

Buy The Close,  
Then Deep PB

# Buy The Close (BTC): Deep PB

BO with consecutive bull bars closing near their H

Higher prices likely so B The Close bull trend

**Expect either bull trend or TR**

If TR, can get deep PB

B above bull bar closing near its H

Failed BO

Exit long and bears S below bear bar closing near its L

Ok to hold long and scale in lower

since selloff is probably minor

Expect eventual test back up



Deep PB in B The Close Bull Trend so now TR

Wedge bull flag, 50% PB

Bulls hope this **2<sup>nd</sup> attempt to rally** will lead to trend

B above bull bar closing near its H, expecting at least test of H

Here, got Small PB Bull Trend

## Buy The Close: Deep Pullback

Buy The Close bulls never had a chance to avoid a loss once they saw the big bear bar

If hold long and wait for bull bar closing near its high and buy more, then 80% chance of avoiding a loss

Usually gets back to 1<sup>st</sup> buy, allowing those bulls to exit without a loss and the scale in bulls to make a profit



# Buy The Close: 6 Bars Often is B Climax

Very big bull breakout, but earlier TR

Possible 2<sup>nd</sup> Leg Bull Trap

6 bars in B The Close rally so probable PB soon



Very big bull breakout so Major Bull Surprise  
and probably no bear trend today

Increased chance of rally for several days

B Climax so probably limited upside until after PB

Limited up and down so possible TR

# B The Close: Deep PB

No micro DT so B The Close bulls could not exit without a loss

Better to exit or short below bear bar

Some bulls use wide stops and B more above bull bar (today, at L of day)

Since reasonable to B at H, reasonable to expect to avoid a loss (rally to midpoint) or make a profit





# B The Close: No Chance to Avoid Loss

Consecutive bull bars closing on their highs

Always In Long, reasonable B The Close if can use wide stop and scale in

Not high probability B since big gap down after yesterday strong rally

Big Big, Big Down creates Big Confusion

Usually leads to TR

Better to exit long or go short below bear bar closing near its low



# B The Close: Deep PB

Consecutive big bull bars so Always In Long

Buy the Close and above the bull bar

Better to exit or go short below bear bar

Bear bar disappointed the bulls  
and bulls could not get out without a loss

Usually market will try to get back there at some point  
so the B The Close and B The High bulls  
can exit at breakeven

Buy The Close bulls can exit at breakeven on 1<sup>st</sup> B  
and with profit on lower B



## B The Close: Deep PB, Then Test of Highest Close

Reasonable to B the C,  
although better  
to B PB after B climax

Disappointed bulls never had a chance to get out around breakeven  
Increases chance of rally back to the highest close late in day



B The Close bulls can  
exit without loss

Selloff held above L of day  
Deep PB from bull BO

Bear trend unlikely after Major Bull Surprise BO on open

Might test highest close on open to allow those bulls to exit without loss



# Buy The Close (BTC): Deep PB, so TR

Bulls who bought H C bought more lower,  
can exit break even on 1<sup>st</sup> B and with profit from lower B  
Other bulls bought lower, expecting test of H C



Buy The Close Rally

Reasonable to keep buying closes

(but when 5<sup>th</sup> or 6<sup>th</sup> bar is big, it is climax so PB likely soon)

Bulls who bought the final bar had no chance to exit without a loss

Strong bull trend so **bear trend unlikely**

Expect TR or bull flag

# Buy The Close (BTC): Deep PB, So TR

Bulls who bought H C bought more lower  
can exit break even on 1<sup>st</sup> B  
and with profit from lower B  
Other bulls bought lower, expecting test of H C



# BTC: Deep PB

Consecutive buy climaxes so probably bulls will take profits  
But, some will continue to BTC and B more after PB

Bulls can exit 1<sup>st</sup> B at breakeven  
and with profit on lower B



Scale in bulls buy more above bull bar closing near its H  
Also, BO test, EMA Gap Bar, and wedge bull flag

# BTC, but Deep PB: TR Likely

B The Close (BTC),  
but 2 big bull bars so B climax  
Often get deep PB, then TR  
Better to B PB and not C of B climax bar



B The Close bulls B more  
above bull bar closing near its H

Bulls exit breakeven on 1<sup>st</sup> B  
and with profit on lower B  
Bears S since they know  
bulls will S out of longs  
Usually get TR after deep PB  
(strong minor reversal)



# Buy The Close: Deep PB, but Bull Trend Resumed



# Buy The Close: Scale In

Buy The Close Rally

Reasonable to keep buying closes  
(but big bar is climax  
so not strong buy)

Bulls who bought the final bar had  
no chance to exit without a loss

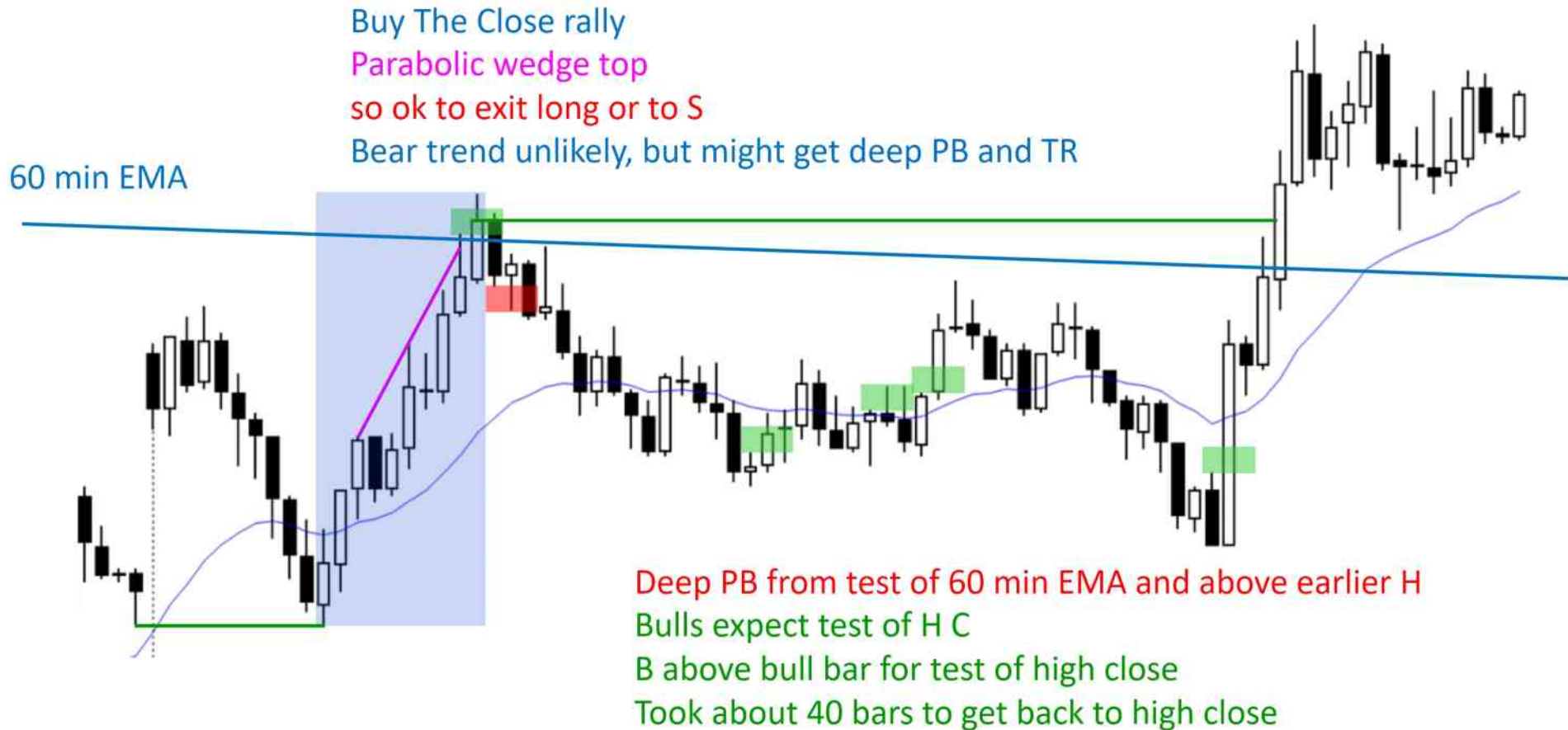
Exited breakeven on 1<sup>st</sup> buy  
and with profit on lower buys



## B The Close: Rally to Highest B Signal Came at End of Day



# Buy The Close: Deep PB





# Buy The Close: Deep PB

Consecutive big bull bars closing near their H  
so reasonable to B The Close

But better to wait for BO above wedge

Bulls can exit breakeven on 1<sup>st</sup> B  
and with profit on lower B



Reasonable to S,  
But some bulls hold and look  
to B more above bull bar  
closing near its H

Scale in bulls B more  
above any of these bull bars

# B The Close: Deep PB

Reasonable to B The Close (not strong B because tails and possible parabolic wedge top)

Bulls betting on continued rally and quick profit, or TR

If TR, like here, B more lower

80% chance of avoiding loss or making profit



# Buy The Close: Deep PB



# B The Close: Deep PB so TR Day More Likely Than Bull Trend





# B The Close: Deep PB

Strong rally, B The Close bull trend, but near yesterday's high  
Bulls who bought the highest close were trapped for 4 hours  
No micro DT to let them avoid loss

Rally allowed them to get out  
breakeven at midpoint of both buys,  
or with small loss on reversal down

Yesterday's H



Bought more above any bull bar  
closing above its midpoint

Better to wait to B above bull bar closing near its H

## B The Close: Scale In Bulls Avoided Loss

Consecutive big bull bars so strong BO  
Reasonable to B The Close

Low 2 top, failed BO, possible H of day

## 2<sup>nd</sup> Leg Bull Trap

Bulls should exit and bears S below bear bar closing near its L

Some bulls will hold long and B more above strong bull bar

Bulls can avoid loss if  
exit at average entry price

Bulls know 80% chance of profit or at least no loss if they scale in lower above strong bull bar ("Scale in Bulls")

# Buy The Close (BTC): Can Avoid Loss 90% of Time

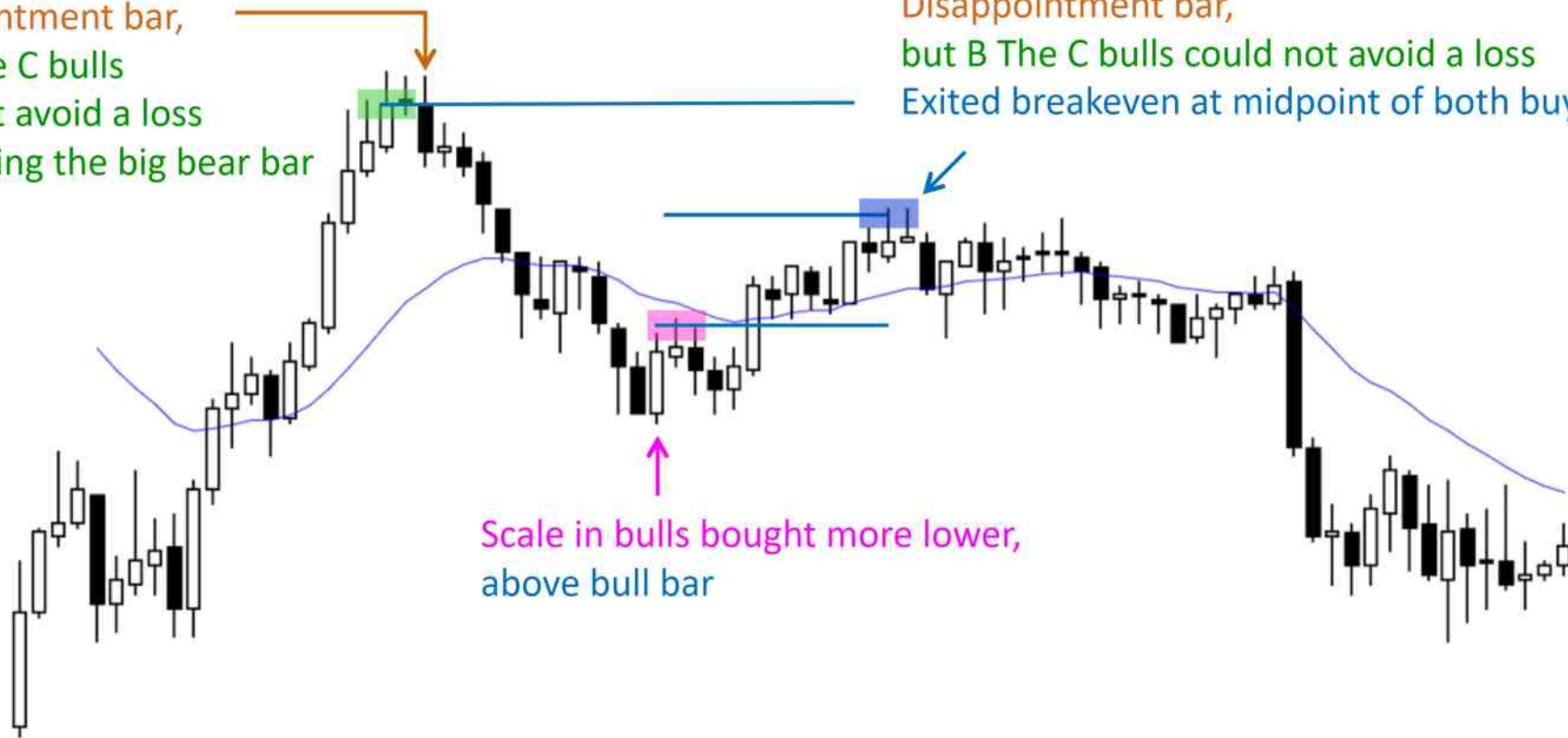
Reasonable Buy The Close  
(not necessarily wise, though)



# DB HL MTR: Then Buy Climax and Bear Trend Reversal

Disappointment bar,  
but B The C bulls  
could not avoid a loss  
after seeing the big bear bar

Disappointment bar,  
but B The C bulls could not avoid a loss  
Exited breakeven at midpoint of both buys





# Buy The Close (BTC): Deep PB, Scale In, Exit Breakeven

