

[The- Penny- Stock- Prophet](#)

Many stock traders would like to bear the title The Penny Stock Prophet but in reality most just do not have what it takes.

Predicting the behaviour of Stocks and of the market has been aspired to since the stock markets were established.

Penny stocks are stocks traded under \$5 on smaller exchanges and are sometimes referred to as micro cap investments. Do not be fooled by the small price of the stocks as enormous gains and huge losses are possible in this volatile arena.

One of the reasons it is so difficult to predict small stocks is the lack of reliable information or even manipulated information distributed by the companies representing the shares. Many company shares traded for pennies have been previously declined or removed from a major stock exchange such as NASDAQ. Sometimes this is due to lack of consistent and reliable reporting of company activity.

Veteran investors know where to turn for information on current shares and have additional tools to cross check and analyse the performance of trades over time. Experienced traders also have the accumulated understanding of how the stock markets behave.

Information and calculations on share prices, company movements and expected gains most often do not comprise the entire equation for picking penny stocks to invest. A true Penny Stock Prophet will also have a proven algorithm to assist in his decision making.

A variety of trading tools are commercially available. You may also find free information spread judiciously across the Internet. When selecting your information source it is important to verify that the website does not have a conflict of interest with the recommended stocks. such disclosure is required by law, but may not be easily found.

One of the variables associated with stock trading is the main force driving stock share prices, also referred to as Psychological Support Level (PSL). This variable helps identify undervalued stocks.

PSL is similar to formulas currently used by mathematicians to predict and determine how human behavior affects population growth, crime and even terrorism called Psychometric Science.

Indeed it would seem The Penny Stock Prophet should master the stock trading variables discussed in this article.

Trading does not have to be a headache. There are a lot of resources out there, the trick is selecting the right one. For more information on the [penny stock prophet](#) and on [penny stocks recommendations](#) please stop by my blog.

Dustin

Article Source: [http:// EzineArticles.com/? expert=Dustin_Hoffman](http://EzineArticles.com/?expert=Dustin_Hoffman)

.....
.....
.....

Other Recent EzineArticles from the [Investing:Stocks](#) Category:

- [How You Can Make Great Returns With Very Low Risk](#)
- [Guide For the Beginners in the Stock Market](#)
- [Stock Investment Rules](#)
- [The Importance of Patience in Stock Trading](#)
- [Diversification in the Stock Market](#)
- [The Secret to Finding the Best Cheap Stocks With Potential](#)
- [Sensible Stock Investing - How to Pick, Value, and Manage Stocks](#)
- [Invest and Trade ASX Stocks - General Advice Guidelines](#)
- [How the Stock Market Works - Stock Trading Basics](#)
- [Fundamental Principles of the Stock Market](#)
- [How to Define a Stock Market Trading Strategy](#)
- [You Can Be a Stock Market Genius - Uncover the Secret Hiding Places of Stock Market Profits](#)
- [Remember When Investing Was Easy?](#)
- [A Beginner's Guide to Trading Online](#)
- [Introduction to the Financial Markets](#)

Most Viewed EzineArticles in the Investing:Stocks Category (60 Days)

1. [Stocks That Pay Monthly Dividends](#)
2. [How Any Stock Trader Can Make Trading Stock Markets Easier and Much More Profitable](#)
3. [How to Find Quality Penny Stock Reports Online](#)
4. [Best Stock Investment in 2010 & Beyond](#)
5. [Crude Oil Price Forecast Using Technical Analysis](#)
6. [Outlook For High Yield Dividend Stocks As We Enter the New Year](#)
7. [Best Stock Investment Strategy For 2010 & Beyond](#)
8. [The Best of the Cheap Stock Tips Programs](#)
9. [What Are the Best Penny Stocks to Buy Right Now For 2010?](#)
10. [Which Stocks to Buy - How to Find Out?](#)
11. [A Quick Stock Market Tutorial - 15 Tips For Beginners](#)
12. [Stock Investing Tips - Identifying the Best Market Sectors and Industry Groups](#)

13. [Penny Stocks to Invest In - How Do I Buy Penny Stocks Online?](#)
14. [Stock Trading Strategies - Be a Winner](#)
15. [Which Stock Should I Buy Today?](#)

Most Published EzineArticles in the Investing:Stocks Category (60 days)

1. [Tips on Finding Good Penny Stocks](#)
2. [The Key to Understanding the Stock Market](#)
3. [Is Investing in the Stock Market Like Gambling?](#)
4. [Penny Stock Pumps & Promotions - What's the Best Way to Trade Them?](#)
5. [Penny Stocks to Invest In - How Do I Buy Penny Stocks Online?](#)
6. [Buying Penny Stocks Online](#)
7. [How to Watch the Stock Market](#)
8. [Hot Penny Stocks to Watch - It's Easy to Find Hot Penny Stocks to Watch Now](#)
9. [Pick Good Penny Stocks and Realize Huge Investment Profits](#)
10. [How Risky Are Penny Stocks?](#)
11. [Stocks That Pay Monthly Dividends](#)
12. [Can Penny Stocks Make You Rich?](#)
13. [Penny Stocks and Over the Counter Bulletin Board OTCBB](#)
14. [Where to Find Good Penny Stocks](#)
15. [Stock Investing Tips - Identifying the Best Market Sectors and Industry Groups](#)

This article has been viewed 6 time(s).

Article Submitted On: March 03, 2010

- MLA Style Citation:
Hoffman, Dustin "The Penny Stock Prophet." *The Penny Stock Prophet*. 3 Mar. 2010 *EzineArticles.com*. 5 Mar. 2010 <<http://ezinearticles.com/?The-Penny-Stock-Prophet&id=3862897>>.
- APA Style Citation:
Hoffman, D. (2010, March 3). *The Penny Stock Prophet*. Retrieved March 5, 2010, from <http://ezinearticles.com/?The-Penny-Stock-Prophet&id=3862897>
- Chicago Style Citation:
Hoffman, Dustin "The Penny Stock Prophet." *The Penny Stock Prophet EzineArticles.com*. <http://ezinearticles.com/?The-Penny-Stock-Prophet&id=3862897>