Emerging Ideas for the Active Investor

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Fusion Oil Helps To Reduce America's Dependence On Foreign Oil

By Malcolm Katt

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As the world's largest economy, the United States is naturally the world's largest consumer of oil. Currently, the U.S. imports almost 60% of its oil from foreign countries. Most of these imports come from OPEC countries, six of which are in the volatile Middle East. For forty years our energy demand has grown at a sustainable rate of 2 percent annually to a current estimated usage of 18 billion barrels of oil per day. According to the U.S.

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Is Leonardo LoCricchio's Commodities Program A Lesson For A Bear Market?

by Christian M. Chensvold

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We are in a unique market situation, and Leonardo LoCricchio is ready to exploit it to its fullest potential.

As a certified Commodity Trading Advisor (CTA) and principal of Europa Capital Associates, headquartered in New York City with offices on

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Letter from the Publisher

Do Your Homework

William F. Buckley said a magazine "is to be a trusted friend who arrives in the mail." The journalist, author and television personality who died in February worked over 50 years in the media business. As a teenager first discovering the power of words, I remember watching Mr. Buckley moderate his TV show *Firing Line,* where he would do battle against the forces of bureaucracy. Sometimes he would come away scarred. Other times absolutely victorious, and every time he told the truth. Mr. Buckley possessed the good judgment and responsibility the media should have for its audience. As the creator of the *National Review* magazine, he was a custodian of objectivity and truth. To be your "trusted friend". This is our mission at Investor Concepts.

This month I am trying to find time to read two astounding books --- *A Bull In China: Investing Profitably In The World's Greatest Market* by billionaire and commodities guru Jim Rogers, and *Crash Proof: To Profit From The Coming Economic Collapse* by Peter D. Schiff, two books I highly recommend. Jim Rogers knows a thing or two about investing in China. During his two decades of China investing he has made three trips across the country, two of which were enjoyed atop a Harley-Davidson motorcycle. And after reading Crash Proof you may want to run out to your bank and cash out your savings accounts held in US dollars and exchange them for euros or Chinese renminbi currency (whose principal unit is the yuan) to protect against a US dollar value which is undeniably suspect and sure to evaporate even more in the coming years. Crash Proof is so important to your investment portfolio that we hope to have Peter Schiff as a guest writer in an upcoming issue.

Most investors are aware of the audacious TV luminary Jim Cramer and his cable television show *Mad Money*. In our office it seems that *Mad Money* is always playing on the TV nearby. CNN is getting its money's worth with the perpetual reruns. On a recent show Mr. Cramer professed the importance of *homework* when it comes to investing, an idea he promotes in his book, *Real Money: Sane Investing In An Insane World*.

As Jim Cramer would advise, "Before you buy any stock…please, please, do your homework. Listen to the conference calls. Go to the company's Web site. Read the research. Read the news stories. Everything's available on the Web. Everything."

This week, Warren Buffett held court at this year's Berkshire Hathaway annual general meeting in Omaha, Nebraska. When asked by a shareholder whether Mr. Buffett expected to earn returns of 7% to 10% on publicly traded stocks Berkshire had purchased recently, Mr. Buffet quickly responded no.

"We would be very happy if we earned 10%, pre-tax," he said. "Anyone that expects us to come close to replicating the past should sell their stock; it isn't going to happen. We'll get decent results over time, but not indecent results." And then Charlie Munger, Berkshire's vice chairman, weighed in: "You can take what

Warren said to the bank. We are very happy at making money at a rate in the future that's much less than the past... and I suggest that you adopt the same attitude."

Another astounding comment was made by Mr. Buffett during the meeting where he said, "We are happy to invest in businesses that earn their money in euros in France or Italy or sterling in the UK, because I don't have a feeling that those currencies are likely to depreciate against the dollar."

The point is we are fortunate to live among some very smart people who have studied hard to understand how to succeed financially in our free market economy. It's a tough market and it's only going to get even tougher, but the tools, the ideas and the mentors to help you navigate the market are out there. Their insights are no more than a click away. If you're not *listening, learning, re-learning* and *un-learning,* you are not progressing, and *life is about progress,* and progress is about homework.

Our niche in the financial media is to present to you *alternative investments* that may become the next Microsoft, Dover or Google. One quality that thrives among the companies in this issue of Investor Concepts is *innovation*. You should find some interesting companies doing some very interesting things, from Zuma Beach Entertainment and their World Arena Rugby league, to Taurean Global Properties, Fusion Oil and Europa Capital Advisors. Don't be afraid to talk to these groundbreaking entrepreneurs. Ask them questions about their companies. And, always *do your homework*.

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Unclaimed Assets: How To Claim What's Yours

by Malcolm E. Katt

Over $60 billion in unclaimed property and missing money that belongs to millions of Americans is sitting with government agencies, insurance companies, banks, and other entities. These assets include unclaimed life insurance proceeds, lost bank accounts and accounts at closed banks, IRS tax refunds, Social Security payments, and more.

In the eyes of the law, assets are deemed abandoned when contact with the owner is lost—in most cases because of a name change after marriage or divorce, an unreported change of address, illegible or incomplete records, or clerical errors. When owners fail to communicate an interest in an asset over a specified number of years (known as the "dormancy period"), those left holding unclaimed assets, such as banks, stockbrokers and transfer agents, utilities, employers and life insurance companies, remit the funds to the protective custody of a government trust account in a legal process know as "escheat."

In addition to those who have neglected to claim their own assets, millions of family members are unaware they're eligible to collect unclaimed assets owed to deceased relatives who died without leaving an updated will or a financial roadmap for their heirs. Your pot of gold may be sitting out there waiting for you to claim it!

Find Missing Money

You may be due unclaimed money and not even know it. To claim these assets, here are some key points:

You must do the search for unclaimed money—in most cases, the federal government and states holding unclaimed funds does not contact you.

Find missing assets on your own, which will cost you only your time, or use a service to search for these assets for a fee.

There's no national database of unclaimed funds. You'll need to search separate state and federal databases.

Prompt action is advised—some types of assets are subject to a statute of limitations, so if you fail to track them down within these limits, you lose your rights to them.

Income Tax Refunds

In November 2007, the IRS was looking for over 115,000 taxpayers to which it owed $110 million in refunds. These checks, which averaged about $953 per taxpayer, went undelivered mainly due to unreported changes of name and/or address, typically after a move, marriage, death or divorce. Checks that are returned to the IRS must be reissued upon the taxpayer's request (call the IRS at 800-829-4477 or click on www.irs.gov).

In addition, checks worth about $6 billion have been sent but never cashed. If your refund check has been destroyed, lost or voided due to the passage of time (usually past one year), contact the IRS and request that a new check be issued. If you are the heir of a deceased taxpayer who may be owed a refund due because of an overpayment made during the year of death contact, the IRS immediately—the right to a refund is limited to three years if a tax return is not filed for any period in which a refund is due.

MILLION DOLLAR HOMEPAGE

www.milliondollarhomepage.com

The website tagline says it all – Own a piece of history. The Million Dollar Homepage is the brainchild of Alex Tew, a 21-year-old UK entrepreneur, who created the site in hopes of paying his way through college by selling 1 million pixels of Internet ad space for $1 per pixel. In Internet time, the idea became an instantly viral hit, one of those meteoric ideas that becomes rapid Web folklore like Google's acquisition of YouTube, the Elian animation and the demise of the company called March 1st shortly after March 1st. The site has a current Google PageRank of 7, and as of March 2008 was ranked 53,555 by Alexa, having peaked at around 127. Launched near the end of 2005, Million Dollar Homepage did so well that it generated a gross income of $1,037,100, making Alex Tew not only famous, but famously wealthy.

Insurance Policies

More than one quarter of all life insurance policy payouts worth hundreds of millions of dollars go unclaimed annually. It is generally up to family members to notify the insurance company when a policyholder dies, and many families simply aren't aware a policy exists.

Also, because many life insurance companies have demutualized, millions of current and former policyholders are entitled to receive stock and cash in addition to policy benefits. Demutualization occurs when a policyholder-owned company converts to a company owned by stockholders. The policyholders are supposed to get shares in the converted companies and, as a stockholder, to be able to collect dividends and benefit from any appreciation in the stock price. For example, when MetLife demutualized in 2000, it couldn't find the owners of some 60 million shares, about 12% of the shares allocated to policyholders.

Claims can be made at any time but it's best to act fast. Unclaimed stock can be sold by a government-appointed custodian after a relatively short time period; after that, policyholders-turned-stockholders are entitled only to the proceeds of the sale (they lose out on dividends and appreciation following the sale). A list of demutualized insurance companies and contact information can be found at www.claims-info.com/Overview.htm.

If you hold a policy from one of these companies or are the heir of someone who did, contact the company directly and ask if you are owed money from an unclaimed policy or demutualization, either as a policyholder or an heir. You may be directed to the insurer's transfer agents, the firms that handle share transactions, for a demutualized company, or you may be referred to a state unclaimed property office. Typically, after three to five years, unclaimed property and cash is turned over to the state in which the policyholder had a last known address.

Rebate Checks

Retailers and manufactures purposely make rebate forms complex and time consuming so consumers generally give up, especially when the money involved seems small compared with the time and work needed to submit a claim. Still, it's your money so don't lose out on your rightful rebate.

Even if you complete the rebate process, your forms may be rejected for unfathomable reasons. Mail the form "Return Receipt Requested" and keep a copy. If you don't receive a check, follow up with a written inquiry to the merchant's customer service department. Include copies of your original request and the mailing receipt. If this too fails, contact your state's attorney general's office (find this at the National Association of Attorney's General (202-326-6000 or www.naag.org/ag/full_ag_table.php) or the Federal Trade Commission (877-382-4357 or www.ftc.gov).

Savings Bonds

US savings bonds, which are often received as gifts and tucked away for years, may have stopped earning interest. This happens when the bonds reach final maturity and less than 1% of bondholders are notified when their bonds reach that date (only holders of Series H and HH bonds that pay interest by check are notified). The value of unredeemed bonds that have reached final maturity currently exceeds $15 billion.

Information on replacing destroyed, lost or stolen bonds can be found at www.treasurydirect.gov.

Utility Deposits, Paychecks, Dormant Bank Accounts, and More

Some $23 billion is sitting in state's unclaimed property offices representing utility deposits, uncashed paychecks, the contents of safe deposit boxes, dormant bank accounts, and more. Databases of unclaimed property in every state and the District of Columbia can be accessed on line. To search by your state, go to the National Association of Unclaimed Property Administrator at www.unclaimed.org.

In addition to checking your state of residence, also check in any state in which you've previously lived, worked, or done business. Use all name combinations that may be applicable—your maiden name, any previous married name, with and without middle names and initials. Also search for names of deceased relatives.

Even if you don't think you have a connection with Delaware, it's a good idea to check its database because Delaware holds millions of dollars for residents of other states. The reason: When the owner of an asset of a company that is incorporated Delaware (which is most publicly-traded corporations) can't be located, the assets are transferred there. To locate assets in Delaware contact the Delaware State Unclaimed Property Division at 800-828-0632 or http://revenue.delaware.gov/information/Escheat.shtml.

How To Capitalize On Real Estate Apartment Complexes During Increasing Foreclosure Trends

By Malcolm Katt

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If you're an investor looking for long-term asset growth with moderate income, better-than-average returns and minimal capital risk, consider multi-family real estate. It has been estimated that approximately seven in ten millionaires made their money by investing in real estate, and leveraged multi-family real estate provides the ideal balance between risk and reward. It is considered the least risky of real estate investments and is largely recession-proof and inflation-proof. There is a steady demand for quality rental apartments, whereas office, retail and industrial spaces have periods of high vacancy. During an economic slowdown, like the current one, the demand for rental accommodations increases as people are less inclined to purchase a dwelling. During inflationary periods, which will probably happen sooner rather than later, rents usually increase along with consumer prices.

Favorable Indicators

It is difficult to lose money when intelligently investing in apartment buildings. This is especially true in the current market where foreclosures, distress sales, and motivated sellers in the US are providing incredible opportunities—a buyer's market. Factors pointing to success:

* Most economists believe the US is already in a recession or about to enter one.
* Inflation will rise substantially due to the massive increase in liquidity by the US Federal Reserve.
* Prices of single-family homes will still experience a prolonged price correction, so the prospect of owning a house or condo is unappealing.
* Banks and other lenders will tighten their lending criteria or stop lending all together.
* Credit has dried up for sub-prime borrowers, which is stimulating the rental market.

Why apartment buildings?

For those deciding where to put their money in this economy, apartment buildings are an attractive vehicle.

Reasons:

* **Inflation protection -** In a recessionary environment, apartment buildings are one of the most attractive asset classes to own because it offers a hedge against inflation.
* **Economies of scale -** It takes the same amount of effort to close on the purchase of a condo as it does on an apartment building.
* **Purchasing -** Banks consider them a low-risk asset class, so financing is available even in a tight lending market.
* **Value creation -** There are economies of scale in the renovation and improvement.

* **Market volatility protection -** If a large property is professionally run and attractively maintained, vacancies are easier to fill than a single-family dwelling.

Capitalizing On Opportunities

The Taurean Global Latitude One Multi-Family Limited Partnership is being offered to investors to allow them to capitalize on opportunities in high quality apartment buildings in both the US and Canada. The partnership is expecting incredible returns. The historically high strength of the Canadian dollar provides Taurean Global with considerable buying power. Mortgage rates are at low levels, so by locking in long-term mortgages now, they can keep their cost of capital low while the income from their investments should increase with inflation. With a 2:1 leverage ratio, their objective is to generate an overall Internal Rate of Return (IRR) of 20% for their investors with minimal downside risk. They should be able to accomplish these attractive returns by purchasing apartment buildings that are considerably undervalued, increasing their value through operational excellence, and then either re-financing or selling the properties. Maximum value should be created within a five-year period, at which point the proceeds are returned to the investor or used to generate more gains through reinvestment.

Taurean's general strategy is to buy buildings that have been neglected by their owners and that need substantial physical upgrades, capital improvements and professional management. After making these changes, the property should appreciate by increasing cash flow and re-positioning in the market.

Taurean monitors several markets in order to identify which best suits its value creation model (acquisition, improvement, harvest). Then it hand picks the most promising properties to add to its portfolio—typically properties with 15 to 100 units. Their attention is currently focused on opportunities in Portland, Oregon and Montreal, Quebec, and they are closely watching Dallas/Fort Worth and parts of Florida for additional opportunities.

Taurean's Apartment Complex Acquisition Criteria

Tauren's purchase criteria has so far produced magnificent results:

* The property must produce an attractive yield by year two.
* The property must support a mortgage of 65% long-term value (LTV) at the time of purchase.
* The property must be located in an area that shows promise for dynamic growth.

The Taurean Global Team

General Partner Douglas Thiesen has been involved in financial services since 1984. He was responsible for the purchase of 13 properties in the US and Canada, and the sale of six properties, all at substantial profits. Every property that he was responsible for was operating profitably within a year of purchase and no investor ever lost money during that time. General partner Arnold (Alf) Kaech is focused on developing Taurean's business platform.

Interested investors should visit www.taureanglobal.com for a comprehensive list of questions and answers or contact the General Partners for a personal consultation.

Cashing In On Cotton

by Devin Brady

Ethanol demand has been responsible for much of the record levels in the recent commodity bull run, sending grains like corn, wheat, and soybeans to record highs. If you missed out on the opportunity to profit from these moves don't worry. There is always another train leaving the station towards making mad money. We will explore how ethanol and other factors have opened the door for cotton to drive us to new records. The complexities of ethanol production, that ethanol increases greenhouse gases instead of reducing them, are issues for another story. This article is about profiting from the dwindling supply and increasing demand for cotton.

The Ethanol Effect

The global fascination with ethanol has played a major roll in the record levels for the CRB index. Ethanol mandates from countries like the United States, Australia, Canada, and Brazil, have resulted in tight global supplies of not only corn and soy that is used to create ethanol, but for less profitable crops that farmers switch out of to produce it.

In order to satisfy ethanol demand, farmers planted the largest corn crop since 1944 last year, shifting acres that would traditionally be used for wheat and soybean into additional acres of corn. This acreage shift combined with drought conditions in Australia and other growing regions, resulted in record low supplies of wheat and soybeans sending prices to stratospheric levels.

With most of the attention on tight corn, soybean, and wheat supplies, cotton sat out much of last year's rally. To satisfy the shrinking supplies of grains, farmers are turning their traditional cotton acreage into much more profitable soybeans, wheat, and corn. This is giving investors that sat out of last year's grain rally an opportunity to capitalize in this year's leader, cotton.

Shrinking U.S. Crop

While some 80 countries from around the globe produce cotton, the United States, China, and India together are responsible for over half of the world's cotton production. The United States, which typically ranks second to China in production, is the leading exporter of cotton, accounting for over one third of global trade in raw cotton.

This year, cotton acreage nationwide dropped 28 percent, hitting an 18 year low of 11.1 million acres, according to the United States Department Of Agriculture. Acreage dropped by about 22 percent in Texas, the national leader, and by nearly 20 percent in California.

Production is declining in many other countries as well, with Turkey's production falling 9 percent and an 18 percent decline in the African Franc Zone. Global cotton production for 2008 is forecasted to increase less than 1 percent to 25.4 million tons from the previous season.

Increasing Cotton Demand

Growth of the middle class in the BRIC (Brazil, Russia, India, and China) countries is an additional factor adding to the global grain supply crunch. This composite of rapidly growing consumers is switching from a diet based on grain to one increasingly rich with meat. An increase of 18 times more soybean land is needed to feed the cattle than to feed a person if soybean was the only nutrient consumed. Cattle live on soybean.

The rapidly climbing global middle class is not only increasing demand for higher protein foods. Demand for textiles used to produce clothing, furniture, and other consumer goods are growing also. World cotton consumption is forecasted to increase 3% in 2008 to 27 million tons, resulting in a decline of global supplies by 12% to 10.9 million tons, the lowest in four seasons.

Subsiding Government Subsidies?

Brazil, supported by African countries, confronted the United States to the World Trade Organization in 2003 over farm subsidies. The WTO ruled in 2004 that the subsidies were illegal. The United States conceded to a few minor changes to the program, which Brazil and the Africans complained were largely cosmetic. The WTO agreed, but the United States has taken the issue to the slow appeals process.

The subsidies of between $2 billion to $4 billion a year provided through the Farm Bill were designed to protect small farmers from a collapsing market during the Great Depression. Today, after decades of consolidation by agriculture conglomerates like ADM (www.admworld.com), a quarter of all subsidies go to the top 1% of producers.

Recent legislation moving through Congress is threatening to take away the farm subsidy, which has provided cotton farmers with a price floor guaranteed through the U.S. federal government. Without this artificial floor, farmer's incentives to plant cotton instead of more profitable feed grains will be erased, making it a lock that significantly more cotton acres will bear other crops like corn, that basic ingredient for ethanol production.

How to Profit From the Upcoming Move

Trading cotton futures is perhaps the most direct way of participating in this cotton bull market. Using the December futures contract you will have the leverage of 50,000 pounds of cotton per contract. A move of 1 cent would represent a gain or loss of $500. The margin required to enter into the position is $2,100 per contract.

Since recommending it just a couple weeks back the December contract has moved over 10 cents higher ($5,000 per contract). A price price close marked cotton 87.45 cents per pound. Active traders are of the opinion that cotton will eclipse $1.00 per pound in the near future. Most of the profits are still up for the taking.

The expectation is that cotton will pull back slightly and have a short consolidation period around the 82 cent level. This looks like an ideal level to enter into a position. It's important to note that huge leverage cannot only work for you but against you. Having a stop loss order with placement just below the 76 cents support level is strongly recommended.

If you were able to enter the trade at 82 cents with a stop loss at 76, providing you don't have much slippage, your downside risk would be around $3,000 per contract. If it does climb to over $1.00 a pound like expected, you would have a profit of $9,000 per contract.

With a risk-to-reward of about 3-to-1, and an incredible tale wind, this trade looks like a home run.

The Risk

The risk of loss in trading commodity futures contracts can be substantial. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition.

Lakefront Futures & Options Takes The Pain Out Of Investing In Commodities

By Jon Marcus

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These days, one cannot go more than a few minutes without realizing that prices on just about everything are at unbelievably high levels. Just open a newspaper or turn on the television and you will almost definitely hear about a new record high for gasoline prices. Walking into a grocery store these days is much different than it was even two or three years ago.

Prices for vegetables, dairy products, meat and poultry, and just about everything else you can imagine are at the highest levels they have been in years. How about the gentleman who wanted to buy his wife a brand new gold bracelet? He should have done it a few years ago before gold tripled in value! The bottom line is that commodities of all varieties are in extremely high demand. From a consumer standpoint, that means lots of spending to purchase the items we need to live. From an investment standpoint, that means a lot of opportunity.

The commodity markets have garnered much attention over the course of the last two or three years. Mergers between two of the world's biggest futures exchanges, the Chicago Mercantile Exchange and the Chicago Board of Trade, coupled with the popularity of electronic trading have put commodity investing at the forefront of the trading community. The biggest reason, however, that commodities dominate business headlines these days is the price volatility that the futures markets have shown. Never in the history of the markets have so many prices been at so many historically high levels.

The examples from the beginning of this article are merely the tip of the iceberg, so to speak. How can an individual participate in the futures markets? That is what this article intends to show.

The first thing to consider when it comes to trading futures and options on futures is that they are extremely volatile. They are highly leveraged investments that should only be traded with risk capital, as an investor can lose all of their capital and often times more than the original investment. Futures trading is risky and is not suitable for everyone. That being said, the flipside to this high risk scenario is that with such high risk there is the potential for a very high reward when a trader is correct in their analysis.

Once your account is established and funded, you will be able to place trades. You can place them electronically or through a broker. Depending on your level of experience, you may place trades however you wish.

Placing trades through a broker by phone would probably be the best way to go about trading if you are new to commodity markets. The upside is that you will be able to place orders with a professional who will help you to place your trade correctly. The downside is that it may cost more than placing it yourself electronically. If you are experienced, you can always place your trades on your firm's trading software and then double check with your broker if you have any questions. Establishing an account is a fairly easy process, but it is not one to take lightly.

As we discussed earlier in this article, commodity prices are extremely volatile right now and prices are at historically high levels in many markets. This climate makes for some awfully large daily ranges and some very unpredictable price movement. That can be a very scary arena for futures trading. Purchasing options, in our opinion, offers a much better way of entering, and maintaining a position in the markets.

There are two types of options: call and put. A call option is defined as *the right to buy a futures contract at a specified price*. A put option is *the right to sell a futures contract at a specified price*. The cost of each option, call or put, is referred as the *premium*. The most that an option buyer can lose on any given cut or call is limited to the premium, while the gains are unlimited. That is one major benefit to trading options.

One other important item to consider is the cost of entering these futures markets these days. As volatility increases, the exchanges have seen fit to raise the margin it takes to hold futures contracts, and in some instances they have tripled or quadrupled over the past several months.

With options, however, customers still only need to pay the premium to enter the market. Some options cost as low as $500 or $1000 depending on the *strike prices* and the *expiration date*, so one can still enter the markets at a relatively low entry price.

There is much to cover when discussing and learning options, much more than we could cover in this article. If you would like more information on trading options or would like to learn some more complex options strategies, please visit our website at www.lakefrontfutures.com.

In the meantime, grain prices are at historically high levels. We believe that these markets have explosive potential over the course of the next few months. As we write this article, farmers in the Midwest are preparing to enter their fields and begin planting their 2008 crop.

This year, because of the high demand for corn and the lower supply numbers, the need for a successful growing season is crucial for global demand. That is why it is of utmost importance for the crop to be planted on time so it has ample time to grow and once in the ground, the summer weather needs to cooperate.

What about soybeans, wheat and oats? All of these markets are under the same type of scrutiny as corn. How will these markets react? As an investor, what are your options and how can you profit from all of this uncertainty? It is an exciting question and one in which we ask ourselves daily, if not hourly.

The bullish investor would see that the market has been trending higher for the last few years and that this year would be no exception. They would look at this news and see an opportunity to purchase call options and wait and see if we experience another drought during the summer. Do you see the ever-present hand of supply and demand at work in the commodities markets? Understanding supply and demand is essential to effective commodities trading.

If we do experience another drought, and US corn crops come in lower than expected during the fall, prices would most likely continue their upward trend, and quite possibly in a dramatic fashion.

The bearish investor would look at the same scenario and see it as the perfect time to buy puts. The corn market has rallied to all-time highs, and the chance for excellent summer weather is just as good as having poor weather. A market *correction* in this market will most likely occur with a bumper crop.

Another explosive market is crude oil. Prices as of this writing are approaching $120.00 per barrel causing a gallon of gas to reach $3.97 this week. Prices seem to have no end due to increasingly high consumer demand. Buying calls is an excellent way to not only defend against higher prices, but to profit from them. The investor who believes that this market has reached its peak can purchase put options to get short the market.

Many investors are looking to hedge their stock portfolios. With so much global uncertainty and the jitters that the stock market faces each day, how can one hedge their 401Ks and outside stock investments? Many customers ask us how this can be done without liquidating their stocks. Purchasing put options on the Dow, S&P, or NASDAQ are an excellent way to take some of the worry out of your long stock position. With excellent liquidity and standardized contracts, options on stock indices provide savvy investors with a protection method that most individuals don't know about, but should.

These are but three examples, three very basic examples, of how options on futures can provide investors with affordable and practical methods of participating in a potentially explosive trading arena. For more information about commodity trading and to schedule a complimentary consultation, please call one of Lakefront's friendly brokers. There is no obligation and all of our knowledgeable and well-trained brokers will happily answer all of questions – www.lakefrontfutures.com.

Are Your Bank Accounts Safe?

By Malcolm Katt

Your bank accounts may not be as safe as you think. If you look at the legality and the financial structure of the Federal Deposit Insurance Corporation (FDIC) there are troubling facts that raise questions about how the FDIC and your accounts would fare during a full-blown financial crisis.

Overview of FDIC Protection

Following a substantial number of bank failures in the Depression, Congress enacted the Glass-Steagall Act of 1933. This act created the FDIC, an institution that would guarantee deposits held by commercial banks. The FDIC provides deposit insurance which currently guarantees checking and saving deposits in member banks up to $100,000 per depositor (up to $250,000 for an Individual Retirement Account).

Accounts at different banks are insured separately. One person could keep $100,000 in accounts at two separate banks and be insured for a total of $200,000. Also, accounts with different ownership (such as beneficial ownership, trusts, and joint accounts) can be considered separately for the $100,000 insurance limit.

What happens in cases of bank insolvency or illiquidity? The two most common methods employed by FDIC in cases of insolvency or illiquidity are:

* The Payoff Method—insured deposits are paid by the FDIC, which attempts to recover its payments by liquidating the failed bank, and
* The Purchase and Assumption Method—all deposits are assumed by an open bank, which also purchases some or all of the failed bank's loans.

What are FDIC insured accounts?

FDIC insurance covers "deposit accounts:"

* Demand deposit accounts ("checking accounts"), Negotiable Order of Withdrawal accounts called NOW accounts (checking accounts that earn interest), and money market deposit accounts, called MMDAs (savings accounts that allow a limited number of checks to be written each month).
* Savings accounts that can be added to or withdrawn from at any time.
* "Money market" accounts, essentially high-interest savings accounts (while the name is similar to "money market funds," only these accounts and not funds, not insured).
* Certificates of deposit (CDs), which generally require funds be kept in the account for a set period.
* Outstanding Cashier's Checks, Interest Checks, and other negotiable instruments drawn on the accounts of the bank.

Use the Electronic Deposit Insurance Estimator (www.fdic.gov/edie), an interactive online tool, to determine the extent of your personal protection.

What are non-FDIC insured accounts?

Only the above types of accounts are insured. Some types of uninsured products, even if purchased through a covered financial institution, are not covered by FDIC protection. These include:

* Stocks, bonds, mutual funds, and money market funds. The Securities Investor Protection Corporation (SIPC), a separate institution chartered by Congress, provides protection against the loss of many types of such securities in the event of a brokerage failure.
* Investments backed by the U.S. government, such as U.S. Treasury securities.
* The contents of safe deposit boxes. Even though the word "deposit" appears in the name, under federal law a safe deposit box is not a deposit account—it's a well-secured storage space rented by an institution to a customer. You can protect the contents by carrying personal insurance; your homeowner's policy may provide protection or you may need a separate policy for this purpose.
* Losses due to theft or fraud at the institution. These situations are often covered by special insurance policies that banking institutions buy from private insurance companies.

* Accounting errors. In these situations, there may be remedies for consumers under state contract law, the Uniform Commercial Code (UCC), and some federal regulations, depending on the type of transaction.
* Insurance and annuity products, such as life, auto, and homeowner's insurance.

Should you be worried about FDIC insurance?
The FDIC has $52 billion in reserve to cover claims and a reserve ratio (the percentage of insured deposited compared with FDIC insurance) of about 1.2% reserve ratio—for every dollar in your bank account, the FDIC has 1.2 cents in reserve available to cover your potential losses. This seems to be an ample amount during periods of stability, but may not be sufficient if there's a new run on the banks.

For example, JP Morgan received a waiver from the Federal Reserve to keep $400 billion of Bear Stearn's assets off JP Morgan's books. The $400 billion dwarfs the $52 billion reserves of the FDIC. If one large bank collapse could wipe out the FDIC, what would happen if there were multiple, simultaneous bank failures? Congress could borrow additional funds, but losses could result while Congress was fighting to amend the law and find additional funding.

Does the FDIC have full faith and credit backing by the US Treasury?
Most people think yes, but actually it doesn't. The FDIC is authorized to borrow from the Treasury, up to $30 billion, but the Treasury is not required to make the loan. Thus, any additional money from the federal government is not a guarantee, but rather a loan, which will only be made subject to the approval of the Secretary of the Treasury.

What's the timeframe for repayment from the FDIC?
The FDIC is supposed to make good on its insurance protection "as soon as possible" following the liquidation or closing and winding up any insured depository institution. There's no time limit or maximum.

In some cases, it may be impossible for the FDIC to ever make depositors whole again. Also the FDIC Act says that the only insurance funds available to depositors are those that exist within the fund itself; if the fund runs dry, there isn't another possible source of funds that can be legally tapped without an act of Congress.

Would Congress appropriate the funds needed to keep the FDIC solvent?
Expect Congress to do everything in its power to keep the FDIC solvent. However, there could be circumstances under which it funding ability could be restricted. For example, if a banking crisis were to occur at the same time as a general funding emergency, there may not be enough money to go around.

Required Reading
To gain an understanding of our precarious financial situation, read George Soros' latest book, *The New Paradigm for Financial Markets: The Credit Crisis of 2008 and What It Means*. George Soros is a legendary financier, philanthropist and bestselling author, in addition to being one of the world's richest men. The opening sentence of his new book conveys the urgency surrounding the turmoil in the financial world: "We are in the midst of the worst financial crisis since the 1930s."

The Art Of WAR: Zuma Beach Entertainment Debuts World Arena Rugby

by Christian M. Chensvold

This is a sponsored article. Investor Concepts is not responsible for the claims made by this article. Please seek the advice of financial professionals before investing in any company.

Every February millions of sports fans, couch potatoes and Monday morning quarterbacks fall into a collective state of withdrawal. This usually happens on *the day after* the Super Bowl when these football crazies wake up from their hangovers and realize the NFL season is over. To football fans, this is the worst day of the year.

Zuma Beach Entertainment (OTC: ZMBC) of Los Angeles, California seeks to relieve the insatiable cravings of fans by launching WAR, the World Arena Rugby league during 2008. With the rise of Mixed Marshall Arts (MMA) leagues like EliteXC, WEC, and the mother of all new and independent contact sport leagues, the UFC, WAR has a strong bid at capturing a dedicated fan base within the United States where rugby is still an untapped sports opportunity.

But do we really need another sports league? Ask that question to a die-hard rugby fan and you might need a couple of new front teeth. Rugby isn't just a sport to players and fans. It's religion. If you have ever watched a rugby game in person or on ESPN you know these people take there sport seriously. Billed as "The Toughest Sport On Earth", WAR will start with 6 U.S. franchises with 7 expansion teams coming online prior to the second season. Eventually individual teams will be sold as franchises to investment and private equity groups.

Launched in 2003 and restructured in 2006, Zuma Beach Entertainment is focused on creating and acquiring innovative sports and entertainment properties like WAR. The stock is sold on the pink sheets, where it swings between $0.02 and $0.05 per share. (http://finance.yahoo.com/q?s=ZMBC.PK)

"Over the last few years we've traded 10 million shares," says Chief Operating Officer Jason Spasaro. "It's not a dormant stock, that's for sure. Now I think people are going to recognize that we have a portfolio of products. Based on the direction we're going, I think it will benefit shareholders."

Zuma Beach Entertainment is primarily focused on sports and entertainment properties the whole family will love. Although it presently earns no revenue or income, it is a debt-free business with several projects in development and preproduction, WAR included.

The company recently announced an agreement to purchase ownership interest in Westlake Productions, a film production company with six to eight films currently in preproduction. The movies are not low-budget, with some having budgets in the $20 million range, says Spasaro, and which are targeted for theatrical release.

Zuma Beach Entertainment also has acquired the exclusive distribution and licensing rights to an animation property called "Angel Babies." Aimed at children seven and under, Angel Babies is described as "Rugrats" meets "Touched By an Angel." And with "angel" and "baby" being two of the most searched words in the search engines, Angel Babies is another viable business for Zuma Beach. The project, which will either develop quickly into merchandising products for kids, television or DVD series, will have interactive features that help children learn.

Spasaro is confident in the potential of these properties. "We're only acquiring products that will definitely have positive cash flow," he says.

World Arena Rugby is Zuma Beach Entertainment's most exciting property. It was acquired in an all-stock deal and is a wholly owned subsidiary of Zuma Beach Entertainment, which owns the league outright, the licensing and broadcasting rights as well.

Over the past couple of years, Zuma Beach has conducted research test games in Dallas, Texas where per-capita concession sales were higher than for any other

<< Zuma Beach, continued on page 22 >>

Green Investing Can Make You Lots of Green

by Malcolm Katt

Al Gore didn't invent the Internet, nor was he the first person to ask us to "go green." Since the 1970s, when Americans lined up at the gas pumps, environmentally-friendly mutual funds have come and gone. They came to meet investor demand for environmental sensitivity; they failed due to poor performance and lack of investor interest. But just like recurring trends in the fashion industry, "green investing" is back and this time with belated purpose. There always seems to be no greater investor motivation than *fear*. Alternative forms of energy will be needed to meet global demand for years to come and government regulations dealing with the environment will have an impact on many businesses in many industries. Green market sectors, such as renewable energy, natural and organic products and recycling, are in vogue.

According to Jackson Robison, the lead manager of the Winslow Green Growth Fund (WGGFX), which has generated a 22.95% annualized total return over the past five years (eight percentage points better than the Russell 2000 Growth Index), for every green problem there is a green solution. Green businesses don't create toxic waste, they don't have environmental liabilities, and they can reduce costs because they think about recycling (e.g., 99% of steel is recycled and similar trends are occurring in plastic, aluminum and glass).

Variations Of Green Investing

Michael Herbst, a Morningstar (www.morningstar.com) mutual fund analyst, believes there are several approaches to mutual fund green investing:

Best-in-breed approach: Best-in-breed is to invest in companies with industry-leading environmental track records, such as Proctor & Gamble (PG) and 3M Company (MMM), which are among the greenest operators in their industries. This approach is followed by Green Century Equity Fund (GCEQX).

Clean companies: Those that have no negative environmental impact. Winslow Green Growth Fund invests in these companies.

Environmentally proactive: Firms active in the environment that produce goods or services linked to green initiatives such as alternative energy, energy efficiency, emissions reduction, water distribution and agriculture. Funds investing in this approach include Guinness Atkinson Alternative Energy Fund (GAAEX) and the exchange traded fund (ETF) PowerShares WilderHill Clean Energy Fund (PBW).

Some funds blend several styles, including Spectra Green Fund (SPEGX) and Portfolio 21 Fund (PORTX). The several-style funds are more likely to have greater flexibility in selecting winning stocks in a variety of market conditions. One of the most powerfully performing green mutual funds is PowerShares WilderHill Clean Energy Portfolio (PBW) which has earned nearly 16% since its inception in March 2005.

Buyer Beware

Just like with any investment there are risks with green mutual funds which you should not overlook. Many companies, especially in solar, wind and biofuels, are early stage firms. Look for funds with a strong management team that is familiar with managing a small-cap portfolio. Other risks to green funds include changing governmental regulation or subsidies and lack of diversification. For example many green ETFs focus on narrow niches such as Clayton S & P Water (CGW). Current valuations in some green sectors, especially solar and wind, is high and owning green funds is not cheap. For most green ETFs, expenses range from .50% to .75%, which is higher than their non-green counterparts. Green mutual funds are also expensive. The Calvert Alternative Energy Fund (CGAEX) has a 1.85% expense ratio.

Not all green mutual funds appeal to all investors. For instance, you may be turned off by those that invest in nuclear power companies or own companies with human rights issues. Do your homework before investing by reading the fund's prospectus and/or getting some research from your broker or finding information online.

Green investing can make you money, but to do so, avoid the hype and have a long-term view. Pay attention to the latest trends. A good place to start is going to Green Money Journal (www.greenmoney.org). A newly-released book on the topic is *Green Investing: A Guide to Making Money through Environment Friendly Stocks* by Jack Uldrich.

For those investors that want to buy green stocks rather than green funds, here are green stock recommendations:

LSB Industries (LXU) - www.lsb-okc.com
Manufactures heat pumps and chemicals products
Market Cap: $506.10 million
Price-to-Earnings Ratio (trailing 12 months-ttm): 13.35
Earnings per Share (ttm): $1.82

First Solar (FSLR) - www.firstsolar.com
Solar-panel maker
Market Cap: $16.35 billion
P/E (ttm): 102.32
EPS (ttm): $2.03

EnerNOC (ENOC) - www.enernoc.com
Products help utilities and electric grid operators regulate supply and demand
Market Cap: $281.58 million
P/E (ttm): N/A
EPS (ttm):-1.99
EPS (ttm): 2.13

WFI Industries (WFILF) - www.wfiglobal.com
Operates in geothermal equipment manufacturing and loop installation services
Market Cap: $306.42 million
P/E (ttm): 35.30
EPS (ttm): $0.72
EPS (ttm): $0.72

U.S. Geothermal (UGTH) - www.usgeothermal.com
Renewable energy development company
Market Cap: $174.14 million
P/E (ttm): N/A
EPS (ttm): $-0.06

Honorable Mentions

Pacific Ethanol (PEIX) - (www.pacificethanol.net)
A leading producer of low-carbon renewable fuels.

Suntech Power (STP) - (www.suntech-power.com)
One of the world's leading solar power companies.

aQuantive (AQNT) - (www.aquantive.com)
This paperless online marketing company has enjoyed annual returns of $24% since 2005.

Socially Responsible Investing (SRI)

Green investing is a segment of socially responsible investing (SRI) which means investors can put their money to work by creating a world that reflects their "socially responsible" values of protecting the world we live in.

SRI excludes certain industries, such as alcohol, tobacco, nuclear power, and gambling. SRI looks for industries with positive characteristics, such as fostering diversity in the workplace, environmental responsibility, favorable labor practices, and offering goods or services that benefit society.

A good SRI fund should pick companies with fewer long-term liabilities such as the risk of litigation, increased regulation, or environmental degradation that can affect the company. Certainly, green investment funds meet these objectives.

During the last few years, financial institutions including venture capitalists, hedge funds, investment banks and public pension funds have invested billions of dollars in green products such as ethanol, fuel cells, green chemistry and environmentally friendly pesticides. Investors have also decided that green investment funds and green stocks can make money in addition to being environmentally responsible.

The Social Investment Forum website offers comprehensive information, contacts and resources on socially responsible investing and can be found at www.socialinvest.org.

The Hottest Green Investing Sectors

There are five key market sectors to green investing – Biofuels, Fuel Cells, Genomics, Solar Cells and Wind Turbines. We summarize all of these market opportunities for you below.

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<< Fusion Oil, from page 1 >>

Department of Energy, our energy demand will be 30 percent higher by 2020. As startling as that reality may seem, it is always the here and now the hurts the most especially with gas prices nearing $5.00 per gallon. As of this writing, oil and financial analysts expect oil prices to exceed $200, even $300 per barrel in the near future. Our dangerous reliance on foreign oil can be diminished by increasing our domestic production as much as possible, and the easiest, most effective means of executing this strategy is to explore oil reserves in our own backyard.

When discussing crude oil and gasoline prices in the U.S., the public needs to be reminded of these facts: Political upheavals (not just war), weather (such as hurricanes shutting down production in the Gulf of Mexico), supply and demand factors, and refinery and pipeline outages all can greatly influence what goes on at the trading floors.

As any astute investor knows, it is extremely difficult during these times to find financial opportunities which provide both security and a solid return on your hard-earned money. Conventional investments in CD's, savings accounts, money markets, mutual funds, stocks and bonds, etc. are currently bringing very unsatisfactory returns and, according to the Wall Street Journal and other well-known financial publications, prospects for performance improvements in the near future are not good. With even the best performers projected to provide an annual return of 8 percent or less, the average investor will realize much smaller returns than this.

One key to better returns is to diversify your portfolio to take advantage of opportunities which have excellent risk-to-reward ratios while still maintaining your personal and/or family financial foundation. One should not be satisfied with the meager returns of CD's, passbook savings or money market accounts, and with the thousands of mutual funds available, it takes a financial genius to pick the right fund in the right sector. Crude oil prices are driving up profits to levels never seen before in both large-cap oil companies and small-cap companies. Another group that is reaping the benefits of high oil prices is the individual investor. Prudent investment in sound, well researched oil and gas drilling programs, though still considered high risk, may offer a significant monthly cash flow from the sale of production from oil and gas wells, and very significant tax advantages as well.

Tax Benefits

Each investor is treated as a business partner for tax purposes, generating substantial tax benefits which flow directly to individual investors. Investors may receive tax deductions totaling approximately 75 to 85 percent of capital contributions in the first year, with the remaining balance written off during subsequent years. For most investors, percentage depletion and depreciation of tangible equipment costs are available to shelter ordinary income at rates of up to 50 percent of cash distributions in the first seven years and 30 percent thereafter. The drilling program also shelters passive income.

In other words, tax deductions obtained from intangible drilling and development costs (as well as depreciation of tangible costs) may be used to offset the investor's taxable income from other sources. Also, a portion of the investor's taxable income generated by the drilling program may be reduced by deductions from depreciations and percentage depletion allowances.

Drilling Partnerships

There is nothing more lucrative right now than holding an oil and gas interest, and independent drilling companies are taking advantage of the individual investment capital floating around in the market. Drilling partnerships are being advertised on the radio and have become prolific across the Internet.

"All that is required is an initial investment of $52,000 and you could see returns of $6,000 per month for the next 20 years."

The risk lies in your business partner. Namely, your drilling partners. Some companies offer partnerships in what they call low risk wells. They'll go drill new offset wells in fields that are already producing, thereby lowering the chances that they'll end up with a dry hole.

They may offer you a 1% working interest in the well(s) for anywhere between $10,000 and $80,000 up front. Depending on the program, this is just to drill the hole. After they log the hole and convince themselves it's worthwhile to finish, they'll come in and complete the well. At that point in time, they'll ask you for more money. In this case, 1% of whatever it costs to complete the well.

Some things you want to look at when considering a drilling partnership are the fee allocations for the partnership. One partnership I looked at allocated 15% of the initial capital to cover finders fees, initial management fees, organizational fees, etc. In short, you'll never see a return on that 15%, resulting in a longer payout period.

On top of that, one prospectus I looked at offered a 1% working interest, but the NRI (net revenue interest) was only 56%. This means that you only receive 1% of 56% (or a net of just over 0.5%) of the production, but pay a full 1% for the operational costs and expenses.

Conveniently, several other "industry partners" were taking an overriding NRI right off the top, not to mention the land owners take. This means that the said "industry partners" are not required to pay expenses, even though they take 44% of the production.

Some Tips:

Always know who you're partnering with. It's a business venture after all.

Make sure the game is played on a level playing field. Would you want your business partner to get a hefty chunk of the proceeds yet pay no expenses?

Get a history synopsis from the driller. How many wells have they drilled in the last 10 years? How many were dry, and how many are still in production? Which ones are close to the proposed drilling site for the partnership?

Get a list of all the players involved. Do they contribute to the partnership?

Have an oil and gas attorney, as well as your financial planner look over the offering. Is there some fine print you're missing?

Be picky, and educate yourself before mailing in your check. Talk to some clients and see what their payout time frame has been. And only participate with business partners who have a vested interest in succeeding!

America's First Gusher

North America's first oil gusher blew at the Spindletop field near Beaumont in southeastern Texas, spraying more than 800,000 barrels of crude into the air before an ambitious wildcatter by the name of Michel T. Halbouty captured the black gold. The strike boosed s the yearly oil output in the United States from 2,000 barrels in 1859 to more than 65 million barrels by 1901. Mr. Halbouty became a millionaire many times over and has since gone down in oil industry history.

Fusion Energy Group

Over one hundred years later, Texas continues to boast astounding crude oil and natural gas reserves. One such business partner capitalizing on the America's Southwest oil reserves is Fusion Energy Group, LLC of Dallas, Texas. With over 50 years of experience in the oil and gas industry Fusion has five major projects online, ranging from production wells such as the Triple-7 and the Double Diamond 1A, to others nearing completion or waiting to be drilled. One current project (Kurtz 1) is even accepting a small amount of new partner participation. With a primary focus on America's historically plump oil fields in Texas, Oklahoma and Kansas, Fusion's five active projects are today taking rigs to reservoirs that not long ago were considered too difficult and too expensive to extract from.

Today's oil wells are drilled two miles down and sometimes farther. Fusion drills deep, but never more than two miles out horizontally from known reservoirs, a policy that significantly lightens risk. And while the company drills discovery wells, that is not the same as wildcatting, which is the practice of drilling in uncharted territory, i.e., far from known deposits. With geologic expertise, Fusion only takes a direct participation in drilling wells in *proven locations* thereby reducing risk and increasing accuracy of its oil discoveries.

The successful oilman of today must smell oil through a combination of geological technology and instinct. The kind of science Fusion does is truly cutting-edge. It includes revolutionary sub-surface geology, airborne gravity surveys, magnetic satellite imaging and high-resolution 3D seismic surveys. While such technology helps put the drill on target to a rich strike, there is never a guarantee. Nevertheless, Fusion's client list is growing fast, and ranges from groups of investors to individuals.

Fusion Energy Group LLC is among the elite class of Texas oil firms. The company has been blessed with a history of success and satisfying partnership holders. As it rides the wave of increased demand and shrinking supplies for oil, Fusion Energy is a Texas oil outfit in the right place at the right time.

For more information about Fusion Oil please visit www.fusionoilllc.com.

<< Europa, from page 1 >>

Long Island, New York, Leonardo is the creator of a proprietary pattern-recognition software program which anticipates optimal buying and selling patterns of commodity futures in the agricultural markets, energy, metals, currencies, and stock market indexes. The Pattern Recognition Managed Program (PRMP) is a commodity investor's best friend.

As of February 2008, the program was approved for public trading by the U.S. Commodity Futures Trading Commission, and if a 200% annual rate of return sounds appealing, then have a seat and listen to the wisdom of Lenardo LoCricchio.

Commodities: A Unique Market Situation

First the scenario: "When you're in a recession, people spend less and commodities go down," he says. "But we're in a unique situation, because for many years people have been taking equity out of their homes and using it to invest. So when the market takes a downturn, and interest rates are cut, there's a lot of cash around.

And with the cuts in interest rates and the falling dollar," he continues, "this leads to inflation. That's why gold is at $1,000 an ounce, and platinum at $2,000 — everything is hitting new significant highs. On the financial news networks all they talk about is commodities, and 10 years ago you never heard anybody say anything about commodities because it was considered too high of risk."

An inflationary market may produce a rise in the price of commodities, but the contracts that are bought and sold on the market move so fast it's like trying to watch a ping-pong match.

To fully exploit the investment potential of commodities, LoCricchio spent over 10 years developing a software program that recognizes the trading pattern of each individual commodity. And while commodities tend to have a seasonal pattern of trading (corn, for example), LoCricchio's software can detect the proper trading pattern whether it occurs in three minutes or three months. Responding to trading patterns can be effective way of understanding commodity markets.

Commodity markets tend to have their own unique trading patterns due to 3 principles:

1. Properties of the commodity itself (corn planting seasons, heating oil, gasoline).
2. State of the economy which influences producers to sell and manufacturers to purchase commodities.
3. Trading patterns of commodity traders; 80% of the traders who trade specific commodities tend to buy and sell in specific patterns.

Patterns are categorized in the Pattern Recognition Managed Program according to different types of market environments, including the degree of volatility and degrees of strength and weakness, among other categories. It signals periods of greater rewards for risk taken and indicates trading opportunities that have high batting averages and are generally robust.

268% Annual Rate of Return

During testing, the program was so successful the regulating bodies didn't believe the returns generated. For the last three months of 2006, Leonardo's software had an annual rate of return of 268%, and for the 12 months of calendar 2007 the return was 228%. "Las Vegas can't possibly keep up with the kind of money you can make in commodities," says Leonardo. "I've seen people make three or four million dollars in half an hour."

Commodities have been considered an alternative investment for years, but for the past two years, commodities have become a diversified investment which has resulted in money moving from equities into commodity futures.

Noting that "a lot of people are looking for alternative investments," LoCricchio believes he'll have $20-$30 million in assets under management by the end of his first year. And that's mostly because commodities aren't really "alternative" any more. "Normally this would be considered alternative risk, with equities as leveraged risk. But with the tremendous volatility over the past few months, money is moving from equities to commodities."

Pattern Recognition Managed Program isn't just for young investors intrepid when it comes to risk. Leonardo's clients range in their 50's and 60's. "But obviously you don't put your life savings into this," he says.

He certainly hasn't put his own. Despite all the effort he's put into developing the program over the years, Leonardo maintains perfect equanimity by not investing in it himself. "Once I developed the pattern

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<< Green Investing, from page 18 >>

Biofuels
What is it?:
What problems does it solve?:
Advantages?:
Disadvantages?:
The Market:

Fuel Cells
What is it?:
What problems does it solve?:
Advantages?:
Disadvantages?:
The Market:

Genomics
What is it?:
What problems does it solve?:
Advantages?:
Disadvantages?:
The Market:

Solar Cells
What is it?:
What problems does it solve?:
Advantages?:
Disadvantages?:
The Market:

Wind Turbines
What is it?:
What problems does it solve?:
Advantages?:
Disadvantages?:
The Market:

Conclusion
Opportunities for green investing abound while research and development efforts are equally flourishing. Unlike Nanotechnology, viable business models exist today with real, shippable products and services. Many of the investment opportunities mentioned in this article are profitable and expected to be profitable for years to come as traditional energy sources continue to diminish. The likelihood of future demand is anticipated to be brisk. For these reasons, every investor should diligently evaluate green investment opportunities, today.

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recognition, it took years to shake off human characteristics of trading. I had to be totally independent of what I was doing. That's why I don't have an account in the program. If I did, it would become a problem, because then I'd worry about it. I just focus on the signals and trade because I have faith in the system. It is completely impersonal", Leonardo adds, "and functions equally well in both up and down markets".

And while there are many other similar managed programs an investor could choose, Leonardo believes none can match his stellar returns. "We probably have the highest return imaginable. It is relatively noncorrelated to other benchmarks or trading platforms" he says.

Approved in February, the Pattern Recognition Managed Program (its generic name), is available to investors with a minimum of $25,000.

For more information about the Pattern Recognition Managed Program, please contact Lenardo LoCricchio directly.

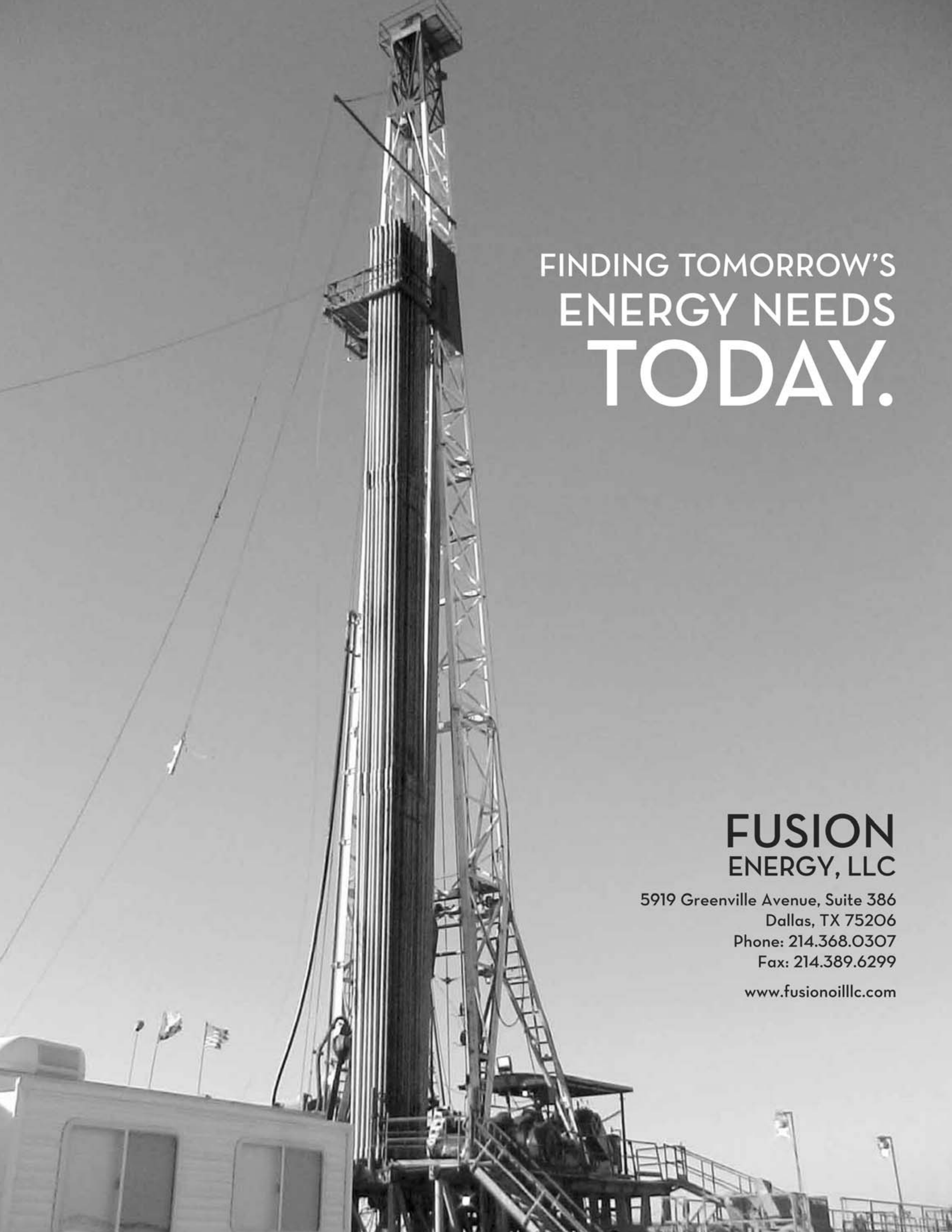
<< Zuma Beach, from page 15 >>

sport. "We learned that rugby spectators are pretty affluent," says Spasaro, "which has been deemed conducive not only to licensing and merchandising, but for an attractive broadcasting package as well as a regular event like Ultimate Fighting Championships (UFC)."

Zuma Beach is currently in discussions with consultants, television networks and interested investors. The current plan is to have a rollout game in Las Vegas this summer as a means of promoting the sport, followed by a short summer season that will not compete with the major sports leagues — MLB, NFL, NBA or NHL.

"What seems attractive to everyone is we've looked at the appreciation of sports franchises such as Triple A baseball," says Spasaro. "They started in the '80s at $500,000 a team, and now they're going for $25 million. So not only can we generate revenues from ticket sales, licensing and merchandising, and broadcast revenue, but the appreciation of the teams themselves. We think putting all that together will be a home run."

Player interest in the league has been so strong that the company is also considering a reality TV show about rugby players fighting for a spot on the team.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8	**Zuma Beach Entertainment**	WAR - World Arena Rugby

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