:)

Hi folks,

Firstly, some general thoughts on trading IPOs, but
please note, this is NOT ADVICE, simply a discussion ... ☺

KBR ..... as with many ipo's, there will be many traders wondering about the prospects of the company, ahead. There's some advantages to trading new listings, if we can get our market timing correct.

Some of these advantages, include:

1. Most (not all) ipos will have sufficient cash to fund their operations, without rattling the tin for more money.

2. A relatively low number of shares on issue, making the stock more volatile for trading purposes.

3. With better market timing, we have an edge over other traders and "investors", as well as the "blind stags", who are really only HOPING that a stock will rally from the outset.

4. Using time cycle analysis, we can project anticipated price swings, far ahead.

5. Time cycle analysis can result in entering stocks, at prices below the original ipo.

Of course, we must also look at the downside, too:

1. Sometimes, ipos are held so tightly, that liquidity becomes a real issue ..... PSA was an example of this and it took about 2 years to gain a larger shareholder spread and improved liquidity for traders ..... but meanwhile, it was fun to trade the sharp moves.

2. Being only newcomers, ipos can take a while to become known to traders and even with good news, it may take a couple of days for some traders to respond, in some markets.

3. Often fundamentals have not developed enough to make a good assessment of the management.

4. Technically, there's probably not enough data for most chartists, until the first year has passed .... meaning, that they may have lost several opportunities to trade the stock, in the initial 12 months.

Now by using Gann's methodology, we can forecast many of the anticipated price swings by evaluating the time axis only, on our charts.

Such methods are helpful, as:

1. Stags can gauge better exit points.

2. Traders can wait for the listing and often enter at much lower prices, than the original ipo.

3. Chartists can use the time axis analysis to confirm their own evaluations, using minimal data, like candlestick patterns.

4. Using time cycle analysis for ipos, allows us to improve both entries and exits, in our trades.

5. "Investors" can use time cycle analysis, as confirmation of their own conclusions, for both entries and exits.

In summary, **IPO**'s are a classic example of where technical analysis is all but non-existent, due to lack of data ..... and the fundamentals are often exaggerated .....

..... step in, time cycle analysis or astroanalysis.

Call it what you will, these astrotools DO fill the technical void, until there's enough data to give us a reasonable chart. Now back to our new listing, KBR – a spin-off from Halliburton and some anticipated swings in sentiment, until the October/November 2006, when KBR is really expected to be in a positive trading mode ..... ☺

April 2006:

19 April 2006 ..... positive and finance-related ...???

28 April 2006 ..... minor news

May 2006:

10 May 2006 ..... 2 cycles here .... negative spotlight on KBR

15 May 2006 ..... significant negative news ..... ???

17-18 May 2006 ..... significant and aggressive rally ..... ???

22 May 2006 ..... minor

29 May 2006 ..... minor news ... ???

June 2006:

12 June 2006 ..... board changes ... ???

15 June 2006 ..... negative financial news ... low ???

16 June 2006 ..... significant and positive news ...???

July 2006:

05-06 July 2006 ..... significant and negative news/moves ... ???

10 July 2006 ..... minor

12 July 2006 ..... positive spotlight on KBR

August 2006:

08 August 2006 ..... significant and positive (finance???) news.

11-14 August 2006 ..... significant and negative cycle

22 August 2006 ..... significant and negative news ..... low ???

23 August 2006 ..... minor and positive cycle

29 August 2006 ..... significant and negative (finance???) news.

September 2006:

07 September 2006 ..... minor and positive cycle

12 September 2006 ..... minor and positive

22 September 2006 ..... minor and positive (finance???) news

25 September 2006 ..... minor

October 2006:

04 October 2006 ..... BIG and positive news here???

13 October 2006 ..... minor

16 October 2006 ..... minor

18 October 2006 ..... significant and positive news???

November 2006:

06-09 November 2006 ..... 2 cycles - significant & positive news ???

13 November 2006 ..... positive spotlight on KBR

21 November 2006 ..... aggressive rally here ... ???

happy trading

yogi

http://cgi.ebay.com/ws/eBayISAPI.dll?ViewItem&rd=1&item=4632317953