

WYCKOFF ANALYTICS

Comments from students:



Wyckoff Trading Course (WTC)

April 15, 2019

session #15

Next webinar sessions for **WYCKOFF TRADING PRACTICUM COURSE** series:

FREE webinar - April 23rd at 3:00-5:30pm PDT

WYCKOFF TRADING PRACTICUM COURSE

Course duration: Nine sessions total (2 1/2 hours each) from April 22 through June 17, 2019, Mondays from 3:00 - 5:30 pm Pacific Time.

Cost: \$598 for the full cycle. WTPC Alumni can repeat this course for \$398 for all nine sessions.

Pricing:

WTC alumni ONLY - \$598.00 USD

Buy Now



Tuesdays at 3pm PDT!

Free session on April 23rd

Free attendance of WMD sessions on April 17, 24, and May 1!!!

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WYCKOFF TRADING COURSE

Session 15

WYCKOFF TACTICS

4.15.2019

1. Homework Review
2. Wyckoff Trading Plan Proforma
3. Case Study
4. Homework #14: Wyckoff Visual Backtesting
5. Homework #15: Sign up for Wyckoff Practicum

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HOMEWORK #10 Review



4 individual stocks plus QQQ as a market proxy

Assignment: Identify a stock (superleader) that will outperform all other stocks

Comparison of all 4 stocks

Stock #1



Stock #2

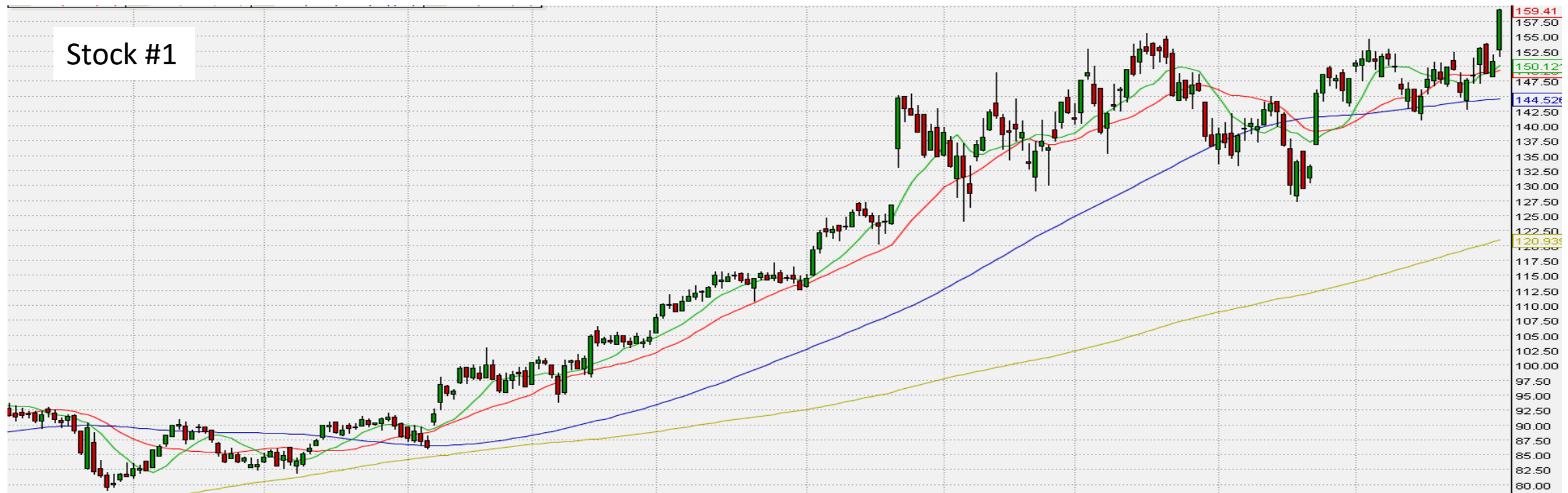
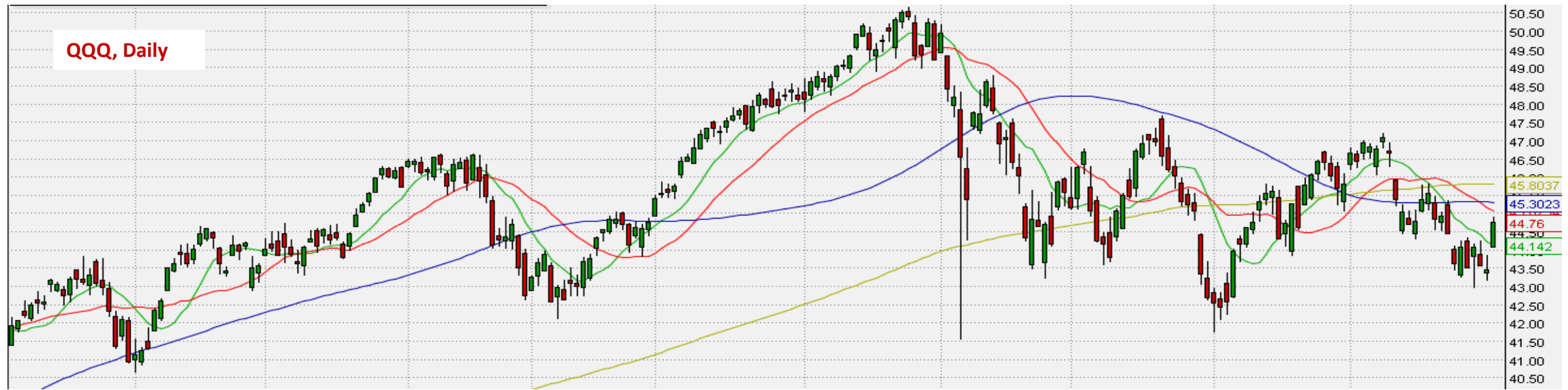


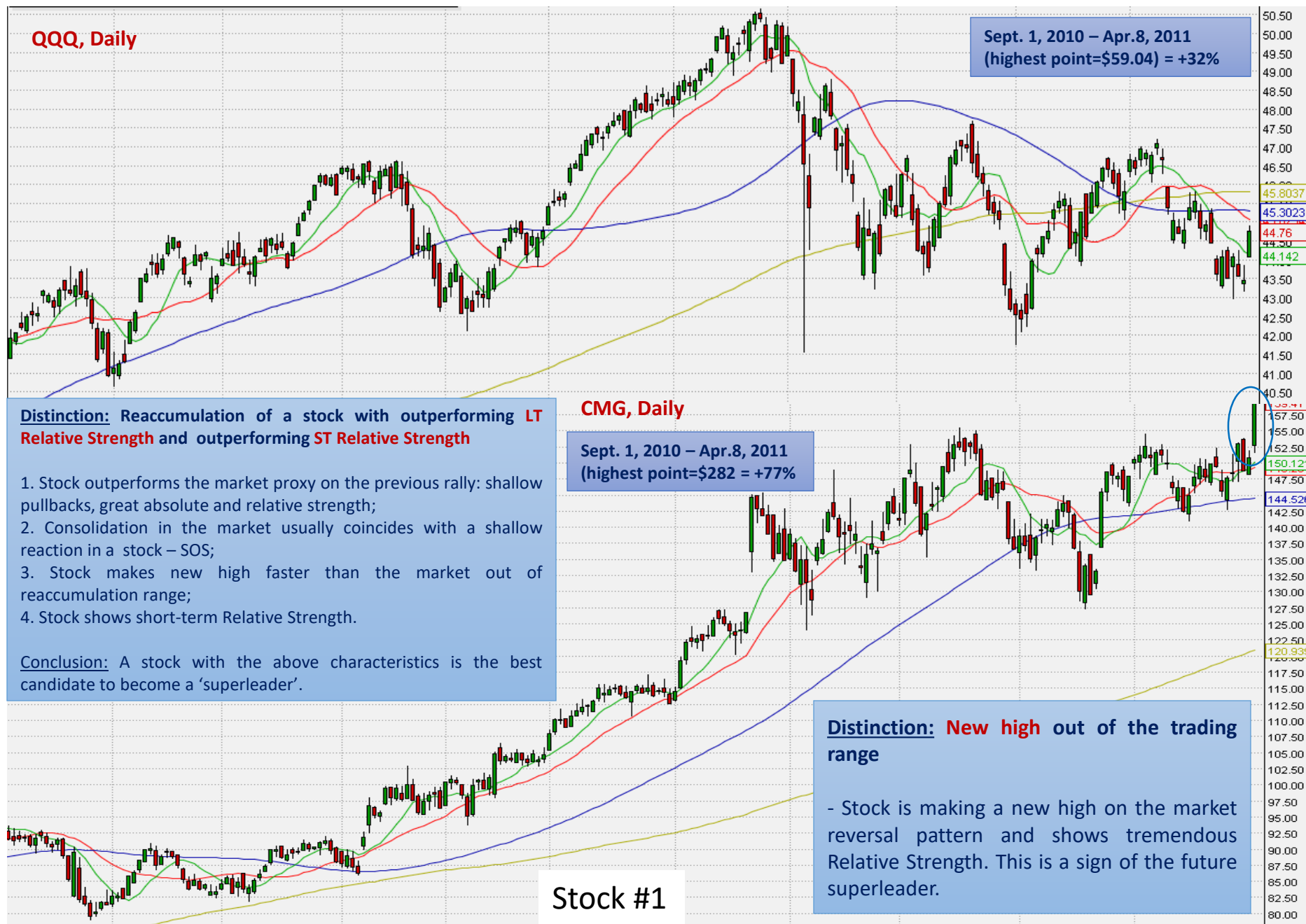
Stock #3

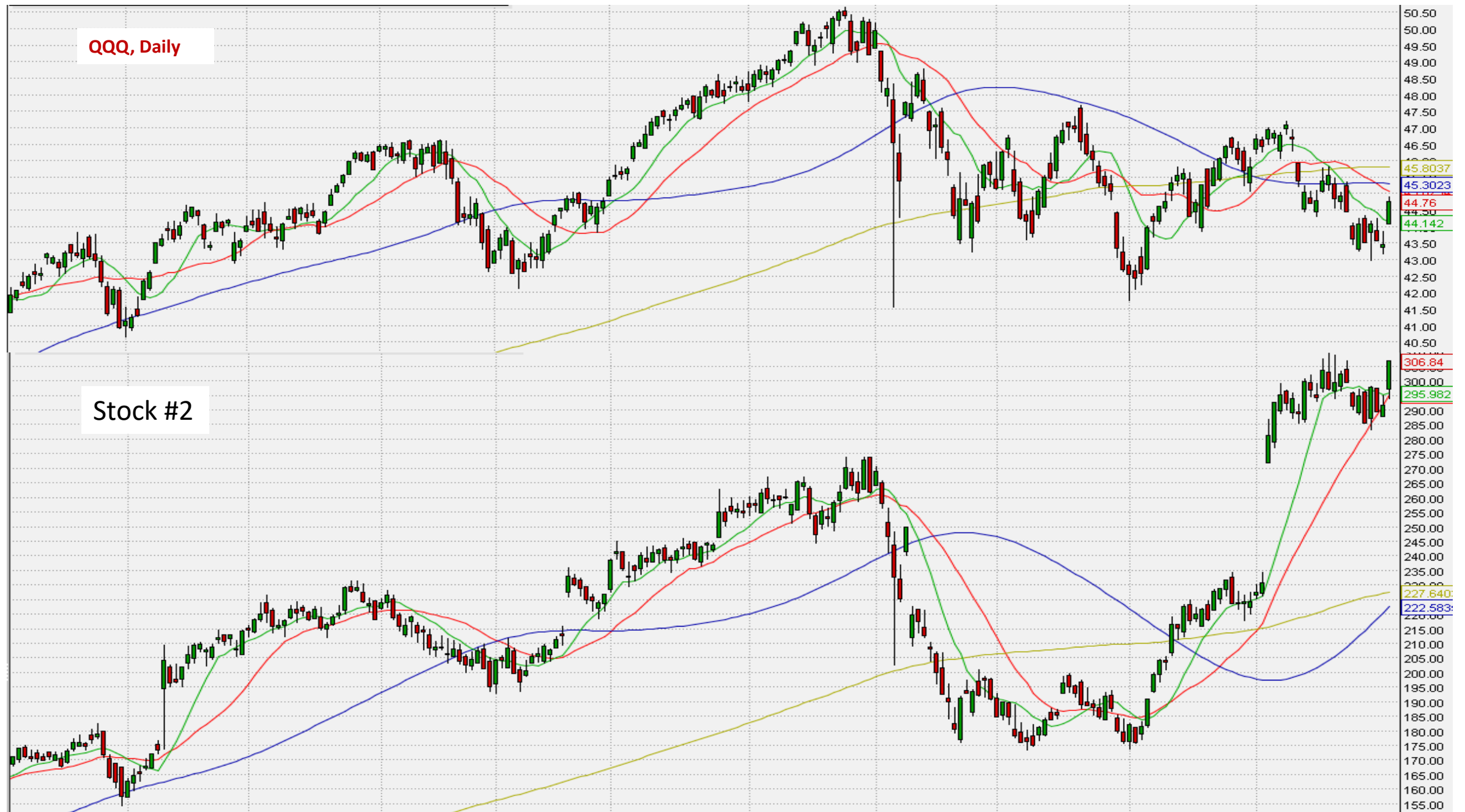


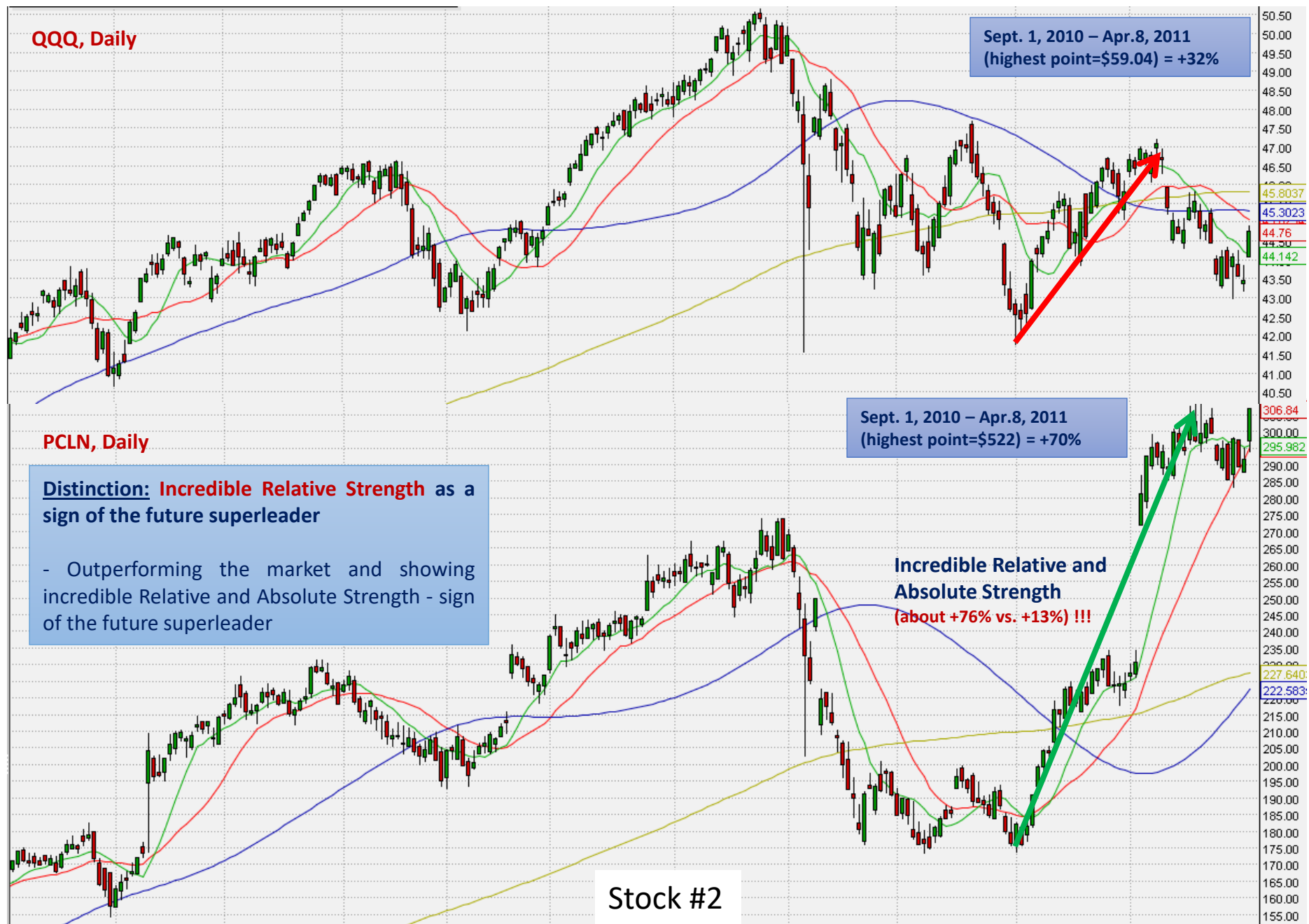
Stock #4

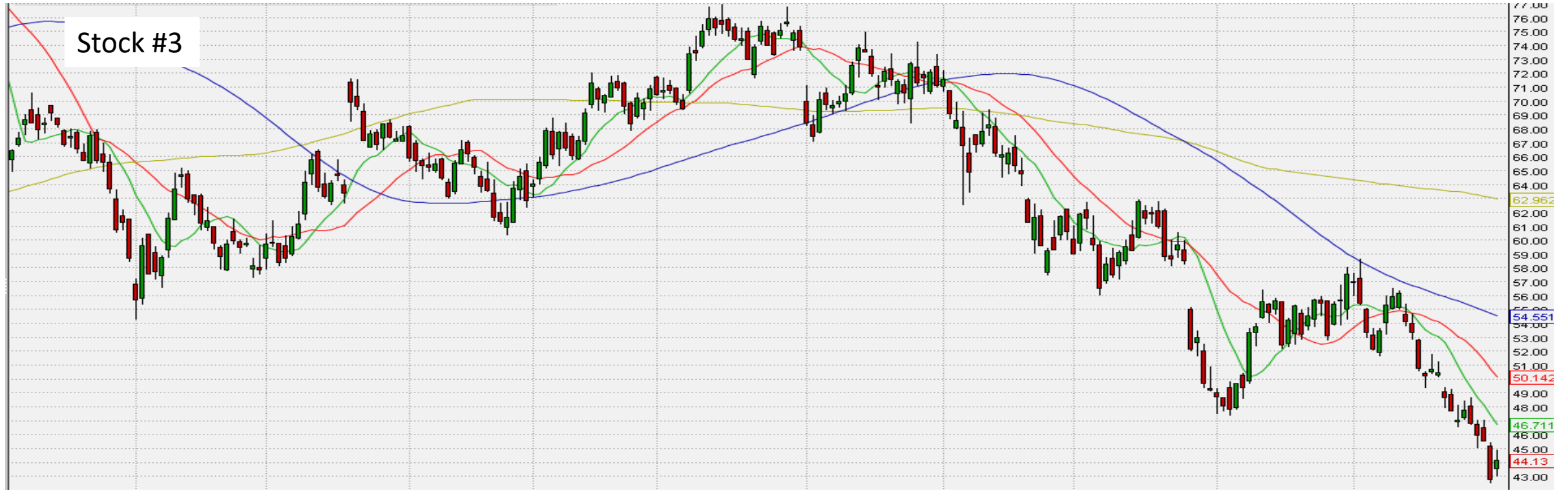
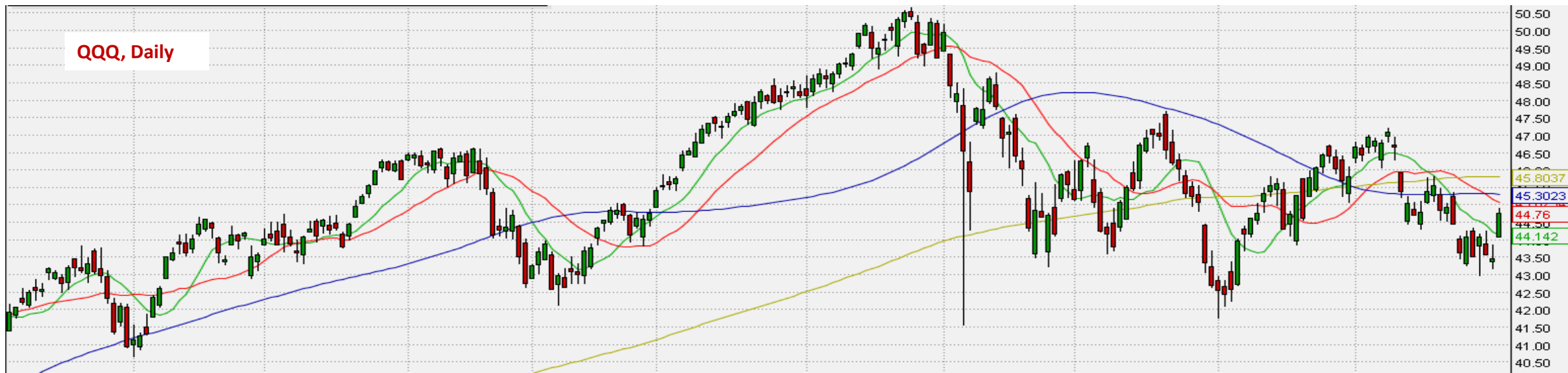




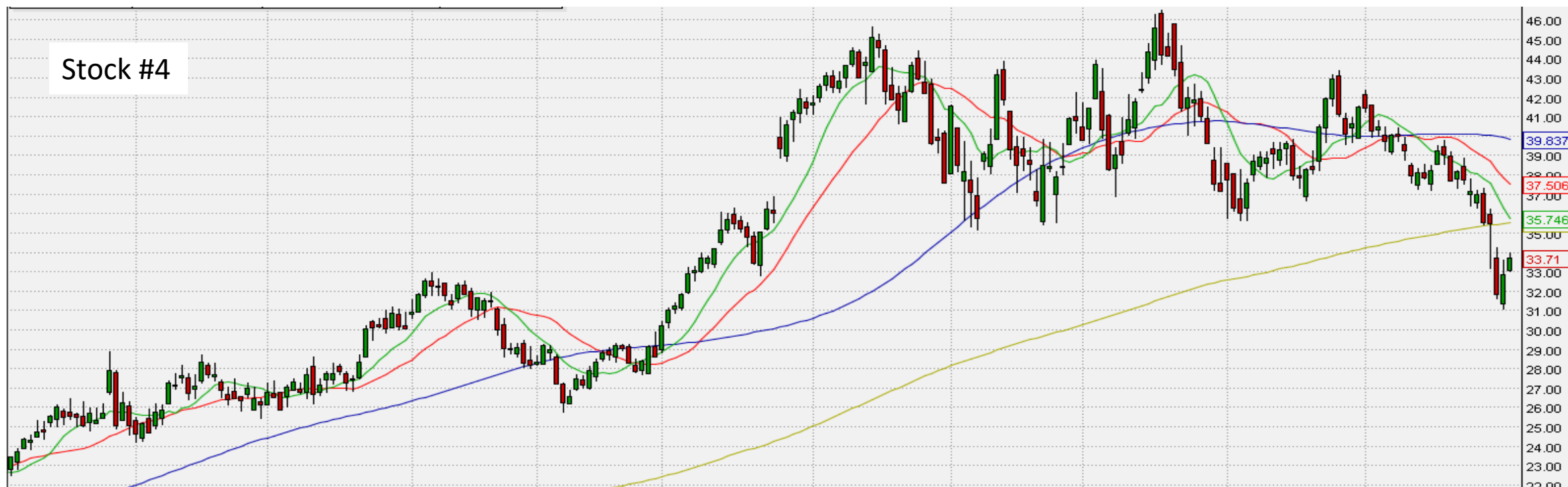
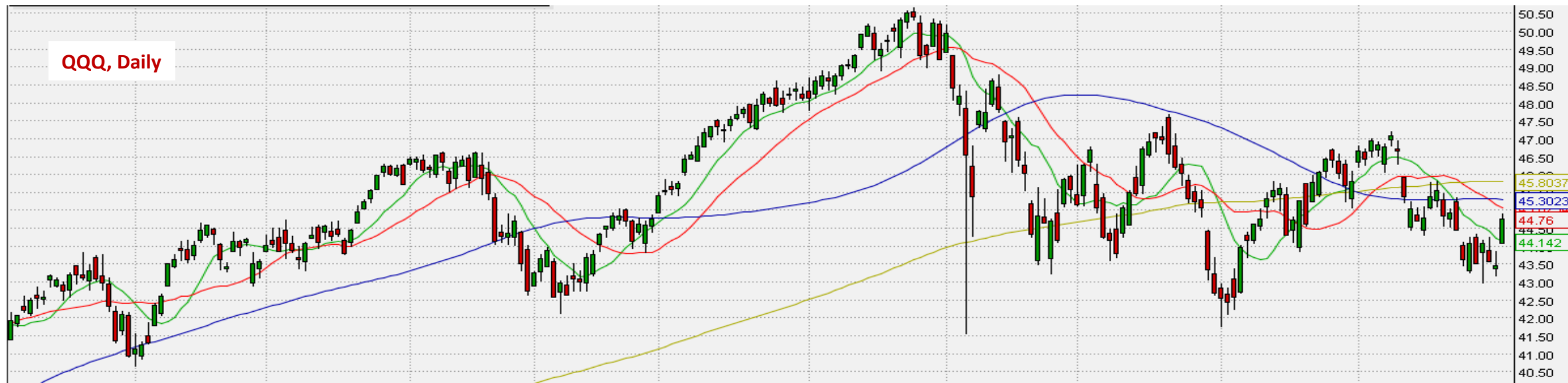














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WYCKOFF TRADING PLAN PROFORMA

Wyckoff trading plan proforma for Accumulation: Top-Bottom Approach

Filter #1: MARKET ANALYSIS

What is the market bias?

- Long-term, intermediate and short-term trends
- Trading range structures - Phase Analysis
- What are the best trading opportunity right now based on the market context?

Filter #2: RELATIVE / COMPARATIVE ANALYSIS

What stocks are outperforming / underperforming?

Scan for outperformance / underperformance

- Sectors
- Industry Groups
- Stocks

Filter #3: TRADING RANGE PRICE STRUCTURAL ANALYSIS

What stocks are in Phases |C + D|?

Phase C:

- Identification: #3 Test, #2 Point of Fear, volume signature
- Confirmation: Return into TR, HHs and HLs
- Wyckoff Events: Last Point of Support, Spring / Shakeout

Phase D:

- Identification: CHoCH = SOS Rally + BU Action
- Confirmation: Resumption of Uptrend
- Wyckoff Events: Last Point of Support, SOS Bar, SOS Rally, BU

Filter #4: EFFORT VS RESULT BIAS ANALYSIS

What is the stock bias?

- Absorption (Bias + Timing)
- Supply levels (Character)
- Demand levels (Character)

Execution #1: POINT OF ENTRY

When to open?

Spring #3, Test of Spring #2/SO, LPS, SOS Bar, BU, BO of BU

Execution #2: STOP-LOSS

How to protect capital?

Original Placement: Below last Wyckoff Buying Event

Movement: On breakout commitment, two support levels away

Execution #3: EXIT

When to close?

Phase |A| exits: Climax, CHoCH Bar, ST rally

Phase |D| exit: UTAD breakout

WYCKOFF TRADING PLAN PROFORMA (1): Market Analysis and Comparative Analysis

AAPL(D) - Daily

Filter #2: RELATIVE / COMPARATIVE ANALYSIS What stocks are outperforming / underperforming?

Scan for outperformance / underperformance

- Sectors
- Industry Groups
- Stocks



QQQ(D) - Daily

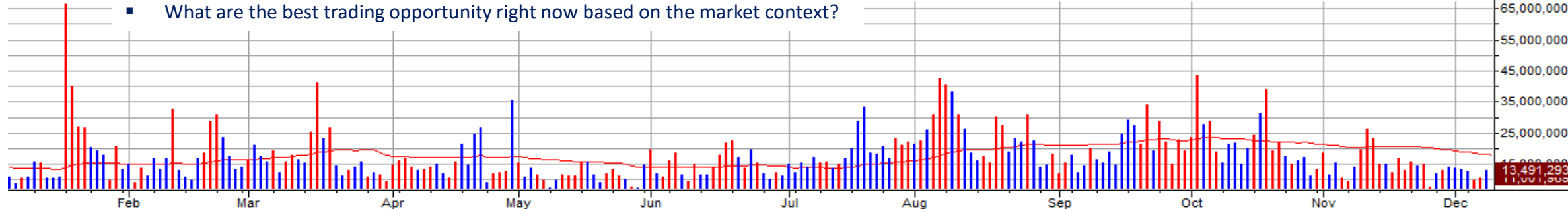


Filter #1: MARKET ANALYSIS

What is the market bias?

- Long-term, intermediate and short-term trends
- Trading range structures - Phase Analysis
- What are the best trading opportunity right now based on the market context?

Volume



WYCKOFF TRADING PLAN PROFORMA (2): Price Structural Analysis and Comparative Analysis



Filter #2: RELATIVE / COMPARATIVE ANALYSIS What stocks are outperforming / underperforming?

Scan for outperformance / underperformance

- Sectors
- Industry Groups
- Stocks

WYCKOFF TRADING PLAN PROFORMA (3): Price Structural Analysis and Comparative Analysis







AAPL(D) - Daily

Filter #4: EFFORT VS RESULT BIAS ANALYSIS

What is the stock bias?

- Absorption (Bias + Timing)
- Supply levels (Character)
- Demand levels (Character)



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HOMEWORK #14

due by April 30th (for the Practicum students)

Assignment:

1. Use the history of BIIB (or any other stock(s)) to back test the Wyckoff trading plan
2. Use an example of the stats table below to register trades

TRADES	PATTERN	TRADE DATE	PUR PRICE	ORIG SL	STOPPED/OUT	Gain/loss	TRADE DATE
1	SPRING	4/23/2008	19.5	18	28	8.5	9/22/08
2	BAC	5/28/2008	28.5	26.5	28	-0.5	9/22/08
8							
3	SPRING	3/11/2009	19.9	18		110.1	5/27/09
4	BAC	5/15/2009	26.5	25.5		103.5	5/27/09
213.6							
5	SPRING	10/4/2011	75	70			1/21/11

3. Provide the following analytical outputs:

- Market Direction at the time of the stock's TR
- Comparative/Relative Outperformance
- Structural Analysis/Labeling
- Confirmation of Supply/Demand Signatures
- POE, SL, Exit

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Q&A session

As a beginning trader how to start? if I want to use the 1% risk rule than from the prices of the stocks it looks like I would have to put around 10 000 \$ in my account. Is this an only way? Or how should I approach this problem.

Filip

I have been swing trading stocks and I realize that the more I trade the more mistakes I make. Therefore I am thinking of swing trade for a longer period of time to reduce my frequency of trades. I would like to know if there is a systematic way (i.e methodology) of screening for a winning stock that has been chosen by COs so that I could get in early in phase C/D and follow the trails of COs. Also, since it is a swing trade for weeks or months, how do I handle the trade when the winning stock is in and out of sector rotation? In short, how do I detect a stock early from thousand of stocks universe that is under the campaign of COs and swing trade this stock with the WTC class knowledge and is able to handle it when this stock is in and out of sector rotation ?

Yong



Strongest candidate for upswing

Higher HI's, higher Low's

C, but
D BU !?



SC

ST

AR

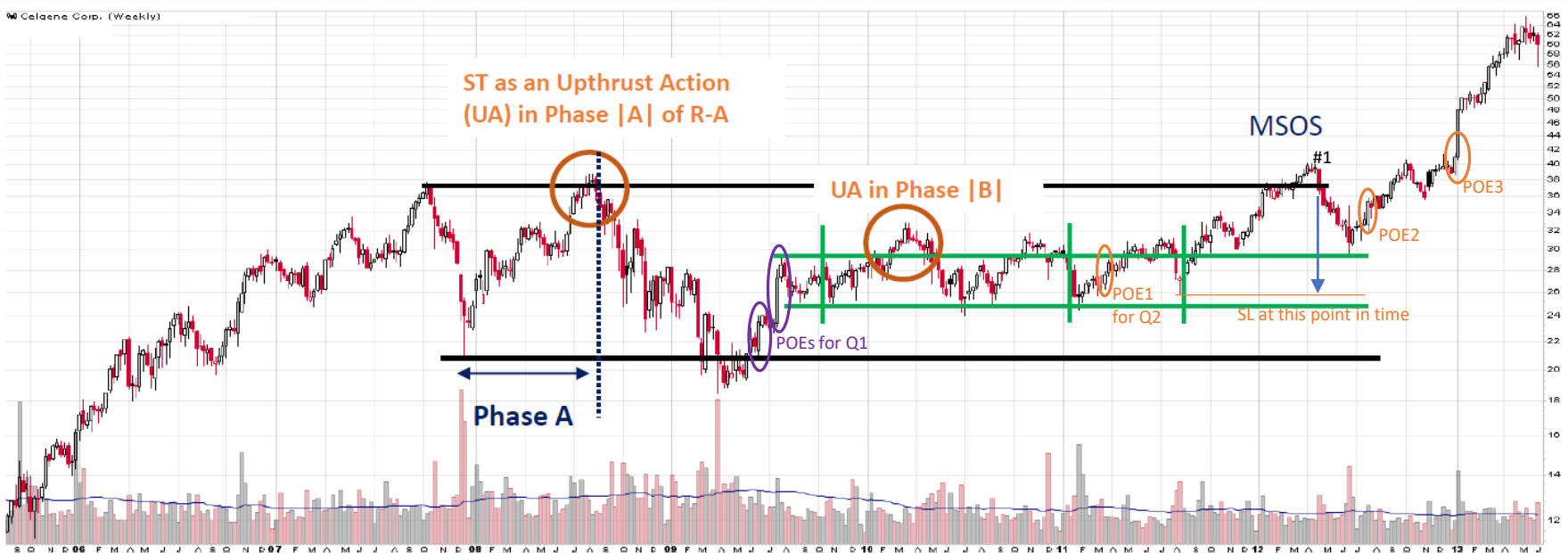
Less momentum
To sell off in pullback

On Slide # 5, Stock 2, (last slide, market bias UP) how do you determine if the trading range is upsloping or horizontal? Using the horizontal range, it seems to indicate we are in Phase D while using the upsloping trading range Price has stayed within the range and indicates on the right side a possible Phase C is formed/forming. Differentiating the two scenarios determines if the stock is in the sweet spot to enter a trade?



Stronger than market

Ease of movement down



Q1 :

In 11th Mar 2019 class, “time stop loss (SL)” was mentioned. The time SL for AAPL is about 2 to 2.5 months. However, there are stocks with TR which is as long as few years like Celgene. If we had entered a position early of TR (green lines) in phase B of Celgene, shall we exit those positions within 3 months? Is there any guidelines or rule of thumb for the time SL?

Q2 :

In Celgene graph, assuming we had entered a position in |C| of the green line TR, shall we exit our position at the close of bar #1? Based on your teaching in previous classes, we shall exit at bar #1 if we consider the black line TR, it might be an UT and the down bar #1 is kind of significant bar, and re-open positions at POE2 and POE3. (Other POE chances between POE1 and POE2 are ignored in this case) Will there be any reasons not to exit our position at bar #1 as it's already in |E| for green line TR?

JETBLUE AIRWAYS CORP, W,

Q3 :
 Why don't we open a position at the close of bar #3 even it did commit above bar #1 and #2? We would be able to get into the position as the bar after bar #3 did go up slightly higher than the close of bar #3.



Q4 : If I remember correctly, you did mention before there is a tool that can allow us to know more accurate information about the supply and the demand instead of deducing from the volume bar which is quite misleading some times. If there is such a tool, could you please introduce the tool to us?

Thank you.