

Title: ■ From a Ph.D in Rocket Science: GameStop (\$GME) Stock's Fair Volume-Weighted Price Resistance is currently \$27,944,315.32 per share. ■ Reference the math here:

Author: disoriented_llama

Created 2022-01-04 12:56:00 UTC

Permalink: /r/TheGloryHodl/comments/rvtrr1/from_a_phd_in_rocket_science_gamestop_gme_stocks/

Url: /r/Superstonk/comments/rvouex/from_a_phd_in_rocket_science_gamestop_gme_stocks/

Linked Post Content:

Let us **begin** by assuming nominal 1 Day charting periods on the GameStop stock chart.

Now, let us review what volume-weighted average price is (note that an intra-period assessment of average price is typically applied using the low, high, and closing price (in error).

<https://preview.redd.it/m56us7hkxm981.png?width=695&format;=png&auto;=webp&s;=1537d3c872448b391636dd12328afbde572be0b0>

Let us assume that a 7-day rundown in volume and price is terminated by a discovered price support after such a rundown. Let us create a term called Volume Weighted Price Support, where we analyze the volume-weighted price over the day that preceded the weeklong rundown.

<https://preview.redd.it/cankb29mhm981.png?width=975&format;=png&auto;=webp&s;=b346d847a422ad9c72cd8543d6beb3691d66dc28>

Let us also assume that a weeklong runup in volume and price is terminated at time T 0 by a new price resistance after such a runup. Let us create a term called Volume Weighted Price Resistance, where we analyze the volume-weighted price over the day that preceded the weeklong rundown.

<https://preview.redd.it/6b25r8cnhm981.png?width=946&format;=png&auto;=webp&s;=d502128eb20bc5d9f66ddf84a340de10146e3ba7>

First, let us seek the previous price resistance from the chart:

[GameStop's Previous Resistance \ (albeit forced\) was \$508.04 in Pre-Market on 28JAN2021](<https://preview.redd.it/5ygc122iim981.png?width=900&format;=png&auto;=webp&s;=278d95b760287a049bfc791d73f355e963b0ea26>)

Now, let us seek a VWPR from 8 to 7 business days (occurred on January 19th): \$40.5 Average on (VWPR 8 to 7 days) across total traded Price * Volume (PV) of \$3,026,160,000 on that day.

Further, let us use this historical data (of volumetrically-reflected value) to make a future prediction about a new price resistance (final divided by initial as a weighting coefficient) and applied to the same expectations of PV.

<https://preview.redd.it/x22sunsphm981.png?width=998&format;=png&auto;=webp&s;=2174600e2094df8467d150ede6b3e5842d549aa1>

However, since the previous VWPR from T0 minus {8 to 7 } days of 3,026,160,000 \$ * shares is 13.9537x that of the current, "New 1Day PV" of {216,872,100 \$ * shares} , then by primary assumption of

volumetrically-reflected value in the past being equivalent to volumetrically-reflected value in the future, this new price resistance has a predictive quality only with equally applied reflective price * volume. Therefore, we must *divide* this GameStop New Price Resistance by 13.9537 to achieve an equal-value Equivalent Price:

<https://preview.redd.it/4l93exuqhm981.png?width=759&format;=png&auto;=webp&s;=95de32ade4e0d7185044fcada71b977ac115a682>

Note, however that in the case of GameStop's Price Resistance that was set on January 28th in pre-market, at {\$508.04 per share} that the true market Price Resistance is *actually unknown*. **If we assume that the buy button was not removed by brokers**, then we can make a fair assumption that the natural, unimpeded, economic price (based on supply and demand) of {\$1,000.00 per share} would have been reached at a minimum. Thus, it is conservative to assume a factor of 2x in this case:

<https://preview.redd.it/kv6joldrhm981.png?width=928&format;=png&auto;=webp&s;=5e1a0386b28806c7a57d95c117dd663852e48805>