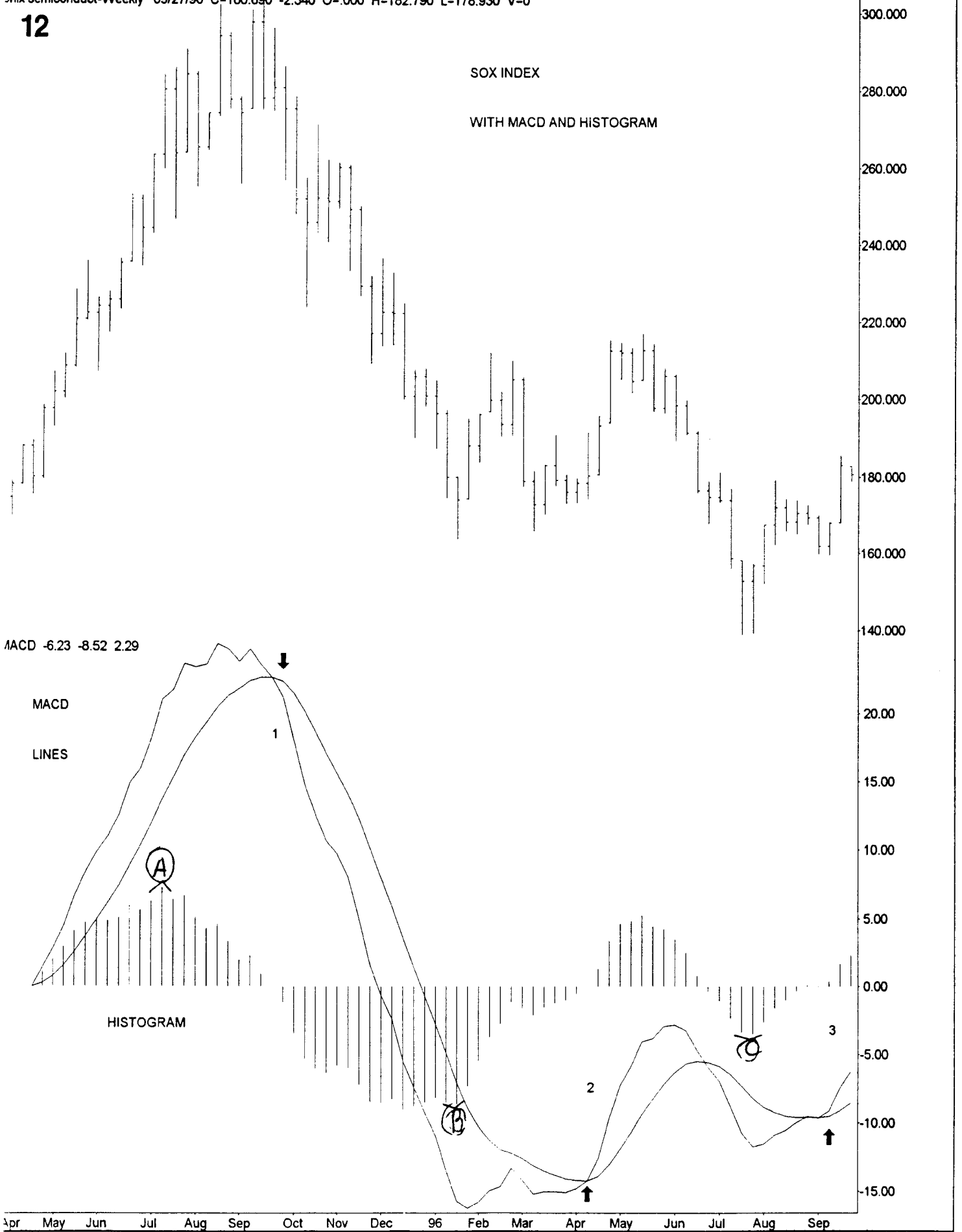
WITH MACD AND HISTOGRAM

MACD -6.23 -8.52 2.29

MACD

LINES

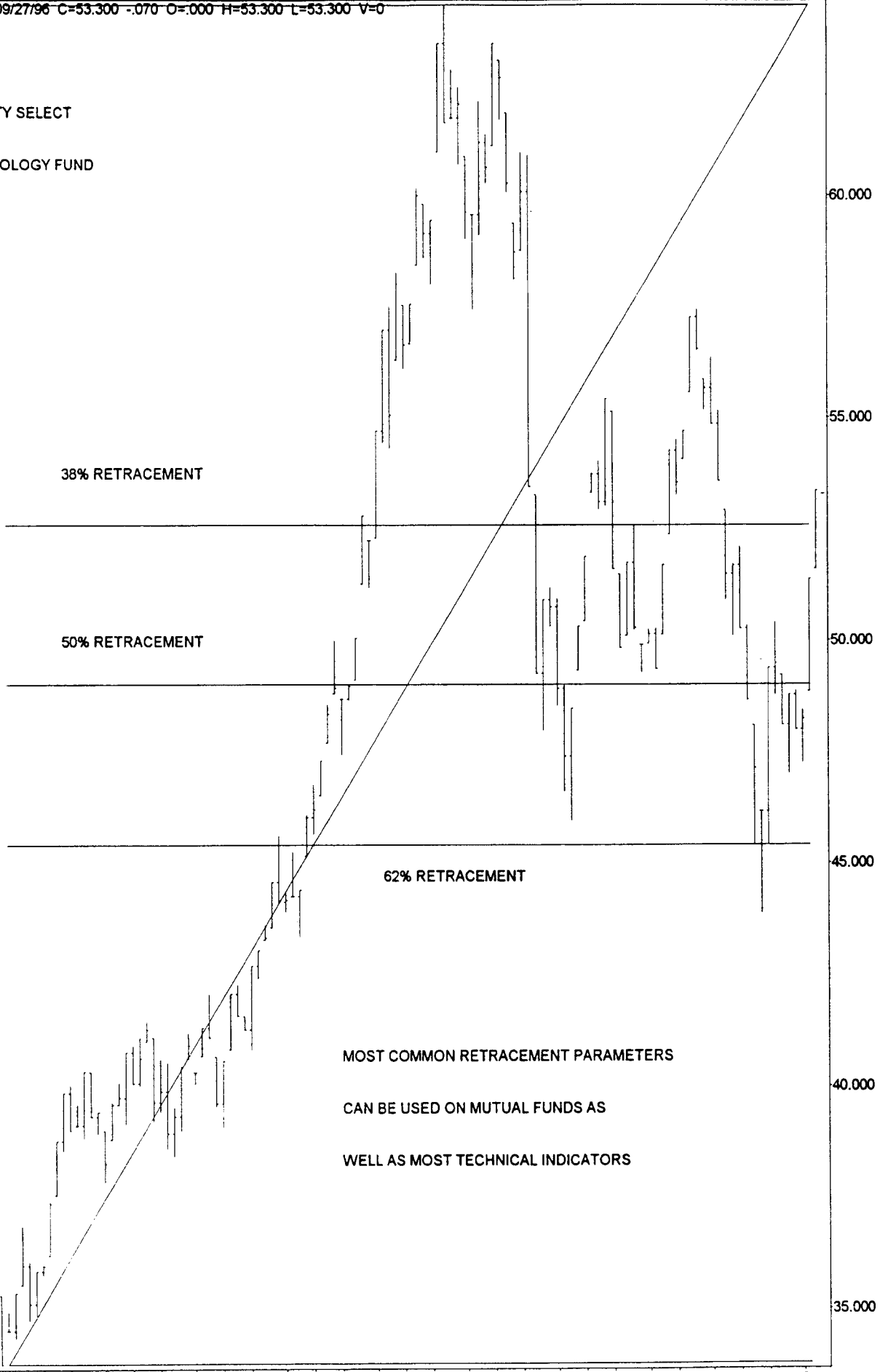
HISTOGRAM



13

FIDELITY SELECT

TECHNOLOGY FUND



38% RETRACEMENT

50% RETRACEMENT

62% RETRACEMENT

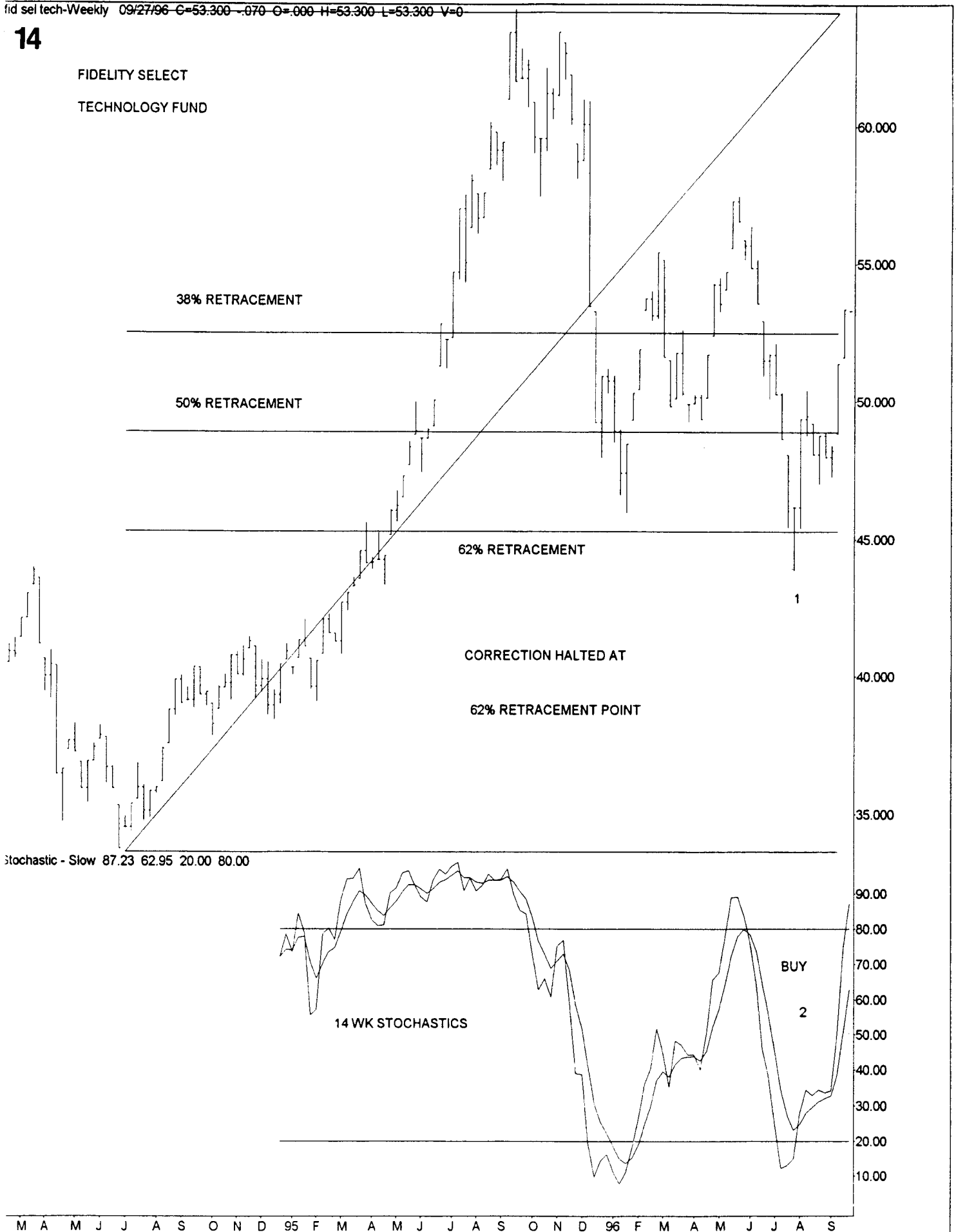
MOST COMMON RETRACEMENT PARAMETERS

CAN BE USED ON MUTUAL FUNDS AS

WELL AS MOST TECHNICAL INDICATORS

14

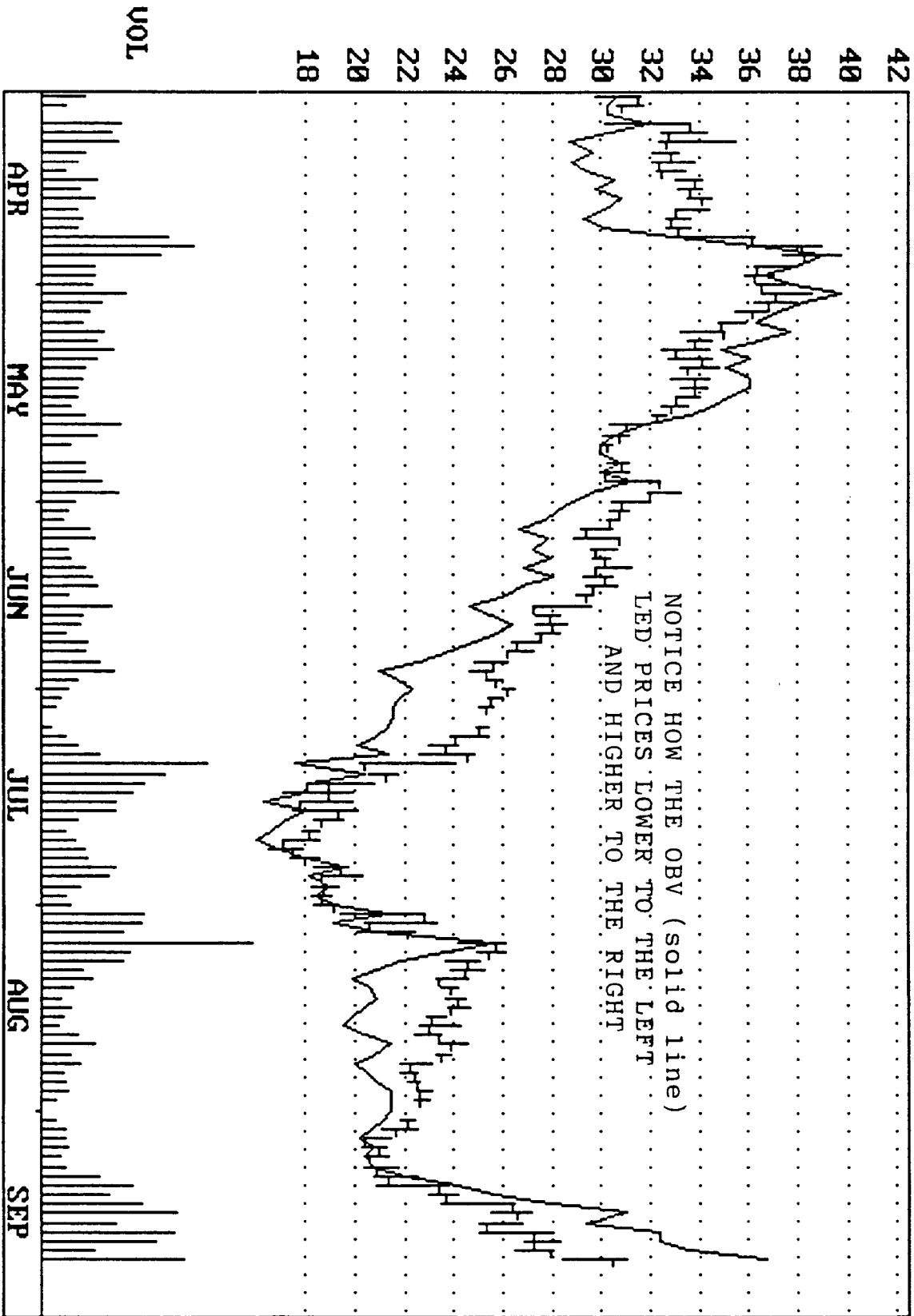
FIDELITY SELECT
TECHNOLOGY FUND



MU: 30.62

ON-BALANCE VOLUME

9-24-96



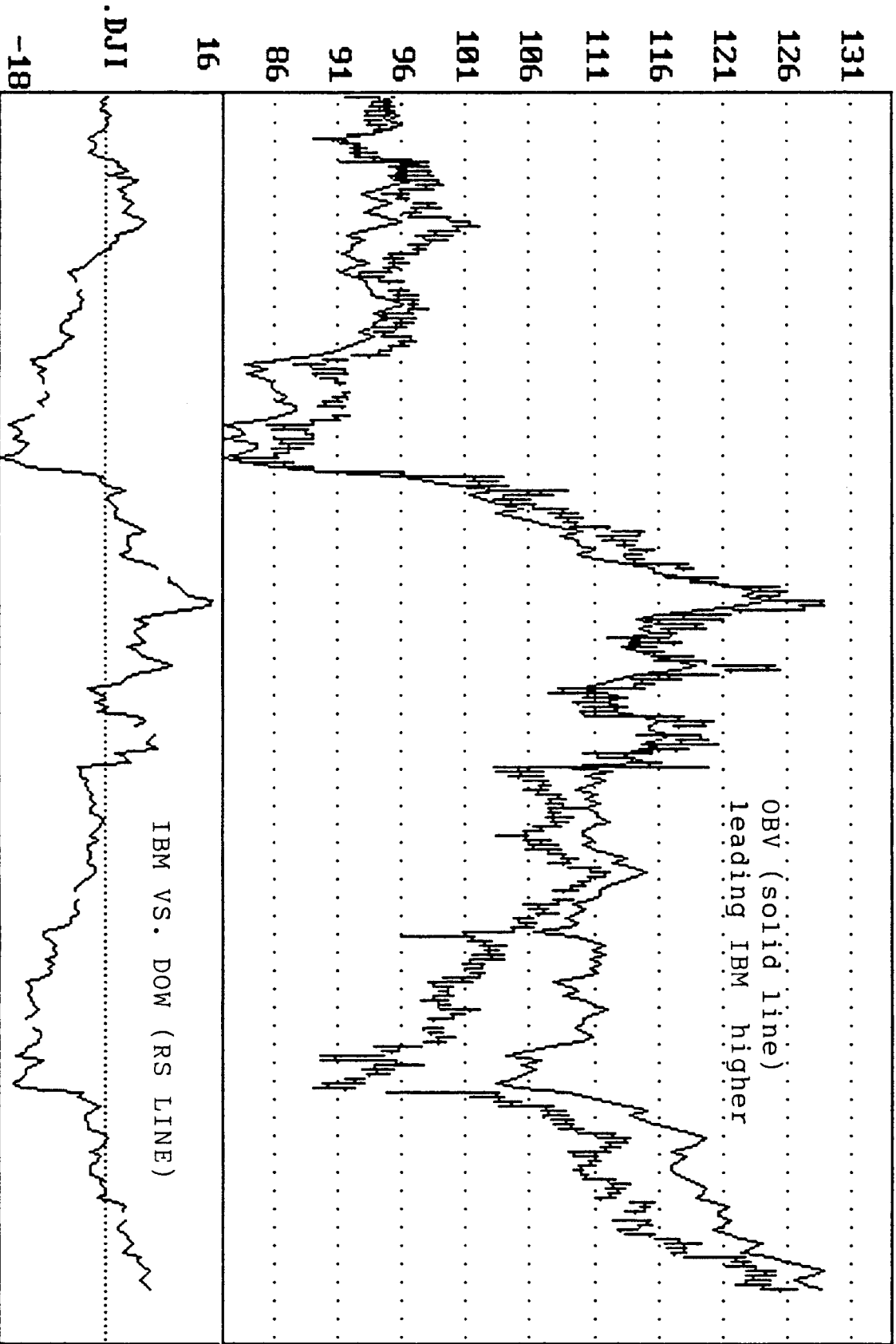
42
40
38
36
34
32
30
28
26
24
22
20
18

16

IBM : 125.62

ON-BALANCE VOLUME

9-24-96



OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP

INTL BUSINESS MACHINES COM

17
IBM: 125.62

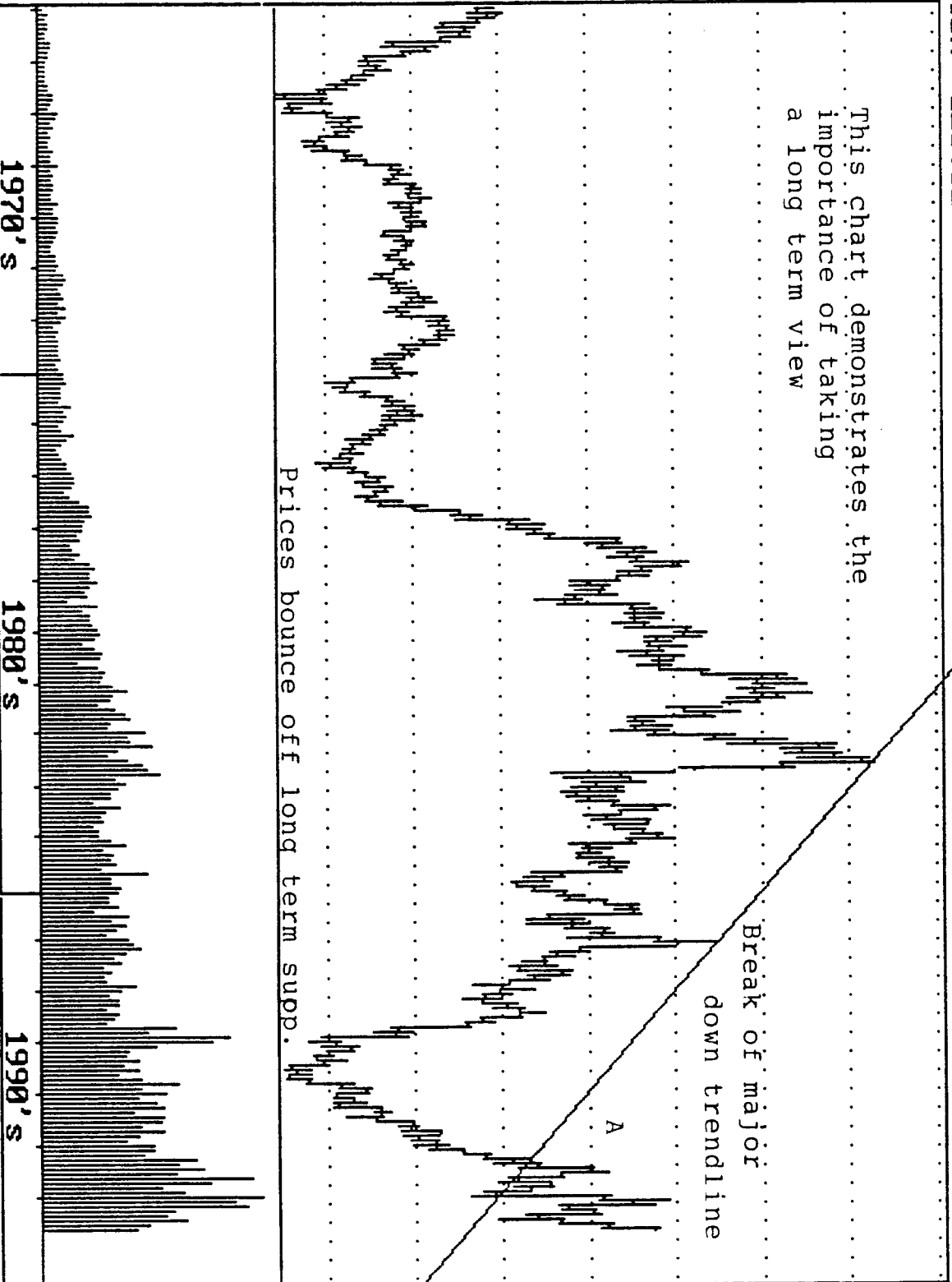
TRENDLINE-MARKER

9-24-96

This chart demonstrates the importance of taking a long term view

Break of major down trendline

Prices bounce off long term supp.



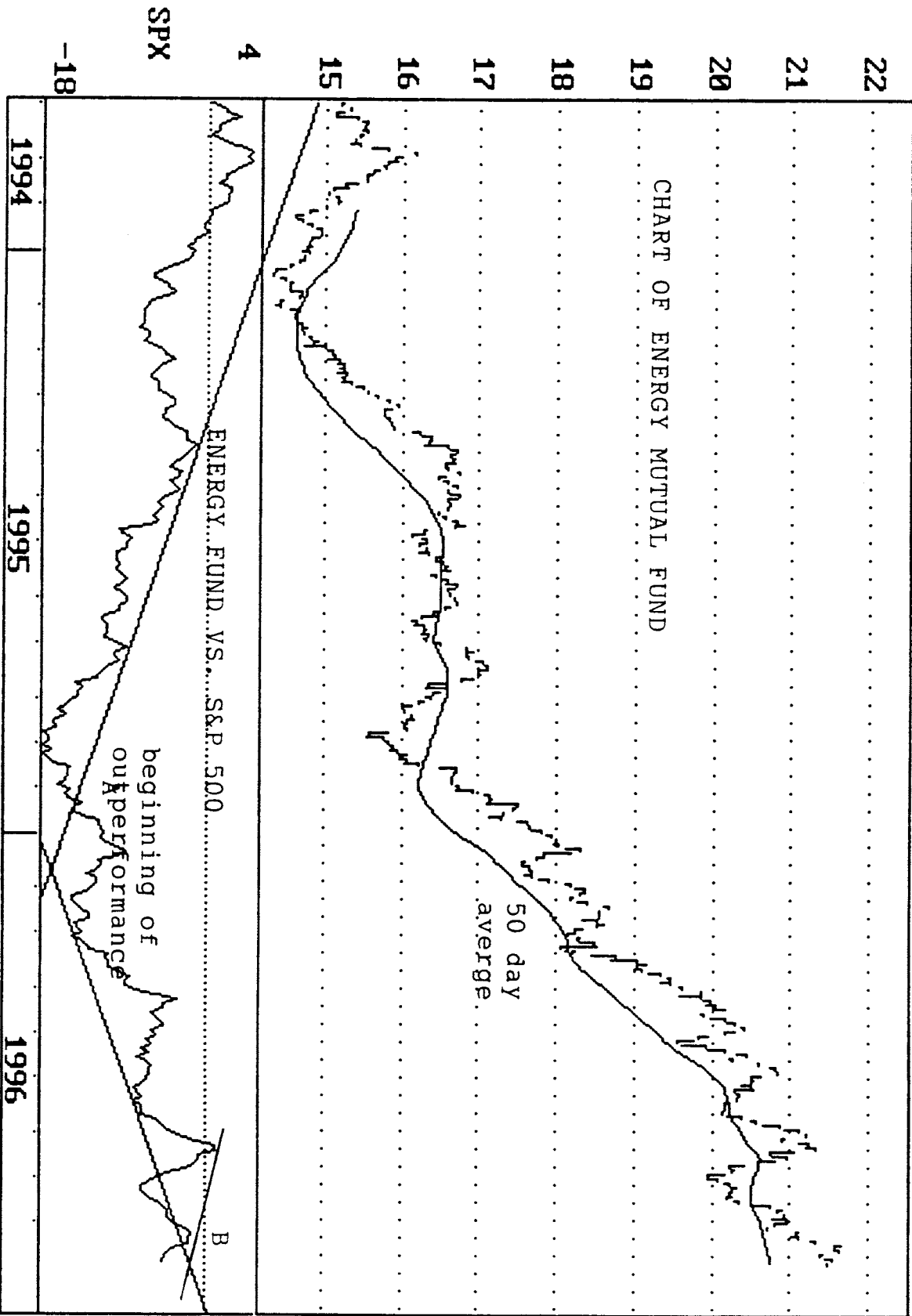
UOL

1970's

1980's

1990's

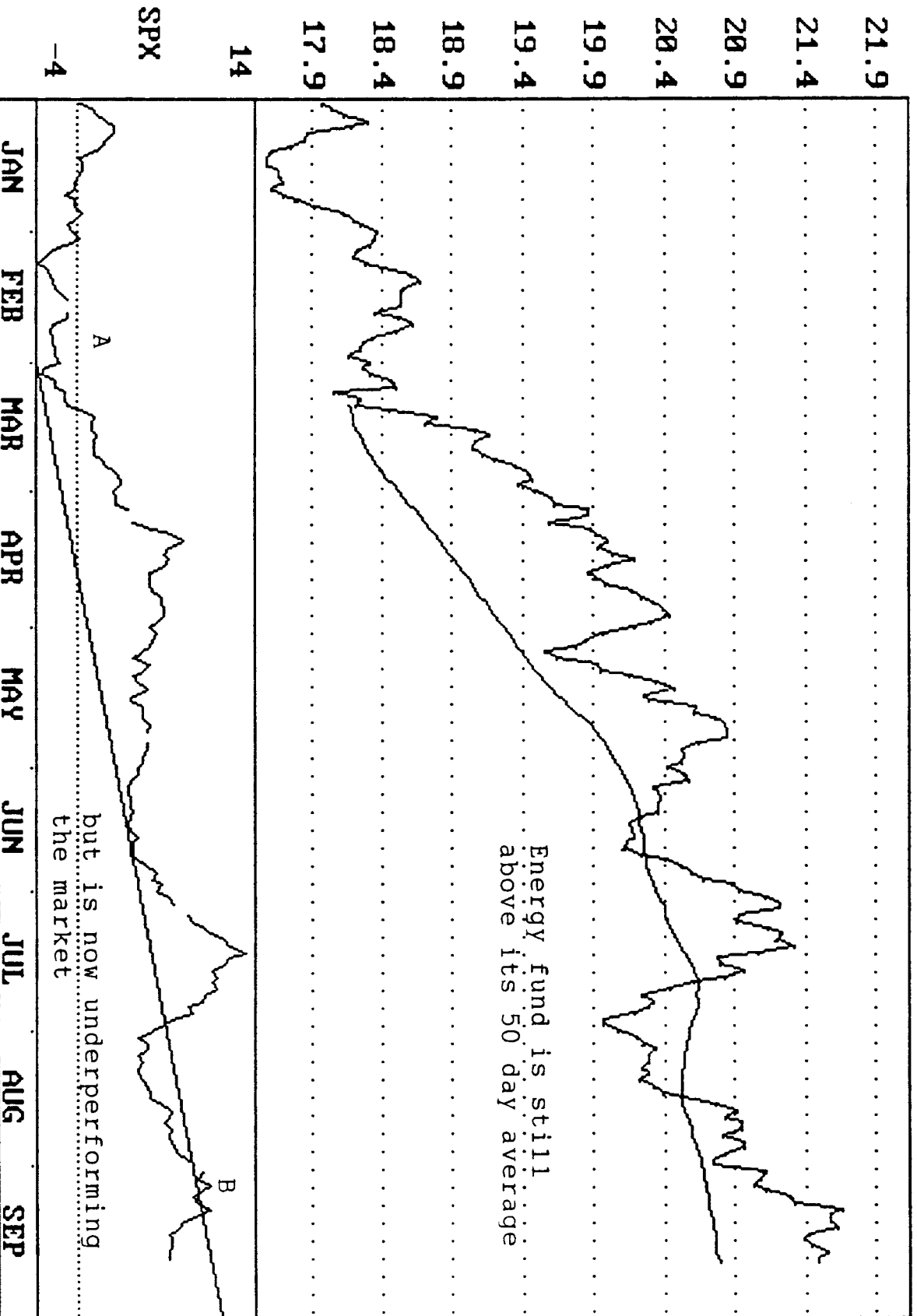
INTL BUSINESS MACHINES COM



FIDELITY SEL-ENERGY FUND

50 DY | 0 DY | 0 DY | CLOSE | SH-OFF | STD | 75 %ENU

22
21
20
19
18
17
16
15



FIDELITY SEL-ENERGY FUND

SPX

14

-4

21.9

21.4

20.9

20.4

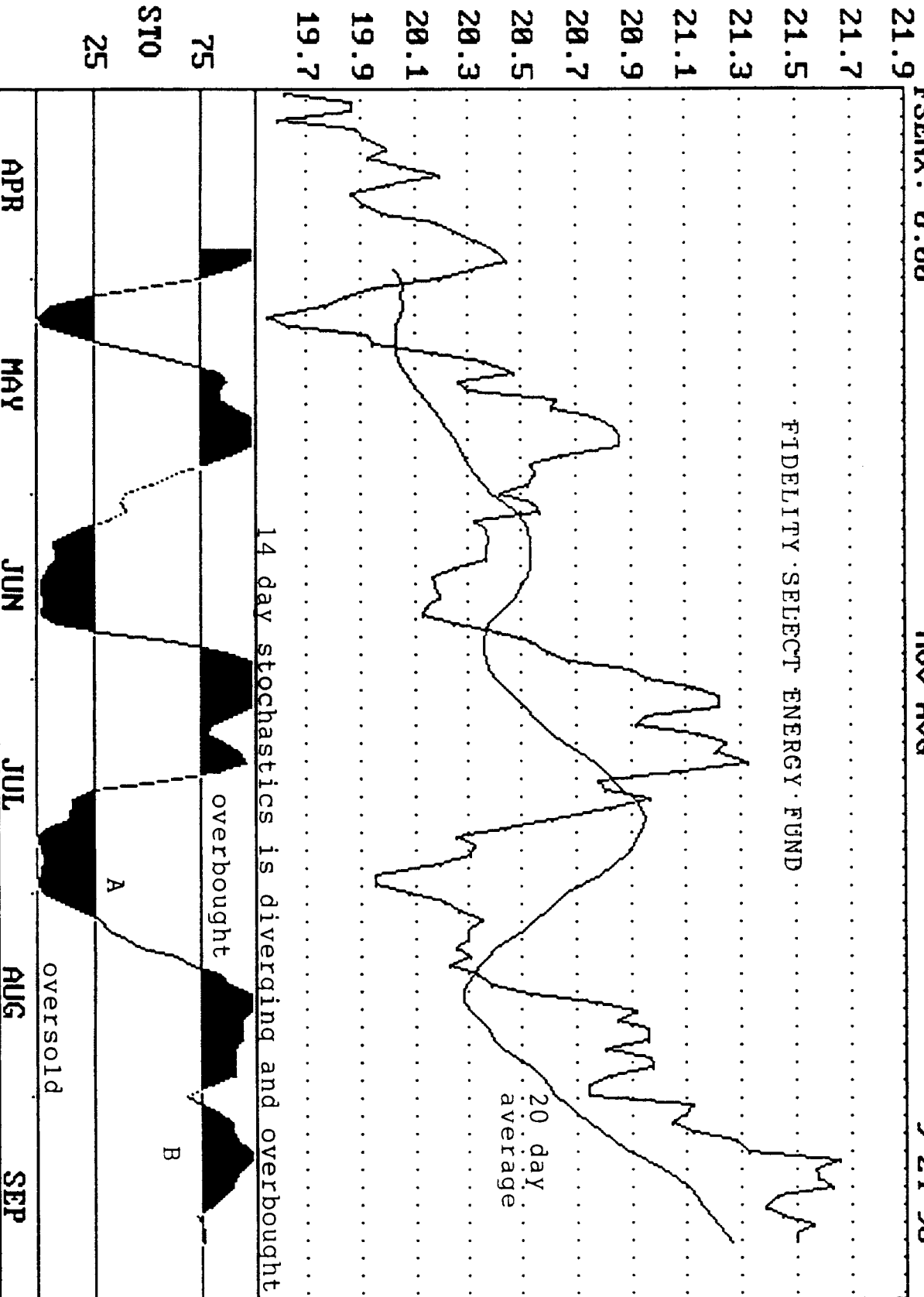
19.9

19.4

18.9

18.4

17.9



21.9
21.7
21.5
21.3
21.1
20.9
20.7
20.5
20.3
20.1
19.9
19.7

21.9
21.7
21.5
21.3
21.1
20.9
20.7
20.5
20.3
20.1
19.9
19.7

75
STO
25

APR MAY JUN JUL AUG SEP

FIDELITY SEL-ENERGY FUND