

# To Horde or to Hoard

by Fullermoney.com's Eoin Treacy to the  
Market Technicians Association

San Diego April 3<sup>rd</sup> & Los Angeles April 11th





**To Participate or not is the most fundamental question for any investor.**

**In fact, as soon as we label ourselves investors we immediately associate with the horde.**



**In the aftermath of any crash a significant demographic swear off investing for good. They chose to exit the group persona.**

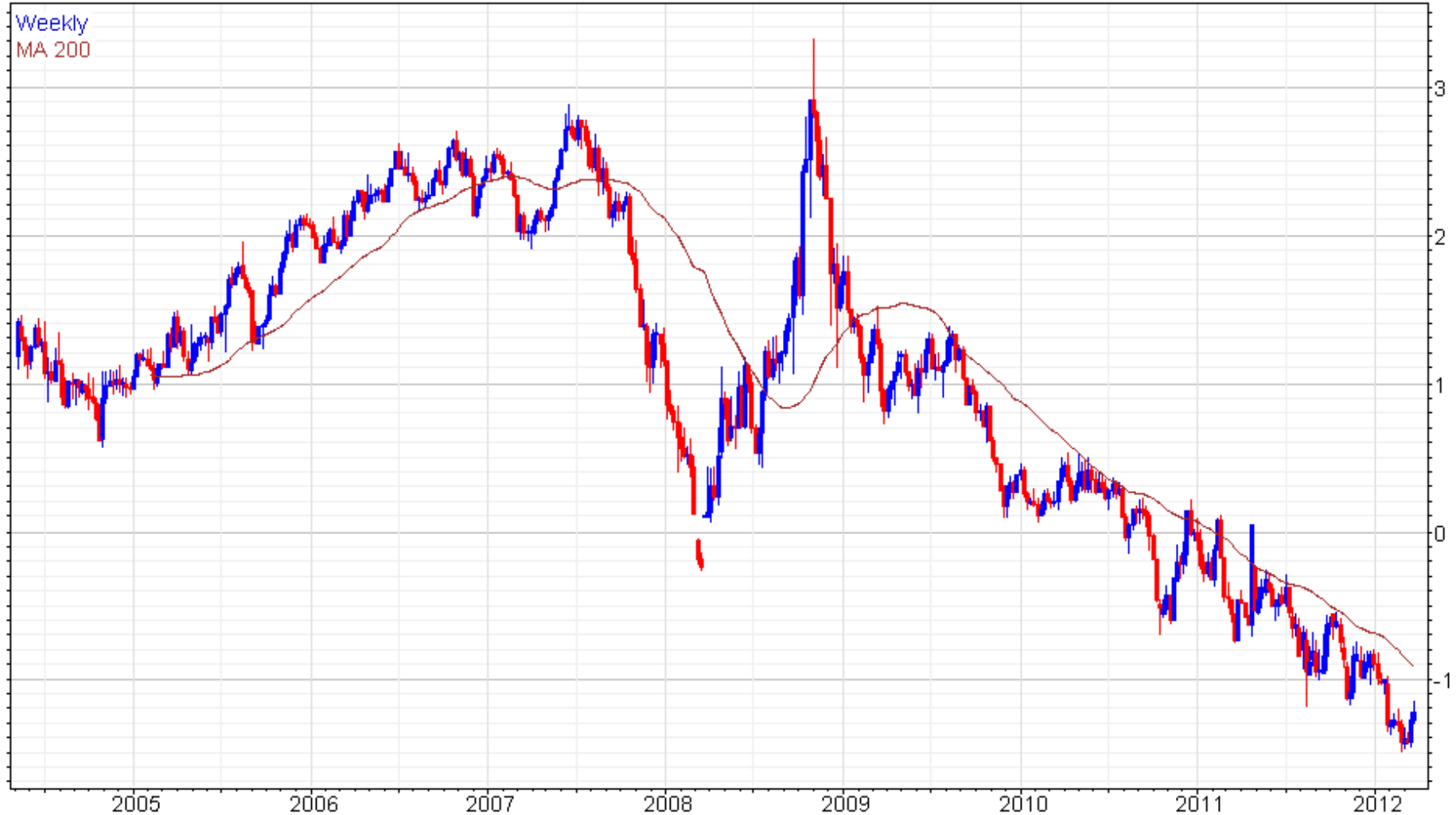
**Others seek relief in a safe haven asset which is simply migrating from one crowd to another.**



# Negative Real Interest Rates

US 5 Year TIPS Yield (USGGT05Y) -1.2203 -0.04

www.fullermoney.com 23 Mar 2012

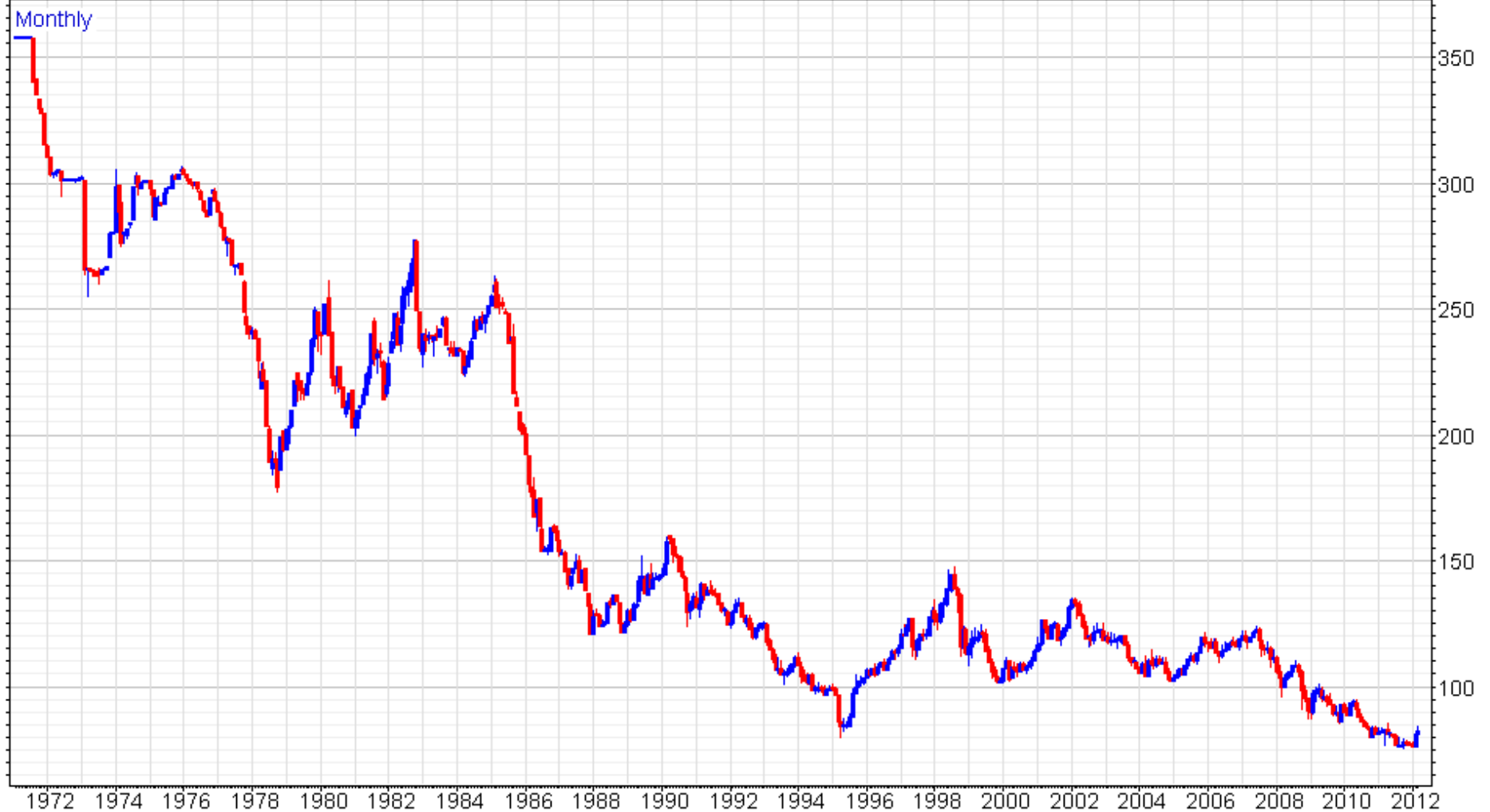




# Flight to dubious quality

Japanese Yen per 1 US Dollar (JPY) 82.35 -0.19

www.fullermoney.com 23 Mar 2012





**As soon as we participate we  
become part of the crowd.**

**Each crowd shares common  
characteristics and develops a  
unique persona.**



# **Experiences typically associated with joining a Crowd**

- **Lower sense of personal responsibility**
- **Critical thought processes deteriorate**
- **Susceptibility to psychological contagion increases**



## **Characteristics of every crowd**

- **Aggression – crowds only respect force**
- **Criticism – if you are not with us you are against us**
- **Manic Depressive – crowds lurch from one extreme emotional state to another.**
- **Contradiction – facts are unimportant to the crowd persona**





**By interacting with the horde we must accept that we will be affected by it.**

**Therefore, if we are to retain our emotional equilibrium we must develop a dispassionate methodology for our investments.**

**At FullerMoney we rely on consistency characteristics to give us clues as to the attitude of the investment crowd.**



**The power of the crowd is amplified by a wide divergence between supply and demand.**

**Such conditions create consistent patterns in the price action**



Apple (AAPL) 606.98 +10.93

www.fullermoney.com 26 Mar 2012



**Apple is totem  
about the  
Autonomies but  
susceptible to a  
correction**



Anheuser-Busch InBev (BUD) 73.48 +1.33

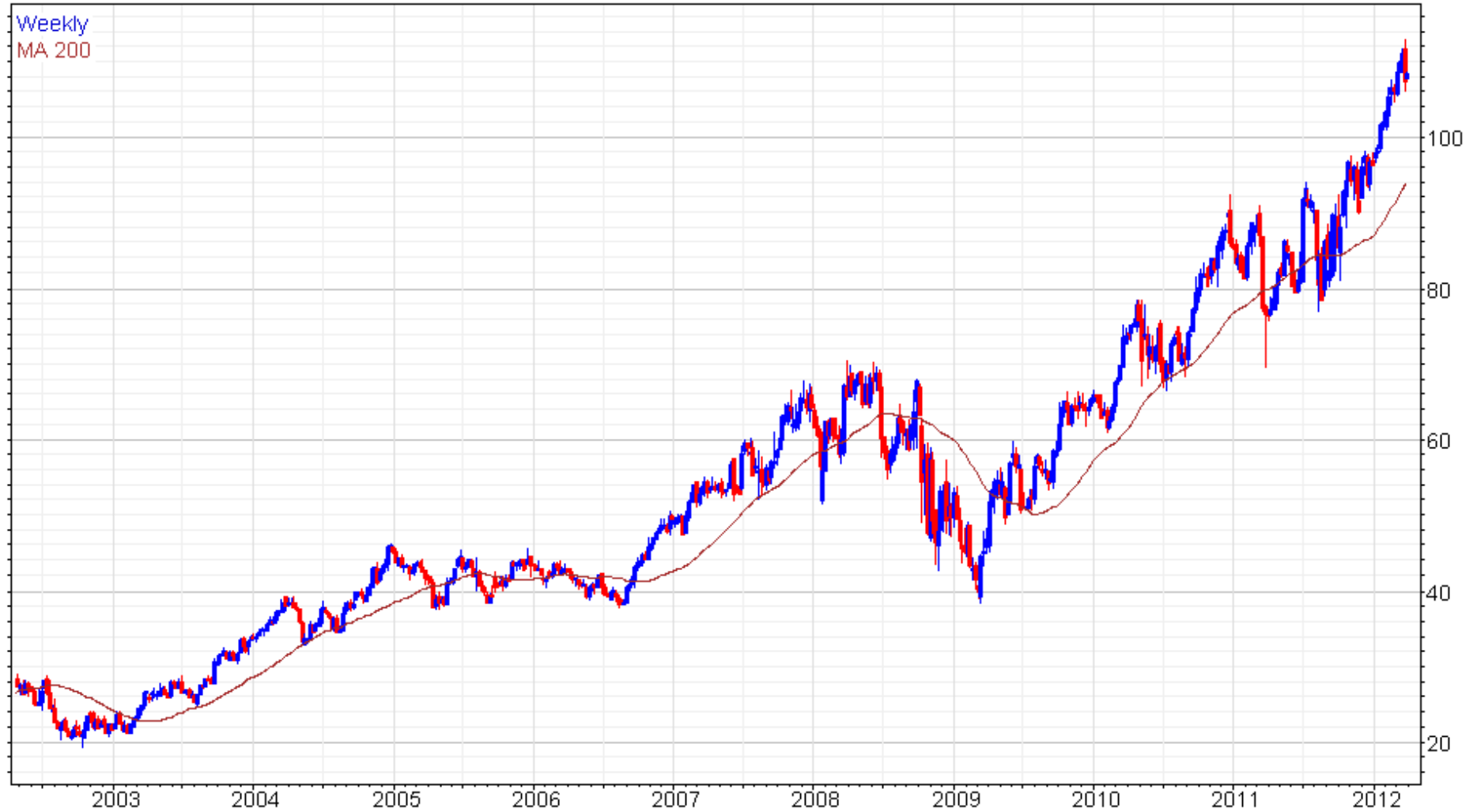
www.fullermoney.com 26 Mar 2012





Nike Inc (NKE) 108.55 +1.13

www.fullermoney.com 26 Mar 2012





Nu Skin Enterprises Inc (NUS) 55.53 -0.39

www.fullermoney.com 10 Apr 2012





**Once we acquaint ourselves with the characteristics of the crowd and how they might affect us we can explore where the biggest trends are likely to develop.**



London Spot Gold (GOLDS) 1686.53 -3.55

www.fullermoney.com 27 Mar 2012

Weekly  
MA 200

**Crowds develop a distinct  
persona**

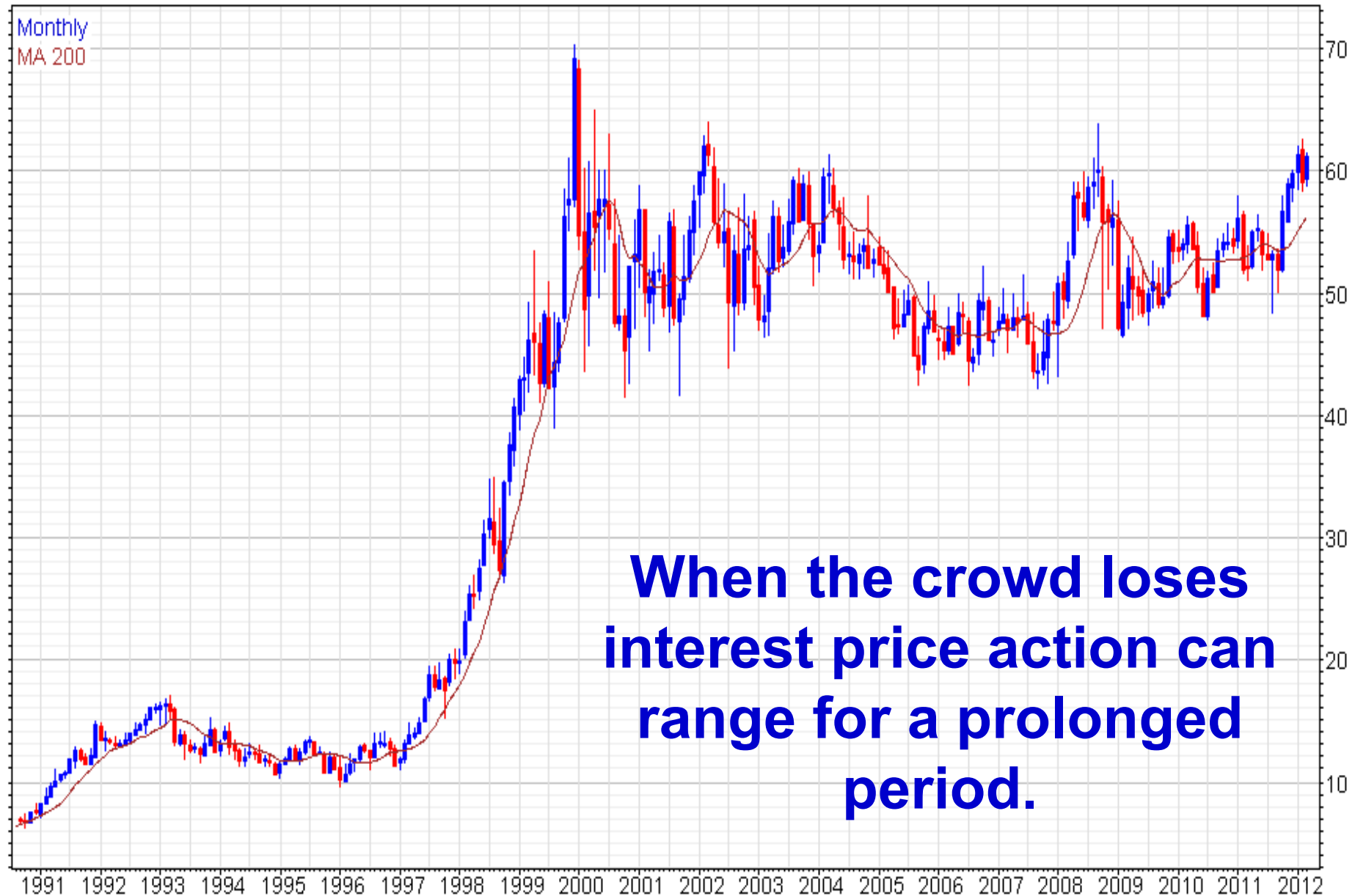






Wal-Mart Stores Inc (WMT) 61.2 +0.45

www.fullermoney.com 26 Mar 2012



**When the crowd loses interest price action can range for a prolonged period.**



Intel Corp (INTC) 27.983 -0.21

www.fullermoney.com 28 Mar 2012





S&P 500 Banks Index (S5BANKX) 158.97 +2.95

www.fullermoney.com 26 Mar 2012





NASDAQ BIOTECHNOLOGY INDEX (NBI) 1288.09 +22.68

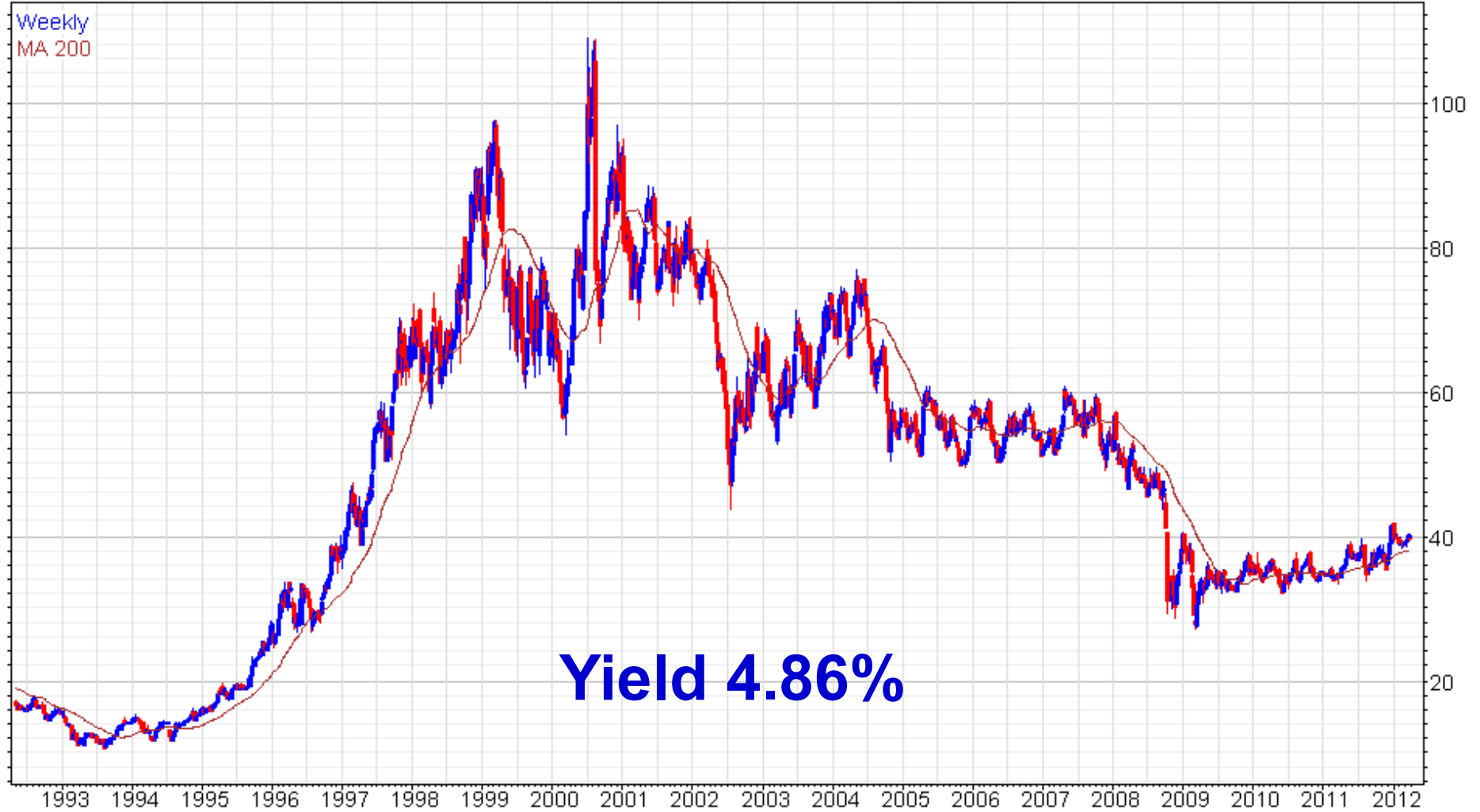
www.fullermoney.com 26 Mar 2012





Eli Lilly & Co (LLY) 40.27 +0.40

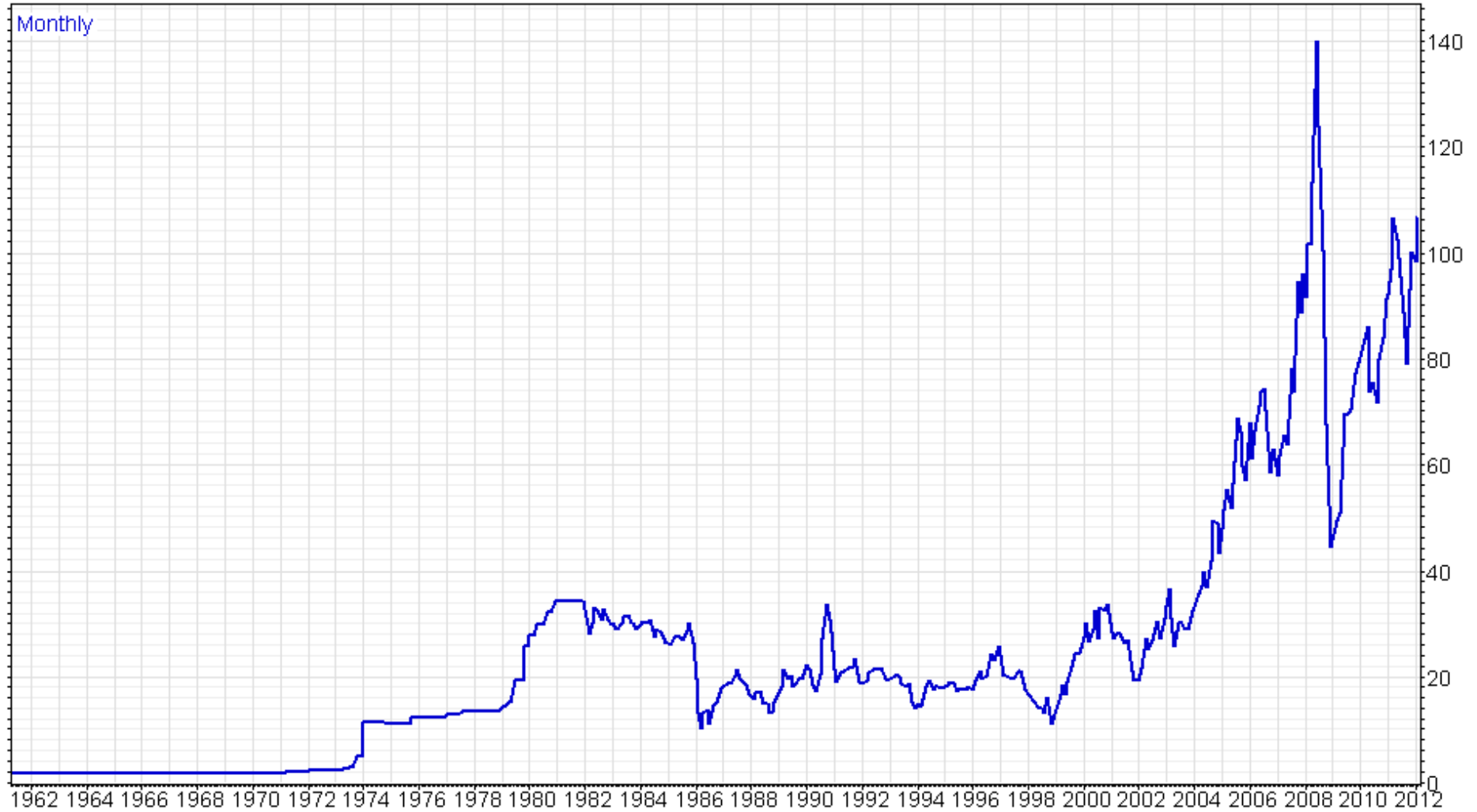
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Bloomberg Crude Oil Historical Price (OILPHIST) 107.07 +8.59

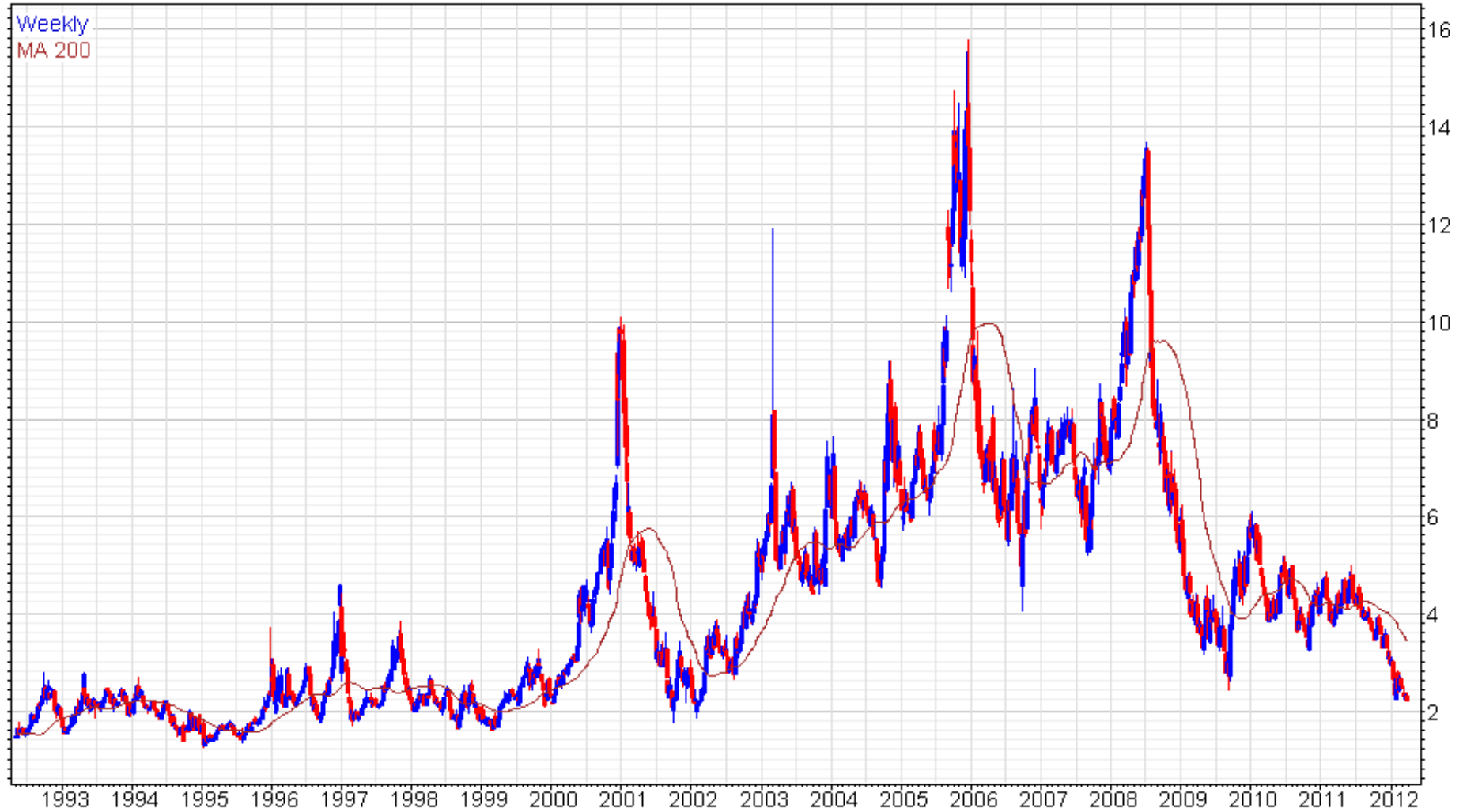
www.fullermoney.com 29 Feb 2012





Natural Gas NYME 1st Month Continuation (NG1) 2.226 -0.05

www.fullermoney.com 26 Mar 2012





Teekay LNG Partners LP (TGP) 39.4 +0.16

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Thank you very much

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Strategy Service produced by  
David Fuller  
&  
Eoin Treacy

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