

GETTING TECHNICAL

Professional Market Technicians

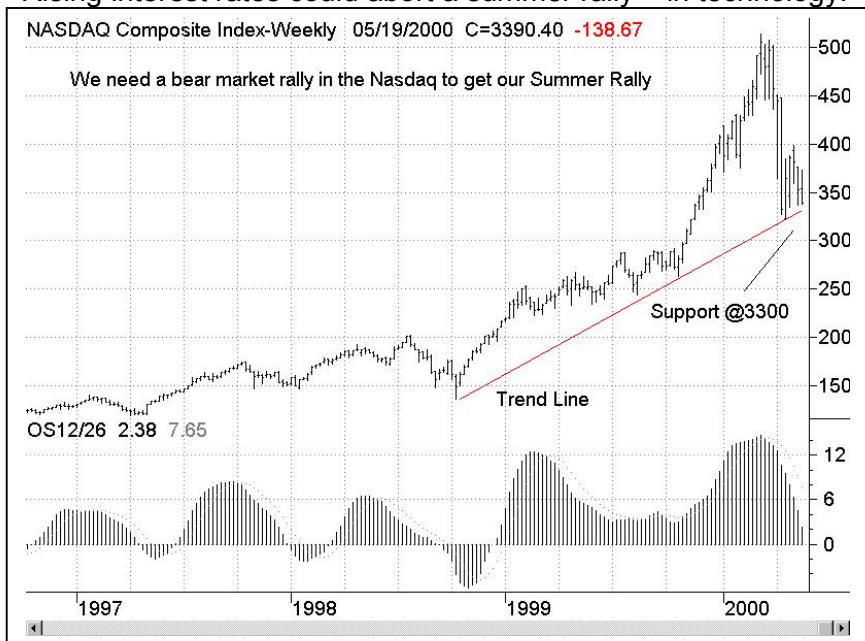
Editor Bill Carrigan

BI-WEEKLY UPDATE
MAY 20, 2000

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TSE300 9293

World Stock Markets: A Third and final up leg is pending through summer to a Labour Day Top..

Rising interest rates could abort a summer rally – in technology.



The recent U.S. Fed move to hike rates by one half a point could be the last rate increase though to the U.S. elections. This could set the stage for a summer rally in most world stock markets. This rally could be a third and final up leg in the current 1998-2000 bull stock markets.

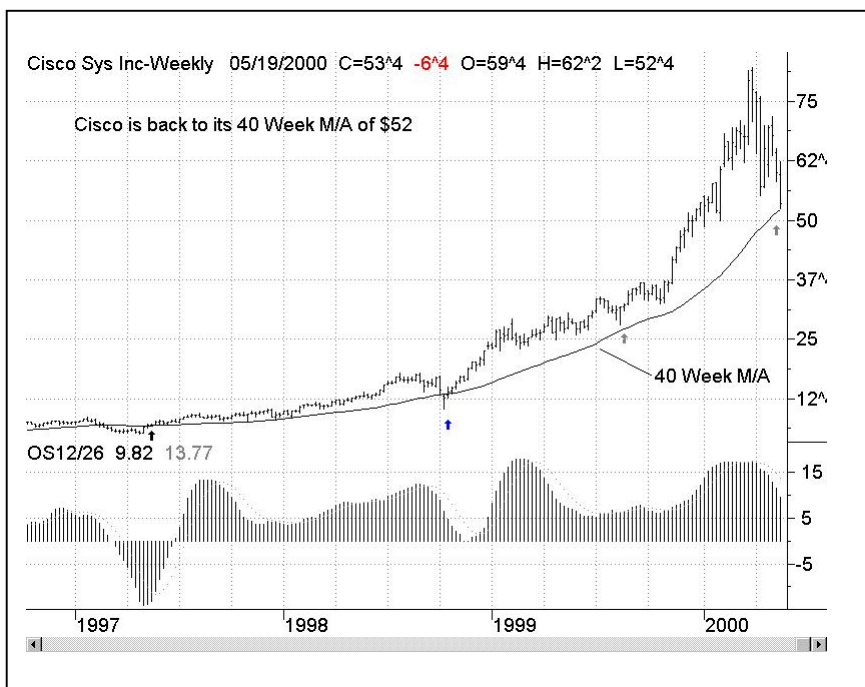
Any rally in the Nasdaq should be considered to be a bear market rally.

This pending third up leg should be enjoyed by stocks with earnings and assets. Investors are now shifting from concept start ups to traditional business that have a history of earning power and growth. The recent strength in McDonald's, Philip Morris and Exxon Mobil is typical of the current investor appetite for stocks with hard assets and earning power.

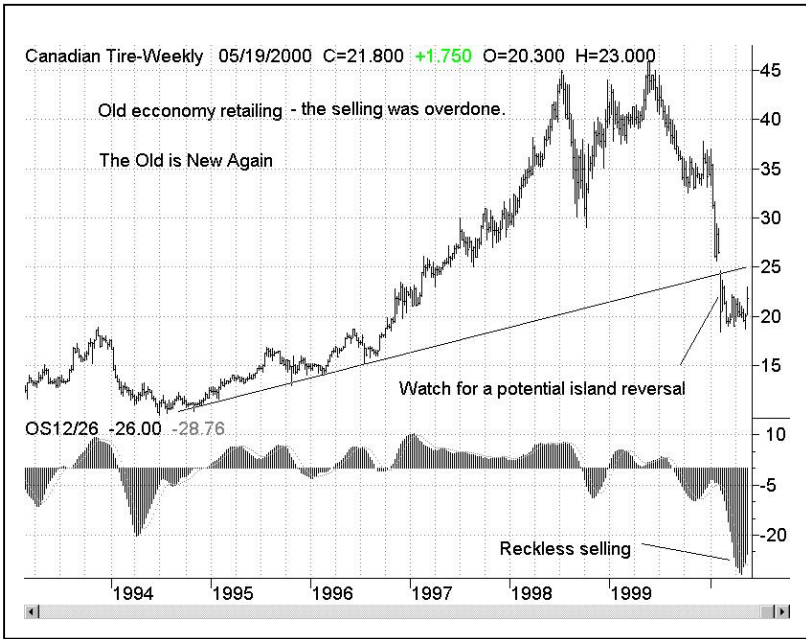
The oil complex continues to enjoy a second up-leg advance. Our selling window on the oil complex is in the peak June/July summer driving season. The oil stocks continue to be beneficiaries of money leaving the technology sector. The oils are how a hold – to late to buy, to soon to sell.

-Bill C.

Cisco Systems is resting on its 40 wk M/A – rally pending.



The next few weeks should see a significant recovery bounce in most of the technology stocks. For traders only. Investors in the technology sector should use this recovery in the group as an opportunity to exit the group. Don't get carried away in this short term bullish rally, this is a bear market rally only.



New dominant theme: Real estate, retail and transportation



Opportunities: The low risk door is still open for selected stocks in the real estate sector. Some candidates are, Brookfield Prop (BPO-TSE), Cambridge (CBG-TSE), Gentra (GTA-TSE), Oxford Properties (OXG-TSE), and Trizec Hahn (TZH-TSE). Selected traditional retail stocks are now attractive low risk buys. Canadian Tire (CTR.A-TSE) and Hudson Bay (HBC-TSE) are two good examples of investors bailing out of old retail in reaction to the potential threat of on-line retailing.

A recent study by Jupiter Communications Inc. says consumers will spend more at bricks-and-mortar stores than on the Web. The study released in Chicago reflects the reality that consumers are choosing to do business with traditional retailers and using the web mainly to look up product reviews and services. The recent failure of the high profile on-line clothing retailer boo.com is not an isolated event in the on-line-retail sector. **Important:** Gold stocks are slowly showing signs of recovery. I publish an alert if gold stocks appear in the filter runs. -Bill C

Financial Services takeover spec's selected October 3, 1999

Name	Symbol	Mkt	October 3-99	May 20-00	net%
AGF Management	AGF.B	TSE	\$22.05	\$33.10	50.1%
Can Banc	XCN.A	TSE	\$22.00	\$33.50	52.3%
Mackenzie Financial	MCF	TSE	\$16.75	\$21.85	30.4%
Trilon Financial	TFC.A	TSE	\$9.80	\$9.75	-0.5%
Trimark Financial	TMF	TSE	\$18.25	\$24.95	36.7%
				net	33.8%
	TSE300		7,116	9,293	30.6%

We have had enough of this group and the sector in liquidated as of May 20, 2000. We will retain the bank stocks selected (TD and BNS) on October 7, 1999 through mid summer.

Risky Funds @ March 31,2000	Mar31/2000	May19,2000	Net %
AGF 20/20 Aggressive Growth Fund	\$ 52.87	\$ 43.63	-17%
AIM European Growth Fund	\$ 37.44	\$ 32.51	-13%
Altamira Science and Technology Fund	\$ 43.96	\$ 36.26	-18%
Altamira Equity Fund	\$ 42.90	\$ 42.86	0%
Altamira e-business Fund	\$ 38.23	\$ 30.22	-21%
BPI American Equity Value Fund U\$	\$ 15.44	\$ 13.50	-13%
BPI Signature CDN Small Companies Fund	\$ 14.35	\$ 11.84	-17%
BPI Signature American Small Co Fund	\$ 55.51	\$ 45.65	-18%
BPI Global Small Companies Fund	\$ 44.92	\$ 38.90	-13%
CIBC Financial Companies Fund	\$ 14.28	\$ 14.79	4%
Dynamic Power Canadian Fund	\$ 8.22	\$ 7.85	-5%
Fidelity Capital Builder Fund	\$ 25.20	\$ 24.77	-2%
Investors Global Science & Technology Fund	\$ 32.44	\$ 25.81	-20%
Cambridge Growth Fund	\$ 4.39	\$ 3.04	-31%
Trimark Discovery Fund	\$ 14.38	\$ 11.83	-18%
Universal European Opportunities Fund	\$ 22.08	\$ 18.16	-18%
Universal Future Fund	\$ 21.14	\$ 20.37	-4%
Universal U.S. Emerging Growth Fund	\$ 25.07	\$ 19.53	-22%
		total	-14%
Safe Funds @ March 31,2000	Mar31/2000	May19,2000	Net %
Altamira Resource Fund	\$ 8.18	\$ 9.29	14%
Altamira North American Recovery Fund	\$ 12.42	\$ 13.81	11%
BPI Canadian Resource Fund Inc.	\$ 12.90	\$ 15.47	20%
C.I. Sector Global Financial Services Shares	\$ 21.41	\$ 20.96	-2%
Cundill Canadian Security Fund Class B	\$ 22.86	\$ 24.07	5%
MAXXUM Natural Resource Fund	\$ 6.70	\$ 7.81	17%
Spectrum United Canadian Resource Fund	\$ 3.83	\$ 4.34	13%
Green Line Resource Fund	\$ 8.19	\$ 9.44	15%
Universal Canadian Resource Fund	\$ 8.79	\$ 10.00	14%
		total	12%
New safe funds Apr 15, 2000		May19,2000	
AGF International Stock Class	\$ 9.96	\$ 9.81	-2%
AIC Advantage Fund	\$ 64.79	\$ 68.38	6%
AIC Advantage Fund II	\$ 7.70	\$ 8.38	9%
Industrial Equity	\$ 3.67	\$ 3.84	5%
O'Shaughnessy Canadian Equity Fund	\$ 11.49	\$ 11.95	4%
Trimark Canadian Fund - SC	\$ 16.97	\$ 18.18	7%
		total	4.8%
Persistent Underperform (dogs) May5, 2000		May19,2000	
AGF 20/20 Emerging Markets Value Fund	\$ 4.02	\$ 3.90	-3%
CIBC Global Equity Fund	\$ 21.38	\$ 20.36	-5%
Investors Global Fund Ltd.	\$ 14.31	\$ 14.15	-1%
Investors Retirement Mutual Fund	\$ 17.24	\$ 17.83	3%
Ivy Foreign Equity Fund	\$ 21.53	\$ 21.51	0%
Spectrum United Canadian Growth Fund	\$ 21.40	\$ 21.39	0%
Templeton Emerging Market	\$ 8.71	\$ 8.24	-5%
Templeton Growth Fund Ltd.	\$ 11.11	\$ 11.04	-1%
Universal Canadian Growth Fund	\$ 18.03	\$ 17.81	-1%
		total	-1.4%

The opinions are based on technical analysis and more information should be obtained before making an investment decision.
There is no such thing as a perfect investment and there is no such thing as a perfect recommendation
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