

# BUYINS.NET

DIRECTOR OF RESEARCH: Thomas Ronk PH (800) 715-9999 EMAIL: tom@buyins.net DATE: 7-7-2010

## KEY DATA POINTS INSIDE

**Daily Short Volume**

**Naked Short Volume**

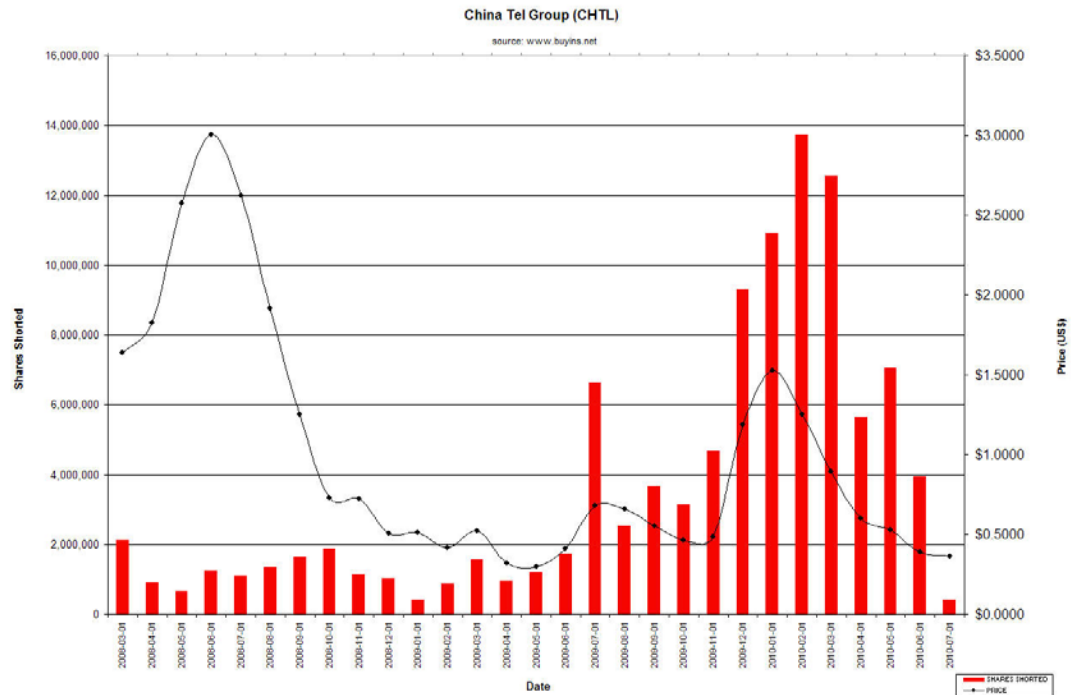
**Market Maker Friction**

## RECENT CHTL NEWS

- ChinaTel Group to Host End of Second Quarter Conference Call Scheduled for 1:30 p.m. PDT, Tuesday, July 20, 2010 PR Newswire(Mon, Jun 28)
- CHINA TEL GROUP INC Files SEC form 8-K, Unregistered Sale of Equity Securities EDGAR Online(Tue, Jun 15)
- CHINA TEL GROUP INC Financials EDGAR Online Financials(Thu, Jun 3)
- CHINA TEL GROUP INC Files SEC form 10-Q, Quarterly Report EDGAR Online(Mon, May 24)
- Emerging Stock Report Initiates Independent Research Coverage on China Tel Group, Inc. GlobeNewswire(Thu, May 13)
- CHINA TEL GROUP INC Files SEC form 8-K, Entry into a Material Definitive Agreement, Unregistered Sale of Equity Secur EDGAR Online(Wed, May 12)
- ChinaTel Consummates an Amended and Restated Stock

BUYINS.NET offers a proprietary research and trading service uncovering illegal naked short selling in stocks on the NYSE, AMEX, NASDAQ, OTCBB and PINKSHEETS. For more information please visit [www.buyins.net](http://www.buyins.net)

## CHTL SHORT SELLERS



**Starting in 2008 short sellers have actively shorted CHTL. Shorts are consistently continuing this activity which warrants close investigation. Buyins.net will report the results of its surveillance on a monthly basis.**

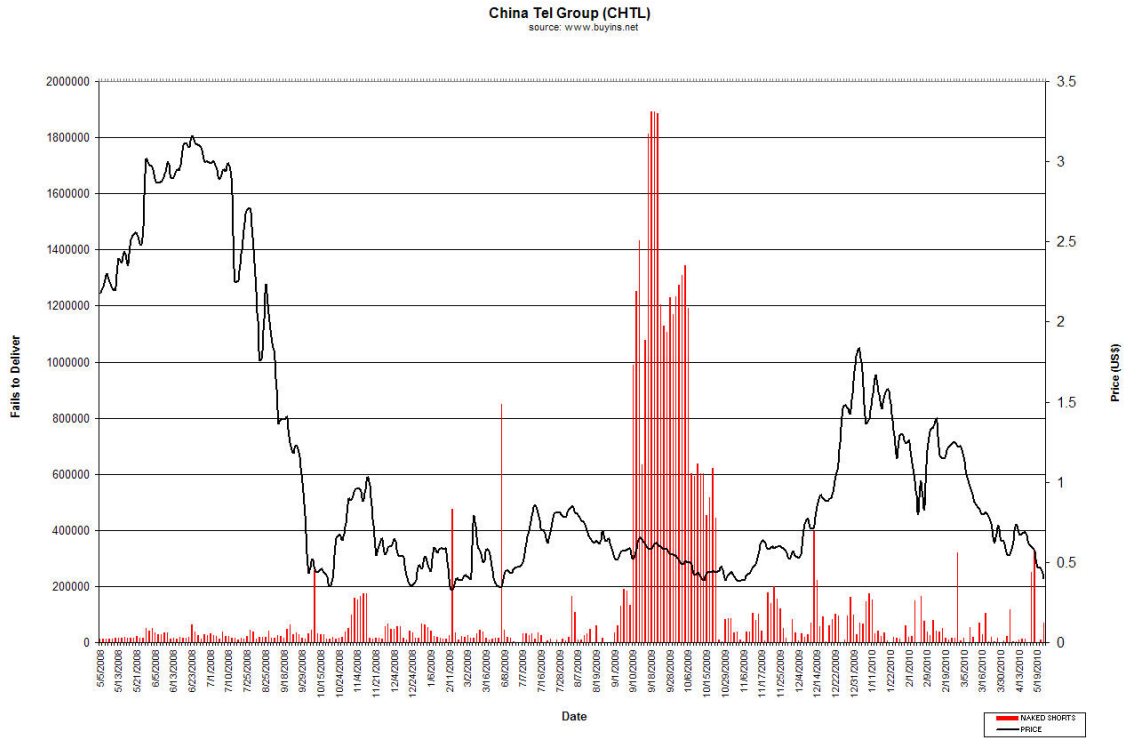
## OVERVIEW OF CHTL SHORT SALE DATA

After careful analysis of CHTL short sale, naked short sale and market maker friction factor data it is clear that CHTL has persistently had issues with short sellers who have been aggressive over the past 2 years. Short sellers have been building a

sizable position in shares of CHTL and market makers have made a bearish market lately. New evidence of daily short sellers shorting shares of CHTL has now come to light as the SEC has finally given Buyins.net access

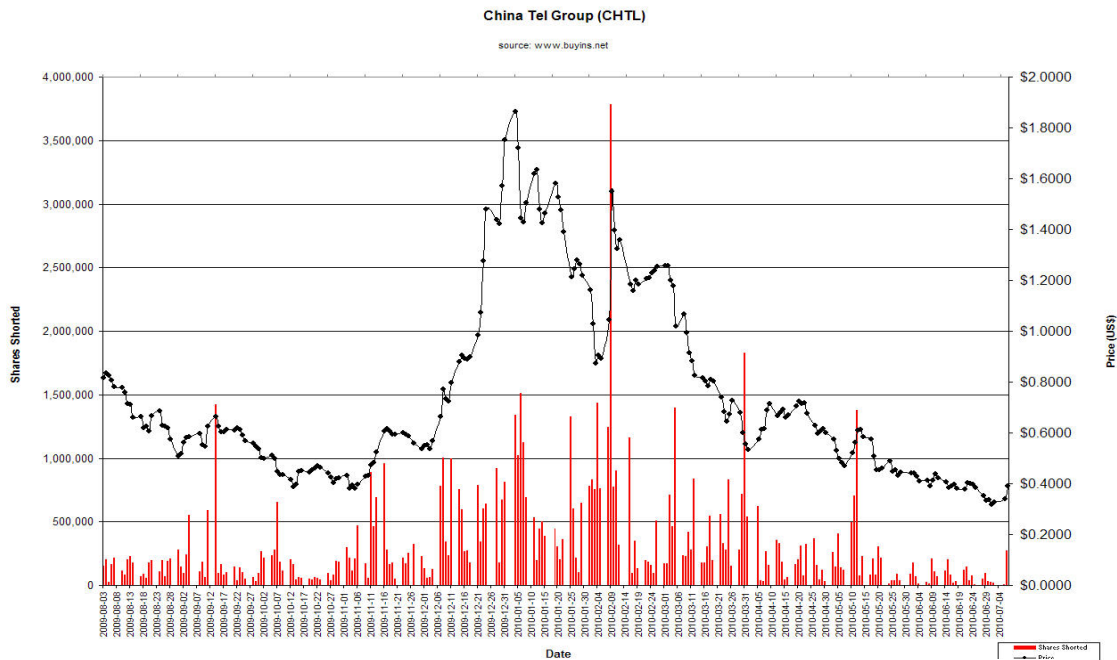
to DAILY short sale data which is updated every night. Protecting CHTL from abusive shorting is a high priority.

## DAILY FAILURE TO DELIVER DATA (NAKED SHORTS) IN CHTL



**Failures to Deliver in CHTL have been a persistent issue as short sellers have been lax at complying with Regulation SHO for 2 years. Buyins.net will continue to monitor and report short sellers for non-compliance with Regulation SHO borrow requirements.**

## NEW DAILY SHORT SALE TRADING VOLUME STARTING 8-3-09



**Shorts have been consistently shorting CHTL on a daily basis. An average of 26% of daily trading volume is short selling.**

**MARKET MAKER SURVEILLANCE SYSTEM (FRICTION FACTOR)**

<b>Date</b>	<b>Change</b>	<b>BuyVol</b>	<b>SellVol</b>	<b>NetVol</b>	<b>Friction</b>
7/7/2010	\$0.045	354,897	261,449	93,448	20,766
7/6/2010	\$0.035	291,016	195,563	95,453	27,272
7/2/2010	\$0.010	141,089	39,100	101,989	101,989
7/1/2010	-\$0.010	77,300	146,521	-69,221	-69,221
6/30/2010	-\$0.020	146,627	238,538	-91,911	-45,956
6/29/2010	\$0.020	538,355	500,383	37,972	18,986
6/28/2010	-\$0.050	268,891	853,899	-585,008	-117,002
6/25/2010	-\$0.010	116,850	461,000	-344,150	-344,150
6/24/2010	-\$0.020	105,046	585,347	-480,301	-240,151
6/23/2010	\$0.010	54,875	87,462	-32,587	Bullish Bias
6/22/2010	\$0.035	359,212	210,338	148,874	42,535
6/21/2010	-\$0.010	268,055	73,576	194,479	Bearish Bias
6/18/2010	-\$0.010	84,230	164,706	-80,476	-80,476
6/17/2010	-\$0.010	9,300	70,401	-61,101	-61,101
6/16/2010	\$0.020	193,174	354,253	-161,079	Bullish Bias
6/15/2010	-\$0.010	363,491	510,562	-147,071	-147,071
6/14/2010	-\$0.020	228,383	572,565	-344,182	-172,091
6/11/2010	-\$0.020	149,452	303,501	-154,049	-77,025
6/10/2010	-\$0.009	152,892	337,686	-184,794	-205,327
6/9/2010	\$0.044	230,628	311,444	-80,816	Bullish Bias
6/8/2010	-\$0.015	184,324	422,760	-238,436	-158,957
6/7/2010	\$0.000	127,291	393,605	-266,314	Bullish Bias
6/4/2010	-\$0.020	226,450	657,069	-430,619	-215,310
6/3/2010	-\$0.025	210,020	1,858,659	-1,648,639	-659,456
6/2/2010	\$0.000	146,059	293,730	-147,671	Bullish Bias
6/1/2010	\$0.000	441,750	894,440	-452,690	Bullish Bias
5/28/2010	\$0.011	390,810	245,150	145,660	132,418
5/27/2010	-\$0.016	549,250	925,460	-376,210	-235,131
5/26/2010	-\$0.010	121,205	285,150	-163,945	-163,945
5/25/2010	-\$0.015	215,867	301,090	-85,223	-56,815
5/24/2010	-\$0.060	257,360	407,350	-149,990	-24,998
5/21/2010	\$0.035	231,407	342,974	-111,567	Bullish Bias
5/20/2010	\$0.045	502,579	291,854	210,725	46,828
5/19/2010	-\$0.029	286,130	384,430	-98,300	-33,897
5/18/2010	-\$0.101	930,909	1,611,684	-680,775	-67,403
5/14/2010	-\$0.020	422,378	805,459	-383,081	-191,541
5/13/2010	\$0.005	333,089	285,765	47,324	94,648
5/12/2010	\$0.035	1,894,188	1,598,782	295,406	83,684

The above data is used to calculate if a fair market is being made in the shares of CHTL. 42% of recent trading days are positive or bullishy biased and 58% of trading days are negative or bearishly biased. There is a bearish market being made in CHTL in the past eight weeks.

Friction Factor determines if there is normal or abnormal behavior in the price action of the stock when compared to the buying vs. selling trading statistics. It calculates number of net shares of buying or selling to move price +/- one cent.

Here is how to understand Friction Factor:

1. If Friction Factor is positive, more buying than selling caused CHTL's price to rise
2. If Friction Factor is negative, more selling than buying caused CHTL's price to fall
3. If Friction Factor is 0, there was no discernable activity either way
4. If Friction Factor is abnormal, it means that there is either a bearish bias or a bullish bias to how market makers are making market in your stock.

## HOW BUYINS.NET RESEARCH REPORTS HELP FIGHT ABUSIVE SHORT SELLING

### BUYINS.NET Issues Uranerz Energy SqueezeTrigger Report

GlobeNewswire

Posted 8:30 AM 01/28/10

Print Text Size A A A

Email Facebook Twitter LinkedIn StumbleUpon More

#### Approximately 1.42 Million Shares Shorted At \$1.59 SqueezeTrigger Price

NEWPORT BEACH, Calif., Jan. 28, 2010 (GLOBE NEWSWIRE) -- BUYINS.NET, [www.buyins.net](http://www.buyins.net), a leading provider of Regulation SHO compliance monitoring, short sale trading statistics and market integrity surveillance, has initiated coverage on Uranerz Energy (AMEX:URZ) after releasing the latest short sale data through January 26, 2010. The total aggregate number of shares shorted in the past year is approximately 1.42 million shares. The SqueezeTrigger price for all shares shorted is \$1.59. The first of several short squeezes will begin when URZ closes above \$1.24, where approximately 204,000 shares have been shorted. To access SqueezeTrigger Prices ahead of potential short squeezes beginning, visit <http://www.buyins.net>.



**The above report was issued on January 28, 2010 when URZ was trading at \$1.12 per share. The report included data on short selling, naked short selling and market maker friction factor and alerted investors and regulators that an unfair market was being made in shares of URZ and that a short squeeze would begin if shares were to go above \$1.24 per share. The results were immediate and dramatic with URZ going from \$1.12 to \$2.24 in only a few days, a gain of 100%.**

### BUYINS.NET Issues Ebix SqueezeTrigger Report

GlobeNewswire

Posted 8:30 AM 02/05/10

Print Text Size A A A

Email Facebook Twitter LinkedIn StumbleUpon More

#### Approximately 25.95 Million Split Adjusted Shares Have Been Shorted at \$17.67 SqueezeTrigger Price Since August 2009

NEWPORT BEACH, Calif., Feb. 5, 2010 (GLOBE NEWSWIRE) -- BUYINS.NET, [www.buyins.net](http://www.buyins.net), a leading provider of Regulation SHO compliance monitoring, short sale trading statistics and market integrity surveillance, has initiated coverage on Ebix, Inc. (Nasdaq:EBIX) after releasing the latest short sale data through February 3, 2010. The total aggregate number of shares shorted in the past 6 months is approximately 25.95 million shares (3:1 split adjusted). The SqueezeTrigger price for all shares shorted is \$17.67. The first of several short squeezes is expected to begin when shares of EBIX close above \$14.50, where approximately 1.67 million shares will begin squeezing. The total short interest (shares still uncovered) as of January 15, 2010 is 10.75 million shares. To access SqueezeTrigger Prices ahead of potential short squeezes beginning, visit <http://www.buyins.net>.



**WWW.BUYINS.NET**

NEWPORT BEACH, CA

Phone: 800-715-9999

Fax: 815-328-0698

Email: tom@buyins.net

**Trading Solutions to  
Naked Short Selling**

All material herein was prepared by BUYINS.NET, based upon information believed to be reliable. The information contained herein is not guaranteed by BUYINS.NET to be accurate, and should not be considered to be all-inclusive. The companies that are discussed in this opinion have not approved the statements made in this opinion. This opinion contains forward-looking statements that involve risks and uncertainties. This material is for informational purposes only and should not be construed as an offer or solicitation of an offer to buy or sell securities. BUYINS.NET is not a licensed broker, broker dealer, market maker, investment banker, investment advisor, analyst or underwriter. Please consult a broker before purchasing or selling any securities viewed on or mentioned herein. BUYINS.NET may receive compensation in cash or shares from independent third parties or from the companies mentioned.

BUYINS.NET affiliates, officers, directors and employees have not bought shares of stock discussed in this opinion but BUYINS.NET has been paid \$995 per month by CHTL for six months of data provided in this report. Market commentary provided by Thomas Ronk.

BUYINS.NET will not advise as to when it decides to sell and does not and will not offer any opinion as to when others should sell; each investor must make that decision based on his or her judgment.

All Rights Reserved. Copyright 2010 BUYINS.NET, LLC

**BUYINS.NET WILL ISSUE A VARIETY OF REPORTS ON CHTL**

## REGULATORY & COMPLIANCE NEWS

- Friction Factor – market maker surveillance system tracking Level II market makers in all stocks to determine Price Friction and compliance with new “Fair Market Making Requirements”
- RegSHO Naked Shorts – tracks EVERY failure to deliver in all US stocks and tracks all Threshold Security Lists daily for which stocks have naked shorts that are not in compliance with Regulation SHO

## INVESTMENTS & TRADING

- SqueezeTrigger – 27 billion cell database tracks EVERY short sale (not just total short interest) in all US stocks and calculates volume weighted price that a short squeeze will begin in each stock
- Earnings Edge – predicts probability, price move and length of move before and after all US stock earnings reports
- Seasonality – predicts probability, price move and length of move based on exact time of year for all US stocks
- Group Trader – tracks sector rotation and stock correlation to its sector and predicts future moves in ALL sectors and industry groups
- Pattern Scan – automates tracking of every technical pattern and predicts time and size of move in all stocks
- GATS (Global Automated Trading System) – tracks all known trading strategies and qualifies and quantifies which are working best in real time

**WHY BUYINS.NET IS BEST CHOICE FOR CHTL MARKET INTEGRITY**

The data we provide is extremely useful for CHTL for the following reasons:

1. Stop naked short selling in shares of CHTL
2. Break the market maker hold on Level II box causing so much price friction
3. Our SqueezeTrigger Reports that cross newswires and are sent to our 720,000 users help break the rest of the shorts
4. Discourage new short sellers from shorting your stock
5. Stop the negative perception that dropping stock price places on normal day to day business operations
6. Combined all of these facets help to stop the daily drain that the short attacks have on the company.

Here is a quick technology overview:

<http://www.buyins.com/centurypacificbrochure.pdf>

Background information on our CEO:

<http://www.buyins.com/images/tomronk.pdf>