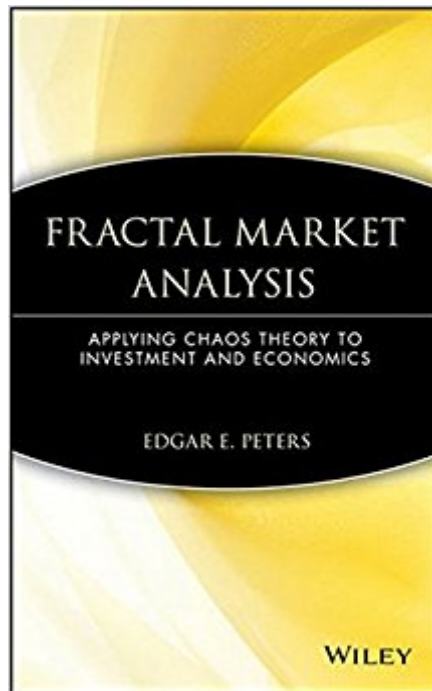


The book was found

# Fractal Market Analysis: Applying Chaos Theory To Investment And Economics



## Synopsis

A leading pioneer in the field offers practical applications of this innovative science. Peters describes complex concepts in an easy-to-follow manner for the non-mathematician. He uses fractals, rescaled range analysis and nonlinear dynamical models to explain behavior and understand price movements. These are specific tools employed by chaos scientists to map and measure physical and now, economic phenomena.

## Book Information

Hardcover: 336 pages

Publisher: Wiley; 1 edition (January 12, 1994)

Language: English

ISBN-10: 0471585246

ISBN-13: 978-0471585244

Product Dimensions: 6.2 x 1.1 x 9.6 inches

Shipping Weight: 1.5 pounds (View shipping rates and policies)

Average Customer Review: 3.6 out of 5 stars [See all reviews](#) (14 customer reviews)

Best Sellers Rank: #596,391 in Books (See Top 100 in Books) #58 in [Books > Science & Math > Mathematics > Pure Mathematics > Fractals](#) #174 in [Books > Business & Money > Economics > Public Finance](#) #484 in [Books > Textbooks > Business & Finance > Investments & Securities](#)

## Customer Reviews

Reviewed by Michael P. Corning  
Edgar E. Peters wasn't satisfied with the Efficient Market Hypothesis (EMH). With the publication of his first book, *Chaos and Order in Capital Markets*, John Wiley & Sons, New York, 1991, he went public with his concerns about its underlying assumptions and with its empirical shortcomings. That book, a manifesto really, was followed last year by *Fractal Market Analysis: Applying Chaos Theory to Investment & Economics* (FMA). Where his first book broke ground, FMA has laid the foundation of a new conceptual infrastructure of capital markets.  
Risk From The Past  
Much of Peters argument is based on two things: one hundred three years of daily Dow Jones Industrial Average data, and Rescaled Range (R/S) analysis. He begins FMA by demonstrating that capital market returns in the United States are not a truly random walk. Instead, he contends they are a biased random walk and indicate a long memory process; they are persistent. Specifically, he characterizes their short term behavior (less than 1,200 days) as a stochastic nonlinear process and their long term behavior as a nonlinear dynamic, or chaotic, process. As a result, he enlarges the definition of risk to include a phenomenon he discovered about

persistent processes: they are mirrored by antipersistent ones. If persistent processes are less random than random ones, antipersistent processes reverse themselves more often than random ones. An early insight due to this discovery is that risk is not merely the deviation from an expected value, viz., standard deviation, but the velocity of the second difference of price changes. Peters offers the Stable-Levy, or fractal, frequency distribution as a more faithful representation of capital markets.

[Download to continue reading...](#)

Fractal Market Analysis: Applying Chaos Theory to Investment and Economics Fractal Art Adult Coloring Book (Fractal Art Coloring Books) (Volume 2) Chaos, Gaia, Eros: A Chaos Pioneer Uncovers the Three Great Streams of History Fractal Time: The Secret of 2012 and a New World Age Fractal Cuts Stock Market: Beginner's Guide to Stock Trading: Everything a Beginner Should Know About the Stock Market and Stock Trading (Stock Market, Stock Trading, Stocks) Smart Investor: Warren Buffett Way: How to know the stock market has bottomed? (Market Crash, Intelligent Investor, Stock Market, Financial Freedom, Stock Valuation, Wealth Creation Book 1) Managerial Economics: Foundations of Business Analysis and Strategy (The McGraw-Hill Economics Series) International Economics: Theory and Policy (10th Edition) (Pearson Series in Economics) Hedge Your Investment Portfolio: How to Hedge Your Investment Portfolio with Diversification, Options, and Futures 24 Essential Lessons for Investment Success: Learn the Most Important Investment Techniques from the Founder of Investor's Business Daily Applying UML and Patterns: An Introduction to Object-Oriented Analysis and Design and Iterative Development (3rd Edition) Applying UML and Patterns: An Introduction to Object-Oriented Analysis and Design and the Unified Process (2nd Edition) Applying Quantitative Bias Analysis to Epidemiologic Data (Statistics for Biology and Health) Summary of Chaos Monkeys by Antonio Garcia Martinez: Includes Analysis Re-Engineering the Manufacturing System: Applying The Theory of Constraints (Manufacturing Engineering and Materials Processing Series, Vol. 47) Analytics: Data Science, Data Analysis and Predictive Analytics for Business (Algorithms, Business Intelligence, Statistical Analysis, Decision Analysis, Business Analytics, Data Mining, Big Data) Applying Communication Theory for Professional Life: A Practical Introduction Applying Career Development Theory to Counseling Agile Management for Software Engineering: Applying the Theory of Constraints for Business Results

[Dmca](#)