

—Oliver L. Velez, originator, *Trade for Life*<sup>™</sup> System \* *Trading profits from 4/18/07 to 5/18/07* 

These little-known buy and sell signals have helped traders generate profits as high as \$15,000 a day – with up to 82% of all trades making money. <u>Turn the page</u> to get started right away....



We bought Amazon on April 16 at \$44, when the stock gapped upward over a month-long base and its 200-week moving average. When the chart displayed a signal indicating that Amazon's upside momentum would slow, we sold on May 23 at \$72 — earning a return of 63.6% in just over 30 days. On an annualized basis, that's a 763.6% gain!



Three to five red bars in a row to the 20-period moving average (20ma) is one of the "buy" signals you'll learn by reading this report. We bought JSDA on March 6 at \$13. Then our sell signal told us to exit the trade on 5/23 at \$24, giving us an 84.6% gain in 5 weeks.

#### By Oliver L. Velez

In my youth, I used to be like most investors. I thought the way to make money in the market was to trust my hard-earned cash to stock brokers. And to jump on any promising stock with a great story behind it.

I started investing at age 21 while working as an accountant for a Wall Street law firm. I convinced my friends and family members to join me in starting an investment club. Over a period of time, our club grew to more than 200 members.

But instead of contributing to the buy and sell decisions of the club's account, the other members asked me to make all the decisions of what to buy and sell. I was the only one willing to put in the long hours — and hard research work — we all thought was required. And as an accountant, I could understand a company's financials at a level the other members couldn't.

Unfortunately, like many investors who trade on

## Meet Master Stock Trader, Oliver L. Velez

OLIVER L. VELEZ has been an active trader for nearly 2 decades. He is the founder and CEO of Velez Capital Management, LLC, one of the fastest growing private trading firms in the country.



Mr. Velez has personally trained more than 60,000 traders, individual investors,

and institutional investors and has traveled the globe extolling the virtues of trading for a living. He is the cofounder and former CEO of Pristine Capital Holdings, Inc. which he grew into a global brand by serving more than 88,000 traders and investors around the world. {SP} *Barron's, Forbes, and Stocks & Commodities* have all at one time rated his company the #1 educational trading firm.

Mr. Velez is the author of several popular books including *Strategies for Profiting on Every Trade* and *Swing Trading with Oliver L. Velez*, both from Marketplace Books, and *Tools and Tactics for the Master Day Trader*, published by McGraw-Hill. His new McGraw Hill published book, *26 Lessons from the Master Trader* will be in bookstores early next year. He was the editor of several internationally recognized newsletters that had a worldwide readership in the tens of thousands.

"I graduated from the school of hard knocks and earned an honorary PhD – poor, hungry, and driven," says Mr. Velez, who rose to the pinnacle of success while still in his early 30s.

A successful author, speaker, trader, and entrepreneur, Mr. Velez currently runs Velez Capital Management, LLC (VCM), one of the country's fastestgrowing private equity firms. VCM employs 150 professional traders who have been personally trained by Mr. Velez to trade his own accounts.

Oliver L. Velez has been featured as a trading expert on CNBC, CBS, Bloomberg, and FOX News and in publications including the *New York Times, Wall Street Journal, Barron's, Forbes, and Stocks & Commodities,* to name just a few. Dow Jones called him "the messiah of day trading." As a Wall Street "insider," Mr. Velez has personally mentored some of the nation's biggest and most successful traders. the fundamentals, I had far more losers than winners. Despite the great stories behind the companies I bought – a big gold find, a hot new computer chip, a promising biotech drug, a pending acquisition by an international corporation – the stocks we owned always seemed to languish — or fall — far more frequently than they rose.

Then I made two important discoveries that radically changed the way I buy and sell stocks. One of these you already know ... and the other I'll reveal a little later on in this report.

By discovering what *really* determines when a stock's price is poised for a rise or fall (hint: it's NOT what you think), I had in a sense found the keys to unlocking Wall Street's "hidden vault" – allowing my associates and me to pull money out of the markets by the truckload.

I went from earning very mediocre returns on my investments to – as a full-time trader – making profits as high as \$15,000 a day ....

I went from living paycheck to paycheck, to becoming one of the most respected and most followed traders in the country ....

I went from cramming my family into a tiny basement apartment in the Bronx, NY to owning multiple homes, a fleet of exotic cars, and taking luxurious vacations across the globe – all thanks to the discovery of two simple, but very powerful trading signals.

You don't have to take my word for it. I've reproduced copies of actual account statements on pages 4 and 5. These figures tell the story of my system's success far better than I can.

Okay. I promised to reveal two important discoveries I made that transformed me from an average investor to a very wealthy man.

IMPORTANT NOTICE! Stock and option trading has large potential rewards, but also large potential risks. You must be aware of the risks and willing to accept them in order to invest in the equity or options markets. Don't trade with money you can't afford to lose. This is neither a solicitation nor an offer to buy/sell securities, interests or listed options.

NOTICE: "Hypothetical or simulated performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading. Also, since the trades have not actually been executed, the results may have under-or-over compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown." The first "discovery" is one I think, deep down inside, you already know – even if you've not yet admitted it to yourself.

The discovery is that fundamental analysis ... the stock-picking method that made Peter Lynch and Warren Buffett rich ... doesn't work very well any more in today's markets.

Therefore, if you buy a company because it has a low P/E ... or it has great earnings growth ... or a net asset value greater than its market cap ... or a new product that's a breakthrough in its industry ....

... you're making investment decisions based on outdated, third-party data that's already factored into the stock's price *before it reaches the public*. This OLD information has virtually nothing to do with why stock prices rise or fall NOW.

A low P/E ratio has never made a stock rise, nor has a good product line or any of the other items I listed above. Those who make financial decisions based on this antiquated approach to investing may as well write the names of public companies on a board and throw darts at it.

# Why fundamental analysis doesn't work any more

In the "good old days," stock brokers would get on the phone, cold call investors, and try to sell them on a stock – typically, a stock underwritten by the brokerage's investment banking division.

The key to making the sale was the "story." If the broker could make a convincing case why the business was a solid one, his clients would buy shares, because they believed the stock price would go higher.

People today still like to hear stories. And brokers know that stories sell.

But how many times has a broker called you with a "hot stock" story ... and the stock went nowhere ... or worse, fell?

You see, fundamental analysis, even when pure in its motive, attempts to capture what the value of a company *should* be, based on numbers such as gross revenues, net earnings, cash flow, assets, liabilities, and other ratios.

The flaw lies in the fact that these numbers are

highly subjective, easily manipulated, and therefore unreliable. As a former accountant, I know it for a fact.

But get this: even if it were possible to get to a "true picture" of what a company is worth through the fundamental ratios listed above, *that picture would be based on numbers that are already roughly 3 months old.* 

In today's high-speed, digital, interconnected marketplace, things change at the speed of light. If the information upon which you base your analysis is even several hours old, you are already behind the eight ball.

In short, <u>change happens too quickly today for</u> <u>fundamental analysis to work effectively in the 21<sup>st</sup></u> <u>century.</u>

So, forget about earnings reports. Remember, a company's senior management — and a ton of other insiders — know those numbers well before the public. It doesn't matter that the company has great technology or superior distribution channels or what the book value is.

No. The purest – and most accurate – indicator of where a stock's price is headed can be gleaned simply by studying what the stock's chart is doing right *now*. The truth about a stock lies in the *now*, not in the past.

Everything that supposedly affects the price of a stock, from earnings reports to pending acquisitions, is *already reflected in the current price of the stock*.

If you know what buy and sell signals to look for on a stock's price chart, you can base your trading decisions on better information — fresh, current, reliable data that can enable you to enter and exit positions much more precisely for maximum profits.

Okay. Now, I want to share with you a few of these key buy and sell signals – and reveal how you can profit handsomely from them ....

## Can your stocks pass the "bar test"?

Over the past 14 years, my traders and I have made literally tens of thousands of trades.

And we've been right far more often than we've been wrong: on average, 85 out of 100 trades made using my system make money. Only 15 out of every 100 are typically losers. In a recent 30-day period, just one of my traders generated \$86,020.83 in profits trading one of my accounts, using nothing but the special buy and sell signals I'll teach you in a moment.

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Date	Fils	Qty	Gross Realized	Comm	Fees	SEC Fee	TRE	Net Realized	Unrealized	Total A	Unrealized
2007-04-	20,803	10,673,644	28,342.58	\$74.60	9,390.37	1,493.96	299.28	14,404.37	0.00	14,404.37	6.00
2007-04-	16,596	0,512,550	12,260.42	465.12	7,271.99	1,167.86	318.52	3,099.13	0.00	3,039,13	0.00
2887-84-	19,797	9,384,222	25,850.33	429.76	6,974.68	1.205.04	343.55	16,896.28	0.00	16,895.28	8.00
2007-04-	54,254	5,937,465	(1,964.53)	129.60	6,009.08	958.28	225.95	(9,483.65)	0.00	(9,463.65)	0.00
2007-04-	24,706	11.892.895	32,582.42	\$29.92	11,490.77	1,629.34	445.98	10,395.40	0.00	18,395.43	0.00
2007-04-	16,803	6,986,620	29,832.58	346-52	0.255.67	1,165.37	262.00	10.002.42	0.00	10,002.43	8.48
2007-04-	20,974	5,800,424	(3,542.38)	247.52	6,242.04	657.83	217.52	(10,500.05)	0.00	(10,509.05)	8.00
2007-04-	10,454	4,999,645	1,154.62	314.04	7,552.76	041.69	107.49	(7,762.15)	0.00	(7,762.15)	0.00
2007-04-	9,069	3,806,334	9,356.89	269.29	2,977.58	703.29	142.81	5,273,93	0.00	\$,273.93	0.00
2007-05-	19,452	7,529,009	15,612.56	705.64	6,060.63	1,558.02	282.54	4,197.74	0.00	4,197.74	0.45
2007-05-	19,697	4,582,208	19,250.53	117.56	6,775.44	1,292.09	168.83	10,118.61	0.00	10,118-61	0.00
2007-05-	\$4,943	4,336,799	(1.111.49)	743.00	5,768.04	1,111-82	155-13	(8,800.56)	0.00	(8,809.56)	4.00
2007-05-	10,491	2,815,765	6,633.37	\$78.68	3,727.45	\$79.85	75.69	1,672.19	0.00	1,672.19	0.00
2007-05-	24,690	2,758,508	15,130.74	819.40	4,667.40	758.30	103.44	8,762.28	0.00	8,762.20	0.03
2007-05-	\$4,335	2,247,354	5,884.57	602.48	2,245.72	297.09	\$25.78	2.119.59	0.00	2,119,59	0.00
2007-05-	6,755	1,568,832	3,822.97	111.44	626.94	384.41	58.63	2,543.35	0.00	2,543.55	6.65
2007-05-	21,509	6,222,310	7,615.23	910.52	2,718.44	1,098.28	222.54	2,656.68	0.00	2,455.48	0.00
2007-05-	14,884	3,442,336	8,754.15	612.00	2,000.08	757.38	129.09	2,255.60	0.00	2,255.65	8.48
2007-05-	15,851	5,749,038	1,978.06	558.40	3,576.28	852.28	\$40.59	(3,789.48)	0.00	(3,789.48)	0.00
2007-05-	15,756	4,846,254	14,271.48	716.04	3,565.14	640.20	181.71	9,369.33	0.00	9,369.33	6.65
2007-05-	9,757	3,301,006	8,438.00	295.76	843.45	394.34	122.62	6,672.72	0.00	6,672.72	5.60
2007-05-	16,479	4,490,556	8,498.94	609.96	992.76	697.96	168.70	4.029.56	0.00	4,029.56	8.65
2007-05-	11,106	3,025,046	8,558.43	\$09.52	3,077,77	674.73	111.87	4,104.45	0.00	4,194.65	0.00
	349,141 12	22,040,336	238,294.83	12,626.24 1	13,637.48	21,417.96 4	1,592.32	86,020.83	0.00	86,020.03	0.00

I had \$100,000 of my own money in the account. Which means my profit was 86%, which I shared with my trader (I employ a large group of traders who trade my accounts, and I'll show you later how to apply for one of these lucrative positions with my company, though I must warn you that competition for these spots is fierce, with hundreds of resumes pouring in daily).

Most investors I know would be thrilled to make 86% on their portfolio this year. But we did it in only 30 days.

In another one of my accounts, shown in the second table below, another trader working for me earned profits of \$45,452.17 in just 18 days. That works out to about \$15,000 a week.

To earn this impressive sum, he worked only 3<sup>1</sup>/<sub>2</sub> hours per day on average – about

20 hours a week. Of course, you can put in as much or as little time into my trading system as you wish.

For the most recent 2-month period,\* one of my accounts was up \$277,030 trading with a \$50,000 leveraged cash trading account.

Imagine what your life could be like after you master my simple but powerful *Trade for Life*<sup>TM</sup> trading system and can duplicate its results — either as a trader working for me ... or as an independent trader working from the comfort of your own home!

You could literally decide to work just 2 months out of the year ... taking 10 months off to travel, pursue other business opportunities, go fishing, play golf, or just plain loaf.

And in those 2 months, you could earn as much as a quarter of a million dollars or more like some of my traders have done. Most people I know could live quite nicely on 250 grand a year. But most of my traders decide to keep on trading, so they can earn as much as they can!

\* 4/1/07 - 6/1/07

Reports	Applications	Training 1	invited Lines	Accounts	Secure To	eda Faac Ro	staning Fee	e Papeute	Notice Sutary	al Data My P	vofile
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Account:	VORVELEZ		End Date:	100 - 18	2087	Gener	ate Report				
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Date	Filly	Qty (	Gross Realized	Comm	Fees	SEC Fee	TRF 1	Net Realized	Unrealized &	Total A	Incealize
007-05-01	19,452	7,529,000	13,612.56	785.84	6,868.63	1,559.00	292.34	4,597.74	0.00	4,197.74	8.4
007-05-02	19,697	4,502,208	19,958.63	997.86	6,775.44	1,292.09	168.83	10,116.61	0.00	10,116-61	- 44
07-05-03	14,941	4,536,790	(1,111,49)	741.88	5,760.24	1.111.02	199.13	(8,888.56)	0.00	(8,808.56)	\$1
07-05-04	18,491	2,815,766	6,633.77	578.68	3,727.48	579.86	75.59	1,672.19	0.00	1.672.19	8.
007-05-07	14,698	2,788,508	19,138.74	819.40	4,667.40	758.30	103.44	8,762.20	0.00	8,762.28	8/
007-05-08	14,135	3,247,354	5,084.57	612.48	2,243.72	797.00	121.78	2,119.59	0.00	2,119.59	
007-05-09	6,759	1,588,832	3,922.97	311.44	624.94	304.41	58.63	2,543.35	0.00	2,543,35	
007-05-18	21,509	\$,222,310	7,415.23	910.52	2,710.44	1,096.25	235,34	2,656,60	0.00	2,656,68	
007-05-11	14,884	3,442,336	5,754.15	812.00	2,000.00	757.38	129.09	2,255.60	0.00	2,255.40	184
007-05-14	15,851	3,749,038	1,078.06	588.40	3,576.20	852.26	140.59	(3,789.40)	0.00	[3,709.40]	. 8.1
007-05-15	15,756	4,846,258	14,273,44	716.04	3,566.34	640.20	101.71	8,169.33	0.00	9,169.03	
007-05-14	9,757	2,301,886	8,432.08	315.76	643.46	394.24	121.82	6,672.72	0.00	6,672.72	. 8.
007-05-17	16,479	4,498,556	6,498,94	629.96	992.76	697.96	\$68,78	4,829.56	0.00	4,029.56	8.
and the second	11,106	3,825,846	8,558.42	519.12	3,877.37	674.73	111.97	4,184.65	0.00	4,184,65	
007-05-18	ALC: N 10 10 10 10 10 10 10 10 10 10 10 10 10										

By following my simple system, you can potentially earn thousands of extra dollars a week ... "working" at it only 30 minutes to several hours a day.

Or, you can quit your day job and become a full-time trader, trading your own account. And potentially earn an annual income any doctor, lawyer, or airline pilot would envy.

Or, you can trade *my* account ... as one of my traders. Traders who work for me share in all the profits they make, but they don't risk a dime of their own money. I'll tell you about this exciting opportunity to work directly with me at the end of this report.

Whichever you choose – earning extra money with spare-time trading or becoming a full-time trader – the system is basically the same. And here's how it works....

One of the tools we use to analyze stock price movements is a "Japanese Candlestick" chart. It is sonamed because it originated in Japan and the symbols on the chart – bars with lines – resemble a candle and wick.

The candlestick chart plots the endless stream of buys and sells in a series of colored bars, making it much easier to visualize whether buyers or sellers are currently in control of a stock.





A white bar – or, with some charting systems, a green bar — indicates that the stock closed that day at a higher price than it opened. When that happens, we know that buyers are in control of the stock — and greed is the dominant emotion driving the buying.

These buyers are bidding the stock higher than its starting price due to a strong belief that the stock will in fact be even higher at a later date. And they are rushing in to scoop up shares before the prices goes up. The increased buying demand is what drives the share price up that day.

A **black bar** — or **red bar** on some charting systems — indicates that the stock closed that day at a lower price than it opened.

When that happens, we know that sellers are the ones in control of the stock for now ... and *fear* is the dominant emotion driving them to dump the shares. Sellers believe the stock is headed lower, and they are selling it to avoid taking a big loss when that happens.

Now, in my trading system – which I call *Trade* for  $Life^{TM}$ , because it's based on indicators and repetitive events that will be accurate and valid for as long as you or I live – I've identified half a dozen or so chart patterns that can tell you precisely when to buy or sell with uncanny accuracy.

Best of all, the key signals indicating whether a stock is ready to rise or fall are incredibly simple, obvious, and easy to read. Here, let me show you a couple....

### The Law of 3 to 5

About 14 years ago, I discovered what I call the "Law of 3 to 5." That law states that about 80% of the time, stocks cannot move up or down more than 3 to 5 bars in a row, without reversing to some degree.

So, whenever you get a series of 3, 4, or 5 **black** or **red bars** in a row, that's a high-odds sign that the stock is oversold. It's going to stop its decline and head higher.

That's why 3 to 5 red bars on a rising chart, in conjunction with a few more things I teach, is one of the prime "buy" signal for our stock traders.

Conversely, 3, 4, or 5 white or **green bars** in a row means the stock has gone about as high as it's going to go for the moment. Tomorrow, or the day after, it's likely to fall.

So if you own a stock whose charts shows 5 green bars in a row, you should consider selling your position – or, if you don't already own the company, shorting the stock.

Why are 3 to 5 bar moves such an accurate indicator of overbought tops and oversold bottoms for stocks?

It's because of a statistical principle known as *reversion to the mean*, which states that a stock can't stray too far above or below its *average* share price before it is drawn or "snapped back" to that price level.

The most powerful average is the 20-period moving average ... the average price of the stock for the past 20 periods (hours, days, weeks, months, etc.).

Of course, you can look at moving averages for longer periods. But the 20-period moving average is the most important average stock price, because it's measuring price activity for a relatively compressed time frame – and therefore reflects the most current value the market and its big institutional players place on that stock.

Take a look at the bottom left corner of the chart below. At first the stock was below the 20-period moving average (20ma). After breaking above the 20ma, it entered a zone of price support. Each time the stock pulled back in price, it magically stopped at or near its 20ma, then rebounded sharply upward. This demonstrates another one of my major trading rules: *Always look to buy a stock at or near its rising 20-period moving average*. That's when the stock is most likely to begin moving to the upside.

I've drawn circles on the chart below to show each time the stock rebounded off its rising 20ma. The arrow points to the first successful retest of the 20ma. Some traders wait for one successful retest to materialize first. Then they buy all the subsequent pullbacks to the stock's 20-period moving average.

The power of a stock's 20-period moving average is amazing. But the key is that it must be rising for buys ... and for short selling, it must be declining.



### Get rich at Wal-Mart

Investment gurus will tell you that the market can move up, move down, or trade flat.

But that's only over the long term. In the short term, there's no such thing as a truly flat market.

Instead, we have volatility every day: small fluctuations in the prices of hundreds – even thousands – of publicly traded companies.

My *Trade for Life*<sup>TM</sup> system takes advantage of this ongoing volatility – tracking the price movements of thousands of stocks minute by minute. So you can trade as often or as seldom as you like: monthly, weekly, or even daily.

Not all of my students are professional traders. Many are traditional "buy and hold" stock investors. As stock investors, they're used to longer holding periods. So even when they take the leap from conventional stock investing to trading, they prefer longer-term trades. And the *Trade for Life*<sup>TM</sup> system spots hundreds of trades every year with holding periods that last anywhere from a few weeks to many months.

Some of my students are experienced traders – even day traders. They prefer lots of action and quick profits – and the *Trade for Life*<sup>TM</sup> method can provide that, too.

Wal-Mart (see chart) was one of our recent intraday trades. After the chart showed us 3 consecutive red bars back to our key moving average – our major "buy" signal — we bought Wal-Mart shares at \$47.90.

As predicted by the 3-red-bar signal, Wal-Mart moved aggressively higher. Then the price broke a prior bar's low – a clear "sell" signal for us. We liquidated our position 90 minutes after our initial buy at \$49.65 for a quick 3.6% profit on the trade.



After the chart showed 3 consecutive red bars, indicating a decline back to the stock's major moving average, we bought Wal-Mart at \$47.90. As predicted by the 3-redbar signal, Wal-Mart moved sharply higher. We sold 90 minutes later at \$49.65 once the price broke a prior bar's low.

### Double-digit gains in 5 weeks!

Of course, the *Trade for Life*<sup>TM</sup> system not only tells us when a stock is ready to rise – but also when it's set to fall.

So if you're comfortable shorting stocks, you can

make money on both the upside and the downside.

Take Inter Exchange as an example. Following a climactic run up in price which took the stock well above its 20-period moving average (remember, stocks eventually revert to their mean), we shorted Inter Exchange on 2/23 at \$157.

A few weeks later, we saw our major signal warning us that the stock was ready to move up again: a series of 4 consecutive red bars. We covered at \$125 on 3/30 at the 20-period moving average, locking in a gain of 25.6% on the trade in 5 weeks.

By comparison, the S&P 500 might – if we're lucky enough to be in an exceptionally strong bull market – manage to give you a 25% return in 12 months!

By the way, I'm not overly familiar with Inter Exchange as a company. I know nothing about their management. I've never read their annual report, and I don't intend to. I couldn't even tell you if they are profitable as a company or operating in the red.

Inter Exchange's earnings per share? Haven't a



Following a 5 consecutive green bar move away from the 20ma, which tends to lead to sharp pull-backs, we shorted Inter Exchange on 2/23 at \$157. We covered on 3/30 at the 20-day moving average for a price of \$125, locking in a gain of 25.6% on the trade in 5 weeks.

clue. Earnings growth over the past four quarters? Your guess is as good as mine.

### **The Incredible Power of Moving Averages**

ere's another example of how my *Trade for Life*<sup>™</sup> students use the power of moving averages to help them know if a stock should be bought or sold short.

Look at a candlestick chart for a stock with both the 20-period moving average and the 200-period moving average displayed.

Whenever the stock is above its 20-period moving average (20ma) ... and the 20-period moving average is above the 200-period moving average ... go long on 3 to 5 bar pullbacks toward the rising 20-period moving average.

Conversely, if the stock is below its 20-period moving average, and the 20ma has fallen below the 200-period moving average, it's time to short the stock after 3 to 5 bar rallies.

In our short-term system, we trade 2, 5, and 15minute time frames. In the 5-minute chart, each green or red bar represents just 5 minutes of trading.

The short time frames allow us to predict price movement with greater accuracy than long time frames.

This is just common sense. It's extremely difficult to say what any company's stock will be doing a year or two from now. However, it's far easier to predict what



its share price will be doing 5 minutes from now.

The method we use for these small time frames is the same. We look to buy pullbacks at or near the 20period moving average. We sell after a rally of multiple green bars away from the 20-period moving average.

Buy near the 20ma ... sell away from the 20ma. It's an incredibly accurate, reliable, and profitable tool you'll master in my *Trade for Life*<sup>TM</sup> home-study program.

You see, when you follow the *Trade for Life*<sup>TM</sup> system, things like <u>emotions</u>, <u>subjective judgment</u>, <u>and business analysis are removed from the picture</u>.

To me, I see the companies we trade strictly as mathematical probabilities represented by a series of green and red bars on a stock chart.

This takes emotion out of the trade. I don't hold onto a losing trade because I "like" the company or think it's a good business. If the chart signals me to sell, I do it right away. So even on the 15 or so out of 100 trades of mine that lose, our losses are usually minimal.

My decision to buy, sell, or hold is always – without exception — based strictly on the presence or absence of **3 to 5 consecutive red bars** ... **3 to 5 consecutive green bars** ... **the stock's 20-period moving average** ... and about **half a dozen special chart patterns**. Patterns you'll master in my *Trade for Life*<sup>TM</sup> home-study course.

### Who else wants to become a successful, financially independent trader?

Can you imagine how much easier and less stressful your life would be if you had the freedom and financial independence that my *Trade for Life*<sup>TM</sup> system has already delivered to thousands of investors nationwide?

I know first-hand, because many of my traders have been poor, and many are now rich. And believe me, they all tell me, "Rich is better!"

I personally started my professional career mired in debt. My credit was in shambles. My car was repossessed. I was evicted from my various apartments numerous times.

Why? Because instead of paying the rent, I would keep putting new funds into my trading account to make up for my losses. I was determined to make trading work – no matter what it took. Unlike you, however, I had no teacher to guide me – and had to learn trading through costly trial and error.

But now all that has changed....

I can tell you that mastery of this business we call trading has made an incredible difference for me. Trading is one of the last bastions of total independence. Think about it: with just a laptop computer and an Internet connection, you can be in business from anywhere in the world. No overhead, no rent, no employees, no anything. Just you, your favorite location, and the markets. Amazing!



When done correctly, the money comes more quickly in

One of Oliver's homes is a luxury penthouse on the beach with this spectacular ocean view.

trading than any other activity. At a certain point, you know that, unless you want to, you never have to work at a job another day in your life, no matter what your age.

The money that can come from successful trading also gives you power: the power to be incredibly generous with others. Your spouse. Your children. Other people you care about. And through philanthropy, people you don't know – and may never meet – but want to help just the same. Many of my students have earned the resources to do just that.

Money can also help boost your self-esteem and confidence. Money isn't everything. But it is one of the ways we keep score of success. And any successful trader will tell you, when you've made the first million or two trading, you feel like you've come out well on that success scorecard.

Least important, but perhaps the most fun, is all the material possessions – both the necessities and the toys – that you and your family can enjoy, thanks to your trading profits.

Sure, I've had my share of toys. At one point, I owned 18 different cars including a Ferrari, a Maserati, and a Rolls Royce.

We also owned seven homes. One is a beach house on the ocean in Cape Charles, Virginia. And our 3,500-square-foot Miami penthouse has views of both the ocean and the city skyline.

My wife and I love art, and we have an art collection worth more than some people earn in a lifetime. Travel is another passion of ours. Asia, Europe, Latin America, the Islands ... we've literally done it all. We even threw a big birthday party bash for our 8-year-old daughter in Paris, and now she's hooked on traveling, too.

But these things are not really important. What I value most from trading – and what mastery of a proven trading system can do for you – is give you total freedom. Freedom from a boss ... from a job ... from ever having to take orders from someone else, or do things you don't want to do – ever again.

# The \$5,000 trading seminar you can take at home for under \$100

At my company, Velez Capital Management, LLC (VCM), I currently employ 150 professional traders.

With 4 offices around the globe, we intend to hire an additional 350 traders over the next 2 years. We literally get hundreds of resumes every week from both new and experienced traders wanting to work for VCM. These ambitious men and women have heard about the large sums of money our traders are making with my *Trade for Life*<sup>TM</sup> system ... and they want to grab their share.

My objective is to grow VCM into a major force in the equity trading market. Our firm trades, on average, close

# Can you spot this powerful buy signal?

The graph below shows a form of support known as the 33% *retracement level*: it occurs when a stock that's been trending up gives back only a third of its recent gain, and then stabilizes to show a bottoming signal. When you see a stock that refuses to drop below the 33% retracement level, it means there is very strong demand for the shares – and your odds of success on a long trade are extremely high. You'll master the 33% retracement level in my *Trade for Life*<sup>™</sup> home-study program.



to 300 million shares a month.

Our profits and trading volume increased 700% this year so far. And we've been a top 10 NYSE liquidity provider for NASDAQ.

But the traders now working for me at VCM didn't *come* to me as expert traders of my system. I personally trained each and every one of them in my *Trade for Life*<sup>TM</sup> system.

Their training wasn't free. They had to pay \$5,000 each to attend my 5-day live trading workshop.

Now, the core of my trading workshop is available on DVD as a new home-study course, *Trade for Life*<sup>TM</sup>.

It includes the PowerPoint I use in the live program — so you can take notes on each chart as you follow along. You also get the free bonus book described on page 14 of this report.

This is the exact same system I teach in my live *Trade for Life*<sup>TM</sup> seminars.

But you won't pay  $$5,000 \dots$  or even  $$500 \dots$  to get my *Trade for Life*<sup>TM</sup> program.

For a limited time only, it's yours for just \$95.

I know that's an absurdly low price for training that can totally transform your life ... teach you how to make more money than you ever dreamed possible ... and give you true wealth – and total financial freedom – at long last.

But there's a reason why I am practically giving away my \$5,000 *Trade for Life*<sup>TM</sup> seminar on DVD for less than a hundred bucks.

The professional traders I hire at VCM all trade *my* accounts. When they make profits, I do too. But they take zero risk, as I absorb all losses. They never have to put up their own money.

Naturally, traders who have mastered the *Trade* for  $Life^{TM}$  system make money – for themselves and ... if they work for VCM ... for me.

That's why I only hire traders who have taken my training. And why I want to hire many more traders who use my system. In fact, I have positions for over a hundred new traders opening up this year!

By getting my *Trade for Life*<sup>TM</sup> home-study course into the hands of as many traders,

investors, and aspiring traders as possible, I create a bigger pool of traders who know my system ... and a bigger pool of potential employees who can go to work for me and make themselves – and me — even more money!

Once you complete the *Trade for Life*<sup>TM</sup> home study course, you qualify for more advanced, live, inperson training at VCM.

Should you be selected, I may be offering YOU a job – as my newest trader – as early as this year!

## Guaranteed to increase your trading profits — or it's FREE!

When you agree to review my DVD-based *Trade* for Life<sup>TM</sup> home-study course, you take no risk of any kind – thanks to my unconditional 90-day guarantee.

If you are not 100% convinced that my *Trade for*  $Life^{TM}$  system has doubled or tripled your trading profits ....

Or you are not satisfied for any reason ... or for no reason at all ....

Simply return the book and DVD to me within 90 days.

I'll give you a full and prompt refund ... no questions asked.

By the way, I'm sure you've seen guarantees where the publisher insists that you prove to him you followed the system, either by sending copies of account statements or completed worksheets from the course manual.

We don't pull this cheap trick. Our guarantee is unconditional. No strings attached.

I hope when you get my *Trade for Life*<sup>TM</sup> program, you study it carefully – and start trading the system, either with real cash or on paper.

But you're not obligated to do so. That way, you risk nothing.

### What your stock broker will never tell you

What your broker will never, ever tell you is that, for most investors, the stock market as a whole historically does only marginally better than low-risk investments: over the long haul, the S&P 500 has returned an average return of only 9% to 11% per year.

## **Traders and investors praise Oliver Velez**

"After having read both of Oliver Velez's books and taking his Trade for Life<sup>™</sup> course, in my opinion they are the best training materials for anyone seriously considering trading the stock market."

-Isaiah Hempe

"I have learned so much with Oliver. Not only did he teach me how to get started, but he helped give me the confidence to believe I could start trading for myself." —Javier Ruiz

"Oliver makes trading instruction easy, exciting, and energetic ... he's the best." —J.R. Boud

"I have always told other traders that you are the best trainer by far, and you continue to prove it."

-Demetrius Wright

"Thank you for the knowledge obtained from each presentation. I appreciate the passionate and caring manner in which you delivered them."

-Joyce Henderson

"I have no idea how anyone could trade without this method. Thank you for one fantastic course."

-Carolyn Chebaro

NOTICE: Testimonials are believed to be true based on the representations of the persons providing the testimonials, but facts stated in testimonials have not been independently audited or verified. Nor has there been any attempt to determine the experiences of the persons giving the testimonials after the testimonials were given. The average reader who purchases the system should not necessarily expect the same or similar results. Testimonials may be based on Oliver's previous publications, and are not necessarily based on the specific publications offered in this brochure.



Oliver has trained over 60,000 students – from individual investos to professional traders.

**Q:** I'm not an experienced trader. Will the Trade for  $Life^{TM}$  system be too complicated and complex for me to learn?

A: Not at all. On the contrary, the trading signals and chart patterns in the Trade for Life<sup>™</sup> system are amazingly easy to identify and read.

The system consists of just 2 basic signals and 7 different chart patterns of reliable market scenarios. You don't even need to master all 7 chart patterns to trade the system successfully. Many of our most successful students trade only two or three of the patterns.

*Q*: You and your traders claim to have made a fortune trading your own system. How do I know you really make the trading profits you say you do?

A: I have reproduced actual trading statements in this report. What's more, we welcome and receive people from all over the world who frequently visit our trading offices to witness our traders trading live. And my 5-day "live trading" laboratories have been stunning students and the general public month after month.

During these training sessions you can actually observe me trading in real-time. I do actual trades during the full week, and generate profits right before your eyes.

# Oliver Velez's *Trade for Life*<sup>™</sup> Program **Are these your questions?**

*Q*: I have a full-time job that keeps me busy. Will I have enough time to trade with your system?

A: Many of our traders reach their daily profit goals within the first hour of the trading day. We have demonstrated that a trader can make a handsome living trading my system just 30 minutes to 3 hours per day.

So, if trading is a hobby or a source of extra income, you can potentially make hundreds and sometimes thousands of dollars a week trading only 60 minutes or less each day.

#### Q: I'm not technically sophisticated. Even if you teach me how to read your charts, where can I get the charts I'm supposed to look at?

A: Getting accurate, up-to-date stock charts today is easy as pie. Charting services abound on the Internet, and many of them are free. Take a look at www.bigcharts.com. Other charting services are outlined in your course materials.

# **Q:** Does the Velez Trade for Life<sup>TM</sup> system work only with individual stocks?

A: No. It works equally well for any financial instrument you can trade on an exchange. These include individual stocks, stock indices, bonds, commodities, FOREX, e-mini futures, and any other openly traded markets.

You can use my Trade for Life<sup>™</sup> system to trade any and all stock, e-mini, and futures markets – including ETFs like QQQQ, SPY, DIA, SMH, OIH, XLE, GLD, and index futures like the S&P 500, NASDAQ 100, Dow Jones, and Russell 2000.

Do you trade commodity markets like gold, crude oil, natural gas, sugar, silver, and copper? Trade for Life<sup>™</sup> can help you there, too. Same thing with the major Forex markets including the Euro Dollar, British Pound, Australian Dollar, Japanese Yen, Canadian Dollar, and Swiss Franc.

What's more, the system works with a variety of trading styles including day trading, swing/ position trading, and portfolio/ position trading.

*Q:* I've always been a buy-andhold investor, because you buy and sell shares less frequently that way. Won't commissions eat up most of my trading profits?

**A:** No, because the unification of exchanges has caused commissions to drop to miniscule levels.

On one of my first professional trades, it cost me \$1,100 to buy one thousand shares of Intel and another \$1,100 to sell it. Now it costs you less than \$5. In fact, my traders trade stocks for as little as 2 cents (2 pennies) per every 100 shares.

Thanks to discount brokerages and online trading, you can open an account and start trading on the Internet literally within minutes. The barriers to entry have vanished. The playing field is close to level. Individual investors can use the same tools that were once only available to the pros. Does that sound attractive to you? It doesn't to me. Recently, one of my traders made an 86% return on my money in just one month. I couldn't imagine earning a mere 9% to 11% return — and taking an entire year of my life to do so!And that's assuming no catastrophes. In a runaway bear market, average investors typically lose a small fortune, and watch their hard-earned retirement savings go up in smoke.

Following the crash of 2000, U.S. investors gave back \$8 trillion in wealth to the market. Many saw their portfolios lose  $25\% \dots 50\%$  ... even 75% of their value.

What more proof do you need that old-fashioned buy-and-hold investing – driven by fundamental analysis – is NOT the best way to get rich in America today?

With my *Trade for Life*<sup>TM</sup> home-study program, you trade on the

purest, most reliable indicator of a stock's true value: its price. And you do it by reading simple patterns on a chart that anyone can recognize. No mathematics or calculations of any kind required. You don't need a license or even a college degree.

When I started trading 19 years ago, I was pretty much broke. Through trial and error, I gradually developed a trading system – *Trade for Life*<sup>TM</sup> – that is not only the simplest you'll ever encounter ... but also one of the most profitable.

So what are you waiting for? No need to travel to NYC or Vegas and pay five grand – plus airfare and hotel – to learn the *Trade for Life*<sup>TM</sup> system. Now *I'll* come to *your* home — on DVD. And teach it to you in the comfort and privacy of your own living room.

To order my *Trade for Life*<sup>TM</sup> home-study program on a no-risk 90-day trial basis, just complete and mail the form on page 15.

For faster service, call toll-free **1-888-233-1431** today. I guarantee it will be the most important trading training you've ever taken ... or your money back.

Sincerely. Oliver L. Velez, CEO

Velez Capital Management

P.S. Not ready to take the plunge by trading a real account? Send for my *Trade for*  $Life^{TM}$  home-study course on a 90-day risk-free trial basis.

When your *Trade for Life*<sup>TM</sup> course arrives, pop it into your DVD player. Watch the program – several times. Make notes on the handout included with the video.

Start trading my *Trade for Life*<sup>TM</sup> system on paper. Keep track of your profits and losses. But the losses won't cost you a dime – because you're not trading with real money.

Then, once you are comfortable working the system ... and confident that the system does in fact work ... you can begin trading real money in your account with it. Start small. Then increase your trades as you gain confidence.



# Here's what you get with my Trade for Life™ home-study course....

#### **#1.** The Trade for Life Seminar on DVD.

Trade for Life

S itting in a comfy chair in front of your TV, you watch, listen, and learn as Oliver Velez takes you step-by-step through his high-profit *Trade* for Life<sup>TM</sup> trading system. This dynamic video-based course is the next best thing to having Oliver come into your living room and tutor you personally!



course teaches you all the major

signals and chart patterns Oliver and his traders use to create wealth. You learn what to look for, and what trade to make when you see it.

Among the topics covered on the DVD:

- How to read candlestick charts.
- 3 major time frames ... and which chart is the most important.
- Daily, hourly, and 1-minute charts and when to use them.
- The two most powerful moving averages.
- The Market Law of 3 to 5.
- How to protect your profits with trailing stops.
- 3 market trends and how to profit from each.
- The VCM buy-set up for long trades.
- Predicting bottoms with the bottoming tail.
- The VCM sell-set up for short trades.
- How to recognize and trade a topping tail.
- Green bar and red bar reversal patterns.
- Why the biggest moves ignite from the smallest bars.
- Trading the narrow range bar signal.
- The 7 key buy reversal signals.
- Narrow body bottoms and narrow body tops.
- The 6 types of support.
- The dual moving average resistance.
- Climactic buys and sells.
- The sideways breakout plays.
- Major and micro reversal times.
- And more....

#### #2. PowerPoint.

You also get a downloadable PDF of the *Trade for Life*<sup>TM</sup> PowerPoint Oliver Velez uses on the DVD to teach his trading lessons. You can follow along on



the charts in the PowerPoint and take notes directly on each slide.

**#3. FREE bonus book (list price: \$49.95).** Order within the next 7 days and you get a FREE Bonus Gift, a copy of Oliver L. Velez's bestselling book *Strategies for Profiting on Every Trade: Simple Lessons for Mastering the Market.* 

In its pages, you'll learn proven strategies to help you: identify and exploit trends ... plan your trades to be ready for market

movement in any direction ... and build your own trading strategy to be a nimble, confident, master trader.

The book covers market basics – managing trades – psychology of trading and planning – technical analysis – charting – income vs. wealth-building trades – moving averages – support and resistance – classic patterns ... and more.



This 235-page hardcover book normally sells for \$49.95. But a copy is yours FREE when you order the *Trade for Life*<sup>TM</sup> program within the next 7 days.

To order, complete and mail the form on page 15. Or call toll-free **1-888-233-1431**.

### **Trade for Life<sup>TM</sup> Risk-FREE Examination Copy Request Form**

**YES**, send me Oliver Velez's *Trade for Life*<sup>™</sup> home-study course for just \$95.

#### I will get all of the following:

- *Trade for Life*<sup>TM</sup> seminar on DVD.
- PowerPoint hand-out (downloadable PDF).
- FREE hardcover bonus book, *Strategies* for Profiting from Every Trade (value: \$49.95)

### Your Unconditional Money-Back Guarantee of Satisfaction

If you are not 100% satisfied with the *Trade for Life*<sup>TM</sup> program, you may return all course materials and bonuses within 90 days for a full and prompt refund. That way, you risk nothing.

Please correct name and address if different than	label on reverse side:
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1. MAIL this form with payment to:	2. FAX this form with credit card
Oliver Velez	information to: 1-828-622-9774
c/o Investment Software Systems, Inc.	
217 Paragon Pkwy, #306	3. PHONE toll-free <b>1-888-233-1431</b> to pay by credit card.
Clyde, NC 28721	
NC State Residents add 6% sal	es tax (\$5.70) for a total of \$100.70

# Oliver Velez, former Wall Street trader turned international trainer and philanthropist, announces....

### "My trading system made \$86,020.83<sup>\*</sup> in profits ... in just one month ... using an amazingly simple, easy-to-read trading signal that you can master — in less than a day."

—Oliver L. Velez, the Master Trader™ \* Trading profits from 4/18/07 to 5/18/07.

My system has generated profits as high as \$15,000 a day – with 85% of all trades making money — and I show you its key signals in this special report.

#### Here's just a sampling of what you'll discover inside:

- Why fundamental analysis FAILS in today's Internet-based, high-speed, informationoriented marketplace. Page XX.
- The ONLY true indicator of a stock's real market value. Most investors hardly pay any attention to it. Page XX.
- The world's simplest buy and sell signals. They're so easy to spot, even a novice can quickly and easily identify them every time they show up on his charts. Page XX.
- When a stock's 20-period moving average rises above the 200-period moving average, it's a signal that large institutions are driving the stock higher. But exactly when should you jump on board? Page XX.
- ★ How to avoid losing money when trading ... and make sure your losses are miniscule when a trade does go south. Page XX.
- \* And so much more....

#### Plus: claim your FREE Bonus Book - see page 14!

#### Oliver Velez c/o Investment Software Systems, Inc. 217 Paragon Pkwy, #306 Clyde, NC 28721

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