

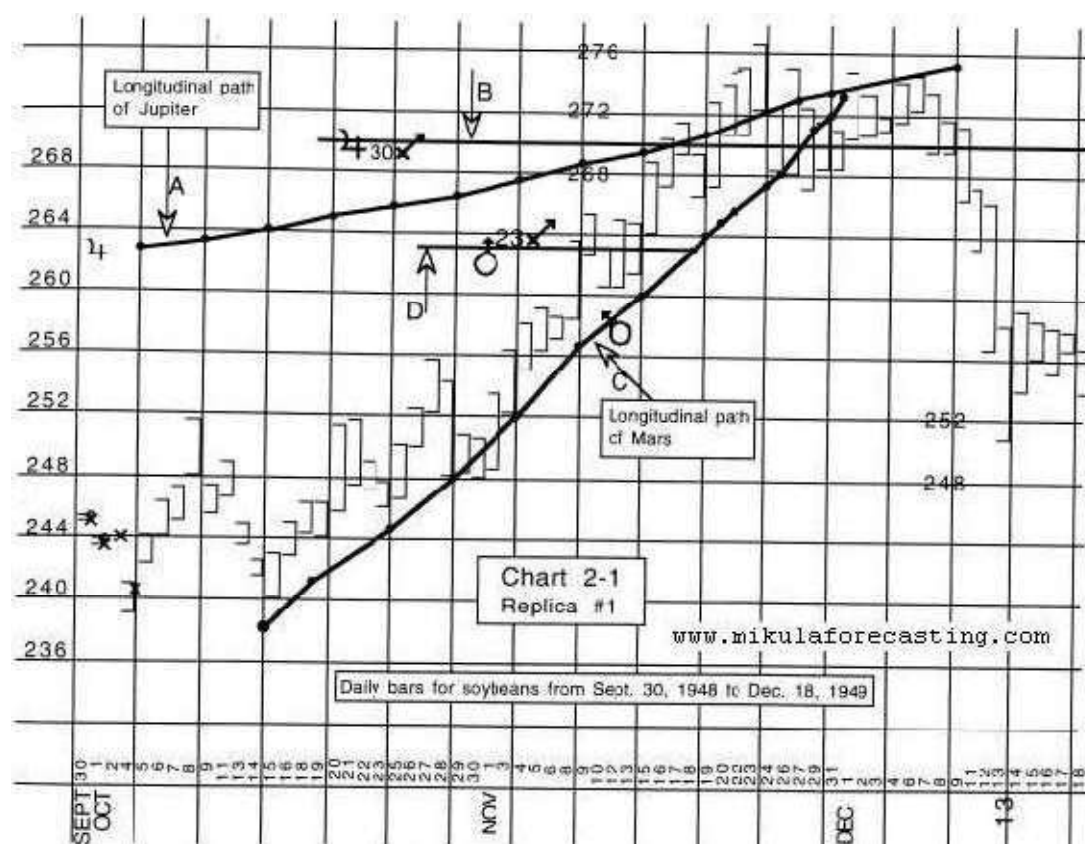
Chapter 2: Price & Longitude Conversion Part 2

Chapter 8, in Volume 1, is called *Price & Longitude Conversion*. The chapter you are reading in Volume 2, is entitled *Price & Longitude Conversion Part 2* because it is an extension of Chapter 8 in Volume 1. To apply the method in this chapter you must convert planetary longitudes into prices and plot them on your price chart. That is why this method is called the *Price & Longitude Conversion* method. When you convert a longitude to a price above 360 you simply add increments of 360 to find the equivalent price. For example if a planetary longitude is $8^{\circ} 0'$ or 38° you would add increments of 360 to see that 38° equals the prices 38, 398, 758, 1118 and so on. This can be done easily by hand or with the *Price and Longitude Conversion Tables* on pages 64 to 69 in Volume 1. Once the planetary angles are on your price chart they are used to help identify support, resistance and turning points. When writing the Gann's Scientific Methods Unveiled series it is my intention to avoid presenting the same information in different volumes. The application of this method using geocentric longitudes was presented in Volume 1, pages 56 to 63. For this reason I will not present more application examples of the *Price & Longitude Conversion* method here in Volume 2.

Below there is an artistic replica of an actual Gann Chart. Chart 2-1 below is an artistic replica of Gann's May contract soybean chart. Chart 2-1 shows only a section of this chart at its actual size. The original chart shows daily bars from Sept. 30, 1948 to Feb. 22, 1949. Chart 2-1 shows daily bars from Sept. 30, 1948 to Dec. 18, 1948. This is an artistic replica because it is not intended to be an exact copy of the original chart. Notice that the 1st few bars on Chart 2-1 show some x's and o's. On the original chart, Gann used "x" to mark the closing price and "o" to mark the opening price. The x's and o's along with several number counts from tops and bottoms and many non-astrology price and time angles have been eliminated so you can see the astrological information on the chart.

There are four important items on Chart 2-1 which I have labeled A to D. Arrow "A" points to a line which is the longitudinal path of Jupiter. Jupiter's longitude starts on August 4th at 262.75. The glyph for Jupiter ♃ is clearly seen to the left of this angle. On the actual chart, this Jupiter glyph is written freehand in Gann's

unique style making it look like a capital H with the tops curved outward. Arrow "B" points to a horizontal line labeled ♄ 30 ♄. The longitude 30 ♄ is the crossing point between Sagittarius and Capricorn. Where the longitudinal path of Jupiter crosses this line, Jupiter is crossing from Sagittarius into Capricorn. Arrow "C" points to a line which is the longitudinal path of Mars. The glyph for Mars ♂ is right next to the point of arrow "C" and clearly identifies this angle. Next, Arrow "D" is pointing to a horizontal line labeled ♂ 23 ♄. This shows that Gann observed when Mars crossed 23° Sagittarius ♄. Finally notice that the Mars' angle ends when it touches the Jupiter angle. At the point where the Mars and Jupiter lines cross, Mars and Jupiter are forming a conjunction meaning they are on the same longitude. Gann's soybean chart from 1948 confirms that Gann plotted planetary longitudes on price charts. The best copy of Gann's 1948 soybean chart used in this example is included with the W.D. Gann Commodity Course.



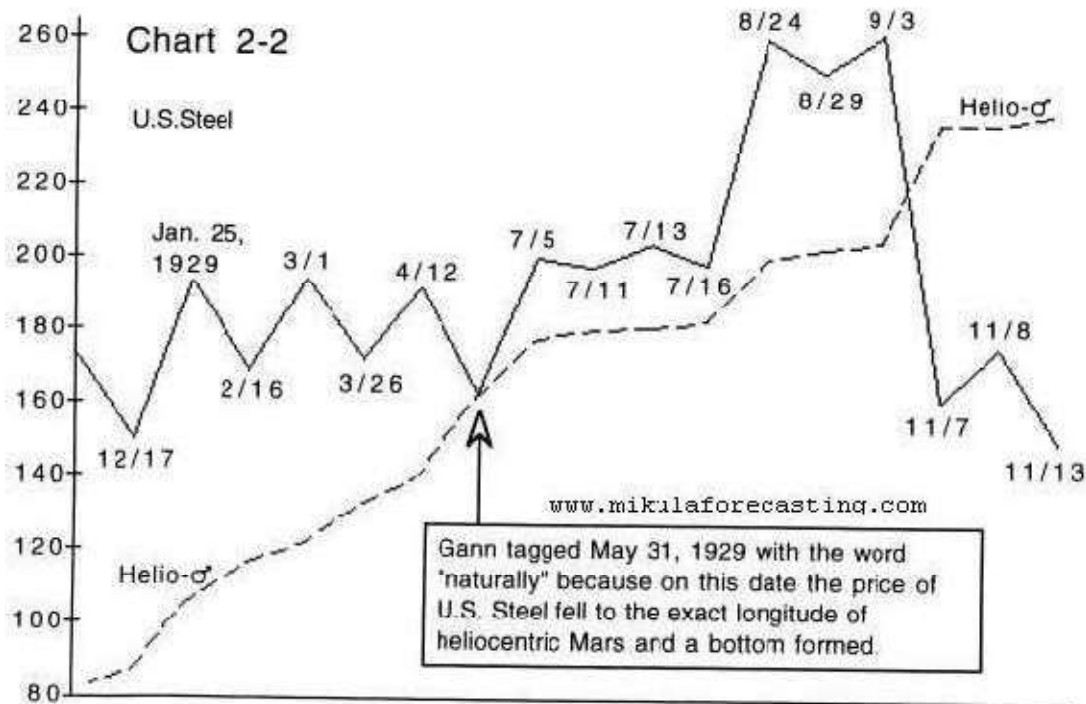
Volume 1 showed that the word "natural" was used by Gann to tag his hidden astrology material. In Gann's 1930 Wall Street Stock Selector, he used a variation of natural in the form of "naturally" to tag his hidden astrology

material. The word natural in one of its forms, was used about 25 times in Wall Street Stock Selector. Most of these occurrences identified no date or identified only the month and year. Only twice did a usage of the word natural identify a specific date. The first of these two "natural" dates can be seen in the quotation below.

On May 31, (1929) Steel declined to 162-1/2. Notice that it broke the lows of February 16 and March 26, 1929, and naturally traders would get scared and sell out.

W.D. Gann, Wall Street Stock Selector, p.89

In the above quotation, Gann identified the date May 31, 1929 and the price 162-1/2 for U.S. Steel as an astrology date by tagging it with the word "naturally". If you will look up May 31, 1929 in a heliocentric ephemeris and check the longitude of the planet Mars you will see why Gann identified this as an astrology date. On May 31, 1929 Mars crossed over exactly $12^{\circ} 30'$ which converts into a longitude of 162-1/2. Chart 2-2 shows a price swing chart made from the U.S. Steel prices presented by Gann on pages 88 to 90 of Wall Street Stock Selector. The dashed line sloping upward is the heliocentric longitude of Mars ♂. Chart 2-2 shows that the price of U.S. Steel moved down and touched the longitude of Mars and a reversal upward occurred. Chart 2-2 clearly shows what Gann wanted us to see when he tagged this date with the word "naturally".



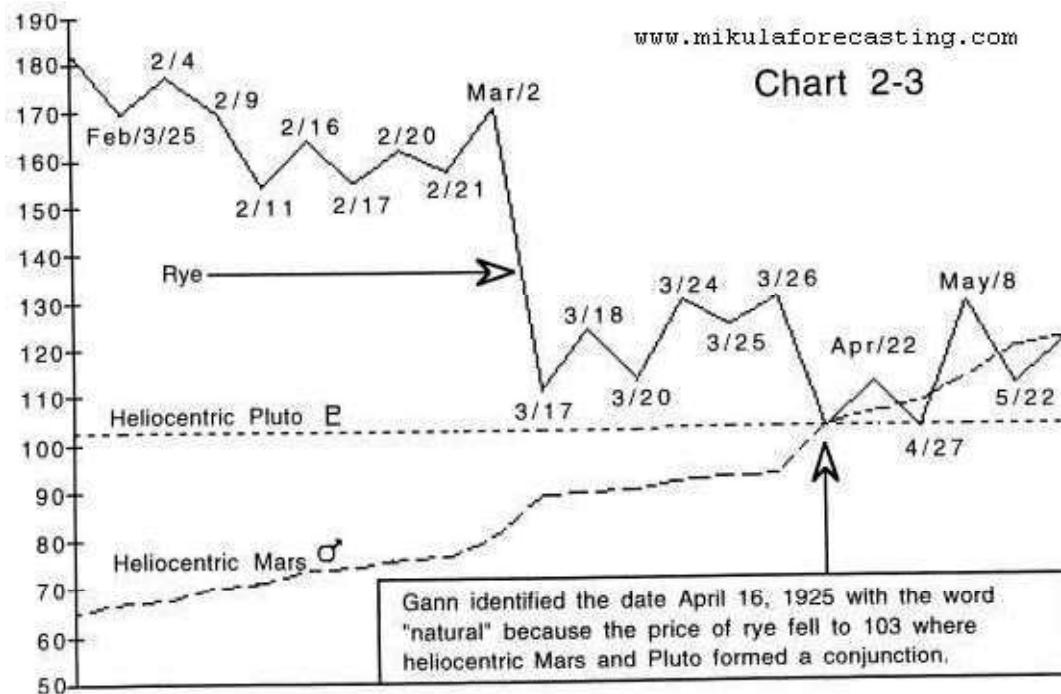
The Mechanical Method and Trend Indicator For Trading in Wheat, Corn, Rye or Oats was written by Gann in 1946. This course was an updated version of Gann's Mechanical Method which he had been selling for several years. In the 1940s Gann sold this course by itself with the intent that it would provide comprehensive instructions for his Mechanical Method and Trend Indicator. Today this Mechanical Method and Trend Indicator course is part of the W.D. Gann Commodity Course. After presenting 22 pages of instruction and examples in this Mechanical Method and Trend Indicator course, Gann includes one "natural" date on page 23, the last page, where he wrote:

Apr 16 (1925) low 103, down 79-1/2 cents from 182-1/2 and nearing \$1.00 per bushel, a natural support level -- Time to watch for change in trend.

W.D. Gann, Mechanical Method and Trend Indicator, 1946, p.23

The above quotation identifies the May contract, Rye market low which occurred at the price of 103 on April 16, 1925. When we look up April 16, 1925 in a heliocentric ephemeris we find that a conjunction between Mars and Pluto occurred on April 15, 1925 at the longitude of $13^{\circ} \oplus$ which converts into the exact price of the rye low, 103. This can be seen on Chart 2-3. Notice that the year of the low was 1925 and Pluto was not discovered until 1930. This shows that after Pluto was discovered Gann went back over his charts and did historical

research to determine if Pluto had any value in the financial markets. This example was written in 1946 at which time Gann would have had about 15 years to work with Pluto. For many years now Gann's mechanical methods have been copied and sold to beginners. This example shows for the first time that Gann most likely checked his mechanical method signals against one of his astrology methods.



Some of Gann's most specific discussions of financial astrology appear in private letters he wrote to his clients. The reason for this seems to be the negative view of speculation which occurred in the early 1930s. After the stock market crash of 1929 and the election of President Franklin D. Roosevelt in 1932, the government started to pass regulations and tax laws to reduce gambling and speculation in the stock market. It is my opinion that the regulations and tax laws of the 1930s are what caused Gann to rewrite his advanced courses in 1936 and sell them as correspondence courses. This allowed Gann to increase the sales of his courses and other financial services while reducing his income from short term speculation which was being penalized by the new tax laws. When Gann converted his advanced courses into correspondence courses in 1936, he apparently removed all of the openly discussed astrology ideas. To my knowledge none of the course material Gann used at his seminars in the 1920s still exists. Gann's advanced course material from the early 1930s is much more

open about his astrology methods than the course material sold after 1936. The people who bought Gann's advanced courses after 1936 could write Gann letters asking questions, which is why they were called correspondence courses. Gann left his advanced courses seeded with enough references to astrology that the student of the course could go as far as his ability to ask the right questions could take him. If you stayed with the non-astrology material which was openly presented, then so be it. If you wrote and asked Gann about the references to astrology in the course, then Gann would explain and take you to the next level of understanding. This is important for us because some of those letters still exist. In 1954 Gann wrote a letter to one of his clients regarding the soybean market in which he provided some new information about his use of the planetary longitudes. The following quotation is from that letter.

"The averages of the six major planets Heliocentric and Geocentric are the most powerful points for Time and Price resistance. Also the Geocentric and Heliocentric average of the five major planets with Mars left out, is of great importance and should be watched."

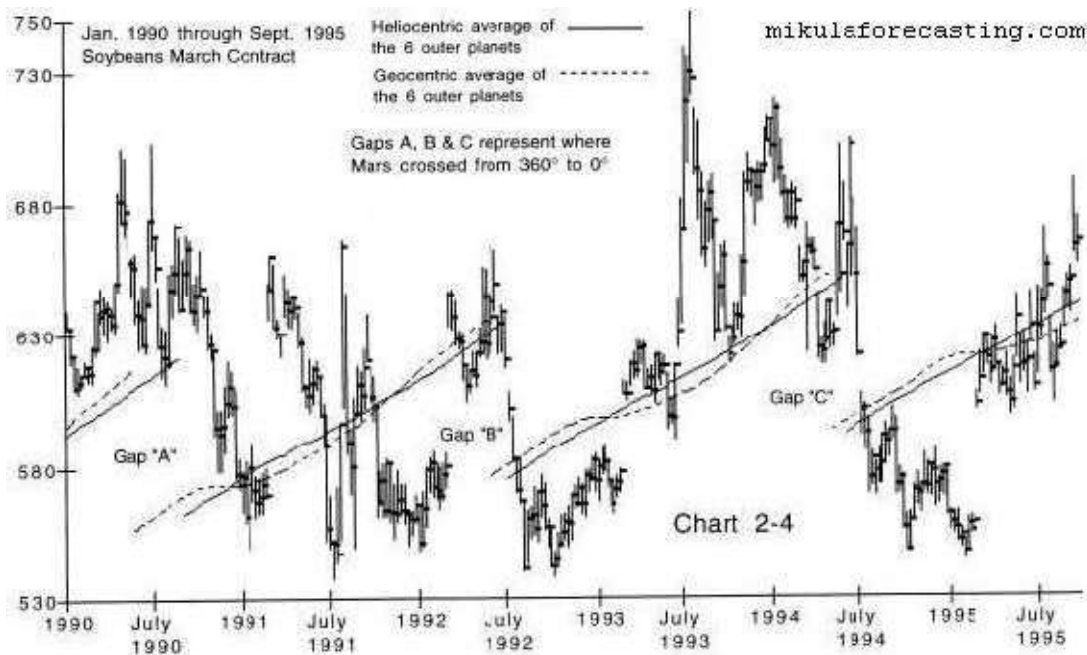
W.D. Gann, Personal Soybean Letter, 1954

In this quotation Gann identified four planetary averages. They are: the six outer planets of Mars, Jupiter, Saturn, Uranus, Neptune and Pluto averaged for both heliocentric and geocentric longitudes and the same outer planets with Mars left out. When making the calculations for these averages the average longitude changes greatly when one of the planets crosses from 360° to 0°. Below is a list of the 6 outer planets for the dates April 14 and 15, 1994. Notice that the average longitude of these six planets on April 14th was 291.22° and the next day it fell 60 points to 231.34° because Mars crossed from 360° to 0°. On Chart 2-4, I have placed the geocentric and heliocentric average longitude of the six outer planets on a weekly soybean chart.

Geocentric			Geocentric		
April 14, 1994			April 15, 1994		
-----	Glyph	Longitude.	-----	Glyph	Longitude
Mars	♂	359.8°	Mars	♂	000.56°
Jupiter	♃	221.75°	Jupiter	♃	221.63°
Saturn	♄	338.7°	Saturn	♄	338.8°
Uranus	♅	296.21°	Uranus	♅	296.23°

Neptune	♆	293.31°	Neptune	♆	293.31°
Pluto	♇	237.55°	Pluto	♇	237.51°
-----			-----		
Ave.		291.22°	Ave.		231.34°

Chart 2-4, is a weekly March contract soybean chart from January 1990 to September 1995. The dotted line on Chart 2-4 is the geocentric average of the outer planets and the solid line is the heliocentric average of the outer planets. I have placed the label "Gap A", "Gap B" and "Gap C" on Chart 2-4 to identify the three times when Mars crossed from 360° to 0°. At these three points, the averages drop significantly. In his 1954 soybean letter, Gann did not indicate whether he averaged the planetary longitudes as they are naturally, which produces gaps in the average as seen on Chart 2-4, or if he adjusted the longitudes to make the averages smooth.



To smooth the average of the six outer planets it is necessary to add 360 to a planet's longitude when it crosses from 360° to 0°. It is my opinion that Gann probably smoothed the angle and avoided the large gaps seen in Chart 2-4. In a moment I will show the same soybean chart with the average of the 6 outer planets with no gaps.

When using the four planetary averages, Gann identified in the quotation on the