

# CSI NEWS JOURNAL

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VOL. III NO. 10 \* \*

THURSDAY, OCTOBER 1, 1987

Boca Raton, Florida

\$5.00

## WHAT'S NEW ---

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Lightning Strikes CSI Page 2

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If non-Floridians send in the Florida Services Tax Affidavit, we will not have to pay tax in your behalf Page 3

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QUICKTRIEVE® Improvements Page 2

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Automatic File creation and stock and mutual fund dividend normalization are now possible with the QUICKTRIEVE MOVE PROGRAM Page 2

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Now you can shorten or lengthen a file using the MOVE PROGRAM Page 3

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Bulk Data Sale Continued Page 3

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Please write to the FCC Page 3

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Additions, Changes, and Deletions to the Stock Database Page 4

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Four New Commodities Added Page 4

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Network Additions and Changes Page 5

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## CONTEST RESULTS

Here is the letter we sent to participants in the Optimization Contest we sponsored over a year ago. The sponsors paid out prize money in excess of revenue received. If you regret not having participated, perhaps you may have another chance at a later date.

Re: Professional Trading System  
Optimization Contest

Dear Participant:

When we announced the trading system optimization contest in June of 1986, we anticipated a much better response. As you may recall, a qualified entrant had to have purchased Bruce Babcock's "Professional Trading System" for \$495 and he had to have purchased PERPETUAL CONTRACT Data on 16 specific commodities from CSI. Some CSI users entered for only \$15 because they had previously purchased the perpetual data. Those who had to purchase all the necessary perpetual data paid CSI \$495.

There were 38 eligible participants. Of these, only 23 entered the contest, two less than the contest rules allowed as a limit to the number of finalists.

CSI, CTCR, and J.F. Dalton Assoc. contributed \$12,000 each to the \$36,000 in prize money. After earning interest in the bank until the prize money was released the pot grew to \$37,360.94.

As you can see, the number of dollars returned to the winners was actually greater than the number of dollars collected. Nevertheless, we were happy to have been a sponsor. The odds of a return (based on expected value), because of the low number of entrants were better than an even 50:50 bet. If we have a weak

moment and try a similar exercise again we expect a better response.

We would like to congratulate the following winners of the Professional Trading System Optimization Contest. Here are the unofficial results:

C. CLARK EASTER	1ST PRIZE	\$20,756.09
Baltimore, MD		
JOHN SAUDER	2ND PRIZE	\$10,378.03
Dallas, TX		
MORTON JACOBS	3RD PRIZE	\$5,189.02
Shawnee Mission, KS		
RICHARD KARPLUK	BEST OPTIMIZER	\$1,037.80
Ballston Lake, NY		

Easter, Sauder and Jacobs' solution entry provided the best "real" results on unseen data; whereas Karpluk submitted the most superior optimization on historical data.

Enclosed is your updated Marstat Data Diskette which contains perpetual historical data from January 1, 1986 through June 30, 1987 for the sixteen commodity markets used for the contest.

Should you wish to purchase additional historical data or become a daily subscriber to CSI's Data Retrieval Service, we have enclosed a low cost special sale package. For more detailed information, please call our Marketing Department at 1-800-327-0175. Those who are already customers of CSI, we thank you for your patronage and ask for any suggestions or recommendations you might have to improve our service.

We would like to thank all participants for making the contest a success.

Sincerely,

Robert C. Pelletier

#### EMILY TAKES HER TOLL

Hurricane Emily didn't hit Boca Raton, but the weather front that preceded her as the storm blew north up the east coast of Florida caused twisters and violent electrical storms. Lightning struck both our building and the building next to us,

killing a person next door (unknown to us) and destroying certain CSI equipment not protected by the power supplies and diesel generator on which we spent \$100,000 last year. The man who died was shocked while talking on the phone. One person at CSI, who was on the phone at the time, was shocked also.

The result was that stock and options data for Wednesday, September 23rd, was delayed until the next or a subsequent day. We lost several terminals, a PC, and a board in our new telephone system.

The telephone board failure has made it difficult for us to retrieve incoming calls. We have limited capability to call out at the present time, but we expect a replacement board to be delivered in a day or two, restoring the phones.

Although most of our lost capability has been restored, we are still having trouble with some equipment as of the date of this journal.

#### QUICKTRIEVE IMPROVEMENTS

The scope of several new improvements to QUICKTRIEVE are far reaching and significant and we know all users will want to order the updated disk. The cost is \$20 to all who have not ordered a new disk since July 1, 1987. For those who have ordered QUICKTRIEVE since that date, please call us and we will send you a new copy at no charge.

#### 1) AUTOMATIC FINANCIAL SERIES ADJUSTMENTS FOR DIVIDENDS AND/OR CAPITAL GAINS

Last month we reported on how it is possible to adjust back data for dividend or capital gains payments. This facility, now a part of QUICKTRIEVE, permits one to compare the rates of change of stocks, mutual funds, and commodities on an equivalent basis.

All prices prior to the day of a dividend or a capital gain award for a given series are multiplied by the ratio of  $(Price_j - DC_{j+1})/Price_j$  to convert all prices prior to day  $j+1$  to adjust for the dividend or capital gain,  $DC$ , on day  $j+1$ .  $Price_j$  is the closing price on day  $j$ .

The equation reported in last months News Journal, expressed in a different form, should be ignored in favor of the above approach which is currently part of the QUICKTRIEVE Move program.

## 2) ENHANCEMENTS TO THE MOVE CONTRACT FILE FUNCTION

A number of changes have been made to the MOVE CONTRACT FILE FUNCTION. These changes will benefit users of weekly and monthly files as well as those who manage PERPETUAL CONTRACTS. The changes are summarized below.

You are now able to create a weekly or monthly file from a matching daily file. Previously the weekly or monthly file had to be created separately under the create subsystem.

The move function now also supports shortening or lengthening of data files as they are moved. Also known as extension/truncation, this improvement helps users who carry PERPETUAL CONTRACTS and wish to add extra space to a data file when the year ends. When AUTOCREATE is selected for a destination file, additional prompts ask for a new beginning month and year as well as a new ending month and year. After the move is complete, the original file is left as it was, and the new file is ready to be updated for another year. An addendum to the manual will be sent to purchasers with information to explain the process in more detail.

## FLORIDA SERVICES TAX UPDATE

The Florida Services Tax took on a different meaning when Florida Governor Bob Martinez convened the Florida Legislature to vote for repeal last week. The Democrats want to revise the tax to exempt the squeaky wheel advertisers and the Republicans want to repeal the tax before finding alternative revenue sources.

In light of these developments, we have decided to temporarily avoid charging the tax so this month's invoice does not show a tax due for non-Florida customers.

We urge all users to sign and return the enclosed affidavit, regardless of the legislature's decision on the matter. CSI

will be obliged to pay the tax for any customer who refuses to sign the enclosed affidavit, whether or not the law is repealed. Martinez suggested a January 1, 1988 repeal date. If this (repeal) becomes a reality, CSI will owe the tax for the period July 1, 1987 until December 31, 1987 for all non-Florida customers not signing the affidavit. If it is not repealed, we will owe the tax indefinitely.

Technically, the only non-Florida accounts who should not sign the affidavit are those who would do business in Florida with the information CSI supplies. A trading advisor who advises Floridian's based on data received from CSI would fall into this category. All others should sign the affidavit. Thank you for your help on this matter.

## DATA SALE EXTENDED AND SOME NEWS ABOUT QUICKMONEY

We have decided to extend, for at least another month, our bulk data sale. Many users in anticipation of eventual release of QUICKMONEY, have been purchasing large quantities of perpetual data. QUICKMONEY, because of its long term market perspective, requires 6 to 8 years of perpetual data on each of a pair of commodities to feed the intermarket straddle algorithm.

We did not set a specific date for the release of QUICKMONEY, but all of the basic analysis has been defined and the program design is nearing completion. We will not release the software until after we have an opportunity to test the product thoroughly. On a percentage basis, the two year old QUICKMONEY project is about 85% complete.

## FCC CONTEMPLATING INCREASING PHONE COSTS BY UP TO 500%

We reported two months ago in the August News Journal that the FCC's motion to "tax" enhanced service providers will increase data access phone charges by 80 to 500%. Our costs would go up very significantly and we would have to pass on such a huge increase to our customers.

Please write to the FCC to protest such an action. The tax will seriously hurt firms

like CompuServe, Dow Jones Retrieval Service, and The Source. The impact on CSI will be less because efficient QUICKTRIEVE data compaction procedures greatly minimize phone time. Nevertheless, we will be hurt also and the purposed "tax", which is used to give financial help to your local phone company, will increase our costs by about \$50,000 per month.

Please write to:  
 The Honorable Dennis Patrick,  
 Chairman FCC  
 Washington D.C., 20554  
 FCC Access Charge Proposal -  
 and reference Docket no. 87-215

**ADVERTISEMENT ENCLOSED**

We have three participating advertisers this month, Dr. Elder, the Elder-Viewpoint on Futures; John Ehlers' Cycle Analysis Program-Mesa; and Christopher Englebert of E. F. Hutton & Co. hosting a Computerized Commodity Trading Seminar in Pennsylvania. We accept advertisements to accompany our News Journal for the sole purpose of deferring postage costs.

**ADDITIONS TO THE STOCK DATABASE**

5873 FAU Freeport McMoran Gold Co. 870821  
 5285 FBT First City Bancorp Tex 870910  
 5867 NPH North Am Philips 870903  
 5866 UIL Unit Illuminating 870831  
 5981 VLID Valid Logic Systems Inc. 870915  
 5865 KAN Kansas Power & Light 870825  
 5864 ACG ACM Gov't 870821  
 5863 MCL Moore Corp. LTD 870820  
 5980 DRCD Dynamic Research Corp. 870915  
 VANGUARD GROUP  
 6049 VGRNX Special Energy Port 870901  
 6050 VGHCX Special Health Care 870901  
 FIDELITY GROUP  
 6127 FBIOX Select Biotech Port 870901  
 FINANCIAL GROUP  
 6197 FLISX Strategic Leisure 870828  
 6191 FIDYX Program Dynamics 870828  
 6192 FSTEX Strategic Energy 870828  
 6193 FEURX Strategic European 870828  
 6194 FSFSX Strategic Fin Svcs 870828  
 6195 FGIDX Strategic Gold 870828  
 6196 FHLSX Strategic Health 870828  
 6197 FLISX Strategic Leisure 870828  
 6198 FPBSX Strategic Pac Basin 870828  
 6199 FTCHX Strategic Technology 870828  
 6200 FSTUX Strategic Utilities 870828  
 6201 FHYPX Programs Hi Yield 870828

6202 FLRFX Programs Indust Fund 870828  
 6203 FIIIX Programs Indust Inc. 870828  
 6204 FTIFX Programs Tax Free 870828  
 6205 FPWTX Programs World Tech 870828

**CHANGES TO THE STOCK DATABASE**

5666 AMD American Motors merged w/5475 C  
 Chrysler Corp. 870909.  
 5802 BFDA Symbol is now BF.A

**DELETIONS TO THE STOCK DATABASE**

6048 VGPMX Vanguard Gold & Precious Metals  
 5018 BUR Burlington Industries suspended  
 870903  
 5459 BOR Borg Warner Corp. suspended  
 870931  
 5590 CON Com Data Network Inc. suspended  
 870910  
 5612 RCI Reichhold Chemicals suspended  
 870909  
 5625 ACCO Acco World Corp. suspended  
 870811

**STOCK SPLITS**

STK #	COMPANY NAME	DATE OF SPLIT	SPLIT
5010	EMR Emerson Electric	3/1	870911
5576	CHA Carter Hawley Hale	5/1	870911
5151	XON Exxon Corp.	2/1	870915
5533	WPM W Point-Pepperell	2/1	870915
5931	NDXLB Nixell Corp. B nv	2/1	870820
5004	TNV Tri Nova	2/1	870916

**ADDITIONS TO THE COMMODITY DATA BANK**

COMMODITY NUMBER: 102  
 COMMODITY NAME: RUSSELL 2000 STOCK INDEX  
 SYMBOL: RT  
 EXCHANGE: NYFE  
 UNIT OF MEASURE: \$5/Point  
 CONTRACT SIZE: \$500 x Index  
 DELIVERY MONTHS: 3, 6, 9, 12  
 CONVERSION FACTOR: +2  
 FIRST DAY ON FILE: 870910  
 COMMODITY NUMBER: 103  
 COMMODITY NAME: RUSSELL 3000 STOCK INDEX  
 SYMBOL: RA  
 EXCHANGE: NYFE  
 UNIT OF MEASURE: \$5/Point  
 CONTRACT SIZE: \$500 x Index  
 DELIVERY MONTHS: 3, 6, 9, 12

COMMODITY NUMBER 103 CONTINUED  
 CONVERSION FACTOR: +2  
 FIRST DAY ON FILE: 870910

COMMODITY NUMBER: 28  
 COMMODITY NAME: 100 OZ GOLD  
 SYMBOL: GH  
 EXCHANGE: CBT  
 UNIT OF MEASURE: \$ per Troy OZ  
 CONTRACT SIZE: 100 Ounces  
 DELIVERY MONTHS: 2, 4, 6, 8, 10, 12  
 CONVERSION FACTOR: +1  
 FIRST DAY ON FILE: 870914

COMMODITY NUMBER: 37  
 COMMODITY NAME: 5000 OZ SILVER  
 SYMBOL: SI  
 EXCHANGE: CBT  
 UNIT OF MEASURE: Cents per Troy OZ  
 CONTRACT SIZE: 5000 Troy OZ  
 DELIVERY MONTHS: 2, 4, 6, 8, 10, 12  
 CONVERSION FACTOR: +1  
 FIRST DAY ON FILE: 870914

COMMODITY NUMBER: 106  
 COMMODITY NAME: INSTITUTIONAL INDEX  
 SYMBOL: IX  
 EXCHANGE: CBT  
 UNIT OF MEASURE: \$5/Point  
 CONTRACT SIZE: 500 x Index  
 DELIVERY MONTHS: 1 - 12  
 CONVERSION FACTOR: +2  
 FIRST DAY ON FILE: 870922

TYMNET PHONE NUMBER ADDITIONS

KY Frankfort 502/223-0724

TYMNET PHONE NUMBER CHANGES

CA Bakersfield 805/325-0371  
 PA Butler 412/283-2286  
 TX Laredo 512/727-8308  
 TX Port Arthur 409/721-3400

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**CSI ERROR REPORT  
 SEPTEMBER 1987**

The following errors were found after the data was first released. They may or may not affect a user depending upon the time of access. The figures in bold print represent the corrected values. The volume and open interest are presented in scientific notation ready for input into an Apple or Commodore computer.

DATE	CSI NO.	SY	DELIVERY MONTH/ CODE; NEAREST	FUTURES IN ( )	OPEN	HIGH	LOW	CLOSE	T.VOL	T.D.I.	IND.VL/OI	DATE	CSI #	SYMBOL	OPEN	HIGH	LOW	CLOSE	IND.VOL	P.VOL	PE
870831	3	CD	12/87		1980	1994	1974	1988				870715	5184	GCN	5316	5332	5300	5316	294		
870827	10	CC	12/87		11387	11625	11350	11522				870820	5380	NYAC	5745	5139	5252	5733	5159	5863	
870827	10	CC	39/87		11307	11546	11270	11437				870821	5380	NYAC	5864	5349	5139	5110	5159	5745	
870827	10	CC	49/87		11446	11684	11411	11581				870825	5380	NYAC	5715	5216	5021	5357	5159	5865	
870917	10	CC	ALL						2609	26261		870903	5380	NYAC	5457	5139	5519	5867	5159	5339	
870923	10	CC	03/88		11583	11640	11460	11630				870831	5380	NYAC	5580	5421	5272	5866	5139	5361	
870917	11	D	ALL						2085	35160		870717	5452	ROP	2208	2208	2140	2148		572	
870917	12	DJ	ALL						900	7133		870901	5473	XAU	14841	14856	14703	14717	318	267	
870923	17	S	03/88		5362	5422	5360	5412				870724	5601	SLC	7616	7632	7600	7600	8285		
870907	50	ZE	ALL						1239	27834		870702	5612	RCI	6308	6400	6248	6400	3265		
870903	101	CR	54/87		22485	22495	22439	22450				870728	5738	SPRA	26110	26158	25969	26097	11726	11520	
870904	101	CR	54/87		22451	22514	22438	22473				870701	5749	NVR	924	924	916	924	252		
870908	101	CR	54/87		22473	22473	22318	22416				870728	5786	XVL	27425	27539	27425	27539	345	289	
870918	143	KV	ALL						1631	3163		870904	5798	ISSA	870	243	383	244	426	549	
870923	143	KV	54/87		27527	27705	27525	27704				870824	5799	PMDC	4538	4542	4534	4538	11444	11662	
870914	144	TQ	12/87		8402	8412	8312	8315				870729	5799	PMDC	4303	4312	4300	4312	11360	11259	
870914	144	TQ	09/87		8430	8507	8408	8411				870903	5800	NAGD	4711	1101	1079	2531	5635	4364	
870923	149	SP	54/87		31949	32182	31913	32122				870904	5800	NAGD	4815	972	1240	2603	4718	4360	
870904	150	TS	ALL						31716	91532		870717	5800	NAGD	4756	1259	990	2507	5832	3963	
870914	250	TT	12/87		9102	9107	9019	9022				870825	5911	BLX	2908	2916	2900	2908	2976		