

WYCKOFF ANALYTICS

Comments from students:

I would like start off by saying Thank You for the content you provide. I think the Wyckoff Method is a very powerful tool and I'm glad to be in this class.

I watched 1/2 of the first presentation and am deeply impressed by your mastery of this topic. ...I have never seen such quality instruction or dedication.. I have MUCH to learn, I feel like I could watch the first video at least two or three times.. I have absolutely no doubt that signing up for this course was a very wise choice.

That was a good drink from the firehose last session



Wyckoff Trading Course (WTC)

January 21, 2019

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

January 28th 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

This presentation (including the lecture, slides and discussion) is for informational and educational purposes only; it should not be construed as investment advice of any kind. Roman Bogomazov (Presenter) is not a registered investment advisor or broker-dealer, and does not purport to recommend or suggest any securities to buy or sell. Presenter assumes no responsibility or liability for your trading and investment results. **You understand and acknowledge that there is a very high degree of risk of financial loss involved in trading securities and that you alone are responsible for your own trading and investment decisions and results.**

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.

HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN INHERENT LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING AND DO NOT INCLUDE BROKERAGE AND OTHER FEES, OR SLIPPAGE. ALSO, IN SIMULATED PERFORMANCE RESULTS NO TRADES HAVE ACTUALLY BEEN EXECUTED, AND THEREFORE THE RESULTS MAY HAVE UNDER- OR OVER-COMPENSATED FOR THE IMPACTS OF A VARIETY OF MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS, IN GENERAL, CAN ALSO BE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN.



Lee

My questions are about the extreme high demand volumes in the first half of year 2008. Looking at the increase of demand in year 2007 till Jan of 2008 (line c & d), even though the demand increased so much, but yet the prices failed to advance accordingly as it should be, could you please comment about my technical interpretations below if they are correct?

Weakness #1 : Even though the demand on point 1 is extremely high, the volume (line a) throughout the period between Jan - Apr 2008 had been decreasing significantly. The price was decreasing slightly over this period of time as well.

Weakness #2 : Volume at point 2 was lower than that of point 1 (line b). On top of that, we saw a lower low price at this area. The up spreads decreased significantly compared to those of Jan 2008.

I would like to understand what was actually happening at points 1 & 2, as well as what were the strong hands and weak hands thinking during those times. Will there be any good explanation for these?

Is it wrong that if I entered a long position right before point 2 as I assumed it maybe the LPS after the JAC at point 1?



WYCKOFF ANALYTICS

WYCKOFF TRADING COURSE

Session 3

PRICE STRUCTURAL ANALYSIS

1. Homework Review (HD)
2. Price Structural Analysis
 - Phase Boundaries
 - Phase |C| Identification
 - Springs and Shakeout
 - Sign of Strength (SOS)
 - Upsloping/Downsloping TRs
3. Price Structural Analysis
 - Distribution
4. Homework #3: Distribution labeling

Session 4

PRICE STRUCTURAL ANALYSIS

1. Homework Review (Distribution)
2. Price Structural Analysis
 - Upsloping/Downsloping TRs
 - Upthrust and Upthrust Action
3. Homework #4: Labeling (MSFT)

WYCKOFF ANALYTICS



Homework #2:

due on January 21st , 2019

1. **Exercise #1:** Stock: Home Depot (HD)

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

2. Watch recording of January 14th session again (optional assignment)

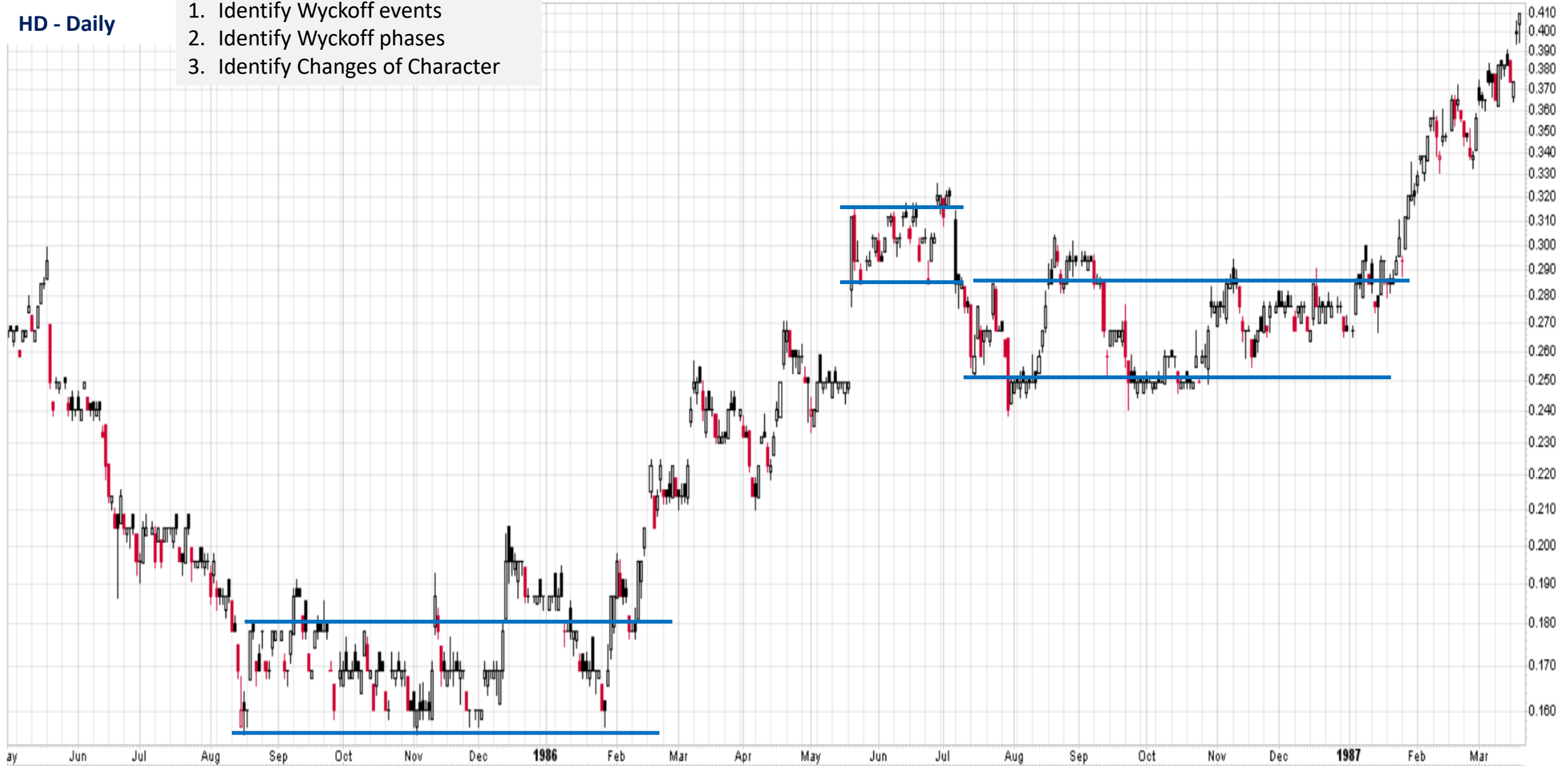
Email your home work to Roman to simplekot@hotmail.com.

Access instructions will be sent out tonight or tomorrow morning.

HD - Daily

Homework Assignment:

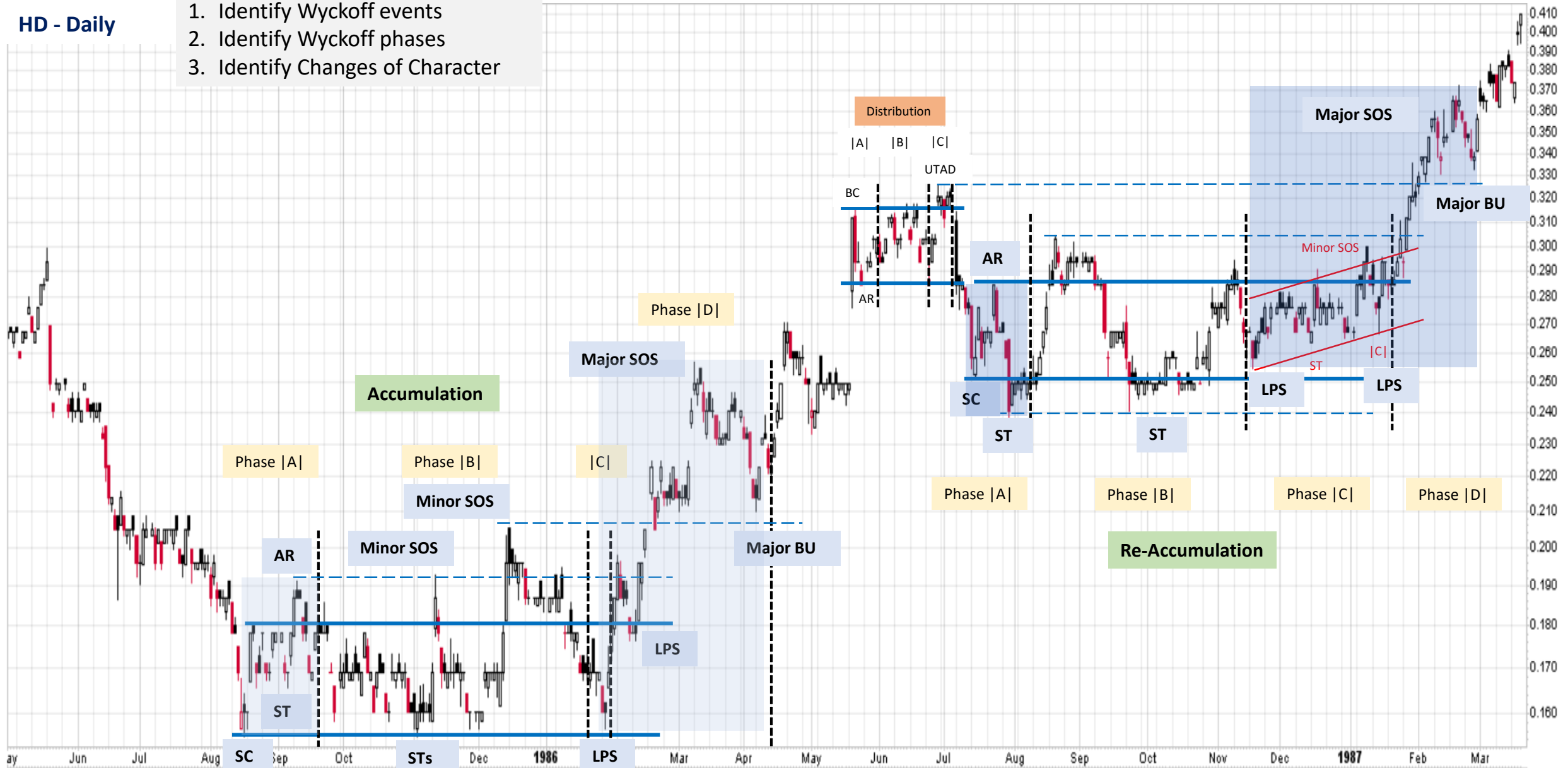
1. Identify Wyckoff events
2. Identify Wyckoff phases
3. Identify Changes of Character



HD - Daily

Homework Assignment:

1. Identify Wyckoff events
2. Identify Wyckoff phases
3. Identify Changes of Character



Sequence of Wyckoff events in Phases:

Phase | B |: UA, ST or ST as SOW

Phase |D|: LPS, SOS Bar, SOS Rally, BU

Phase |E|: trading ranges with the same labeling sequences

#1 CHoCH: Phase |A|, a rally between SC and AR
#2 CHoCH: Phase |D|, a rally between the Phase
|C| low and the SOS rally high.

We often refer to the subsequent price action (reaction to a ST in Phase |A| and reaction to BU in Phase |D|) as a confirmation of the true nature of a CHOCH.

Phase Boundaries:

Boundaries for the Phases should be placed at the points of swing reversals: (1) after the ST in Ph. |A|; (2) as the price touches/closes below a support level in Ph. |C|; (3) as the price touches/closes above a support level in Ph. |C|; and (4) after a swing reversal of a BUA.

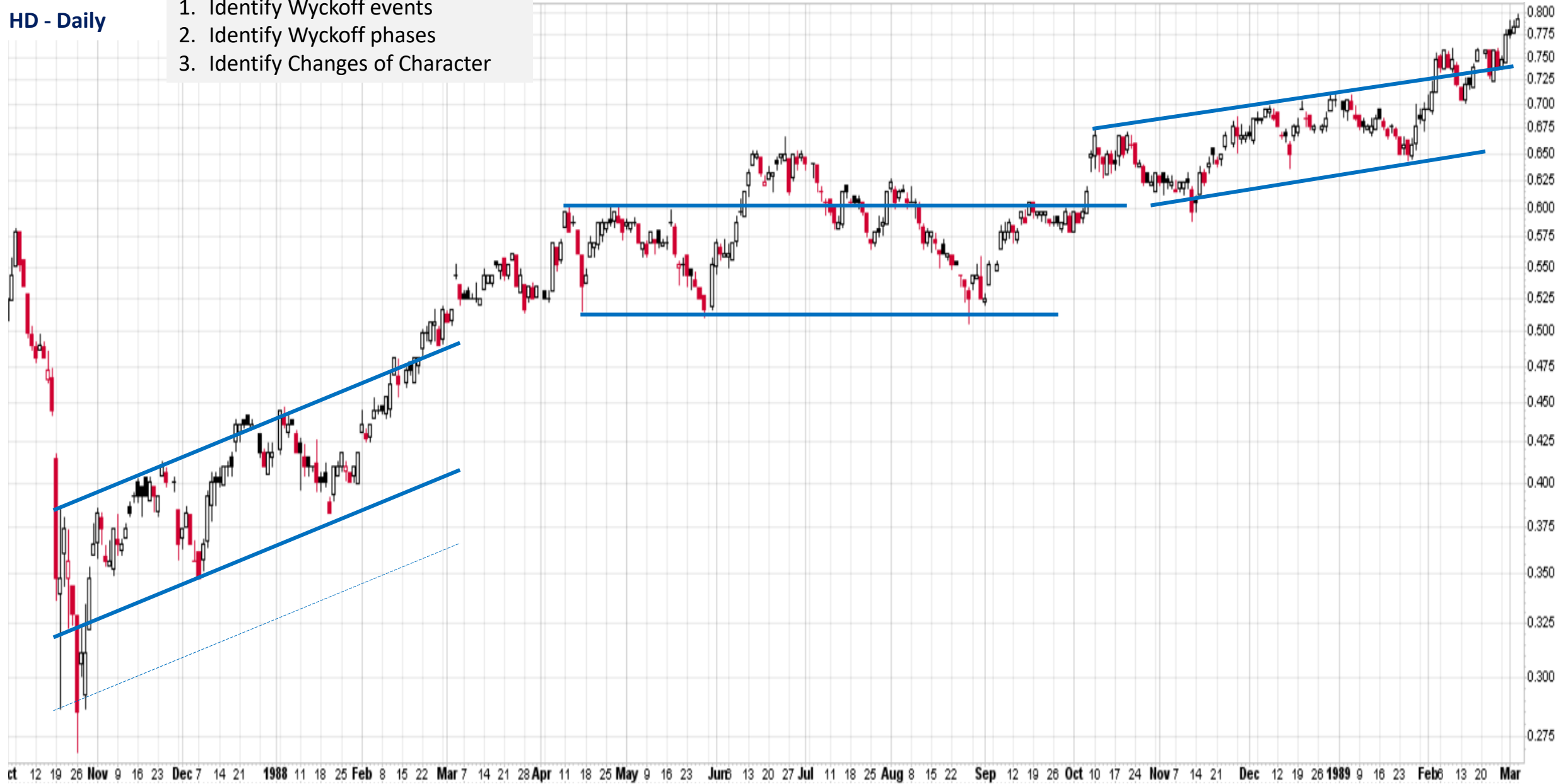
*Romanism



HD - Daily

Homework Assignment:

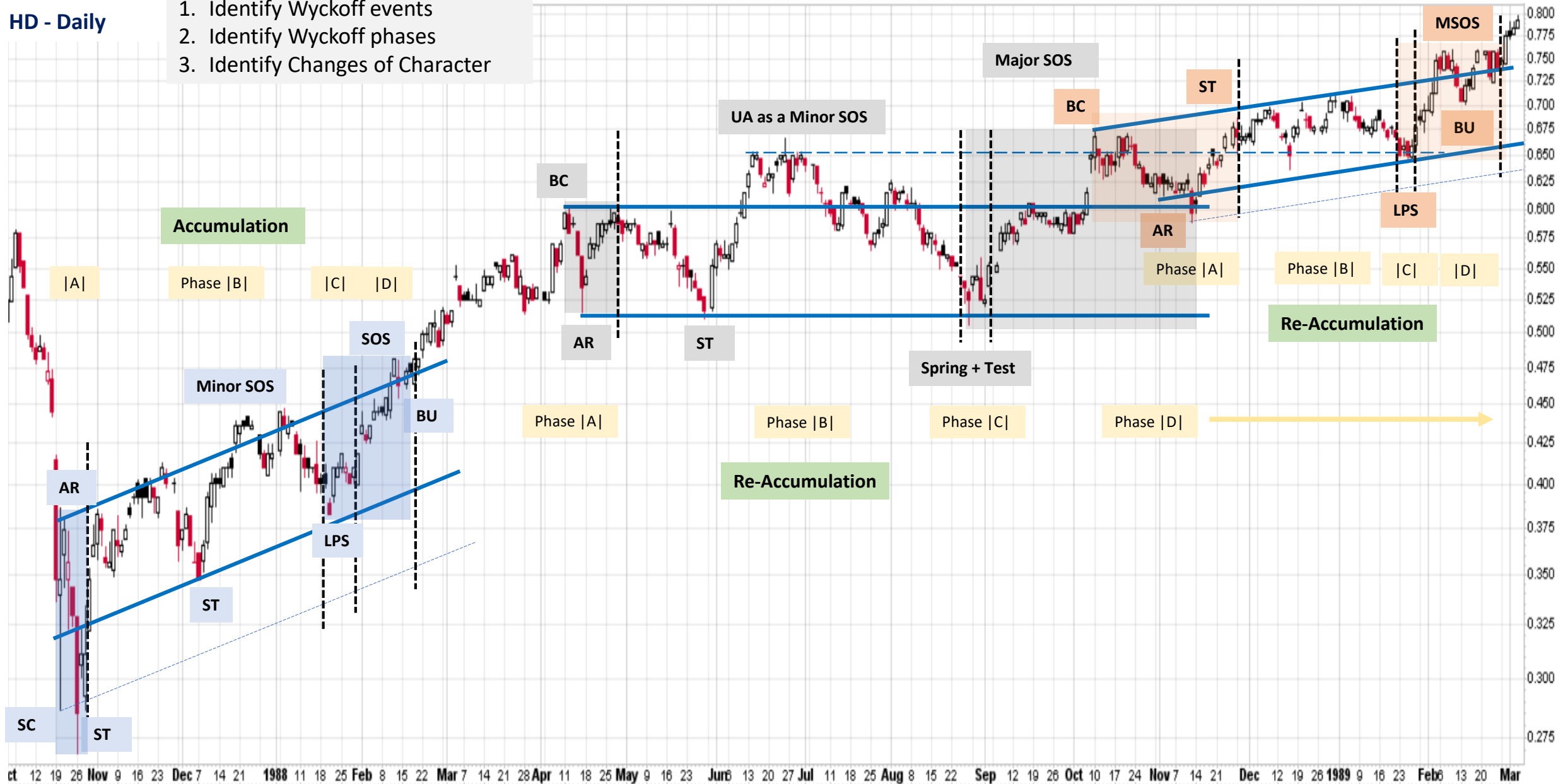
1. Identify Wyckoff events
2. Identify Wyckoff phases
3. Identify Changes of Character



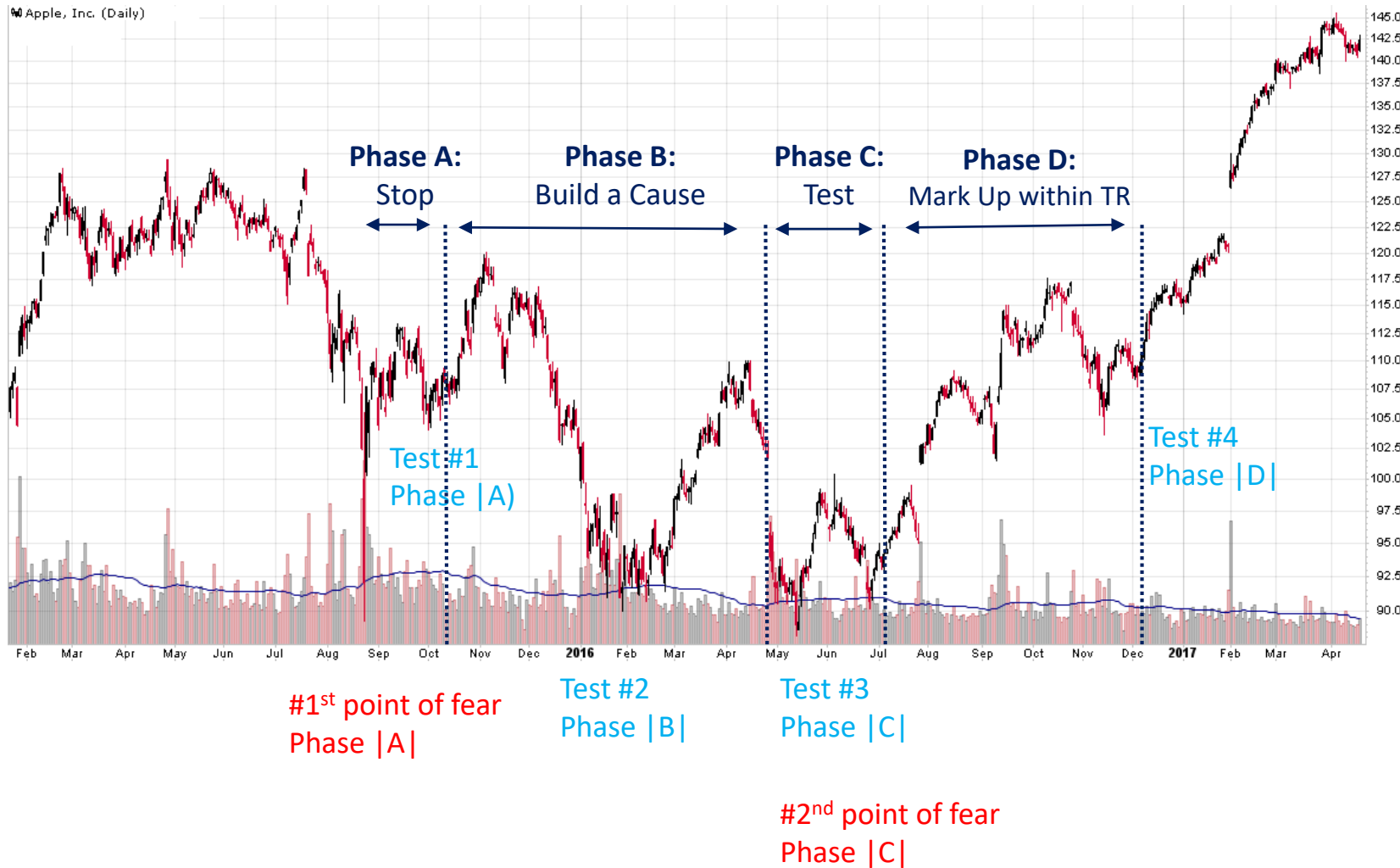
HD - Daily

Homework Assignment:

1. Identify Wyckoff events
2. Identify Wyckoff phases
3. Identify Changes of Character



Identification of Phase |C| in Accumulation/Re-accumulation



Three tests* of supply in the trading range at or near Support

Test #1 : Local ST of the Selling Climax (occurs in Phase |A|)

Test #2 : Testing in Phase |B| of the lows of SC and ST in Phase |A|

Test #3 : Testing in Phase |C| of the lows of both Phases |A+B|

What is the fourth test in an Accumulation trading range?

Test #4 : Back-up (or LPS) in Phase |D|. This test confirms the CHoCH.

Points of of Fear*

#1st point of Fear* – Selling Climax (SC) characterized by high velocity, large/increasing spread, large/increasing volume signature. Weak public and professional hands are giving up their shares. Strong institutional and professional hands are assuming initial control of the Supply.

#2nd point of Fear* – Phase |C|, Spring/Shakeout(SO) or Last Point of Support (LPS). A bearish trap for weak hands, which occurs when institutions deliberately provide Supply or just don't support the price. Weak public and professional hands give up their shares on the way down to, at and below support. Strong institutional and professional hands assume even larger positions and prepare to mark up the price through the TR.

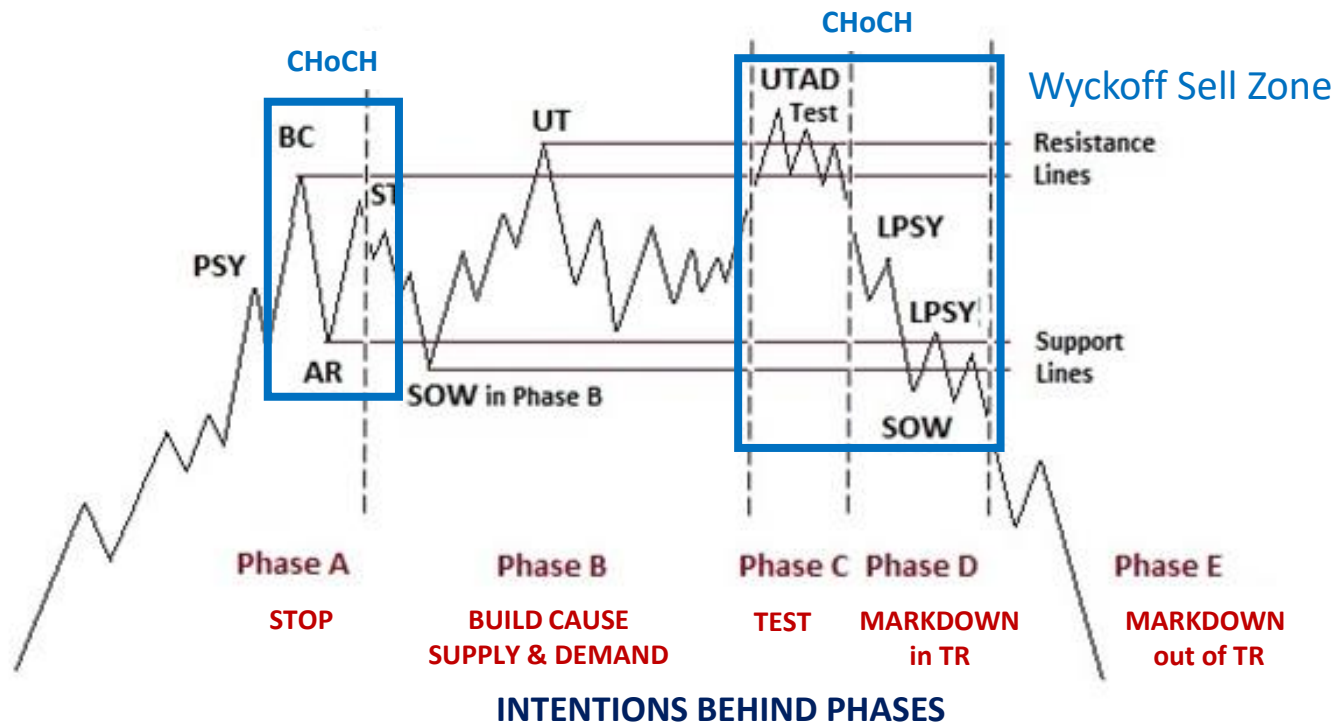
*Romanism

WYCKOFF ANALYTICS



Wyckoff Distribution Events and Distinctions

Distribution Schematic #1: Wyckoff Events and Phases



TEN WYCKOFF EVENTS IN A DISTRIBUTION TRADING RANGE

1. PSY – Preliminary Supply. Substantial selling begins to provide pronounced resistance after an up-move. Volume and spread may widen and signal that the up-move may be ending in the near future.

2. BC – Buying Climax. This is the point at which the force of buying climaxes, and is often characterized by gaps up, widening spread, and increased volume and price velocity. Heavy demand by the public is being filled by larger professional interests at prices near a top. This event often occurs on good news or in apparent response to stellar earnings.

3. AR – Automatic Reaction. With the urgent buying pretty much exhausted and heavy supply continuing, an AR follows the BC. The low of this selloff helps define the lower boundary of the distribution trading range (TR).

4. ST – Secondary Test(s). Price revisits the area of the Buying Climax to test the demand/supply balance at these price levels. If a top is to be confirmed, supply will outweigh demand; volume and spread should diminish as the market approaches the resistance area created by the BC. Secondary tests of demand occur multiple times as the TR unfolds.

5. SOW – Sign of Weakness. A SOW at or below the level of the AR will usually occur on increased spread and volume. Supply is dominant, but sufficient demand remains to elevate price into the TR again.

6. UT – Upthrust (as a ST). In a distribution

TR, an upthrust occurs when the price rallies above the level of the BC, and subsequently falls (often immediately) back into trading range.

7. UTAD – Upthrust After Distribution... Similar to the *Spring or Shakeout* in an Accumulation TR, a UTAD may occur late in a Distribution TR. It is a false breakout above the upper resistance line of the TR, orchestrated by dominant interests to provide a more definitive measure of remaining demand.

8. Test – Professional interests may test to assure themselves that there is poor-quality demand again after a UTAD or LPSY.

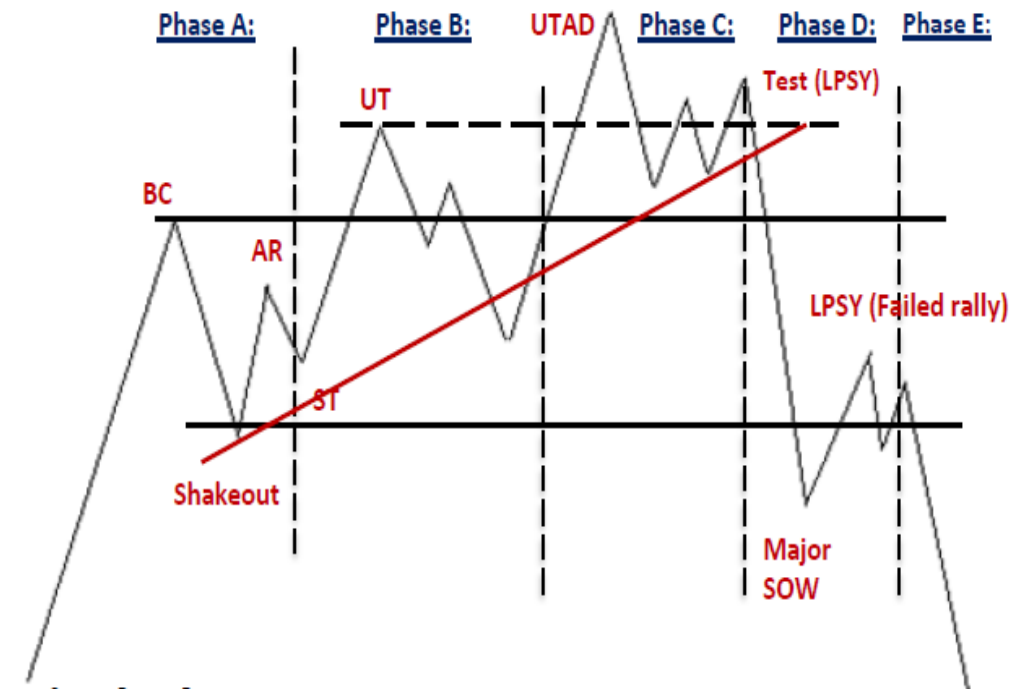
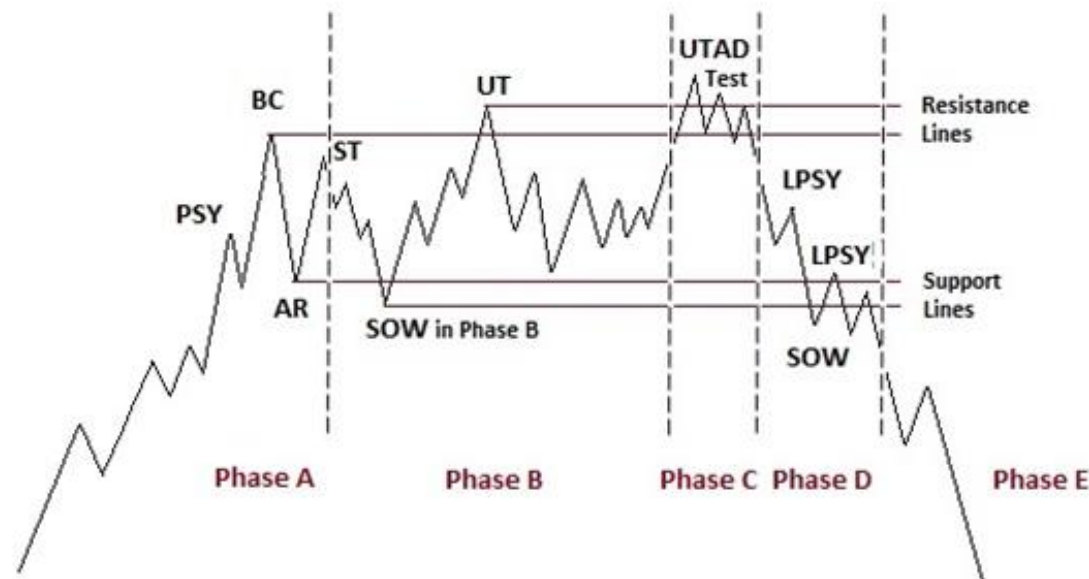
9. LPSY – Last Point of Supply. After a UTAD or MSOW, a feeble rally attempt with narrow spreads and low volume shows the difficulty the market is having in going up. Volume may be light or heavy, showing weak demand or substantial supply. LPSYs can be considered as tests of the demand/supply balance, and represent the last waves of distribution before markdown begins. (Despite the adjective “last,” there can be multiple LPSYs in a TR.)

10. MSOW – Major sign of weakness. A pronounced break below the low of the TR will likely be followed by (generally unsuccessful) attempts to get back above it. The LPSY following a MSOW is analogous to the Backup in an Accumulation TR, and often represents a good place to initiate short positions or to add to profitable ones.

SCHEMATICS OF DISTRIBUTION WYCKOFF TRADING RANGE PHASES:

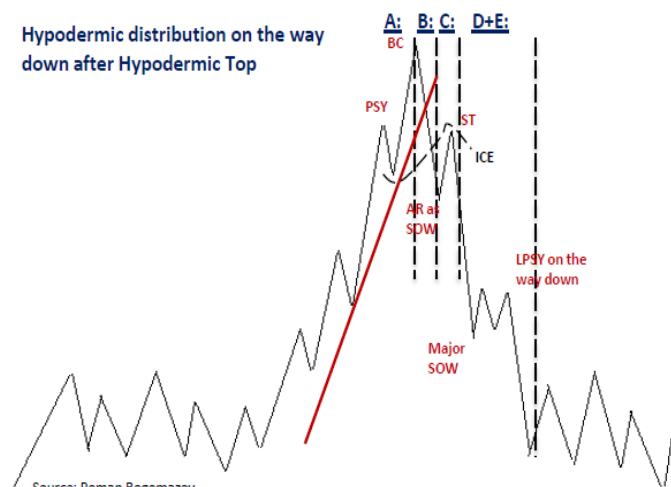
Conventional Distribution Trading Range

Distribution Schematic #1: Wyckoff Events and Phases

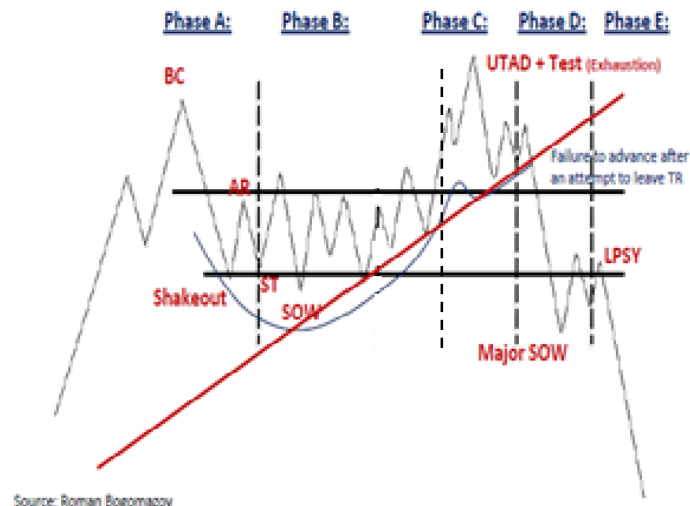


Source: Roman Bogomazov

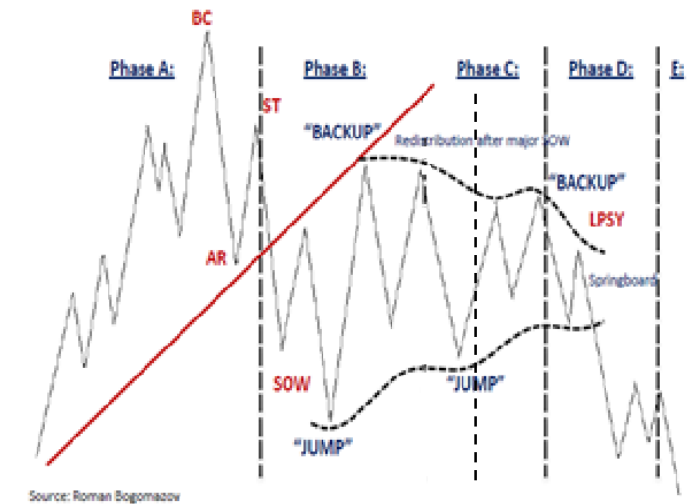
Hypodermic distribution on the way down after Hypodermic Top



Source: Roman Bogomazov



Source: Roman Bogomazov

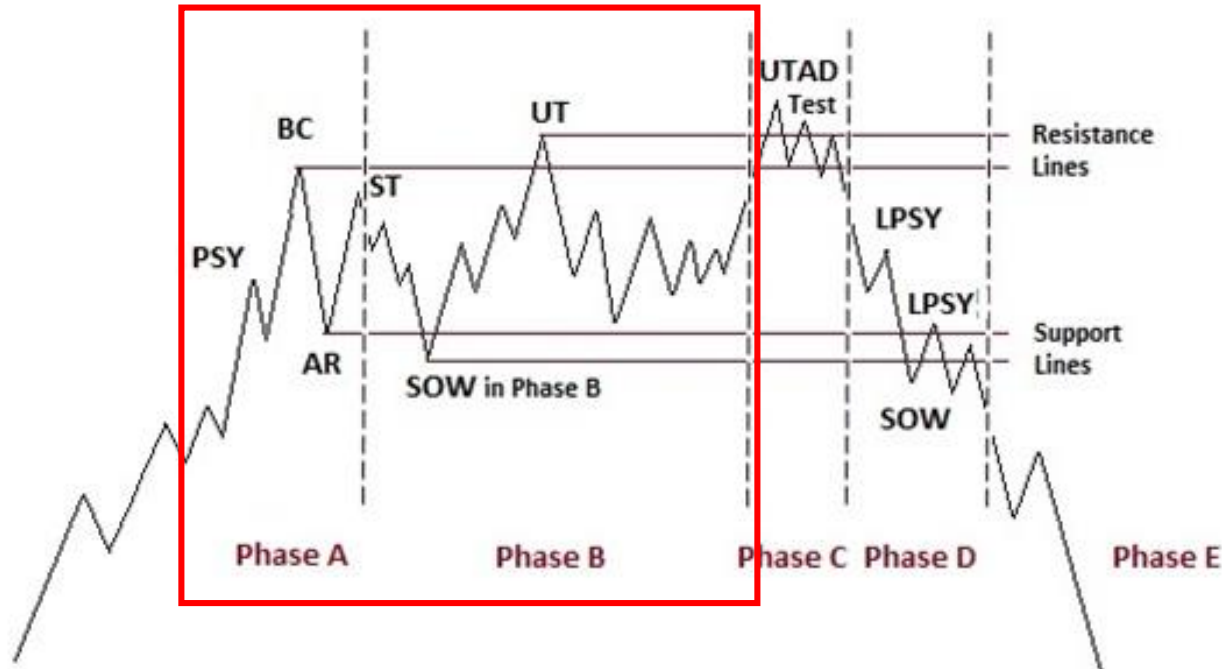


Source: Roman Bogomazov

CHEAT SHEET

(Distribution: Phases A and B)

Distribution Schematic #1: Wyckoff Events and Phases

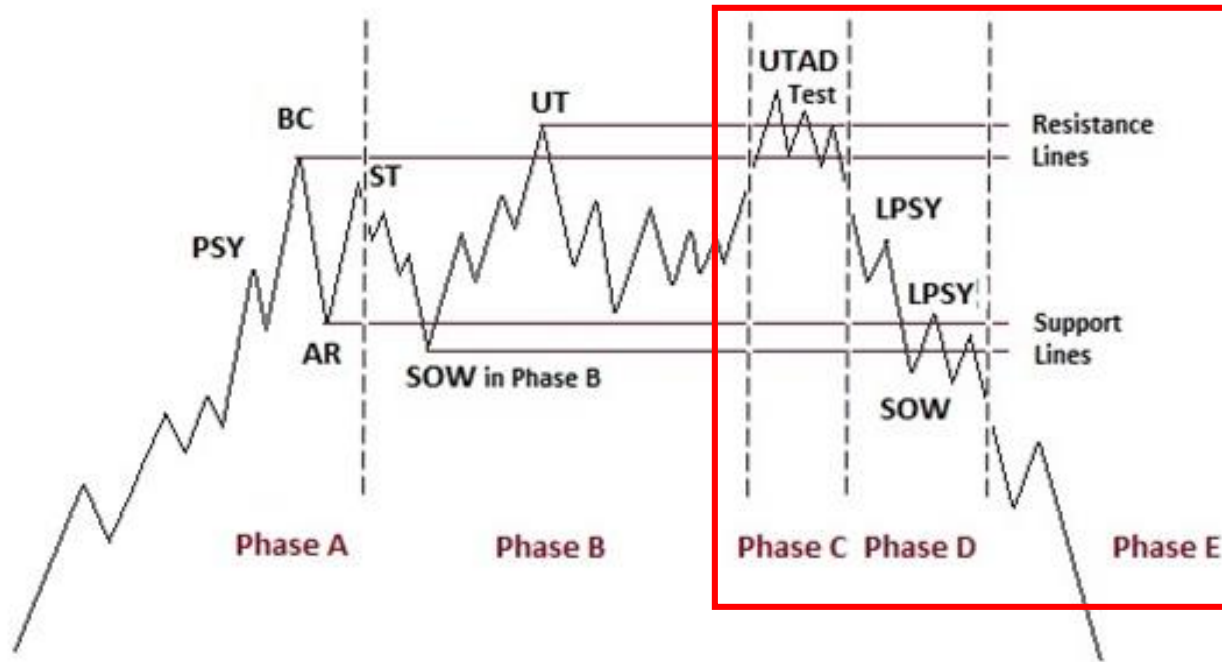


1. INTENTIONS behind Phases A and B:
 - i. Phase A: Stopping action
 - ii. Phase B: Test of Demand and emergence of Supply
2. WYCKOFF EVENTS:
 - i. Phase A: PSY, BC, AR, ST
 - ii. Phase B: UT, ST and SOW
3. PRELIMINARY SUPPLY (PS):
 - i. First attempt to stop an advance
 - ii. It always fails as price goes higher to BC high
4. BUYING CLIMAX (BC):
 - i. Big spread / big volume
 - ii. Exception1: Series of consecutive up bars, but not necessarily on big spread and higher volume
 - iii. Sometimes BC action is more visible on higher time frame (Daily-Weekly-Monthly)
 - iv. The high of BC defines resistance line of a trading range
- iv. AUTOMATIC REACTION (AR):
 - i. It could take 1-2 days or a period of time
 - ii. Exhaustion of demand creates an initial decline off BC high
 - iii. which is continued later by covering of long positions at lower prices
 - iv. The low of AR defines the support line of a trading range
5. SECONDARY TEST (ST):
 - i. ST can be a local event to SC+AR
 - ii. and can occur later as a bigger confirmation
 - iii. It can create a small trading range as a testing action
6. UP THRUST (UT):
 - i. It leaves a trading range above resistance and quickly comes back – failure and supply
7. SIGN OF WEAKNESS (SOW):
 - i. Indication of potential supply
 - ii. Possible retest of lows in the future
 - iii. Minor SOW(s) could occur in Phase |B|. Major SOW occurs in Phase |D|.

CHEAT SHEET

(Distribution: Phases C, D and E)

Distribution Schematic #1: Wyckoff Events and Phases



1. INTENTIONS behind Phases C, D and E:
 - i. Phase C: TEST
 - ii. Phase D: MARKDOWN in TR
 - iii. Phase E: MARKDOWN outside of TR
2. WYCKOFF POINTS:
 - i. Phase C: UTAD, Failed UT, test of UTAD, high LPSY
 - ii. Phase D: LPSY, MSOW
 - iii. Phase E: downtrend
3. UPTHURST AFTER DISTRIBUTION (UTAD):
 - i. Test of the upper boundaries of a range
 - ii. Price travels out of the range and can stay there for some time
 - iii. Draws a lot of public following
4. Test of UTAD:
 - i. Failed rally after UTAD
 - ii. It looks like a healthy pause in a rally, but fails right afterwards
5. Failed UPTHURST (Romanism):
 - i. Upthrust action with an intention to create UTAD
 - ii. Always fails to advance above the higher range point – SOW
 - iii. It can have a test as UTAD
 - iv. It can be also labeled as high LPSY
7. SIGN OF WEAKNESS (SOW):
 - i. One of the characteristics for high probability Wyckoff setup
 - ii. It can be identified by increasing volume, spread, velocity and price penetration
 - iii. Usually will produce a new lower low
 - iv. It could be a second, third or fourth attempt to break the ice and it is the most successful one
 - v. Minor SOW(s) could occur in Phase |B|. Major SOW occurs in Phase |D|.
8. LAST LPSY:
 - i. Failed rally and lower high
 - ii. Lower volume and decreasing spread
 - iii. It can occur at different levels in a range signifying strength or weakness

WYCKOFF ANALYTICS



Homework #3:

due on January 28th , 2019

1. **Exercise #1:** Distribution Labeling

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

2. Watch recording of January 21st session again (optional assignment)

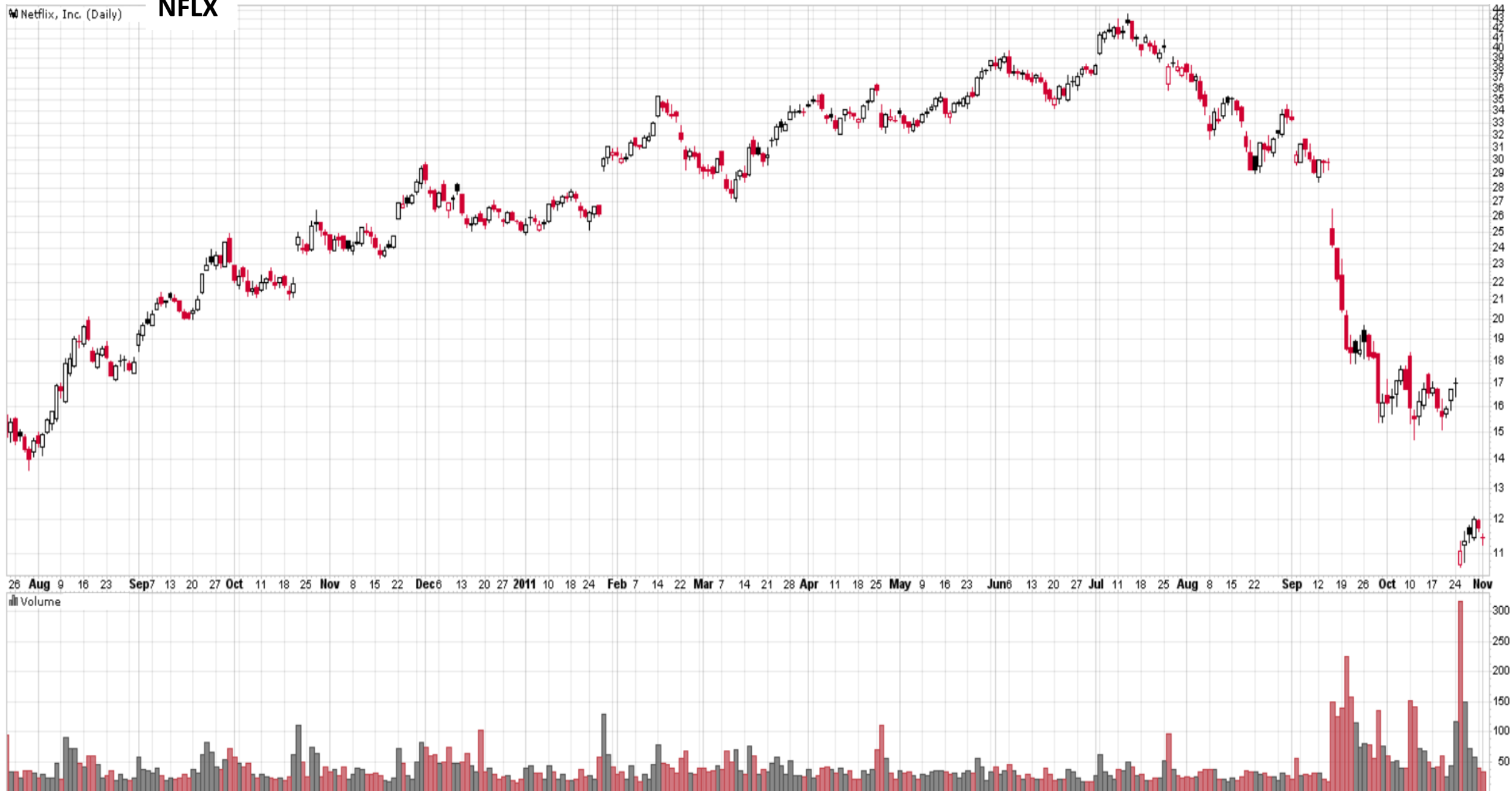
Email your home work to Roman to simplekot@hotmail.com.

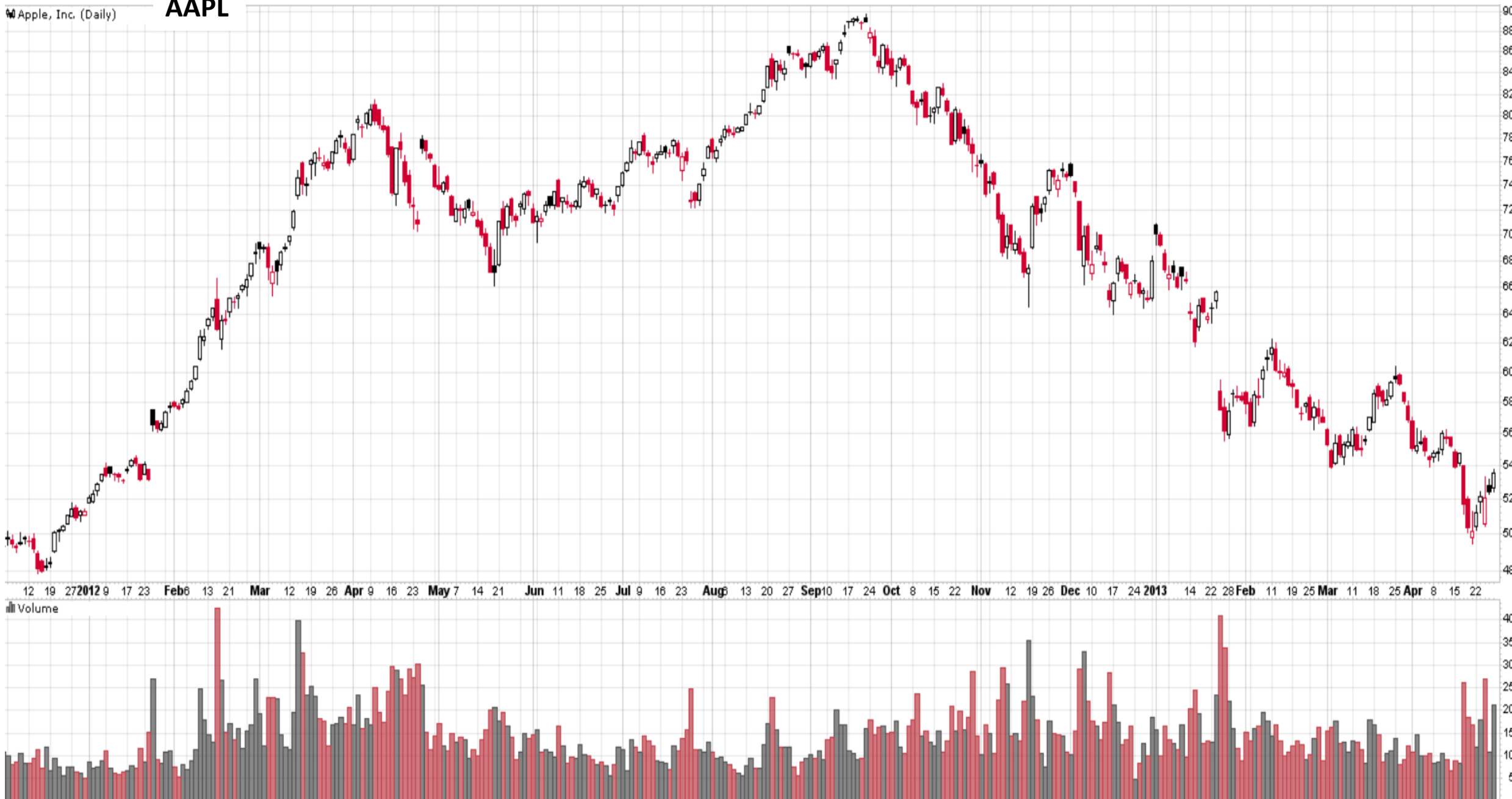
Callaway Golf Co. (Weekly)

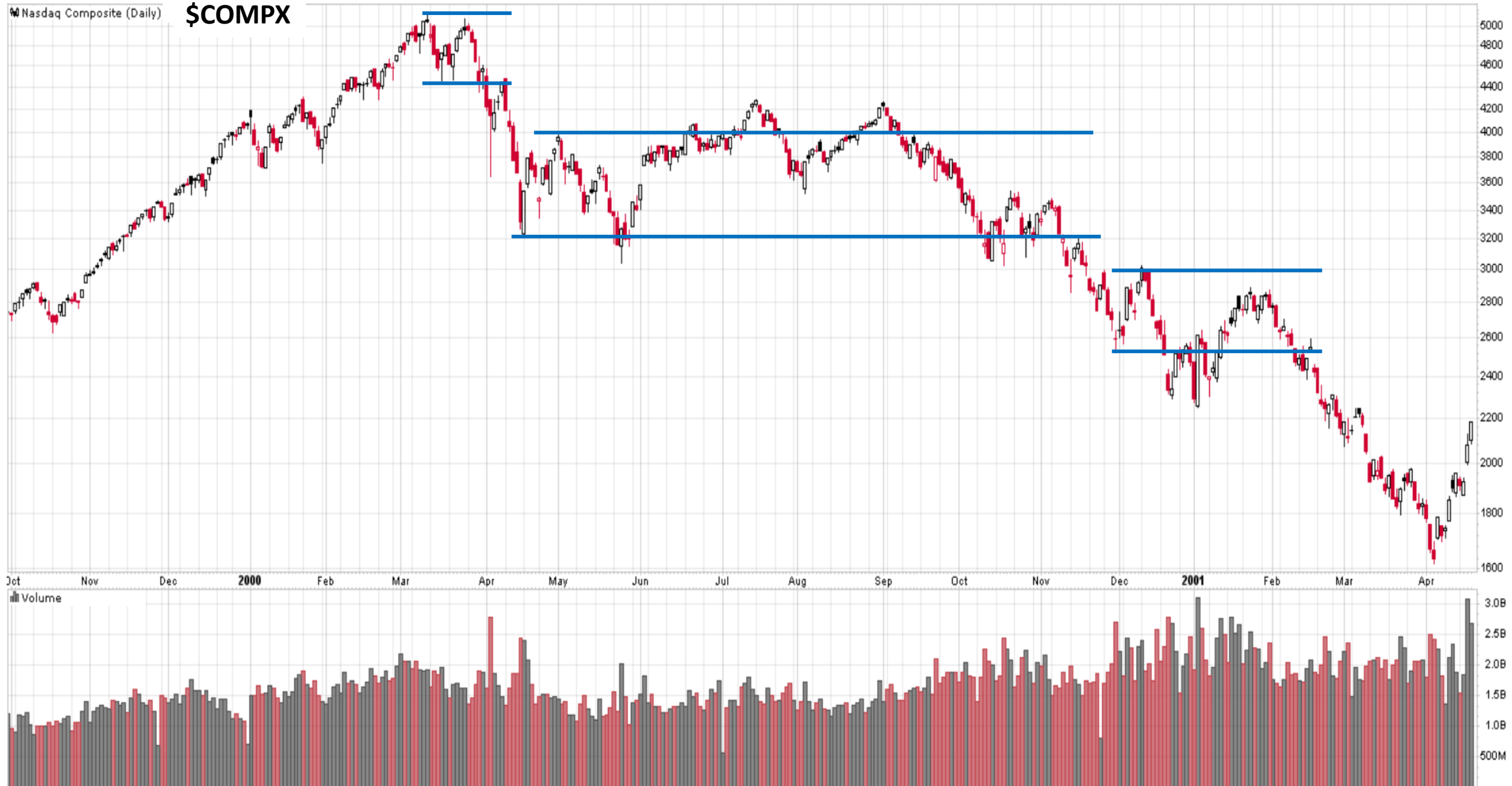
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NFLX



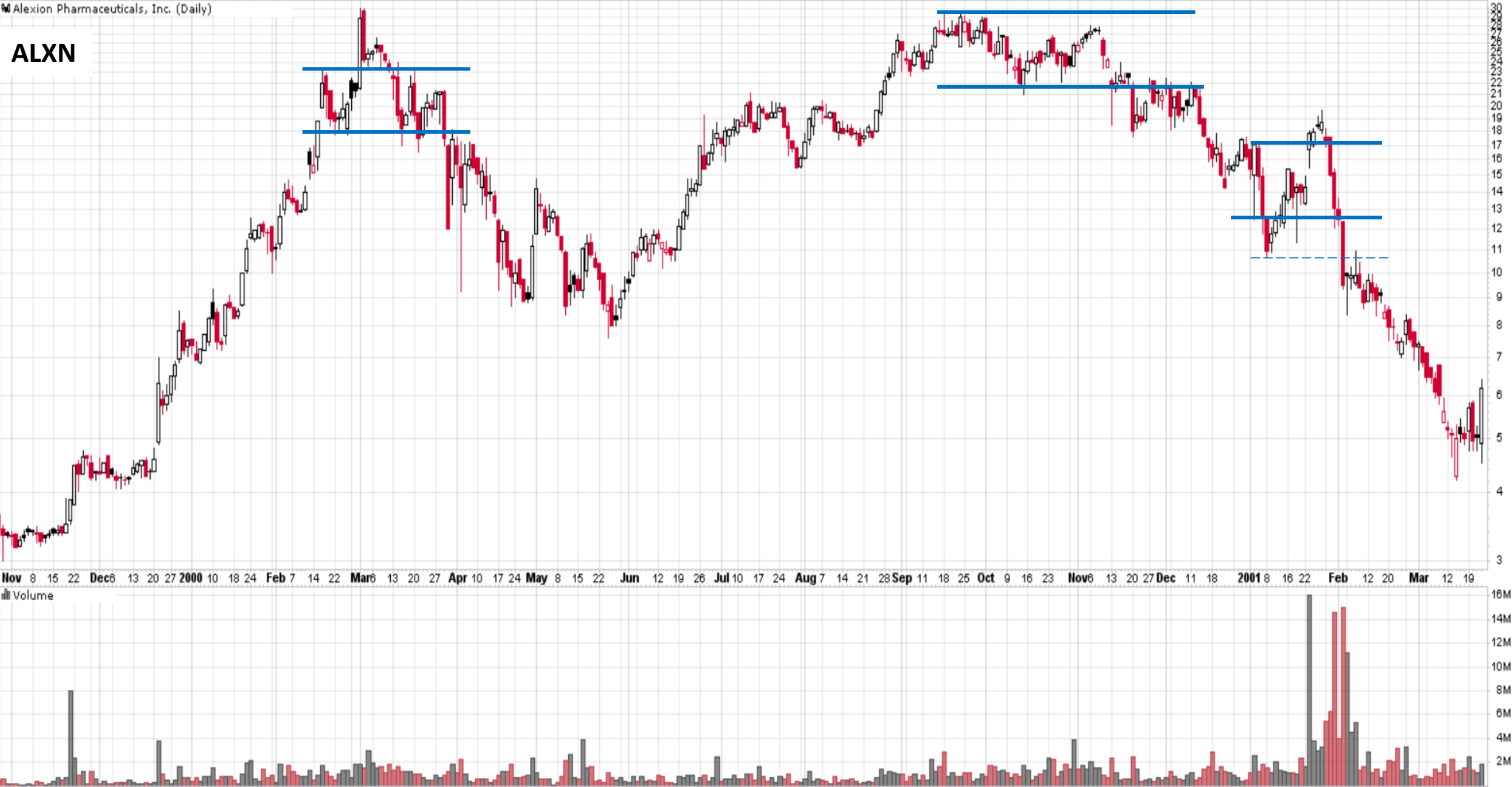




HOMEWORK: Examples of distribution

Alexion Pharmaceuticals, Inc. (Daily)

ALXN



SA YHOO(D) - Daily

YHOO

