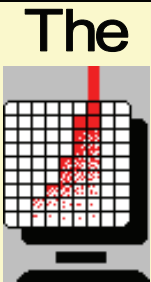


The Insider Trader

Issue 4  February 2007

Markets at a glance

Trendspotter Signals

Dow Jones (DJ)
Buy

S&P 500 (SP)
Buy

FTSE 100 (X)
Buy

DAX (DY)
Buy

£/US\$ (BP)
Buy

US Dollar Index (DX)
Buy

Crude Oil (CL)
Sell

Gold (GC)
Buy

Coffee (KC)
Sell

Orange Juice (OJ)
Sell

Sugar (SB)
Sell

Dates to watch Feb 2007

16th Feb options expiration

Good Start but turbulence ahead?

The major US indices managed to start 2007 on a positive note. The Dow managed to gain 1.18% or 147 points and the broader S&P 500 managed to gain slightly more.

If history is then correct we should be in for a positive 2007 for the major indices, however as I cautioned last month we will have a few bumps along the way. Its interesting to note that we have not had a real pull back on the major indices since the summer of 2006 and Dow has been over its 50 day moving average since July.

I would also caution that if you are trading the Dow Jones that you are careful with your £ per point. As the Index is now 12,600 points, just a 2% move is over 250 points and we should expect 2% movements within the coming months. I sense that traders are very complacent at present and are expecting this calm trending price action to continue for ever, we know that markets just dont work like that.

Gold and Silver

After a Shaky start to the year Gold and Silver are looking much stronger. For Gold if we can build up a base around the \$650 to \$665 level we should then see a new leg up which will move us back to \$700+. This may take a few months but I am bullish on Gold and see no reason not to remain

Gold setting up for a re test of the \$700 level.



remains up.
Silver looks set to test \$15 within the next 2 months and could move higher

FTSE100 V FTSE250

The FTSE100 has really not been that strong over the last few months. Whilst moving higher and in uptrend it has not raced away in line with the US markets. A big drag on the FTSE100 has been the strong fall in BP shares. The FTSE250 on the other hand has been much stronger.

Dont forget you can spread bet this with IG however the spread can be off putting but as a longer term trend trader we can absolve this.

Soya bean Meal

Soya bean Meal can be spread bet fairly easily via IG Index. You can get a price after 3.30pm UK time and I suggest you phone as its not always tradable via the site. Soybean prices and Soybean Meal have both moved up strongly the last few months.

Soyabean Meal which is mainly used as an animal feed looks set to move ahead as supply remains tight. Look to go long around the 208 level with stops at 190 level

Gaming Shares

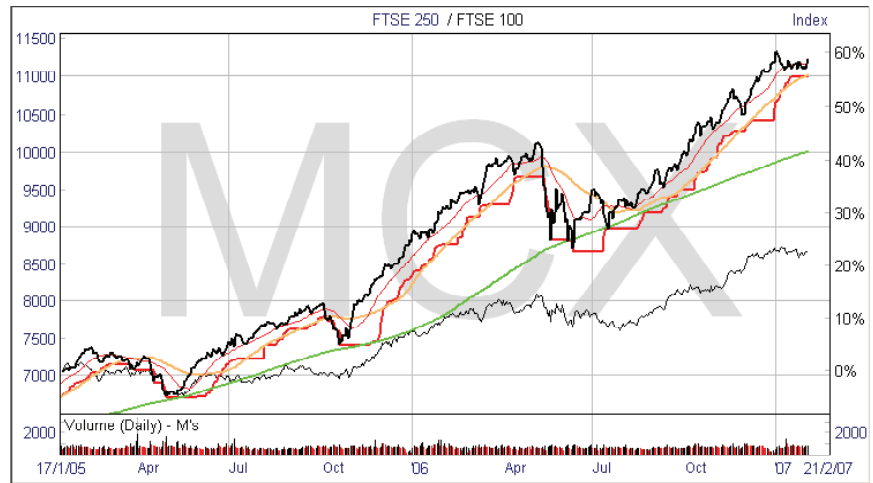
Whilst the on line gaming sector has had a terrible time with Partygaming and 888 to name a few suffer serious losing the bricks and mortar Casino Hotels have been on a massive upward moves. Shares such as Las Vegas Sands (LVS), Wynn and MGM grand are all up.

One of the big focuses is Macau. For those that dont know this is now becoming the new Las Vegas of the Far East and US operators have entered the market. Macau gaming revenues are now higher than those of Las Vegas.

One share I have been steadily buying and I strongly recommend you look at buying and putting a few away for the next 3 years is **Macau Property Opportunities Fund (MPO)**

Its listed on the UK AIM market so you can buy via a UK stockbroker.

The company has purchased land and a Tower in the new One Central Luxury development which will be ready in 2009. The idea as the casinos open and grow more people will move to Macau and workers will need new homes, also more foreign investors will look to buy property. Of course with any new opportunity one has to be careful and I think many will get burnt with Macau property however I like the property that this trust owns so far and I



FTSE250 V FTSE100 (above) You can see that the FTSE100 has lagged behind the FTSE250. Soyabean Meal (Below) with 4 week high/lows



My own view is you should expect 20 to 25% a year growth in the share price and value of the fund which is not a bad return. Plus as its a listed company you can always look to sell out , so its a way of having property exposure in Macau without owning property. You can read more about this fund at www.mpfund.com

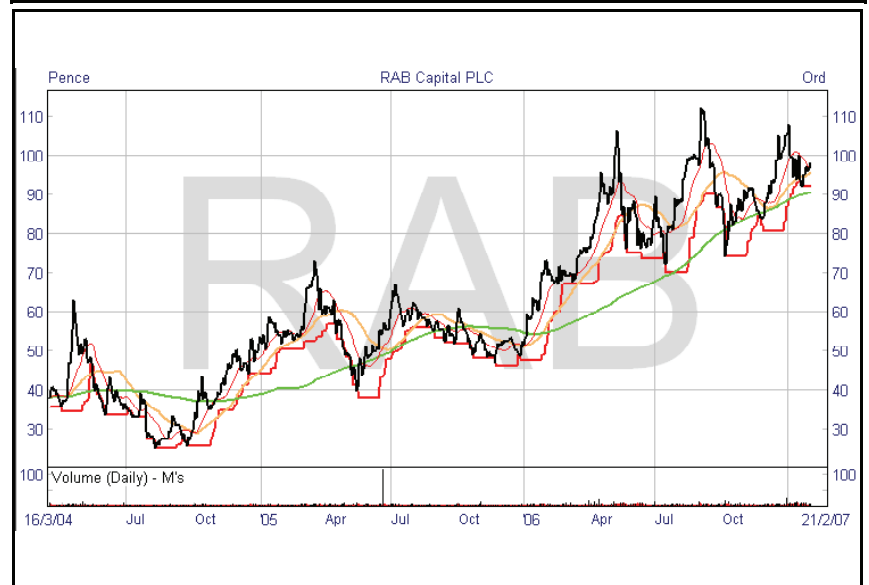
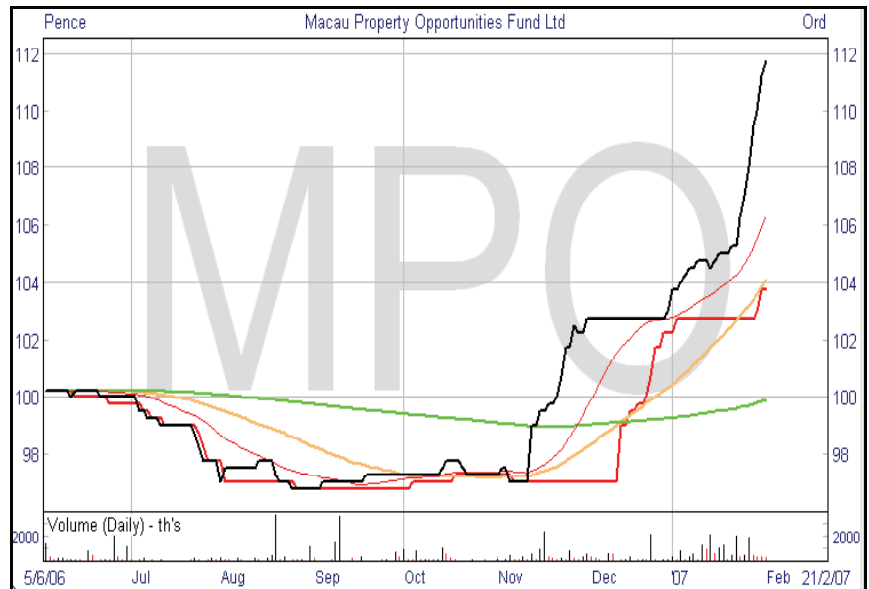
RAB Capital (RAB)

I have mentioned this share in the past. RAB are hedge fund managers their best know fund is the RAB Special Situations fund (RSS) which has a large exposure to mining shares. The company makes its money from performance fees as well as management fees. RAB trade using similar strategies to the ones taught by myself but on a larger scale. They aim to make absolute returns so they go short as well as long.

Recently the Mittal Family increased there stack in the company and also committed a further \$200 million to be invested in RAB funds.

You can spread bet these shares, currently around the 97p level.

Thats it for this month. Wishing you continued success.



Below: Las Vegas Sands owners of The Venetian Hotel and Casino in Las Vegas and Sands Macau. The Venetian Macau is also set to open in August 2007.

