

Sentimental journey: Hamzei Analytics

Market sentiment data — data that indicates whether the market is bullish or bearish, and to what degree — is a highly sought-after commodity in the trading world.

Like anything else, what makes it so valuable is its rarity: It's hard to find reliable (and timely) information of this type.

Common tools used by traders to gauge sentiment are the put-call ratio and volatility. For example, a high proportion of put purchases relative to call purchases reflects bearish market sentiment and, to professionals, is a situation that warns of a market bottom when it reaches an extreme. Similarly, the commonly referenced Chicago Board Option Exchange volatility index (VIX) is used as a measure of "fear" in the market.

Hamzei Analytics (www.hamzeianalytics.com) is a Web site devoted to market sentiment by way of real-time analysis of put-call activity and volatility on 225 of the most active indices, stocks, index tracking stocks and sector HOLDERS. The site has seven main proprietary tools:

- **Real-time Put/Call Ratio Scanner Alerts:** Provides scrolling information on

notable developments in put-call ratios. (See additional information on Yahoo Instant Messaging Feature, opposite page.)

- **Real-time Put/Call Ratio Baskets:** Provides simple and

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Among its many features, Hamzei Analytics provides a volatility matrix that provides real-time tracking of 17 volatility indices.

Symbol		Volatility Index		Mean ATM MIV		Price	
		Ours	CBOE's	Prev.	Last	Prev.	Last
BBH	Broadband HOLDERS	62.60	54.36	62.36	58.16	24.63	25.96
SOX	Semiconductor Index	59.03		55.15	51.15	600.90	654.17
HHH	Internet HOLDERS	58.46		62.00	62.58	46.43	47.50
SMH	Semiconductor HOLDERS	56.29		61.73	45.05	46.06	50.20
QQQ	NASDAQ-100 Tracking	52.58		61.75	46.25	45.83	48.23
NDX	NASDAQ-100 Index	52.18		49.95	45.35	1,838.84	1,932.52
MINX	Mini NASDAQ-100	51.38		50.20	44.66	183.88	193.25
BBH	Biotech HOLDERS	48.42		46.65	42.38	138.74	144.00
XAU	Gold & Silver Index	44.44		39.85	37.50	58.29	58.88
OSX	Oil Service Index	42.33		39.10	37.25	128.87	128.77
BNX	Banking Index	25.08	21.90	21.18	927.88	932.86	
XOI	Oil & Gas Index	22.70	18.80	18.85	596.33	598.76	
OEX	Standard & Poor's 100	21.59	21.20	19.73	18.00	654.48	682.07
RUT	Russell 2000 Index	20.53	17.90	17.65	507.32	515.83	
SPX	Standard & Poor's 500	19.90	17.70	16.00	1,267.11	1,283.43	
DJX	Dow Jones Industrial Avg.	18.85	16.55	15.78	110.82	111.72	
BBH	B2B HOLDERS	0.00	62.90	76.35	6.59	8.61	

Sifting through options: PowerOptionsPlus

Selecting stocks and organizing your trading methodology is no easy task, given the scope of the market. If you also trade stock options, the amount of information you have to sift through can increase tenfold.

Software packages and Web sites that actually decrease your workload are rare finds indeed. One such site is PowerOptionsPlus (www.poweroptionsplus.com), which, among other features, allows you to use customized criteria to find potential trades among different option strategies.

For example, if you're a covered call trader (a covered call consists of a long stock position and a short call option), PowerOptionsPlus can help you find the stock-option combinations that will give you the highest returns, depending on the stock's probability of reaching the strike price. For a trader interested exclusively in options, the site also ranks different kinds of vertical spreads (which consist of both long and short call or put options with different strike prices).

PowerOptionsPlus doesn't have some of the bells and whistles found in other programs, such as profit-loss diagrams and calculation of certain "Greeks" (theta, vega and gamma, which denote different option characteristics). This might, at first, seem like a weakness, but after you've tried out the site for a while you realize you really don't need to bog yourself down with such information, anyway.

In addition to ranking different types of strategies, you can research complete option chains, compare individual options for different stocks, or perform Black-Scholes calculations for both real and hypothetical options. The site also has portfolio tracking capabilities, fundamental data and charting capabilities through BigCharts.com (www.bigcharts.com).

Although the help file is very extensive, and there are several ready-made sample strategy searches, both the help and strategy ranking explanations would benefit from a little more detail. They have the feel of having been written by engineers for engineers; a little too much knowledge on the

