

Continued from page 75

Exchange-Traded Funds (ETFs) — Collections of stocks that are bought and sold as a package on an exchange, principally the American Stock Exchange (AMEX), but also the New York Stock Exchange (NYSE) and the Chicago Board Options Exchange (CBOE).

Fibonacci Ratio — The ratio between any two successive numbers in the Fibonacci sequence, known as phi (φ). The ratio of any number to the next higher number is approximately 0.618 (known as the Golden Mean or Golden Ratio), and to the lower number approximately 1.618 (the inverse of the Golden Mean), after the first four numbers of the series. The three important ratios the series provides are 0.618, 1.0 and 1.618.

In-the-Money (ITM) — A call option whose strike price is lower than the stock or future's price, or a put option whose strike price is higher than the underlying stock or future's price. For example, when a commodity price is \$500, a call option with a strike price of \$400 is considered in-the-money.

Initial Public Offering — When a stock is officially available for the public to buy.

Kondratieff, Nikolai — Developer of a wave theory. The Kondratieff wave is a 54-year rhythm of wholesale prices, politics, and culture.

Lag — The number of datapoints that a filter, such as a moving average, follows or trails the input price data. Also, in trading and time series analysis, lag refers to the time difference between one value and another. Though lag specifically refers to one value being behind or later than another, generic use of the term includes values that may be before or after the reference value.

LEAPS — Acronym for *long-term equity anticipation securities*, which are long-term listed options, with maturities that can be as long as two and a half years.

Limit Order — An order to buy or sell when a price is fixed.

Limit Up, Limit Down — Commodity exchange restrictions on the maximum upward or downward movements permitted in the price for a commodity during any trading session day.

Continued on page 91

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