

Proposed Model Development Algorithm - Cycles Model of Weiss Rating

- User will input the cycle days for a MA curve (We can give options of multiple entry, like the user can enter for 80 Day MA (320 Days Cycle), for 20 Day MA (80 Days Cycle) and for 10 Days MA (20 Days Cycle) and so on)
- Start the model with smaller cycle days and then go to next higher degree cycle days and so on
 - As the highs and lows of the smaller cycle needs to be synced with the highs and lows of the bigger cycle model, we need to first run the model for smaller cycle
- Identification of all local highs (peaks) and lows (troughs)
 - We will be able to capture all peaks and troughs of the MA curve using the program
 - It will also obey the rule of the model (High-Low-High-Low-....)
- Deleting the higher lows when these are close to each other (when two consecutive lows are less than $c/2$ days apart) – c for cycle
 - The code will check the difference between two consecutive lows.
 - If the difference is less than $c/2$, the deletion will happen as per the table

Cases	High Before 1st Low	1st Low	High Before 2nd Low	2nd Low	Curve	Action
Case-1	20	10	15	8	Downwards	Delete the Higher Low
Case-2	20	15	25	18	Upwards	Delete the minimum High-Low Vector (Width)
Case-3	20	10	15	13	Mixed-1	Delete the Higher Low
Case-4	20	15	25	8	Mixed-2	Delete the Higher Low

- The loop continues till all lows are at least $c/2$ days apart
- Deleting the lowest high when high is followed by high
 - a. There will be cases when high will be followed by high because of deletion of lows
 - b. Compare the values of highs in these cases and delete the lower highs
 - c. Repeat the loop till no high is followed by a high
- Synchronising the highs and lows of model of cycles with smaller cycle model
 - a. The smallest cycle should be synced with price action. Then, each higher degree cycle is synced to its lower degree cycle.
 - In the case of a model with a 20-, 80- and 320-day cycles it goes like this: 20-day high/lows are synced to price action high/lows, 80-day high/lows are synced to 20-day high/lows, and finally 320-day high/lows are synced to 80-day high/lows.
 - While synchronising, the low must fall between one high and low of the cycle under consideration, delete the nearest low value to maintain high-low-high-low-high-low sequence
 - The high also must fall between one high and low of the cycle under consideration, delete the nearest high value
 - Repeat the process until all lows and highs are synchronised
- Repeat the process from Step-2 to Step-6 for the next bigger cycle

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