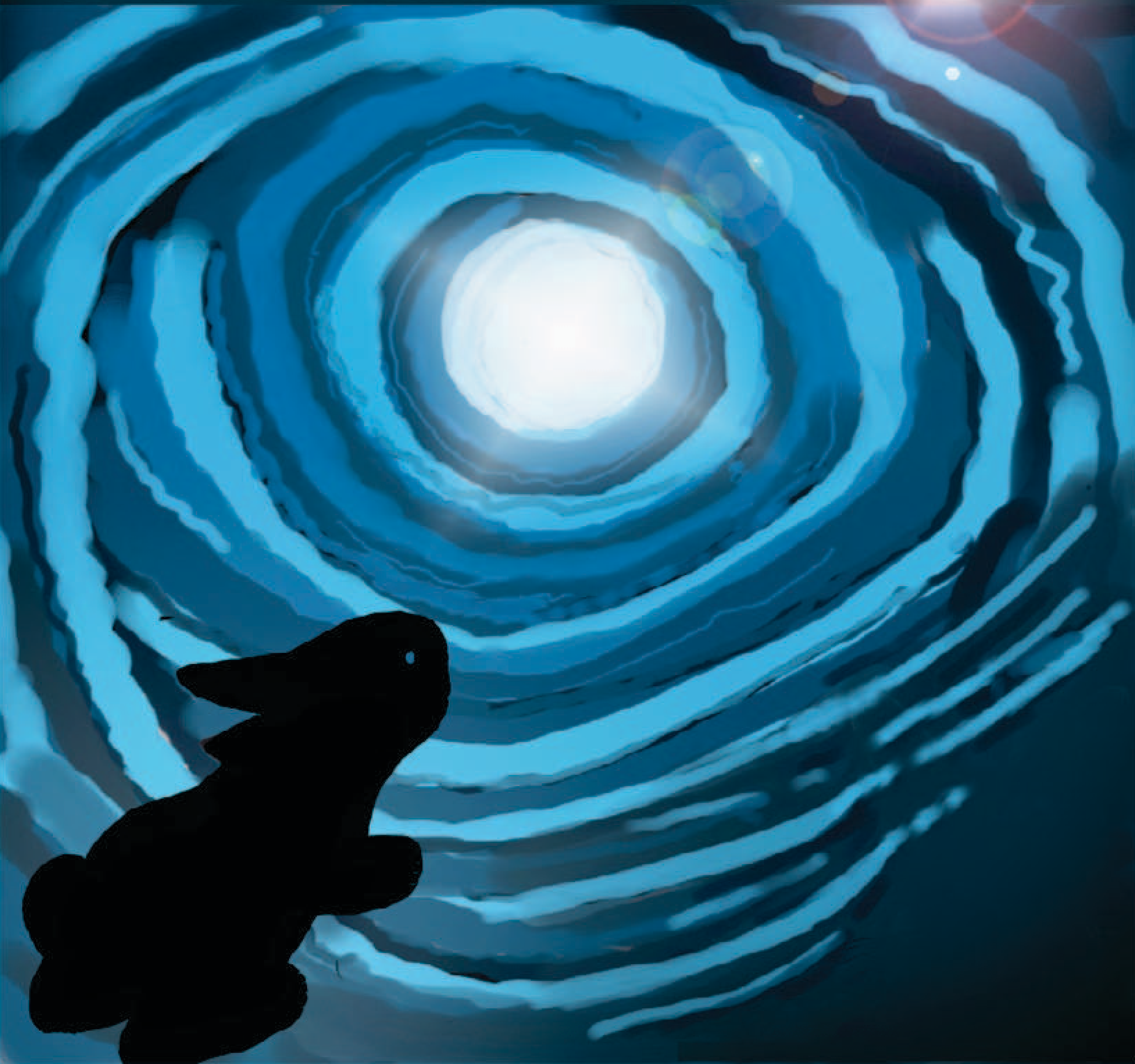
THE OFFICIAL MAGAZINE OF TECHNICAL ANALYSIS

TRADERSWORLD

October/November/December 2021 Issue #82

Down the Rabbit Hole



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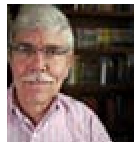

Editor-in-Chief

Larry Jacobs - Winner of the World Cup Trading Championship for stocks in 2001. BS, MS in Business and author of 6 trading books.

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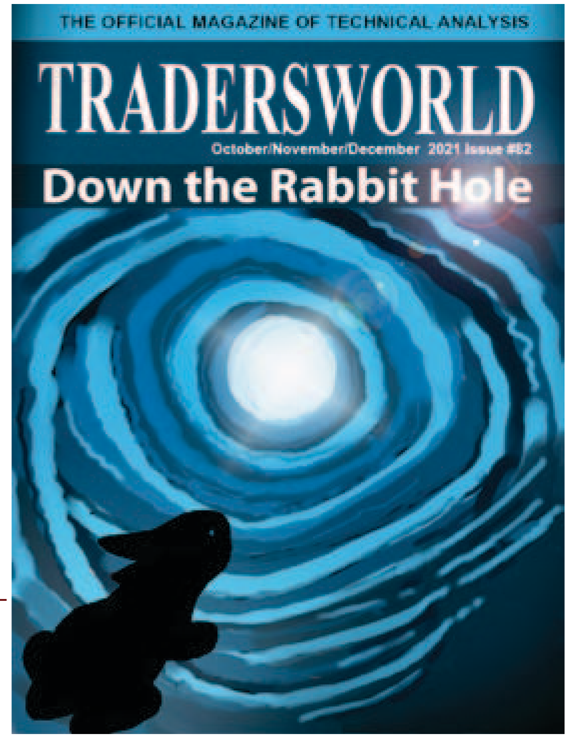
Down the Rabbit Hole

By Larry Jacobs



Time magazine auctioned three NFT (non-fungible tokens) covers. These were time's most iconic covers and included an original covers created especially for this auction. These Time NFT's were availableon the cryptocurrency marketplace SuperRare. The auction ended Wednesday March 24th at 8PM ET.

The three covers were:
Is God Dead? Authentic Digital Art - TIME Is God Dead? | SuperRare
Is Truth Dead? Authentic Digital Art - TIME Is Truth Dead? | SuperRare
Is Fiat Dead? Authentic Digital Art - TIME Is Fiat Dead? | SuperRare

The NFT digital magazine covers were sole for almost $500,00 in cryptocurrency. They were auctioned off on the platform SuperRare.

NFTs are digital tokens that represent artwork. They can be bought, sold and transferred to other people via blockchain technology. In the case of Time the NFTs did represent previous Time covers which were famous all following specific themes.

The Time Magazine cover "**is God Dead?**" sold for $112,000. The "**is Truth Dead**?' sold for $141,000. The "**Is Fiat Dead**" sold for $130,000. The NFT three magazine covers sold for $56,000.

The Economist magazine recently auctioned its cover **Alice in Wonderland themed Defi** for nearly $419,000. Playboy, Vogue, AP, Fortune, Forbes, New York magazines are all getting into the act of selling its NFT covers .

Tradersworld is now also following the trend and is auctioning its theme cover **Down the Rabbit Hole cover** on **OpenSea** which is the largest NFT marketplace. The cover was designed by Susie Brantman, Heather Torpey and Larry Jacobs. This also marks the beginning of Traders world covering more news on the crypto markets.

Follow us on **twitter.com / tradersworld** and **Instagram / tradersworld1** for the date of the auction to be announced. To participate you need to have an account with **opensea.io** and have a online wallet such as **Metamask.**

Your Greatest Asset You Own May Be Under Pressure Soon

Chris Vermeulen
Chief Market Strategist
www.TheTechnicalTraders.com

Real estate is one of the biggest investments of our lifetime. It's one of our best assets and, but, there's going to be times when they do very well, which we've recently seen, and there's also going to be tough times when real estate can be dormant. There will come a time where there will be better places to focus our time and capital.

In this report, I'm going to cover the real estate sector, ETFs, interest rates and the long-term trends, and the short-term bias of the real estate market. Remember, if you would like my daily, weekly, and monthly trading and investing ETF signals so you can grow your wealth, join me at www.TheTechnicalTraders.com

FRED ECONOMIC DATA CHART

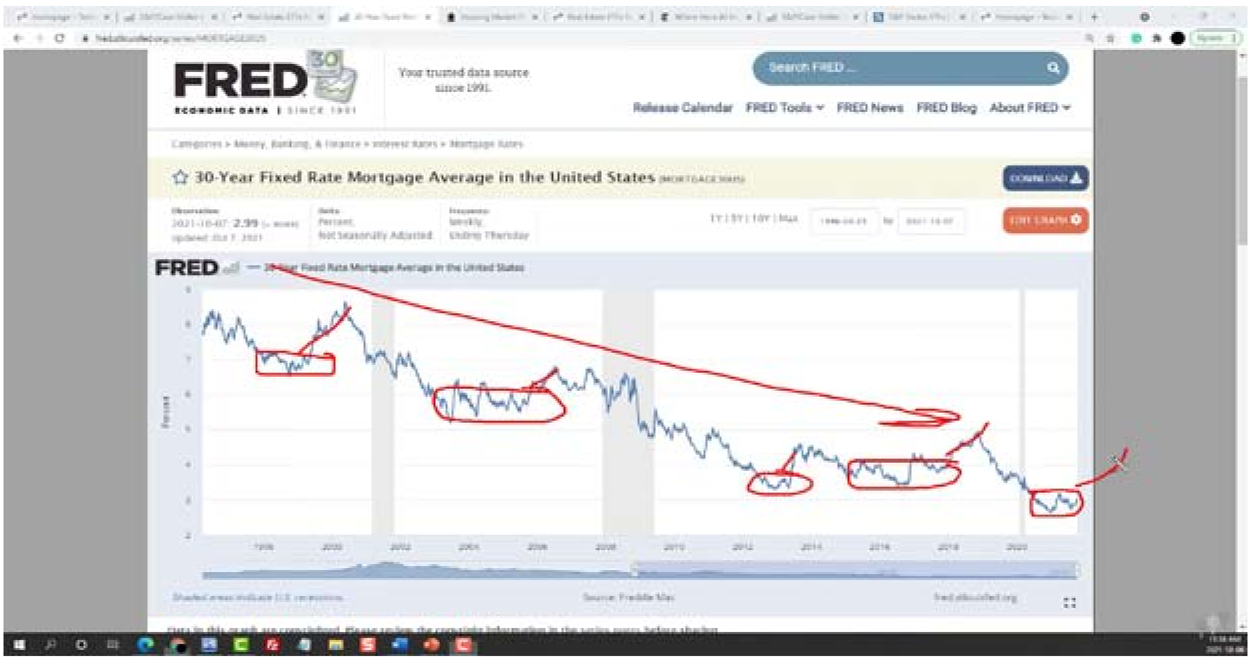
This is the national home price index going back to the mid-80s. On average we all know that real estate is a long-term investment and that if you hold it long enough it should rise in value. The chart shows some great appreciation since the year 2012 and the COVID-19 has created a strong increase in home values, which I believe will become the tipping point for the real estate market to top.

FRED 30-YEAR FIXED-RATE MORTGAGE

The 30-year fixed-rate mortgage is showing a bottoming pattern here. In fact, based on the technical analysis, it looks like it's building a base and is primed and ready to start to rise. When

people get nervous about things, we can see interest rates begin to move up.
If we look at the longer-term chart for this, and we can see the type of price action going on. Notice the similarity between the year 2020 and the years between 2015-2018 where there is basing formation before the price starts to rally higher.

After a long downward trend in rates, it can resolve in a strong pop and rally. Currently, rates have been falling for a long time. We could see rates start to move up, and because there's a lot of leverage in the real estate market, when rates move up, even just a little, it causes quite awake in real estate prices.

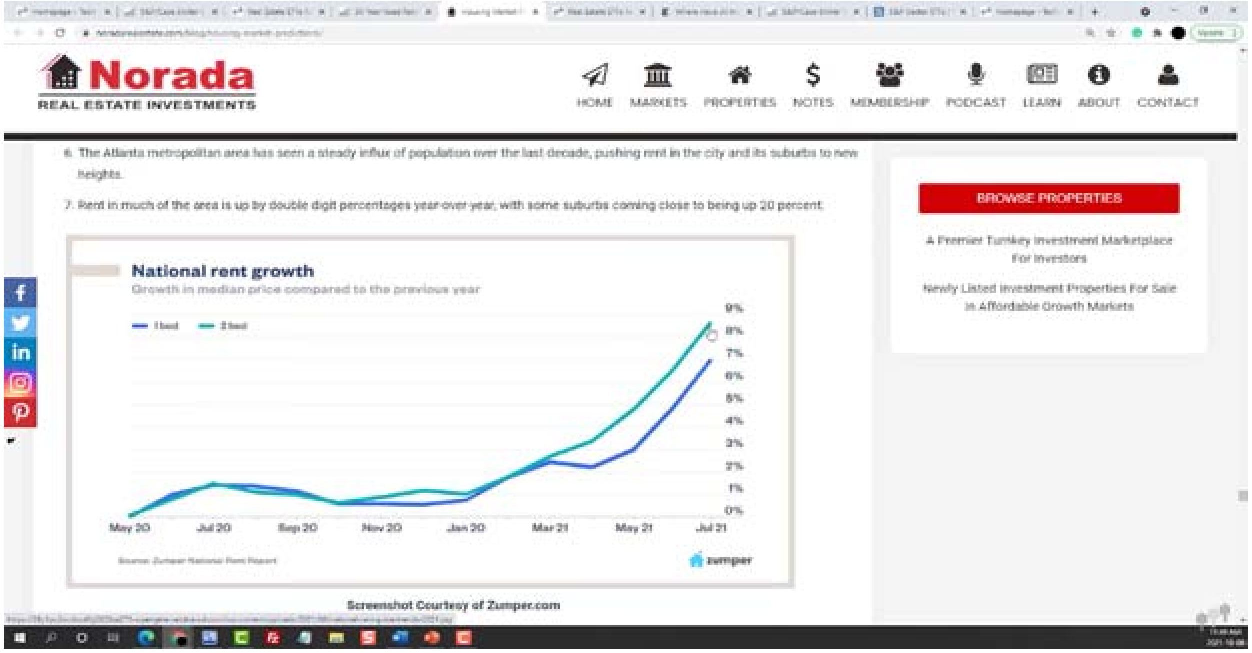


NATIONAL RENT GROWTH

Normally, people need to renew their mortgages every 3-5 years. So when interest rates incease so do the carrying costs of owning real estate. When this happens, the owners require more capital and will need to increase the rent for tenants and/or put more money down towards their home upon renewal. When financial requirements cannot be met, this is when we start to see more homes come up for sale as individuals downgrade and start to deleverage. Rising rates and more strict requirements are the early signs of a weakening real estate market.

The chart below shows the rent from May 2020 to July 2021. This shows the one and two-bedroom rent increases of about 7%-8% in just one year.

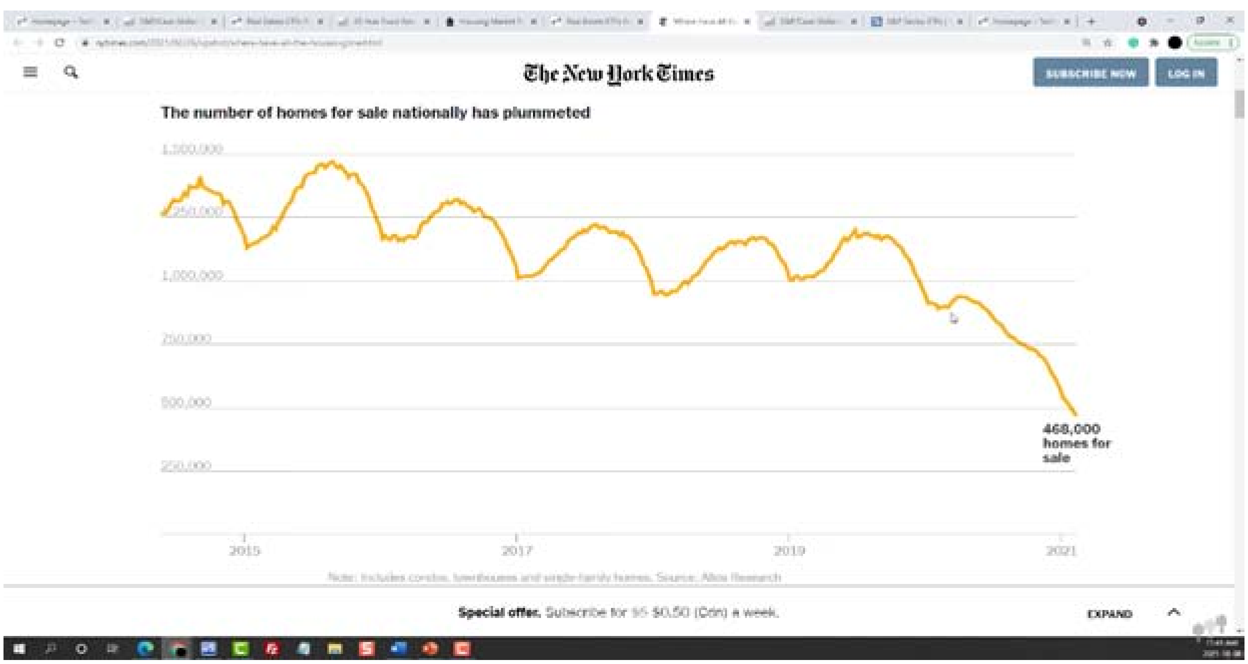
The *NARADA REAL ESTATE INVESTMENTS REPORT* talks about many areas having 20% gains. We see inflation in rents, but also groceries, electronics, vehicles, travel etc. Unfortunately, incomes levels haven't increased much making it difficult for most people to afford the increase in living expenses.



NUMBER OF HOMES FOR SALE NATIONALLY

This is the number of homes for sale nationally has plummeted from 2020. This telling us that there are not many homes for sale. As uncertainty rises and home values rise, people are holding on to their biggest and best asset and don't want to sell.

Since nobody wants to sell their homes, but the population continues to increase, the law of supply and demand drives the price higher.



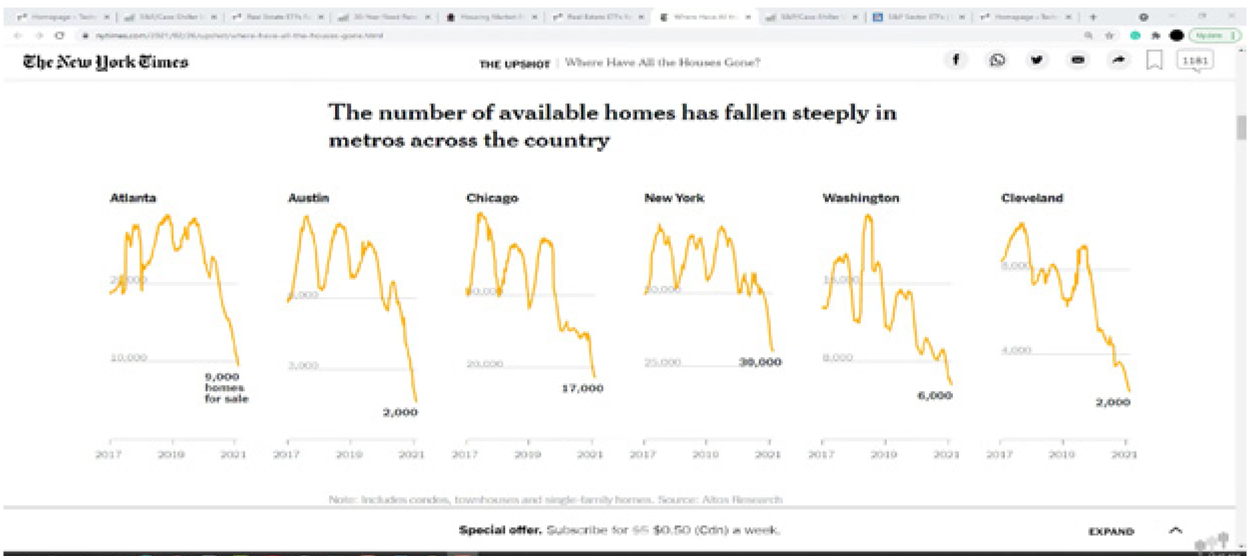
Source: https://www.nytimes.com/2021/02/26/upshot/where-have-all-the-houses-gone.html

WHERE HAVE ALL THE HOUSES GONE?

This report from The New York Times is telling us the number of homes available has fallen steeply in Metro areas across the country. You can see that from COVID-19 beginning in March until now; there is this huge outside, the norm, kind of deviation of no one wanting to sell their homes.

As with any big move outside of a standard deviation, eventually, there will be revert to the mean type of move. 1-3 years from now, I would expect the market will be flooded with homes for sale because as the economy will be weaker, mortgages will be up for renewal, and financing will be very tough to get.

As my dad always said, you cant have great times with some tough times, and they will happen!



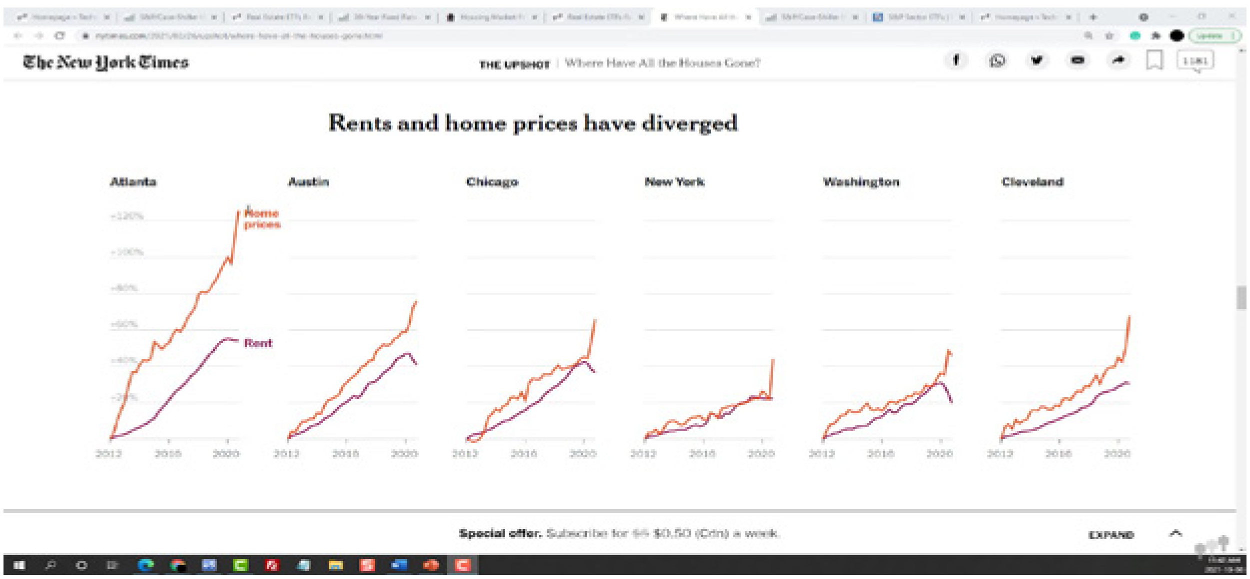
Source: https://www.nytimes.com/2021/02/26/upshot/where-have-all-the-houses-gone.html

Moreover, in this report, we see the home prices start to increase rents. Since people are not willing to pay these skyrocket rents because they cannot afford them, rents actually start to move downwards.

The divergence in the chart below is an early warning sign indicating that housing prices keep going up while rents are falling. People aren't willing to pay the higher rents, so the rising home prices, which require higher rents to cover the mortgage and carrying costs, will eventually stall and start to decline. This extra-strong price appreciation in homes is typical of what we see just before a major market top and is what the analysis is indicating.

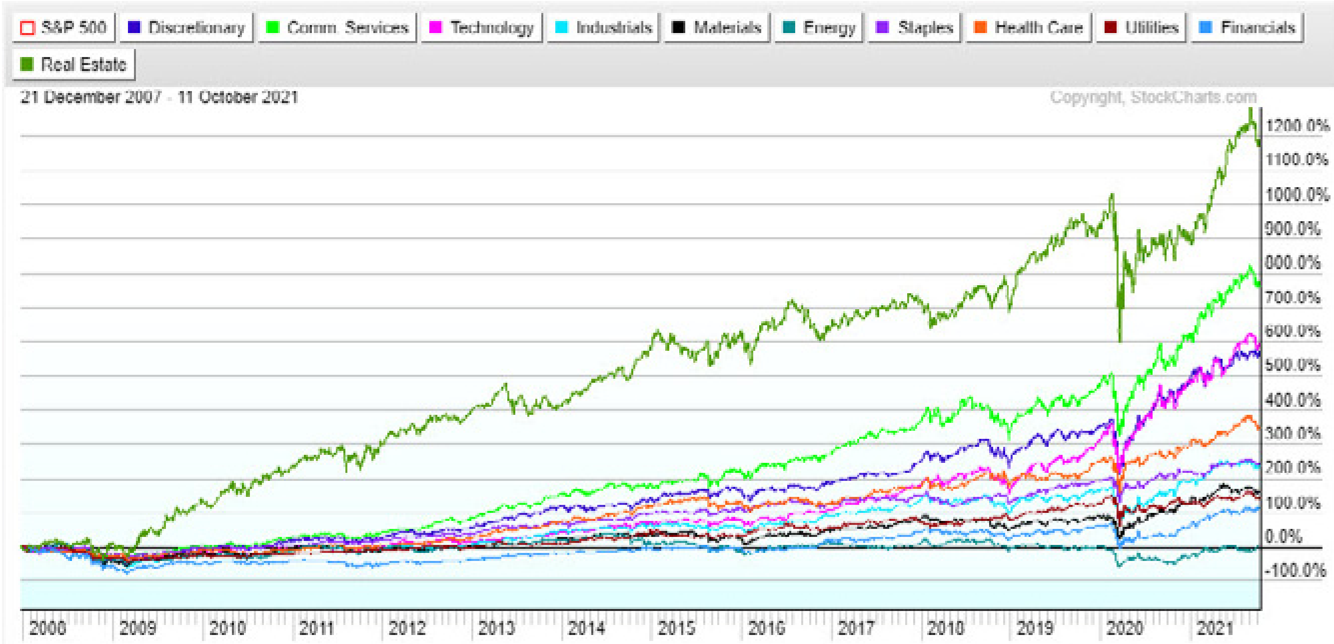
The housing market can be dormant and slow-moving for long periods of time. But then suddenly experience massive surges of appreciation. This is what we have just experienced over the past year.

The housing market could be under pressure and give back many gains and become dormant for several years. The strong home price surge while rents decline is a leading indicator that the real estate market rally is coming to an end.



Source: https://www.nytimes.com/2021/02/26/upshot/where-have-all-the-houses-gone.html

If we were to look at real estate as an investment by sectors and asset classes, real estate is the clear leader. The top green line is the real estate ETF. It has just continued to chug its way higher with a series of pauses and rallies since 2007.



IYR, IShares U.S. Real Estate ETF Daily Chart

The IShares U.S. Real Estate ETF seeks to track the investment results of an index composed of U.S. equities in the real estate sector.

The type of reversal that we see on this chart now usually happens at short-term market tops. These sharp initial pullbacks in price have happened repeatedly on this chart. Will real estate have a quick pullback and pause, or will it last many months or longer, that is the big question right now.

CONCLUSION

Almost every wealthy individual or retiree that I have spoken to, when I ask them what their best investments were and how they gained most of their wealth, the answer is real estate.

Since I was a kid, my father always told me to buy my first house as soon as I possibly could. Then, go out and buy another, and another, etc. Hands down, it is one of the easiest ways to leverage your money and get paid to own assets that are increasing value.

My first home was a small 1014 sq subdivision home I bought with my wife. Now, we have over 75 tenants (income streams). It's absolutely amazing the power of real estate and the low, near-free money to borrow and leverage.

Just be sure you never get overextended and can cover your carried costs if the world was to fall apart for 1-2 years because real estate/leverage improperly managed can ruin you financially, marriages, and partnerships.

If you would like my daily, weekly, and monthly trading and investing ETF signals so you can grow your wealth, join me at TheTechnicalTraders.

Chris Vermeulen
Chief Market Strategist
www.TheTechnicalTraders.com

What Was the Gann Master Time Factor?

By Alexander Straker

The short answer is we may never know with 100% *certainty*. A lot has been written on what the Master Time Factor may or may not be. Most published information describes it as a key cycle such as the 20-year or 60-year cycle.

Over years of research and pondering Gann's hints I have personally come to believe that the Master Time Factor is more likely to be some kind of key cycle *ratio* or *set of ratios* (music based) that essentially are used universally to forecast (or backcast) by either:

a) using simple wave form cycles individually to predict that cycle's rhythm going forward, or

b) building a more complex summation of multiple different length wave forms as a combined forecast wave. Even 2 waves can be very effective.

A ratio could be useful both in finding the correct historical cycles to apply, and in measuring and building individual cycle forecasts.

In the mathematical structure of music, a *limited* number of simple ratios such as 1:2, 2:3, 3:4 are considered *perfect* in quality. These are known as the *Perfect Octave, Perfect Fourth and Perfect Fifth*. No other musical intervals are considered perfect in quality, all others are known as Major or minor intervals.

As well as these simple ratios, the Golden Mean ratio is extremely important. By understanding first how simple ratios relate to the musical term for difference in tuning 'cents', this leads us on to discover the Golden Mean. Note the most important simple ratio in music is the Octave at 2:1, and this is equal to *1,200 cents*. *Interesting fact that the Octave from like to like notes is a* ***harmonic 12****, same as a* ***clock face*** *& number of* ***zodiac houses*** *in the Astro wheel.*

The following table and explanation from **Heinz Bohlen** on his music theory website begins with an Octave and continues with a Fibonacci sequence of simple ratios (also relevant to music), then examines the equal number of cents for each new interval ratio. The number gradually approaches 833 cents. This number has its own interesting properties, for example if you double 833 this is

1666, a harmonic of 3:2 one of the important *perfect* ratios in music. Applying 833 cents is a 50% harmonic of perfection!

Musical Intervals in Cents

Base Interval	New Interval [Ratio]	New Interval [Cents]
2 : 1	3 : 2	701.96
3 : 2	5 : 3	884.36
5 : 3	8 : 5	813.69
8 : 5	13 : 8	840.53
13 : 8	21 : 13	830.25
21 : 13	34 : 21	834.17
34 : 21	55 : 34	832.68
55 : 34	89 : 55	833.25
89 : 55	144 : 89	833.03
144 : 89	233 :144	833.11

It is quite obvious that the new-found intervals converge to a value close to 833 cents. That means nothing else than that for instance for an interval of 144:89 (833.11 cents) both the summation and the difference tone appear in again 833 cents distance from this interval:

55 : 89 : 144 : 233

(833 cents + 833 cents + 833 cents),

thus creating something like a harmonic series. This implies that an 833 cents chord might sound special, despite representing a gross dissonance in traditional opinion. Reason enough to investigate this further (It is by the way unimportant which interval we choose as a starting point for the above exercise; the result is always 833 cents).

833 cents, an interval with unique properties leading to the Golden Mean

The exact value that the 833 cents interval converges to can easily be calculated. If we call the two members of the base interval A and B and the summation tone C as follows (eg 55 : 89 : 144),

A : B : C

then they have to satisfy the following conditions, with x as the sought after ratio:

$$x = C/B = B/A, \text{ and } C = A + B$$

That yields an equation

$$x = 1/x + 1$$

with the solutions

$$x_1 = 1/2 + (5/4)^{1/2} = 1.618034$$
$$x_2 = 1/2 - (5/4)^{1/2} = -0.618034$$

Of course, this is expected where we have built the ratio from the Fibonacci sequence.

From the viewpoint of music theory, both results above are identical, and one is the inverse of the other. In musical terms this means the note order is reversed so if we call them A and B, and x_1 is the ratio A : B and note A is higher in pitch than note B, then by transposing note A down an Octave (or note B up an Octave) this creates an *inversion* where note B is now the higher pitch.

$$x_1 = 1/|x_2| = 1.618034 = \text{Golden Mean}$$

*(End of Quoted Explanation from **Heinz Bohlen**)*

The important thing to note here is that in order to separate the two components of the ratio we need to consider that they have an *inverse relationship equal to the Golden Mean*. This is why market applications using numerical reciprocals & conversions of Price-Time by squaring are effective, providing we understand that to make the squaring principle work, ***our scale must incorporate the Golden Mean ratio between Price and Time components considered as two multiples of a 360 degree circle/cycle.***

Fine Structure Constant and the Golden Mean

As it turns out the **Fine Structure Constant** of the universe, and the Golden Mean are essentially the same ***ratio***, although differing harmonic expressions, FSC being 137 (1.382). As the Golden Speed chart scale method incorporates this ratio as a natural relationship between Price and Time, ***this aligns the chart with harmonics of the Speed of Light in Nautical Miles***, and in turn the price and time harmonics align with the natural measurements of the earth in terms of degrees of a circle, very important to achieving correct price-time harmonics. One nautical mile represents one minute of one degree of the Earth's circumference.

Speed of Light = 161,874.977 Nautical Miles / Second

By scaling with a Price : Time ratio of 1.618 in relation to a 'fixed' natural cycle (master cycles 1 year and 1 day), this effectively aligns developing Price action with harmonics of the speed of light. Unity (1, 10, 100 or 0.1, 0.01, etc) is set as the scale number itself to represent a perfect master cycle (circle = number one) and the Golden Mean ratio is achieved via *bar lengths* in time as a fraction of the 360-degree master cycle.

Important: One Nautical Mile of travel is also defined as a distance of one minute ($1/60^{th}$) of a *degree* of the circumference of earth. A 360-degree circle in minutes is 360 x 60 = 21,600 = Earth circumference in Nautical Miles. According to Thomas Graydon's book *New Laws for Natural Phenomenon*:

"The mysterious constant F is equal to SqRt(18.5), or the length in Miles the Earth travels in a single second."

Graydon presents an alternative mathematics of planetary mechanics in his amazing book and shows evidence why Gravity does not exist in the form that science teaches. He also cleans up planetary mathematics with a new way of establishing numerical relationships between planetary distances and velocities. This leads him to startling new conclusions about the true nature of gravity and why planets travel an elliptical path. In calculating his planetary relationships, Graydon shows how a new Fixed constant for gravity is derived:

F = SqRt(18.5)

Converting 18.5 Miles to Nautical Miles, this gives a value for velocity of Earth of approximately 61 Nautical Miles per second. Earth travels velocity equal to a Golden Mean harmonic, another example of the Golden Speed in nature!

Speed of Light = 161,874.977 Nautical Miles / Second
Speed of Earth = 61 Nautical Miles per second

The chart below is constructed using a Golden Speed scale applying the number from Graydon's Fixed Constant Formula ***F = SqRt(18.5)***, ***equal to the number of miles per second earth travels, and in Nautical Miles this is a Golden Mean value.***

The way it is applied is as the precise number of points advance per bar and this naturally gives the chart a **Golden Mean** ratio of ***price:time*** considering price as ***distance travelled by earth in one second in nautical miles*** (Golden Speed!). This particular way to set up the chart scale is ideal for music ratio analysis methods as well as Gann techniques.

As an Octave in music is made up of 12 semi-tones (think keyboard black and white notes), the chart below utilizes this scale method, and *each box represents one semi-tone*. The 8 main notes of the major scale (most common to our musical system) are represented by the colored bar lengths as a musical ratio of the entire Octave. Remember this scale calculation is strictly mathematical, now take a look at how beautifully the proportions of the market are captured by this scale combined with the music ratios. This example shows only price and time ratio lengths, it is also possible to use Price-Time *vectors* of the same lengths to measure precise moves from a low to a high for example. This chart only uses horizontal and vertical ratios to avoid clutter.

Notice how the market consistently builds the exact musical note ratios in price and time, it's an **unbreakable natural phenomenon!** *Sound mathematics* and in particular the structure of music teaches us the patterns and proportions of natural growth in any living system including the market. There are many more on this chart than the ones shown below.

Gold Spot Futures scaled to reveal music interval ratios in price and time:

Gold Futures - GCSpot:NYMEX - Daily - USD
Optuma
Scale
D2
C#
B
A
G
F#
E
D1
1,167.100
3800.00
3700.00
3600.00
3500.00
3400.00
3300.00
3200.00
3100.00
3000.00
2900.00
2800.00
2700.00
2600.00
2500.00
2400.00
2300.00
2200.00
2100.00
2000.00
1900.00
1800.00
1700.00
1600.00
1500.00
1400.00
1300.00
1200.00
1100.00
1000.00
900.00
800.00
Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep
2018
2019
2020
3rd Oct 2021

W D Gann's Trading Record Smashed, 12,000% Return in <u>1 Week</u>

An Interview with the Only Trader of Our Times Verified to Have Exceeded Gann's Record

By William Bradstreet Stewart

Part 2 (continued from Part 1)

Brad: Welcome back Alex! Before we continue, let me address one quick point for readers wanting to see proof of your trading results. It seems there are some who just don't believe these results and want to see complete verification, so we have added more information to Alex's Trading Results.

This now includes a complete page on just this set of 12,000% profit trades including the full account summary, the complete list of trades, which was about 120 trades per day, so over 600 trades in total in the 1 week. And lastly, Alex has made a video of his trading account showing the results in his account. Anyone wanting full verification can find it at the following link:
https://www.cosmoeconomics.com/EZ/ice/ice/alexander-straker-12000-account-record.php

Anyway, let's continue with the interview… You were speaking of families of ratios and numbers when we left off in Part 1, would you please continue and expand on that for us.

Alex: Sure! When speaking of families of ratios or numbers, it is here we must introduce something Gann spoke of often, but never openly disclosed exactly what it was, the **Law of Vibration**.

One of the genius Gann researchers of our times, Tony Plummer has written two books on the topic of the Law of Vibration (LOV) that are essential reading. Plummer shows how Gann coded the LOV into his 'novel', **The Tunnel Through the Air**. It is an indisputable mathematical code that exists in the book and Plummer's explanation and further expansion of the history and principles of the LOV are outstanding.

Having said that, let's quickly explore some of the principles of the LOV and show how it leads us to the elegant set of musical frequencies known as the **Solfeggio Codes.** These are very important in many ways, and further exploration of the mathematics of Solfeggio codes leads mathematically to the code of our own DNA, although we won't have time to get to that stage in this article.

A detailed examination of the LOV, including market applications, is laid out in my forthcoming third book, **Music of the Spheres**. In this interview, we will just begin to explore the LOV, the Law of 3 and Law of 7, and how the mathematics of these laws leads on to the Solfeggio codes, plus briefly touch on another phenomenon regarding prime numbers. Please be aware this article will not include the market applications, but rather is aimed to stimulate the desire to investigate and research this phenomenon further. As time goes on it is likely other applications of the LOV for health and biological science will have far greater importance than any market applications.

Brad: Ok that's interesting, I have heard that there are multiple applications from other researchers in recent years and it seems the general concept of the LOV with the universal toroid shaped energy flow that was first discussed by Baumring back in the 80's is emerging more and more on the fringes on public space, along with related information on Tesla, free energy devices, and so forth. Please go on…

Alex: Yes, exactly this information is emerging more quickly these days and we need to move to get a handle on the 'new' science involved. In truth, this is a universal and most likely ancient science of energy that is being rediscovered at this point in time.

Brad: Yes, and it's possible there are groups out there who have had this knowledge for some time and are miles ahead in their research and applications.

Alex: Of course, it's the old story of whoever holds the 'magic technology' becomes untouchable and all powerful. Many in our world are aware that there have been suppressed inventions and innovations that could have made a massive positive difference to humanity. A lot of these inventions would be regarded as scientifically impossible or another way to put it is they are operating on the fringe of reality and would seem like magic to the uninitiated. None the less, they are not only physically real and possible, but also being actively developed and employed in secret by military and other powerful groups.

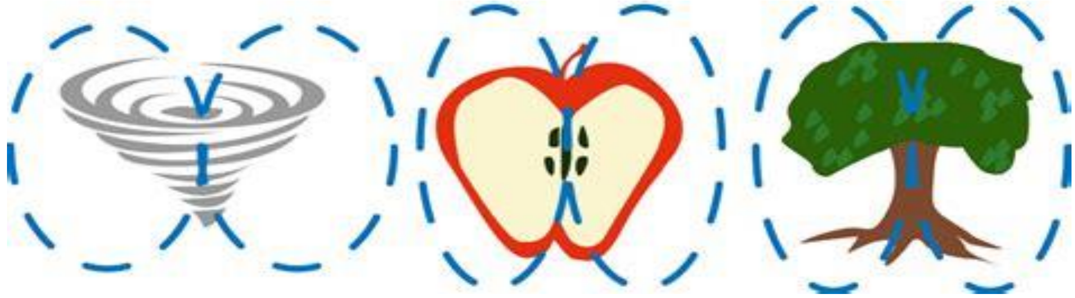
Brad: Yes, indeed there is a growing understanding that these types of advanced technologies and such things are no longer fringe theories, but in truth they do exist but have been held back from the general population. Let's bring this to some more concrete theory of the LOV itself, which as I understand is believed to be at the heart of the energy and mathematical model involved in the likes of Tesla's work, and an important part of the key hidden knowledge that opens the door to such research. Can you give an overview of the **Law of Vibration**?

Alex: Well firstly, let me be clear that this topic is **massive,** and I consider myself an early stages researcher. Our current science and physics has part of the truth, but adding knowledge of the LOV opens up a whole new understanding of the natural energy flow embedded everywhere in the universe and how to recognise, extract and manipulate this energy in ways previously not thought possible. It is also closely linked to music theory, doing my music degree was one of the most helpful things towards understanding the LOV!

This research is ongoing, and my own understanding is only at an infant stage and mostly confined to the area of market applications and music related structure. Where I have made some original breakthroughs and contributions is in the mathematical models and how they connect directly and recognizably to the markets, plus various aspects of the natural world including human DNA.

I would also like to acknowledge my friend and colleague, the brilliant Eric Penicka's work in this area particularly in connection with the **Periodic Table of Elements**, another important Gann connection as researchers will know. There are others also developing their own research, for example Marko Rodin develops mechanical & electrical energy applications such as the Rodin Coil. We will examine some of Rodin's maths models in a moment.

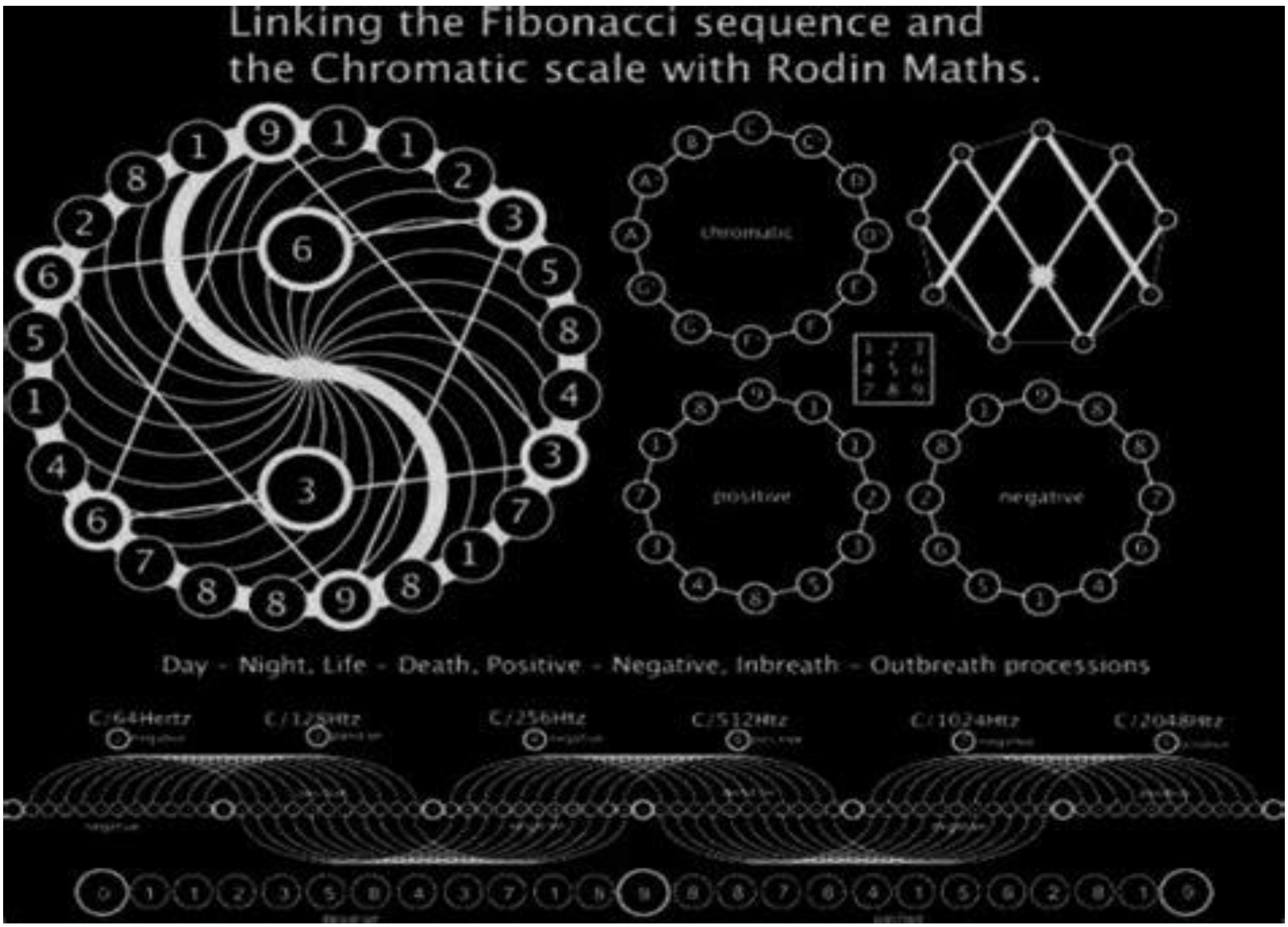
The **Law of Vibration** itself is a spiral waveform that arises from a **Torus** shaped pattern of energy flow. The torus is one of the most important shapes in the universe, here are a few illustrations of torus shaped energy fields that occur in all living systems.



Brad: Interesting, I have seen other illustrations of humans and animals with a similar energy field running through and surrounding them with dual polarity at the head and feet.

Alex: Yes, any living entity or system has this field. We are going to make a leap ahead here, below is a mathematical representation of the authentic **Law of Vibration** cycle in terms of the mathematics. This arises from the enneagram model and as has been mentioned the work of Tony Plummer is highly recommended reading as he has produced an outstanding explanation of the **LOV** and where it has been deliberately buried in history.

In summary the LOV is a bi-polar pattern of energy that can be conceptually represented by a circle with the enneagram numbers 1 to 9 around the circle and 9 sitting at the top position. This is the pattern with the diagonal lines inside the circle shown top right in the diagram below. This circle is really one half of the 2-part yin-yang balanced LOV. The 2 mirrored parts go together and make the larger wheel shown top left.



Notice the triangle within the pattern that mirrors itself, and is made up of the numbers 3, 6 and 9. The 9 alternates from the top to the bottom then back to the top and so forth, exactly like a pendulum. There are 24 numerical steps around the wheel similar to the number of hours in a day, and the number of days the **Sun** takes for a full rotation.

The large 'wheel' top left represents looking straight down a spiralling energy tube. Imagine a top marksman looking down the barrel of a fine rifle. There are spiral shaped grooves carved into the rifle's barrel. This induces spin into the bullet's trajectory as it travels down the barrel. The spin helps acceleration from the charge powering the bullet's motion, plus keeps the trajectory more stable and allows longer flight distances.

The 3-6-9 positions in the large wheel are key to understanding polarity. As the triangle inverts each time the spiral turns 180 degrees an alternating positive-negative polarity is created via the 3-6-9 triangle pointing first up (9 at the top), then down (9 at the bottom) and so forth. Number 9 appears only twice in the entire sequence.

The entire number sequence around the circle is Fibonacci. The cycle ends with the 9 at the top, next number is the start again at 1 (as per enneagram circle, we are dealing with single digits only, **pure numbers!**).

The Law of Conservation of Energy means that the rule is to add the previous digit each time going clockwise (then sum to a single digit if needed) so we add 9+1=10 and 1+0=1 and the next number in sequence is 1. Repeat for the next step, add previous number 1+1=2 so the next number in sequence is 2. Again, add the previous number 2+1=3 so the next number in the sequence is 3, and on the sequence goes. The entire 24 step sequence will be laid out soon.

Note that each step is creating a Fibonacci ratio between successive numbers. However, once the numbers are summed to a single digit, the ratios begin to vary and form the basis of common music notes of the common Major scale such as 2:1 = Perfect Octave; 3:2 = Perfect 5^{th}; 4:3 = Perfect 4^{th}; 5:3 = Major 6^{th} etc.

This mathematical process can also be reversed by subtracting the numbers moving counter-clockwise, it is important to understand that LOV energy simultaneously flows **both directions**, think of the natural pendulum effect, positive and negative polarities, or yin and yang.

Here are the 24 steps to forming the 2 full chromatic Octaves (24 semi-tones music, each one separated by 833 cents in music terms:

Start at top 9 of the wheel and add the next number

9+1 = 10; 1+0=1 **Top of Wheel**

1+1 = 2

2+1 = 3

3+2 = 5

5+3 = 8

8+5 = 13; 1+3 = 4

4+8 = 12; 1+2 = 3

3+4 = 7

7+3 = 10; 1+0 = 1

1+7 = 8

8+1 = 9 **Bottom of Wheel**

9+8 = 17; 1+7 = 8

8+9 = 17; 1+7 = 8

8+8 = 16; 1+6 = 7

7+8 = 15; 1+5 = 6

6+7 = 13; 1+3 = 4

4+6 = 10; 1+0 = 1

1+4 = 5

5+1 = 6

6+5 = 11; 1+1=2

2+6 = 8

8+2 = 10; 1+0 = 1

1+8 = 9

(9+1 = 10; 1+0=1 Top of Wheel)

Total steps = 24 or two chromatic Octaves in music.

Every pair of opposing digits (180 degrees apart in the wheel) sum to 9.

Now imagine viewing a cross section of the rifle barrel side on and seeing the bullet as it accelerates through the spiral. This is represented by the wave form along the lower edge of the diagram. The small consecutive circles that lay along the spirals central axis represent the Chromatic steps for each successive frequency Octave of the bullet's spin. Note that between each frequency of note 'C' there are 12 circles for 12 semitones in the Chromatic scale. Each time the frequency doubles a new Octave of C is reached: 64, 128, 256, etc.

To complete one entire Wavelength of the spiral requires 24 steps equal to two full Octaves. 12 of these steps form the positive waveform above the node (action), the other 12 form the negative waveform below the node (reaction).

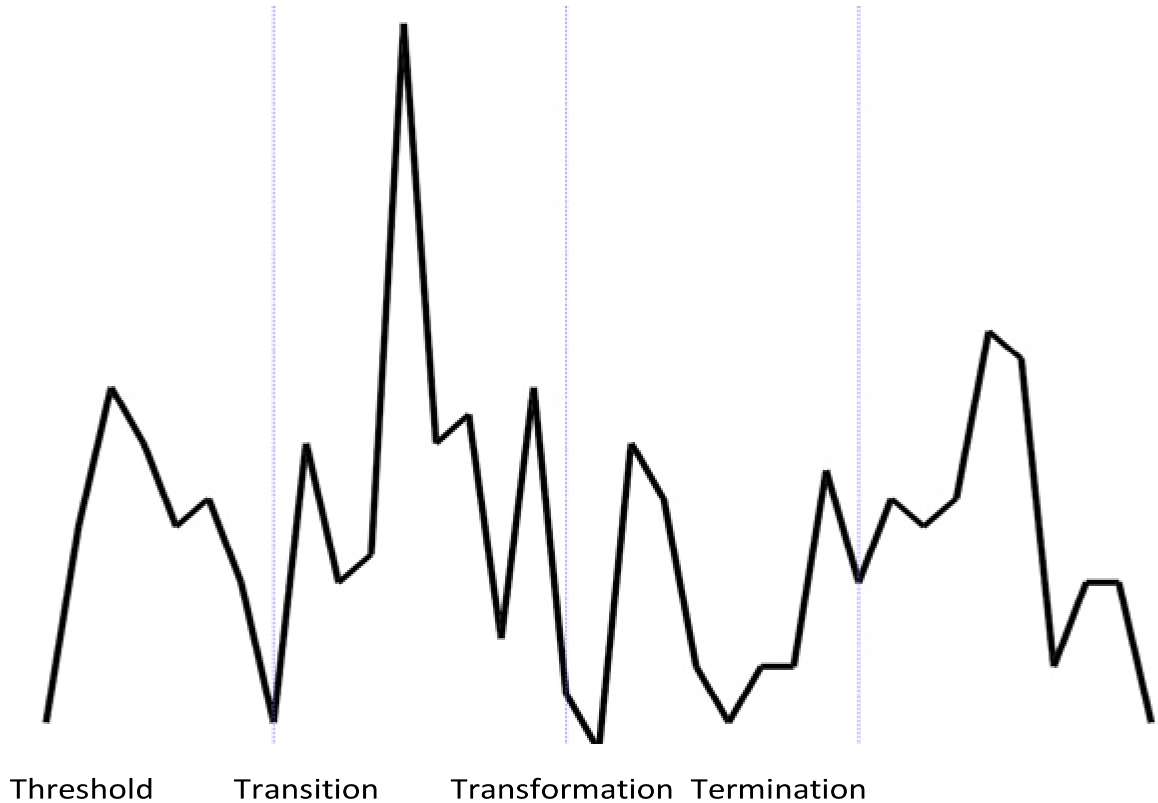
Brad: You also mentioned oscillation and the pendulum effect, can you please touch on how this is involved?

Alex: Sure, the positive and negative 12-step Chromatic scales are represented by the 2 circles in the mid-right area of the diagram. The outcome of this dual rotating combined energy pattern is a pendulum like motion alternating from a positive phase to a negative phase and back again until the initiating shock force finally dissipates.

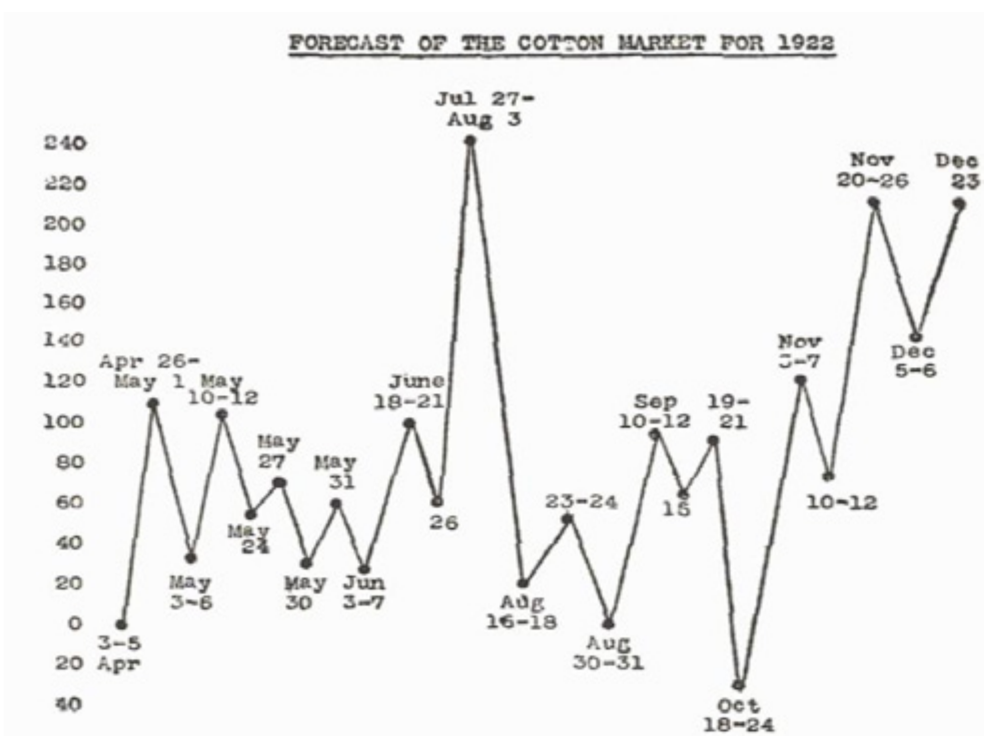
The circle is of course a perfect way to illustrate and visualise this pattern. Again, I refer to **Tony Plummer's** book *The Law of Vibration* to learn more deeply of how this pattern is coded into **W. D. Gann's** *The Tunnel Thru the Air*, as well as other places such as the *Bible*, and **Gurdjieff's** writings. There is also an explanation of how the pattern is instigated and the four phases it passes through. These are Threshold (Information Shock), Transition, Transformation, and Termination.

Brad: Thanks for sharing those references again, is there evidence that Gann actually applied this pattern?

Alex: Yes absolutely! When the pattern is transformed from a circle shape onto a 2-dimensional squared axis, it looks precisely like below. This is a universal waveform in the cycle of all living things, <u>including markets</u> (2 versions of this pattern exist, this is one of them).



Gann most certainly used this LOV pattern as a base template for forecasting and the proof is in the following extract from one of his client newsletters showing a forecast for the Cotton market for 1922. Gann had ways of slightly modifying the basic LOV pattern using additional information.



Gann’s Cotton forecast pattern for 1922 is a slightly truncated version of the LOV as presented in Plummer’s book. Note this runs April – December, so the remainder of the year not shown is likely to match the remainder of the pattern in the lower picture to complete a full year. Interestingly the pattern starts at April during the zodiac sign **Aries**, known to be the time Gann said was the true start of the year, a major hint that the LOV may potentially be applied to forecast fixed seasonal periods.

Brad: Thanks for sharing all of that incredible information! I am interested in how this might apply in the market today? Do you have an example from a more recent market context?

Alex: Sure, here is the simplest way to apply this as a timing forecast line. It is not perfect in price and time, and that is not necessarily expected for this application, the focus is the timing of the main high and low points of the swings. If you simply consider the timing (vertical alignment), then it is very useful information! Of course, this is not something to trade from in isolation, and is best combined with other techniques.

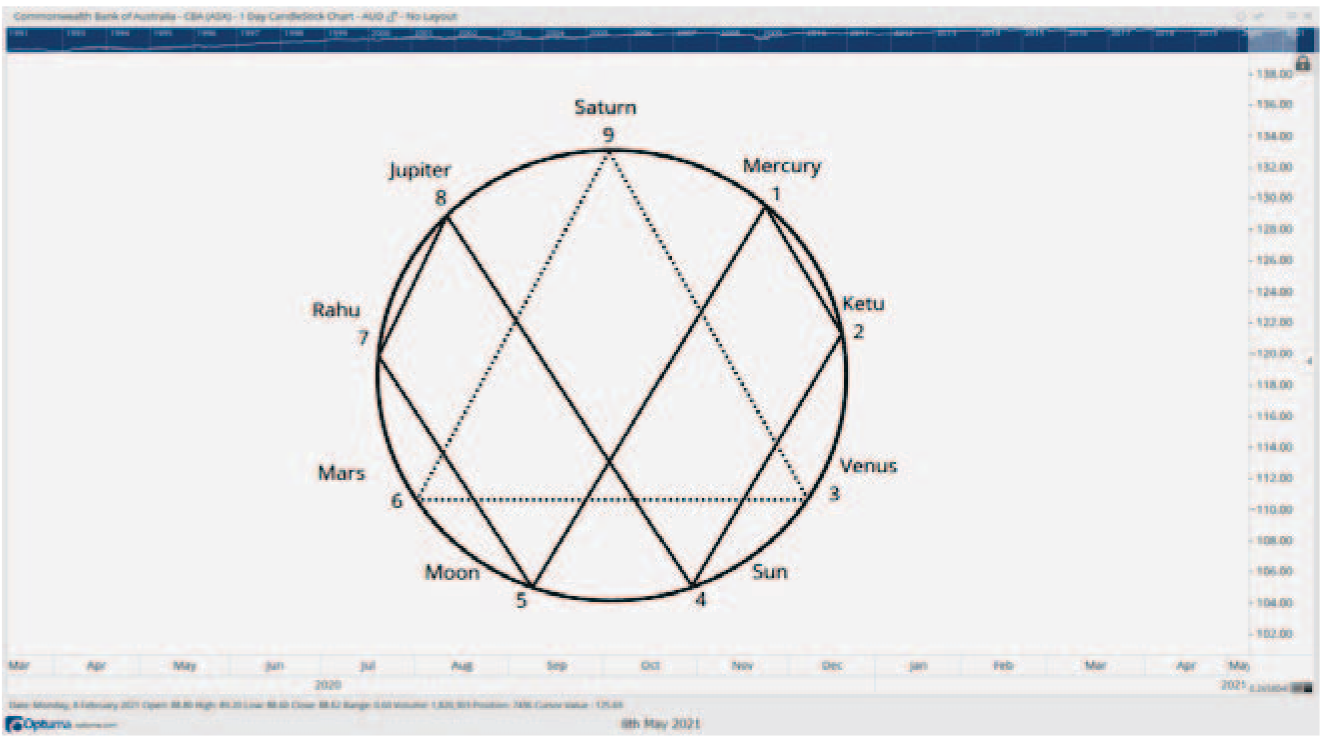
The point here is to demonstrate that this basic pattern exists in the market. If you can imagine this pattern in 3D (because that is how it really operates!) and then photographing it from all different angles, then you would end up with a whole lot of ‘fractal’ variations on the same pattern that all contain the basic elements but each one looking slightly different depending on the viewpoint.

This is why the one 2D pattern is not precise and universal in the market, there are fractal variations and that is a whole other discussion. Often in a series, the fractals are very close in look because their vibration rates are similar, and as wave forms are palindromic, so are the fractal series for each completed leg or swing in the market. That is why fractals can appear as ‘mirrored’ sets around a central node.

Brad: Gann, of course, was said to use planetary information for trading, is there a link between the LOV and planets?

Alex: Yes, there is, and it is a complex topic. **Awodele** is an author of several outstanding short books, each one expanding on a single concept from Gann's methods. One of these books is on the topic of Vimshottari Dasha Astrology and the order of the planets associated with this particular astrology system. An excellent brief explanation of Vimshottari Dasha is presented and many excellent references given for further study. The order of the planets in a visual sense relating to the enneagram LOV pattern is shown next.

Order of Planets according to Vimshottari Dasha

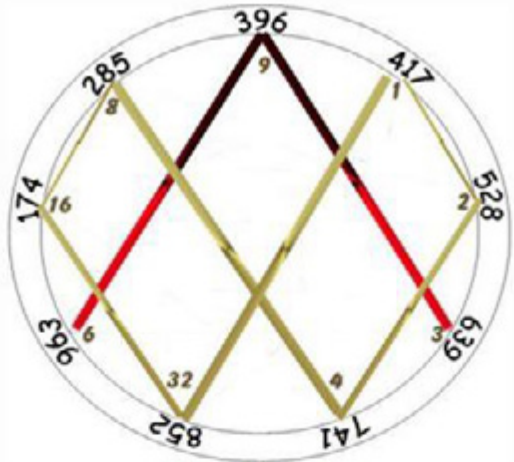


Brad: Great thanks for the references again, I know many other researchers and Gann traders will appreciate this! You mentioned earlier the Laws of 3 and 7, please go ahead and expand on these.

Alex: Sure, this is where we look at the fundamental principle of bifurcation and the reverse, doubling. Another principle is that the character of any number is discovered by summating all digits continually until the number is reduced to a single digit. This organises larger numbers into a smaller number of **families**. Each family is represented on the enneagram as a single digit 1 to 9 and the personality aspects of the enneagram is a whole other topic I won't go into now.

Brad: Sure, a lot of the public have seen the enneagram personality model and it is easily researched.

Alex: Right, so let's continue with the pure mathematics.



My Chimera
Marko Rodin's Torus Coil
The Solfeggio Codes
Tesla's 3,6 and 9

The enneagram 9 point 'wheel' represents conceptually the Law of Vibration as a pattern of energy flow. It is a mathematical description of the vortex of **oscillating energy that induces pendulum motion** from which all living systems receive the stimulus to expand and contract, grow and replicate (inbreath and outbreath). There are two parts to the energy pattern, the triangle (trine) shaped flow of the harmonic triads such as 174; 285; 396, then inversions begin: 741; 852; 963 etc. This part of the LOV is the **Law of 3**.

Note the Rodin Coil Enneagram includes the well-known musical Solfeggio codes, these are triads of numbers that form a triangle on the enneagram. Tesla's **3, 6, & 9** is the most important triad. Each of the Solfeggio codes is a trine pattern of numbers that increases in increments of 3:

174, 285, 396

It is these triads that are consistently providing the energy system with new information 'shocks' that cause an energy gap. Wherever there is an energy gap and shock (stimulus) to the system, oscillation is the result as the system adjusts to the new information received. The oscillation must follow strict mathematical laws as energy in the system cannot be created or destroyed and must resolve the information shock received via pendulum motion in four phases of Threshold, Transition, Transformation & Termination.

Each time the pattern reaches 9, the pendulum motion is attenuating (running out of energy) and when the Termination phase is complete, a new information shock is received, and the energy gap begins another Threshold phase. The 6 and 3 steps also create new energy gaps between the four phases. The vertical lines dividing the forecast line chart pattern represent the energy gaps and change of phase.

If the pattern begins at a low with an upward impulse (shock or Gnomic event), then each of the transitions between four phases will be marked by a low and this is something to watch for when positioning the line itself relative to the market. The goal is to align the phasing lines with the lows in this case.

Brad: Ok, yea, this is really starting to make sense from a pure logic point of view. You also mentioned a Law of 7 earlier, please tell us about that?

Alex: Ok, this may take a while to explain so please bear with me. This is essentially a law of Octaves or replication (doubling). This second part of the LOV that comes from the enneagram is the growth sequence of 6 numbers resolving again at the 7^{th}, the sequence is 1, 2, 4, 8, 16, 32 and so forth. This is the **Law of 7**. The Law of 3 provides mathematics of the energy shocks between each phase of the LOV that initiate a new phase of growth, the Law of 7 provides mathematics of the growth sequence itself.

Also, the numbers 7 and 5 are represented as a divided number. 7 = 1 + 6 (16); and 5 = 3 + 2 (32). This means the sequence of the **Golden** line (Marko Rodin's torus coil diagram) runs **1-2-4-8-16-32** and clearly represents a doubling of value at each new step. This is also the building block in increasing Octaves for the frequency of **note C** in music. The extension of the sequence is …**64, 128, 256, 512, 1024, 2048**, and so forth. Musicians may have recognised 'middle C' = 256 Hz in this series.

This is a series that represents continual fractal growth. The 'DNA' or number sequence remains the same no matter how many times the sequence repeats.

Law of 7 Sequence

1

1 x 2 = **2**

2 x 2 = **4**

4 x 2 = **8**

8 x 2 = 16 = **7**

16 x 2 = 32 = **5**

32 x 2 = 64 = **1**

64 x 2 = 128 = **2**

128 x 2 = 256 = **4**

256 x 2 = 512 = **8**

512 x 2 = 1024 = **7**

1024 x 2 = 2048 = **5**

2048 x 2 = 4096 = **1**

4096 x 2 = 8192 = **2**

Etc.

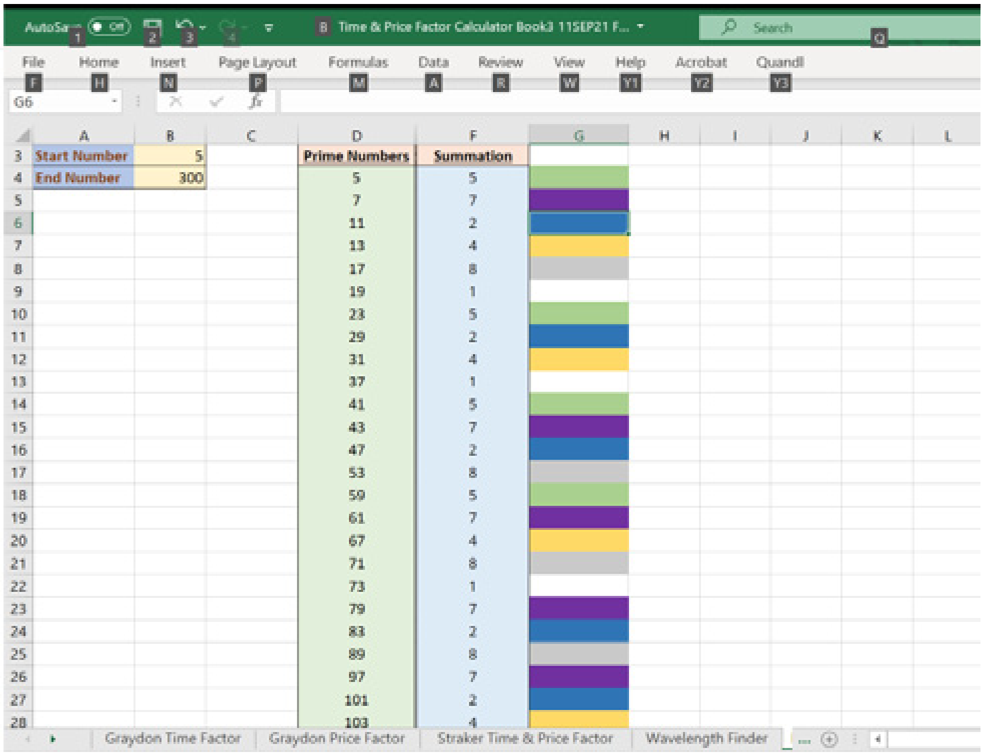
The sequence continually doubles (new Octave), yet the final summations never change order. Beginning from the perfection of **unity**, this 'numerical DNA' is growing and replicating the same fractal sequence over and over again.

The example above is not the only way to discover the Law of 7. My good friend, master analyst and brilliant trader, Eric Penicka showed me another way to find the Law of 7 digits using **Prime** numbers. If we consider a sequence of Prime numbers, it can easily lead us immediately to this Law of 7 but with the 1-2-4-8-7-5 sequence occurring in various re-arrangements!

Here are the Prime numbers from 3 to 100:

3,5,7,11,13,17,19,23,29,31,37,41,43,47,53,59,61,67,71,73,79,83,89,97.

If we sum the digits of each number, this leads to the following series. Note the color beside each number is a code for the individual digits 1, 2, 4, 5, 7 & 8.



Start Number	5
End Number	300

Prime Numbers	Summation
5	5
7	7
11	2
13	4
17	8
19	1
23	5
29	2
31	4
37	1
41	5
43	7
47	2
53	8
59	5
61	7
67	4
71	8
73	1
79	7
83	2
89	8
97	7
101	2
103	4

As it turns out, this Prime number series has led to exactly the same digits as the Law of 7 doubling series! In this case there are various re-arranged fractals of the order of numbers instead of the same repeated sequence. This suits direct market applications better than one constant repeated sequence.

The sequences of numbers according to each color are like a 'family' of numbers that belong together as they all vibrate to the same base number.

This is what I believe Gann meant in relation to the LOV when he spoke of stocks belonging to particular families, much like elements of the periodic table.

Brad: Wow these patterns are certainly stunning! Thanks for sharing so generously, this would have to be one of the most original and valuable explanations of the LOV I have seen.

Alex: You are welcome, thanks for the invitation. This is the most fascinating and important topic I have ever studied. I hope this opens up some pathways for others to follow!

The mathematics of solfeggio and LOV goes much further than what has been presented here and leads to some astounding market timing methods once the families of numbers are understood. For further information to learn specific market applications see Alexander Straker's third book *Astro-Gnomic Impulse: Music of The Spheres* to be released very soon on the Institute of Cosmological Economics website (www.CosmoEconomics.com).

Learning How to Learn Gann

By Ola Sundberg

I first discovered Gann in the late 90´s at a course I attended as a fresh professional technical analyst. That event started a journey that I am still travelling. I am soon to release my own book on the subject which is a milestone in my personal career and development. The book will provide keys and open the gates to many of the mysteries of Gann that have intrigued people for several decennia in an easy and understandable manner.

This is not an intellectual show off, all methods are applicable to real trading with tight stops, high accuracy and expected returns that by far surpass the risk. Yes, I use them in my own trading. I will return to the content of this book in a future article but will take this opportunity to talk a bit about the necessary mindset that is needed to learn Gann and decode his riddles.

When I first "learned Gann" in the late 90´s, I was told that stocks and indexes turns every 30, 45, 60, 90 etc. days and the teacher showed several examples proving this to be "true". I knew some Elliott wave theory since before and together with this day count, I managed to accurately forecast the "mini crash" of 1997, the first part of the Asian crisis.

It is called mini crash today, but I can assure you that a decline of 554 points or -7,2% in the Dow Jones in a single day did not feel so "mini" when it happened for a newly graduated technical analyst. I noticed that we got a lower top on October 6th, 1997, 60 days after the first top on August 6th. The final low came on October 28th, and guess what? We had another low 60 days earlier around the same date in August.

At the same time the largest financial Swedish newspaper ran a cover story highlighting the similarity between the stock market crash of 1987 and 1997 predicting an even deeper decline. My clients where mostly in cash since they had listened to my advice and sold after the lower top in October. After the spike low I gave them new advice to cautiously start accumulating stocks again, contrary to the recommendation of the financial media and most analysts. I was nervous but it worked. I was the hero of the firm that autumn and I had really got an appetite for Gann.

To be honest, I did not really know what I was doing, and pretty soon discovered it the hard way. One year later in July 1998, I understood that something nasty was going to happen, and once again I picked the top with the assistance of Elliott waves and Gann dates. I made a return exceeding 1500% in a few weeks trading options at the Gann dates. At that point of time the size of my ego was at an unhealthy "Master of the Universe" level.

In October, the market changed its pattern and I lost it all and some. It was a devastating experience! My ego imploded like somebody had picked a pin into a balloon. I made some attempts to trade it back, but I had to face reality: "You don't know nothing yet!" Today I am very thankful for this experience, it was a turning point that also provided me with a lot of energy to continue working until I had really cracked it.

I had started working at a bank but had to hide my interest in Technical Analysis and Gann as fundamental and macroeconomic analysis where the only two accepted approaches to the markets there. The ruler of them all was "modern portfolio theory" that in essence says that markets are completely unpredictable and the only sensible thing to do was to "diversify" to decrease the risk and create an "efficient portfolio".

I was good at playing theater and smart enough to learn MPT but at the same time suffered inside as I was not true to myself. I knew that the modern portfolio theory was built upon false assumptions. I namely wrote my graduation thesis about a simple trading range break out system and it actually managed to beat a “buy and hold” strategy. I will not bore you with all the details, but for me it became clear that those scientists that claimed that technical analysis did not work had not bothered to learn what technical analysis actually is.

Even if the day-to-day fluctuations are random, they still end up creating a trend, but the scientist refused to examine that. “If the daily fluctuations are random, no trends can exist, period.” I understand that this theory is supported by the large banks and fund management companies. It is the perfect way to convince people to not try to time the market and instead keep the money in the funds that pay their monthly management fees year in and year out. It also gives the impressions that those portfolio managers are doing something very complicated which justifies their fee levels.

The lesson we learn from this is that you have to stand by your convictions, even if there is social pressure on you to just throw in the towel on your search for Gann. It is not easy if you are a professional investor, as both the academics and the finance industry have a mutual interest in preventing us from seeing clearly. Your friends and family too are most likely influenced by this stubborn thought form. You will be questioned and you have to stay strong in your conviction. The best way to stand it is the age-old wisdom of “secrecy”.

After my 1998 debacle, I started to buy every book I could afford by and about Gann. Some theories looked good on paper and were illustrated by nice looking charts but I simply could not put them to practical use. The theories were often contradictory and impossible to trade from. “If this happens then X and if it does not happen then Y or Z or W…”, there was no end to it.

One book did, however, really change my direction, as it clearly showed that the planets where the “drivers” behind the market movements. I suddenly realized the true underlying cause behind Ganns 10-, 20-, 30-year cycles and others. I did however come to a point where that book could not help me any further and I later had to spend a few years “unlearning” it in order to proceed.

I started to hang out on Internet forums that were run by some really smart guys, at least they could throw out a lot of text that gave the impression that they knew something valuable. It took a lot of time and energy and led me nowhere.

At the same time, I had found a renewed interest in spirituality. I paid attention to the message that the only place where you can find the truth is inside yourself. Not on an Internet forum. I came to a point where I decided to stop this external hunt for Ganns secrets. I logged out of those forums, sold off some books, even threw some away and saved a few that had actually given me a little something.

As a teenager, I had started practicing what is nowadays known as “the Law of Attraction”, performing emotionally charged affirmations and convincing my mind that what I desired had already “manifested in the physical reality”. Some of you may think this sounds too woo-woo but I knew it worked. That was the way I got my first job as a professional technical analyst, against all odds.

I kept repeating my affirmation for several months, maybe it was even a year or more. “I have now cracked the Gann code and it feels fabulous” and I really **experienced** happiness and joy. One morning I was standing in the shower, preparing to go to work. Suddenly I got a flash insight, the light went on, “what if Gann meant this with his squares?” It was a blissful feeling. I’ve never experienced anything like that before! I had to rush to work but made sure to write my new idea down in order to not forget it in my excited state.

The same evening, I turned on my computer and put the new idea to test. And it worked! And again, and again! Never before had I been able to predict a turning point so accurately and so far in advance to the exact day. No dabbling with "orb of influence" or "synchronization of cycles" or some other excuses. I instantly knew that this must have been what Gann actually did but hid away in his texts in such a smart way.

You see, everything Gann wrote about works occasionally, counting 30-, 60-, 90-days will work wonderful from time to time and then immediately fall apart without forewarning. This will keep most people happy and busy and when it does not work, they think it is because they´ve "squared their charts" the wrong way or something else completely unrelated. Unless you get a glimpse of the real underlying cause, you will be running in circles. The lesson learned is: "Stop listening to false prophets and seek the truth within yourself instead."

I had a personal issue that I had to deal with a few years later and desperately looked for help. One day I somehow managed to google up a magician. Not those standing on the stage dragging rabbits out of a hat, a real magician, somebody that could change reality. I asked for his help and was given an herbal bath that I should take for a couple of days. I did not know what to believe but I followed his instructions.

Just a week later, I woke up as a completely new, reborn man. All those bad emotions were gone (the issue involved a woman). I became very curious. What did he do? Since I had some experience in affirmations and the like, I was a bit open to the idea that there might be something in this. He asked me if I wanted to become his apprentice and I accepted immediately. Then I became scared but managed to build up enough courage to visit him to get some education.

No, relax, you do not have to become magicians in order to learn Gann. What this taught me however, was that there is a hidden world that exists and it is very real even if we cannot see it or touch it. My mentor and I had long discussions about the subject of "reality". How is reality created? Most of those things you experience as "reality" are actually projections of your own "convictions".

Our convictions, on the other hand, are products of what we have been taught as children, and our life experiences. We do not question what we believe to be true, we seek more evidence that supports our view. If we find contradictive evidence, we protect our conviction even harder. Our subconscious mind creates situations where our convictions and beliefs are supported. If you believe that you are less worthy, you will never make any money consistently in the markets, and you will probably attract a partner who, by bad behavior, reminds you about how lousy you are.

If you believe that the prices in the markets are just random noise, then do not even bother to understand Gann. If you believe that the only real truth is that which our scientist in the established natural sciences bring forward, you will probably have a hard time learning Gann too. You see, in order to really open up the door to Gann, you have to start to get rid of your boxed-in world view and open up to the possibility of another reality.

I dedicated a chapter in the book to this "how to reset your mind" challenge, as it will truly help you learn faster. This "unseen world" is not chaotic or random, it is not flashing rainbow colors and psychedelic music, otherwise we would not be able to base our trades on it. It is regular and follows certain rules that can be repeated time after time.

I will show you how a contemporary of W.D. Gann, that is Carl Gustaf Jung, actually gives us the perfect framework to really start to understand Gann and most importantly: "Why it actually works." If we do not get an answer to the "Why", we will not be able to build a new conviction, and that conviction is needed in order to fully penetrate the teachings of Gann. Else we will be filled with doubt and not able to make progress. Lesson: Open up your mind and start to see the world as a new born child without convictions.

One big obstacle to learning Gann seems to be the term "Astrology", as it is a charged word for many people, and is associated with superstitiousness. The planets are a key ingredient in Gann's work and should be understood to get the full picture, but Gann used them in a way that is unknown to most practicing astrologers of today. We might better call it "celestial mechanics" than astrology as most people think of it.

I talked to someone recently who had been studying Gann for many years, reading the same sources as I. I noticed he was just using calendar- and trading-day time counts. I asked him "Why?" He answered: "Astrology sounds interesting, but I´ve not had the time to learn it". Of course, he would have had time if he had decided to do so. What you see here is a prime example of how a man's ego tries to prevent him from abandoning his current belief system.

In order to be able to learn Gann, we have to soften our egos, unlearn some things we´ve learned in the past, and start to see a new reality. In that way, learning Gann is a spiritual journey. Profitable too when we succeed. Thankfully we are now in a cycle where astrology is increasing in popularity again which will make it easier for people to open up to Gann.

Just to make it clear: You will not learn Gann by picking up any astrology book, and I will even present to you a non-astro "Law of Vibration" trading application that works wonders, my personal favorite due to both easiness and profitability. In order to understand it beyond mechanical repeating, it will benefit you if you can accept that the planets have something to do with the markets. You see, when you screw up your charts, I might not be there to help you fix them. Lesson: Pay attention to the planets and their whereabouts.

I met another Gann enthusiast who blew up his trading account a couple of years ago. He showed me some impressive charts but I immediately saw that he lacked some of those very basic building blocks, the key stones if you so like. I was honest with him and said: "Very impressive, you´ve put down a lot of time and done some really complicated calculations, but it still looks like hit or miss, shots in the dark; you do not have a solid ground to build upon."

He admitted I was right. He asked me which books he should read and I asked him what he had read up until now. He had read the same books as I had, and said: "But I think I am too stupid to understand them." I told him he was certainly not. Those authors were not pedagogical enough. I guess many of you recognize the feeling, you read something, do not understand it and think it is your fault. We´ve all been there. That is something murky in the Gann community that I want to change. If you pay a good amount of money for a book you deserve to get something valuable in return.

When I had my "in the shower bliss" experience many years ago, I did not know what to do with this secret. I got scared, put it away, took it up and put it away again. It continued this way for many years. I work as a professional portfolio manager for an institutional investor and of course I sneak in a few Gann trades now and then but need to cover up the real reason behind them. I do not feel fulfilled.

When the Covid pandemic struck, I finally got the time to start writing a book. I thought: "I´ll begin slowly, 15 minutes a day, and just see where it ends." This decision to write a book was a major game changer for me. You see, during this process I learned so much more than I had never believed I would write about. It was like the gates opened wide and new knowledge started to flow through me, I was the channel. I got "signs" and a feeling of being guided along the way. If I ran into a problem, the solution just presented itself the next morning. There have been many bliss experiences during the last year.

There is an old spiritual truth that every person has a gift and when he/she finds it his/her life purpose is to share it with others. The process of writing this book has certainly convinced me of that truth. Lesson learned: Share your gifts to those who appreciate them, you do not have to “throw pearls before swine” to be a sharing person. Keeping everything to yourself stops the flow.

I am not afraid that letting out some of Gann’s secrets would destroy the markets. Some of the most successful modern stock traders and “Market Wizards” like Mike Minervini, David Ryan and Dan Zanger build their strategies and success on the same foundation that Jesse Livermore laid out decades ago and that have later been refined by William O´Neill.

It all comes down to the never changing character of humankind and their emotions. Ganns teachings are “natural law”, and I think it is simply impossible for us to change it. I´ve seen occasions, like in connection to a Federal Reserve rate decision, where the algos go crazy and for a brief moment makes the prices deviate from their natural “Law of Vibration” levels. But they always come back and very fast too.

Even if mankind has started to open up spiritually, there will be many decades, probably centuries, before Gann’s teachings are accepted as the new truth. Let us enjoy them in our small club until then. If I am mistaken and Ganns teachings suddenly get understood and accepted by a wider audience, the consequence will be that a majority of people have to accept that there is a supreme intelligence in the universe. Considering the state of hubris that humankind is in at the moment, maybe that would not be a bad thing after all.

(Note: My book will be released by *Cosmological Economics* before the holidays, so anyone interested can check their site for more information and updates: www.cosmoeconomics.com. Or feel free to email them institute@cosmoeconomics.com for information or if you would like to reach me.)

The Quest for Gann's Trading Method

By Timothy Walker

When I first came across the name 'Gann' in 2003, I barely knew the difference between a bull market and a bear market. I had never traded, and the words 'technical' and 'fundamental' analysis were unknown to me. Nevertheless, I was intrigued by the concept that markets exhibited certain mathematical characteristics that could be used to forecast the future direction of prices and hence profit from those moves.

As time passed, I accumulated a collection of all Gann's writings, of which there are many, spanning a period of more than 30 years. There was one problem with many of the courses, however; there were no charts. Reading about the moves in a market without a chart is like following directions without a map. A picture tells a story in a way that words often cannot. For this reason, many of Gann's courses remain a closed book for the modern trader. Consider this passage as an example:

'*February 1, low 38, February 2, high 41½ – a 3-point rally indicated a buying point. Either buy at market or on a reaction. We buy 100 shares at 41. On February 5 it declined to 38¾, then crossed 41½, the top of February 2, and turned the trend up.*'

You could draw these points on a sheet of paper, but look how much clearer the picture becomes with a chart:

This market had just suffered a precipitous decline. For 4 days it had opened and closed on its low, until on 1 February it gapped down on the open and began to rally. The instruction states that a rally of 3 points (or $3) gives us a buy signal. We could either buy at 41, once price had rallied 3 points, or wait for a reaction, which came a few days later, on 5 February. And once price crossed the high of 2 February, that confirmed that the trend was now up.

Can you imagine trying to understand all that just from the 1st description? It becomes clear why so few have really penetrated Gann's mechanical system when the instructions were presented like that and there were no charts to view. My first task in understanding Gann's instructions was to obtain the charts so that I could see what he was really saying and doing.

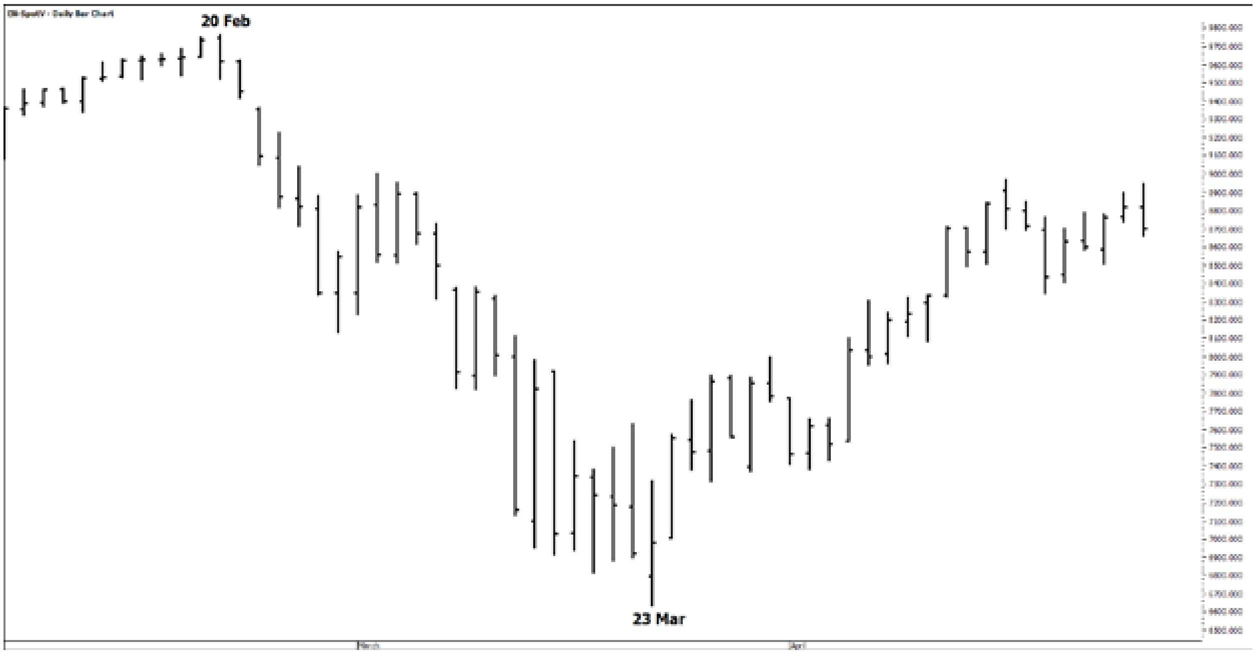
Gann's name is more generally known in connection with forecasting, but in fact he put a lot of effort into teaching his students how to trade profitably. He spent years researching and testing a method and wrote half-a-dozen or so lessons explaining his system. The philosophy is one that I'm sure no trader would disagree with: buy at the low and sell at the high. But what we all want to know is, how do we tell that it is a low or a high?

The basic method was to use a swing chart to determine the trend, and this is indeed the foundation of Gann's system. However, if you have ever studied a swing chart over a long period of time on a market, you'll have noticed that the swing chart works well in a trending market but can get you in trouble when price moves sideways.

Gann was certainly aware of this problem, which is why one of his courses contains 33 rules, where Rule 1 stated the swing trend rule, and the next 32 rules were refinements of that first fundamental rule. The rules, however, are only a part of the package; every lesson on trading was accompanied by examples of how to trade the rules in different markets. Some of these examples covered periods of more than a decade.

But none of these lessons are accompanied by charts! I figured that the examples must have been important, otherwise why were they so lengthy? One of the lessons is 48 pages long, and the rules are covered in the first 4 pages. The next 44 pages contain the examples. What message did they contain? Eventually, I resolved that the only way to find out was to hunt the old price data and make the charts myself.

The value became immediately apparent, as can be seen in the chart above. A buy signal using only a swing chart would require us to wait until the 2 February high was broken. But the rule to buy on a 3-point advance from the low after a big decline gives another tool in the kit.
Can we use these rules in modern markets? Absolutely! Consider the Nasdaq during the decline in February and March 2020.

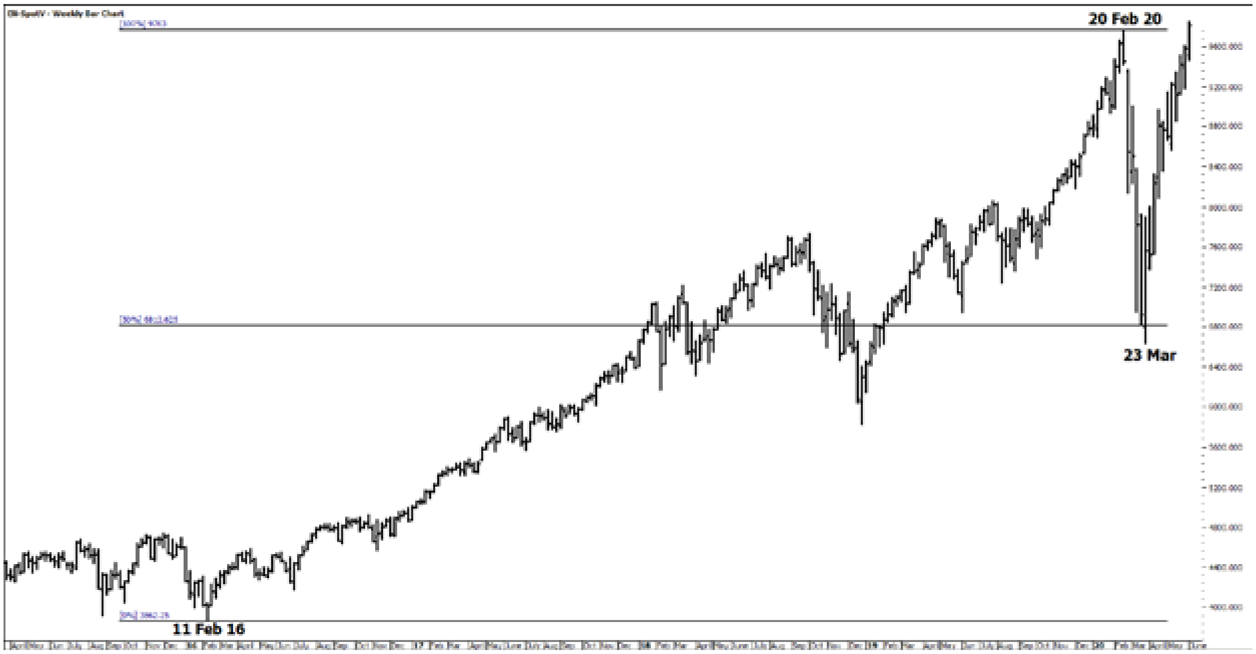


We are told that markets rallied because the Fed stepped in to support the economy. That may well be true, but we see also for about half-a-dozen bars before the day of the low, price had gone sideways, suggesting that the market was already getting support from buyers.

There are many times in Gann's trading lessons where he says to buy or sell at a certain point but gives no or only a partial explanation of why. Without a chart, it is almost impossible to work out these reasons, for they involve things like calculating price or time ranges.

Suppose he was commenting on this low on 23 March 2020. He would almost certainly not mention the pattern of accumulation during the previous days, nor would he note the date. 21 March each year is the spring equinox, and Gann said always to watch these 'seasonal dates' for possible changes in trend. In 2020 this day fell on a Saturday, so the 23rd was the first trading day to follow.

But when we add to this the information on the next chart, which is a weekly chart, the picture becomes even clearer. For on Monday 23 March, the Nasdaq gapped down on the open to 6798, just a few points below the mid-point of the range from the February 2016 low to the February 2020 high.



On the first chart, we saw a market that was in free fall and then opened on its low. This is less likely in a modern futures market, because the open of Monday's bar actually falls on Sunday evening, rather than the start of the main session on Monday morning.

We can still use this 3-point rule, although we'll have to adapt it to an index market trading at nearly 7,000 points. Even if we made it 300 points, it would have got an early entry on 23 March 2020, for the range of the bar that day was nearly 700 points. But an even earlier entry is possible, one that is never explicitly stated in any of Gann's lessons but is clearly indicated in one of his examples.

Gann set great store by 50% resistance levels. He claimed that you could beat the market with this one rule alone. When we study his examples, we get a much more comprehensive understanding of what he meant by that statement. Seeing the pattern of accumulation over the preceding days, and noting the timing of the seasonal day, when the market gapped down on the open, declined, and then rallied to regain the open price and the 50% level, Gann would have bought at market as price passed the 50% resistance line. His purchase price would then have been around 6820, only 200 points off the low.

The trading examples show that Gann was nearly always quick to get long around lows, especially where there was support from 50% levels or old tops or bottoms. There are many examples where he waits for the swing chart to give the new trend, but there are equally many examples where he is long well before that. Without a chart, how can we tell the reason for the different approach?

Wanting to know the answer to these and many other questions, I resolved to dig up the old newspaper records to collect the price data. The work paid great dividends, because then these lessons came to life for me.

One of the beauties of Gann's work is that it is timeless. The world and the markets have changed almost out of recognition since the 1940s, and yet the rules he laid down are as valid today as they ever were before, because they are based on mathematics. Gann himself said that the one thing that doesn't change is human behaviour, and it is, after all, people who make up markets.

In 2013, I produced a book which analysed one of Gann's trading lessons. I called it *How to Trade Like W.D. Gann*, for he said that he used the systems he was teaching in his own trading. The book was published by the Institute of Cosmological Economics and was well received by readers. This year I have completed the study with a second volume, covering the rest of Gann's lessons on trading that were not covered in the first book.

For those who have studied Gann's method of forecasting, but perhaps struggled to turn it into profits, these books should turn a few lights on. It is rare to see one of the great traders on Wall Street say, 'this is how you should trade, buy here, place your stop loss order there, and sell at this point.' Even seasoned traders should be able to pick up a gem or two to enhance their profitability.

For more information on *How to Trade Like W.D. Gann Part 1 and Part 2, please visit my CosmoEconomics author page at:*

https://www.cosmoeconomics.com/EZ/ice/ice/timothy-walker.php

or email the Institute at institute@cosmoeconomics.com and they will be happy to help you.

Biden versus America

By Dr. Lorrie Bennett

The US is a mess! We have businesses closing, labor shortages and health mandates that are removing the rights of citizens while not holding illegal immigrants to the same requirements. Citizens are told we must do vaccines to protect public health while illegal immigrants and those from Afghanistan are allowed to enter, traverse, and stay in the United States without a vaccination. There is also destruction of economic progress, closure of key economic sectors and more. What gives? To answer this let's look at the ASH system that I have used in prior articles. Maybe a clue is there.

In the ASH system there are points where an energy of total and complete destruction (TCD) is created with major and key impacts for the person and the location. By placing Joseph Biden in Washington DC, we find his natal Moon hidden on the ascendant and in a TCD position. The natal moon in this position gives a disharmonious attitude towards other people (The People i.e., the citizens of the USA), hypersensitiveness and a person who gets annoyed easily. When we add the influence of Mars which is also on the ASH ascendant, a person with a tendency to become involved in quarrels, demonstrates intolerance and relationship differences with THE People is revealed.

In the ASH chart, Biden's natal Saturn is affecting the environment of Washington DC, giving a small capacity for adapting oneself to circumstances, awkwardness and clumsiness, and shyness.

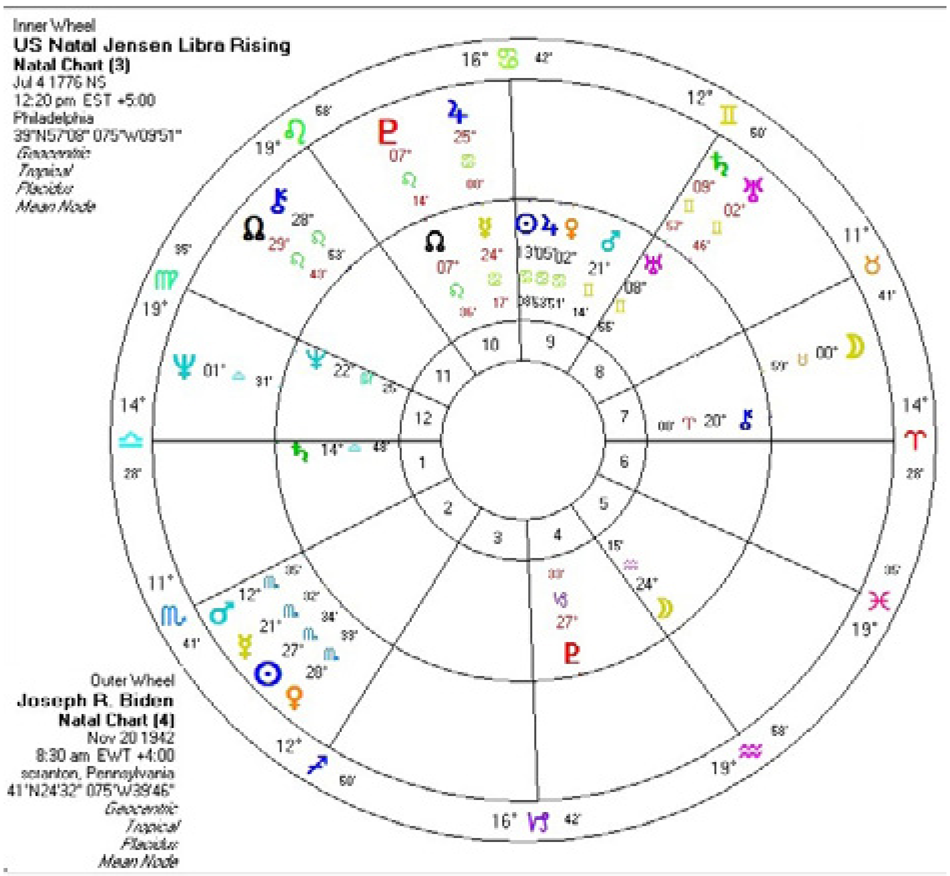
In ASH, Saturn is also located on the MH of Washington DC along with Neptune and Pluto and this configuration gives heavy emotional depression, difficult growth, or development of one's faculties (affecting both the President and the US itself), a serious illness. Placing this energy on the MH then gives a peculiar character, a frequent change in moods, the tendency to lose courage quickly, emotional suffering and illness

.

When one studies Joseph Bidens history in Washington DC, these qualities are repeatedly seen in his actions and behaviors within the legislative body. Given his advanced age and the notable loss of inhibitions, the quality has come to the fore with even more force. From just these ASH indications, Joseph Biden was not a good selection for President. But wait there's more!

As President, Biden affects the whole of the USA. How does the grouping of Saturn and Uranus in his natal chart affect the United States as a whole? Using the US natal of July 4, 1776, we find that natal Uranus is at 9 Gemini, conjunct Bidens Saturn, which again creates unusual emotional tensions or strains, irritability, emotional conflicts, rebellion, the urge for freedom, a provocative conduct and an act of violence which manifest as kicking against the limitation of freedom, the tendency for unrest within the environment, quarrels, separation, the use of force, interventions in one’s destiny, and the limitation of freedom.

When this energy is placed within the geodetics of the USA, we find the effects playing in a line from central Montana to the area between Phoenix and Tucson Arizona areas down into Northern Mexico. Hence the emotional charge playing out over illegal immigration in the current news. One can see that the temperature of politics and bureaucracy in the US over the next 3 years may do nothing but continue as one cannot see a change when the cause of the increased temperature is sitting in the White House. This also suggest that the economic outlook and status will likely not improve due to Bidens policies and actions. This suggest that moderating the temperature of the US might require a significant change in Washington DC’s leadership. Maybe Kamala Harris will be a better alternative. That will be the focus on my next article.



A note on Afghanistan...

The MH (Mid-Haven) of Kabul, Afghanistan is located at 69.167 E which is 9 Gemini. Given all that was discussed above, one can see why the exit was a disaster. In July when the events in Afghanistan began to unfold, the Moon’s North Node was at 9 Gemini. The node in Gemini relates to many-sided associations as were prominent in the joint activities in Afghanistan for the past 20 years. Adding the Node to the Saturn/Uranus activity from Biden’s chart gives the inability to integrate oneself into a community, provocative conduct, and separation. Amazing how telling a natal chart can be.

When one observes this much direct impact from a chart this is an indication that the energy will not “pass”. These types of events will likely play out as long as one Joseph Biden is in the White House and in command.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Easy does it.

TIME of reckoning

Rick Versteeg

What goes up comes down. The question is when, so TIME patterns are essential. There is much to be discounted in the market yet, in view of the "controlled" society by government and democrats. So far that is, but time of reckoning has begun, which will shake the house of cards and society. Not only markets, but also economy, politics, currency and even the financial system *will meet their time of reckoning*.
However, although global mainstream society is in crisis since 2020, the markets have brushed off the crisis until beginning of October.

Brace yourself for 2022
Of course you would! You need to protect in case a BEAR market is around the corner. You need to know IF and WHEN a bull market will come again.

Not only markets but also society and economy as a whole will be affected.

Dow Hits-*larger corrections in Dow Jones index using Time patterns*
In our previous article and before, we have mentioned the month of October as being important with regard to a turning point and correction based on our DeLorean **"Dow Hits"** as we have named it. DeLorean OUTLOOK (Long term Time Patterns) and DeLorean (shorter term) INDICATOR, which foretell in general good and bad times for economy and society, are normally enough to forecast markets also. But we needed something extra to be more precise and to be able to foretell when LARGE corrections are more likely to happen in INDICES. The reason is simple: in these revolution times everything is manipulated, including the markets. In order to achieve what we needed, we started to research market indices themselves in more detail.
Logically we have been working to develop and calculate **time patterns for the Dow Jones**, when we noticed in 2020 that even a constitutional crisis, economic depression and highest uncertainty did not have a big negative impact on the markets. Down the road we discovered many, many examples why in history the index declined dramatically in line with large negative time patterns. This was compared to market indices we have available from 1720.
So early this year we noticed in our calculation the epicenter of a negative time pattern setup, that would be active again in October 2021, which is a milder version of October 1987. This said, already brace yourselves for 2022.

In our article Tradersworld #81 July 2021 we stated*:*
Markets are expected to experience a correction in the 3rd quarter, including October. It's about time and long overdue in view of all fundamental negativity and increasing friction in society and so on.

This was based on multiple Time patterns that hit the Dow Jones more and more negatively in clusters of which we have found examples in the past. Since August and September these time patterns have started, causing some minor corrections and finally making a top in September. Now October 10th, we have a correction of around 150 points, which is normally only the beginning of a much larger correction. Consequently it should break the low at 4270 to confirm that the next wave down has started, which is a sell signal. As a special service, we have advised Professional investment managers to hedge a larger part of their equity portfolios from 4450 to protect their profits and so they did. increasing the hedge when it declines again. If markets only have a mild correction, there will be less risk in dangerous times. Also the stop will protect their profits. For targets look at the previous bases in the SPX index, this would typically be 4200, 4000 and 3700 to begin with.

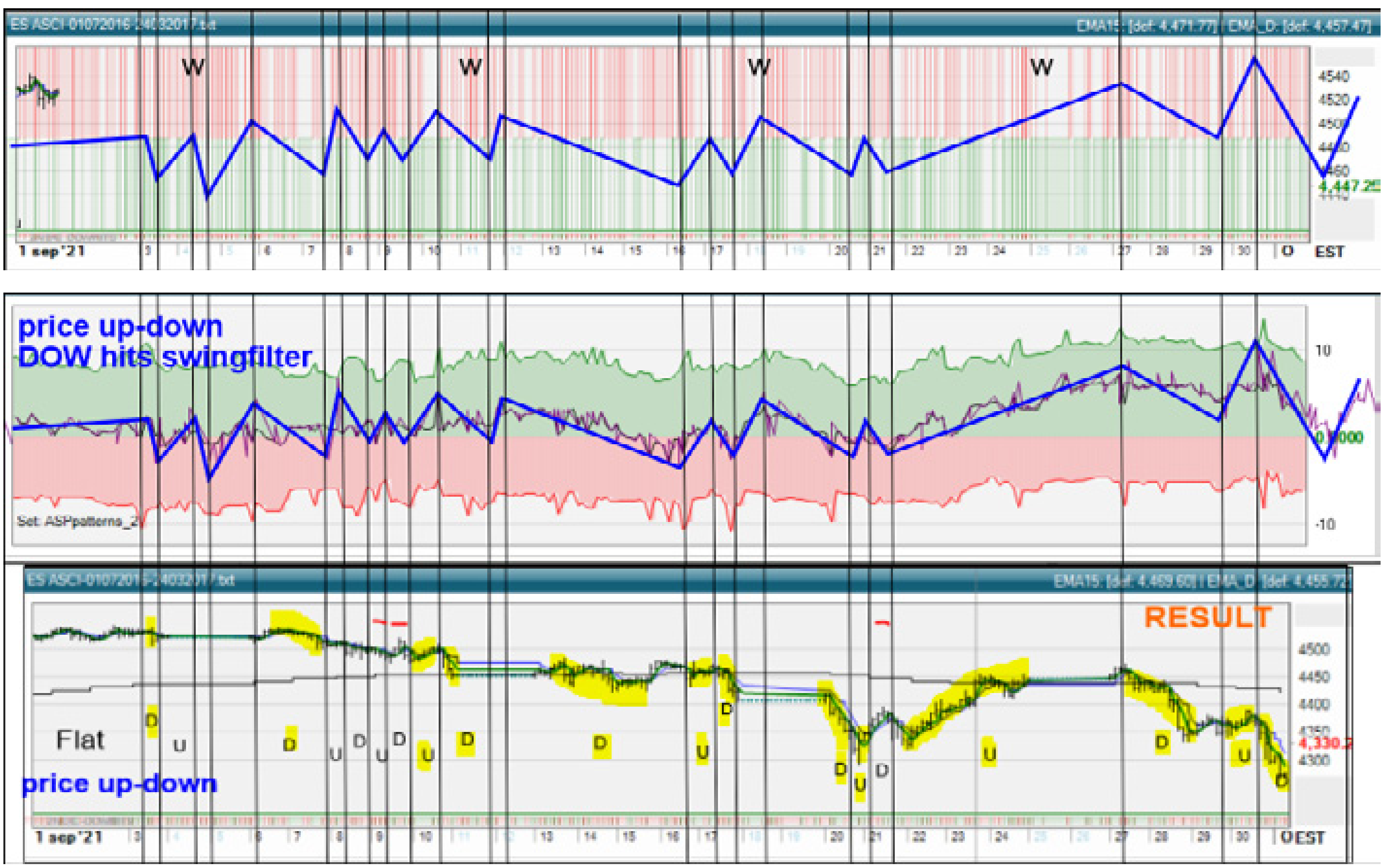
DOW HITS September 2021: Price moves forecasted 840 points! Correct 13-incorrect 3

DOW HITS					
September 2021					
DATE			MAX	Use Confirmation trend	
Positive	Negative	trend prediction	Price Move	comment	
3		up	30		
6		down	25		
10		up	30		
10		down	50		
13-15		down	40		
17		up	35		
17		down	60		
20		down	100		
20		up	90		
22-27		up	150		
27		down	120		
30		up	20		
30		down	90		
			840	Total move	
	9	up	-12		
	9	down	-12	profit possible	
	21	down	-12		

see next page

Using Dow hits professionally

In our proprietary Dow Hits indicator we show how the time patterns hit the Dow Jones positively and negatively. Above zero and rising is positive, below zero and declining is negative.
You can see how detailed the calculations are, actually on an hourly basis it shows if the indicator is rising or declining. For position trading, so trading 1 to 3 days in the index future or options, our service includes a swing filter in blue that highlights the most important swings in the coming month. This forecast is published at the beginning of the month.
To make it simple, if the indicator is FLAT there is no clear trend, if *rising* you may only *buy* the index (stronger above zero), if the indicator is *declining* you may only *sell* the index.
Some trends are quick and alternating, some are stronger and take several days. Weekends (=W) are included, since time patterns continue, but the effect of the indicator will normally evaporate in the weekend.
In trading we skip the weekends and start trading again on Monday. What is also important to trade according to an entry and exit system. So you need an entry confirmation and not just blindly enter the market in the direction of the indicator but wait until the expected trend has been confirmed.
Confirmation can be a first wave from a top down or a bottom up (wave 1 and 2 in Elliott wave terminology) or breaking a moving average in the forecasted direction of DeLorean DOW HITS.
For example looking at the first day in September the 3rd, the blue swing filter is down, so you may only sell the market. Enter after confirmation and use a trailing stop to exit for example 12 points. **For more results of our Dow-Hits view the following page on our website: https://aquilaesignal.com/dow-hits/**
In the screen shot on page 1 we show that the max price moves forecasted were around 840 points in September. Of course you will not catch all, because you will have to wait for trend to begin and give it some leeway when going in the right direction. If you catch half of the potential of 840, you are already doing very well. If the trade goes against you, you will lose 12 points, which is your stop.
At the beginning of the month we publish a prediction of direction as for **September 2021**, logically we do not yet know the price action of this month, see first pane. The prediction of direction of DOW HITS (blue line) has been transposed from the calculated indicator in the 2nd pane, on the still empty chart of September. In the 3rd, bottom pane the up and down trends as predicted by the blue line are shown. W= weekend and markets closed.

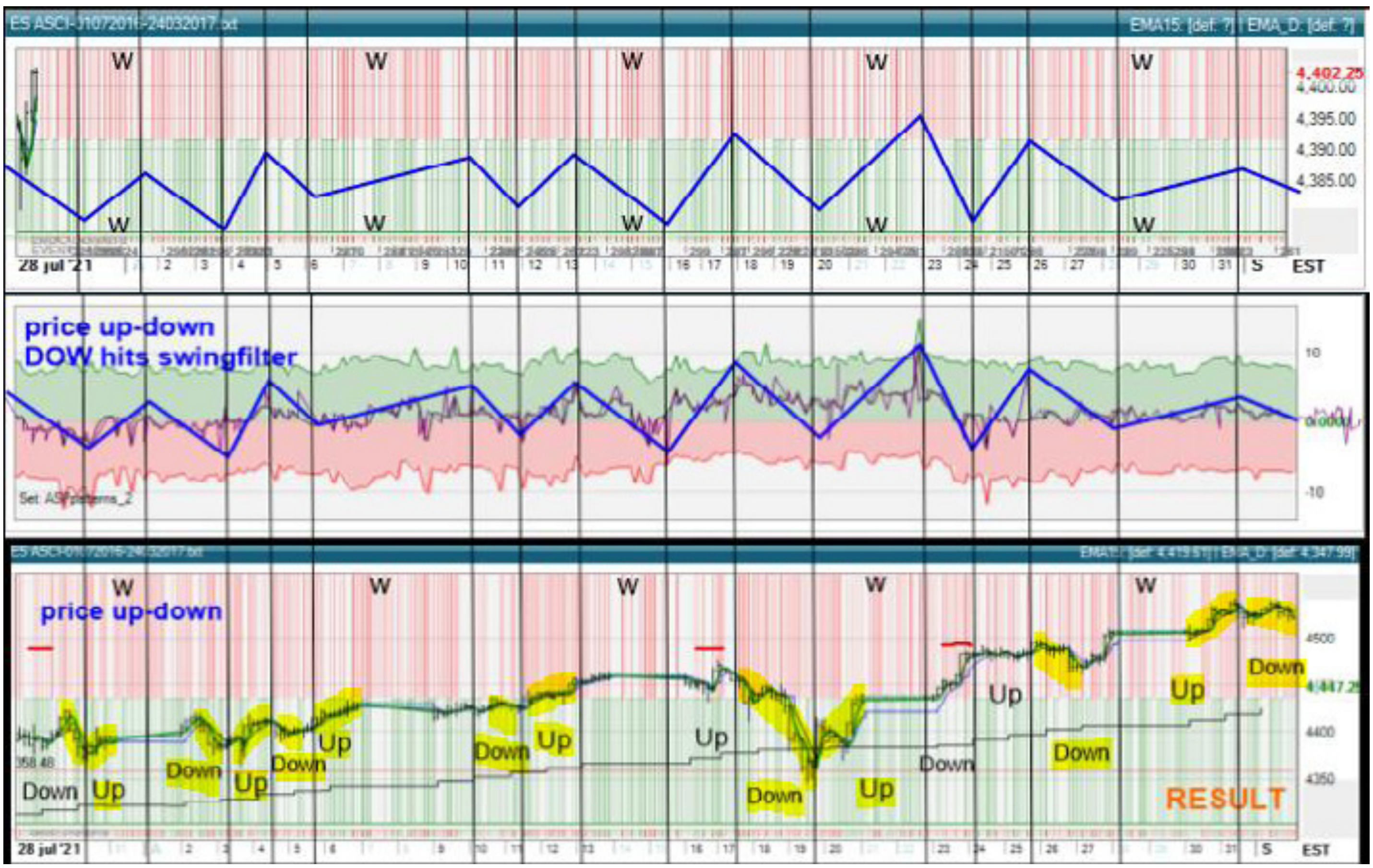


At the end of the month we see the price action of the SPX and have the results based on the blue swing of the DOW HITS indicator. Please notice the blue line and points where the trend is expected to change is exactly as forecasted in the beginning of the month.

So we have 3 panes, the top pane is the forecast, the middle pane the Dow hits swing filter for the whole month in advance, and the bottom pane is the price action of the month after the fact.
D= down trend, U=uptrend and the vertical lines show exactly where up and down are expected to begin.
A yellow text marker shows the correct forecasts (red – signs are incorrect), it can easily be seen that directional forecasts are *stunningly correct*. **The future is mostly predestined as it seems.**
https://aquilaesignal.com/product/dow-hits-3-months/

August 2021 shows the same picture, only 3 incorrect forecasts.

Big price moves can be caught, either by reentry or by giving enough leeway to ride the trend. Using a good confirmation on entry might even help to catch trends now listed as incorrect. There is only one forecasts that is really wrong, which is 23rd of August. Many trends have been spot on foretold before the month began.
Again we mention the DOW HIT indicator will never change and is calculated before it happens.



Best way is to give it a try and learn to trade using the indicator with our help.

Results depend on experience, discipline and most importantly following the indicator as well as learn how to use it.

Emperor without clothes
Time will come that reality will pop illusions, still maintained by the smoke and mirrors media propaganda. Actually the emperor has no clothes. The emperor is not only Biden, congress, governors or media, but also Fauci, WHO, FDA, CDC, vaccine producers, and the vast majority of decision makers in the medical sector, who cooperate to install a medical tyranny and a dystopic society. Not to mention to risk the lives of healthy people, including kids, by mandating the vaccines. Time of reckoning will come and if not stopped, freedom and survival is at stake. As always in the ages of revolution.

Summarized we have seen a so called pandemic, which is a fraud, just like the PCR test. The cure is very risky and finally mandating risky and experimental vaccines for entire society in the USA and most other western countries, has changed our freedom in a dystopian, discriminatory world unseen for 80 years. As said in our previous article of June and before, we are in the age of revolution. Although some of the violence already took place in 2020 as predicted back then in our outlook before it happened (Antifa destruction of cities), the worst has yet to come. In the age of revolution as always a coup is staged, which causes counter forces to fight to regain power, which normally ends up in war. The coup in THIS period begun in 2018 with elections and fraud. Even more so in the US presidential elections of 2020, as the audit of Arizona shows, just in one county 57000 votes were "false". In Pennsylvania, Wisconsin, Michigan and Georgia it is even worse as I have documented in my archives.

As soon as democrats lose their narrow majority, hell will break loose and all fraud will be proven. Those who were responsible for the coup will scramble, panic and fight back because they are all in. The people who were forced to take risky injections for a non-existing pandemic, will get furious and fight for their lives and future. States will fight each other. What will the army do?
Will Democrats lose their majority? **That question is answered in our DeLorean 2022 outlook**, which compares this period with revolution times in the past. Correlation of TIME indicators now with the same indicators as calculated of other revolution times is almost perfect and therefore scary. That is why we call it the ***age of revolution***, we have found the time periods where the TIME indicators are almost exactly the same and therefore the events in the past should resemble strongly our time NOW. That is how we forecast what will happen now and in the years to come, no interpretation, just listing and expecting the same as happened before in a modern version. See also issue 79, 80 and 81.
Clearly events now unfolding are the same as during the years 1918-1923 (Spanish flu, war, genocide and revolution in Russia, new ideology, dystopia) as well as during 1938-1943 (war, nazi regime revolution, genocide, new ideology, dystopia)

Markets and the financial system are a mirage as well, time to get corrected. When it hits, it happens quickly. The question is, if the FED will allow markets to decline a lot or not. Obviously they have, in cooperation with the Democrats government and president, a lot of power to postpone a crash in the markets even if surrounded by one crisis after the other. So far markets seem to be immune for the worst president ever, military debacles, wrecked economy, shortage of labor, rising prices, immigration crisis, transport crisis and energy crisis, amongst other problems. Radical left believes that airplanes keep on flying without fuel and pilots as well as that trillion dollars budgets using printed money will solve all problems. Wall street hopes the free money is more than an illusion as long as budgets of trillions are possibly approved by Congress and Senate to expand the bubble even more.
When it gets more uncertain and the ranks become divided (as already happening within the Democrats), humans are known to be feeble creatures who start to defect when the pressure is on. Consequently if this happens in the ranks of Democrats, the house of cards comes down.
Markets are on edge already and a correction is in progress, but only the beginning.

Use coupon code: TW82 to get a 50% discount!

For more results of our Dow-Hits view the following page on our website: https://aquilaesignal.com/dow-hits/

For questions or more information about our product please contact us at **info@aquilaesignal.com**

Now That You Know How to Trade Profitably!

By Joel Rensink

I'm writing this article under duress.

Not duress from Larry Jacobs of Traders World, who is a true friend and colleague.

But by a compulsion created by personal angst caused by the widespread toleration of hostility to personal freedoms that we were guaranteed by the Constitution of the United States. And that intrinsically includes our financial freedoms.

Instigated by the government. By the media - paid for by the government. Making rules for those they don't like. Which they aren't required to follow themselves. (This "track" is not the sole purpose of this article, so I'll trust you know what I'm talking about if you have possession of at least one electronic device and turned it on at least once in the last month....)

Everywhere we turn today, we are forced to bear insults of our own personal rationale, risk not getting any medical care if we don't veer the correct way; forced to expose our children to schools that denigrate what we, as Americans; have stood for – for centuries. And many of us threatened to lose gainful employment.

Now, just because, as a trader/investor who operates from my private office – they aren't currently stopping me from plying my trade..., do you think THEY are going to stop short of that? If you do, there is more than a bit of Pollyanna to your thinking.

Baron Rothschild, a member of the Rothschild banking family in the 18th century, is credited with the wise (and mathematically/historically provable) statement: "Buy when there's blood in the streets, even if the blood is your own."

Happy to say, we're not there YET. But stay tuned! (Knock on wood for those so inclined.)

Making a huge assumption that we'll maybe be able to survive the "word-salad cretins" trying to remake America by taking from those who are productive and let in any criminal who can fog a mirror and pay them for the privilege – if you've finally developed the skills to profit from market action – how best can you profit from them?

Of course, there is always the possibility that you've got some excess capital or friends or family that might want to invest in your burgeoning trading skills. But can you count on that?

When I started trading profitably (the '70's), I was fortunate to have a side business which operated during after-market hours, and had enough discretionary capital to operate my small account. As I got better at trading and had a few fortunate out-sized winners, my capital grew to a level which was self sustainable. Since I didn't have to dip into my monthly cash flow to keep feeding my trading account, and the markets were willing – my trading account expanded exponentially quite rapidly.

That created a different set of problems.

Question: At what point should I be able to expect to operate solely from trading profits alone?

For this dilemma, everyone has their own solutions and needs. Since I didn't have a family relying on my income, and no debts; it all came down to my personal burn-rate. I lived inexpensively, with low overhead – I separated two years worth of burn-rate from my trading account, and continued trading.

Fortunately, the markets continued to be robust. My account grew, I was in my mid-20s; life was good!

Obviously, this situation is the exception -- not the rule!

Years passed. I still wasn't married.

I traveled, did lots of verification research, watched my finances – and got some offers to trade outside money. I really didn't want to – but I did it anyway – because I thought it would help improve me as a trader because of closer associations with other traders. It was a mixed blessing, good and bad. (The bad: people wanted me to make money like a machine. Doesn't work that way....)

And then there were the trading pits. The Chicago Board of trade and the CME were the best of the best in the '80s. There was a constant flow of people coming to trade and leaving trading at the same time. A lot of the people who found out they couldn't trade for themselves still had capital that they wanted put to work. They'd see you making money and thought, "Maybe he'd make me some...."

There isn't much difference today. There are lots of people who have capital that hearken back to the days when you could get 8 to 10% on your money per year. And hate getting less than 1%/year now.

If they believe that putting money with you might make a decent return happen -- you likely will have a partner very quickly. (Note: I'm not necessarily encouraging this but it is an option. I did it successfully for 10 years.)

Forward to NOW:

Today there are numerous hedge funds, not unlike AXE Capital on the TV series **Billions,** who want new talent – **need new talent.**

There still a lot of them in Chicago, but many of them on the East Coast too. They all have different requirements that suit their own risk profiles. They can be choosy because compensation can be 7 figures a year. (More about that later....)

And then there are the new little prop firms that have been springing up in the past couple years that primarily deal with Forex traders. Prop firms get their name from the concept of *proprietary trading*. Prop firms are a type of financial firm that hires traders to trade its own money to make a profit instead of running a commission based operation. Most of them start with currencies but also have branched into commodities, stocks, arbs and other financial instruments.

Due to having a large cross-section of styles available to them because of all the different traders they hire, they expect to use their in-depth knowledge of the markets and their personal capital to create a competitive advantage in the financial markets to **greatly** exceed the type of returns available from index, bond, and stock investing.

And there really are opportunities in this area, if you have the right emotional makeup and you can manage the money they supply you and manage risk of your positions, day after day. If you prove that you can do that, **there are a dozen firms interested in you!**

A typical prop firm will start off with a beginner funding an account for approximately $50K. If you jump through enough hoops for them, some of the prop firms will fund you up to $1,000,000+ per account. This means you are to trade in a way which THEY can profit from – substantially – without risking too much. Note: these are not "welfare" companies who want to adopt you.

In previous times a prop firm wanted to see a comprehensive track record. Many of the best funded and top-tier groups, managed money funds, etc., the "Gordon Gecko's" of the current trading world would analyze every transaction you made for the previous 10 years before they'd even talk to you. *(Axe Capital-style firms still do....)*

These new prop firms use a membership model. Also sometimes called a **"Challenge"** model. In essence, you pay a membership fee for the chance to make money for the firm and yourself with their capital. Depending on your trading profile, this can be good, or not so good.

Examples:

(can vary by firm)
Evaluation phase -- 30 days -- profit targets/restrictions 10% target -- daily draw-down limits
Verification phase -- 60 days -- profit targets/restrictions 5% target -- maximum draw-down limits

And then if you survive, they have growth plans: if you make X (total gain) -- they will increase the size of your account to a new level.
Profit splits: 50/50 to 80/20 after specific guideposts are met. The restrictions vary by firms about position hold times, your style of trading, leverage available, whether you make too much or too little within a set time period. (If this sounds doable, continue.)

Be aware that the prop firm will make sure to take care of themselves.

NOTE TO TRADER: Make sure that the restrictions don't interfere with the profits extracted by your method.

Ultimately, the current concept of available prop firms funding new traders has all the trappings of the **"mining the miner"** concept. For a required fee paid by you; ranging from $100/month to $1000/month or more -- they offer to fund a sizable account, with a lot of restrictions that tend to benefit them -- and they usually extract a hefty percentage of what profits result from the structure they have created. You'll have very little input – or bargaining position, until you can prove yourself a STAR.

Caveat Emptor.

-- -- --

And remember, for research purposes:

There are copious reviews on YouTube about prop firms, about who is best for new traders, restrictions, etc. Most of the videos you will find are from **shills** (meaning they benefit if you sign on with one of the firm's). I'm not impugning any of them about misrepresenting the industry. But they do profit from the introductions....

Suffice it to be said, **deal with these firms with your eyes wide open**.

That said, a couple of traders whom I know personally -- have ended up managing $250,000+ with better than a 50-50 split of the profits at the end of the month by trading at two of these prop firms. In 2021. I believe they're fortunate in the fact that their firms seem to be designed for their style of trade.

And now, for what I consider to be one of the most revealing documents detailing what hedge funds really look for -- see below:

As you can see from the 21 questions, virtually every aspect of a trading method is addressed

-SECRET-

(This is a questionnaire from [redacted]edge fund that wants me to trade for them. Notice their due diligence and the specific questions that they are asking.)

1. How was the strategy developed? How has it been modified over time? What were the reasons for modifications?
2. Would you consider your approach: 1) theoretical "edge" based (volatility), 2) fundamental, 3) macro, 4) discretionary, 5) systematic, 6) or some combination?
3. Is it "black" box, "grey" box, neither? If it is "black" box, how would you define that?
4. Describe the overall concept of the strategy?
5. Why does it work (What's the edge)? At what point and how do you know that it's breaking down?
6. How many and which inputs are used in generating a signal? Are they similar for each market? If not, how do they differ? How many different signals per market?
7. How many parameters are used? What would have to happen for the parameters to be modified?
8. Is there any optimization? How often?
9. Are you always in the market? What determines whether you are neutral?
10. What is the exit strategy based on? How was it established; has it been modified?
11. Describe your approach to risk management: 1) by market; 2) by portfolio.
12. Is a profit objective incorporated into the system? How is it determined? Do you manage your portfolio's "open trade equity"?
13. What markets are traded? What conditions have to be met for a specific market to be incorporated into the portfolio?
14. What is the portfolio allocation concept? Is there a maximum/minimum amount allocated per market?
15. Does the unit size of a (new) position ever change?
16. What is the maximum margin to equity ratio? What would be the % loss to the portfolio?
17. At what point in asset size would you say performance could get diluted?
18. Is there any real-time P&L for this strategy? If no, why not?
19. How brokerage sensitive is the strategy? How often does the system trade, and how long can it stay in a trade?
20. What is the minimum capital required to trade this strategy effectively?
21. What are the infrastructure, manpower, and expected monthly budget needs?

If you have any statistical measures of performance, please e-mail it. Also, if you have daily performance numbers, please e-mail those in an excel format.

critically. When you think about it, the individuals who are requesting this information are considering risking their own significant capital and the capital of their partners based on these criteria. They need to know – **that you know** – why you can expect to profit from your specified trading methodology.

I encourage you to spend plenty of time asking yourself these questions about your own personal trading concept.

My favorite is number five.

I close this article with some famous “human nature” **quotes:**

“I can calculate the motion of heavenly bodies but not the madness of people.”
- Isaac Newton

“Another flaw in the human character is that everybody wants to build and nobody wants to do maintenance.”
- Kurt Vonnegut

“And it never failed that during the dry years the people forgot about the rich years, and during the wet years they lost all memory of the dry years. It was always that way.”
- John Steinbeck

“Sometimes the most remarkable things seem commonplace. I mean when you think about it jet travel is pretty freaking remarkable. You get in a plane it defies the gravity of a entire planet by exploiting a loophole with air pressure and it flies across distances that would take months or years to cross by any means of travel that has been significant for more than a century or three. You hurtle above the earth at enough speed to kill you instantly should you bump into something and you can only breathe because someone built you a really good tin can that seems tight enough to hold in a decent amount of air. Hundreds of millions of man-hours of work and struggle and research blood sweat tears and lives have gone into the history of air travel and it has totally revolutionized the face of our planet and societies.

But get on any flight in the country and I absolutely promise you that you will find someone who in the face of all that incredible achievement will be willing to complain about the drinks.”
- Jim Butcher, Summer Knight

I wish you great trading, and the wisdom to run when it is time to run.

Joel Rensink has been a professional futures, floor and forex money manager for more than 40 years. In addition to active trading, he is a consultant for determined traders, trading firms and hedge funds seeking profound returns. For any comments or questions on the article or the markets, e-mail him at leonardo@infiniteyield.com (612)825-4776

Find Your Trading Edge

By Thomas Barmann of NeverLossTrading

If you buy or sell securities and expect an excess return, you should have an excellent answer to the question, "Where is your edge that lets you win more often than you lose?"

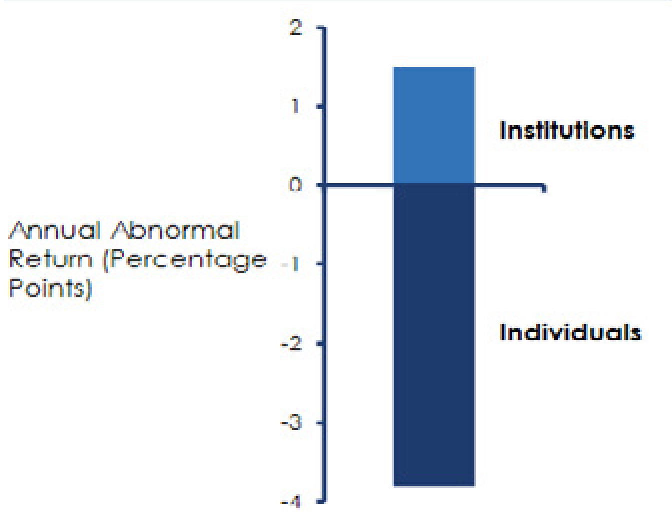
Let me share some research documents and then lead over on acting as a game-changer for your trading and investing endeavors. Bluemountain Investment Research published an analytical paper on the topic, and you can read or download it here: Who is on the other side?

They specify the source of your trading advantage or edge in four areas:

- Behavioral (less emotion and more objectivity)
- Analytical (better research and preparation)
- Informational (having information others don't have)
- Technical (taking advantage of forced transactions)

The study expresses an essential finding in the following graph:

Exhibit 6: When Institutions Compete with Individuals, Institutions Tend to Win



Source: Source: Brad M. Barber, Yi-Tsung Lee, Yu-Jane Liu, and Terrance Odean, "Just How Much Do Individual Investors Lose by Trading?" Review of Financial Studies, Vol. 2, No. 2, February 2009, 609-632.
Note: Returns are after commissions and transaction taxes and before fees.

The graph shows that institutional investors generally beat individual investors head-to-head, which means that individuals can be a good source of excess returns for institutions.

In essence, if you trade without sound preparation and a plan, you lose your money, period!

What do you think is the average win rate of retail traders?

US regulations do not require brokers to publish the win or loss rate of retail traders. We are an algorithmic trading house, and such decide on numbers and quantifiable instances rather than assumptions. To come to a quantifiable answer to this question, we made a little excursion:

European brokerages that offer leveraged products like CFDs need to report their clients' success rate. A contract for differences (CFD) is a financial contract that pays the differences in the settlement price between the open and closing trades. CFDs exist for indexes, commodities, currencies, ETFs, stocks, and more. They essentially allow investors to trade the direction of securities over a chosen period, often short-term (day trading). CFDs are cash-settled and allow ample margin trading so that investors only need to put up a small amount of the contract's notional payoff. In essence, on CFDs, you either bet up or down. This far, CFD trading is not allowed for US traders, and we are not here to propagate it, but it gives us the basis to judge the average win rate of US retail traders.

Comparing directional trading to a coin toss, we could estimate the average success rate would be around 50%.

In reality, the success numbers average is about 24%, or 76% of private investors lose money trading.

Ensuring that we are not talking about a single instance, we ran an analysis for the top-10 CFD brokers that operate in multiple countries and report a substantial client base of traders: IG, for example, was founded in 1974 and reported 273,000 clients in 2020.

Clients Success Rate with CFD Brokers

CFD Broker	Clients Performance	
	Winner*	Loser*
Plus500	24%	76%
etoro	25%	75%
EuropeFX	21%	79%
XTB	18%	82%
IG	24%	76%
finanzen.net	22%	78%
Admiral Markets	21%	79%
markets.com	21%	79%
flatEX	27%	73%
FXflat	22%	78%
LYNX	34%	66%
Average	24%	76%

*win/loss rates published on the website of the CFD-Brokers.

Some of these brokers, like "etoro," offer copy trading. A client can follow traders' highly successful moves, and still, 75% of the "etoro" clients lose money. Obviously, an exact copy of successful traders' actions does not work: You see the stats and picks of successful traders but not their decision-making basis. In consequence: replicating statistical success appears to be a challenge.

Who had assumed such a high rate of losing traders?

Why should the US stats for speculative directional trading statistics be different?

We say that they are not:

With a robust ASSUMPTION, about **75% or three-quarters of the US traders lose money**.

The game of tennis provides an analogy for understanding what happens by trading in the financial markets. Imagine a match between a tennis professional and a weekend warrior. They use the same equipment, play on the same court, and abide by the same rules. But the professional will have a better technique and strategy and will be prone to fewer errors. In the world of investing, institutions are the professionals, and individuals are the weekend warriors. We encourage and support you to transform yourself into acting along with the action of professional investors. As a retail trader, you have the ability to enter and exit entire positions at once. Thus, you can create yourself an edge: The big money has to scale in and out of positions not radically to change prices, and such, your edge is in the speed of entering and exiting positions, which show a price move potential.

Making a Change

How can you turn to trade and invest into a successful endeavor?

First and foremost, if institutional investors dominate the trading landscape by more than 85%, why not trading along with them, increasing your odds of winning?

We take the success factors according to Bluemountain Investment Research and translate them into actions:

Success Factors	**Answers**
Behavioral	Work with mechanical rules on clearly spelled out price thresholds for entry, exit, and stop.
Analytical	Use a high probability trading system back-tested for more than 65% of winners that follow the institutional money flow.
Informational	You will never beat institutions in knowledge. Do not even try. Price results from a change in supply and demand; hence, let your system and chart tell when to buy or sell!
Technical	Work with buy-stop and sell-stop orders; participating in a price move when it initiates and exiting before it ends.

Success has a structure, and we dissect the critical elements of trading and investing success to add them to your knowledge and skillset.

System Components

The system shall spell out the price thresholds: Buy > or Sell <.

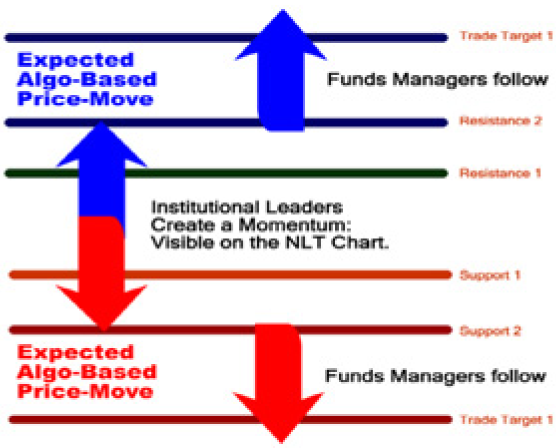
In such an environment, you are not guessing; you act on clearly defined rules. But, unfortunately, many retail traders never invest in learning a different way of trading; they try to win today's formula-1 race with world war II technology and decision-making.

Detecting and Projecting Directional Price Action

We encourage you only to trade if other market participants invest or sell the same asset. Following this model allows us to operate with buy-stop and sell-stop OCO orders (One Cancels Other Order): A simple way to enter and exit your orders without needing you to be in front of your computer at order entry or exit. To do so, we want to introduce you to the concept where the system specifies the natural price movement of the observed asset. When a price movement initiates, it defines how far it shall reach to take a positive exit. In the same way, it defines the stop level, considering the statistical volatility.

By the way, our concepts of adjusting the trade instead of taking the stop loss gave us the name Never Stop Loss Trading, but it was a bit lengthy.

NeverLossTrading Price Move Model



1. **Prices accumulate** prior to a price move and our indicators are identifying this stage by measuring price-, volume- and volatility development, with the NLT-specific market pressure model.
2. Prices **test** the **high/low** of a range prior to breakout. Again, our sensors are triggered and alarm us.
3. **Breakout** to the next price increment. It shows and is highlighted right on our charts and picked up by our scanners.
4. The **price breakout is noticed** by key market participants and is either:
   - **Confirmed – and we trade it.**
   - **Not confirmed** – and we stay out.

We also understand that key asset holders will have a solid need to re-balance their inventories. Thus, at a certain price expansion, they will either float- or shorten supply, which will result in an opposite directional price move that will then take away from our profits. Knowing this, we pre-calculate how far the expected price move will reach, and there we take profit, assuming it will retrace or reverse after.

Our tool to calculate the expected price move is the **SPU = Speed Unit**

NLT **SPU** = Price Move/Time Unit (Price Speed)

A dynamic measure: Constantly Adjusts to the Actual

SPU-Trade-Target:

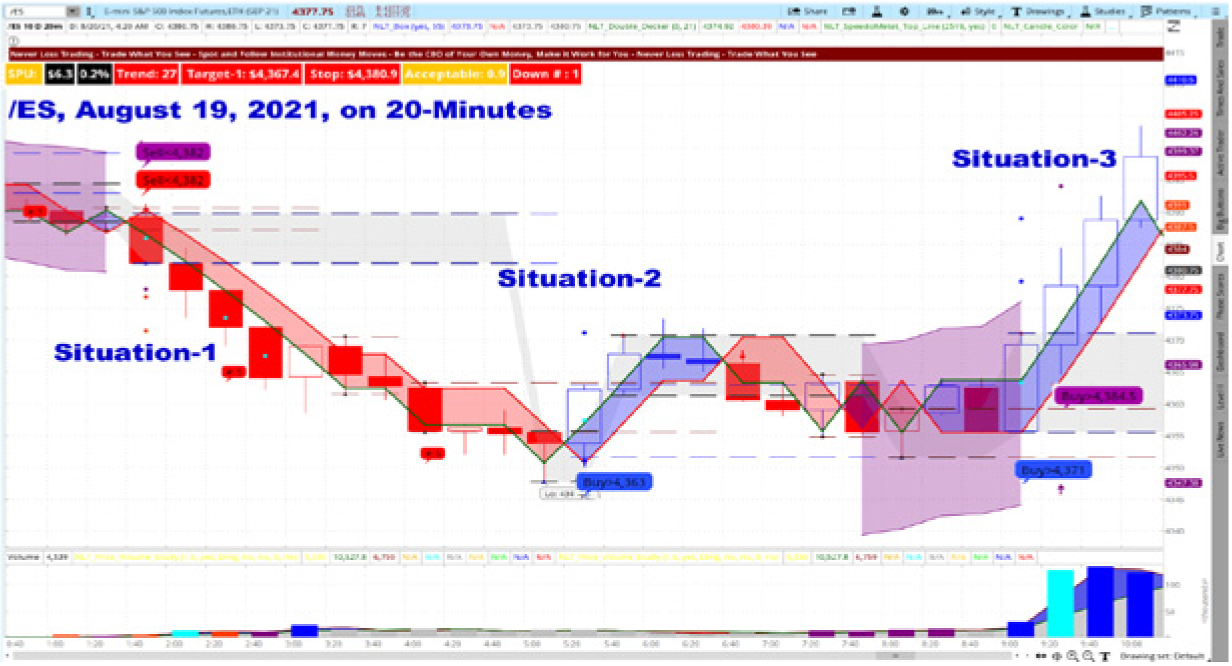
Minimum expected price move after an institutional engagement is established.

What is your take away:

- Let your system define the SPU (Speed Unit), indicating how far a price move shall reach until it comes to an end.
- Operate with conditional buy-stop and sell-stop orders, ensuring that other market participants have the same directional assumption that your system spells out.
- Act on system-defined high probability price turning points only, applying mechanical rules rather than leaving room for interpretation.

How can this be expressed on a chart?

NLT Top-Line Chart for /ES (E-Mini S&P 500 Futures), Aug. 19, 2021



The chart shows three trade situations, each with a specifically spelled out price threshold for entry, target, and stop, making it simple for you to define your OCO orders. You find all numbers on the price chart and on the top-left dashboard, which changes candle-by-candle, giving you the specifics you want and need. To show and explain that this works on multiple time frames, please check the following example:

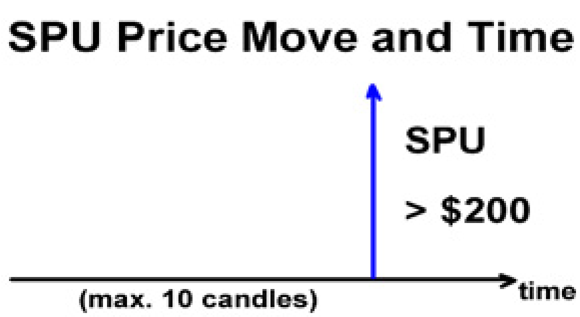
NLT Top-Line Chart for /ES (E-Mini S&P 500 Futures Contract), 19. Nov. 2020

The chart shows three trade situations, analyzed as follows:

NLT Top-Line Trade Rules

Entry Rule	Signal	Trade Target and Stop	Result base on one contract
Situation-1 Buy > $3,560,3	Blue NLT Power Tower Buy Signal	Target: $3567 (max. 10-Candles): Stop: $3,554 $300 Risk	Favorable Reward/Risk setup. High probability signal (70%): • $337.50 return • $300 risk • 6 candles to target
Situation-2 Sell < $3,560	Red NLT Power Tower Sell Signal	On the first reversal, we only trade to the first target point, and such reward/risk was not acceptable	Unfavorable Reward/Risk No trade
Situation-3 Sell < $3,562.1	Orange NLT Early Down Signal	Target: $3,558 (max. 10-Candles): $200 Profit Stop: $3,563.50 $75 Risk	Favorable Reward/Risk setup. High probability signal (65%): • High return/risk • Confirmed signal

The above example demonstrates how we measure and trade for a pre-defined price change in distance and time:



Trades will be closed either at the pre-defined SPU-move or after the maximum number of candles in the trade: A two-dimensional positive exit strategy.

The SPU-measure defines the price change you trade for, and you only act on the acceptable reward to risk setups. In cases like situation-2, where the reward/risk setups are not adequate, pass on the trade:

A big takeaway for retail traders:

You are not in the business of trading; you are in the business of making money by investing in favorable setups.

Many retail traders that come to trading with a solid work attitude overtrade. The work in trading is in preparation.

Operate on Probabilities ≥ 65%

Most traders work with a low probability system, and such making money is random. Let us demonstrate this in a simple example, where we draw from a bag of marbles and put them back after the draw, and we calculate the likelihood of winning six or more times with a 55% system (11 winners out of 20) and a 65% system (13 winners out of 20).

Model for System Probabilities and Consequences

65% System	55% System
	

To calculate the excepted results after ten draws for winning six or more times, we use the so-called Bernoulli calculator for the probability of each outcome.

Replicating System Performance by Drawing Marbles

Winners	65% System	55% System
6	23.8%	23.8%
7	25.2%	16.6%
8	17.6%	7.6%
9	7.2%	2.1%
10	1.3%	0.3%
Sum	**75.1%**	**50.4%**

You see, your rate of expecting more winners than losers with a 55% system is random: 50.4%. On the other hand, using a 65% system gives you a 75% chance to cash in more winners than losers.

Mechanical Rules

Unfortunately, mechanical rules are not common practice, and most traders guess entry, exit, and stop.

It is critical to define mechanical rules that consider statistical volatility or the speed of one price unit, SPU (Speed Unit).

Through this measure, you will determine if you are accepting the risk of a trade or not.

Successful traders do not trade to trade; they trade when conditions are met.

Trading, in particular, day trading, requires probability thinking to bend the odds in your favor, and we want to share the basis of operating with the right mindset and tools.

When you day trade, you have multiple challenges to manage:

- Probability of the Setup
- Risk/Reward Relation
- Rules (entry, exit, stop)

We could add more, but we want to focus on the most critical factors and explain:

Probability of Setups

Do you know the probability of the setup you are acting on?

If you are using standard indicators or your likelihood of estimating the future price direction is between 51% and 55%.

Still, such systems have a slightly positive expectation, so why are 76% of the retail traders losing money?

They stay too long in the trade and such exit when prices are already starting to retrace or revert, and such, they cut the winners short and get banked by losing higher amounts than they are winning.

Besides, novice traders guess entries, exits, and stops: Leaving things up for interpretation instead of trading with system-defined mechanical rules and strategies.

When leaving mechanical rules aside and operating with a high probability trading system ≥ 65%, you still have no guaranty for making money.

Why is that?

Risk / Reward

Two easy definitions upfront:

- Reward = Abs(Entry – Target)
- Risk= Abs (Entry – Stop)

Let us pick an example of trading for a $200 price movement. Then, relating Risk and Reward with system probability, we come to the following overview:

Risk	Reward	Risk to Reward	Probability	Return	Return on Risk	Occurrence	Share of Trades to Take
$ 350	$ 200	1.8:1	65%	$ 8	2%	40%	
$ 300	$ 200	1.5:1	65%	$ 25	8%		
$ 280	$ 200	1.4:1	65%	$ 32	11%		
$ 260	$ 200	1.3:1	65%	$ 39	15%		
$ 240	$ 200	1.2:1	65%	$ 46	19%	50%	83%
$ 200	$ 200	1:1	65%	$ 60	30%		
$ 180	$ 200	0.9:1	65%	$ 67	37%		
$ 160	$ 200	0.8:1	65%	$ 74	46%	10%	17%
$ 100	$ 200	0.5:1	65%	$ 95	95%		

You see, even when trading with a high probability system, about 40% of the setups are not suitable for risking your money: because they require you to accept too high risk concerning the reward of your trade.

You need to sort out those trade setups that are not suitable and never accept a risk higher than 1.2:1 (mainly when we are including commission).

In general, successful traders operate with risk-limiting strategies: This is part of the recipe for success in trading and investing.

Calculations for a 55% system shows the following:

Risk	Reward	Risk to Reward	Probability	Return	Return on Risk	Occurrence	Share of Trades to Take
$ 350	$ 200	1.8:1	55%	-$ 48	-14%	60%	
$ 300	$ 200	1.5:1	55%	-$ 25	-8%		
$ 280	$ 200	1.4:1	55%	-$ 16	-6%		
$ 260	$ 200	1.3:1	55%	-$ 7	-3%		
$ 240	$ 200	1.2:1	55%	$ 2	1%		
$ 200	$ 200	1:1	55%	$ 20	10%	25%	63%
$ 180	$ 200	0.9:1	55%	$ 29	16%		
$ 160	$ 200	0.8:1	55%	$ 38	24%	15%	37%
$ 100	$ 200	0.5:1	55%	$ 65	65%		

Only four out of ten trades are acceptable, and unfortunately, many traders urge to trade the trade, risk too much and are part of the 75% losing investors.

Comparing the 65% system to the 55% system shows that the higher probability system allows for a 50% higher participation rate. Finally, we calculate a short productivity comparison of the two systems at two trades per day at a $200 price move.

System Probability	2 Trades per Day	Rate of Participation	Annual Trades (200 days)	Duration: 5 Days per Trade	Participation Rate Difference	Income Expectation	Income Difference
65%	$ 400.00	60%	240	48	50%	$ 5,760.00	450%
55%	$ 400.00	40%	160	32		$ 1,280.00	

The above table shows that the higher probability system:

- Allows for a 50% higher participation rate or 50% more trades where risk and reward are in an acceptable balance
- Results in a 4.5-times higher return expectation (450% higher return).

Why do retail traders still operate with low probability systems?

Low probability systems are readily available and inexpensive; however, they often cost the entire account holdings. A change of habit and decision-making is inevitable when you want to trade for exceptional returns.

Entry, Exit, and Stop

For producing income from trading, your system must spell out defined rules for you.

/ES NLT Tick-Based Top-Line Chart, November 19, 2020

We highlighted two confirmed trade situations on the chart and want to share the system rules with you.

The SPU measure was at 4.1 and such in our specification.

NLT Top-Line Trade Rules

Entry Rule	Signal	Trade Target and Stop	Result base on one contract
Situation-1 Buy > $3,555.3	Blue NLT Power Tower Signal	Target: $3,562 (max. 10-Candles): Stop: $3,550 $275 Risk	Favorable Reward/Risk setup. High probability signal (70%): • $325 return • $275 risk • 6 candles to target
Situation-2 Sell < $3,560	Red NLT Power Tower Sell Signal	Target: $3,554 (max. 10-Candles): Stop: $3563.75 $200 Risk	Favorable Reward/Risk setup. High probability signal (70%): • $300 return • $187.50 risk • 10 candles to target

Our rules are specific and learnable.

In cooperation with our clients, we write you a detailed financial plan and action plan. The financial plan considers how many trades to plan for and their returns. The action plan spells out when to trade and when not to, considering your best available times and instruments of favor.

If you are interested in a personal consultation:

Call **+1 866 455 4520** or contact@NeverLossTrading.com

Examples

As a retail trader, you need a concept to follow, and this is what we provide. We cater to a small group of people, where we jointly spend time to concentrate on:

- Best situations to trade on
- Strategies to apply
- Position-sizing
- Money management
- Discipline
- Financial and business plan and more...

Adult learning works best one-on-one, considering your risk tolerance, affinity to specific assets like stocks, options, futures, and FOREX. This way, you can learn at your best available days and times. In our years of experience, we did not have two traders who followed the same plan and action.

To simplify your life and make your actions less predictable, we developed a new way of trading by making purely price-based decisions using the NLT indicators. Read on and watch the video.

More than 95% of the trading decisions derive from time-based charts that compare price development over time. Hence, it is pretty clear where most of the stops will sit, and you sure experienced situations where your stops were triggered and right after the market commences in your expected direction.

How to change this? Enter the world of price-based decisions based on NLT Timeless Charts.

The basis of our concepts are high probability setups that also work on time-based charts, but today, we want to invite you to eliminate time and act differently.

Let me give you a bit of background:

Our algo-trading parameters are back-tested using available historical and real-time data to demonstrate that we provide viable trading strategies.

Today's most algo-trading is high-frequency trading (HFT), which attempts to capitalize on placing a large number of orders at rapid speeds across multiple markets and multiple decision parameters based on pre-programmed instructions. However, this is not what we do. We call our systems and strategies Algorithmic Trading with Human Interaction: You remain the captain of your trading decisions. We propose only acting on meaningful time frames for price changes that keep trading costs, composed of commissions and slippage, in an acceptable range.

We customize our programs and mentorships to your wants and needs and highly recommend striving for multiple income streams rather than on one single strategy.

Systematic trading is our focus, and we share strategies for time-based and timeless setups.

At this point, you might ask yourself what timeless means?

Time is not a critical element, assuming that markets quickly adjust to a supply or demand change. Considering this, we developed algorithms that purely look at price change as a decisive factor. We take the price change to trade for from a time-based SPU. SPU stands for Speed Unit, a measure of expected price change over time, a measure of statistical volatility. Instead of explaining the nature and calculation of SPU, let us black-box the SPU and show how NLT Timeless investment charts can help you make high probability decisions in the financial markets.

Acting with predictable moves is rarely a winning strategy.

If you use a dynamic, less predictable entry, exit, and stop definition, you certainly have the chance to increase your trading accuracy.

With NLT Timeless Trading, time is taken out of cohesion. This will make your decisions less predictable; however, the stronger argument of the idea is:

We are helping you to simplify your trading decisions by specifying conditions to execute bracket or OCO orders along with the price movement of underlying assets.

The system works for all asset classes: Stocks, Futures, and FOREX.

What we casually named variables are, in reality, results of an underlying change in supply and demand. In the base economic principle, price is a result of a shift in supply and demand. Time is not considered a determining factor. The model assumes that markets regulate themselves instantaneously by economic principles.

The typical problem for a trader is: In hindsight, you know what happened, and we want to help you predict the future price happening with high predictability and frequently by our systems and concepts.

Money flow accepts price as the resulting variable of a change in supply and demand and specifies potential price move setups with clearly defined:

- Entries (price threshold)
- Exits (targets)
- Stops (wrong assumption)

With our systems and strategies, we want to help you to higher accuracy:

- Only accepting a trade when the direction is confirmed
- Exiting at a pre-defined target, prevening for the price to pull back and taking your profits away before you realize them
- Choosing an adequate stop, so you are not taken out of a trade by a too-tight stop and keeping reward and risk in a meaningful balance.

A Quick tip: buyers and sellers move the market; whoever has the upper hand moves the market in their direction. Let us show you why by a chart example, using a combination of NLT Top-Line and Trend Catching indicators focusing on Futures trading examples, while our systems work for Stocks and FOREX too.

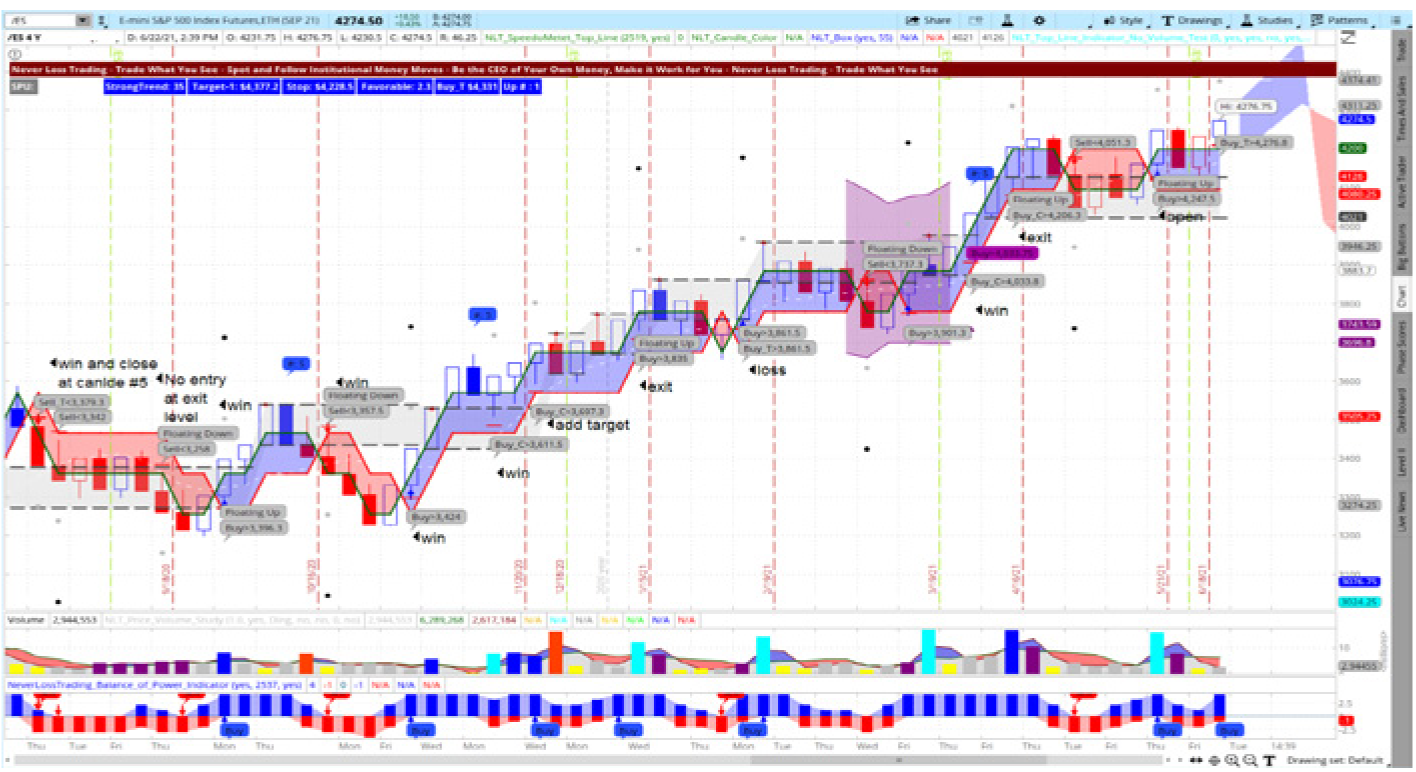
If you are not considering futures trading by today, let us quickly give you in a short overview the advantages futures trading can give you:

Five Advantages of Futures Trading

We hope this simple graphic explains why futures trading is essential as an investment vehicle. However, there is another dimension to it: You can protect your assets using futures contracts for overnight hedging, and we explain all this and more in our mentorships.

With NLT Timeless Investing, we anticipate holding positions between one to five weeks, striving for targets above 100 Points (a price change of the underlying E-Mini contract ≥ $5,000).

/ES NLT Timeless Investing Chart



From September 2020 to the end of July 2021, the NLT Timeless Indicators painted multiple trade situations on the E-Mini S&P 500 Futures chart. By following the rules, the trade exit was either at target, stop, or close candle #5. The chart shows eight trade situations:

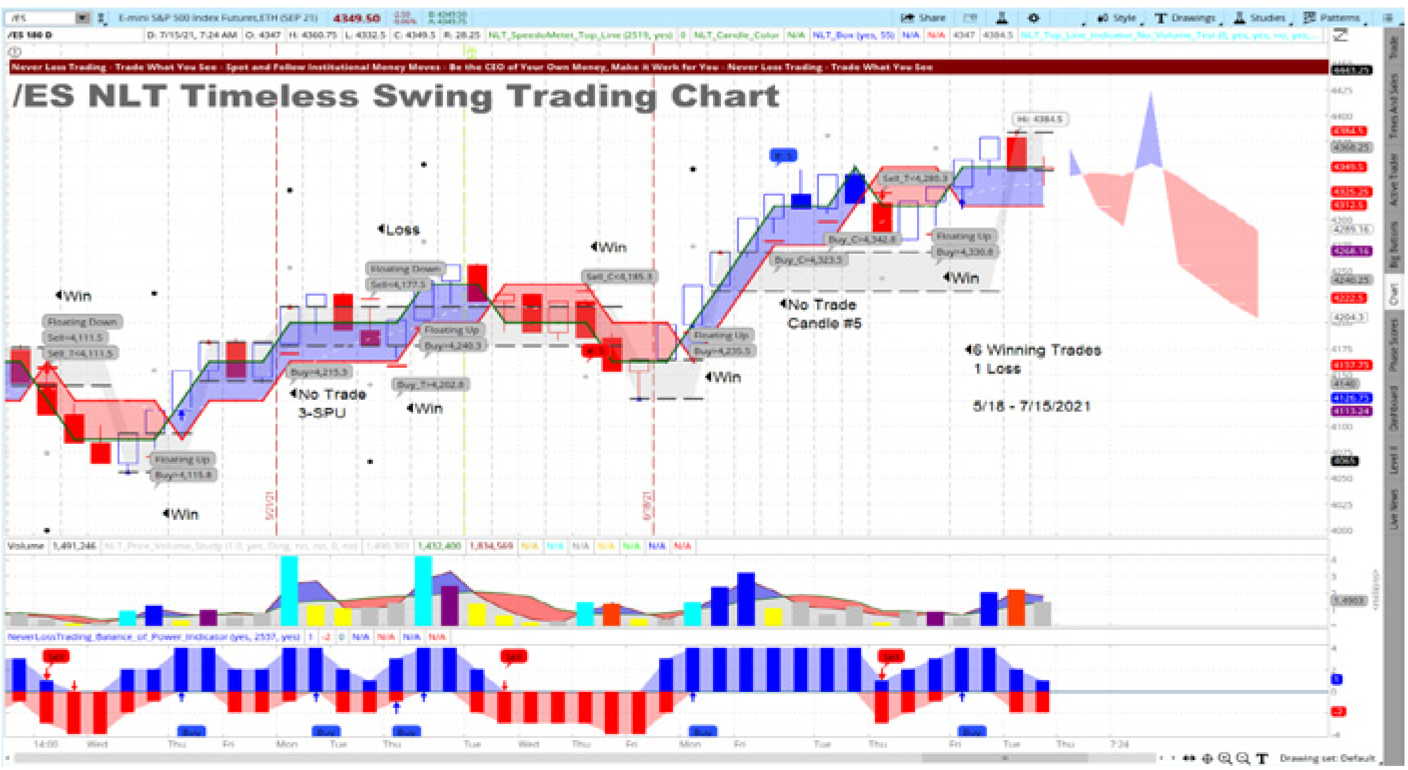
- Seven winners
- One loss

The NLT Timeless trading concept lets you act different, unpredictable and at high probability setups, with pre-specified reward/risk scenarios, providing you with opportunities for:

- Day Trading (multiple trades per day)
- Swing Trading (holding between one and five days)
- and Longer-Term Investing (holding for one to five weeks)

We definitively prefer and recommend taking part in each of those trade perspectives, producing multiple streams of income.

NLT Timeless Swing Trading Example



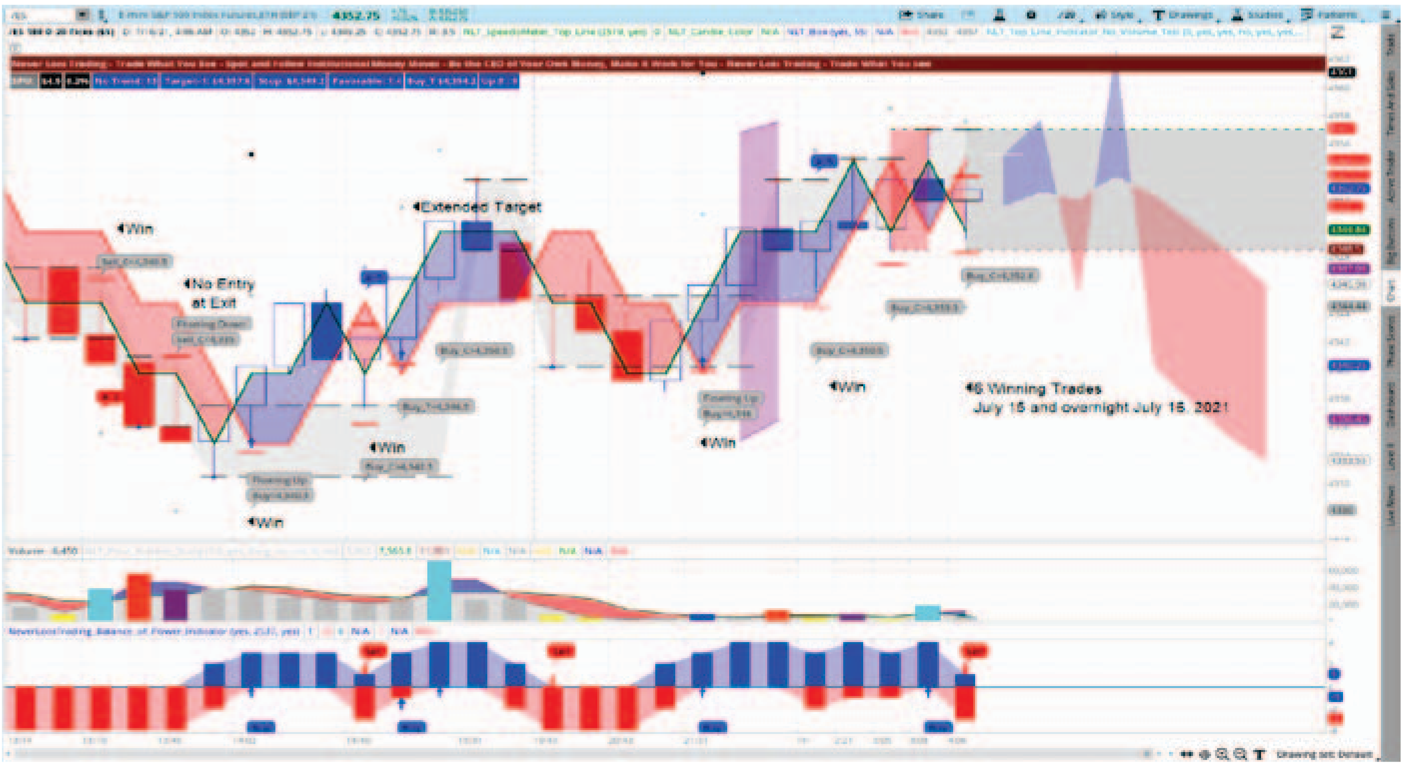
The NLT Timeless Swing trading example shows seven trading opportunities in the observed timeframe of May 8 to July 15, 2021. Six of them came out winners and one loss: definitively high probability.

The average value change of the underlying futures contract in our example was around $2,000. When the associated risk would be outside your risk definition, you could also work with a micro contract, reducing your risk to 10% of the E-Mini contract which trades we share.

There are several rules involved in making sound trading decisions, and we share those with you in our mentorships. Let me invite you into some:

- The dot on the chart specifies the target, but you can also read the target from a dashboard on our charts.
- Stops are indicated by red crossbars.
- On the chart dashboard, you will also find an indication of where to place your buy-stop or sell-stop order and your trade will only be filled if the price of the underlying reaches the critical price threshold.

NLT Timeless Day Trading Example



In a 24h period, the system produced six trading opportunities, and when focusing on multiple futures contracts, you can decide from a sound basis for day trading.

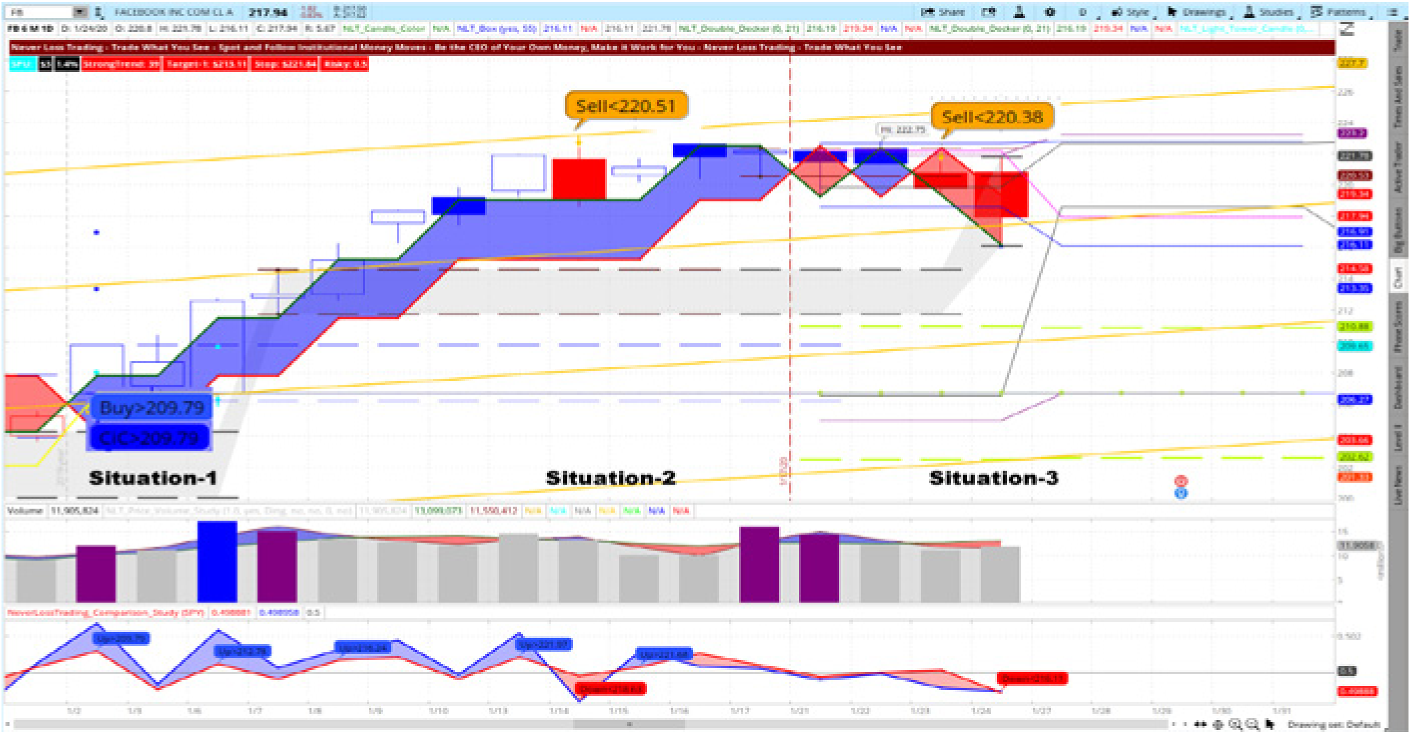
NLT Timeless Trading is only one way of putting our systems in action; let us also share some time-base examples (and we pick some older charts, demonstrating our capabilities of the present and past). Each trade situation will be highlighted and explained, picking examples of:

- FB swing trading from a daily chart
- /ES day trading of an index future
- AAPL: longer-term investing with weekly charts

To experience how our systems work real-time, schedule an online meeting with us:

contact@NeverLossTrading.com, Subj.: Demonstration.

Swing Trading Example: FB on the Daily NLT Top-Line Chart



NLT Top-Line is our flagship system and is chosen by many of our clients. Let us explain how it worked:

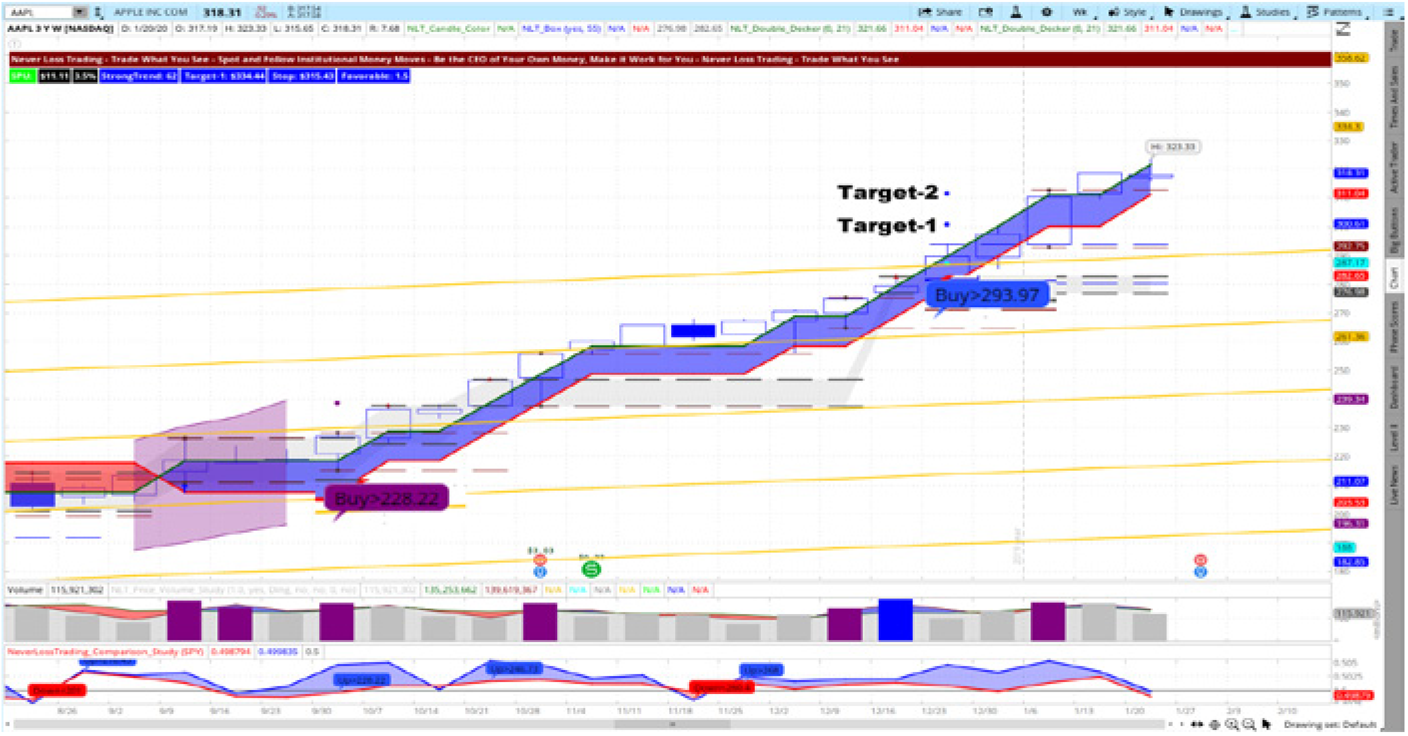
Situation Entry Rule	Signal	Trade Target and Stop	Result
Situation-1 Buy > $209.79 CIC > $209.79	Blue NLT Power Tower Buy Signal with CiC (Change in Command), indicating a big directional change: buyers are taking over from sellers.	Target-1: $213.54 (max. 5-Candles) Target-2: $216.80 (max. 10-Candles) Stop: $206.30	On Situation-1, the price threshold was surpassed and led to a trade to target-2 and a respective win of $7 when trading the stock or much higher returns by trading options.
Situation-2 Buy > $220.51	The orange signal identifies a potential key price turning point, and if the low of the candle is surpassed in the following candle. The signal assumes a slight retracement, allowing for a potentially favorable entry.	The exit at target has two dimensions: Either exit after 10 bars or at a 2-SPU price move of $27 (the SPU is appraised bar-by-bar) or at a major NLT Box Line (black dashed line on the chart).	The signal was not confirmed, no trade! The price of the next candle never reached the price confirmation point (low of the signal candle).
Situation-3 Buy > $220.38	Again an orange signal, this time confirmed, leading to trade at the favorable price point: $220.38	The NLT Box Line at $214.58 is the target of the trade.	At the time of writing this eBook, the trade is open.

Day Trading Example: E-Mini S&P 500 Futures Index on 20-Minutes

Situation Entry Rule	Signal	Trade Target and Stop	Result
Situation-1 Sell > $3327	Red NLT Power Tower Sell Signal confirmed, leading to a trade.	In the trade to target, a purple sell signal confirmed a strong down move.	Instead of exiting the trade, we trail the stop by the red line and continue along all the way where you sell Target-2, at $2,381
Situation-2 Buy > $3283.5	The orange signal identifies a potential key price turning point; however, we do not trade this signal after 2:30 p.m. ET and ended the day with a 46-point gain, at the second target of the following sell signal: Sell < $3,296.50	On strong up or downward trades, we trail the stop with the red line of the NLT Double Decker that is framing the price development in red (down) or blue (up).	A 46-point or $2,300/contract at a strong downward moving day.

Surely, 46-point gains are not a daily given and happen when we get strong directional price moves; however, our systems produce opportunities every day, and we want to share with you how to find and act on those.

Long-Term Investing Example: AAPL on the Weekly NLT Top-Line Chart



Situation Entry Rule	Signal	Trade Target and Stop	Result
Situation-1 Buy > 228.22	A purple NLT Buy Signal, which was confirmed in the next candle.	Purple signals occur after a time of directional ambiguity; hence we trail the trade by the red line on the chart.	Instead of exiting the trade, we trail the stop by the red line and continue along all the way where you sell Target-2, at $311.66
Situation-2 Buy > $293.97	Blue NLT Buy Signal is indicating that at Target-2, the trend might come to an end.	Profit-taking is the name of the game, and we do not mind that the price for the stock went higher; we traded for the majority of the uptrend.	An $83.44 gain per share was achieved. When trading options, a much higher return is possible. In our mentorships, we share how to put option trades into your repertoire of strategies.

We are more than 10-years in the trading education business, teaching one-on-one at your best available days and times.

Trading our own account day-by-day and helping clients lets us provide long-term experiences and support.

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- Real-Time Data
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- Time-in-a-Trade

- Trading-Strategies
- Risk-Handling
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With the NeverLossTrading concepts and education, we want to help you de-complex trading decisions and come to high probability trading by solving the challenges with the help of our systems on the spot:

Five Dimensions of Trading and Investing Decisions

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Thomas

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Secrets of Trading, Money, Probability, Sequence & The Story the Market Shows

By World Cup Champion Trader Rob Mitchell

In this article, I will be covering how one operates *as* a trader at levels *above* where you are acting at in placing and managing trades and, associated factors related to those levels in a variety of ways. Understanding these principles and where you are operating within them can help greatly in your journey as a trader.

An uncommon discussion.

I'm sitting in a restaurant on Lincoln road in Miami with a highly successful futures broker of 30 years to meet over some business. Not too far into the meeting, I began to ask, and before the question was completed, he replied, "Never!" I was incredulous he completely knew what I was asking given his immediate response to an unasked question, so I began to rephrase my question... before I got anything out, he said, "in 30 years, I've never seen a client close an account at a gain." Some will last years breaking even... but eventually they'll lose.

You've probably never heard this topic discussed straight from the horse's mouth, so I included it here. Does it mean one shouldn't trade? No, but it certainly means you better get a few things in order before or as you do... and as promptly as possible. It has always amazed me people would just open an account and declare themselves a trader. There are certain things a trader must *be* in order to be successful. The knowing of what this is, is not always obvious. It's a skill set that typically takes some reflection to get at. The learning curve in getting there can be accelerated (i.e. with the guidance of one you KNOW who knows), but there are conditions for success in this too, and much that is far from intuitive.

To compound this, I submit most indicators are random at best unless the developer is well versed in the ***science of trading***; something that takes decades to develop (along with a specialized skill set), in a field where the average person, trading advisor or trader lasts less than 3 years. And further still where no educational institution generally has such knowledge to convey. Fact is, most truly successful traders rarely talk. They just lurk in the shadows and quietly take people's money (and using indicators that are not random).

> *"The game has no sides, only players and all the participants know, nothing is given that is not earned."* Raymond Reddington from BlackList

I would equate this education we are describing required for success to be graduate level (as compared to opening an account and declaring oneself a trader), but with the right mindset, resources and non-random tools, it's attainment can be greatly accelerated.

Trading successfully requires the right mindset (and skill set of at least two components) in the right *time and sequencing*. This mindset and timing are a place that has to be *experienced* to be learned. The question is can one find this sweet spot before losing too much and the gains take over? There are many things that can thwart this process because it's more than just a process; it's more like processes inside of processes being done all at the same time and felt (in addition to being rationally understood).

This is separate from a good tool set and corresponding knowledge (which comes first); It only comes with having these resources, and *then* having done (and/or survived) it. It's kind of profound actually, but getting there is based on experience that just falls into place for some, and is much more of a journey for others.

Now all this being said, I'll explain it yet another way that is applicable to any project. Let's take faucets for example. If you are installing a faucet that you've never installed before, you first assess the job and determine the tools you need to do it. Then, knowing you have never done it before, you hope you don't run into anything unexpected, unforeseeable or unknowable. Upon success, you now know how to install that one faucet. This is why it's important in trading to focus on ***one*** trading faucet. Then with each successive installation you perfect it further and further until you are a master at it. Once you've done this, the next type of faucet will require less learning and time to master. Then as you do more and more, all the possible variations of patterns reveal themselves until you can do any faucet in the least amount of time and do a quality job. Be warned to anyone who does not approach skill mastery in this way. This is the landscape in which we initially do our craft. It has been said:

> *"He Who Knows And Knows That He Knows Is A Wise Man - Follow Him; He Who Knows Not And Knows Not That He Knows Not Is A Fool - Shun Him."* Confucius

What is money as it relates to trading (and beyond)?

And why could a discussion about trading aptly commence with such a question? According to my sources, the earliest known uses of money were in *sacred* contexts. The adherent would bring his wheat to the temple as an offering. In exchange for the offering a coin would be given for each bushel. The word shekel means bushel and is a name for money. The shekel would then entitle a visit to the priestess of the temple wherein a union with her was a sacred right or ceremony to ensure the future fertility of the next season's crop, and thus ensuring the sustenance of life (or profits); the fertility of the seed.

The name money itself comes from Juno Moneta, the Roman temple in which money was minted. Juno being the wife Jupiter thus associates it with a spiritual principle. From Moneta comes our words, money, mint and monetary. The root of Moneta is also associated with the verb to warn and is thus associated with protection or even prognostication.

The symbol used for the dollar, an S shape with a slash going through it, or two slashes, is connected with the *tree of life*, the *tree of knowledge* and two serpents in various permutations. This is also associated with the pillars of Hercules (the gateway to the 'new world', Hermes, or Mercury (the god of commerce, communication, wisdom, magic, and alchemy). The union of Hermes and Aphrodite (the goddess of love and wisdom) is represented by two serpents around the staff and is known as the caduceus. The caduceus is also shaped similarly to the $ symbol (two snakes entwined about the staff). Much more could be said about the relationships between these aspects, fertility and the sustenance of life, but we won't get to far off trading for now as I'm sure this is your main interest. Why would I have included this in this article? Because I believe the principles apply.

Key aspects here relevant to our trading interests are commerce, wisdom, magic and alchemy. I would submit money itself is the ultimate alchemical substance. Alchemy being the power to take base substance and turn it into gold; in a sense, something from nothing (see my last most recent article in Trader's World (issue #81) here entitled: **Alchemy, Trading and the Holy Grail**).

This is highly related to trading because in trading, supposing the right principles are understood and followed, we create gold from essentially nothing (this doesn't imply there's no work in it, there's plenty, but the way work is done and the mindset behind it is different than labor or production). I submit this is a big factor many traders struggle with in their journey towards success. If you are raised in a world where you believe (or have been taught implicitly or explicitly) money comes from labor or producing something, then how does an aspiring trader rectify in his or her mind alchemy (something from nothing) through pure capitalism (what trading really is)? It helps then, to grasp this concept.

It is also noteworthy that Hermes (the god of Wisdom and alchemy), and he who facilitates communication between gods and men, is known also as a magician. This is in the sense that the principles of the i(MAGI[C])nation / *imagination* are invoked. Principles of imagination being where there is belief, things can be made true based on the ***pure*** belief of them wanting to (and not being a question, probability or possibility).

The meaning of the word 'belief' sits at the boundaries between confidence as in faith or religion, and absolute conviction where there is no doubt whatsoever. Belief, itself then, is a spiritual term that sits at the boundary in the distinction of what's in your head and what you perceive as being out there, and the difference. The place where this occurs successfully sits at the boundaries of time, space and manifesting a desired outcome in this tangible world we live in (you can get my course for this at ManifestingYourFuture.guru).

Though this may seem abstract, it is actually quite simple. Just as any kid enjoys a little magic and the principles of it ***manifesting*** out into the open and the fascination associated with it. So too can adults, who may have lost this 'fascination', easily re-invoke it (given the right resources).

I submit at some level, our entire society operates through these principles in an ongoing (and highly visible / but seemingly not) manner. The scheme works like this: you take deposits from customers for safekeeping of their money. You loan out the customer's money, often many times over and charge interest on the loan. As long as the initial customer (depositor) doesn't ask for his money back, and customers continue to pay on their loans, everything works fine. If withdrawals exceed receipts, or if defaults exceed deposits, the whole scheme collapses. This of course, is how modern day money systems work. If common citizens do it, it's called fraud or counterfeiting, if a bank does it is called legal. Fortunately in trading we have *access to this same mechanism*.

For the case of the bank, each time the bank loans out money past what's on deposit, they increase the money supply in the system., Something is created from essentially nothing in a process known as fractional reserve banking based on a Fiat or money 'by declaration.' This concept is at the heart of what you are really doing when you are a trader (in addition to other of life's endeavors). If you understand this, trading becomes a lot easier in my experience.

In the futures market for example, you can 'control,' by contract, a certain quantity of a commodity by having a mere deposit (which could be thought of as a seed). As long as your deposit exceeds the value of the 'margin' or seed required by deposit, they won't shut down your account. What do 'they' get in return? Commission. If the broker knows the commissions will eventually eat the account, as previously described, then to them it is what is called an annuity, and the money that's paying it is yours. If you can be successful within this framework, and sustain the commissions and other costs of doing business to success, then you have an incredible business, based on principles we have, and will continue to describe.

I coined a term wrapped around this exact concept called 'Edge.' Edge is the percentage by which you exceed breakeven. In trading this can potentially be many orders of magnitude over other normal businesses because costs, overhead, or fixed costs are very low. If you have a grasp on this, it can help greatly in your advancement as a trader (and related auxiliary) skills.

There is always a seed in this process. This is why many scriptural references are agricultural in nature. In the case of the biblical story of Jesus feeding the 5000, he did what first? He starts with five loaves and two fishes. He *breaks* the loaves (making more) from which he then feeds 5000 people seemingly out of nothing with twelve baskets left over at the end. The story exemplifies an alchemical process. In some cases the process involves transformation of substance, as in Jesus' first miracle in the wedding at Cana, where he turns water into wine using vases that are used in purification rituals. We'll cover more concepts about money as it relates to trading and these principles as our discussion continues.

What is the real endgame with all this?

You (may) think the real end game is to *earn* money, but then what? What if the real game was more than that? What if the real endgame was you? What if the real endgame was a gift? A gift of knowing. What if that gift was giving? Then would money be the real endgame, or just a concept that's manipulated in a process towards the real goal or endgame of *making* money?

I submit part of the reason 98% of traders lose is because they have no vision past the same level they are primarily operating at. The process we are discussing involves operating, thinking and being aware at a higher level than you are operating at.

"We cannot solve our problems with the same level of thinking that created them" Albert Einstein

Maybe you think there are sides... getting, having... what if there are none? What if the only real sides are (parts of) your consciousness (and there is nothing else)? What then, is it to earn? What then is it to make? What then is it to take? What then is it to give?

You need two things... one, from above, you need to understand it... then, also you need a method that is based on reality. If you don't have both (and I mean really having it), success is going to be very difficult. If you only have half, it's just a matter of time. One of my trading room members of 8 years says, "just tell them to wire the money to us... we won't charge them commission." This is what the world looks like to someone who knows... its just a matter of time. He's joking of course, but there's truth in what he is saying.

In trading, we are operating in a probabilistic realm. The shorter the interval, the more cause and effect (deterministic) it becomes. The longer, the more it is subject to probability and as it goes even longer, more so. Therefore the shorter the interval, the more ***direct*** knowledge can become. There are substantial implications for analysis that deals with different intervals, associated overlap, underlap, and associated sequencing. It is specifically because we are dealing in sequences that this is possible, and understanding the 4 differences between sequential and simultaneous probabilities (long and short) and the intervals in which they occur.

The most important element in all this for a trader in my experience is win percent. A problem traders get into is as win% goes down, the number of trades you need to take (statistically) to know what you are doing works rises dramatically. If the win % is high, the equity curve smoothes, and the probability you really have something escalates. If this can be done with frequency, the compounding / alchemical implications are staggering. So the new trader gets in a pinch between not having a high win %, not knowing, and the account size. Therefore, the win percent will generally dictate success more than other factors. Another way of thinking of this is, if the win percent is 100, then nothing else matters (pure cause and effect). I will further submit that as you approach 100, the more you are dealing with cause and effect (as the interval is smashed). This, as mentioned tends to occur in small intervals, so you get compounding effects 'as you go.'

What makes an indicator non-random?

I submit that many traders, or people in general, and in life in general may not be entirely clear as to the difference between past, present and future. It perhaps seems like a strange thing to say. Because trading is pure instantaneous capitalism, the distinctions between these modes of reality become increasingly important as the interval becomes smaller or faster. In this way, you are dealing with the boundaries within which cause and effect and probabilities interact and with the way in which the density of reality gets populated. It has been said, 'nature abhors a vacuum.'

The Probabilistic realm versus the Deterministic realm is a matter of density. The tighter the interval, the more Deterministic it can become. As the interval becomes larger or longer, it tends to become more Probabilistic. The question then, within this framework, becomes what juncture enables more determinism while having a larger more Probabilistic overlay that stacks towards the desired outcome (winning)?

The reason the future is less known than the present or past is also a matter of density. The more filled in it becomes, the more Deterministic it is. So, to most people, the past seems like cause and effect. The present is a little more Probabilistic and the future is even more probabilistic, "as you go." This is why it is easy for people to believe fervently in cause and effect which in trading might require some discernment. Therefore, as the interval and scale we trade in becomes smaller, it is easier to predict. As it is bigger the density is more vacuous, leaving room for more possibilities. This is why we do market analysis from large, (more Probabilistic / context) to small (more Deterministic).

This also relates to the velocity of money that we've been discussing. As it speeds up, it becomes more like pure energy which has substantial compounding implications. This is also why we prefer trading in higher velocity market conditions, because the higher velocity it becomes, the more Deterministic it theoretically is.

Metaphorically then, it's like a truck moving down the road with all its atoms moving in concert. If you can grasp these concepts sufficiently to integrate the gist of it into your trading, you are probably ahead of 95+% of the other traders in the market.

All trading depends on another group of traders to carry your trade to success. In this way then, trading is an undertaking in trust. If you have trust issues, trading may be difficult for you. What exactly then are you really trusting when you trade? You are trusting that your research leads to having those agree and support you AFTER you enter, not necessarily before. From this viewpoint, you want to have a predictive model that is behavioristic in its basis. Sometimes this behavior model is based on force (traders who are trapped in the wrong side), other times it is based in a prediction of their future discovery. For this you are first, then they follow. Malcolm Gladwell wrote a book on this called The Tipping Point (highly recommended). It covers the SEQUENCE that dominates trends. Trends from this view are sequential and involve discovery. So predictive modeling is based in these concepts.

How do you manage to success within the above framework? More often than not, it starts with a short term prediction or hypothesis that becomes a long one and not the other way around. In actual trading, it is best done where there is an overriding larger Probabilistic context that has more Deterministic prediction in alignment with the larger context. This helps to ensure what we call 'a manageable trade situation.'

It is said trading is money or risk management. This is entirely true. Though these terms are thrown around loosely in the trading community, this discussion describes how it actually happens. Not understanding this can be futile, so it is likely worth giving a bit of thought to.

Traders trade, right?

Yes! But there's a way to do it that's better than others. Markets go lower to find buyers and higher to find sellers. It usually does this within a range. Depending on how it does it, it tells a story, and that story reveals itself as a function of the factions of traders who are involved in the movement, how they got there and in the patterns that repeat over and over again within that framework. As a general rule, one cannot just see this by looking at a chart (unless you know what to look for). It becomes a matter of sequencing; the sequences that occur happen a little differently each time.

Why is it a little different each time? This is because the groups or factions, get more control at different points in the overall movement, from where it goes lower to find buyers sufficient to reverse higher, or higher to find sellers to reverse lower.

These reversals form specific patterns that peel off, one pattern at a time, that form a story the market is telling (or better yet, showing). If you can align with this, success is more likely, if not, it is less so.

From learning theory, we know learning happens where there is contrast to compare to. Traders get into a lot of trouble because if they don't have something to compare to, whether they win or lose, they don't know why. This is super important. This is why we use patterns and statistics to trade. The indicators are mapped for known follow through rates. So we not only know, but also so we can learn with each trade; it's a double whammy. This is super important because if we know how likely the trade is to follow through, then we can correct and learn from the cases where it does not. Further, we tend to learn less from success than failure.

So how does this story develop that can help us to be with the majority, achieve a high win percentage for our trades and also make it possible to learn, adapt and get better at our craft on an ongoing basis?

Some of the most basic questions related to this are: How does the market reverse? How does it trend. How does it consolidate? How far can it go? What's in your favor? What's against you? What are the signs a move is ending? What are the signs it is continuing? How can you manage your trade(s) within these frameworks?

These topics collectively are vast, and some basic concepts can get you benefiting and positioned to learn as you go. If you do not have this, it may be better to not trade. If you do want to learn (and not be the 95-99% who lose) these things we are discussing need to at least be in progress in your understanding. You will likely have the desire to succeed driven by an even stronger desire to learn. In the right context, as we've described, this evolves into conviction or unfettered belief. It's a journey. There's a handful of traders (and brokers) who will end up with your money otherwise.

How the story gets *shown*.

When I say the market tells a story, I am really talking about sequences. Depending on the factions previously described, the story will be a bit different each time. In script writing, this is called 'story weaving.' In the old days, you'd write the various elements of your story out on 3x5 cards. Then you set them out on a big table and move them around until all the elements of the story are in the right order to make the best story. This happens best as a function of how each of the elements in the story interact. Some sequences of story will be better than others. Bad sequences make a bad story and leave you having to *tell* (or explain) what is happening in the story and not show it. In other words, when the elements are best ordered in representation of the factions involved in the story it shows what is happening without having to say it; it is shown. Trading is the same; the story being ***shown*** is way better than the story that may be being told. If the story is fragmented it is boring and the market will lose interest and stop moving or consolidate. If the story is compelling, it will *attract* participants and you'll get a blockbuster.

Everyone likes a good story, so trade in one that is. Stay away from one's that aren't. It becomes a matter of sequence. Sequence is everything. The order in which things are revealed... Another important part of writing a story is you have to trust your audience to 'get' what they are shown and not what they are told. In trading this means you also have to trust. Trust whom? Yourself. This requires you be willing to take the time to have read enough scripts (charts) to know when you are reading a good story.

Professional script readers, like pro traders, read a lot of scripts. If you know the language of good story, then your chances for success go way up. The simplest form of this is the question, *what's the market trying to do*? But in our way of doing it, it's much more. In trading, the story can change on an ongoing basis. To me, this is super entertaining in and of itself. You get to participate in the story weaving itself live. So in trading the components of the story are evolving as you go. As you see the developing story is becoming more compelling, it's exciting because you know you may be moving towards a blockbuster movement. This revelation is fun and can be nicely profitable. All this is done at a level or two above the level you are trading at. Like Einstein said, "you can't solve a problem on the level of the problem."

Trade level stuff (on your indicators) also fires off in sequences, so the skills you'll learn in this discussion will also serve you going forward. You might ask, but Rob, can't I just trade? Sure, but if you want to be a master, this is a way that can really work, so unless you have something else that's just amazing (which 95% do not), align yourself with grounded concepts that sit fundamentally at the very way markets (and reality) work. If you just want to fire trades, then it may be more like gambling, or worse, entirely random chance.

We began this article discussing what happens to most traders and what leads to that outcome. We then covered a variety of subjects successful traders use to operate at levels above just firing and managing trades. If these ideas are of interest to you and you want to learn more, I invite you to join me in the trading room where I teach trading with these kinds of methods and concepts as core principles. We do this using indicators with known probabilities that were designed using the kinds of principles we have discussed in this article and more.

Rob is President of Axiom Research & Trading Inc. and the mother company to the IndicatorSmart.com OilTradingRoom.com, StockIndexTradingRoom.com, ManifestingYourFuture.guru, and other ventures that support traders. Rob has been the largest Emini S&P trader in the world at various times and has won the prestigious Robbins World Cup Emini Trading Championship. He has been a trading system developer for nearly three decades. He is a proven researcher, trading system developer, trading educator, presenter, and mentor helping others to achieve their dreams as traders and in life.

Trading Bitcoin with Classic Andrews Techniques.......with the trend

by Ron Jaenisch @ gmail.com
Classic trading secrets.

If you are going to develop a new product for people to eat…….you need to include sugar, salt and fat……to get them to crave for your product. Why? Because that's what works.
During this presentation Andrews and Babson concepts will be used to show trading in Bitcoin. It could have been done with Gold, Bonds or Stocks or like professor Andrews demonstrated... Weather patterns…………….

As you will be able to imagine...Andrews teachings can be substituted with anything that actually works.

One of the first concepts learned in trading is that the trend is your friend and trading with the trend leads to greater profits. This brings us to the question: After determining the trend, where is a good place to enter the trade to minimize risk and increase reward? To help answer this question this article will show you examples using the three step method using Classic Andrews Course Techniques.

There are three ways that most traders enter the market. One is by waiting for a break out. The second is at a pull back and the third is as a likely market reversal point. By waiting for all three to have occurred to enter the market the trader will usually enter after the trend has been established and there is less discomfort with draw down. This is because if you enter after a breakout there is nearly always drawdown beyond your entry point.

My friend Professor Andrews taught that after prices zoom through the median line, they pull back to it and then go further in the original direction. As you can see in the above chart price zoomed down through the median line, there by fulfilling one of the three requirements.

In the above Bitcoin chart you can clearly see that the break out and pull back criteria was met when price went back to the trend line. With all three criteria met it was an excellent place to go short Bitcoin.

After price went down there was a break out to the upside and a pull back. At the point of the pullback was a classic text book Andrews EP pattern. Giving an excellent buy signal.
To see a video that shows the bit coin technique go to https://youtu.be/9D2f5K8b2Pc

Building cyclical panic index with Julius Bartels

By Sergey Tarassov

This year I have found a big surprise in the area where I would not expect ever meeting one. It is a very simple technique developed almost a hundred years ago, in 1930s. It gives us much more precise and elegant solutions to work with cycles than any other tools that we have now.

The main character in this story is Julius Bartels, a German geophysicist who combined cyclical and statistical methods in his research. He was the first one to apply statistics to study the effect of the Moon and the Sun on geomagnetic activity. In the process, he developed a special procedure - the Bartels' significance test. That procedure allows to determine the statistical significance of any cycle that we may decide to consider. At that time, it was a real breakthrough. Bartels' approach had a strong potential of becoming a real alternative to the classical approach developed by the great British physicist Arthur Shuster. It could dominate the whole area of cyclical research. But - something went wrong, and now Bartels's approach is not well known as it should be. In my opinion, this approach is underestimated. Compared to the classical approach, it does not need consistent recording of data; it can work with selected data devoted to some cause. The details of my quest for Bartels are here: https://www.timingsolution.com/TS/Articles/Bartels!/index.html

In this article, I would like to show you how the Bartels' approach works. I will do that with a very practical example: I will show how to build the cyclical panic index using Julius Bartels›s ideas. This approach does not require any specific knowledge of the cyclical analysis, just common sense.

Let now us build a cyclical model for the stock market panic.

We need to start with making a list of dates when market panic has occurred. I have found it in Wikipedia. Here are these dates of the stock market panic, 23 in total:

Jan-10-1819; May-10-1837; Aug-11-1857; Sep-24-1869; May-9-1873; May-14-1884; Feb-20-1893; May-17-1901; Oct-15-1907; Oct-24-1929; Jan-1973; Oct-19-1987; March-10-200; Sep-16-2008;1637; 1720; 1772; 1769; 1772; 1791; 1796; 1890; 1896.

It is a problem that I tried to solve for many years. I have started with what I learned during my studies in the University and applied for years for research in physics. It was an application of classical harmonic analysis methods combined with statistics. The goal was to find the most common interval between these dates. It sounded good - in theory. In reality, nothing worked as it should be. There was a feeling that it should be something very simple; and that simplicity was found in Julius Bartels' work published 90 years ago. The name of this idea is Bartels Harmonic Dial.

Before working with it, let us look at the list of panic dates again and do something very simple. We may want to see if there is a presence of any pattern in the distribution of these dates over 100 years. The dates took place in different centuries, so we compare similar decades.

This is actually very simple and very easy to do as we have Excel nowadays (at the time when Bartels worked, we would do that manually). We build the table for every decade in a century, and for each decade we do the counting, like this:

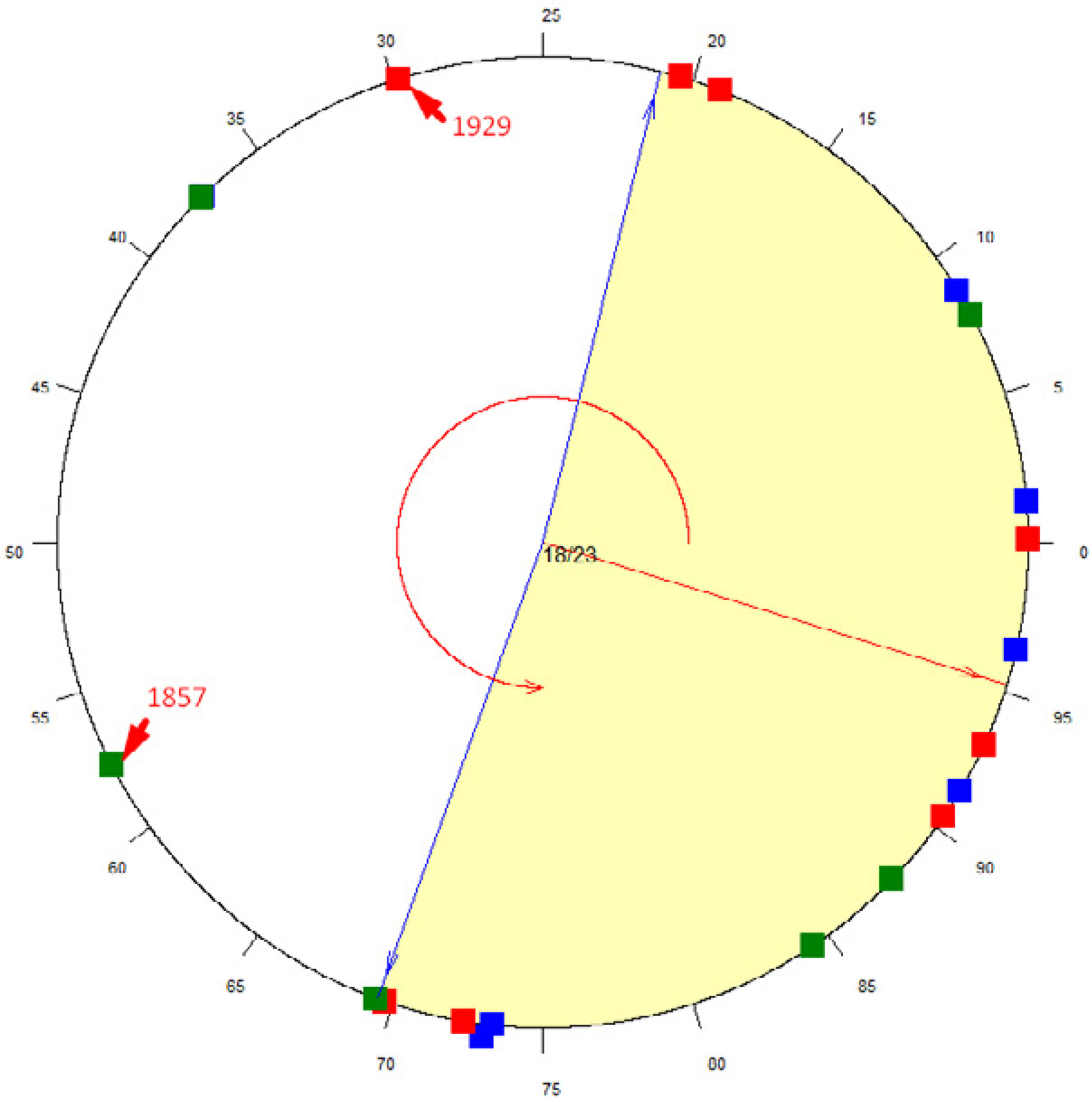
The first decade of a century (i.e., years XX00-XX09): according to our list, stock market panics occurred in the years 1901, 1907, 2000, and 2008. It is 4 panics in total, which is more than the average value (the average value is 2.3 panic dates per decade).

The second decade (years XX10-XX19): only one panic, in 1819, i.e., less than the average value.

The third decade (years XX20-XX29): two panics registered, in 1720 and the Great Depression of 1929, a bit less than the average value.

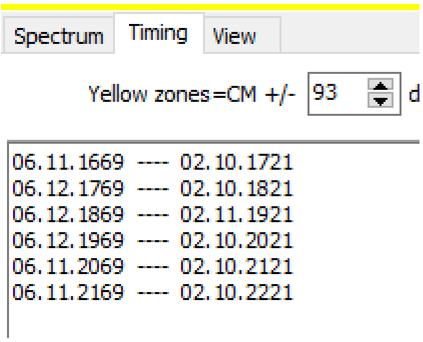
And we do that for all ten decades. Thus, we can see decades with more and less panic dates.

Now I would like to introduce you Bartels Harmonic Dial. It is a wheel, a circle. It represents the whole century. 100 years, for any century that we have panic dates recorded (since XX00 till XX99). All we do is putting these 23 dates of stock market panic on this wheel:



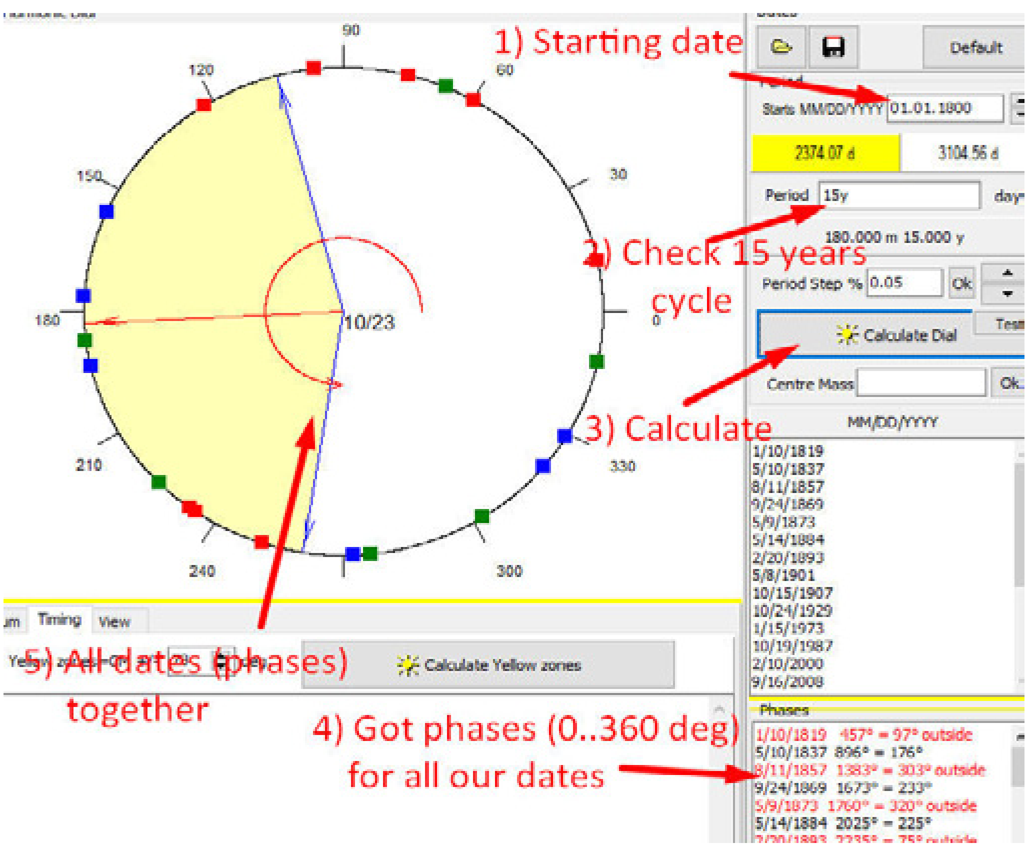
Thus, we can easily see how panic dates are distributed within a century. For example, the panic in October 1929 (the beginning of Great Depression) and the financial panic of 1857 in the United States are presented on Harmonic Dial in proper places - years 29 and 57 accordingly. This wheel represents 100 years activity, i.e., panics that occurred in1901 and in 2000 are located very close on the wheel, as the phases for these two panics dates are close.

The best feature of Harmonic Dial is that it is self-explanatory. What we see here is that most of these panic dates are located in the yellow sector that covers years XX69-XX21: 18 of 23 panic dates fall into this interval of XX69-XX21 while only 5 are located outside of this interval (by the way, it includes the Great Depression of 1929). This is how the result of this cyclical analysis looks, more panic dates are in these intervals:



This is the great idea of Julius Bartels: instead of standard procedures of harmonic analysis (revealing cycles with the help of the periodogram), we are looking for clusters, we are looking for cycles that produce significant clusters on that dial.

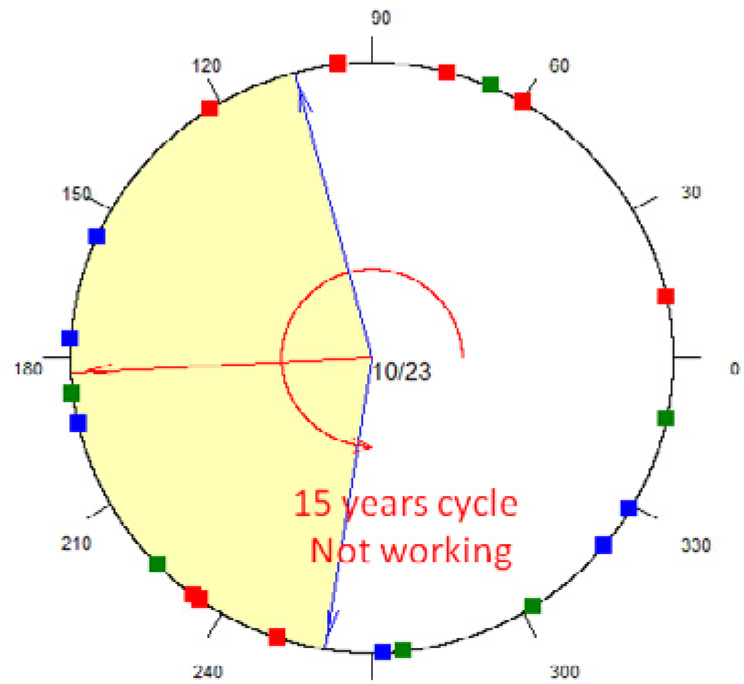
The same manner we can analyze any cycle with any period. We assume that some cycle is at work for our data set, and then we simply calculate the phases for all dates in the set and put these dates on Harmonic Dial. As an example, suppose that we have some reason to consider 15-year cycle for those stock market panic dates. We begin with counting the phases of panic dates for 15-year cycle starting from 01/01/1800. In other words, we assume that the cycle starts (its zero phase) at this date, and then we calculate phases of 0 - 360 range for all these panic dates and put the corresponding dates (phases) on the Harmonic Dial:

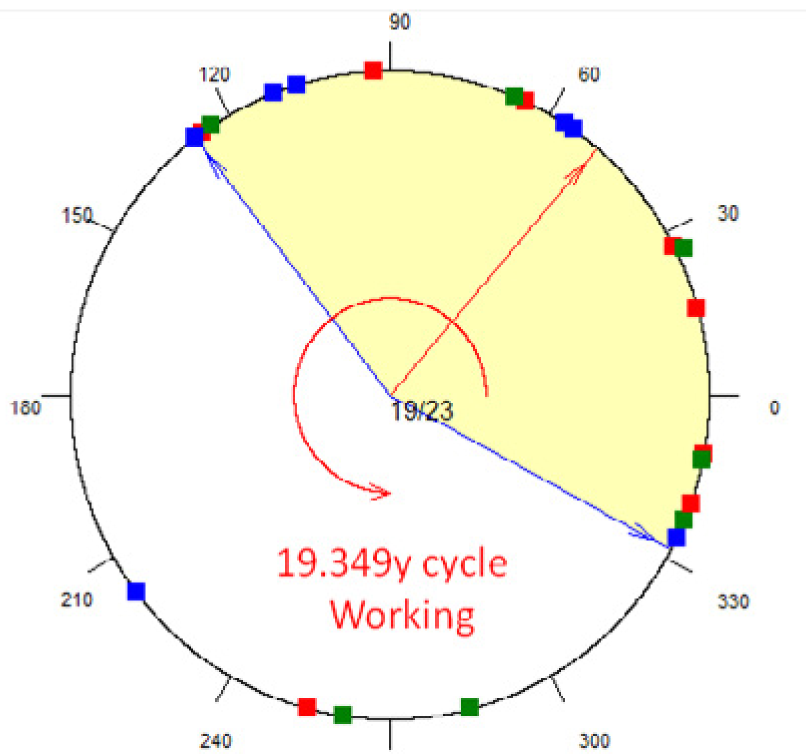


Each colored mark on the Harmonic Dial represents some date when the market panic took place. Then we look if there is some cluster formed by these marks. The presence of such cluster/clusters means that panics tend to take place when their phases have some specific values pointed by this cluster on the Harmonic Dial.

Just by looking at the Harmonic Dial, we can easily see if the cycle in question is working or not working for our data list.

Below are two Harmonic Dials created for 15- and 19.349-year cycles:

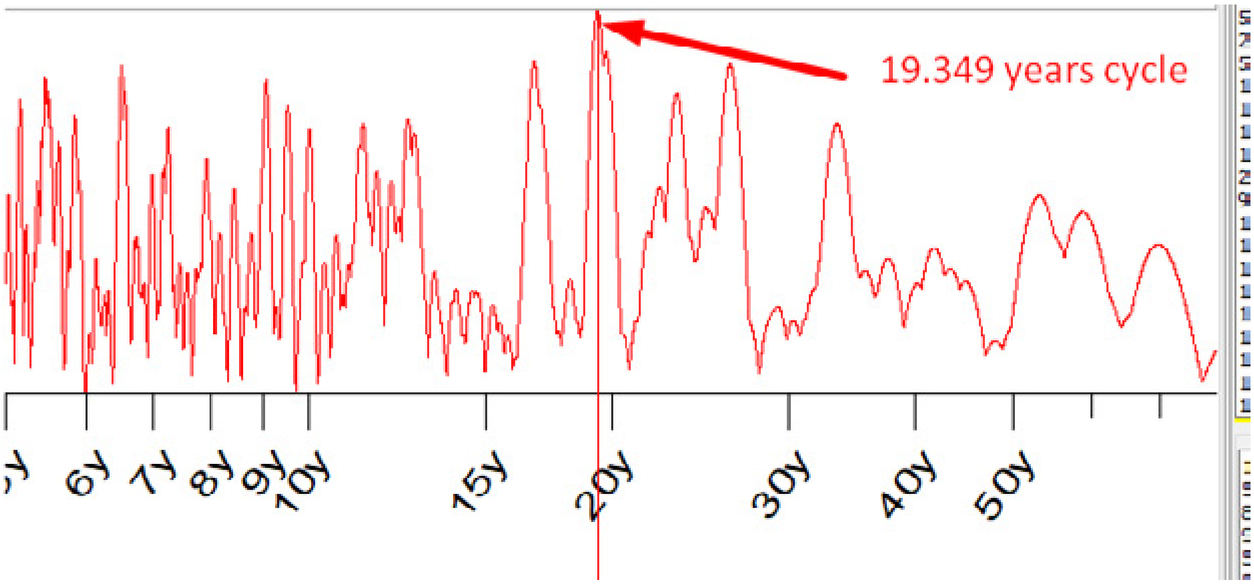




In the first case marks are distributed practically even all over the dial, there are no clusters formed, so the conclusion is: this cycle is not working. The second dial shows a different picture: we see there the presence of a cluster; more marks are located in the right upper side of the dial; hence this cycle is working. It means that we can find zones based on this cycle where the density of these points is higher; this information can be used to forecast these points.

So, the whole strategy of cycle hunting with the use of Bartels approach looks this way: we vary the period of cycles, calculate Harmonic Dials accordingly, - and watch for the cycles that provide definite (or «good») clusters on the Harmonic Dial. This job can be done manually, as well as be delegated to the computer. With the help of the computer, it is easier, plus it is possible to find the most promising cycle for you by checking thousands of cycles with different periods quickly.

As a result, we get this periodogram:

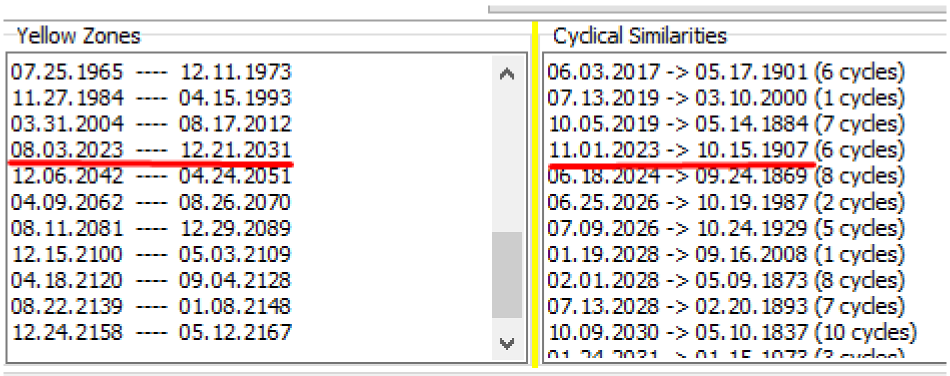


Here we have separated working and not working cycles. For each cycle, a specially developed "cluster index" was calculated (it's Timing Solution's know-how). The peaks here represent the cycles that provide good clusters on the Harmonic Dial. Mathematically, it is still the same Fourier transform procedure, though calculated differently (oriented more to clustering, than curve fitting. Original J. Bartels significance test's algorithm is oriented to calculating the probability).

The first and the strongest cycle there is 19.349-year (19 years 127 days) cycle. Personally, for me it was a good sign. Firstly, the periodogram itself looks promising, it brings some information, this is not a white noise. Second, this cycle is close to Metonic cycle, and it is close to Kuznetz infrastructural investment cycle - one of the most important economical cycles. There are also three other strong cycles, around Juglar's 10-year cycle. All these facts give us some confidence that this technology works.

The final result for 19.349-year cycle looks this way: this cycle forms a cluster as in the picture above, and this cluster covers 19 from 23 panic dates.

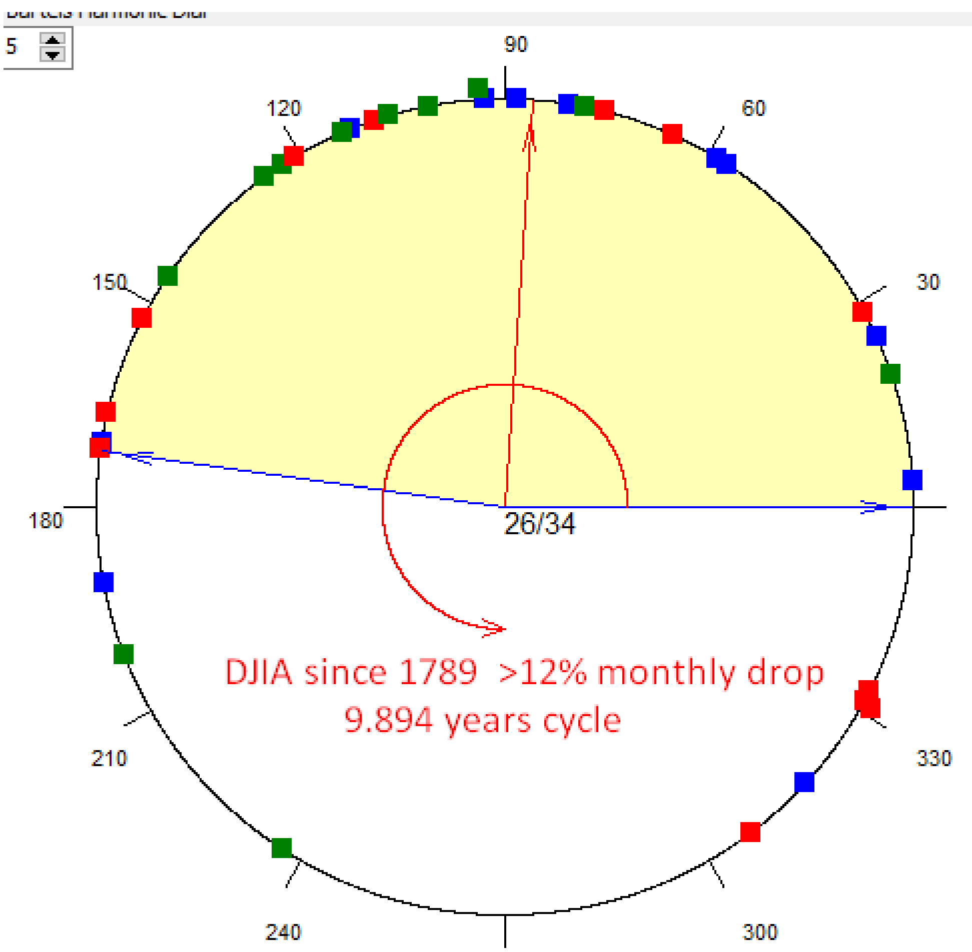
According to this cluster, the next period of high probability of market panic dates will take place since August 2023 till December 2031:



Also pay attention to “Cyclical Similarities” dates. Look at this record: 11.01.2023 -> 10.15.1907 (6 cycles) . It means that the distance between November 01, 2023 and the panic of Oct 15, 1907 is six full periods, this is 6x19.349 =116.094 years. At this day (Nov.1, 2023) the 19.349-year cycle will be in the same phase as the phase for panic of 1907. You can take it as 6th anniversary of the panic 1907, where one “year” is equal to 19.347 years.

I must say that you should be very careful with these dates: the random error here is about 150 days, so these dates may vary plus/minus 150 days. For greater accuracy, it is necessary to have more reliable panic dates. The history of the humankind history does not have such data so far.

I have applied this approach for other data sets and have found that often it provides good results. As an example, I have considered 12% and more monthly drops for Dow Jones index. I have got 60 of these since 1789. This is the dial for these dates:



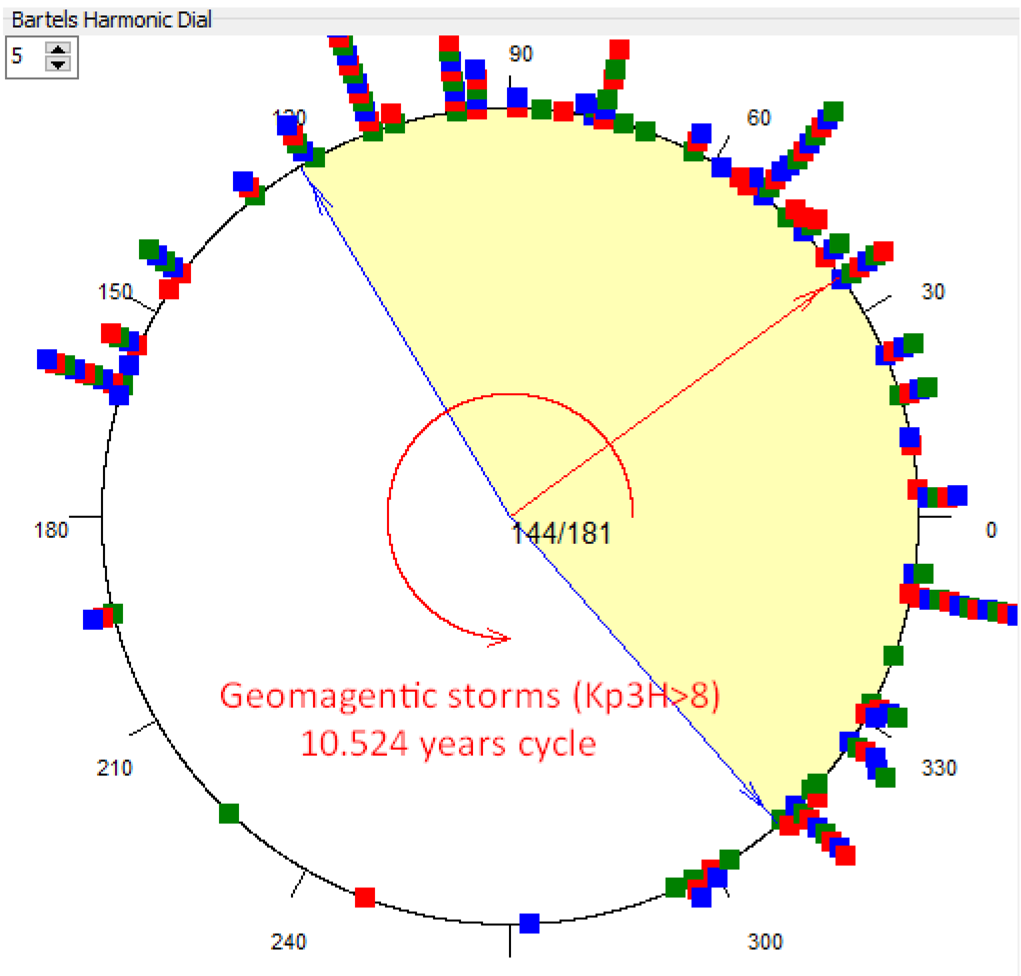
9.894-year cycle works here. This is definitely the Juglar economical cycle. Here are risky zones, periods when DJIA drops are more probable:

10.03.2016 ---- 06.26.2021
08.26.2026 ---- 05.19.2031
07.18.2036 ---- 04.09.2041
06.10.2046 ---- 03.02.2051
05.02.2056 ---- 01.22.2061

Pay attention: this cycle is close to the decennial cycle, so within several periods we may observe the decennial pattern XXX6-XXX1 (for example, the nearest is the years 2026-2031). And in 90 years, this pattern shifts one year back.

Here is another example that comes from geophysics. We analyze the spikes of geomagnetic activity using Kp3h planetary index (by the way, it was invented by Julius Bartels). Analyzing the data between 1932-1970, it was found 181 spikes when this index exceeds 8 level - strong geomagnetic storm.

The Bartels Harmonic Dial for that is shown below, and it indicates the presence of 10.524-year cycle there (as expected):



The yellow sector here covers 144 from 181 storms. i.e. the statistical significance of this model is extremely high (144 versus 90 expected storms in the yellow sector).

Sergey Tarassov

September 26, 2021, Canada

Staying Disciplined While Taking Losses

By Rande Howell

The Anatomy of a Loss

You know the feeling. You take a loss and feel the sting. But you calm yourself and rationalize that taking a loss is simply part of trading. You're sticking to your plan. You know the drill. You're good with it. Then you take another loss – and it really stings. Now you've got several losses that need to be made up in order to get back to where you need to be. An unexplainable frenetic energy begins to swirl in you. An urgency to not take another loss creeps into your trading mind– and you don't even notice it as you focus on looking for another trading opportunity.

A potential set-up avails itself. It's not everything you want, but you take it. And immediately it goes against you. You can't let this fail or the losses will stack up on you. A sudden plunge, and it's getting close to your stop. But you see the potential in the trade and believe it will turn around if you just give it a little room. You convince yourself that this trade just needs a little room and it will bounce back. And, man, you just don't want to add to your losses – and you're sure it will turn around. It doesn't. Instead, it just keeps heading the wrong way. Now it's nearing your new stop. You move it, believing it will turn around. So, you throw more good money at the loser. It hits the stop and keeps diving. You don't want to lose! "It's bound to turn around", you think. Deeper and deeper you sink into the loss abyss until a small loss has turned into a major blood let.

After the smoke settles and you've come back to your senses, you ask the question, "Why do I keep doing this? Why do I keep chasing losers when I know better?" Good question. Let's take a look at this common performance problem in trading.

Invisible to You, Your Survival Instincts Are Killing You

There are two parallel problems going on in this trader's performance. The first is the Evolutionary Psychology that he brings with him from his Caveman ancestors. The second part of the problem is the trader's personal performance psychology around winning and losing in a circumstance where randomness is the greatest influence over outcome. First, let's look at the baggage you bring with you from your Caveman ancestor's days.

In those days, life was full of danger. There were predators seeking us out, such as the saber-toothed tiger. And there was the challenge of acquiring food. We, as our ancestors, hunted large game such as the wooly mammoth. Big, dangerous game. Escape from predators and surviving a hunt was a challenging quest. In these times of the formation of core attributes for survival, winning was essential – and losing literally meant you died. Winning and losing in the game of life was far too important to leave to chance. So, survival strategies evolved that focused on our ancestors winning the outcome of engaging the Uncertainty of an attack by a saber-toothed tiger or taking on a huge animal so that your clan could have vital nourishment.

Over time, the survival strategies of winning (prevailing) and not losing (dying) evolved into instincts. To win and not lose meant that early man had to control outcome (all those encounters with the unknown). It meant that he also needed to predict outcome as a way of surviving ("that trade is going to turn around, I just know it"). It also meant that early man learned to be highly biased in his belief that he was going to win the encounter and that he would not lose ("I'll just move the stop"). These were biases that colored their mind when engaging the danger of an uncertain outcome. Many times, events did not turn out their way, but their biases had become instinctual so that they believed they were in control, were right, and could predict outcome even when the results did not align with their instinctual biases. That's how strong biases are. If clear thinking were to get in the way of the instinctual biases from our past – it would be swept away like the one voice of reason in an angry mob.

And you bring those ancient biases of your ancestors to trading. Just like your ancient ancestors, you have a survival instinct to control outcome (be right), win and not lose, and to predict outcome. The problem is that subconsciously (in the Emotional Brain) you are trying to apply these directives to a world that is Uncertain. A world where you have little control over outcome, whether you win or lose, or whether your predictions will come true or not. That is why your survival instincts are killing your trading. Eventually you will have to retrain these core survival traits of the human being bequeathed to you through evolution and replace them with new understandings that allow you to work with probability, rather than the illusion of certainty.

Personal Psychology Is a Suicide Mission Too

Most of us grow up and adapt to a world that is centered on competition, winning (and not losing), conquest, making money, and being right. I played American football at a high level in high school and on the door of our locker room was a sign – "Winners Never Quit, and Losers Never Win". We were taught to win, to dominate, to be a man, to show no emotion except anger while playing and joy when something happened good. And what was drilled into our formative minds was to avoid the shame of losing. We had to be winners! Our brains and minds were shaped by these cultural norms.

This is an institutional shaping of personal psychology. Football in this case, but the attitude of winning is rampant. For me, it also happened at home, where winning was everything. In my home, both my mother and father expected me to be a straight A student, a great athlete, popular, and only date good looking girls (as approved by my father and mother). I had to be a winner. The family's honor was at stake. And I could not lose and bring shame to the family. (This is quite a psychological pressure cooker to spend your formative years in!) Everybody will have their own version of this psychological shaping story from their youth. Winning was everything. And that kind of thinking was cultivated.

Now, imagine bringing that mindset to trading, where you do not control outcome, nor whether you win or lose. That "winning" mindset is going to produce disaster. The more you are exposed to the randomness and Uncertainty found in trading, the more you realize that the psychological mind was shaped all wrong for success in this venue. Trading requires that you let go of your need to control, let go of your understanding of winning and not losing, and realize that you may not be right when predicting what a trade is going to do.

The old paradigm was about a state of mind that produced certainty – and the outcome was victory (making money). The new paradigm of success in trading is about controlling the state of mind that you bring in the arena to manage uncertainty…where winning and losing are not part of the success formula. Instead, success is measure by performance. Do you perform well as you engage the ambiguity of Uncertainty under the stress of risking capital? Letting go of control over outcome opens a new possibility. First, believing that you can control outcome by winning is revealed in trading to be what it is – an illusion. We bring the illusion of control to trading from both our Evolutionary Psychology and our Personal Psychology. A double whammy.

It was a useful way of acting in the world, at least until you began learning how to trade. After a while, traders learn that they do not have control. And they have to give up control. They cannot make things happen – and that old way of thinking will produce disastrous results.

Your primitive brain will resist your trying to change the success model needed for trading. It has deeply entrenched neuro-pathways that have locked in ancient biases that don't even register on the radar of your awareness. Your trading account and its health (or lack thereof) will reveal these self-limiting primitive beliefs (called implicit beliefs) that leave you shipwrecked. Your trading account is your truth meter. Your brain will lie to you. But your trading account will not. It will tell you the truth. But you have to be ready to listen.

Mastering the Mind that Trades

The mind you bought to trading is not going to be the one that will create success in trading. Your trading account will show you the beliefs and biases that have control of the mind you trade with. The beliefs that drive the old paradigm of winning and being right, thereby controlling outcome, will not work no matter how much you want to believe them. The tenacity of the biases and beliefs that you inherited from your ancient human ancestors and what you learned about being a successful human are embedded in your personal psychology.

Trading will open the possibility of self-mastery to you. You will have to master the emotions of trading and learn how to use emotions to build a probability-based mind for success in trading. That old mind simply is a bad fit for the demands of trading. This is what I call the intentional mind. It will be very different from the winning mind you brought with you, where winning became your consistent performance. Now you face the luck of landing on the right side of probability (win) or the wrong side of probability relative to you (losing). You control neither of these. But you truly can learn how to control the emotions that give rise to the mind that you bring into the moment of NOW. This is the psychological edge you need to be a successful trader. So, the kind of success you are seeking in trading is going to require a very different mind than you brought to the game.

It's a change at the core of your psychology, rather than a trick you learn or knowledge you acquire. It is a change in your beliefs as you engage Uncertainty. It requires self-mastery. Who would have thought that trading, with its emphasis on making money, would become a journey into your personal self-mastery? Tell me that the Cosmos doesn't have a sense of humor.

Should Seniors Be Speculating In Futures? A Sober Analysis.

By Norman Hallett, Founder, TDT http://thedisciplinedtrader.com

What is Speculation? Really.

Our first task is to define what speculation is.

DEFINITION: Investment in stocks, property, or other ventures in the hope of gain but with the risk of loss.

So, as an investor in anything, is it possible to eliminate risk? Not

really.
There is no place you can put your money where it is not at risk.

In fact, just keeping money in cash has a degree of risk. We all know what inflation can do to the value of that dollar you hold in your hand. This is commonly referred to as 'the risk of inflation".

It's this 'risk of inflation' that investment firms will spout to you when they ask you to take a different risk to offset it. Offsetting the 'ravages of inflation' (a more dramatic way of putting it) on a '1 to 1 basis' would be a perfect 'hedge', of which, there is no such thing.

In the end, risk is always there to some degree.

It's our job to define what an ACCEPTABLE degree of risk is.

Moreover, we must measure the acceptability of what the chances are that we get back a greater amount than we risk and if what we get back is enough gain to even take the risk.

We can analyze these 'chances' by inspecting past data, meaning the history of the speculation and other surrounding circumstances during any 'holding period'.

But in the end, we are always looking to stretch the amount of and the possibility of gain, while keeping the risk at bay.

And to accomplish this we must understand what safety measures we can put into place to reduce the risk and at the same time have little or no effect on the expectation of gain.

The Value of Diversification

In the most general of senses, diversification is a widely acceptable way of mitigating risk. But what exactly is diversification?

DEFINITION: Diversification is a risk management strategy that mixes a wide variety of investments within a portfolio. A diversified portfolio contains a mix of distinct asset types and investment vehicles in an attempt at limiting exposure to any single asset or risk. (Investopedia)

Those with large portfolios may have a mix of 'asset types and investment vehicles' that look like: stocks, bonds, savings, gold, cash and higher risk/higher returns elements like options, futures, currencies, etc.

Those with smaller portfolios would, of course, contain either less elements or smaller amounts of the above stated elements.

The 'safety' of diversification lies in the fact that each of these asset types and investment vehicles' are independent of each other in some cases (when considering risk) and have slight overlaps in other cases.

If applied correctly, exposure-wise and timing-wise, although some assets or investments will increase in value while others decrease in value, the net result will be profitable.

If managed professionally, the offsetting feature of diversification should result in a steady, smooth increase in the value of the portfolio.

In my experience the longer the hold period of a balanced portfolio, the more this smooth increase is true.

But even my opinion may be skewed.

Skewed because in recent years the level of volatility of some of the more 'accepted to be conservative' assets and investments has increased substantially which has resulted in two things.

The sometimes-wild swings in what used be a 'balanced, diversified portfolio' and the questioning of whether the 'long-term-hold' approach to portfolios makes the same sense as it did just a decade ago.

These concerning changes have been witnessed in the recent inconsistency of the performance of professionally managed portfolios.

So, what is the investor to do?

More specifically, what is the Senior Citizen to do?

The answer for both is to take the time to understand the elements of your portfolio…how and why they increase and decrease in value and how and why they may underperform… and determine a mix that is right for you.

Senior Considerations

Today's senior is not your grandfather's or even your father's senior.

Today's senior is yesterday's middle-aged man/woman when it comes to health and vitality.

With modern science guiding us to eat right, exercise properly and recognize the value of meditation and calming ourselves, the notion of anti-aging is a reality.

As a result, the former notion of 'retirement' has taken on a new meaning. Many

seniors who have retired from their first career are starting new ones.
Some are collecting pensions and are financially comfortable, but may want more discretionary money to shower their grandkids with goodies.

And still others haven't saved what they were planning on saving for retirement and have a need to have an additional stream of income.

The financial situation of seniors may not have changed much when they reach retirement age (whatever that is), but the way they are able to respond to their needs have.

The energy and still-sharp mental capacity of many seniors beckons for earning avenues that supply excitement and control.

Trading futures may fit very nicely for this group of seniors.

In fact, in many ways, I offer that seniors may have a few advantages over their younger trader counterparts.

Over the years, as we mature, we develop patience. This single attribute could be the most important advantage seniors have over younger traders.

In my work with coaching traders for decades, it's the developing of patience that has resulted in more traders moving from frustration to success than any other attribute.

By far.

Another advantage for seniors is the appreciation for having a plan of attack and not just 'winging it.'

And this appreciation transfers into the ability to follow a tested trading plan with less doubt and hesitation than the more inexperienced-in-life trader.

We all know that 90% of futures traders lose money. It's also true that 90% of traders pay little or no attention to the mental and emotional aspects of trading.

I strongly believe there is an EXACT relationship between the two.

The fact that seniors are more likely to appreciate the value of a proven trading plan and have the patience to run their plan, makes them at least a reasonable candidate than those with less life experience and arguably a better one.

All this said, not all those above the age of 60 (or wherever senior-ism begins) are not fit for trading mentally, emotionally or otherwise.

Not all those under senior age are fit for trading either.

In the end, all traders must judge for themselves their own capabilities. And to exclude seniors, in general, from being excellent candidates for trading futures is no longer appropriate and hasn't been for a long time, if ever.

Why No Trading Firms Market To Seniors

There are 2 reasons why trading firms do not market to seniors when it comes to speculation.

Risk is the obvious one.

It's always been the case that a certain percentage of losing traders try to recoup some of their losses by claiming that they were unaware of the risk.

In many cases it was true. In many cases not.

Whether it was true or not, it resulted in considerable cost to trading firms to defend.

In fact, the smaller suits were just paid out because it wasn't worth the cost of defense. Decades ago, phone rooms full of 'brokers' relentlessly 'dialed for dollars', advising their pray not to miss the opportunity of the century.

This led to authorities requiring formal, more extensive risk disclosure statements to be signed by speculators as well as requiring some firms to tape record the client's agreement that they understood that high risk existed.

Even though firms have garnered a large degree of protection by following these regulations, the echo of past tribulations still linger and there is a hesitancy to market to those who are considered more vulnerable to taking losses.

Like seniors.

The interesting thing is that in spite of this 'vulnerability', more and more seniors are investing AND speculating.

And one of the most explosive areas of speculation for seniors has been the futures markets.

Why?
Because today's futures market, in many ways, fits them like a glove.

Why Today's Futures Markets Fit Many Seniors Perfectly.

Let's look first at what seniors need when it comes to speculating.

We know that speculating involves a higher risk in exchange for a greater reward when compared to less leveraged avenues.

And it's this leverage that makes trading futures dangerous and highly rewarding.

For example, let's zoom in on a single futures contract for 100 ounces of gold.
Recently, gold has been trading at about $1,700 an ounce. This would equate to a value of $170,000 for this single contract of gold.

Note: In order to buy the temporary *control* of this 100-ounce gold contract, you would need at least $11,000 in your account. That 'need' is called margin.

Now, because this gold contract controls the price of 100 ounces, every dollar that gold moves will change the value of your account $100.

It then follows that if you bought a single futures contract of gold at $1,700 and it moved to $1,705 and you sold that contract, you would profit $500. Conversely, if the price of gold moved down to $1,695 and you offset your contract, you would lose $500.

The thing is, it doesn't take much for gold to move $5 one way or the other. It can happen in seconds.

That's why there are 'stops' that you can apply to the market…meaning that with a couple of clicks of the mouse, you can instruct the market to sell your contract at a certain price (if the market gets there) in order to protect yourself from excessive loss.

I'm going to stop there with expanding this example because this paper is not about 'how to trade the futures market'.

I DO want to point out a few things about how the 'modern' futures markets fits the needs of the 'modern' senior, which this paper IS about.

Having coached many senior traders, what I can say with authority is that seniors who trade the futures markets want small, controllable risk with the chance of a greater return and a decent win/loss ratio in their trading plan.

Over the last decade, two essential changes have occurred in the futures markets that fit right into these wants.

The first is the fact that the exchanges have introduced not only 'mini' contracts, but 'micro-mini' contracts.

In the case of gold, the micro contract controls just 33.2 ounces of gold. So, every dollar move is not the $100 value I described above, but $33.20. In addition, the 'micro-mini' gold contract contains a mere 10 ounces of gold, worth $10 per dollar movement of gold.

Note: In order buy temporary control of a micro-mini contract (10 ounces of gold), your 'margin' (the amount of money needed in your account to execute that contract) would be just $1,100).

Now, all of a sudden, the owner of a small futures account, initially funded with $5,000 or $10,000, can consider speculating because that $500 potential loss I described above is now

$50 if a senior chooses to trade the micro-mini contract. And

here's some more good news.
It used to be that the smaller sized contracts, like the micro and mini contracts, were not traded heavily and experience a low volume of total trades.

The trouble with low volume is that the contract does not trade as smoothly as with high volume contract, meaning that when you applied that 'stop' to protect your loss amount, you could be in for an unpleasant surprise, as fewer traders were involved to offset your order.

But times have changed.

Now these smaller contracts trade tens of thousands of contracts a day, more than enough to give traders smooth, predictable 'fills' on their buys and sells.

Just what the senior trader ordered!

The Bottom Line For Seniors Who Look To Speculate

Speculation is not for everyone. Seniors included.

It takes a good dose of mental and emotional resilience in order to be a successful speculator.

So, for seniors, as for all potential speculators, the first order of business is self-inspection.

"Can I afford to speculate?"... Meaning, if I lost the money I'm speculating with, would that change my lifestyle in any way.

If the answer is yes, you should not be speculating.

Since even excellent trading plans experience losses along the way to the overall winning, the next question to ask yourself is,

"Can I handle a series of losses, mentally and emotionally, enough so that I can continue to follow my trading plan for the long term?"

If the answer is no, you should not be speculating.

However, there are proven behavioral exercises that you can do to prep yourself psychologically before you risk money... so this is may be a 'conditional yes' for you if you are willing to train your mind.

There is one more mention, before I conclude.

Simple Is Good.
There are many different styles of trading. Some involve using multiple monitors, tracking a myriad of indicators, while others utilize a much more simple analysis.

Whichever you choose is fine.

However, it's my experience through managing and training hundreds of brokers and traders, that simple is, in many cases, as good or BETTER than the more complicated approaches.

I believe that this is the case because of the need for FOCUS when you trade.

For seniors, keeping focus may or may not be a greater challenge than for younger traders. If it is, then certainly that's another vote for a simpler trading approach.

I hope that this article has been beneficial to you, my fellow senior.

If you're are sound mind and finance, there is no reason why you cannot consider a reasonable size trading account to assist you in achieving your financial goals.

You're not the 19th century senior, you're the 20th century senior and these are modern markets that may just be what the senior ordered!

You be the judge.

==============

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May financial success be yours,

Norman Hallett, Founder, The Disciplined Trader

How Auto-Setups Help Day Traders Get in and Stay in the BIG Moves to Win the Powerful Moves in Trading

By Steve Wheeler

Founder and CEO of NaviTrader.com (www.navitrader.com)
Professional Trader and System Designer/Developer
www.navitrader.com

Introduction

Let me start by introducing myself. I am a full-time trader, trainer, and software developer in the futures markets. I run a real time Live Market Trading/Training Room two hours each trading day. I have traded for over 20 years, and concentrate primarily on the currency (FOREX), crude oil, gold, and stock index futures markets, such as the S & P E-mini. In a previous career, I was a practicing C.P.A. in the state of Florida.

I have developed a full suite of charts and indicators known as the Trendicators™ and a market analyzer known as the TradeFinder™, as well as a number of automated trading systems and automated buy, sell and trade management systems.

What follows are the fundamental elements you need to be consistently profitable in the futures markets. I have also included information below that is crucial to your overall success and in managing your risk.

Preparation for trading profitably consists of market observation over a period of time so that the trader can build confidence in knowing what usually happens in the market and how to profit from the recurring market behavior that repeats itself every day. To take advantage of cycles in the markets, observe the typical move that a market moves after it moves up or down out of a range contraction pattern.

The real objective is to build knowledge of probabilities of market behavior so as to take consistent profits out of specific trading instruments. The following are observations of market behavior that will help to put the probabilities in your favor.

Finding the Powerful Setups

Steps for Finding the Power Moves

Every successful trader knows that if you find the powerful trend with momentum on its side then you may have increased the odds of a favorable result. While this may sound straightforward, it is not always as easy to accomplish unless you have the right techniques and tools in your trader toolbox. You need to know the characteristics of a true trend as well as what to look for in a continuation of the trend. To determine Trend and Strength, you must first understand and identify 2 specific things:

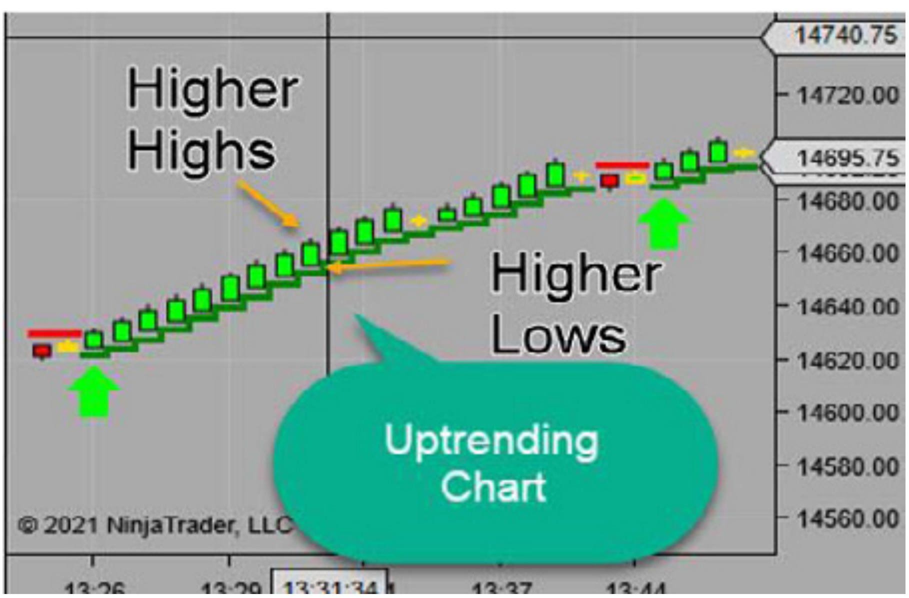
1. What makes an Uptrend or a Downtrend in a market?
2. What causes the Uptrend or Downtrend to continue in the market?

It is also good to understand that there are 3 Types of Market Trends:

1. Long-term Trend
2. Intermediate Trend
3. Short-term Trend

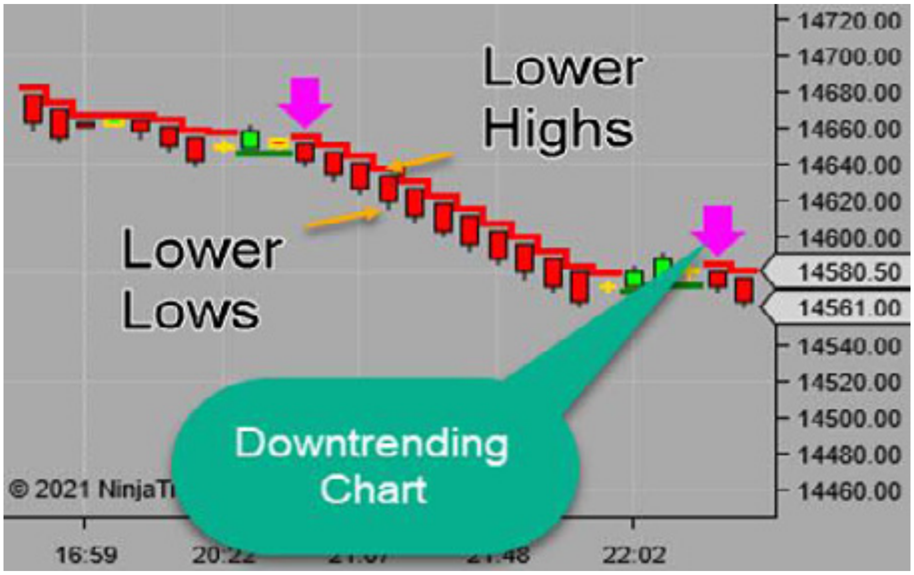
What Makes an Uptrend?

To easily identify a Trend, use simple price action. You must first determine the higher highs and higher lows for an uptrend.



What Makes a Downtrend?

Again, using simple price action, determine the lower highs and lower lows to determine the downtrend.



Now Begins the Complication:

While the Uptrend and Downtrend may seem like a very simple concept to visualize, when the entire chart is before you with new data coming in, you may have no idea which direction it may continue to go. This is where it begins to get complicated. You need to be able to recognize when the trend has enough strength to continue as well as when it begins to fatigue and lose strength in the direction which may lead to a reversal. However, the reversal may not have enough strength and it only manages to move to hit your stop.

This is the reason that you need to have a trading plan, strategy, and tools to equip you for professional trading.

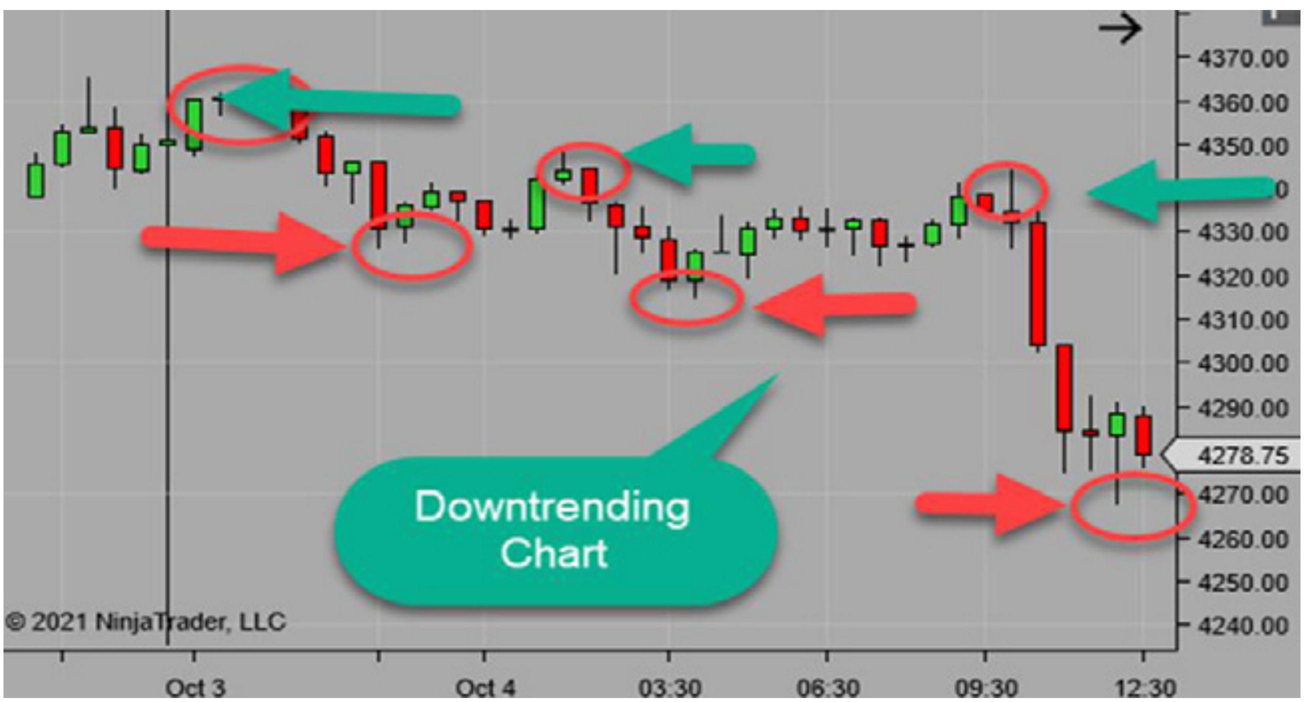
Methods for Trend and Momentum Strength Identification:

1. Manually Identify
2. Build-in Algorithmic System

Manually Identified Trend

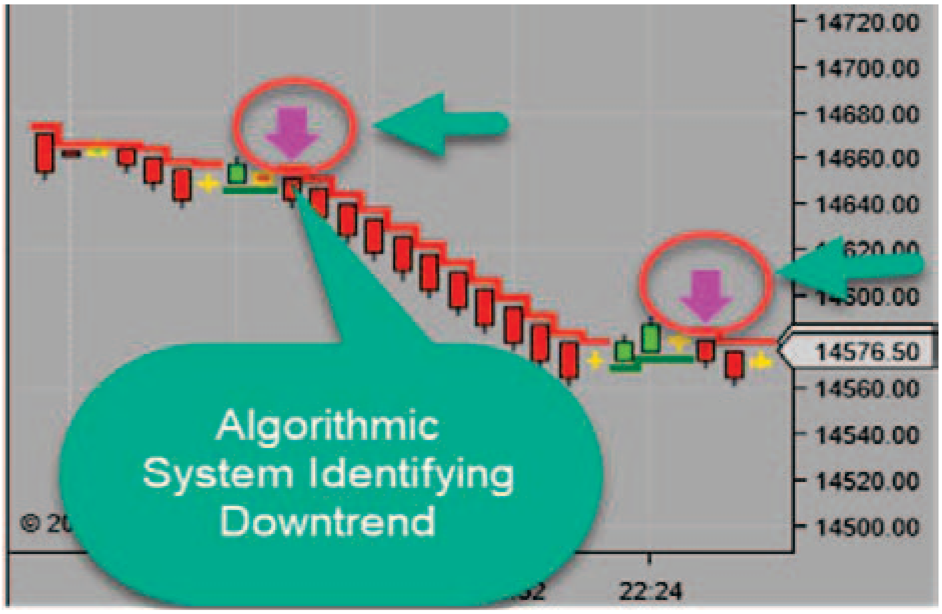
Below is an Up-trending chart identified manually on a candlestick chart. The green arrows identify the higher lows, and the green arrows identify the higher highs.

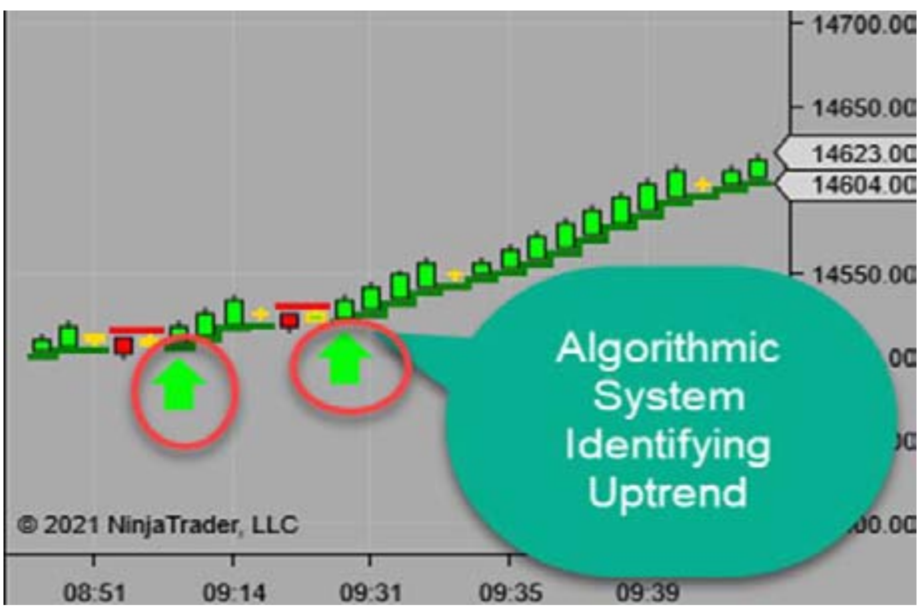
Below is a Down trending chart identified manually on a candlestick chart. The green arrows identify the lower highs, and the red arrows identify the lower lows.



Built-in Algorithmic System Trend Identification

An easier way to help your Trend identification is by letting the power of technology assist you. Below is a method for showing you the Trend with automation built-in your charts.





Becoming a successful trader is much easier when you take advantage of the tools that technology provides. It helps remove confusion and emotional trading decisions so that you may achieve better results in less time.

Systematic Trading

You need to become a system trader, which means that you need a specific set of technical conditions that must be true before entering a trade. After entering the trade, you must have a specific systematic method of managing the trade once you are in the trade. Additionally, you must have a system for when to exit the trade, either with a profit target or trailing stop. Of course, it is important to test your strategy with a statistically significant number of trades. To put the probabilities in your favor, you must have an objective method or system for your trading. Patterns repeat themselves over and over in all markets, so knowing these patterns can help to put the probabilities in your favor. The more you can automate your trading signals, the more objective you will be in your trade selection.

You need to determine a set of technical conditions for which you would take a long or short position in any market. You can use technical indicators that are widely available, or you can develop your own indicators. Once you have chosen the indicators you want to use, test them for validity in your trading. As in any testing, the more data you test, the more dependable the results will be.

Protecting Your Profits

A primary downfall of beginning traders lies in taking on too much risk by being over leveraged and not knowing how to manage risk in general. Most people think of using stop losses for risk management, and that is an important element. Even more important is your position sizing, meaning the number of contracts that you are trading along with the specific instrument you are trading. For newer traders, I now recommend that they trade the Micro stock index futures, symbols: MES for the Micro E-mini and MNQ for the Micro NASDAQ futures. I suggest starting a new position with a small number of contracts and then adding to your position if the trade is successful and exiting very quickly if the trade is not profitable. The use of protective stop losses (known as stops); is one important tool in trading futures. An even more important tool is known as position sizing. Position sizing answers the question of how many contracts you should trade in the futures markets, and how many shares you should buy or short in the stock market.

Risk Management Techniques

We know that trading is all about how to react to your successes as well as trades that don't go your way. No discussion of trading would be complete without a discussion of risk management.

For futures trading, risk management is established with a combination of the use of 2 main components:

1. stop orders
2. position sizing

You need to pair a proven strategy along with risk management.   A part of your risk management is in locking in profits and letting your winners run.

The big benefit for properly managing your risk leads to these 3 Trader Turn-arounds:

- ✓ Less Emotional Trading Stress
- ✓ Less Fear of Trading
- ✓ Less Greed in Trading

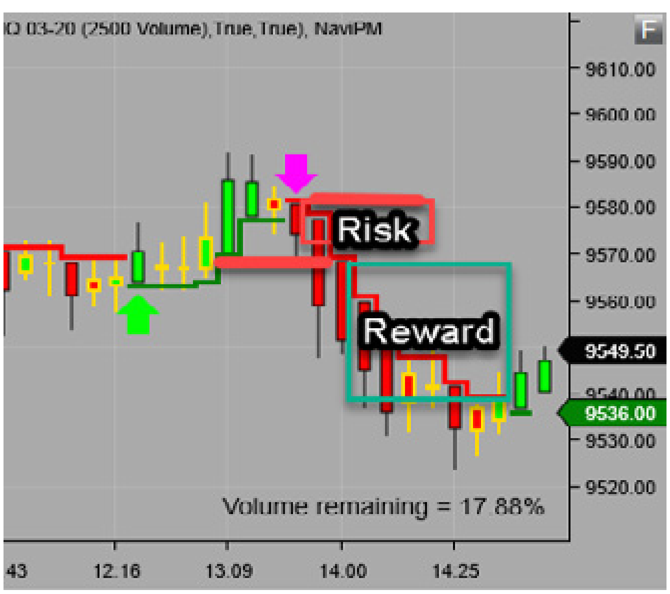
When you have too much risk at stake, you will heighten your stress levels as well as fears while trading.   Also, when you position size correctly, you will not let greed take over and cause you to take too big of a position which could put your entire account at risk! The outcome is usually not a good one because trading stress, fear and greed cause you to not trade your best as well as make emotional decisions.

You must learn to manage stress, fear, and greed to improve your trading. You can use some simple automation techniques that are programed into the trading software to help you accomplish your goals. Take a look at the following ways that you can accomplish reducing your trading fears, greed, and stress.

Below you will see a NaviTrader chart with our automated trade signals and trailing stop indicator (red line on a short trade and a green line on a long trade) that allows you to automate your stop management and to lock in profits, which represents a system for trade management. The magenta arrow represents a sell signal, which provides for a systematic entry signal when it appears. We use a green arrow for buy signals.

Design your trades to let your winners run and to seek a ratio of risk to reward ratio of at least 1.1 to 1.5 or greater.

Below is a chart of a trade with the Risk outlined in red and the Reward outlined in green.



Guidelines for Risk Management

The following are risk management guidelines for futures contracts. They can be used with both Mini and Micro futures contacts. Adapt these guidelines to fit your trading plan but do heed the importance of placing daily limits on yourself in terms of loss limits. Always trade with stops in place and be sure that you properly size your positions before you enter any trade. To take the most conservative methodology, avoid trading just prior to or just after major economic news events that will impact your positions, such as Fed announcements, jobs reports, etc. These guidelines represent a conservative approach, because your main objective should be the preservation of capital, before generating profits.

One of the biggest roadblocks to trading success is risk management and properly weighing risk and reward. If you find that you are not able to achieve these objectives, you must adapt your trading plan so that you can meet these guidelines.

<u>Some Reasons to Take a Look at Trading the Micro Futures Contracts</u>:

- ✓ You are new to Futures trading
- ✓ You would just like to build on your strategy without taking on greater risk
- ✓ You would just like to reduce your trading anxiety
- ✓ You have a smaller trading account
- ✓ You would like to diversify without taking on too large of a risk

Many traders find they suffer from "Trading Hesitation" because of fear of losses. The Micro suite of stock index futures may be able to help you with your trading fears.

The Micros are smaller contracts sizes and therefore provide less risk per trade contract. The Micros are one-tenth the size of the traditional Futures trading contracts.

Take a look below at the differences:

Regular Futures	**S & P 500 ES**	**Nasdaq NQ**	**Russell TF**	**Dow YM**
Point Size	$50 per point	$20 per point	$50 per point	$5 per point
Micro Futures	**S & P MES**	**Nasdaq 100 MNQ**	**Russell M2K**	**Dow MYM**
Point Size	$5 per point	$2 per point	$5 per point	$0.50 per point

While the size and cost of the Micro Futures allow traders with low risk tolerance to more comfortably participate in futures, it is still wise to become educated on trading them as well as on the risk involved.

Essential Guides for Risk/Reward

The **micro futures** have the benefit of lower risk and you will likely find them easier to trade. Below are some helpful guides for consideration to help you manage your risk

Suggested guidelines for position sizing and loss limits:

For Each $1,000 of available margin:

- Maximum position size of 1 contract
- Maximum Daily Loss Limit of $25
- Weekly Loss Limit of $50

When trading the **regular futures contracts**, the stakes are higher, so you must carefully balance your risk and reward. Below are some helpful guides for consideration to help you manage your risk when trading the regular futures contracts.

Suggested guidelines for position sizing and loss limits:

For Each $10,000 of available margin:

- Maximum position size of 1 contract
- Maximum Daily Loss Limit of $200
- Weekly Loss Limit of $300

Example for $50,000 Account

- ✓ Maximum position size of 5 contracts
- ✓ Maximum Daily Loss Limit of $1,000
- ✓ Maximum Weekly Loss Limit of $1,500

Using Automation for Auto-Trailing Stops and AutoTrade Management can help simplify your Risk Management challenges. Anytime you simplify your trading challenges, you help make winning a greater possibility.

Below is a recording that you can watch to see how to use Risk Management processes with the Micro Futures:

Link to access the video:

https://attendee.gotowebinar.com/recording/4852146313599935235

Click on the above chart/link to watch the trade managed. If your computer has difficulty accessing the video, send an email to support@navitrader.com and we will forward the link to you in an email.

Professional Trading Requires a Professional Platform

As you develop your trading skills, I suggest that you use a professional trading platform that will allow you to trade directly from the charts and will allow you to trade in simulation mode as well as to execute trades in your live futures account. As with any skill, the more that you practice, the better you get at it. It is important to develop your skills regarding the proper use of your trading platform while in simulation mode to minimize trading errors after you are trading your actual trading account.

Trading in simulation mode will help you to develop your confidence and an overall methodology that fits your personality.

Building Your Successful Trading Business

Most traders will develop fear as they trade due to a history of losses. Like any fear, the way to overcome it is to face fear head on and continue to do what you fear the most. An advantage of having a trading platform that provides for simulation is that you will be able to trade in simulation mode, as in our example above to build a plan with a positive expectancy and thereby develop greater confidence in your approach to trading. As you trade in simulation mode, develop a set of notes that will function as the beginning of your trading plan. Trade in simulation mode until you have mastered the use of the trading platform you have chosen. As you trade in simulation mode, practice developing the discipline needed to execute your trading plan. Through repetition, you will begin to develop into a polished and profitable trader.

> **Please let us know if you need any help in developing your approach to profitable trading. Send an email to support@navitrader.com to attend our LIVE MARKET ROOM Sessions for FREE!**
>
> **GO TO:** https://www.navitrader.com/FreeVideos/FreeSessions.html to get **FREE TRADER SESSIONS and FREE TRADER VIDEOS**

If you have any questions on the material in this publication, please send an e-mail to Steve Wheeler support@navitrader.com www.navitrader.com 800-987-6269

THE CONSISTENCY RIDDLE

Kenneth Reid, Ph.D.

Consistency is arguably one of the most important skills a trader can/should develop. Not just because it helps us deploy our edge, but also because it acts as a 'vaccine' against a toxic phenomenon called *Random Reinforcement.*

When rats are randomly rewarded with food or punished with electric shocks they quickly go insane. There's an obvious parallel to trading, right?

Consistency… rule-based behavior… engenders a sense of personal control and helps us keep those unavoidable shocks small.

Q: *So what gets in the way of developing consistency?*

A: *Just about everything.*

Consistency Killer #1: Complexification

Traders are experiential learners. (We learn to swim by jumping into the pool.)

Aspiring traders seek answers by trial and error and that process engenders complexity.

Complexity, per se, isn't a bad thing, it's part of the exploration process, but *chronic complexity* can generate a plethora of options that lead to inconsistent behavior. If you find yourself in a tangled web, *declutter and simplify.*

Consistency Killer #2. Good Advice

"Declutter and simplify" is an example of 'good advice.'

We appreciate good advice about life, but have you noticed that in trading good advice doesn't take us very far? Almost every Pearl of Wisdom seems to have an opposite that is just as true; every Rule has an exception that equally applies.

For example:

Plan your trades… but adapt to changing circumstances.

Let your trades breathe… but keep your losses small!

Have a daily goal… but focus on Process not Outcome.

Trade what you see… not what you think.

If Good Advice is almost always ambivalent, should we ignore it? Probably not, because there's always a *grain of truth.* The relevant question is: does that grain of truth apply to you personally… right now.

If it does, grab it. If not, ignore it and move on.

Consistency Killer #3: We want something else.

Let's be honest: ***consistency is boring*** and therefore to some degree we really don't want it.

Trading is a casino we don't want to leave. We get involved because we like the freedom, the excitement, the intellectual and emotional challenge and the dopamine high that comes from the possibility of instant financial reward.

We don't want boring; we don't want mundane. We want to be heroes in our own mythology.

But ladies and gentlemen… the urge to Greatness is a problem.

Consistency Killer #4. On the Verge of Greatness

Feeling *"On the verge of greatness"* is surprisingly common among aspiring traders. Many feel just a few trades away from a life-changing win. (It could happen today!)

However, the search for Greatness creates an ambivalent relationship with consistency because they pull us in opposite directions. When we stalk Greatness we are going for the home run. The touchdown pass.

But consistency is the exact opposite. Consistency is hitting singles over and over. Just grinding out gains.

When we're stalking greatness, we envision an imminent mind-blowing opportunity and we absolutely don't want to miss it. This attitude primes our FOMO and our impulsivity, two primary consistency killers. It also feeds our arrogance and greed.

> *A client went on tilt because he only made $500 in the morning session trading low-floats. It was less than half his minimum daily goal and he just couldn't stand it. He ended up forcing trades and losing $2800 that day.*

This fellow has been a boom/bust trader and frankly I was concerned about his solvency, so I made the following suggestion:

> *"Tomorrow, quit when you've made $250. And the next day quit at $100."* He immediately objected and I added, *"If you keep complaining, we're going down to $25."*

Why be so tough on the guy? Because if we don't humble ourselves, the market will finish the job.

Consistency Killer #5: Greed

Speaking of greed, the Pursuit of Greatness opens the door to inconsistency because in that crucial moment when Greatness feels imminent, it makes perfect sense (to us) to do whatever it takes to win. That usually means *sizing up.*

In the service of Greatness, nothing's too risky. Every tactic is justified because we want to sail cross the finish line with our arms up like Lance Armstrong on steroids.

Greed is a drug fueled by dopamine and insecurity. In that primal state of mind consistency is irrelevant or worse… a hindrance. And that leads to Consistency Killer #6.

Consistency Killer #6: Improvisation

There's a fine line between adaptation and improvisation. In both cases we face a situation where our rules seem inadequate and we must think/act outside the box.

Adaptation, however, means we reference our rules, notice that they don't exactly apply and we carefully craft a novel solution with rational risk parameters. Improv is different. When we hit a wall, we take an impulsive detour that increases risk and we don't look back until we're done.

There are three common improv catalysts.

POMO: When the market takes off without us, FOMO can morph into POMO… the *Pain of Missing Out.* We want relief *now,* so we improvise an impulsive solution.

BOREDOM: When nothing's happening according to our rules but we "need a trade," we find one, usually by overtrading in chop. When we do that, we are practicing inconsistency for entertainment's sake.

TILT: Several consecutive stop outs can trigger the imperative to "make it back." In this pressurized state of mind we abandon our normal setups and adopt desperate strategies that make the situation worse.

Consistency Killer #7: Multitasking

We live in the Age of Instant Information… some of which is reliable and useful. The process of differentiating the relevant from the irrelevant is taxing and puts traders in chronic Information Overload. It's almost a trance-like state of mind.

We don't complain because multitasking helps us find timely opportunities and the trance feels kind of good. However, research shows that executive function is largely a *serial process*. There's a subtle gap in our train of thought every time we switch focus.

When we come back to our trading screen to evaluate opportunities and engage the market, we have to reorient. Semi-constant interruption adds an element of cognitive dissonance and we may lose track of what we are supposed to be doing. This can flip us back into a wash-n- rinse cycle of inconsistency.

Don't be afraid of choosing selective ignorance.

Bottom line: Consistency is elusive because it's an ongoing choice. We are constantly pulled away from our executive functioning by at least seven major distractions and each one offers us a choice.

Consistency Checklist

- Complexification….. *Or KISS*
- Good Advice….. *Find the Grain of Truth*
- Want something else….. *Seeking excitement?*
- On the Verge of Greatness….. *Whoa cowboy!*
- Greed….. *Meet Gordon Gecko*
- Improvisation….. *Are you making stuff up?*
- Multitasking….. or *Tactical Ignorance*

The choice is yours.

www.daytradingpsychology.com for a free 15 min consultation.

How to Win 97% of Your Traders & Create a Consistent Income Using Equity & ETF Options

By Jeff Tompkins

Are you interested in producing income on demand from the stock market?

Jeff Tomkins has produced an excellent course which shows a closely guarded secret used by many Wall Street professionals to make consistent income in the market. Even Warren Buffett uses the same strategy to bring in large amounts of money from the market from time to time.

Jeff teaches you in this course some secret tricks to bring your win rate in as high as an astonishing 97%. You even learn what to do when you have a losing trade and how to manage it effectively.

With this course you will discover an income-based options strategy with a high win rate. You'll learn how to make special adjustments that have the potential to turn a losing trade into a trade that wins. The course is presented in a well laid out series of videos.

The course has nine sections and is easy to follow and understand. With this course you get unlimited email support.

For more information goto https://www.altostrading.com/altos-courses

- Section One: Put Writer Strategy
- Section Two: Square One
- Section Three: Iron Condor
- Section Four: Diagonal Collar
- Section Five: Options Income Machine
- Section Six: Stock Market Millionaire Blueprint
- Section Seven: How To Protect Your Trades
- Section Eight: The Complete Guide to Online Stock Trading
- Section Nine: Forex

Exponential Profits System

By Richard Krugel

This is a complete course to trading within market structure for high-profit and high probability analysis, entires, trade management and exits.

This is a complete education that will lay the groundwork for you to understand price action.

You will learn trends, reversals, sideways markets, breakouts, corrections and much more. You will learn the right tools to use and how to use them. You will learn what it really means to predict the market.

You'll get the exact rules for entries, exits, trade managments and psychology guidelines to employ this system. The text, charts and videos are very clear and are easy to understand.

You will also have access to a dedicated support staff with even email support from the author himself to insure your success with the Exponential Profits System. There are 11 sections to this course (see right).

For more information goto:
https://priceactionandincome.com/

1 Welcome to the Exponential Profits System

2 Analyzing the Market the Right Way

3 Developing Your Live Market Trading Strategy

4 Successful Entries and Live Trade Management

5 A Successful Mindset For Your Winning Strategy

6 [Video Lessons] EPS Strategies

7 [Video Lessons] Using Pitchforks

8 Bonus Training Lessons

9 Frequently Asked Questions

10 Trade Recaps

11 Members-Only Discussion

PART 1: WHAT'S IN YOUR PORTFOLIO?

By David Franklin

PART 1: WHAT'S IN YOUR PORTFOLIO?

INTRODUCTION

"From the time of 1605 in the very early 17th century, today's Stock Market operations have evolved to be unrecognizable. They have become electrical behemoths wherein trillions of units of invisible electronic currencies move around the world at near the speed of light, going into and out of retirement plans, federal depositories, banks, and individual portfolio's where there is nothing real stored therein, but a mere multitude of varieties of ink in the shape of letters and numbers of different written languages."

Quoted from THE UNKNOWN MARKET© found at davidbac.substack.com

A television advertisement for CAPITAL ONE asks, "What's in your wallet?"

The next articles in this series ask the question, "What's in your portfolio?"

A few years ago, you opened an account at a reputable brokerage firm. After many hours of independent research, you put in an order to purchase one hundred shares of "XYZ" stock. In a matter of seconds, you receive an electronic "CONFIRMATION" that you purchased 100 shares of "XYZ" stock.

QUESTIONS:

1. Are you now in possession of 100 shares of XYZ stock? If you think so, how would you prove it?
2. Is your electronic confirmation factual and admissible as evidence in a Court of Law, constituting proof of your ownership?
3. When you go to the grocery store and then checkout, do you take your receipt but leave your groceries at the checkout? OR, do you take possession of your groceries?
4. Have you taken possession of your purchased stock, or did you leave them with the broker?

"If you do not hold it, you do not own it." David Morgan, financial author

FACTS:

1. When you opened your brokerage account, you waived (gave up) your right to a trial by jury, and agreed to arbitration for settlement of any dispute. As you have not taken physical possession of your stock certificates, you have no legal means open to you as evidential proof you actually own (possess) 100 shares of XYZ stock.
2. In your application for a brokerage account, you can read for yourself the proof of this fact wherein you will find words to the following effect:

Resolving Disputes—Arbitration

This agreement contains a pre-dispute arbitration clause. Under this clause, which you agree to when you sign your account application, you and **"BROKER"** agree as follows:

A. All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.

B. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.

C. The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.

D. The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.

E. The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.

Three years later, you decide to sell 50 shares of XYZ stock. On paper, you have a small digital profit of $20.00 per share. You put in your order to sell and again, in a matter of seconds, you receive an electronic “CONFIRMATION” that you sold 50 shares of “XYZ” stock. Almost magically, electronic digits appear in your brokerage account, reflecting current price of 50 shares of “XYZ” stock.

QUESTION:
What is the source of those electronic digits? Your broker?, the anonymous “Seller” you are prevented from discovering? or someone else?

FACTS:

1. Behind every brokerage firm is a bank that is a member of the Federal Reserve System. When you signed your account agreement and sent them a check, your broker deposited that check in an account they have with a Federal Reserve Member bank. Please confirm this fact with your broker by asking for the name of the bank they use for customer deposits and withdrawals.

2. Your brokerage firm is prohibited from creating modern electronic “money”. Therefore, they are not the source of this ‘speed of light’ electronic liquidity. Rather, the source of this liquidity, consisting of electronic debits and credits, is supplied to your broker via the account they have with a Federal Reserve member bank. The fact is, the electronic debits and credits you see moving in and out of your brokerage account, come directly from the broker’s Federal Reserve Bank, and not from a stock holder on the other side of the transaction. Only a massively powerful

computer, connected to all brokers nationwide, could supply the millions of electronic market credits and debits (liquidity) moving back and forth every hour of a market day.

PROOFS:

A. Shortly after the crash of 1987, the chairman of the Federal Reserve System issued this statement:

"The Federal Reserve, consistent with its responsibilities as the Nation's central bank, affirmed today its readiness **to serve as a source of liquidity** to support the economic and financial system." SEE: https://www.federalreserve.gov/pubs/feds/2007/200713/200713pap.pdf.

After the crash of 2008, more details of the source of this infinite electronic liquidity were revealed in a CBS interview of the honorable Ben Bernanke, then chairman of the Federal Reserve Bank.

SEE: http://www.cbsnews.com/stories/2009/03/12/60minutes/main4862191.shtml

B. During that interview Mr. Bernanke stated the following:

"The banks have accounts with the Fed, much the same way that you have an account in a commercial bank. So, to lend to a bank, we simply use the computer to mark up the size of the account that they have with the Fed."

Restating the above revelation in terms of your account with your broker:

"Brokers have accounts with the Fed, much the same way that you have an account in a commercial bank. So, to lend to a broker, we simply use our computer to mark up (electronic credits) the size of the accounts they have with the Fed. In the same way we are able to mark up an account *with* electronic credits, we also mark *down* an account with electronic debits. It all happens at the speed of light."

The use of their computer to "mark up or down" broker accounts explains perfectly, how it is that customer accounts experience electronic debits or credits at or near the 'speed of light'.

KEY TAKAWAYS

A. There are two sides to liquidity in the stock market: the BUY side and the SELL side. By serving " … **as a source of liquidity** to support the economic and financial system.", the Federal Reserve

Bank made itself both a buyer ***and*** seller at the same time. In an auction, one who is both the buyer and seller is known as a shill.

B. Public and on-line auctions like Ebay strictly prohibit the activities of a shill.

Regarding "Shill Bidding", here are some of the policy statements of Ebay:

"Shill bidding policy"

"Shill bidding is when someone bids on an item to artificially increase its price, desirability, or search standing."

"Shill bidding can happen regardless of whether the bidder knows the seller. However, when someone bidding on an item knows the seller, they might have information about the seller's item that other shoppers aren't aware of. This could create an unfair advantage, or cause another bidder to pay more than they should. We want to maintain a fair marketplace for all our users, and as such, shill bidding is prohibited on eBay."

"Shill bidding happens when anyone—including family, friends, roommates, employees, or online connections—bids on an item with the intent to artificially increase its price or desirability."

"Not allowed

- Bidding on your own items with another account."

"Shill bidding is unfair to buyers and it's illegal in many places in the world. We have this policy to discourage shill bidding and to make it clear what can happen when people don't follow these guidelines."

"The Conniving Roots of *Shill*

"Verb

"Professionals licensed to shill won't necessarily knock you dead, but they may not do you any good either. They might simply be pitchmen employed to extol the wonders of legitimate products. But in the early 1900s, when the first uses of the verb *shill* were documented, it was more likely that anyone hired to shill you was trying to con you into parting with some cash. Practitioners were called *shills* (that noun also dates from the early 1900s), and they did everything from faking big wins at casinos (to promote gambling) to pretending to buy tickets (to encourage people to see certain shows)."

CREDIT: Merriam-Webster Dictionary on-line.

QUESTIONS:

1. If someone is both a buyer and seller as regards stock trading, could they use their computer"…**to mark up the size of the…"** Bid and Ask price of a security?

2. If someone is both a buyer and seller as regards stock trading, could they use their computer"…**to mark down the size of the…"** Bid and Ask price of a security?
3. Do the two questions posed above offer insight as to a possible cause for rising and falling prices of securities?
4. Could being both a buyer *and* a seller at the same time, be considered as an "Insider" who is really on the inside of "insider trading'"?
5. If there does exist a buyer and seller described above in question No. 4, can it be truly spoken that "We have Free markets"?

In March of 2009 following the banking Crash of 2008, PBS published a report titled:

"When the Government Writes Checks, Where Does the Money Come From?"

SEE: http://www.pbs.org/newshour/bb/business/jan-june09/solman_03-17.html

"With billions of dollars paid out or promised for financial industry bailouts and the stimulus bill -- and more requests on the way -- Paul Solman looks at where the government is getting the money to pay for the rescue measures."

Aired 17 March 2009

JIM LEHRER: "The rescue money source question comes from our economics correspondent, Paul Solman."

Within that report are the following statements made which are relevant to this article:

"PAUL SOLMAN: But what's the difference between minted money and Federal Reserves, we asked economist Simon Johnson?

"SIMON JOHNSON, MIT Sloan School of Management**: "It's quite funny. The Federal Reserve insists, absolutely categorically, "We do not print money.** That's the U.S. Mint that prints money."

"But, of course, the Fed issues money. It's a great deal, right? Instead of having to print it on a printing press, you just do it digitally. It doesn't actually cost you anything, hardly anything to issue these new digits, these new bits of code on a computer somewhere."

PAUL SOLMAN: "**In other words, these Federal Reserves or federal funds are <u>just digital promises, computer blips, not cash,</u>** but just as good, no different than the money in your checking account."

QUESTIONS:

1. “Digital” promises”?, Just as good? Just as “good” as the money in your checking account, which represents the value of your ‘Time of Life’ and labor expended to create real wealth and value?

2. Whose real wealth do these “digital promises” provide free access to?, government property, or yours?

3. With unlimited digital liquidity, could the Federal Reserve Bank provide the government with unlimited access to all the wealth of the citizens, independent of the will and consent of the people?

MORE QUESTIONS:

If you, like the government, could have your account “marked up” with any quantity of electronic credits you desired,

1. Would you experience any risk with your trades?
2. Would you have to labor to produce real world values to obtain the necessities of life?
3. Would you need the consent of the people to acquire and spend their wealth any way you pleased?

“Ownership of wealth produced by labor entitles the owners to use their judgment as to what they will do with that wealth—consume it, give it away, sell it, or save it. The substance of ownership is the freedom of disposition. The right of ownership is freedom.”

“If the government can obtain the wealth of the people by some hidden means, then they can do as they please and the consent of the people will not be needed.” Merrill Jenkins, Monetary Realist

END, PART 1.

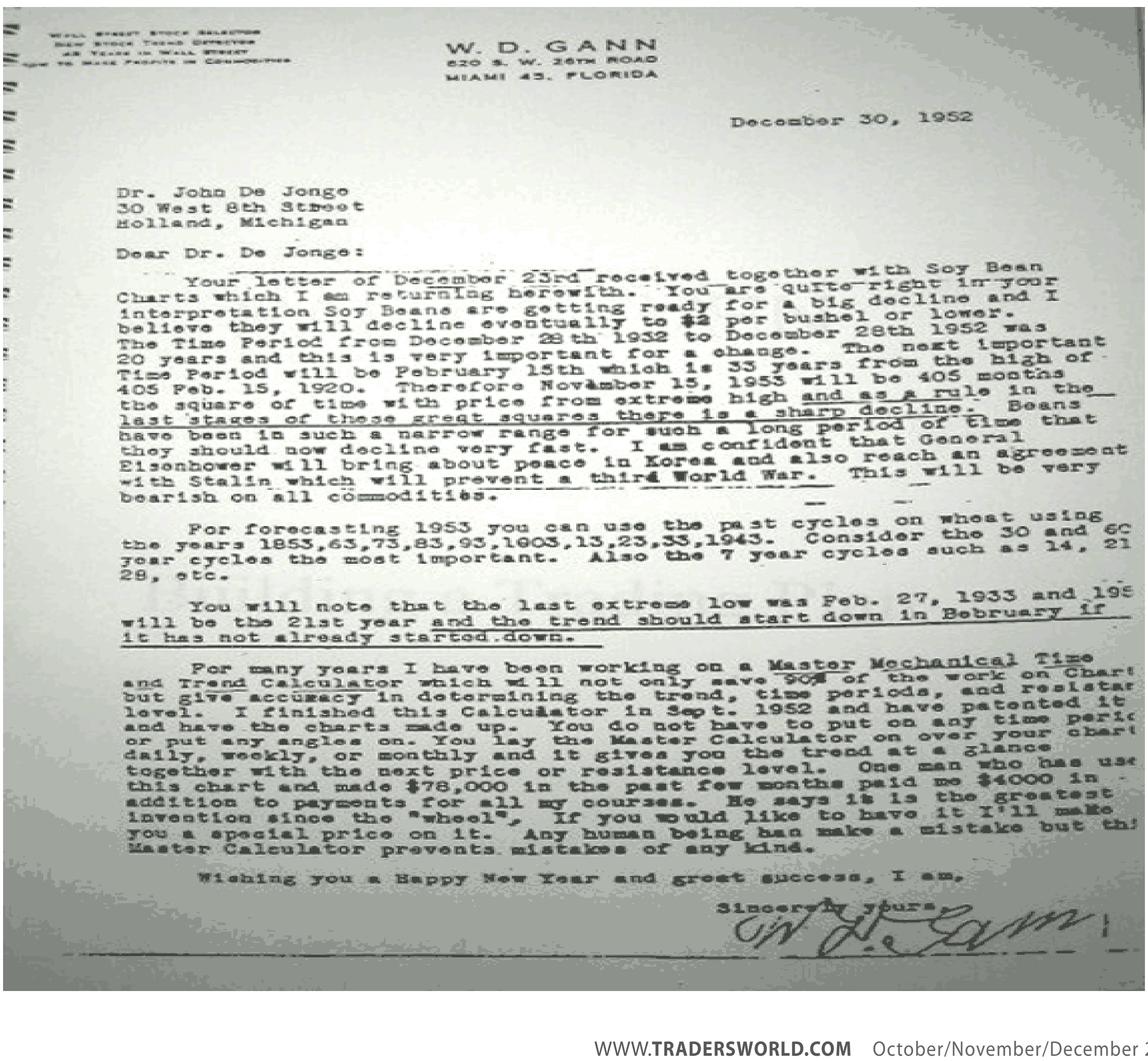
NEXT, PART 2: WHAT’S IN YOUR PORTFOLIO?: RETURN OF THE BUCKET SHOP

ASTROLOGY IS FOR BIRTH CHARTS, GANN WASN'T DOING BIRTH CHARTS

By David Burton

W.D.Gann wasn't doing birth charts, commodities like cotton and wheat have been grown for 1000s of years without being traded on the exchange. Gann had cash wheat going back to 1259 A.D and cash cotton back to 1731, can't do birth charts for a cash market. He even said in one of his letters to a client "I can't see the exchange date any use to you without my forecast subscription". There's 8 billion people on earth, no one using Gann should be using birth charts for commodities markets. Who cares about 8 billion birth charts, no interest to me.

Gann never taught astrology or astronomy to the public. There's nothing here about an astrology or astronomy course in a letter in 1952 to a client. He's only talking about maths and his master calculator of 144. Any one teaching Gann astrology, isn't doing Gann's work it's their own made up stuff to market themselves and Gann products.



W. D. GANN
620 S. W. 26TH ROAD
MIAMI 45, FLORIDA

December 30, 1952

Dr. John De Jongo
30 West 8th Street
Holland, Michigan

Dear Dr. De Jongo:

Your letter of December 23rd received together with Soy Bean Charts which I am returning herewith. You are quite right in your interpretation Soy Beans are getting ready for a big decline and I believe they will decline eventually to $2 per bushel or lower. The Time Period from December 28th 1932 to December 28th 1952 was 20 years and this is very important for a change. The next important Time Period will be February 15th which is 33 years from the high of 405 Feb. 15, 1920. Therefore November 15, 1953 will be 405 months the square of time with price from extreme high and as a rule in the last stages of these great squares there is a sharp decline. Beans have been in such a narrow range for such a long period of time that they should now decline very fast. I am confident that General Eisenhower will bring about peace in Korea and also reach an agreement with Stalin which will prevent a third World War. This will be very bearish on all commodities.

For forecasting 1953 you can use the past cycles on wheat using the years 1853,63,73,83,93,1903,13,23,33,1943. Consider the 30 and 60 year cycles the most important. Also the 7 year cycles such as 14, 21 28, etc.

You will note that the last extreme low was Feb. 27, 1933 and 195 will be the 21st year and the trend should start down in Bebruary if it has not already started.down.

For many years I have been working on a Master Mechanical Time and Trend Calculator which will not only save 90% of the work on Chart but give accuracy in determining the trend, time periods, and resistan level. I finished this Calculator in Sept. 1952 and have patented it and have the charts made up. You do not have to put on any time perio or put any angles on. You lay the Master Calculator on over your chart daily, weekly, or monthly and it gives you the trend at a glance together with the next price or resistance level. One man who has use this chart and made $78,000 in the past few months paid me $4000 in addition to payments for all my courses. He says it is the greatest invention since the "wheel", If you would like to have it I'll make you a special price on it. Any human being has make a mistake but th Master Calculator prevents mistakes of any kind.

Wishing you a Happy New Year and great success, I am,

Sincerely yours,

W. D. Gann

As you can see Gann was right with the Soybeans declined from December 1952 from $3.10 to August 1953 to $2.40 a bushel.

Gann was using planets for planetary lines and planetary price scales and planetary averages. This isn't astrology this is more astronomy. You aren't going to understand all this by going to a "House wife astrologer" you will have gone down the wrong track. The last person I would go to is an astrologer to understand Gann. You will have to learn yourself from Gann's reading list of books, that's what I did, never been to astrologer in my life to ask about Gann.

All Gann's work has a basic foundation, even just understanding his book "How to make profits in commodities" is years of work. Just reading chart patterns what Gann taught is years of work.

Gann says "When you first went to school you had to learn you're A,B,Cs before you could read and when you started to study arithmetic you had to learn the four fundamental rules, addition, multiplication, division and subtraction".

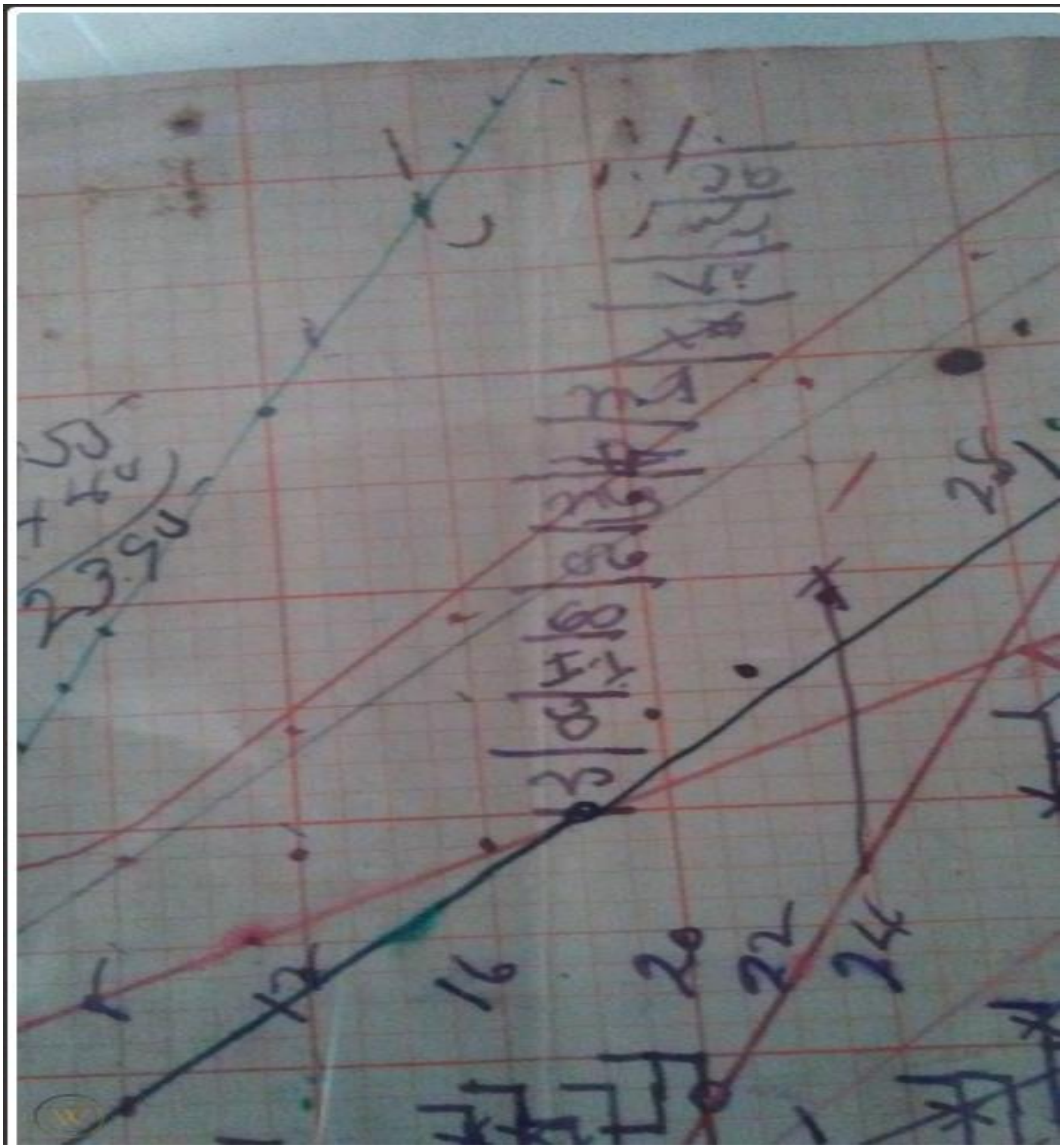
Gann said he spent 10 years in a London library studying. Wyckoff said he spent 8 years studying chart patterns before trading. Gann said don't trade until you have studied all his rules and paper traded. He says that you have to learn everything in lesson one, before you can then learn geometry and higher mathematics.

Gann's planetary lines, cycles and geometry is probably 20 or 30 years down the track, plus its full time study after you have got all his lessons nailed.

Below is a Gann cotton chart from 1946. You can see work out that he using planetary line of Venus and Mars, planets change sign, green and purple dates at the bottom. Planetary lines crossing Gann angles, planetary line crossing parts of circle like the horizontal red line at 18 cent/lb , 18 being 1800 or half a circle. You can see the scale of prices between of prices starting where planetary lines cross.

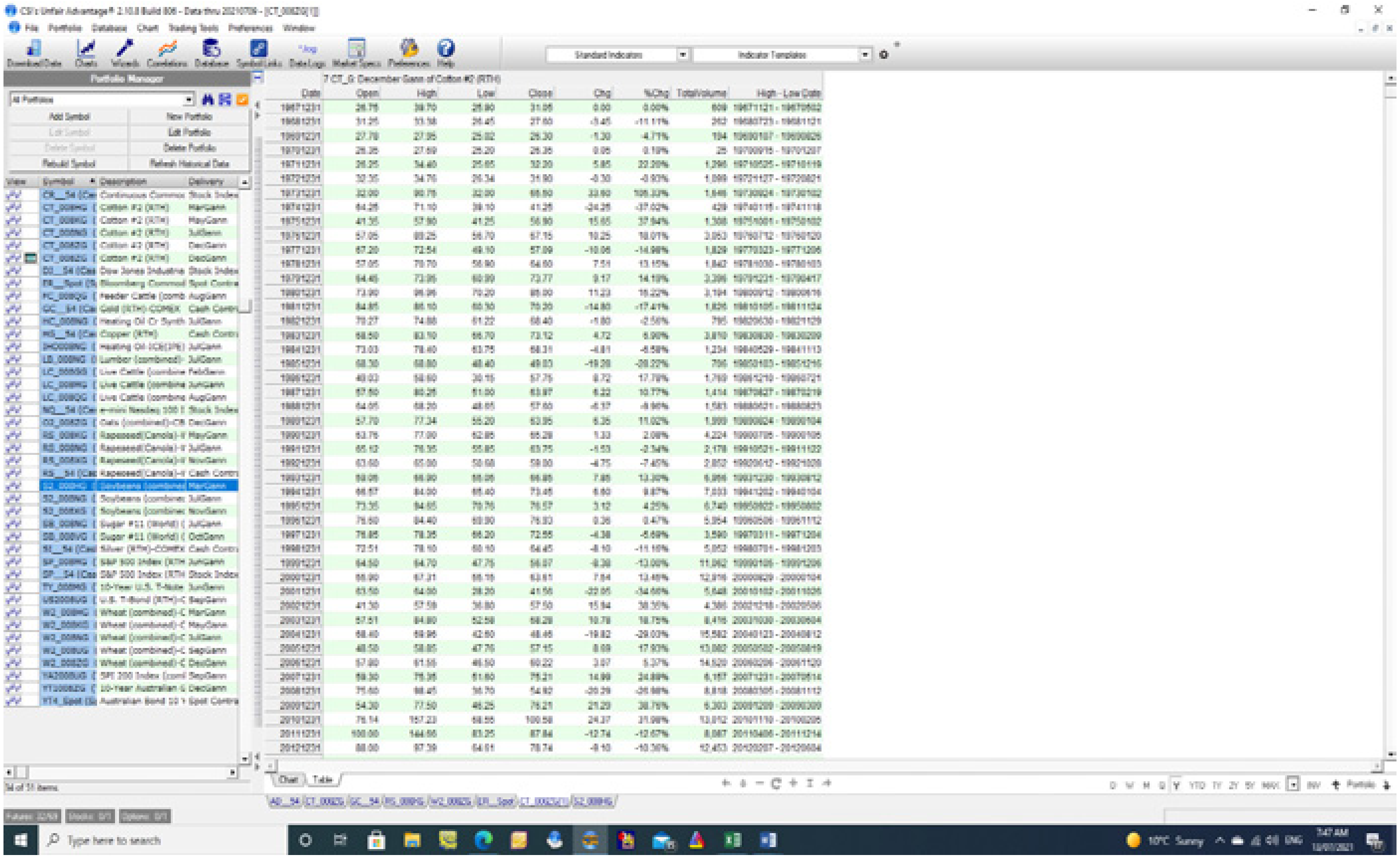
You can see its 15 points per small box. 24 boxes is 12 signs of the zodiac and 24 x 15 = 360. This is Ganns weekly cotton chart, he recommended to use monthly and weekly charts as you trend indicator, not daily.

You will never understand what he was doing if you haven't master the geometry angles from zero, highs and lows on a monthly and weekly chart going back 100s of year. It's the Geometric angles, numbers that have to combine with the planetary lines. On top of these charts he also had the different planetary averages which he never revealed the formula to use them. There's more study. You can't even fine a computer model that does geometric angles correctly, and that why I made my own program for myself. You can see below his charts have nothing to do with astrology.



I have used CSI data for 40 years and it links the correct Gann contracts together i.e December to December.

One of their best time saving tools is the high and low dates and prices in a table so it makes it easy for me to find the date and put it quickly into my planetary averaging table to study for future highs and lows. Below is December cotton from 1967 dates and prices per/year.



GANNS AVERAGE OF PLANETS

What you have seen with Ganns coffee and soybean letters is really basic compared to what he was really doing with the averages.

One of the keys is the scale he used with the averages which is below:-

Average of 6 helio planets.

1. 60 degrees to 1 point price or time
2. 30 degrees to 12 points
3. 20 degrees to 18 points
4. 15 degrees to 24 points
5. 12 degrees to 30 points
6. 10 degrees to 36 points
7. 8.5 degrees to 42 points
8. 7.5 degrees to 48 points
9. 6.5 degrees to 54 points
10. 6 degrees to 60 points
11. 5.5 degrees to 66 points
12. 5 degrees to 72 points - 396 = 0 degrees Aries, 397 = 5 degrees Aries etc
13. 4.5 degrees to 78 points
14. 4.10 degrees to 84 points etc.

If you are using degrees to price then each has some different meaning.

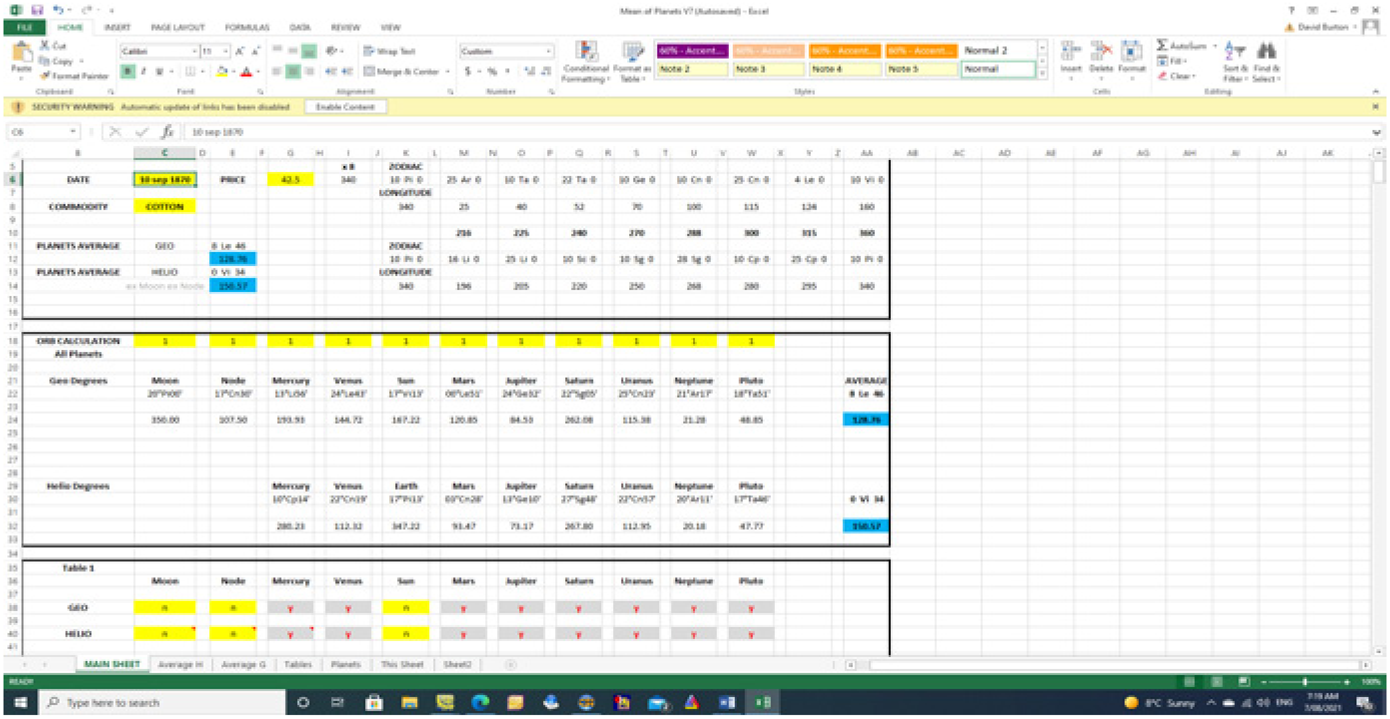
Gann said he made his greatest discovery on the 8th August 1908 (888) the average of 3 planets Mars, Saturn and Uranus is at 144 degrees and Mars and Jupiter also at 144 degrees. 144 is the code cover (Gann's overlay) which I have shown many times here of TTTTA. 888 is on 21st March on the wheel of 24 (37 x 24 =888).

Gann use the scale of Jupiter of 12 points per/degree, Jupiter is also 144 months. The magic square of Jupiter is 4, 16, 34 and 136. 34 is the chapter missing in TTTTA. If you understand his eclipse coding you can work all his dates out. An example is a total solar eclipse on 9th May 1910 is 17 years exactly to when he wrote the book in 1927, and another 17 years is 25th January 1944 (at total of 34 years) another total solar eclipse and Robert Gordon made his first cotton trade on 24th January 1927,exactly 17 years before 1944. Jupiter was at 144 degrees on 25th January 1944. The average of Jupiter/Saturn on the 24th January 1927 was 288, double 144.Looks like to me he was using the average of planets right from the beginning but only wrote about it to clients after 1950s a few years before he died.

As example the low in cotton in November 1898 was 5.26 the C.E. averages at 144 gave 6.5 Libra. The high on cotton in TTTTA was when Mars hit this point on 6th September 1927 as forecasted by Gann.

The low in March 1921 Saturn squares the high of the average of 6 from the April 1920 high. The planets and what degrees for each market is what I'm researching now. I have to go through all the major swings over the last 150 years using all the different averages of 8, Circle of 8, 6 and M.O.F etc .Hope it's not another 40 years of study. He did talk about using the average of 8 with the square of 9 chart, whether he used it with the 360 degree chart and wheel of 24, I don't know.

If Gann was using natal charts he was doing the average of natal charts which is the date of N.Y.C.E for cotton on 10th September 1870. The average of 6 planets at 144 degrees away is 6 degrees Libra and Jupiter is 60 degrees from 144 degrees and Venus is at 144 degrees. I'm the first to ever mention this about Gann natal averages here. The 8th September 1927 was 57 years from 1870. Gann's 144 x 144 (20,736 days) master time factor is 56.77 years. Because the cover of TTTTA is the square of 144 overlay (12 years, Jupiter) you can do all sort of research that he coded in the book, like Jupiter at Perihelion or Aphelion, retrograde, change sign for all planets etc. For example in November 1868 Jupiter was at Perihelion, the average of 5 was 60 degrees from 144, the average of Venus, Mars and Jupiter was 60 degrees as well from 144 degrees. As I have posted before, no one knows exactly what Gann was doing. I'm the first to mention this here, of course you will see all the astrologers come now and write a course on this. Below is my planetary calculator that I can change dates and averages etc.



Gann clearly had a matrix of keys and triggers his used with these averages which he only passed on verbally to a few had done years of work on his methods. No point giving "Keys" if you don't know which door it opens. No one knows these "KEYS" without decades of study.

Gann was doing this for more than 50 years, you never need to write things down, and so what documents we have in public would lucky to be 2% of Gann's knowledge. I don't need to write things down, I remember it as I have been doing this full time since I was 26 years old so nearly 40 years.

You will never know what was in Gann's mind, yet there's millions of experts around the world selling Gann stuff and claim to know his secrets. I say that's rubbish. There's only one Gann expert and that's Gann himself.

Why was Gann doing all this research? It wasn't for money, it was based on understanding. If you trade medium to long term you have a lot of time on your hands to study. He did say "knowledge was the most important thing after health". You don't need more and more money if you can't spend what you have, you don't want toys because they waste all your time looking after them, I prefer to go on 6 star luxury cruise than own a boat. TIME is what we all run out off. He always wanted more knowledge. You can have all the money in the world and still be dumb, that's why the dumb that have money go for power and control as they know nothing else about natural laws.

David has been using and studying Gann's methods full time for nearly 40 years.

Website www.wdganntrader.com

FB www.facebook.com/inigo360/

www.facebook.com/WDGann/360/

Practical Fibonacci

By Sunny J. Harris

Most of the articles that I've written for *TradersWorld* are how-to in nature, organizing and technical analysis sorts of things. But in this article, I'm going to talk about Fibonacci retracements and extensions, which is more of the bent of this magazine. When I was 20 and in graduate school studying mathematics my thesis advisor suggested that I research and study Fibonacci numbers. It was his passion. I thought it was trivial and not the kind of mathematics I was interested in at the time. He tried to convince me to follow his passion by telling me Fibonacci numbers are even great for analyzing the stock market. Now remember I was only 20, and I told him that I would never be interested in the stock market. These days, the stock market is my passion and Fibonacci numbers are one of my main trading tools.

I have been trading stocks, bonds, and futures for more than 40 years now. My business model is almost entirely based on trading: teaching, training, writing books about trading.

Students of mine will sometimes tell me that the Fibonacci numbers don't mean anything to them and using them is magical thinking. They want hard mathematical rules like moving averages so they can understand the computations. I have found over the years, by direct observation, that Fibonacci numbers govern not only the stock markets but nature as well. I'll show you some charts that demonstrate before and after pictures of where I drew Fibonacci lines and where the market actually went in real time. There's no way I can show you this real-time in a magazine article, but if you are interested, give me a call (number at the end) and I will show you on a live chart.

Mathematical Basis of Fibonacci Numbers and Extensions

Fibonacci numbers are named after the Italian mathematician Leonardo of Pisa who was later known as Fibonacci, which grew from the Italian "son of Bonacii" probably meaning son of a mathematician. In his 1202 book *Liber Abaci,* Fibonacci introduced the sequence to Western European mathematics. Although the sequence had been described earlier in Indian mathematics, as early as 200 BC.

Fibonacci numbers form an integer sequence called the Fibonacci sequence, such that each number is the sum of the two preceding ones, starting from the two numbers 0 and 1. Under older definitions the value 0 is omitted so that the sequence starts with 1, 1 and continues.

The sequence starts with 0, 1, 1, 2, 3, 5, 8, 13, 21, 34, 55, 89, 144, ad infinitum adding the preceding two numbers together to form the next: 1 + 1 = 2, 1 + 3 = 3, 2 + 3 = 5 etc.

While the sequence is meaningful when counting rabbit birth rates or waves in the ocean, it is actually the ratios of the succeeding numbers that we use in trading.

Dividing each successive number in the sequence by the preceding number yields a familiar number, which converges quickly to 1.618. The first few numbers are not convergent, but when you get down to 13 the ratio is steady at 1.618.

Dividing each successive number in the sequence by the third preceding number yields a familiar number, which converges quickly to 0.382, the 23.6% retracement (0.2361). Again, the first few numbers are not convergent, but when you get down 13 rows in your spreadsheet, it is steady at 0.2361.

To get the 38.2% retracement we divide each successive number in the sequence by the second preceding number.

That's it for the mathematics for those of us who trade with Fibonacci lines. I use retracements and extensions interchangeably and have minus values and plus values to cover both bases in the TradeStation setup.

How to Draw Meaningful Fibonacci Lines

Picking where to drop your Fibonacci lines on your chart can be challenging. I like to pick significant turns in the market from which to draw my lines. In TradeStation there is a tool under the Drawing menu that is called **Fibonacci Price Retracement Lines**. See Figure 1.

Figure 1—Fibonacci Retracement Tool in TradeStation

When I select the tool, it displays a little icon with a plus sign and small horizontal bars. Simply click on the high price you want to choose and click-drag down to the low of interest. Because of the settings I chose it uses these settings. See Figure 2. Yes, I know they are out of order, but it doesn't affect they way they are drawn.

For this next figure (Figure 3) I dropped the tool on the daily chart of the Emini (@ES) from the high before the Covid-Crash in February of 2020 and then picked the low of the crash in March of 2020. The resultant chart is in Figure 3.

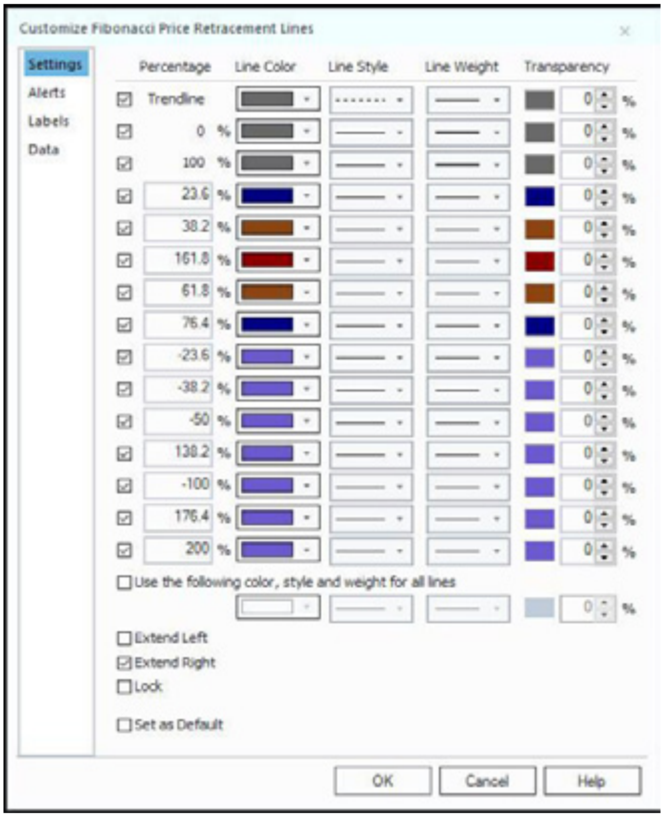


Figure 2—Fibonacci Retracement Settings

Figure 3—Covid Crash with Fibonacci Lines

Predictive Abilities

Some say the lines are predictive, others say it's just magic or a self-fulfilling prophesy. Let's look back at Figure 3. Notice the channel (not shown) that occurs as price goes back and forth through the 100% line in the Fall of 2020. Yes, it could just be resistance, but whatever it is the line gets tested from September to Thanksgiving before it finally breaks out. Then again at the 38.2% extension (138.2% on my chart) price stumbles for almost a month. What happens when we get to the 61.8% extension? Same thing. Again, it forms a channel that lasts for six weeks this time.

Lately price has tested the 200% line and fallen back, almost to the 176.4% line as of this writing. I suspect that it will continue to test 4,263 which is the 176.4% line. Yes, it could just be the support coming from the low of July 19th, 2021, but I believe that Fibonacci lines are predictive in nature.

To debunk or credit my theory that the lines are predictive, take a look at Figure 4, a 15-minute chart of the ES.

Figure 4—Fibonacci Lines on a 15-Minute Chart

Notice on the chart in Figure 4 that I marked the low of yesterday (on the right side of the chart, in blue and red bars.) Why do I have some bars magenta and green, and some blue and red? I have a little indicator I cleverly named “DaySessions” that colors the Globex session differently from the day session so I can quickly tell what the night session does apart from the day session. Take note also that today was a rugged trading day going straight up to the 23.6% line and back down and then right up to test the 23.6% extension again, and then right back down.

You can also see that the big move down from 9/26/21 to 9/28/21 was (and this is hindsight) stumbled at the 76.4% retracement three different times. This next chart is a little congested because I am squeezing up the chart to see further back and installing another set of Fibonacci lines. This time I’ve picked the move down from 9/16/21 to 9/19/21, a good move of 184 ES points. It corresponds to the Dow move down of 1,200 plus points.

The two sets of Fib lines in Figure 5 show that the move down from yesterday hit the 23.6% retracement just exactly. Yes, it’s congested, but it appears to have been predictive, doesn’t it? All I can tell you is that I always have Fibonacci lines on the chart I am trading.

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Figure 5—Two Sets of Fibonacci Lines on 15-minute Chart

Why Does It Work?

The original pattern under consideration was one in nature. The question at hand was "how many pairs of rabbits will be born in a year, starting from a single pair, if each pair gives birth to a new pair each month. The new pair then becomes productive the second month and on it goes, giving rise to the Fibonacci sequence.

In the plant kingdom we see Fibonacci numbers again and again. Leaves, petals, branches all follow the sequence in their display often showing groupings of five or eight. One can also readily see the Fibonacci Spiral (not discussed here) in the configuration of the centers of flowers and in broccoli, cauliflower, daisies, and sunflowers.

Conclusion

For unknown reasons, these Fibonacci ratios seem to play a role in the stock and futures markets, just as they do in nature. Technical traders attempt to use them to determine critical points where an asset's price momentum is likely to reverse. It is uncanny, but I use them religiously.

Sunny J. Harris, Mathematician, Programmer, Trader
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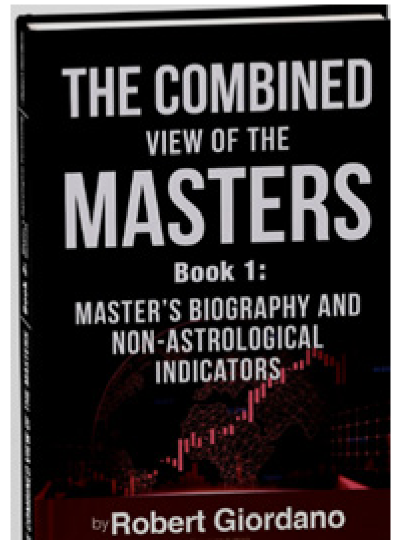
Author:

- TradeStation Made Easy!
- Trading 101-How to Trade Like a Pro
- Trading 102-Getting Down to Business
- Electronic Day Trading 101
- Getting Started in Trading
- UpComing: EasyLanguage OOEL Made Easy! with Sam Tennis

"The Combined View of the Masters" 2 Book Series

Review by Greg Terres



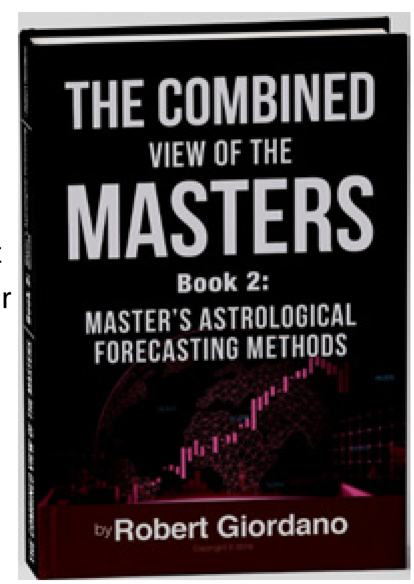
Review book 1;

The Combined View of the Masters Book 1 is concise, to the point and able to get a trader up and running unlike most others within his unique field of exploration. The one drawback I see is unless you've been around the block a few times, ie. lost lots of money to market Guru's along with other false stock market master you may not appreciate what the book has to offer and understand the secrets revealed.

So please take my word for it , this book is a must read for anyone looking to save yourself time and money on irrelevant ideology and trading assumptions.

Within Robert Giordano's book 1, you get a lot of information in succinct form which would cost thousands scattered across various other works. For example, with the Cycle Composite description alone, disclosed within book 1, i personally would have saved thousands researching other outside material on this one application alone. With this book you can also skip most other's dribble and cut right to the chase. Robert's descriptions also site directly from his years of studying many true trading master works, while at the same time staying close too and on point to what their thoughts actually were.

http://www.ganngrids.com/gann-grids/



Book 2 Review:

First of all over many years I have subscribed to dozens of Gann type research and software products from various sources. And in my opinion your Gann Grid Master software is an amazing product in that it has many tools and features which other products just don't have or focus on.

Also, your new books are unique in many ways, especially the way they display in detail the software's intricate astro and cycle applications.

For example, as outlined in your Book 2, the world of planetary stock trading opens up to you in simple English, thus giving all the theory needed without needing to be an expert astro trader first.

In my opinion his books and software together are all which are needed for the novice and expert alike as each can easily discover many markets true astro..aka...star fingerprints, thus allowing anyone to start trading using the software's unique tools right away.

For the more experienced researcher, you will also be refreshed to find the software offer dozens of important application under a single roof while at the same time not gauging your wallet paying for useless non founded theories.

I've also discovered, the reason for Mr Giordano affordable product pricing is after speaking with him several times i found our conversations to be down to earth and IMO was generally truthful about wanting to help people learn without costing a fortune in endless research.

In closing, trust me when i say; if you own his Gann Grid Master's software you definitely need his new two book series, as with them the world of true astro research will be opened to you like no other book on the market, at least of which i'm aware of.

And I say this through experience because I owned Mr Giordano's software for several years before gaining access to his 2 book series, (weren't available when first purchased the software) and due to this I didn't really appreciate the software's true potential and usefulness until recently. However now that i have the software and books, I'm trying to get up to speed with Bayer, Johndro, etc. as I've also been a Wheels In the Sky member years ago and saved all the downloads but never could apply it/understand it.

I wish Mr Giordano had offered this package years ago, however its a blessing to have it now.

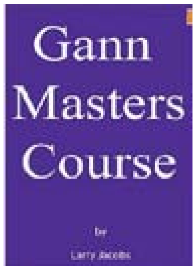
Thanks Greg Terres

Market Timing Through the Eyes of the Market Master's
Featuring almost 2 full hours of Gann Grid Masters software applications!

Gann Grid Master's Video 1, Several Non-Astrological Applications https://www.youtube.com/watch?v=34S35Vv3f5E&feature=youtu.be

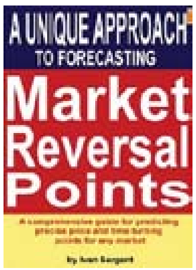
Gann Grid Master's Video 2, Several Astrological Applications   https://www.youtube.com/watch?v=JkIZE4Z2As0
Thanks Robert Giordano
pvtpoint@aol.com
www.Ganngrids.com

Amazon Kindle Books



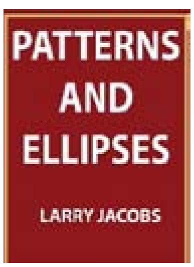
Gann Masters Course by Larry Jacobs $9.95

As you know, W.D. Gann was a legendary trader. Some say he amassed a fortune in the the markets. He wrote several important books on trading as well as a commodity trading course and a stock market trading course. He charged $3000 to $5000 for the trading courses which included 6 months of personal instruction by phone. The Gann Masters Trading Course to help traders become successful.



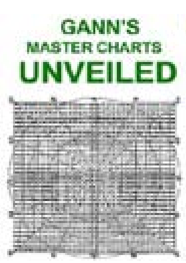
A Unique Approach to Forecasting by Ivan Sargent $32.95

This book is possibly one of most advanced books in technical analysis you will read regarding price and time reversals. Knowing the Price and time of a stocks reversal point is undeniably an important element for to successful trading. Unlike most trading books which use indicators, oscillators, and basic geometry to forecast the markets outcome; this technique uses a series of lines which when accurately placed can deliver reversal points with amazing accuracy. Trend lines, retracements lines, channels, fan lines, pivot points etc, all inspect a stock chart from the outside, which is more or less the obvious point of view.



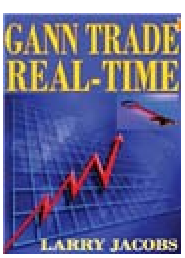
Patterns and Ellipses by Larry Jacobs $9.99

This book concerns itself with a highly technical subject, the subject of technical analysis of the financial market. This book specifically deals with ellipses and pattern formations used for trading the markets. It also covers many other technical analysis tools that can be used effectively by the trader.



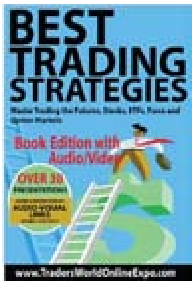
Gann's Master Charts Unveiled by Larry Jacobs $9.99

We know that Gann used the Pythagorean Square because he was found carrying it with him into the trading pit all the time. This square was hidden in the palm of his hand. How did he use this square? Why did he not discuss the use of this square in his courses? There is only one page covering the Square of Nine in all of his books and courses. Was this square his most valuable tool? These and all the other squares Gann used will be discussed in detail in this book with many illustns and examples to prove how they work.



Gann Trade Real Time by Larry Jacobs $9.99

When you opened this book you took the one step that will help you learn how to be successful at the most desirable, but hardest profession in the world. That profession is real time trading. This book is not going to give you an instant secret to day trading. It is going to give you the basics so that you might start the path to understanding how the markets work both short term and long term. You need to know and fully understand the markets and develop successful trading strategies to become successful at this endeavor.



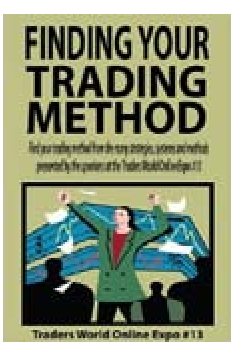
Best Trading Strategies: Master Trading the Futures, Stocks, ETFs, Forex and Option Markets $3.99

This is one of the most fascinating books that was ever written about trading because it is written by over thirty expert traders. These traders have many years of experience and they have learned how to turn technical analysis into profits in the markets. This is extremely difficult to do and if you have ever tried to trade the markets with technical analysis you would know what I mean. These writers have some of the best trading strategies they use and have the conviction and the discipline to act assertively and pull the buy or sell trigger regardless of pressures they have against them. They have presented these strategies at the Traders World Online Expo #14 in video presentations and in this book.

What sets these traders apart from other traders? Many think that beating the markets has something to do with discovering and using some secret formula. The traders in this book have the right attitude and many employ a combination of fundamental analysis, technical analysis principles and formulas in their best trading strategies.

Trading is one of the best ways to make a lot of money in the world if one does it right. One needs to find successful trading strategies and implement them in their own trading method. The purpose of this book is to present to you the best trading strategies of these traders so that you might be able to select those that fit you best and then implement them into your own trading.

I wish to express my appreciation to all the writers in this book who made the book possible. They have spent many hours of their time and hard work in writing their section of the book and the putting together their video presentation for the online expo.



Finding Your Trading Method $3.99

Finding your trading method is the main problem you need to solve if you want to become a successful trader. You may be asking yourself, can I find my own trading method that will reflect my own personality toward trading? For example, do you have the patience to sit in front of a computer and trade all day? Do you prefer to swing trade from 3-5 days or do you like to hold positions for weeks and even months? Every trader is different. You need to find your own trading method.

Finding out your trading method is extremely important to produce a profitable benchmark that can be replicated in your live account. Perhaps the best way to find a successful trading method is to listen to many expert traders to understand what they have done to be successful. The best way to do that is to listen to the Traders World Online Expos presentations. This book duplicates what these experts have said in their presentations, which explains what they have done to find their own trading method.

If you have a trading method that gives you a predictable profit, then that type of objectivity contributes to your trading edge. The problem with most traders is that being inconsistent will never allow them to have an edge. After you find your trading method that you feel comfortable with, you must have the following:

An overall plan to:
1) Set your rule set and plan and then stick with it in all of your trading.
2) To give you a trading plan for every day.

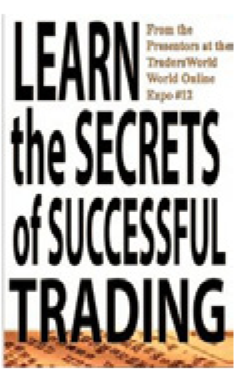
The trade plan then should:
1) Have an exact entry price
2) Have a stop price
3) Have a way to add positions
4) Tell you where to take profits
5) Have a way to protect your profits

By reviewing all the methods given in this book by the expert traders, it will give, you the preliminary steps that you need to find your footing in finding your own trading method.

Reading this book and by seeing the actual recorded presentations on the Traders World Online Expo site can act as a reference tool for selecting your method of trading, investment strategies and tactics.

It took many of these expert traders in this book 15 – 30 years to finally come up and find the answers to find their trading method to make consistent profit. Finding your trading method could be then much easier when you read this book and incorporate the techniques that best fit your personality and style from these traders. This book will enable you to that fastest way to do that.

So if you want help to find your own trading method to be successful in the markets then buy and read this book.



Learn the Secrets of Successful Trading $3.99

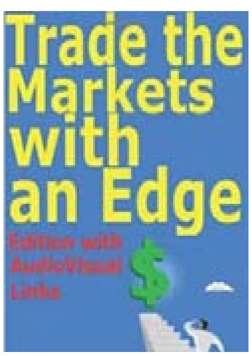
Learn specific trading strategies to improve your trading, learn trading ideas and tactics to be more profitable, better optimize your trading system, find the fatal flaws in your trading, understand and use Elliott Wave to strengthen your trading, position using correct sizing to trade more profitable, understand Mercury cycles in trading the S&P, get consistently profitable trade setups, reduce risk and increase profits using volume, detect and trade the hidden market cycles, short term trading by taking the money and running, develop your mind for trading, overcoming Fear in

Trading, trade with the smart money following volume, understand and use the Ultimate Oscillator, use high power trading with geometry, get better entries, understand the three legs to trading, use technical analysis with NinjaTrader 7, use a breakout system with cycles for greater returns with less risk, use TurnSignal for better entries and exits, trade with an edge, use options profitably, learn to trade online, map supply and demand on charts, quantify and execute portfolio rotation for auto trading.

Written by Many Expert Traders

The book was written by a large group of 35 expert traders, with high qualifications, most of who trade professionally and/or offer trading services and expensive courses to their clients. Some of them charge thousands of dollars per day for personal trading! These expert traders give generally 45-minute presentations covering the same topics given in this book at the Traders World Online Expo #12. By combining their talents in this book, they introduce a new dimension to finding a profitable trading edge in the market. You can use ideas and techniques of this group of experts to leverage your ability to find an edge to successfully trade. Using a group of experts in this manner to insure your trading success is unprecedented.

You'll never find a book like this anywhere! This unique trading book will help you uncover the underlying reasons for your lack of consistency in trading and will help you overcome poor habits that cost you money in trading. It will help you to expose the myths of the market one by one teaching you the right way to trade and to understand the realities of risk and to be comfortable with trading with market. The book is priceless!
Parallels to the Traders World Online Expo 12



Trade the Markets with and Edge $3.99

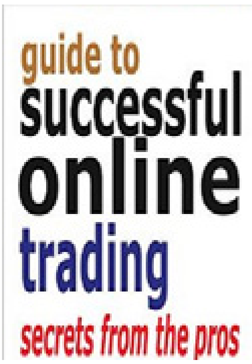
This is an important book discussing the use of different strategies methods about trading.

It was written by over 30 expert traders. The book was designed to help you develop your own trading edge in the markets to put you above others who don't have an edge and just trade by the seat of their pants. 90% of traders actually lose in the markets and the main reason is simply that they don't have an edge.

All of the writers in this book are very experienced and knowledgeable of different ways. Each of them has their own expertise in trading the markets. What sets these traders apart from other traders? Many think that beating the markets has something to do with discovering and using some secret formula.

The traders in this book have the right attitude and many employ a combination of fundamental analysis, technical analysis principles and formulas in their best trading strategies. This gives them a trading edge over other traders. If you want to be successful at trading, you too must have your edge. One needs to find successful trading strategies and implement them in their own trading method.

The purpose of this book is to present to you the best trading strategies of these traders so that you might be able to select those that fit you best and then implement them into your own trading style. I wish to express my appreciation to all the writers in this book who made the book possible. They have spent many hours of their time and hard work in writing their section of the book and the putting together their video presentation for the online expo.



Guide to Successful Online Trading - Secrets from the Pros $3.99

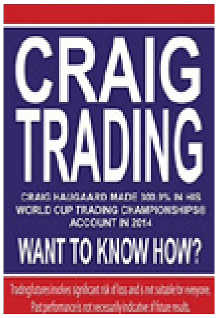
This is one of the finest trading books you'll ever see about trading. The reason is that it comes from a group of expert pro traders with multiple years of experience.

Trading as you know is extremely difficult. It is estimated that 90% of traders lose money in the markets. To help you overcome this statistic, the pro traders in this book give you their ideas on trading with some of the best trading methods ever developed through their long time experience. By reading about these trading methods and implementing them in the markets you will then have a chance to then join the ranks of the 10% of the successful traders.

The traders in this book have through experience the right attitude and employ a combination of technical analysis principles and strategies to be successful. You can develop these also. Trading is one of the best ways to make money. Apply the trading methods in this book and treat it as a business. The purpose of this book is to help you be successful in trading.

From this book you will get all the strategies, Indicators and trading methods that you need to make big profits in the markets.

This book gives you:
1) Audio/Visual Links to presentations from pro traders
2) The best strategies that the professional traders are using now
3) The broad perspective you need in today's difficult markets
4) The Exact tools that you need to make profitable trading decisions
5) The finest trading education



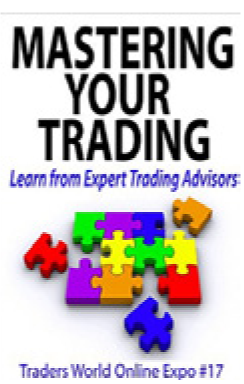
CRAIG TRADING: Craig Haugaard made 300.9% in his World Cup Trading Championships® Account in 2014 - Want to Know How? $3.99

This book contains an interview that I made with Craig Haugaard, third-place finisher in the 2014 World Cup Championship of Futures Trading® with a 300.9% net profit. I asked him many questions on exactly how he did it.
In the rest of the book I explain to you how to use the indicators that Craig used to make his 300.9% return.
Here are the indicators that he used:

- Seasonality
- MACD
- Stochastics
- Moving Averages
- Trailing Stops
- Fibonacci Retracements & Extensions

All of the charts in this book are produced using my favorite charting software Market-Analyst®. I have also arranged for you to get a FREE trial so that you might have the chance to actually work with these indicators with a real charting platform.
You will also be able to view the video presentations that I personally created so you can see how these indicators can be setup and followed with clear and concise step-by-step instructions. After you understand how these indicators work, I would then recommend that you go to WorldCupAdvisor.com and consider following Craig Haugaard's real-time trades.

This one-of-a-kind book teaches you how to identify the direction of the markets and trade the markets by using popular trading indicators. This is done by concise instructions backed by learning videos, hands on practice with real trading software and by following real-time trades of a master trader.



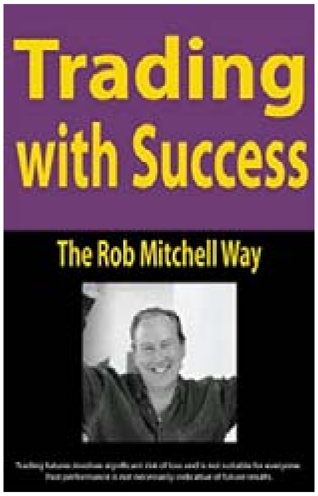
Mastering Your Trading: Learn from Expert Trading Advisors "Mastering Your Trading" is the perfect source for learning various methods of trading the market from expert advisers. $3.99

This book focuses on various methods of trading developed by many top trading advisors. There are 17 well written articles and it is packed by insight that can benefit the beginning to the expert trader. This is a must read. The trading methods and strategies presented in this book can help to succeed in today's volatile market environment. From preparing your psychology to the demands of timing the market and managing the risk, this book tells it all.
The book provides you the tools that are necessary for making the right trades and when to get in and out of the market. The book covers:

- Price and Volume the only True Indicators
- Uncovering Market Secrets
- How to handle capital exposure
- Secrets of Safe Profitable Day Trading
- Using Social Media Sentiment Cycles
- How to Dramatically Improve Your Trading Psychology
- How to Handle Trading Losses
- Using a Market Scanner to Save Time
- How to Stop Guessing
- How to Get the Right Trading Computer
- Simple and Practical Trading Tips
- And much more…

This book is an enhanced Edition which means that the articles are backed with audio visual presentation links. Most of the presentations are in HD quality and are put together by the writers of the articles in the book and really help the learning process.

Successful trading is based on knowledge and having the right psychology to trade the markets. This book will lift your trading to a much higher level and will save you an enormous amount to time.



Trading with Success $4.99

This book contains an interview in Chapter 1 with Rob Mitchell, who finished in 2nd place in the 2014 World Cup Championship® of CME E-mini Trading with a 57% net profit.

Rob Mitchell is the president of Axiom Research & Trading, Inc. and has been a trading system developer for over 20 years and has developed a number of commercially successful trading systems. He has at various times been the largest eMini S&P trader in the world. Rob has also acted as a Commodity Trading Adviser, has traded for hedge funds and has won the Robbins World Cup eMini trading championship in the past. Rob is a trading teacher and mentor and is the founder and head trader of Oil Trading Room which is devoted to providing advanced educational resources to traders at all levels.

In the rest of the book I will explain to you some of the trading ideas of Rob that he uses in both his Oil Trading Room and in his World Cup Advisor Account. You can then actually see and understand how some of his ideas work.

I am not going to tell you exactly how Rob used the ideas to make his return of 57% on a $10,000 investment. That information is not public and belongs only to Rob.

I will tell you some of the trading ideas he uses and help you understand how these ideas work. I would then recommend that you go to World Cup Advisor and consider following Rob's trades. You will be able to automatically mirror Rob's trades in your own brokerage account with World Cup Leader-Follower AutoTrade™ service. You will also be able to see what his trades look like on your own charts and better understand why he made the trades.

Takumaru Forex Trading $4.99

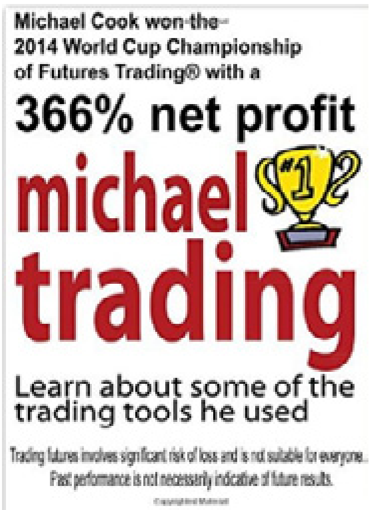
This book contains an interview in Chapter 1 with Takumaru Sakakibara, who finished in 2nd place in the 2014 World Cup Championship of Forex Trading® with a 122.6% net profit. "Takumaru's largest drawdown (cumulative peak-to-valley percentage decline in month-end net equity during the life of the account) was -21.5% from 6-30-15 to 10-31-15."

"Please remember that past performance is not necessarily indicative of future results."

"Please remember that Forex trading involves substantial risk of loss, and past performance is not necessarily indicative of future results."

In the rest of the book I will explain to you some of the trading ideas Takumaru said he used in the championship. You can then actually see and understand how his ideas work.

I am not going to tell you exactly how Takumaru used the ideas to make his return of 122.6% on a $10,000 investment. That information is not public and belongs only to Takumaru.



I will tell you which indicators he used and help you understand how these indicators work.

Michael Trading: Learn about some of the trading tools he used $4.99

Michael Cook, was the first-place finisher in the 2014 WORLD CUP Championship of Futures Trading® with a 366% net profit. In this book there is a detailed interview with Michael with questions and answers of exactly what he used to win the championship. In this book I will explain to you the indicators that he said he used in the interview. You can then actually see and understand how they work. Here are some the indicators and methods that he said he used: 1) Moving Averages 2) Seasonality 3) Cycles 4) Seasonality 5) Price Patterns 6) William's %R 7) Long with Stops 8) Commitment of Traders Report You will also be able to download a video presentation that I personally created so you can see how these indicators can be setup and followed in a step-by-step manner. After you understand how these indicators work, I would then recommend that you go to WorldCupAdvisor.com and consider following Michael Cook's trades.