

# WYCKOFF ANALYTICS

## Comments from students:

I must admit that this is by far the most comprehensive explanation of the Wyckoff schematic I have come across. Your rules on Phase boundaries along with the reasoning behind each Event have made these concepts crystal clear. Events & Phase Analysis clubbed with the Wave Analysis logic (you discussed indirectly) helped me identify and trade few Wyckoff TR in 5 min, 30 min, 1 day and weekly timeframes. I have started seeing the price charts differently now. I would certainly consider this a major breakthrough. I cannot wait to see what you reveal in the Volumes & Relative Strength Sections. One key takeaway: I now take my trades at BU levels. Its a lot safer from there.

Thanks for overloading us, I need to know this stuff. It seems to be coming together more each week. Can't wait for volume instruction. Still working on Vol, Supply/Demand tests, Strong/weak hands, but working hard to put it all together. Thanks for the cheat sheets and Romanism.....still grinding.

Even though I did quite a lot of reading and studying before I signed up for this course, from your YouTube channel, the blogs on [stockcharts.com](http://stockcharts.com) and various books on the topic, the quality of your sessions really helps me put everything in the right place. There is so much extra layers of information and details that it's just amazing. Really looking forward to start looking at volumes!

I wanted to thank you for this amazing course. It has been very enriching so far I hope to learn a lot from you over the next few weeks and beyond. It has been the best money I spent so far on investing.

Just wanted to thank you for all your time and effort. This class is great!

Thanks so much for your insightful teaching and motivating delivery.



## Wyckoff Trading Course (WTC)

February 11, 2019

Next webinar sessions for **WYCKOFF PRICE STRUCTURE** series:

**February 18<sup>th</sup> at 3:00-5:30pm PST**

Homework submission: **All homework assignments should be submitted in ONE file per person in .pptx, .pdf or .doc formats.** Please include your first name and the first letter of your last name in the homework file name, e.g., "Thomas B\_WTC Homework 1". All assignments should be submitted to Roman's personal email.

The remainder of the WTC classes will be more interactive; students who would like to participate in discussions should have a working headset with a built-in microphone.

# Disclaimer

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It should not be assumed that the methods, techniques, or indicators presented will be profitable or that they will not result in losses. Past results of any individual trader or trading system published by Presenter are not indicative of future returns by that trader or system, and are not indicative of future returns which will be realized by you. In addition, the indicators, strategies, articles and all other features of Presenter's products are provided for informational and educational purposes only and, again, should not be construed as investment advice. Accordingly, you should not rely solely on the Presenter's information in making any investment. Rather, you should use the Presenter's information only as a starting point for doing additional independent research in order to allow you to form your own opinion regarding investments. You should always check with your licensed financial advisor and tax advisor to determine the suitability of any investment.

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# WYCKOFF ANALYTICS

## WYCKOFF TRADING COURSE

### Session 6

VOLUME AND PRICE  
ANALYSIS

2.11.2019

1. Homework #5 Review (AAPL)
2. Volume and Spread Analysis (VSA)
3. Homework #6-1: VSA
4. Law of Supply and Demand
5. Law of Effort versus Result
6. Group Exercise #1
7. Homework #7: Group Exercise

### Session 7

VOLUME AND PRICE  
ANALYSIS

2.18.2019

1. Group Exercise #1
2. Volume Phase Analysis
3. Homework #7: Group Exercise

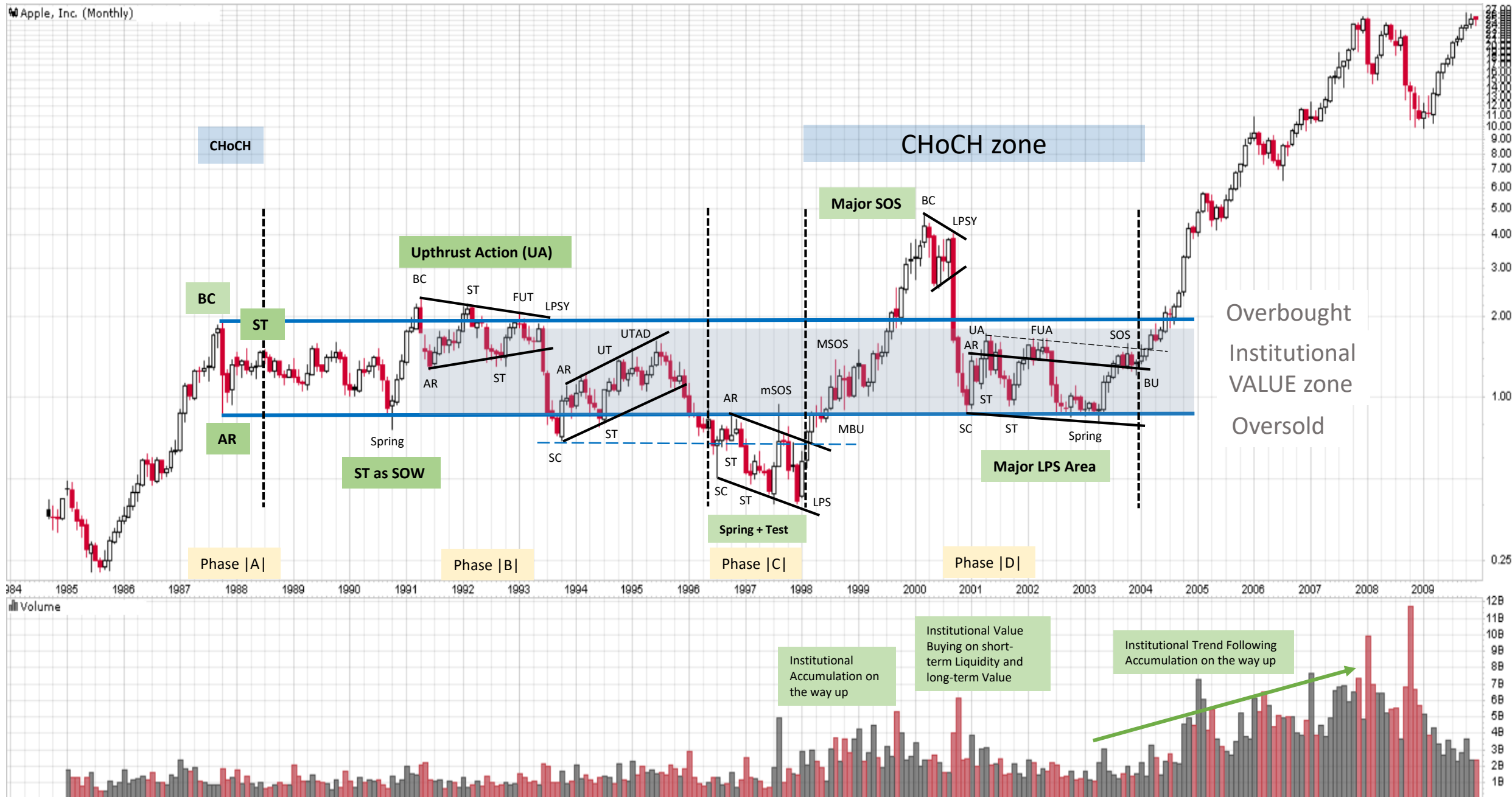
# WYCKOFF ANALYTICS



## Homework #5 Review:

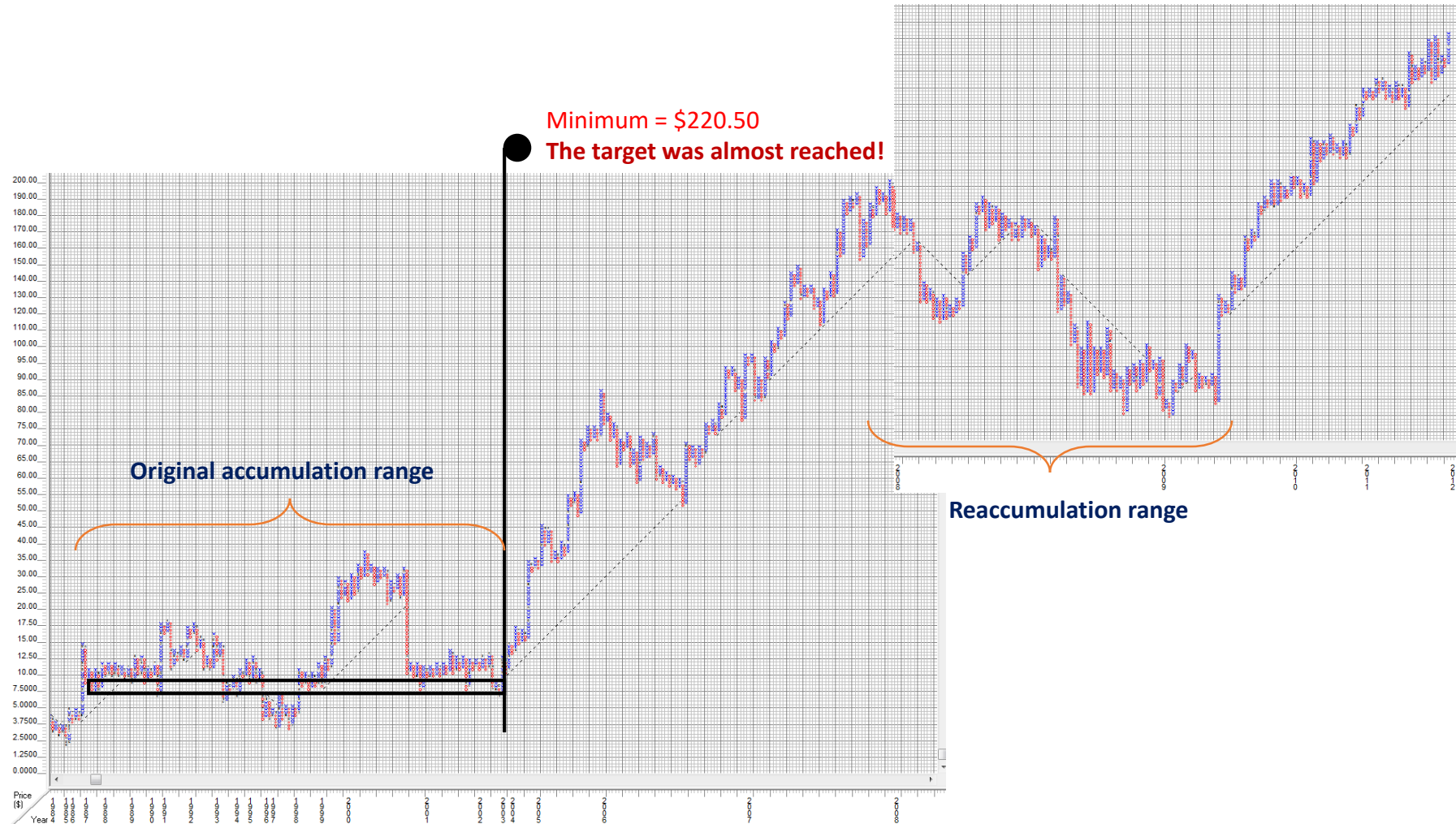
**Exercise:** Distribution Labeling

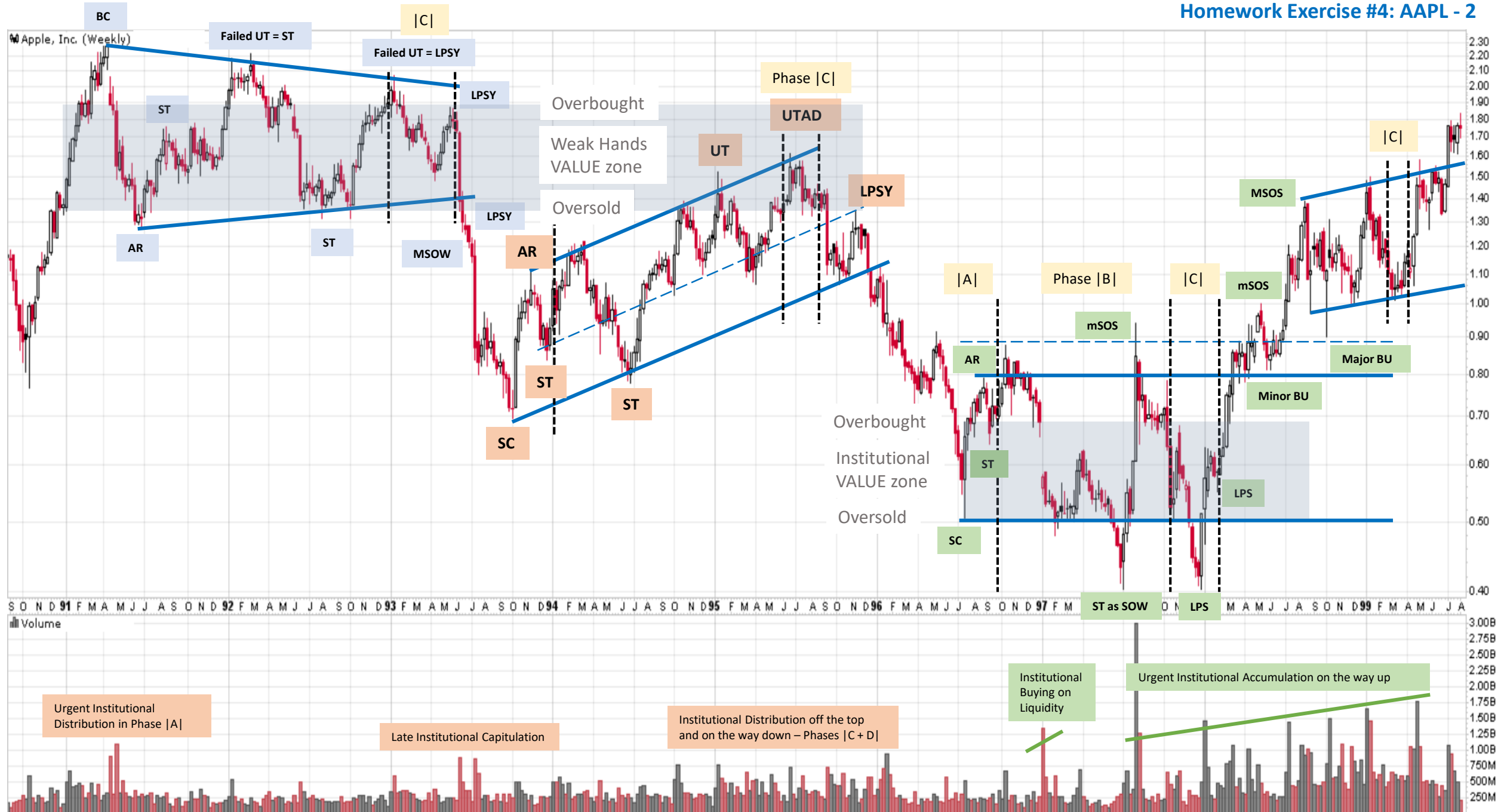
**Assignment:** Label trading ranges with Wyckoff Phases and Events, and **CHoCH**





## Case study: AAPL



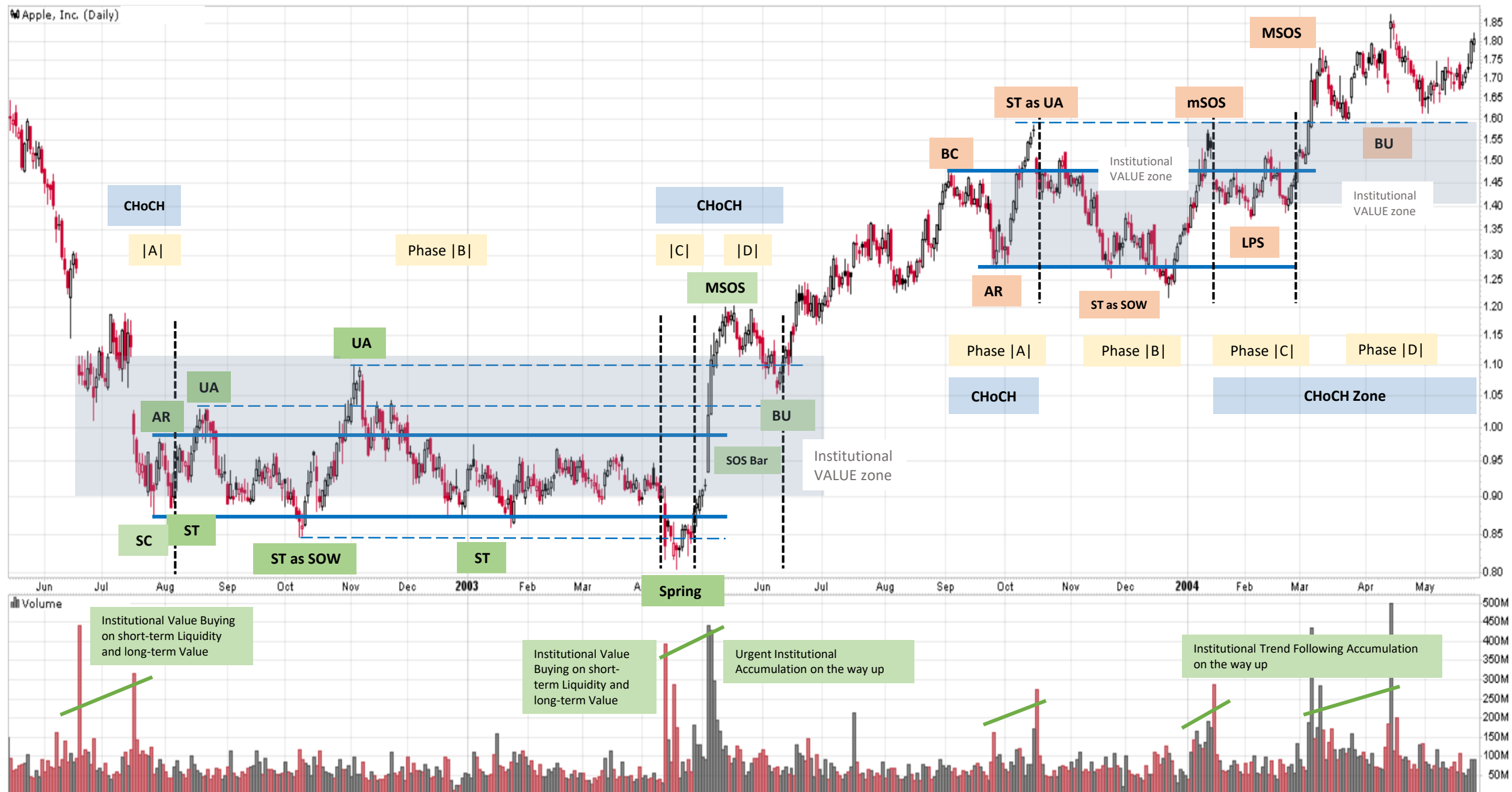




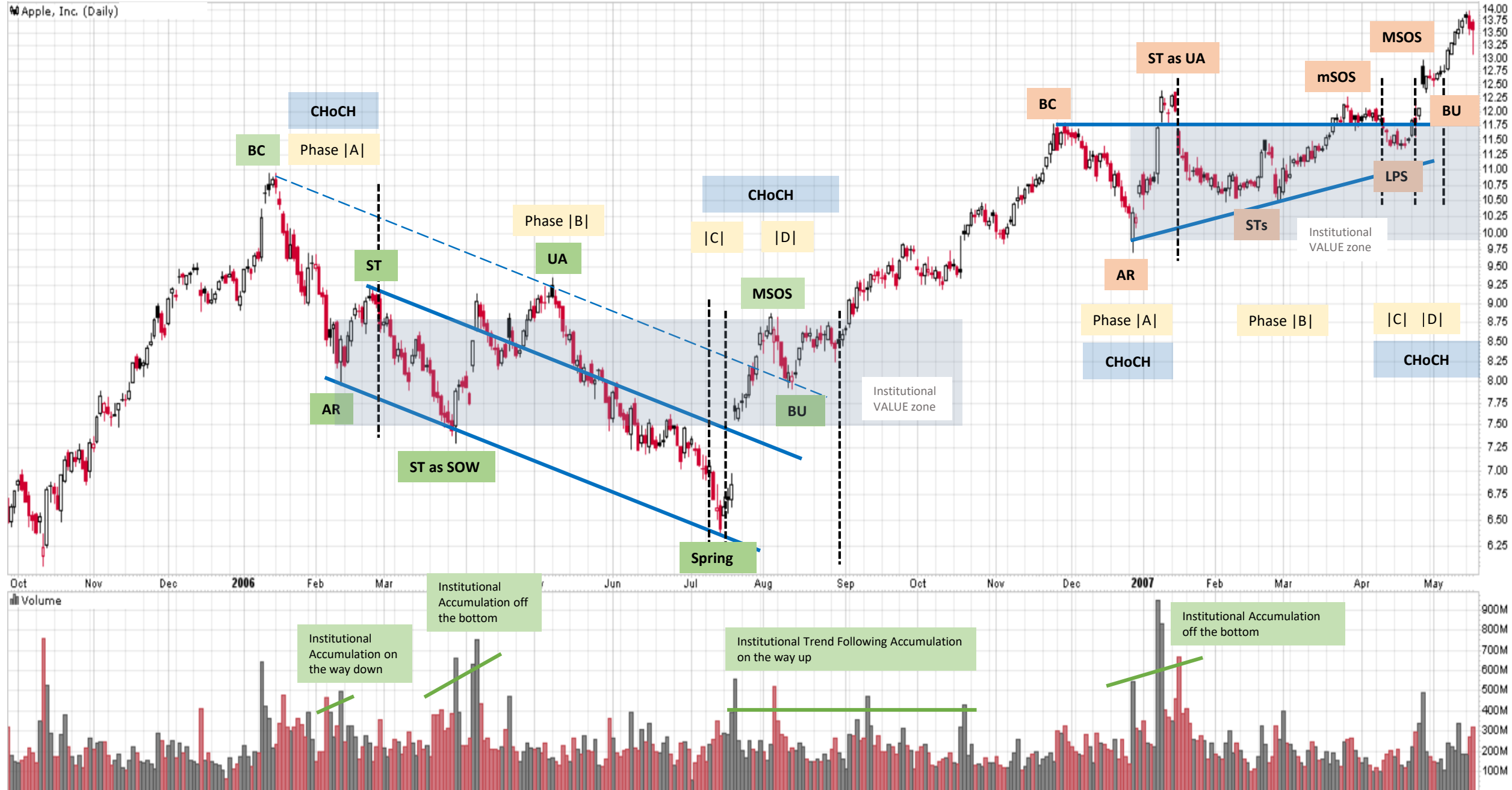




# Homework Exercise #4: AAPL -5



# Homework Exercise #4: AAPL -6



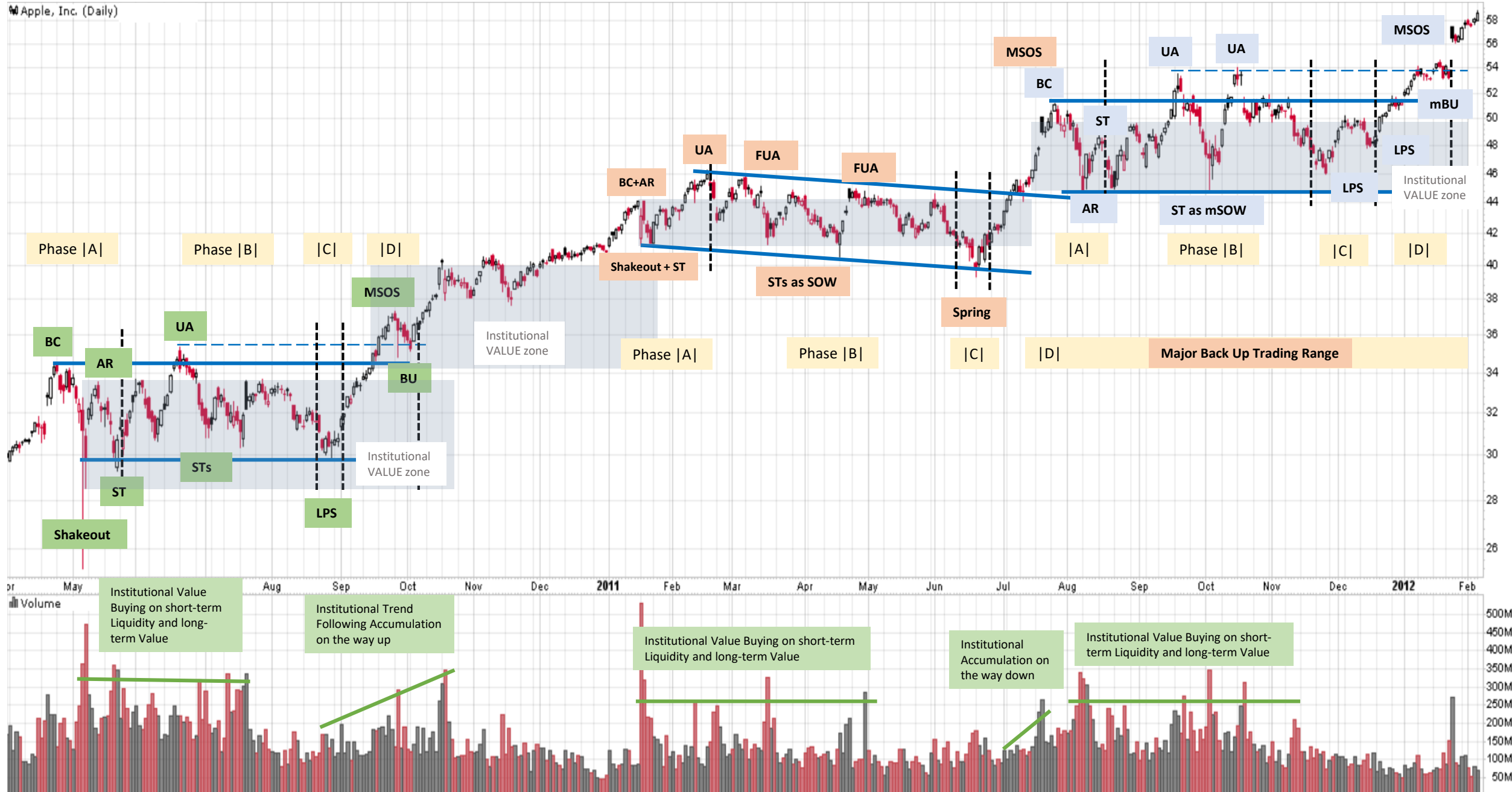
# Homework Exercise #4: AAPL -7





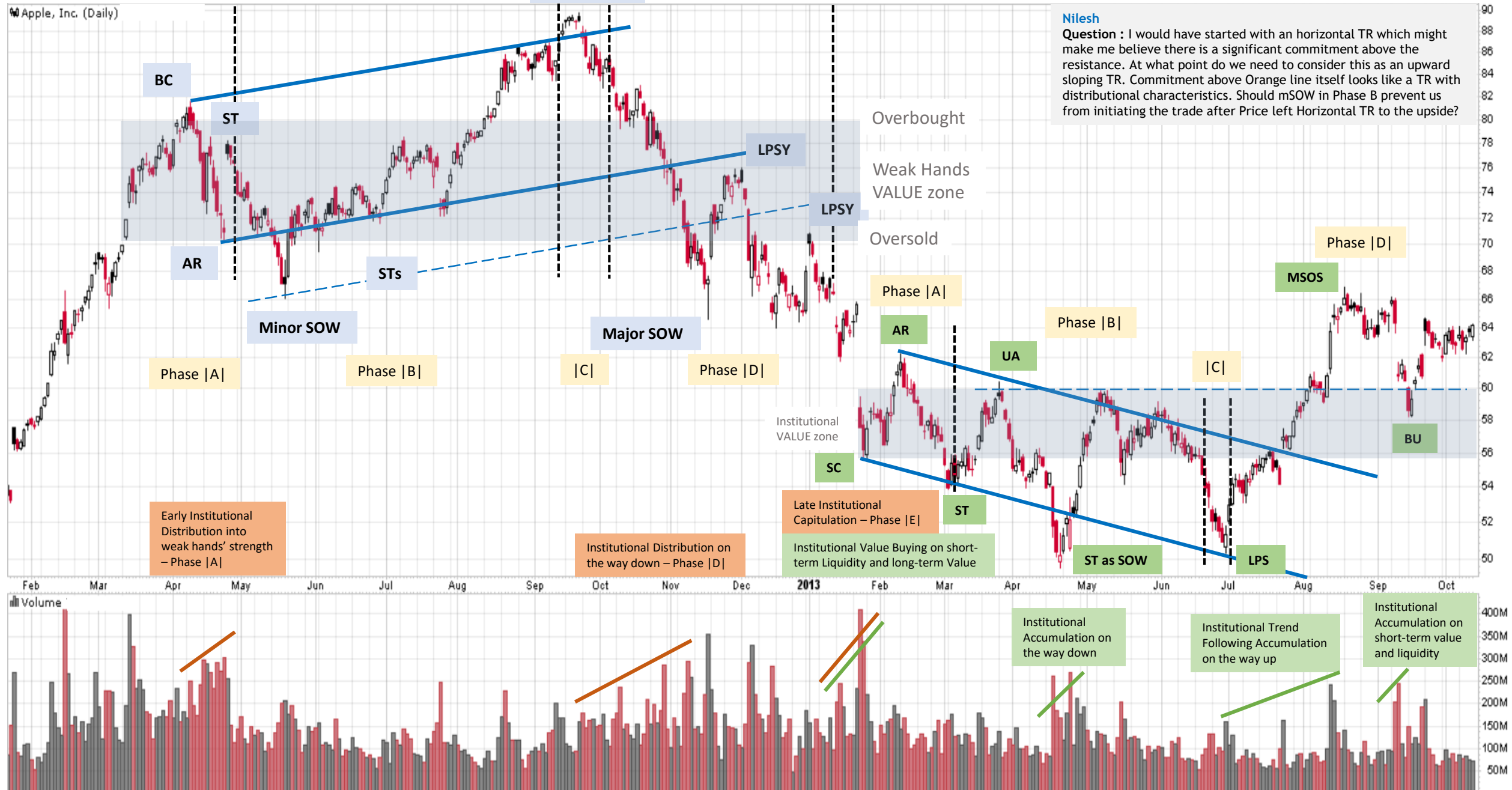
## Homework Exercise #4: AAPL -9

Apple, Inc. (Daily)



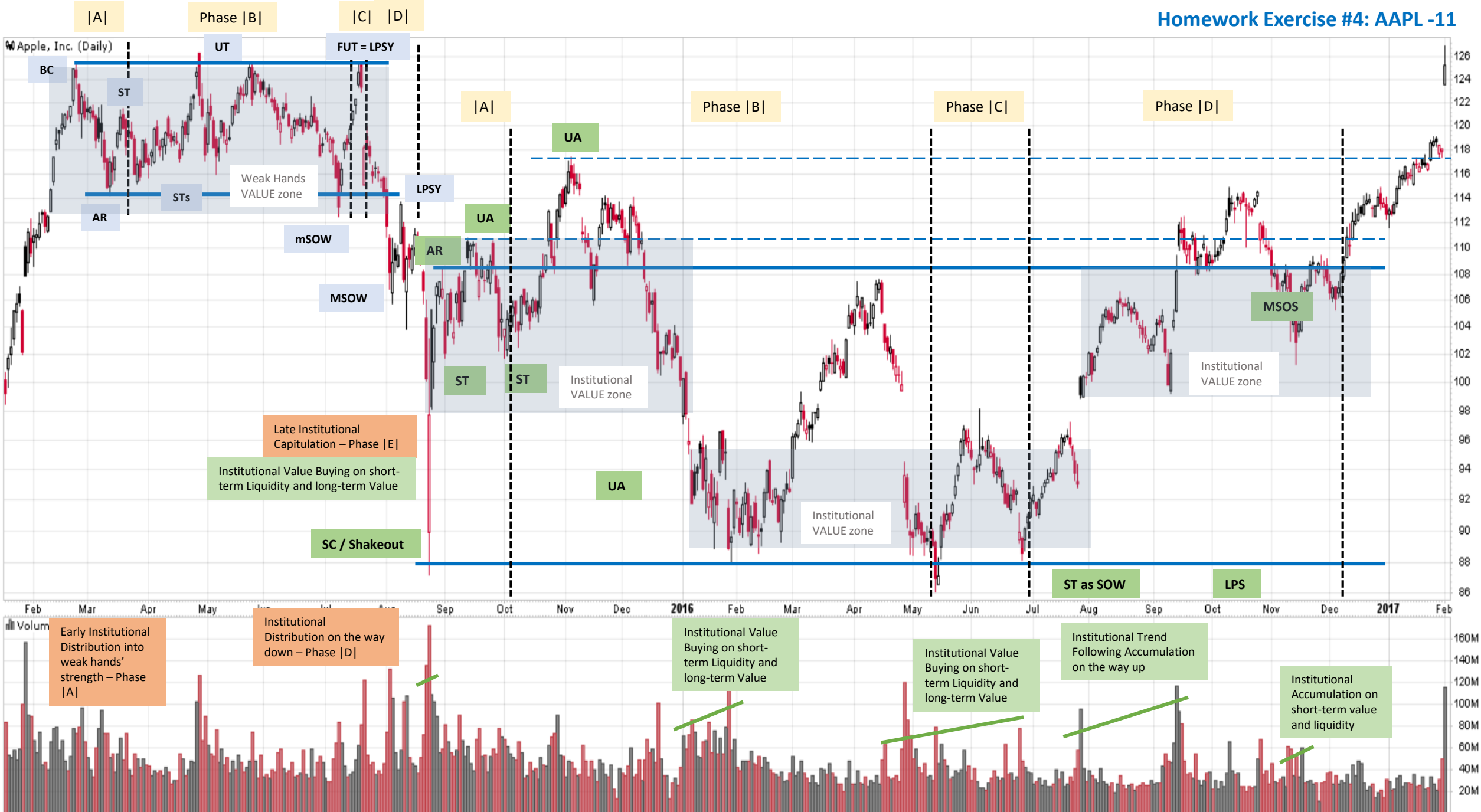


# Homework Exercise #4: AAPL -10



Nilesh

**Question :** I would have started with an horizontal TR which might make me believe there is a significant commitment above the resistance. At what point do we need to consider this as an upward sloping TR. Commitment above Orange line itself looks like a TR with distributional characteristics. Should mSOW in Phase B prevent us from initiating the trade after Price left Horizontal TR to the upside?



# WYCKOFF ANALYTICS



## VOLUME AND SPREAD ANALYSIS

VSA

Main idea behind the VSA analysis: Interpret the VSA signal using price structural context

## SPREAD – General Considerations

### INCREASING

Little resistance to price progress

### DECREASING

Some resistance to price progress

### AVERAGE

Expresses NORMAL trend or price progress

## VOLUME – General Considerations

### GENERAL

Usually associate volume with the force of power behind a move

Volume either alone or in a relation to spread expresses the quality of supply or demand, but usually we think of the presence or absence of supply when we think of volume

### INCREASING

Increasing force to a move, or evidence of an imminent change in the Supply-Demand relationship, or simply evidence of Supply

If a stock is moving sideways on good volume, this is evidence of Supply being present more than it is thought of as demand being present

### HEAVY

Usually indicative of supply, even if in the process of being absorbed or overcome

Volume off the bottom is the immediate overwhelming of supply as demand moves prices up despite resistance but the volume still indicates supply of some quality

Absorption or breakout volume on JAC (jump across the creek) indicates the presence of considerable Supply though Demand is coming in overwhelmingly

### MASSIVE

Climactic action

### DECREASING

Lessening of push or force of a move, or of a decrease in one side of the Supply-Demand relationship, or simply evidence of less Supply

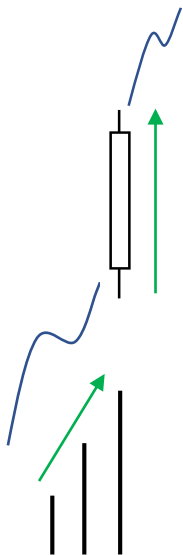
### LIGHT

Little push or Supply present

ADVANCING MARKET

Context: Uptrend  
Spread = Increasing  
Volume = **Increasing**  
Interpretation: Normal uptrend action

1

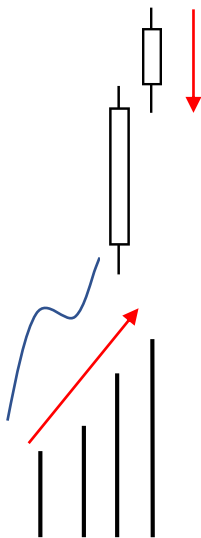


Increasing Spread = Increasing Result  
Increasing Volume = Increasing Effort

Vol > = D >> + S <  
Effort > , Result > = **Bullish**

Context: Uptrend  
Spread = Decreasing  
Volume = **Increasing**  
Interpretation: Supply attempts to stop the uptrend

2

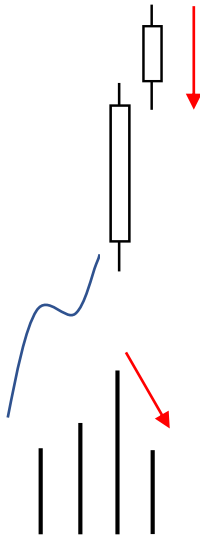


Decreasing Spread = Decreasing Result  
Increasing Volume = Increasing Effort

Vol >> = D >> + S >  
Effort >> , Result < = **Bearish**

Context: Uptrend  
Spread = Decreasing  
Volume = **Decreasing**  
Interpretation: Vulnerable to a reaction

3

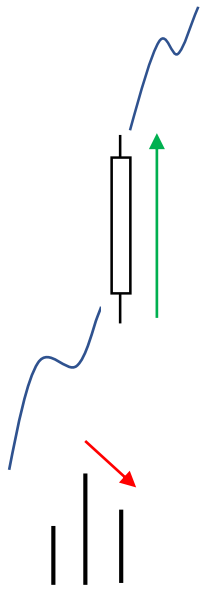


Decreasing Spread = Decreasing Result  
Decreasing Volume = Decreasing Effort

Vol < = D < + S <=  
Effort < , Result < = **Bearish**

Context: Uptrend  
Spread = Increasing  
Volume = **Decreasing**  
Interpretation: Ease of Movement (EoM)

4

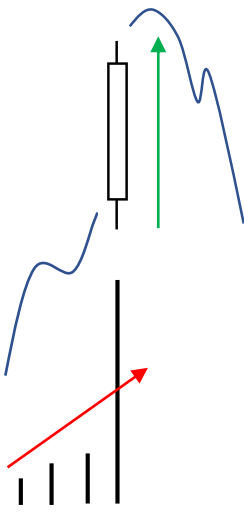


Increasing Spread = Increasing Result  
Decreasing Volume = Decreasing Effort

Vol < = D < + S <  
Effort < , Result > = **Bullish**

Context: Uptrend  
Spread = Increasing  
Volume = **Increasing**  
Interpretation: Massive Supply stops the uptrend

5



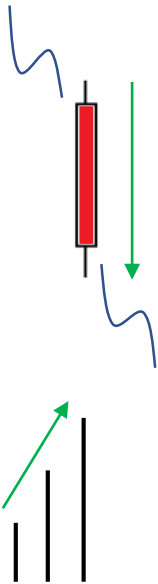
Increasing Spread = Increasing Result, but on Stopping Action  
Massive Volume = Massive Effort

Vol >>> = D >>> + S >>  
Effort >>> , Result >> = **Bearish**

DECLINING MARKET

Context: Downtrend  
Spread = Increasing  
Volume = **Increasing**  
Interpretation: Normal downtrend action

6

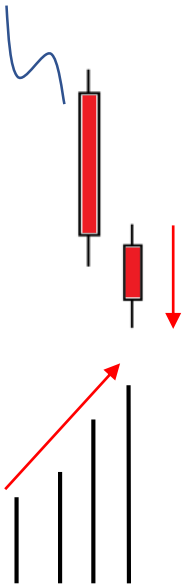


Increasing Spread = Increasing Result  
Increasing Volume = Increasing Effort

Vol > = S >> + D <  
Effort > , Result > = **Bearish**

Context: Downtrend  
Spread = Decreasing  
Volume = **Increasing**  
Interpretation: Demand attempts to stop the downtrend

7

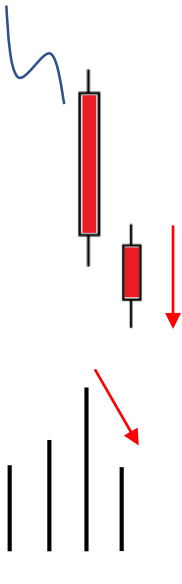


Decreasing Spread = Decreasing Result  
Increasing Volume = Increasing Effort

Vol >> = S >> + D >  
Effort >> , Result < = **Bullish**

Context: Downtrend  
Spread = Decreasing  
Volume = **Decreasing**  
Interpretation: Vulnerable to a rally

8

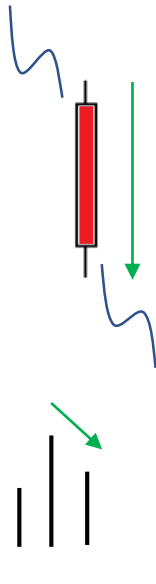


Decreasing Spread = Decreasing Result  
Decreasing Volume = Decreasing Effort

Vol < = S < + D < = >  
Effort < , Result < = **Bullish**

Context: Downtrend  
Spread = Increasing  
Volume = **Decreasing**  
Interpretation: Ease of Movement (EoM)

9

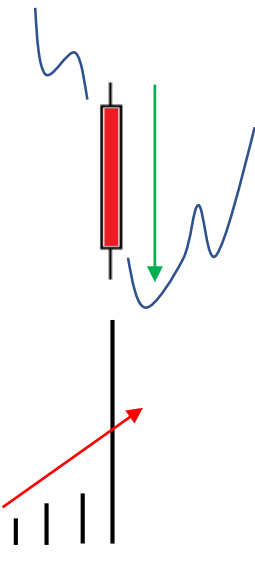


Increasing Spread = Increasing Result  
Decreasing Volume = Decreasing Effort

Vol < = S < + D <  
Effort < , Result > = **Bearish**

Context: Downtrend  
Spread = Increasing  
Volume = **Increasing**  
Interpretation: Massive Demand stops the downtrend

10



Increasing Spread = Increasing Result, but on Stopping Action  
Massive Volume = Massive Effort

Vol >>> = S >>> + D >>  
Effort >>> , Result >> = **Bullish**



# WYCKOFF ANALYTICS



## Homework #6-1:

**Exercise:** VSA

Assignment: Visualize all concepts from slides #19-20 on any chart



# WYCKOFF ANALYTICS

Laws of Supply (S) and Demand (D)  
and Effort (E) versus Result (R)

# THE WYCKOFF LAWS APPLIED



## THREE WYCKOFF LAWS:

- 1. The Law of Supply and Demand** – states that when demand is greater than supply, prices will rise, and when supply is greater than demand, prices will fall. Here the analyst studies the relationship between supply versus demand using price and volume over time as found on a bar chart.
- 2. The Law of Effort versus Results** – divergences and disharmonies between volume and price often presage a change in the direction of the price trend. The Wyckoff “Optimism versus Pessimism” index is an on-balanced-volume type indicator helpful for identifying accumulation versus distribution and gauging effort.
- 3. The Law of Cause and Effect** – postulates that in order to have an effect you must first have a cause and that effect will be in proportion to the cause. This law's operation can be seen working as the force of accumulation or distribution within a trading range, working itself out in the subsequent move out of that trading range. Point and figure chart counts can be used to measure this cause and project the extent of its effect.

## Effort

- Effort (E)
- Increase (E>) or decrease (E<) in volume
- Extreme increase in Effort = extreme volume signature (E>>)

## Result

- Result (R)
- Increase (R>) or decrease (R<) in volume
- Measured by:
  - Spread (>,<)
  - Close
    - Relative to a (daily) spread, or a true range
    - Relative to the previous highest/lowest close
  - Intention

## Volume spike signatures

- Vol>>> = D>>> + S> (up spike)
- Vol>>> = S>>> + D> (down spike)

# WYCKOFF ANALYTICS



## Group Exercise and Homework #6-2:

**Exercise:** Volume and Price Analysis  
Price Structural Analysis

**Assignment:**

1. Identify the dominance of Supply or Demand on a single bar or a swing
2. Combine Price Structural Analysis with Volume Analysis
3. Make your determination about the next most probable price action
4. Label trading ranges with Wyckoff Phases and events
5. Watch the video of this exercise again and make notes. Email the notes to Roman.

# Group Exercise - 1



## BAR # ANALYSIS

Effort	Volume
	Demand
	Supply
	Dominating Effort
Result	Spread
	Close-to-spread:
	Close-to-close:
	Intention (up/down):
	Analogue bar(s)

## SWING # ANALYSIS

Previous swing of the same bias  
Previous swing of the counter bias

## Market Behavioral Analysis (Strong/Weak Hands)

CO types:  
ITF types:  
Professionals:  
Public:

## FINAL DEDUCTIONS

### BIAS

Short-term:  
Long-term:

### TIMING

### CHARACTER

Distance  
Target zones  
Momentum  
Duration

### Additional notes: