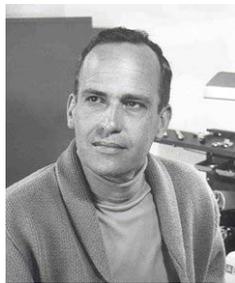


1. Jesse Livermores Secret To Success
2. Jesse Livermore and the great crash 1929
3. Dear NewBie Investor
4. How to win in the stock market
5. Commandments to follow
6. 10 Rules for Investing
7. How to survive a stock market crash
8. William J O'Neil, CANSLIM
9. Dan Zanger, Wyckoff mark up trader
10. Barry Ritholtz keep it simple stupid
11. Gerald Loeb how to win
12. Paul Tudor Jones II
13. Felix Zulauf
14. Warren Buffett
15. Chuck Hughes 7 times World Trader Champion
16. Super Trader Karen
17. Reading the tape
18. Indicators Introduction
19. Richard Wyckoff method
20. William Gann method
21. Jim Hurst method
22. Wyckoff method improved1
23. Wyckoff method improved2
24. Original Wyckoff and Wyckoff 2.0
25. Wyckoff 2.0 vs Others
26. Wyckoff 2.0 and Volume Spread Analysis
27. Powerful Patterns
28. Elliot Waves
29. Price Action
30. Market Statistics
31. Cycles for short term speculation
32. Stop Loss methods
33. Alpha Stock Scanner
34. Swing Scanner
35. Flash Charts
36. RTT Market Timer
37. RTT Wyckoff Short Term model
38. Chart Drawing Tools
39. Standard Indicators
40. Proprietary Indicators (PI)
41. PI: RTT TrendStatus
42. PI: RTT TrendPower
43. PI: RTT VolumeWave
44. PI: RTT PriceVolume
45. PI: RTT Rainbow Bands
46. PI: RTT Volume
47. PI: RTT MarketPulse
48. PI: Proprietary Indicators Caution
49. What we do?

Indicator Library

Jim Hurst method

The originator of this method is from the writings of Jim Hurst.

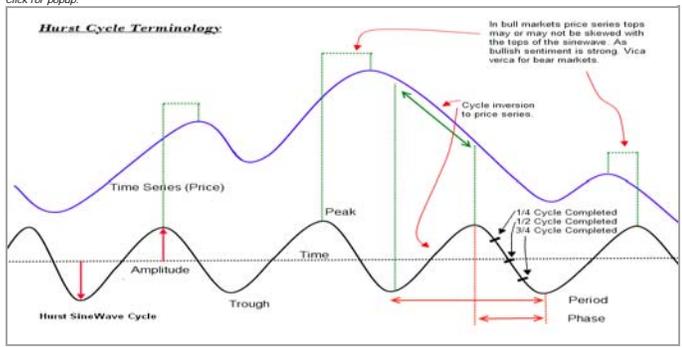


James (Jim) M Hurst is a legend to knowledgeable individuals interested and involved in the study of cyclical price movement in the financial markets.

By training and background an aerospace engineer, he was the first true pioneer in the computerized research into the nature of stock price action, devoting many years and over 20,000 computer hours to this study. His conclusions were first documented in his groundbreaking classic, The Profit Magic of Stock Transaction Timing.

The work of Hurst inspired cycles analysts who came later, and represents the most important factor behind the work later done by such cycles luminaries as peter Eliades, Jim Tillman, Walter Bressert, and Brian Millard.

First, lets review some basic cycle terminology.
 Click for popup.



Jim Hurst published his methods in the book called 'The Profit Magic of Stock Transaction Timing' (see our [education page](#)). Hurst determined that a price series may have dominating cycles that can be used to time stock transactions for profit. You can also learn more via our [YouTube videos](#).

How would Hurst Trade:

- In short he would:
- 1) Find the dominant cycle or cycles: One can use the basic eyeball method or as we prefer the readtheticker.com 'RTT Cycle Finder Spectrum' tool to determine dominating cycles within a price series.
 - 2) Find the sub cycle by dividing the dominant cycle in half. (Example: A dominant cycle of 80 would have a sub cycle of 40). Of course, you can use other lower period cycles that have a good Bartels value.
 - 3) Time your stock transaction with turns of (2) within the trend of (1). See more on the subject under the post titled PI: Price to continue or reverse?
- Note: We use the RTTHurstDPO or the RTTHurstROC to time price action to the dominant cycle.

To use the full set of Hurst tools you require a membership to RTTIndicators. Standard indicators have limited Hurst Cycle functionality.

Please review the 80 period cycle within the SPY ETF (image below). The dominance did not really start until mid 2008, then it has led the way of nearly all major market turns. You will need to search far and wide to find a better leading (not lagging) stock timing indicator than the hurst cycle. However, like anything a cycle dominance can fade, dominance can shift, therefore one has to be diligent and monitor a price series closely. The chart below is an example why Hurst was successful. Price and their underlying cycles can be predictable and therefore stock transaction timing is very possible and can be very profitable.

Click for popup.



The Hurst cycle we use is a sinewave filtered by price, the higher correlation of price to the sinewave the less the sinewave is altered. Thus allowing one to view good and poor periods of price cycles behavior.

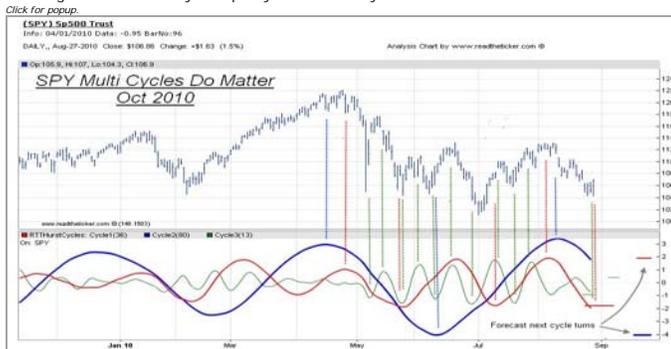
Click for popup.



If you find multiple significant cycles, you can plot them together and then combine them to see the master cycle.



Or it might be best to study multiple cycles individually.



Cycles do exist in the market or any time series. Just check out these cycles lows found on the Dow Jones.



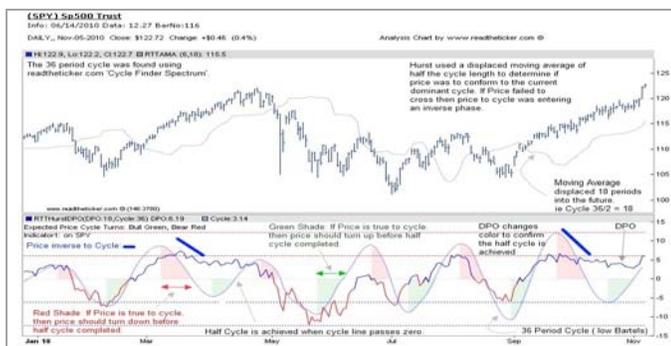
Once we determine the dominant cycle, a scientific method is required to measure the performance of price relationship to the cycle. Future price action is always an 'unknown', but we can say that future price action will take one of three forms:

- (i) Conform to the cycle.*
- (ii) Temporarily trend in a inverse manner to the cycle.*
- (iii) Break the cycle, as to render cycle influence as random.

*These periods are excellent opportunities to profit.

The following chart highlights the two tools we use to measure price action with the dominant cycle, the RTTHurstDPO and the displaced moving average. Hurst expected price to conform to the cycle by the completion of the half cycle, but Hurst understood that price in trends can temporarily inverse to cycle, this is accepted as long as price re affirms its relationship to the cycle by the next swing.

Click for popup.

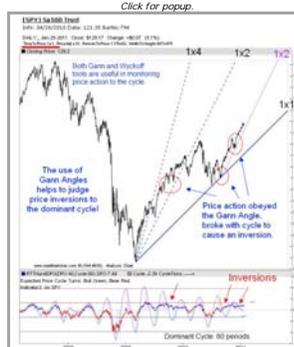


When price action fails to obey the cycle this is called an inversion. How to judge possible inversions is a technical art that the Hurst analyst must master.

Methods available are:

- 1) Apply a displaced simple moving average to price, displacement being half of the cycle period. If price fails to break the average then price is likely to invert to the cycle.
- 2) Apply the RTT HurstDPO. If the DPO price breaks the cycle swing, then price is likely to invert to the cycle.
- 3) Apply the RTT TrendPower tool, to determine if the strength or weakness of the trend concurs with expected cycle outcome (*note: if the cycle period is 80, then use 40 within the RTT TrendPower indicator*).
- 4) Apply methods from the Wyckoff and Gann tool chest. Gann Angles, Wyckoff market phases and volume patterns will increase your odds of correctly determining a price inversion to the cycle.

Example: Gann Angles help with the determination of price inversion to the dominant cycle.



Readtheticker.com Cycle Finder Spectrum

We have incorporated the latest advanced mathematics to find within a price series sample:

- 1) Cycles with significant amplitudes
- 2) Rank cycles with their 'Bartels Significance Value'.
- 3) Determine win loss percentage of cycle profitability to price.

The 'RTT Cycle Finder Spectrum' is a pop out tool within the members area. It is designed to scan for cycles while you are building an analysis or cycle chart. There is no charting functionality within this tool.

The Bartels Significance Value

Developed by Julius Bartels, a geophysicist who worked at the Carnegie Foundation in Washington in the 1930's. The advanced maths measures the stability of the amplitude and phase of each cycle. The method provides a direct measure of the likelihood that a given cycle is genuine and not random. The closer the cycle Bartels value is to zero, the less likelihood the cycle has been influenced by random events, and therefore significant to the data series.

To conclude: *The lower the 'Bartels value' the more significant the cycle to the price series sample used.*

We color code the report table for easier use, as follows.

- Red < 2.5
- Blue < 7.0
- Green < 12.0

Any reading over 7.0 requires an eyeball determination as to the cycles significance. For readings over 12 the cycle is unlikely to be significant, and most likely to be random. Cycle readings under 2.5 are considered to be significant. The 'Bartels value' does change over time for each cycle period, therefore regular monitoring of the price series to cycle dominance is required.

Examining the profit win loss percentage of cycles is another tool to use to determine the dominant cycle. This is very useful when you have a cluster of low Bartels cycle scores.

Recently we found a dominant cycle within the SP500 index, that had a Bartels score of 2.0245, a win/loss count percentage of 80%, a win/loss SP500 points of 85%. Knowing this cycle I made very sure we did not invest against it. Where as the general market participants had no idea of this dominant cycle and most likely suffered a loss. Further, it is great to have an indicator that is 80% accurate, it is even better when you add our proprietary RTTrendStatus and RTTHurstDPO tool to make the percentage chance of success even higher.

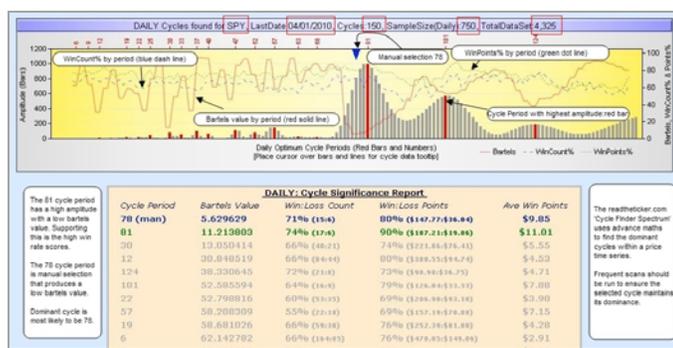
Another point to note is that a Bartels scan is cumulative over the data sample selected, that is it examines all data over the cycle period selected. This is not like stock scans for RSI levels or MACD levels which are at a point in time.

Example output from the readtheticker.com 'RTT Cycle Finder Spectrum'.

Specification are:

- Symbol: SPY
- Run to last date (optional): 04/01/2010
- Manual cycle period selected (optional): 78
- Max cycle periods to scan up to: 150
- Daily data sample size used: 750 days
- Max daily data sample available: 4325 days.

Click for popup.



See why Bartels Significance Values do matter.
[Click for popup.](#)

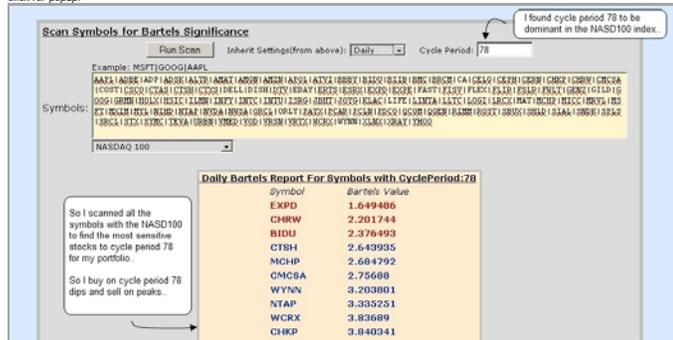


This is the methodology used to determine win loss percentage of cycles related to price time series.
[Click for popup.](#)



We also take a portfolio approach with Hurst logic. For example, we scanned the NASD100 index to find the dominant cycle. This turned out to be cycle period 78. Then we wanted to find stocks within the NASD100 that are most sensitive to cycle period 78 for our portfolio. The results follow.

[Click for popup.](#)



Once a dominant cycle has been determined and added to an 'Analysis Chart', constant monitoring of the cycle Bartels performance is required over time to ensure the cycle statistical significance is maintained, this is because new price data can either enhance or reduce cycle dominance. To monitor the 'Bartels' of the cycle we use the 'Cycle Chart'. Therefore if you have a portfolio it is easy to monitor your favorite cycles and their Bartels over time for each symbol in your portfolio.

Example of the Cycle Chart

[Click for popup.](#)



Created on: 8/25/2010 4:46:29 AM GMT List Update: 5/16/2011 6:53:33 PM GMT Posted by: RTT

[-> Print or PopOut or PDF](#)

We at readtheticker.com hold the view that a mix of stock chart technical analysis, Richard Wyckoff, William Gann and Jim Hurst methods plus market fundamentals allows the investor to formulate a very sound market opinion. These attributes are mutually inclusive and must be weighted equally before investing or trading in any Stock, ETF, Currency, Bond, Commodity, CFD or Mutual Fund

© Copyright 2010 www.readtheticker.com (or 'RTT')
By continuing to use this site you are agreeing to the Terms of Use, Privacy Policy and General Policy of this site.
All price data is sourced from daily data. All prices are local exchange time.

[Send us an Email](#)

[Home](#) | [Charts & Video](#) | [Blog & News](#) | [Services](#) | [Market Timing](#) | [General Information](#) | [Contact Us](#) | [Sign Up](#) | [Logon](#)
[Indicator Library](#) | [FAQ](#) | [Site Search](#) | [Symbols Available](#) | [Education](#) | [Advisors](#) | [General Policy](#) | [Privacy Policy](#) | [Terms Of Use](#) | [About Us](#)
[Video Tutorials](#) | [Charts Demo](#) | [Charts Members](#) | [Charts Secured](#) | [Calendar](#) | [World Time](#)

LEGAL DISCLAIMER

All opinions expressed on this site are those of the readtheticker.com members. The material is presented for educational purposes only and may contain errors or omissions and are subject to change without notice. Readtheticker.com (or 'RTT') members and or associates are NOT responsible for any actions you may take on any comments, advice, annotations or advertisement presented in this content. This material is not presented to be a recommendation to buy or sell any financial instrument (including but not limited to stocks, forex, options, bonds or futures, on any exchange in the world) or as 'investment advice'. Readtheticker.com members may have a position in any company or security mentioned herein. By continuing to use this site you are agreeing to 'Terms of Use', 'Privacy Policy' and 'General Policy' held by www.readtheticker.com (or 'RTT').

RISK DISCLAIMER

Hypothetical performance results have many inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results.

DATA ISSUE

If you notice a data issue please notify us via the 'Contact Us' page, thank you.

ONLINE USE

Readtheticker.com content may be reproduced or excerpted on non-commercial websites (blog, forums) provided full attribution is given and the original source is linked to. Please use 'ContactUs' for reprint permission in any advert, commercial website or in any other form of media (print, radio, TV, etc. Commercial or not). Please beware that NOT all charts and material can be reprinted freely. See our 'Terms of Use' and 'General Policy' for more information.

