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OPTION ANALYSIS

AN INTERVIEW WITH JIM YATES

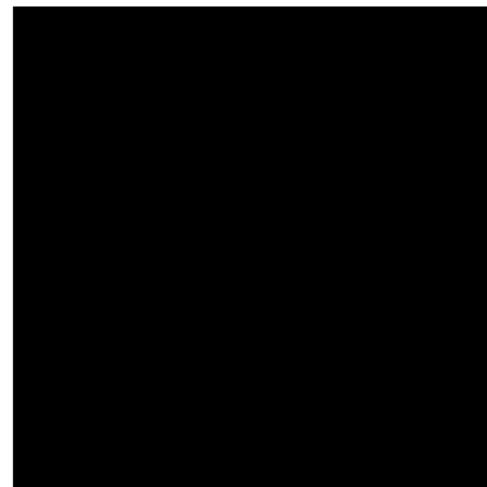
By David Vomund

This month I am pleased to present an interview with options expert Jim Yates, co-founder of the CBOE Options Institute and a senior instructor of the institute. Mr. Yates is president of DYR Associates, an investment research firm, and appears regularly on CNBC. He also is a regular lecturer at the AIQ educational seminars. This interview took place on May 24, 1995.

Vomund: Thanks for joining us Jim. I've seen in your newsletter that your market barometer was recently in zone 6, the most extended reading. Is this a sell signal and what does it mean for the market?

Yates: It's not so much predictive as it is indicative of where we are. It helps us figure out what kind of strategy makes the most sense. For the indicator, the six zones are basically six standard deviations of a normal distribution curve and we expect to be in the middle of the distribution curve the great majority of the time. In the 90's, we have only been to zone 1 once and this is only the second time that we have been in zone 6.

What this tells us is that from an options strategy standpoint there are certain strategies that don't make any sense right now. For example, buying stocks and selling calls doesn't make any



JIM YATES

sense. The reason is, that with a buy write, you establish a position that has limited gain potential and unlimited risk. This is not a good strategy in a market that could potentially go down dramatically. Selling puts is another thing you don't want to do. Again, you have limited gain and unlimited risk.

On the other hand, the strategies that make sense are hedging strategies, hedging against stock positions that have gone up dramatically. You can do this by selling calls against positions that have gone up or by the purchase of puts. We think purchasing puts is the way to go because the premiums are so low. We've got very, very low option premium levels, especially for index options.

Option Analysis continued on page 2

OPTION ANALYSIS *continued* . . .

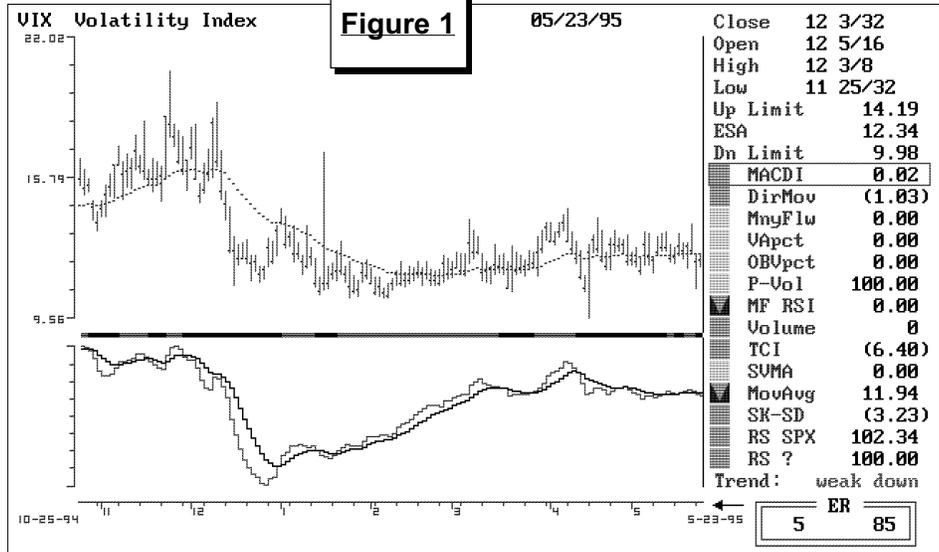
What we would be doing in this phase of the market is hedging positions. If you have long positions that are moving up, then stay with the trend as long as you can but hedge the position. We have the opinion that when the uptrend breaks, then you will see an awful lot of people try to head for the door at the same time.

Vomund: Do you think it's better to hedge by buying puts in equity options or index options?

Yates: It depends. Index options are best for a portfolio since they really are the cheapest. Then again, equity options are good for hedging individual securities. When a stock like Intel goes straight up, its volatility actually goes down. As a result, option premiums on Intel are cheaper now than they have been in a long time.

Vomund: If you are buying put options to hedge a portfolio, how do you know how many puts to buy?

Yates: Let's take the OEX at 500. One option on the OEX is the equivalent of a \$50,000 portfolio. So you can just use a straight multiplication factor as far as insurance is concerned. That's like buying \$50,000 of insurance and paying a premium for it. That's not a hedge ratio. If you're talking about how much to buy to hedge your portfolio, then you have to look at the delta of the option. An at-the-money



option would have a delta of about 0.5 so you'd have to buy twice as many at-the-money options to totally hedge your portfolio against price movement. So, it all depends on exactly what it is you're trying to do.

We are suggesting that insurance is the way to go here. When you purchase insurance you expect to lose all the money. Like life insurance — you hope you don't need it. Don't expect to make a profit on it. The insurance will simply keep you in a better position to take advantage of opportunities that might appear when the market does head south.

Vomund: Most people think options are for real speculators. I take it that this insurance strategy is really appropriate for everyone in the market.

Yates: Most people use options as speculative tools but it is very tough to consistently beat the options market. My philosophy is that the options market offers a unique model of the stock market. As an analogy, at a casino sports-book, you may find the Dallas Cowboys are favored by 25 over the Washington Redskins. The point spread is there because, based on historic records, more people believe the Cowboys are the better team. The purpose of the points is to even the bet. The same holds true for the options market, but it is the option premium that levels the odds. The objective of

an option pricing model is to find a value of that security that favors neither the buyer or the seller.

When you look at it this way, then it totally changes the way you make decisions in the options market. In the options market, it comes down to what level of expected volatility is built into the option's price. You have to do the opposite of what you normally do in normal technical analysis. Just as you would on the football bet, you find the abnormality in the market and bet the other way. You must go against the trend, which is hard to do. There is a high probability that you're going to lose money but the profit potential can be significant.

Vomund: The implied volatility or expected volatility for the market can be seen by looking at the Volatility Index, which AIQ users can plot using the symbol VIX (see Figure 1). How should this be interpreted?

Yates: The Volatility Index is critical right now. With the market making new highs, you would think the Volatility Index would be screaming. It's doing just the opposite. The VIX is very low and is now around 12. When the market does break on the downside, you will see the VIX rise to 17 or 18. That's important because it means two things happened to you from a put standpoint. You're going to make money because the market went down and you're going to make money

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OPTION ANALYSIS *continued* . . .

because premiums expanded. Right now the put side has more going for it than the call side.

Vomund: How does the VIX relate to buying puts as insurance?

Yates: Again, you want to buy insurance when volatility is low and you want to sell premiums when volatility is high. If you look at the VIX, you will see it moves around quite a bit. And so, you look for relatively low levels as being good entry points for the purchase of options.

Vomund: This is the type of analysis that appears in your newsletters?

Yates: Yes, each day we try to get an overall picture of what's going on in the market. We put out a report that classifies securities from zone 1 to zone 6. You can see what the overall market is, which stocks are too high relative to their volatility expectations, and which ones are too low. Within a few pages, you can see everything that is going on in the market which allows you to focus attention on areas worthy of

more attention.

Vomund: I know your model is bearish. Where do you see the market going from here?

Yates: This type of analysis is concerned with the next 90 days. We look at probabilities and there is a high probability that we will see a correction in the market this summer. If we move from zone 6 to zone 1, we would see the Dow at around 3500. The probability of that happening is very low. There is a high probability, however, that the market will come back to the middle range, which is around 4000 on the Dow. Using AIQ, you will also see this pretty well matches up with where the 200-day moving average is. I should say we've been expecting this for some time and it hasn't happened yet. There is no guarantee.

Vomund: I never trust anyone in the market that makes guarantees. Tell me about your upcoming seminar.

Yates: We are putting on a one day seminar to talk about how far the

market has come and what kind of things may work in the overall market. Joe Granville, who is very bearish and coming out with a new book, *Granville's Last Stand*, will be there to set the tone. We are going to have a session on precious metals, on options, and on technical analysis.

Vomund: Thank You. ■

Jim Yates' Option Trading seminar will be held on Saturday June 24 in Los Angeles, California from 8:30 to 6:00. Speakers are Jim Yates, Joe Granville and Frank Barbera. Topics are: How to protect yourself in a down market, Option Strategies – which ones work best in different markets, and Precious Metals investing. The cost is \$99, which includes lunch and materials.

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MARKET REVIEW

What kind of rally is this? From January until the 82 Dow point decline on May 18, the Dow has advanced 450 points or 11%. During that time period, the Dow never fell more than 17 points or 0.4% in any one session. That hasn't happened since 1900.

The S&P 500 has gone up for five months without a daily drop of 1%. The only longer stretch without a 1% decline was the span from August 1965 to March 1966, a streak that ended up signaling one of the major market tops of the century.

Over this time period, there has been a strong rotation in the market. Consumer and drug issues were in favor at the beginning of the year. Lately, homebuilders and financial issues are in favor.

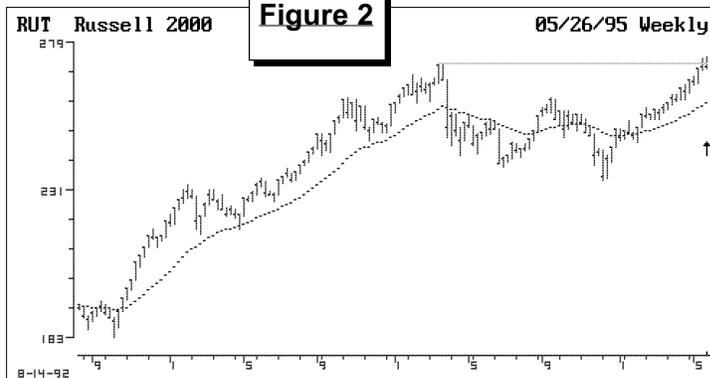
AIQ gave a whipsaw signal as a 99 down was registered on April 20 and then a 98 buy was registered on April

21. Most confirmation techniques helped avoid this whipsaw.

The 82 point drop on May 18 prompted a warning 93 down signal but not an outright sell signal. It didn't take long for the market to bounce back. The following Monday the Dow advanced 54 points and was in new high ground on Tuesday. A confirmed 95 up signal was registered on May 23 and another 93 down signal on May 26.

The new highs in market averages are receiving a lot of attention but one index that we've discussed in past articles, the Russell 2000, is at the same level of its previous highs. Whereas the NASDAQ

Composite is heavily weighted with technology issues, the Russell 2000 is the best measure of overall small company activity. Looking at **Figure 2**, we can see that unless the Russell 2000 rallies from these levels, it is in the process of making a double top. The majority of stocks have participated in the advance but the Blue Chip stocks and technology stocks have been the strongest performers. ■



MARKET ANALYSIS

SIGNAL CONFIRMATION, OR NOT?

Last month we began a study on various market timing confirmation techniques. We examined a no confirmation policy versus a Price Phase indicator confirmation policy. This month, we will introduce two additional techniques which use two different indicators for confirmation:

- MACD indicator
- Directional Movement Index

To briefly review the material covered last month, the Price Phase indicator is the MACD indicator set to 10 and 49 days instead of 12 and 25 days. With these settings, the Price Phase Line is the faster of the two MACD lines. (AIQ's windows product provides separate Price Phase and MACD indicators, which eliminates having to change constants to view both indicators).

In May, we reviewed the market timing signals dating back to 1985. Only Expert Rating buy and sell signals of 95 or greater were included and only the first buy signal in a string of buy signals was acted upon. To test confirmations, the S&P 500 index was purchased the day the first market timing Expert Rating was confirmed and was held until a confirmed sell signal. There was no time limit as to when the signal must be confirmed.

The testing is applied to the AIQ market timing model using data from The Wall Street Journal. Users who obtain data from Telescan will notice slightly different results since Telescan reports the actual high and low price of the Dow rather than the theoretical value that is reported by the other data vendors. While the buy and sell dates may differ, the conclusions should remain the same.

Note: Only the market timing Expert Ratings are considered in the testing. Findings of the testing do not apply to the AIQ stock timing signals.

We found last month that the Price Phase indicator is a fast confirmation technique. That is, it doesn't take much movement in the direction of the signal before confirmation is seen. In fact, of the 50 trades over the 10-year time period, all but two were confirmed. On average, a market timing buy signal is

It appears the highest returns are achieved by not using confirmation. More often than not, you will buy sooner and at a lower price and sell at a higher price than those who use confirmation.

confirmed by the Price Phase in 3.4 calendar days.

This month we test two slower confirmation techniques. The first is the MACD crossover (with settings of 12 and 25). The second technique uses the Directional Movement Index (DMI), where a buy signal becomes confirmed when/if the DMI moves into positive

territory. The opposite is true for sell signal confirmations.

Results of the study are found in **Table 1**. In this table, we list three sets of theoretical transactions for each market signal. The three sets correspond to three different confirmation techniques:

1. No confirmation
2. MACD confirmation technique
3. DMI confirmation technique

(Results of the Price Phase confirmation technique were listed in last month's newsletter).

Examining various time periods, we can see the benefits and costs of using different confirmation techniques. The benefit of using confirmation on buy signals comes when a buy

signal is registered in a falling market and the market keeps falling. The best example of the benefit of using confirmation comes from the worst buy signal given over our testing period. A 96 buy signal was registered on August 14, 1992, in the middle of a small bear market. Using no confirmation, a 10%

Market Analysis continued on page 6

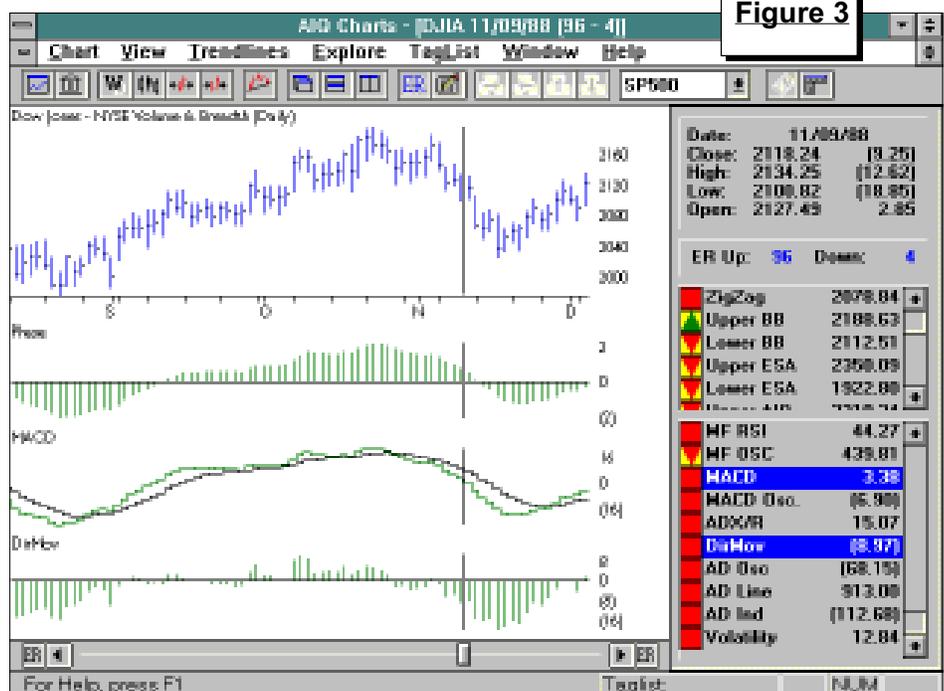


Table 1

-- No Confirm --			-- MACD Confirm --			-- DMI Confirm --		
Entry Date	Exit Date	S&P 500 % Ch.	Entry Date	Exit Date	S&P 500 % Ch.	Entry Date	Exit Date	S&P 500 % Ch.
03/19/85	04/03/85	-0.24	04/01/85	04/04/85	-1.24	03/19/85	04/04/85	-0.28
05/09/85	09/03/85	3.29	05/10/85	09/12/85	-0.32	05/09/85	09/12/85	0.97
09/13/85	04/29/86	31.49	09/25/85	04/29/86	33.13	09/30/85	04/30/86	29.35
05/20/86	06/06/86	4.05	05/23/86	06/10/86	-0.73	05/21/86	06/10/86	1.75
07/14/86	09/08/86	4.21	08/05/86	09/09/86	4.49	08/12/86	09/11/86	-3.35
09/22/86	03/27/87	26.05	10/03/86	03/30/87	23.74	10/08/86	03/30/87	22.19
05/26/87	07/01/87	4.78	05/28/87	07/01/87	4.19	05/26/87	No Confirm	
07/29/87	08/27/87	4.98	07/29/87	08/27/87	4.98	N/A	09/01/87	11.86
09/22/87	10/06/87	-0.09	09/28/87	10/08/87	-2.80	09/28/87	10/06/87	-1.23
12/07/87	12/28/87	7.35	12/08/87	01/11/88	5.35	12/16/87	12/28/87	-1.01
01/20/88	04/14/88	7.06	01/29/88	04/15/88	1.05	02/01/88	04/14/88	1.85
05/03/88	05/05/88	-1.60	05/03/88	05/06/88	-2.10	05/03/88	05/05/88	-1.60
05/13/88	07/18/88	5.35	05/31/88	07/18/88	3.19	05/31/88	07/21/88	1.73
07/28/88	10/27/88	4.23	08/01/88	10/27/88	1.86	07/29/88	10/27/88	1.94
11/09/88	01/03/89	0.72	11/29/88	01/03/89	1.63	12/05/88	01/03/89	0.14
03/03/89	03/17/89	0.52	03/13/89	03/20/89	-1.83	03/06/89	03/17/89	-0.72
03/29/89	06/29/89	9.35	04/03/89	06/29/89	7.86	03/31/89	06/29/89	8.41
06/30/89	10/11/89	12.27	07/11/89	10/13/89	1.48	07/07/89	10/13/89	2.69
11/15/89	01/10/90	1.99	11/15/89	01/11/90	2.35	11/24/89	01/12/90	-1.17
01/31/90	02/20/90	-0.33	02/05/90	02/23/90	-2.32	No Confirm	N/A	
02/27/90	03/22/90	1.64	02/27/90	03/30/90	2.93	03/01/90	04/02/90	1.79
05/01/90	07/05/90	7.05	05/07/90	07/05/90	4.45	05/03/90	07/23/90	5.88
08/13/90	10/09/90	-9.96	08/30/90	10/11/90	-7.30	No Confirm	N/A	
10/15/90	12/21/90	9.41	10/18/90	12/27/90	7.38	10/19/90	01/04/91	2.73
01/16/91	04/22/91	20.49	01/18/91	04/24/91	15.21	01/17/91	04/26/91	15.57
05/01/91	06/17/91	-0.04	05/09/91	06/17/91	-0.81	05/02/91	06/19/91	-1.43
06/28/91	07/24/91	2.02	07/11/91	07/26/91	1.05	07/12/91	07/24/91	-0.42
08/21/91	09/04/91	-0.16	08/23/91	09/06/91	-1.29	08/23/91	09/09/91	-1.42
09/11/91	10/24/91	-0.01	09/19/91	11/06/91	0.62	09/19/91	10/24/91	-0.64
11/07/91	11/15/91	-2.82	11/14/91	11/15/91	-3.66	11/07/91	11/15/91	-2.82
11/29/91	02/24/92	9.87	12/13/91	02/24/92	7.23	12/20/91	03/05/92	5.03
04/10/92	05/15/92	1.43	04/13/92	05/15/92	0.99	04/10/92	No Confirm	
05/29/92	06/05/92	-0.45	No Confirm	N/A		N/A	06/05/92	2.27
06/22/92	07/20/92	2.57	07/01/92	07/22/92	-0.47	07/01/92	07/20/92	0.21
07/27/92	08/06/92	2.20	07/29/92	08/10/92	-0.66	07/28/92	08/07/92	0.33
08/14/92	09/08/92	-1.30	09/03/92	No Confirm		09/03/92	09/08/92	-0.85
09/10/92	09/22/92	-0.67	N/A	09/24/92	0.12	09/10/92	09/23/92	-0.60
09/28/92	12/14/92	3.89	10/19/92	12/15/92	4.24	10/27/92	12/16/92	3.11
12/18/92	01/07/93	-2.39	12/23/92	01/07/93	-1.89	12/18/92	01/07/93	-2.39
01/12/93	02/16/93	0.67	01/26/93	02/16/93	-1.37	01/25/93	02/16/93	-1.39
07/06/93	10/22/93	4.95	07/12/93	11/04/93	1.89	07/09/93	11/05/93	2.55
12/17/93	02/04/94	0.74	12/17/93	02/04/94	0.74	12/17/93	02/07/94	1.15
02/28/94	03/24/94	-0.60	03/14/94	03/25/94	-1.46	03/23/94	03/24/94	-0.89
03/28/94	06/20/94	-0.98	04/15/94	06/20/94	2.08	05/18/94	06/21/94	-0.52
06/27/94	08/05/94	2.19	07/11/94	08/09/94	2.20	07/14/94	08/05/94	0.81
08/23/94	09/19/94	1.36	08/24/94	09/20/94	-1.21	08/23/94	09/21/94	-0.66
09/26/94	09/29/94	0.31	No Confirm	N/A		09/27/94	09/29/94	0.04
10/10/94	10/20/94	1.70	10/12/94	10/25/94	-0.85	10/11/94	10/25/94	-0.92
11/07/94	04/20/95	9.12	12/06/94	04/20/95	11.52	11/15/94	No Confirm	
04/21/95	05/15/95	3.79	04/24/95	05/15/95	2.90	N/A	05/15/95	13.49

loss was seen before a sell signal was registered. Using the Price Phase indicator, the loss was cut nearly in half. The DMI confirmation technique was the most successful as the signal was never confirmed.

Other examples where confirmation worked to lessen or eliminate losses are the 8/14/92, 9/28/92, and 3/28/94 buy signals.

Results in **Table 1** also hide some of the benefits of confirmation. There are several cases where the percentage returns with confirmation and without confirmation were about even. Looking at the drawdowns, however, more clearly reveals benefits of confirmation. The returns from applying confirmation to the November 9, 1988 buy signal were not much higher than using no confirmation. Yet, we see in **Figure 3** (see page 4) that waiting for confirmation helped avoid a big drawdown as the market fell 3.4% before rallying enough for confirmation.

Does this mean everyone should use confirmation? Not necessarily. There are many examples where you would have bought at a higher price or sold at a lower price because of confirmation.

The most prominent example comes from the October 11, 1989 sell signal. This perfect sell signal was registered only three S&P 500 points below a major market top. Although the Price Phase confirmed this sell signal the next day, it wasn't until the mini-crash on October 13 that the MACD and the DMI confirmed the signal. On that day, the S&P 500 fell 21.74 points and the Dow fell 190 points.

Other examples of missing part of a market move are less dramatic than that of the October 11, 1989 sell. Typically, it takes a few day's movement in the direction of the signal before a confirmation is seen. On average, the MACD confirms Expert Rating buy signals 8.6 calendar days after the signal. The DMI confirms the buy signals on average 8.4 days after the signal.

Conclusions

Table 2 summarizes results from this and last month's studies. We see that the highest return was obtained by ignoring confirmation. The fastest confirmation technique, the Price Phase, showed the next highest return. The lowest return was seen when the DMI was used. While returns are lower with confirmation, there are several cases where using confirmation helped to avoid large drawdowns and whipsaws.

Some people prefer to use confirmation to reduce the number of signals. It turns out, however, that eventually almost every signal is confirmed. Using the DMI, which is the slowest confirmation technique, only five of the 50 trades over the testing period were not confirmed.

In most cases, using a confirmation technique results in not acting on sell signals instead of ignoring buy signals. Our recent April 20 sell signal, which

was followed by a buy signal the next day, is a good example. All confirmation techniques except the MACD helped avoid this whipsaw.

Whether to use confirmation and what confirmation method should be used is a personal decision. It appears the highest returns are achieved by not using confirmation. More often than not, you will buy sooner and at a lower price and sell at a higher price than those who use confirmation. However, you must be prepared for times of frustration and losses that are avoided with confirmation. If being whipsawed by the signal in late April '95 or being invested in late March '94 upset you, then apply a confirmation technique.

The Price Phase indicator is a good balance between the cost and benefit of using confirmation. Since it is a fast method, little price movement is required to achieve confirmation and, as the study shows, it helps avoid some bad signals and reduces the losses from buying too early. ■

Table 2

Summary Statistics (1985 through May 15, 1995)

No Confirmation	
% Ch. w/o Compounding	191%
Avg. % Ch. per Trade	3.83%
Number of Trades	50
Largest Loss	9.96%
Price Phase Confirmation	
% Ch. w/o Compounding	168%
Avg. % Ch. per Trade	3.51%
Number of Trades	48
Largest Loss	5.08%
MACD Confirmation	
% Ch. w/o Compounding	129%
Avg. % Ch. per Trade	2.74%
Number of Trades	47
Largest Loss	7.30%
DMI Confirmation	
% Ch. w/o Compounding	113%
Avg. % Ch. per Trade	2.52%
Number of Trades	45
Largest Loss	3.35%

TOOLS OF THE TRADE

ADX TRADING STRATEGY

By David Vomund

In late May, I had the privilege of attending the Market Technicians Association seminar in Las Vegas. Interviews from some of those who attended the seminar will appear in coming issues of the *Opening Bell*, including an interview with Marc Chaikin, developer of the Volume Accumulation Percent indicator. This month's article highlights a trading strategy discussed in the seminar that uses the ADX/ADXR indicator.

Linda Bradford Raschke, president of LBR Group, gave a presentation on short-term trading techniques. Her presentation included a strategy that combines a 20-day exponential moving average with the ADX/ADXR.

In a quick review, the ADX/ADXR indicator measures the strength of a trend in the market. The ADX is the faster of the two lines. A rising ADX, especially when it is greater than 25, indicates a strong trend is underway and suggests that trend-following trading strategies are in order. The higher the ADX, the more directional the market movement. A high ADX can imply either a strong uptrend or a strong downtrend.

The trading strategy is based on the simple logic that a correction in a strong trending stock will likely be temporary. The rule is simple: buy an uptrending stock when it falls to its 20-day ESA at the same time that the ADX line is above 25 and is increasing. Conversely, a sell signal is given when a downtrending stock rallies to its 20-day ESA at the same time that the ADX line is above 25 and is increasing.

By default, AIQ software overlays a 21-day exponential moving average

on the price plot (this is the middle line between the two trading bands). Our windows product allows you to change this to a 20-day moving average, but there is little difference between the two.

Using our software, the buy signal occurs when price falls to the moving average (middle line on price plot) at the same time that the ADX line is above 25 and its Barometer color is

average. By March 22, the stock had weakened enough to fall to its 21-day moving average. At the same time, the ADX indicator was above the 25 level (the horizontal line on the indicator screen) and was rising. The ITW stock was in an uptrend and the ADX indicator was saying that the uptrend would continue.

An example of a stock that gave a buy signal later in its trend is found in

The rule is simple: buy an uptrending stock when it falls to its 20-day ESA at the same time that the ADX line is above 25 and is increasing.

Figure 5. American General (AGC) began its uptrend in December and had tested its 21-day ESA on several occasions without a significant break. The combination rule gave a buy on February 14. In this time period, the stock had fallen back to its moving average line but the ADX indicator (upper line) continued to rise (as shown

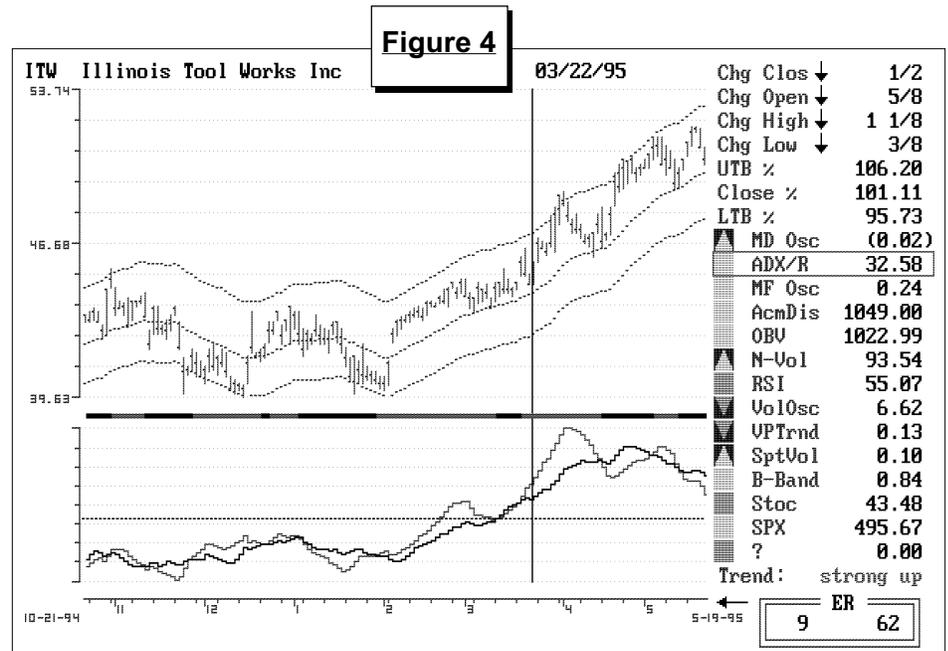
by the green Barometer box) and was above the 25 level.

Notice that AGC successfully

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green.

An example can be seen in **Figure 4**. In early February, Illinois Tool Works (ITW) rose above its 21-day ESA and remained above the moving

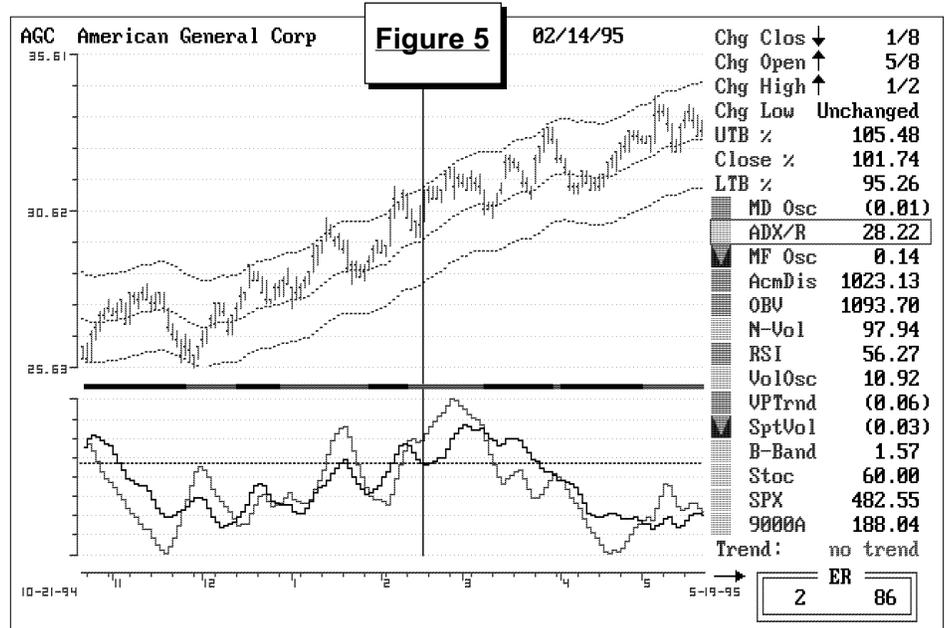


TOOLS OF THE TRADE *continued . . .*

tested its 21-day ESA on several occasions but the trading rule only gave a buy signal on one occasion. That's OK. Uptrending stocks often find support when they approach their 21-day moving averages. Our trading rule simply picks the most favorable time periods for stock rallies.

This is a short-term trading strategy. It implies that a stock may rally to the top trading band. If the stock rallies for an additional three months it would be for reasons outside of this trading strategy. Weekly charts can be used for longer term signals. ■

David Vomund is publisher of two advisories for stock and sector fund investing available by mail or fax. For a free sample of the advisories, phone 702-831-1544.



STOCK DATA MAINTENANCE

The following table shows past and future stock splits and large dividends:

Stock	Ticker	Split/Div.	Date	Stock	Ticker	Split/Div.	Date
Protective Life	PL	2:1	06/02/95	Assoc. Bancorp	ASBC	5:4	06/16/95
Consolidated Stain	PIPE	3:2	06/02/95	Fremont General	FMT	10%	06/16/95
Parker Hannifin	PH	3:2	06/05/95	Intel Corp	INTC	2:1	06/19/95
Credence Systems	CMOS	3:2	06/06/95	Vishay Intertech	VSH	2:1	06/19/95
Cohu Inc.	COH	2:1	06/07/95	Rand Capital	RAND	5:4	06/19/95
Quick & Reilly	BQR	3:2	06/08/95	Lydall Inc	LDL	2:1	06/22/95
Belo (AH)	BLC	2:1	06/12/95	Omnicare Inc.	OCR	2:1	06/22/95
Schering Plough	SGP	2:1	06/12/95	DeVry Inc.	DVRY	2:1	06/22/95
Fulton Financial	FULT	10%	06/12/95	Gillette Co	G	2:1	06/23/95
Sun Bancorp	SUBI	5%	06/12/95	CNS Inc	CNXS	2:1	06/23/95
Morgan Keegan	MOR	3:2	06/12/95	Informix	IFMX	2:1	06/26/95
Synalloy Corp	SYNC	3:2	06/13/95	Gartner Group	GART	2:1	06/29/95
Fedders Corp	FJQ	5:4	06/15/95	Pfizer Inc.	PFE	2:1	07/03/95
American Bus. Products	ABP	3:2	06/16/95	Engelhard Corp	EC	3:2	07/03/95

Name/Ticker Changes:

Pennsylvania Power & Light (PPL) to PP&L Resources (PPL)
 Zilog Inc. (ZLOG) to Zilog Inc. (ZLG)

Trading Suspended:

Chesapeake Energy (CSPK) PET Inc. (PT)
 Contel Cellular (CCXLA) Spectrum Info Tech (SPCL)
 Continental Corp (CIC) Western Co. of North America (WSN)
 E-Systems (ESY)