

Wyckoff: 000969 (5m | 500 bars)



Greetings. This is Richard D. Wyckoff. To understand the behavior of 000969 (Anhui Anke Biotechnology) on the 5-minute timeframe, we must look past the mere fluctuations of price and discern the motives of the Composite Man.

Your entry at 22.879 places you at a critical juncture in the current market structure. On this intraday scale, the tape reveals a battle between supply and demand that is currently reaching a climax of "testing."

Here is my analysis of the current campaign.

1. Executive Summary

The market is currently in Phase C of a localized Accumulation structure, characterized by a "Spring" or a "Test" of the recent lows. The immediate bias is Neutral-to-Bullish, provided the current support level (the "Ice") is not breached on heavy volume.

2. Detailed Phase Analysis

Deconstructing the 5-minute chart, we see the following Wyckoffian events:

- Phase A (Stopping the Decline): We observed a Selling Climax (SC) at the recent swing low (approx. 22.45), followed by an Automatic Rally (AR) that pushed price toward the 22.95 level. This defined our Trading Range (TR). The Secondary Test (ST) confirmed that the frantic selling had ceased for the moment.

- Phase B (Building the Cause): Price has been oscillating between 22.50 and 22.90. During this time, we see "churning"—volume remains erratic, suggesting the Composite Man is absorbing the remaining floating supply from retail "weak hands."
 - Phase C (The Test - Current State): Your entry at 22.879 is situated near the upper boundary (the Creek). We are currently seeing a pullback from this level. We are looking for a Spring (a brief dip below support that is quickly recovered) or a LPS (Last Point of Support). If the price holds above 22.60 on diminishing volume, the "Test" is successful.
 - Phase D (The Break): We await a SOS (Sign of Strength)—a wide-spread up-bar on increasing volume that clears the 23.00 handle.
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3. Volume Spread Analysis (VSA)

The "Law of Effort vs. Result" is providing the following clues:

- Absorption Evidence: On recent 5-minute candles approaching the 22.55 level, we see high volume but narrow price spreads. This is hidden buying. The Composite Man is placing "buy limit" orders to catch the selling without letting the price drop further.
 - Supply Check: The rallies toward your entry price (22.879) have shown slightly diminishing volume. This indicates that while demand is present, it is not yet aggressive enough to "Jump across the Creek."
 - Anomaly: If you see a large red candle with high volume that fails to close near its low, that is a "Shakeout." It is designed to scare you out of your 1,100 shares before the markup begins.
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4. Strategic Assessment

- Current State: Phase C (Testing Supply).
 - Bias: Hold/Long. The structure suggests accumulation rather than distribution, but we are at the "edge of the creek."
Key Levels:
 - Invalidation Point (Stop Loss): 22.40. A close below this level on high volume indicates the "Ice" has broken, and the markdown will continue.
 - Target (The Cause): Based on the horizontal width of the current TR, the initial objective is 23.60, followed by a secondary target of 24.10.
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5. Trade Setup

- Entry Zone: You are already positioned at 22.879. This is a "high-handle" entry.
 - Stop Loss: 22.40 (Below the Phase A Selling Climax).
Take Profit:
 - TP1: 23.45 (Near previous structural resistance).
 - TP2: 24.00 (Psychological round number and Point & Figure target).
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6. Risk Warning

The Danger of "No Demand": If the price drifts back up to your entry level (22.879) on very low volume and narrow spreads, it indicates a "Lack of Demand." In such a case, the Composite Man is not ready to mark the price up, and a deeper "Spring" to flush out remaining longs may occur. Watch the volume closely as we approach 22.90; we need to see "Effort" (Volume) producing "Result" (Price Progress).

Study the tape, not the news.

Respectfully,

Richard D. Wyckoff