

# Why “time in” the market is less powerful than “timing” the market

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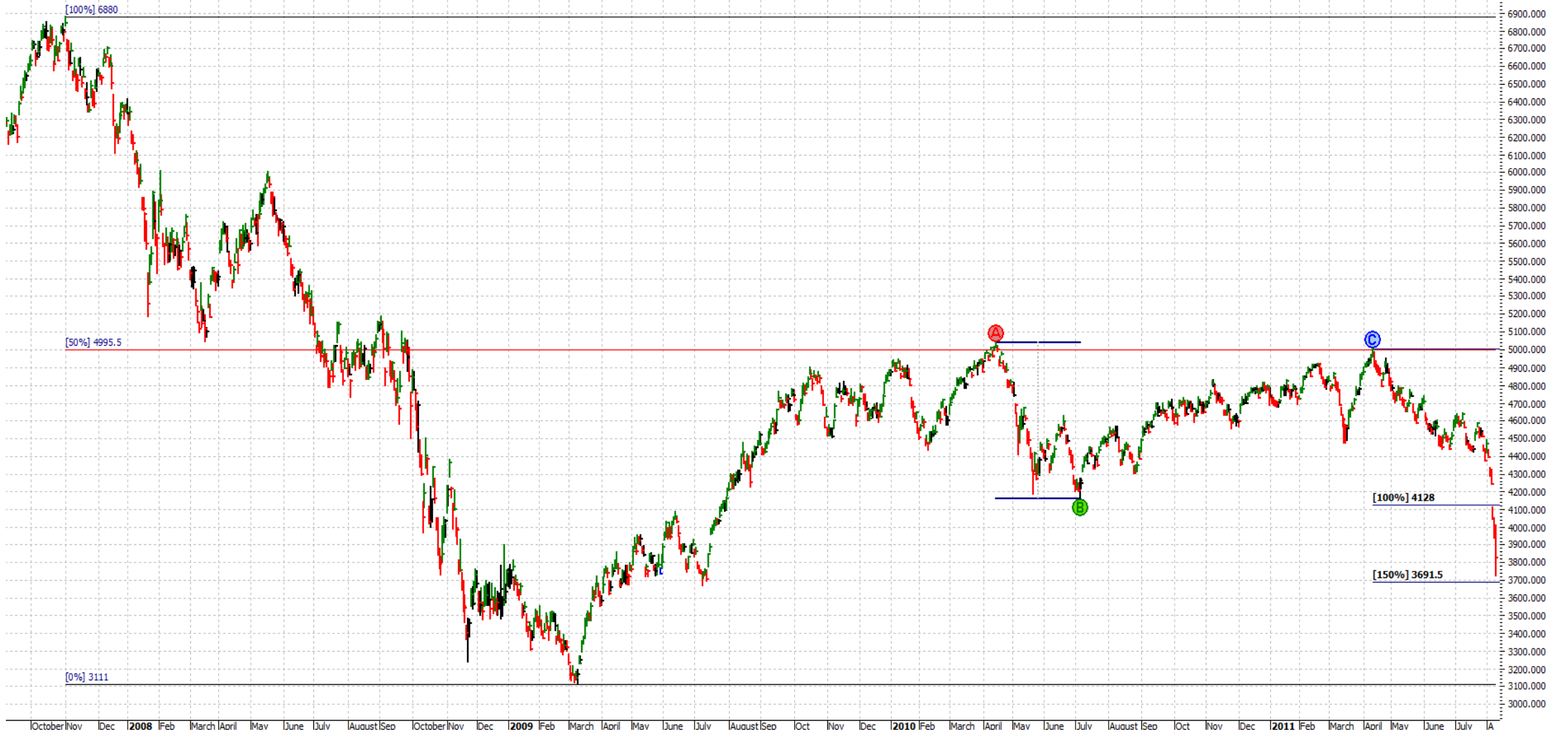
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# Where to start?

- I spoke about my first classic Gann setup trade in my last video available at <https://www.facebook.com/WealthMR/videos/470046195736073> and I was going to present this month's discussion about that trade as to me it was the perfect example of my early learnings of the W.D Gann's technical analysis all coming together. And then I realised two things, one as a student I don't want to read about something that happened in April 2010 and 2011 unless I can use that for today's market. And secondly and perhaps coincidentally the move after those double tops formed a low that is now one of my point C's of the bigger picture that might help call a yearly top. Certainly, that GFC range helped me call that 2011 top and the bottom that is now one of my point C's.
- Given that not everyone can remember that move and the exact numbers like I still can I'd better start there.

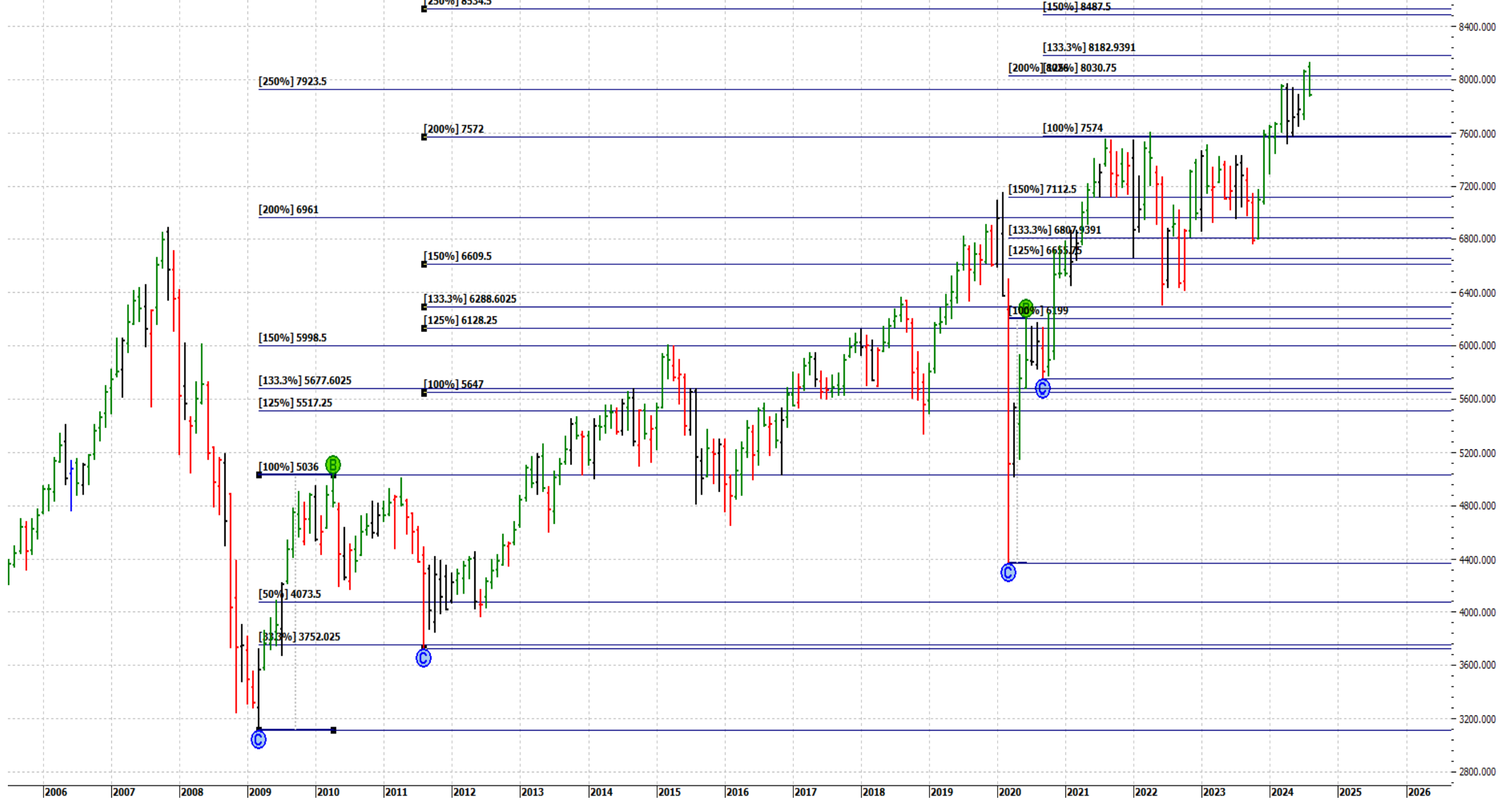
AAI-SpotV - Daily Bar Chart



# Analysing the previous chart

- Above is the GFC range from 6880 down to 3111. In April 2010 we got a top (point A) at 50% of the range, followed by another top 360 degrees apart in April 2011 (point C). The market then ran down 150%, which becomes one of the point C's I'm looking at to help call a potential yearly top later this year. Oddly I started hand charting this market with a weekly chart later that year and it is still kept up to date behind me on the wall. I probably should have worked back to the GFC range, but I'd need a bigger wall as I can't change my scale now after 12 odd years.
- Now I'm going to use that April 2010 top as my first range out from that GFC low and the August 2011 low as my new point C. Focus on the left-hand side of the chart first. I've also drawn one that puts my point C back on the GFC low (point A in both scenarios and leaving B where it is). Most current students will be familiar with this technique.

AAI-SpotV - Monthly Bar Chart



# How this has helped call other moves

- You can see they have helped call some tops and bottoms along the way. Of interest this year is the April top at 250%, as well as a few other areas (within 40 points) at 7923.
- Also, from my new point C that I started writing about called from my first classic Gann setup all those years ago is clustering with the first range out of the Covid crash recovery, which was probably my next best call that allowed me to make a lot of money in 3 weeks, whilst others were caught unaware. Would it be wrong to say I got excited when my kids told me there could be a World War 3 and then later Covid was being talked about? Well, it supported my analysis, so I'll leave it at that.

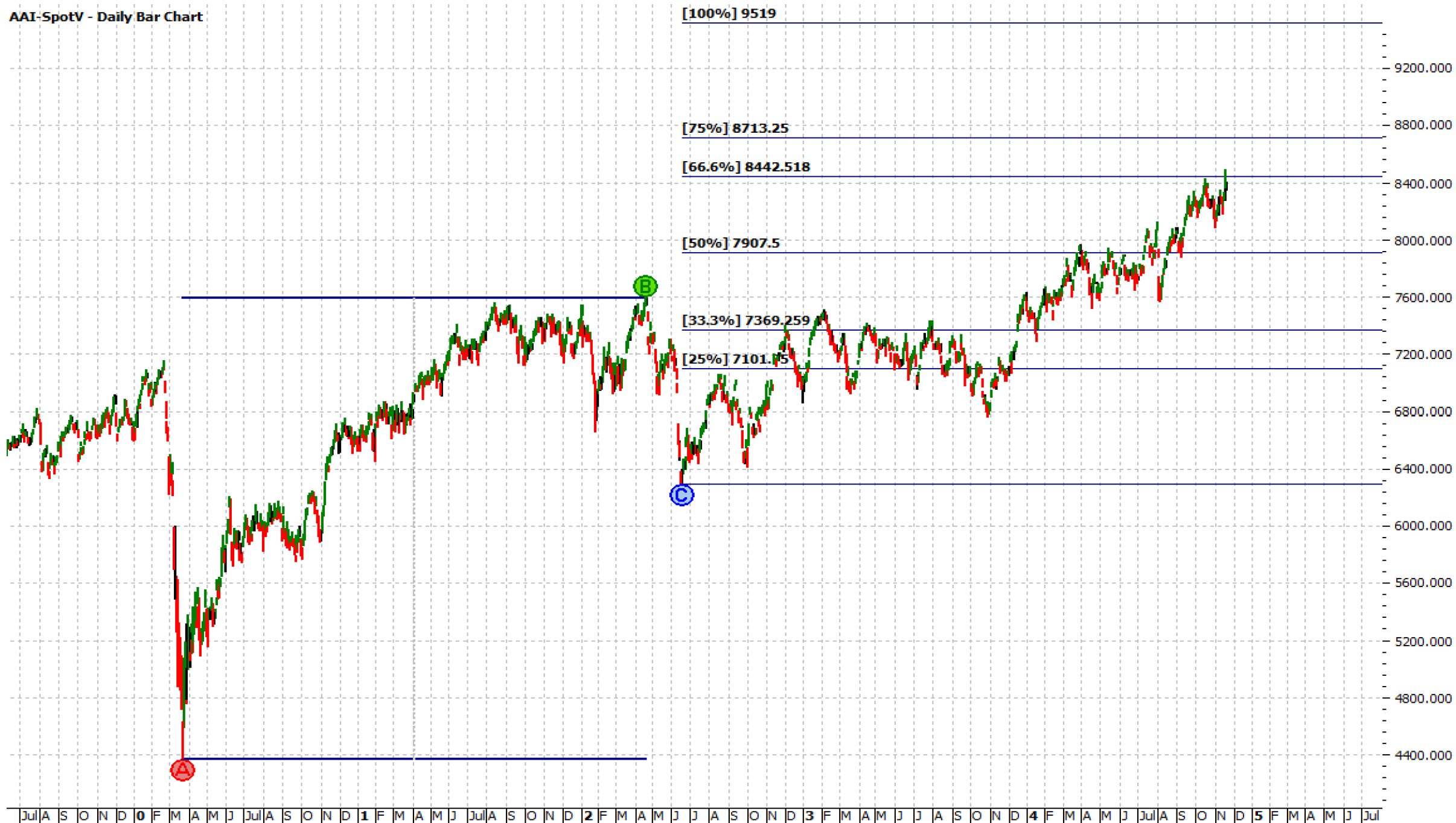
API-SpotV - Daily Bar Chart





- The previous chart was drawn on 2<sup>nd</sup> August confirming the top in line with 300% of that first range out created from October the previous year and is actually what has called the top of two days ago.
- My last long trade was set to take profit at 8440 as I like to use rounder numbers to exit positions in case the market falls just short of my target, on this instance it actually went 4 points above my target or just 2 points from where not only 400% of that first range out calls but also using some milestones on the next chart.
- There are many milestones that highlighted 8442 as a high and hence I have labelled it a potential super cluster.

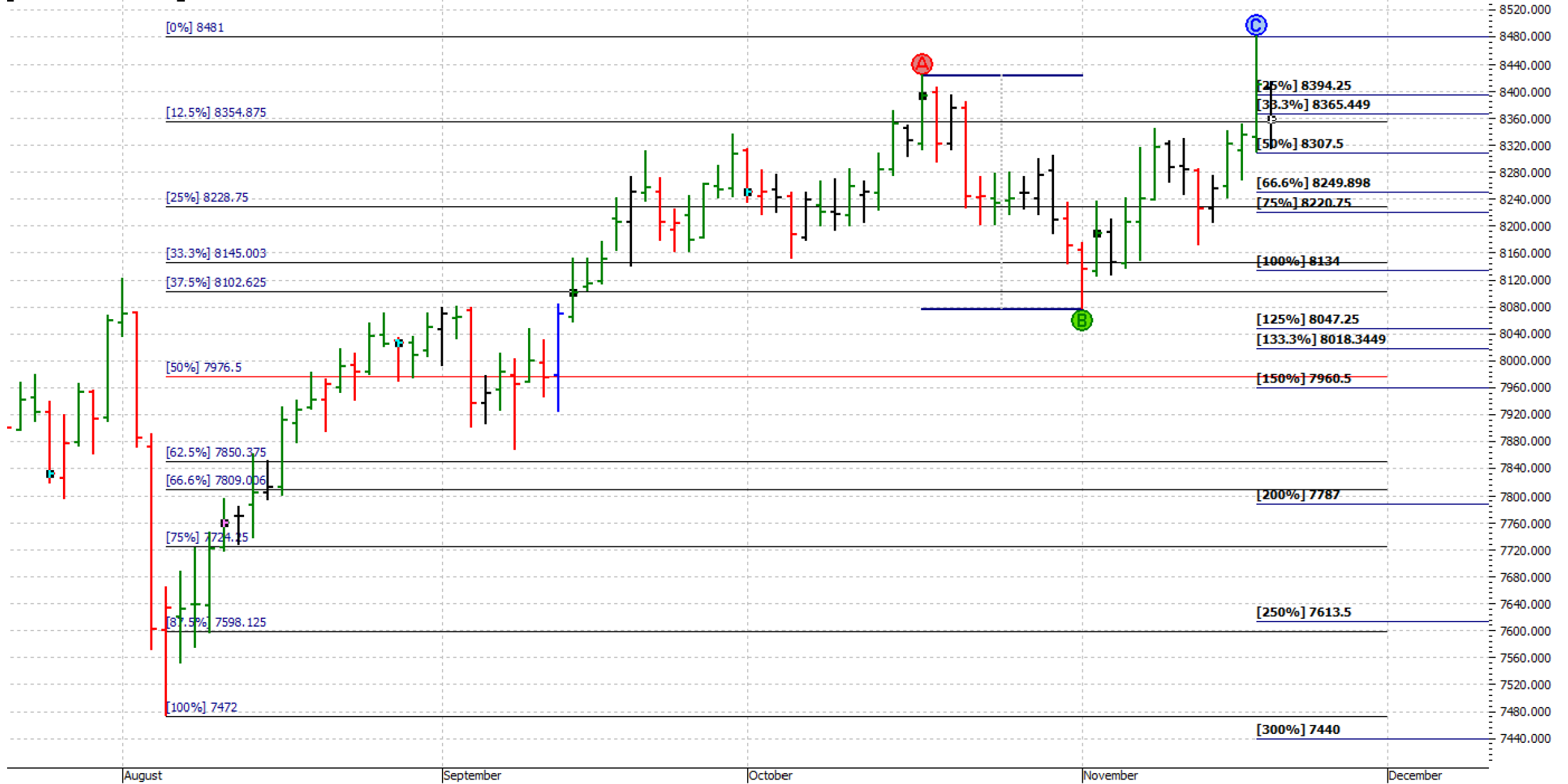
# AAI-SpotV - Daily Bar Chart



# Using previous moves in markets to help confirm potential new targets

- I've now gone back to the Covid low of March 23<sup>rd</sup> 2020 to project a bigger first range out and projected forward from the next major low.
- I could wrap things up here with a potential top after what I imagine may be a short term pullback on the immediate horizon at 9519, but I want to just share two more slides, which are really just points of fascination as I not only look at price targets, but time targets too.

API-SpotV - Daily Bar Chart



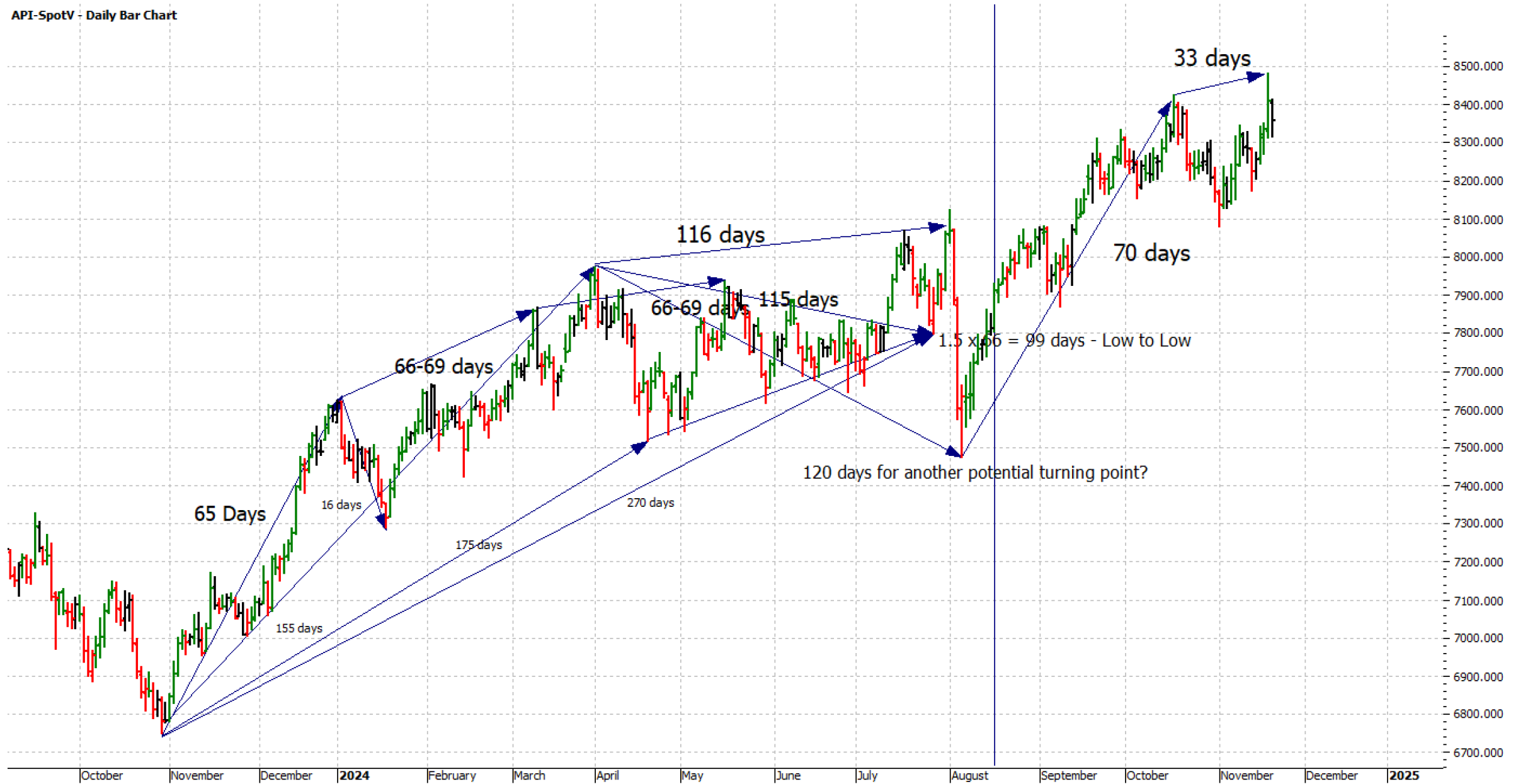
# Where might that pull back come to?

- The previous chart shows some potential targets for a pullback before the continuation of a bull market
- I'm reluctant to include this as I haven't spent the time to really hone in on this as my focus has been on the short term top rather than trying to trade against the bigger trend.
- However there is some potential with it being a false break double top that the market pulls back to one of the milestones with the cluster of 150% of the last move down with 50% of the overall range.

# Now onto some time

- The patten that seems to be occurring over and over again for the past year is a movement of around 66 days.
- We've just had a top to top move of 33 days, which makes me wonder if perhaps we might have roughly a 33 calendar day move down from here.
- I also look at things like seasonal dates such as Equinox's and Solstices.
- The summer solstice falls on 21<sup>st</sup> December this year, which is in line with the 33 days, and would potentially be the perfect point for the Santa Rally to commence this year

API-SpotV - Daily Bar Chart



# Something fascinating about the number of points the SPI moves

- I've simply run geometric lines from the all time low in 1983, 1987 high and GFC top in 2007. All at 1 point per calendar day and you can see the first one has been an area of support for the market over 40 plus years. The 1987 top line has provided both support and resistance.
- I suspect the line from the GFC will at some point provide resistance, before we potentially move on to much higher prices





The information in this presentation is not a recommendation, it is purely some insight into how technical analysis can give you a better probability of greater returns than buy and hold.

Be the best, you.

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