

Title: Taste the Rainbow - Ultraviolet

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Created 2022-04-13 21:33:28 UTC

Permalink: /r/DDintoGME/comments/u3102w/taste_the_rainbow_ultraviolet/

Url: https://www.reddit.com/r/DDintoGME/comments/u3102w/taste_the_rainbow_ultraviolet/

Hi Apes,

If you are a returning reader to the Taste the Rainbow series, welcome back and I think you are gonna enjoy this week's episode. If you are a new reader, I suggest you start [here](<https://online.fliphtml5.com/lvrgy/fh1b/#p=1>) to get the original theory. Last week's update hasn't been added to the library entry yet, but you can check it out (removed for automod). For the new folks, the general idea that's continuing to prove to be true every week is that our entire chart since the day the buy button was turned off has been tilted on an angle. When you account for this angle, you can start drawing Fibonacci channels based on that angle and they can show you with extreme accuracy expected areas we will find support or resistance. Yes, the typical SS mentality is "TA doesn't work". But the Taste the Rainbow series is slowly proving that if you account for the angle, it works shockingly well.

3 things I'm gonna cover on this update

\- All channels I've currently identified. More have been added since last week

\- How Taste the Rainbow channels can explain this week's movement.

\- Using my other rainbow to address the "They move together" fallacy.

But before we begin. You know her, you love her, if you've read the previous entries in the series then you know she's always hanging around here. Say hello to the crowd pretty lady.

<https://preview.redd.it/uqklr1cz6dt81.png?width=864&format=png&auto=webp&s=92888745bfd33bd3e3bc0be1228359da52ef77ed>

I'll make a new title card next week

Current Channels

As a reminder, you can draw all of these fib channels on your chart pretty easily, each one only has 3 coordinates and 2 of those coordinates are the same for every channel. Have your candles set to Heiken Ashe and set them to daily when setting this up.

You're first two points are ALWAYS

\- Top of wick on March 10, 2021

\- Top of wick on November 3, 2021

You want to be as precise as possible when you set these first two points. Zoom WAY in and put the pin onto the exact cent the wick ends on. If you are accurate on this step it will ensure that everything in the channels is totally parallel. As a reminder, these points were chosen because they were dates where the price began running and suddenly order book issues occurred and we saw trading halts. If you've done this step correctly your line will look like this below. You'll see it's almost at the January 27, 2021 wick peak and March 29, 2022 wick peak (which also were dates we saw shorts start pulling some fuckery).

<https://preview.redd.it/ikxxyse07dt81.png?width=1350&format=png&auto=webp&s=f6450d90b1530694395b69908e74e0d98fe568fb>

Now for the final pin, you'll set these on the candle bottom (not wick) for each of the following dates. Again, zoom WAY in and be precise. The better your precision on this step, the easier you'll see how the price

literally taps these lines perfectly literally months after that cycle ended.

\- February 19, 2021 (in the last update I kept calling this Feb 24. The chart you saw was accurate, I was naming the date the price flew on accident).

\- March 24, 2021

\- April 13, 2021

\- May 11, 2021

\- July 8, 2021

\- July 15, 2021

\- August 4, 2021

\- October 6, 2021

\- November 10, 2021

\- December 14, 2021

\- January 28, 2021

All of these dates represent low points relative to that top diagonal line we drew. Some are more obvious than others. If you've drawn this correctly, here's the insanity you'll see.

<https://preview.redd.it/eslttsd17dt81.png?width=1350&format;=png&auto;=webp&s;=1175069cbda5e453457ce5c0420c1b3c8a75441b>

I'd also STRONGLY suggest that as you make each channel, open up the Object Tree (in TradingView this is in the bottom right corner of the screen and looks like a diamond with a couple chevrons below it) and name the channel by that candle bottom date. This will make it easier to figure out which line belongs to which channel. Also make sure to hit the lock button so you don't accidentally drag the channel out of place. And if you aren't familiar with TradingView, you can click the little eye button to hide a channel when you don't want to see it.

Before I dig into this week's update, I want to show why this insanity of lines matters. Cause let's be real, this is 77 lines running across your screen and some people will say "Hey no shit some candles and wicks hit the line, how can you miss at this point?". Right on, but then you need to zoom out and check out how that line has been respected by multiple candles months apart. What I'm telling you is that you can start seeing that EVERY single movement has had some relationship with the fib levels of every cycle that has occurred.

You really need to put this on the chart yourself in order to zoom in and appreciate it properly, but here is the chart from when I began posting Taste the Rainbow on March 10th up to today with 15min candles.

<https://preview.redd.it/kw29qnp27dt81.png?width=1350&format;=png&auto;=webp&s;=a3fb1368ef2c8e2f4f824ee871da1eb79390af17>

Every single movement both small and large, explainable as a test of some channel's fib levels. And you might say "Bro, there's gotta be some channel in there that is not actually used". If there is, show me. I'm even gonna go so far as to say there are one's I am missing still since there are some wicks that end for no reason and if I draw a line parallel to the channel I can connect those wicks.

I gotta say this again, and I know I sound like a broken record in these posts but this is so absolutely beyond nuts. FOR 15 FUCKING MONTHS OUR ENTIRE FUCKING CHART HAS BEEN ON A CONSISTENT SLOPE AND EXPLAINED BY VARIOUS CHANNELS THAT CAN ALL BE DERIVED

FROM A LINE WHERE IF THE PRICE TOUCHES THAT LINE THE ALGO SHITS ITS PANTS. Any bullshit EVER an analyst has given about retail involvement in price movement is disproven by this because there's no damn way in hell millions of retail traders can be this consistent. So please, I implore you, add these channels to your chart cause it would take me months to show this rather than just letting you explore it yourself.

Taste the Rainbow This Week

For the purpose of this post, this week is April 7 – April 13. I'm headed out of town tomorrow afternoon and likely can't do a full post like this until next week so that's why this is kinda mid week.

So if you have added all of the channels I mentioned in the first section to your chart and we zoom in to just this last week on 5 minute candles, we get something that looks like this.

<https://preview.redd.it/z3o1j2r37dt81.png?width=1350&format=png&auto=webp&s=2e853a4c732aecfe429a1bb59a9c25c7891756db>

And like I mentioned in the last section, check out how much of the movement is explained by the price just checking every single line or getting squeezed in between 2 lines. But let's clean this up a bit. Go ahead and leave only the May 11 channel and the Aug 4 channel lit up (hide the others). Chart should look like this below.

<https://preview.redd.it/s68brel47dt81.png?width=1350&format=png&auto=webp&s=b8bddbd82a267c3394f8cbd8e0f7299341a43bf9>

Ok, much cleaner. The simple idea of this entire week just bouncing between the .236 (red) of the May channel and the .382 (green) of the August channel. I say simple with sarcasm because WHY IN THE EVER LOVING FUCK IS THE PRICE REACTING LIKE THIS TO 2 LINES THAT BELONG TO 2 SEPARATE CHANNELS THAT FORMED MONTHS AGO? And maybe you'll say "Tiberius, you dolt, there's tons of lines it's reacting to". Ok, well here's something to mull over. Here's a fib channel where now the .236 is out top line and the .382 is our bottom line.

<https://preview.redd.it/hn52jh067dt81.png?width=1350&format=png&auto=webp&s=ca679e5d56ddad2873ba19fe34ea41cd998470a6>

A rainbow, within a rainbow. And that looks a lot like the price reacting to every line within. And yes, this does indeed, like everything else, run parallel to the top line I base all of Taste the Rainbow off of. The price checking every single line up and down, constantly reliable for every 5 min candle for every day for a week straight. Even the little end of day pop up over the channel lands right back on it.

\- SPY cruising up or down? We are consistent as ever

\- Other meme stocks moving? We are consistent as ever

\- Pulte makes a 6 figure buy? We are consistent as ever

\- Inflation report comes out? We are consistent as ever

And if you are thinking about the top line this is all based off of as being our true "UP", as being what should be horizontal, then this means we've been moving perfectly sideways all week. Sideways trading guy, this is your absolute bread and butter movement right here.

Ok, do the thing where you show that we have some history with this little inception rainbow.

I'm so glad you mentioned this, because we absolutely have checked out this rainbow before. Keep this channel up but set your chart to 15min candles and drag it back to the November peaks.

<https://preview.redd.it/bryfzzb77dt81.png?width=1350&format=png&auto=webp&s=f2b0241f3bd2d0316cb30609f03fc57661bfdcf0>

Not once, not twice, but three separate times we went through this channel in November. While we were in the channel, the price respected the lines within. And when we got above it and held it as support the price ran right back up to the line the algo hates.

I would like to run this back even further and see what June and last March look like, but TradingView won't let me load 5 or 15 minute candles that far back. I can set it to 30min and see but at that point you are missing a lot of movement and especially when some of the rips at that time were so nuts, I can't reliably state how frequently we respected the lines.

But why did I bring up holding this channel as support in November and going back to the top line? Well let me refresh you on something I said in my last update. We use .382's as support to step up, we've done that all year. Well let's look at our most recent move and ONLY the .382 from each channel.

<https://preview.redd.it/cnfdc1d87dt81.png?width=1350&format=png&auto=webp&s=c8f9e6394c535c086b4ec6a7785c3f85d7804491>

Since March 18, we hold the .382 from a channel and we move up. And all we have been doing since April 7th is testing to see if we hold that dense cluster of .382's from the August 4, July 15, and January 28 channels.

On the flip side of that, the .236 (red) has acted as resistance, so let's look at where every channel's red line is.

<https://preview.redd.it/nfpbct797dt81.png?width=1350&format=png&auto=webp&s=3e2c658c5b0ae2ba9225dfe630b40bd8690749b6>

Well look at that. Right where our energy was petering out during the run is a whole mess of red lines. Resistances from channels established from all over this year. Even this week, where do we get pushed down again, red lines.

So any big thoughts on the week?

\- Relative to the top line of Taste the Rainbow, we have been moving sideways. Not down.

\- We keep on getting pushed to .382's and holding them. This historically bodes well for upward movement.

\- On the 30 min candles, we've made a pretty clear inverse head and shoulders this week (relative to channel). That tends to mean we head back upwards.

\- Yes, we did break through the top of the inception rainbow on Wednesday afternoon.

\- I'd really like to touch the top line of Taste the Rainbow again. Even if it's a rejection. Especially if it's a rejection where crazy order book shit and halts happen. At that point I think we can point even the most dense SEC employee at the chart and say "HERE STUPID, HERE IS WHERE TO EXPECT FUCKERY". If we crack through and moass begins and there is much rejoicing.....I guess that's cool too.

You said you had another rainbow?

Yes, I have a bunch cause I do my charting while tripping on bath salts in an abandoned uranium mine and the colors make me feel more together with the universe. Before I start this section, this isn't meant to be poo flinging. This is just data being presented to counter a falsehood that's been repeated way too many fucking times. And it's something we can disprove at literally any moment with a really simple charting feature. So if this next section bothers you, or you see it as an attack.....listen man I'm just showing you how the numbers do not support the narrative because, and I say this with 100% certainty ****They do NOT move together.****

Let's start by talking about a feature you can use in TradingView that a lot of people don't know about. You can create a chart that will show you the ratio of 2 tickers. Go to the search bar and type in

Stock 1/Stock 2

What you will see is a chart (and you'll only see it with daily candles) where the Y axis is telling you the price of Stock 1 divided by the price of Stock 2 on any given day. So as an example...

<https://preview.redd.it/vdi5mfca7dt81.png?width=1350&format=png&auto=webp&s=f68da0160b2950e60a5cd6b0a28b13cda1b5f0f2>

Here is BRK.A/BRK.B. I use this as an example because here is what "Move Together" should look like. They derive value the same way, BRK.B is just BRK.A with way more shares and (I believe) no voting rights. Aside from a few relatively minor bumps.....It's a straight, HORIZONTAL line. Doesn't matter how they move against the dollar. In relation to each other it should stay a consistent value. Next let's talk about why we might use these price ratio charts.

<https://preview.redd.it/hj0a285b7dt81.png?width=1350&format=png&auto=webp&s=45d524456ff9b8ee23664550e8cc8c0508ad4c32>

This chart is 3thereum/Bitcoin. A benefit to trading crypto is you never need to think about dollars at all, you can exchange directly from one coin to the next. But if my goal is to increase the value of my coin holdings, then what I want to do is hold the asset that holds value best. So using this chart, I never need to think in dollars at all. When the line goes down, I'm better off exchanging all of coins for Bitcoin. When the line goes up, I'm better off holding 3thereum. EVEN IF BOTH ASSETS ARE GOING UP OR DOWN, the best option to hold is determined by whether the line is going up or down.

(Real quick aside, I know, I know, there's world's of stuff being built on 3th and you may have strong feeling why regardless of up or down its more valuable. This isn't that debate. I'm strictly explaining the idea behind these price ratio charts and how we can use them).

Rather than trying to remember what ticker moved by what percentage in a day and whose moved more from which point, these charts just tell me how 2 tickers are performing against each other. In the case of the Berkshires, neither is out performing the other. In this crypto case, you can see how they oscillate. But let's go ahead and get to the meat and potatoes (popcorn?) of this section.

<https://preview.redd.it/vpbirr3c7dt81.png?width=1350&format=png&auto=webp&s=d6ec9ca55042ee2d6b5079b6f6e9baf6be7738c4>

This is the chart for GME/popcorn. The large hump in the center is the Sneeze until around early June where popcorn rocketed. Now from the sneeze to June, we had people saying that these were essentially the same and based on what I pointed out above with the other 2 charts, It's very clear that these did not move together. Giant red or green candles clearly shows they not moving together because that's telling us there was huge swings in the ratio of the two prices. Remember, "move together" should look like the Berkshire chart. But I want to focus from the time after popcorn ran in June. I'll zoom in.

<https://preview.redd.it/zkc2zsyc7dt81.png?width=1350&format=png&auto=webp&s=084db654222b4f7ac71777e1ba3123abfad9d2be>

I placed colored lines at each whole number. Now for a while, roughly July 14 to September 2, you could have reasonably said the two stocks moved together. Regardless of both of them dropping against the dollar, they held a ratio of about 1:4.5/5. But in September, we start seeing a trend happen where the ratio is moving up in channel. And it does this EXTREMELY consistently. The ratio checks either side of the channel but tends to stay within. And it has done this very slow move upwards for the last 6 months.

Now the ratio did fall out the bottom of the channel temporarily in mid-March and now it's just above it. I don't think it's out of line to think the ratio will revert back to the center of this channel and keep the trend going. But the fact remains, at the beginning of this trend the ratio was 1:4.83 and now it is 1:8.39

K, but can you say this simpler?

Yes. Let's say an ape holds both. And on September 2, he owned \$10,000 worth of both.

\- Today that same amount of GME is worth \$6953.

\- Today that same amount of Popcorn is worth \$4073.

One of these assets has held up in value better than the other, and the trend suggests they will continue to drift apart. So if you have been holding onto the belief that they will rocket together because they "move together", are you still sure that they move together and why do you believe that? If it's another 3, 6, 12 months until moass and the trend continues what does that mean for you if one starts rocketing and the other is not moving with it (and this question can work in either direction as a fun word problem)? The talk of some big sudden rug pull occurring might be missing the very real fact that the rug has slowly and methodically been getting pulled since September. And all that time, people still say that the two "move together" despite clear evidence that they indeed do not.

Wrap Up

Thanks for reading. I do these updates weekly because most of the time there's nothing interesting about bouncing around a channel. If you are not charting the Taste the Rainbow channels yourself (and I suggest you do) you can join the official SS discord, I tend to drop a daily pic in there of where I think we are. As always, do not trade based on my analysis, we still have no idea how they managed to jack the chart up on an angle or what might occur when the pattern breaks. I hope this series gets you to think deeper about if TA works or not.