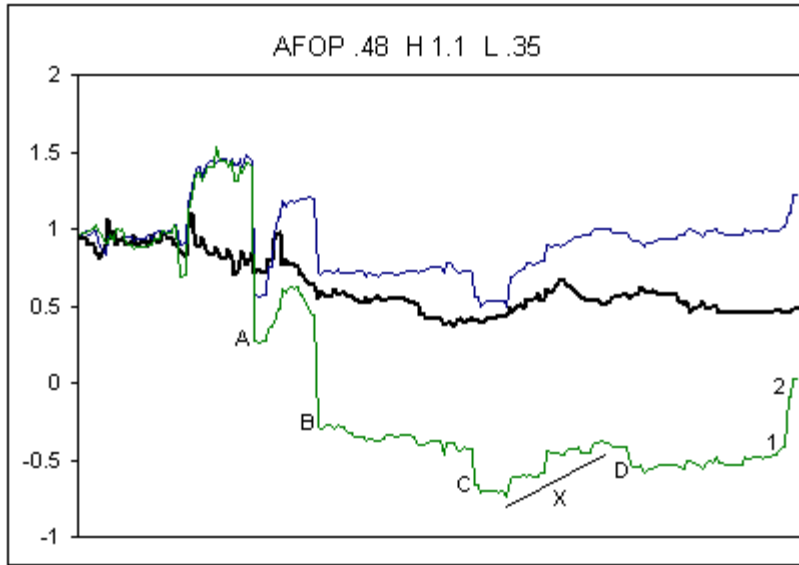
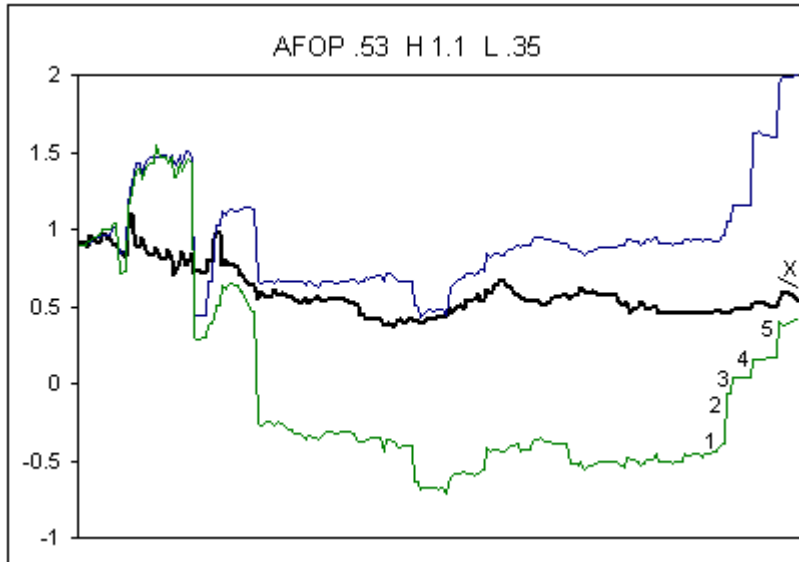


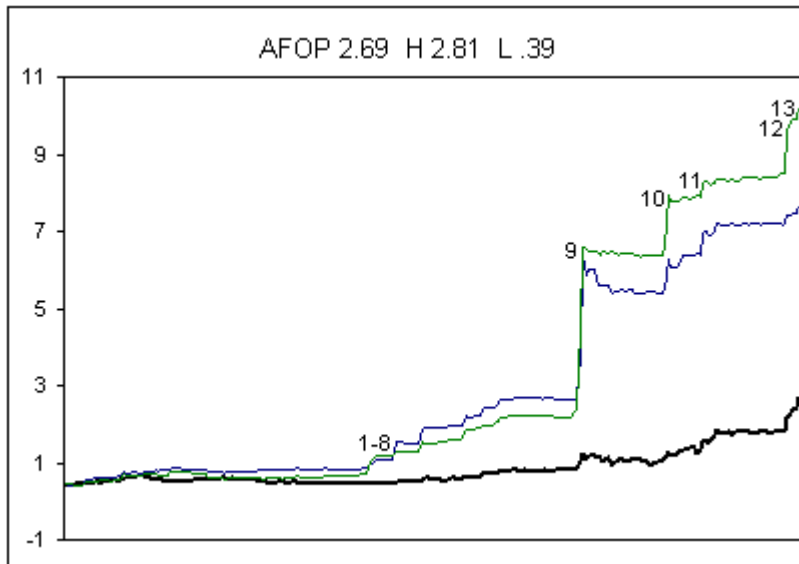
IV. BUYING STOCKS USING LSI CHARTS



In this very low price stock example of AFOP, we see on LSI Chart #1 the first significant jump in institutional accumulation with the positive spikes at 1 and 2. We point out small activity at X that shows some buying interest but minor relative to the magnitude of the spikes. The positive spikes at 1 and 2 are a good indication to begin looking for a positive divergence.



The significant positive “ladder step” pattern forming on LSI Chart #2 and subsequent positive divergence at X is sufficient evidence of a turnaround and opportunity in the shares of AFOP. Note the multitude of positive spikes and the relatively minor upward movement of the share price. It is examples such as this that raise our enthusiasm as we have given up little in terms of share price movement to receive a significant amount of positive confirmation in the accumulation trend.



In the final example of AFOP, LSI Chart #3 shows a major trend of buying in the stock and an example of what this type of buying can do to the share price. Investors here should be net sellers of the stock as new investors take interest.