

Title: GME is a Rocket/Pressure Cooker - Quant Analysis of RSI and Parabolic Activity - Momentum Indicators | STILL VALID

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Created 2021-09-20 21:53:40 UTC

Permalink: /r/TheGloryHodl/comments/ps4r4g/gme_is_a_rocketpressure_cooker_quant_analysis_of/

Url: /r/Superstonk/comments/pruqb4/gme_is_a_rocketpressure_cooker_quant_analysis_of/

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>Not Financial Advice, I am not a financial advisor[.](<https://web.archive.org/web/20210618042013/https://preview.redd.it/emiby2pitw571.png?width=457&format=png&auto=webp&s=3e4afde797086bea502f76ad20a725d6f154a790>)

Preface

Technical Analysis is not my forte, but as I was watching the price action towards the end of last week, I realized that the RSI on daily intervals had been around 60 (I will explain why this is significant relative to GME). I don't know how many apes are familiar with [RSI (Relative Strength Index)](<https://www.investopedia.com/terms/r/rsi.asp>), but it is basically a momentum indicator commonly used in technical analysis to indicate overbought and oversold conditions. When it is low (~30) it basically means that sell pressure has been very strong, and when it is high (~70), buy pressure is strong. Momentum traders use this indicator to determine good entry and exist points for their trades (for those who trade GME, we only have entry and ~~exit~~ entry points).

Traditional interpretations of RSI and many technical indicators are not very easy to apply to GME do the the fact that it is a highly manipulated stock. Back in June, a DD contributor by the name of u/Hey_Madie created a post covering her [Pressure Cooker Theory](https://web.archive.org/web/20210618042013/https://www.reddit.com/r/Superstonk/comments/o2gfvr/gme_is_a_rocketpressure_cooker_quant_analysis_of/) which has since been deleted (courtesy of the "mod drama saga"), but fortunately was available on the Way Back Machine. This theory relied on a non-traditional interpretation of RSI that factored in the suppression we have seen with GME for months where, somehow, whoever is controlling the price is able to keep RSI below 53. However, occasionally, RSI would break that wall and ascend to a point (60 RSI) that has always pointed to a near-term parabolic event where RSI reaches ~70.

****Parabolic Event = GME go brrr****

Goal

Full credit for this theory belongs to u/Hey_Madie. My only real goal here is to bring to light what I think was one of the most valid TA-based theses on r/superstonk and provide a refresh on it. As of today, although GME has been following a trend that seems like it will close on the day chart at 60 RSI soon, ****this has not happened yet on the most recent run, so don't go full** ~~retard~~ **ape just yet.**** I have a good feeling we might get there this week (my feelings is generally wrong so don't count on that), and if we do, it goes without saying we should ****buckle the fuck up for another rip****.

Theory

To help break down the theory, I am just going to cite u/Hey_Madie's Conclusion/TL;DR

>If GME were left to run past RSI 53 and ascend to RSI 60+, the result would be a parabolic event. It's as simple as that. GME is influenced by many factors, but the data in this analysis should conclude that between RSI 53-60, the factor of 7 is what remains between the parabolic and the suppressed state. The fact of the matter is that this method is beginning to show a trend towards a declining slope of effectiveness. Educate yourself and keep your head on a swivel. ■

For visual reference, I am going to rip off a few images from her original post.

<https://preview.redd.it/vgd7xczm4no71.png?width=470&format=png&auto=webp&s=0e7cdae880ad033aa8dde2d47e5bb3b974bde3f2>

> The Visual Indicator

>

>Parabolic occurrences are represented using rockets. The size represents the strength of the parabolic event. RSI 53 ascending to RSI 60 = Parabolic Event

[You'll want to open in a bigger window \ (You will want to note how when the 53->60 ascension happens, even if RSI starts to decline from 60, a parabolic even above 70 RSI still takes place)(<https://preview.redd.it/gv50q6gz7no71.png?width=3140&format=png&auto=webp&s=797fabf28699c1dcae883e355f169c5aebb16513>)

<https://preview.redd.it/ymw2qa378no71.png?width=437&format=png&auto=webp&s=e3428c65719900b69a292b8ffb34e2e3834d564f>

Again, the above images are just for some added clarity on the post, but you can read it [here](https://web.archive.org/web/20210618042013/https://www.reddit.com/r/Superstonk/comments/o2gfvr/gme_is_a_rocketpressure_cooker_quant_analysis_of/) (if you try to read it on mobile, good luck, because it will probably suck to try and read).

Refresh

[Again, open in another tab \ (all I did was circle the point where we are in RSI\)](<https://preview.redd.it/t7wjzj14eno71.png?width=1566&format=png&auto=webp&s=b1a4175c08ec021393e725866849d75e5ad38c31>)

So here is basically where we are now. At time of writing, GME is red in the premarket with most of the market, so it is entirely possible this will descend back down to below 53, meaning we won't get our parabolic event :(

[Not really mad, it just means we have time to buy more](<https://preview.redd.it/7qax438drno71.png?width=1000&format=png&auto=webp&s=eb9720c3625e29a07fe48018d4f1a40c715769e6>)

Thoughts on Madie and the "Mod Drama"

I feel like I can't really post something that refers to Madie without trying to get ahead of all of the misinformation about her and the Mod Drama Saga which took place back in July, so I am going to try and make this as concise as possible, even though it is a bit longer than I intended

<https://preview.redd.it/vnlqlxv2qno71.png?width=701&format=png&auto=webp&s=bc06675673fcbbe045ec7bfda8cdadfe2547f610>

I believe that the Mod Drama Saga, which resulted in the resignation/removal of u/RedChessQueen99, u/Rensole, and u/Hey_Madie, was an orchestrated campaign that was executed by bad actors in order to harm the community and those operating in the best interest of it. I don't really care if anyone believes that, but the truth of the situation is that ~~a hit-post~~ **private messages** were shared with the community that should never have come out**. I can say for sure that **Red is not as crazy as many in the community try and make her out to be**, and what took place and was put on display for everyone was an [autistic meltdown](<https://www.autism.org.uk/advice-and-guidance/topics/behaviour/meltdowns/all-audiences>) (by Red), **triggered by another mod whose intentions at the very least were very questionable**. Thanks to that, individuals who up until then and even beyond then had been acting in the best interest of the community and doing their best to add value to the sub in the ways they could.

Misinformation to clear up:

* There was no romantic angle between them, and Red was not using her power as a mod in order to get someone she wanted onto the mod team

- * There were never any nude pictures sent between Madie and Red
- * Prior to becoming a mod, Madie was assisting the Satori team by providing intel data on shills and bad actors
- * She never had access to the source code of Satori
- * Yes, Madie has a comprehensive background in the military, intelligence, and AI/tech, and towards the end of her military career took on a contract with Blackwater
- * These capabilities were used to spin up a false narrative that she was an infiltrator of the sub which made zero sense based on the amount of help she was providing and she ultimately was doxxed, wrongfully accused of Stolen Valor, and threatened

Due to the orchestration of bad actors intent on damaging the community, a false narrative was forged and accepted by many in the community. Sorry to say, but if you fell for this, you fell for a FUD campaign. Regardless of your feelings about it now, I think it is more important than ever that we all take time to think critically, find evidence to back up claims rather than going off of rumors, and consider who stands to benefit most from the narratives being perpetuated across the sub.

Hopefully the above explanation mitigates at least some of the negative comments that would otherwise make it to this post. All three of the individuals are intelligent people who got fucked for basically no good reason. I am not really here to debate this, as this is about the TA, but if you are going to take things to the mod drama saga in the comments, I will do my best to refute any misinformation based on what I know about it and the individuals involved.

Conclusion

This post is primarily about Madie's TA that she referred to as the [Pressure Cooker](https://web.archive.org/web/20210618042013/https://www.reddit.com/r/Superstonk/comments/o2gfvr/gme_is_a_rocketpressure_cooker_quant_analysis_of/) which I would encourage you to take a look at. Traditional interpretations of RSI are not really applicable to GME, and Madie basically found another way to interpret it based on the suppression that generally keeps GME's RSI below 53. As of close on 9/17 RSI was around ~58, however, based on how rough the market is looking this morning, it is possible we will not see 60 today. If RSI reports as below 53 on daily intervals after closing, it can be assumed that we may not see a corresponding parabolic event. If we do happen to hit 60 RSI, you can be sure I will be buying as much more GME as I can (obviously not planning on messing with options as we know where that gets us).

TL;DR (quoted from Madie's post)

>If GME were left to run past RSI 53 and ascend to RSI 60+, the result would be a parabolic event. It's as simple as that. GME is influenced by many factors, but the data in this analysis should conclude that between RSI 53-60, the factor of 7 is what remains between the parabolic and the suppressed state. The fact of the matter is that this method is beginning to show a trend towards a declining slope of effectiveness. Educate yourself and keep your head on a swivel. ■

If there are any TA apes who want to take a closer look at this, I say go for it. TA isn't my area of expertise, but I saw some value in at least refreshing this for the community to continue jacking our tits.

As with everything, think critically, and before going along with any ideas or narratives, try and perform your own due diligence to ensure it is something that is worth going along with. If we happen to reach that 60 RSI, I will probably make another post going into more detail.

Buy and Hodl, and watch out for FUD.