

Chapter 5

The Nodal Pivot

Let's now look at some proportion and ratio timing angles in a more systematic fashion and see if we can find some principles to their use.



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Here's a simple weekly chart of the S&P showing the October 2007 top and the March 2009 low and overlaid is a simple 1/8th 'retracement lines' analysis that most computers draw. I have added the vertical lines above the low week and down below the top week and have circled the retracement levels at those key 1/8th price points. I call these points 'nodes'. You see, every major high or low has what I call a vertical axis 'tree' where harmonic prices of the major high or low vibrate strongly. In my 1987 **Stock Cycles Forecast** newsletter I achieved a certain amount of notoriety by predicting that October 19th would be a low and there could be an 'immediate crash of 500 points' into that day. That prediction came true and in retrospect I looked like a genius but if you had asked me on that very day during the 500 point decline what would be the end point, I did not have any idea because great price decline momentum can crash thru any barrier. After the fact there were all sorts of trendlines you could draw connecting far back bottoms with the low of the day but during the day there were also trendline levels like down 90 points, down 180, down 360, down 500, etc., and recently we saw a 'flash crash' of 1000 points down in a single day on the

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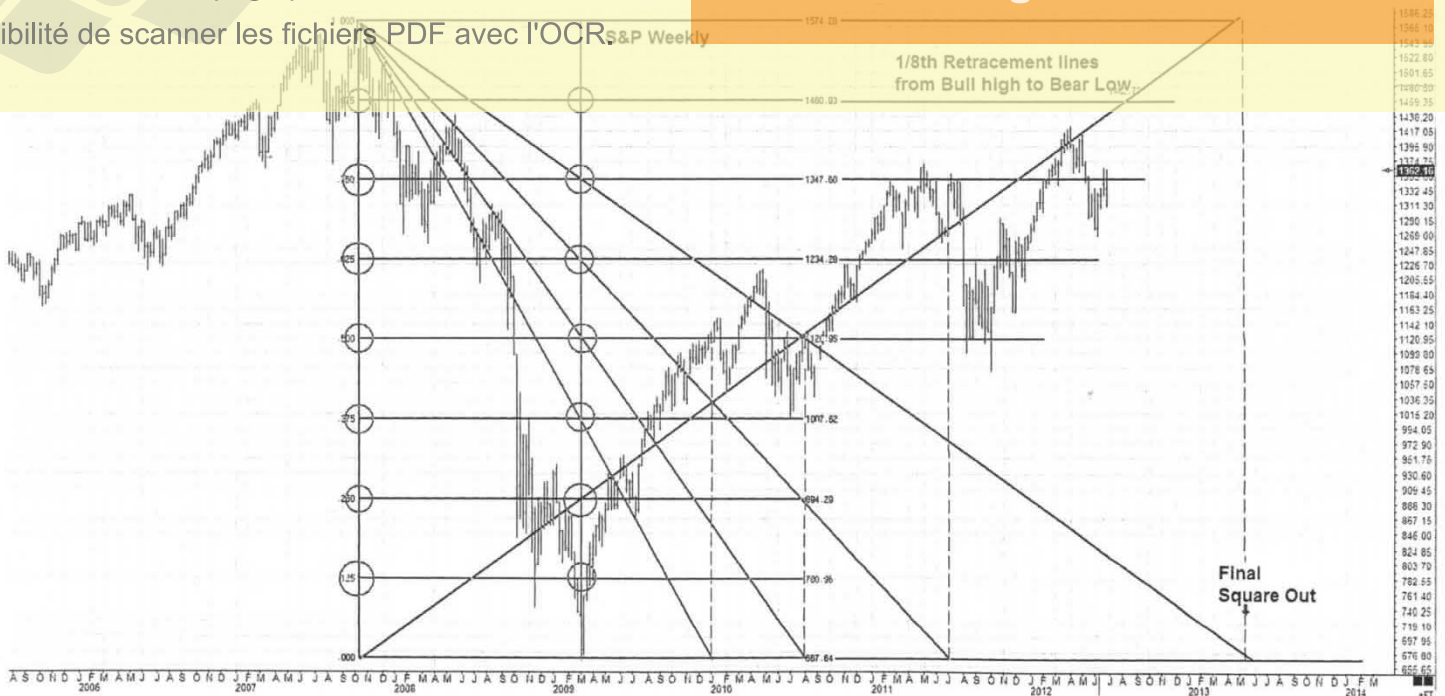
Dow Jones. Stocks and commodities act much like electrons around an atom and if enough external force is applied to them, they can 'jump' to an outer valence ring even if they normally don't want to do so. Gann's belief was that the subconscious mind of man translated *motion* into price (primarily planetary movements) and on certain dates the high or low was fixed, due to the position of a planet and the translation scheme. We can track the energy 'foot prints' of the planetary movements with chart patterns so we can mathematically arrive at the same conclusions without using the planets position. Note, however, that there could be several 'octaves' of possible price translation. Assuming for a moment that Gann was right about the planets, and assuming a particular planet that rules wheat was located at the zodiac position of 60 degrees, then that translation into money might show up as 6.00 dollars per bushel or 60 cents on some other commodity or 600 on some index. The actual translation, however, would have real world supply and demand constraints like supply of wheat, demand, droughts, floods, storage supplies, transportation, etc. These constraints would only allow a price translation into a 'realistic' window of real

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In this chart I have drawn timing lines *thru the nodal points* and the ones coming down from the top, where they intersected the low gave significant market turns. The sole ascending

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line which goes thru the 1/4 retracement line near the bottom intersects the top at a cycle point I have labeled as the 'Final Square Out' located near June 2013 (actual days to first quarter was 512 so final low date would be May 20, 2013). This is because in many cases a major drop will often occur at the 1/4 point of the time cycle so the distance from the October 2007 top to the March 6, 2009 low (512 days) would be 1/4 and a timing line up or down thru the 1/4 retracement level would intersect the top or bottom when four of such segments would be lined up side by side. If you notice the intersection of the two 1/4 lines at the 50% retracement level, it occurs at the 1/2 point of the cycle and at the 50% price retracement and that intersection marked both a major low and a price hit so the 'end point' from such lines should also be important.

These 'nodal points' shown above are simple horizontal retracement levels but charts themselves don't know that we are graphing them in a perfect vertical and horizontal plane.

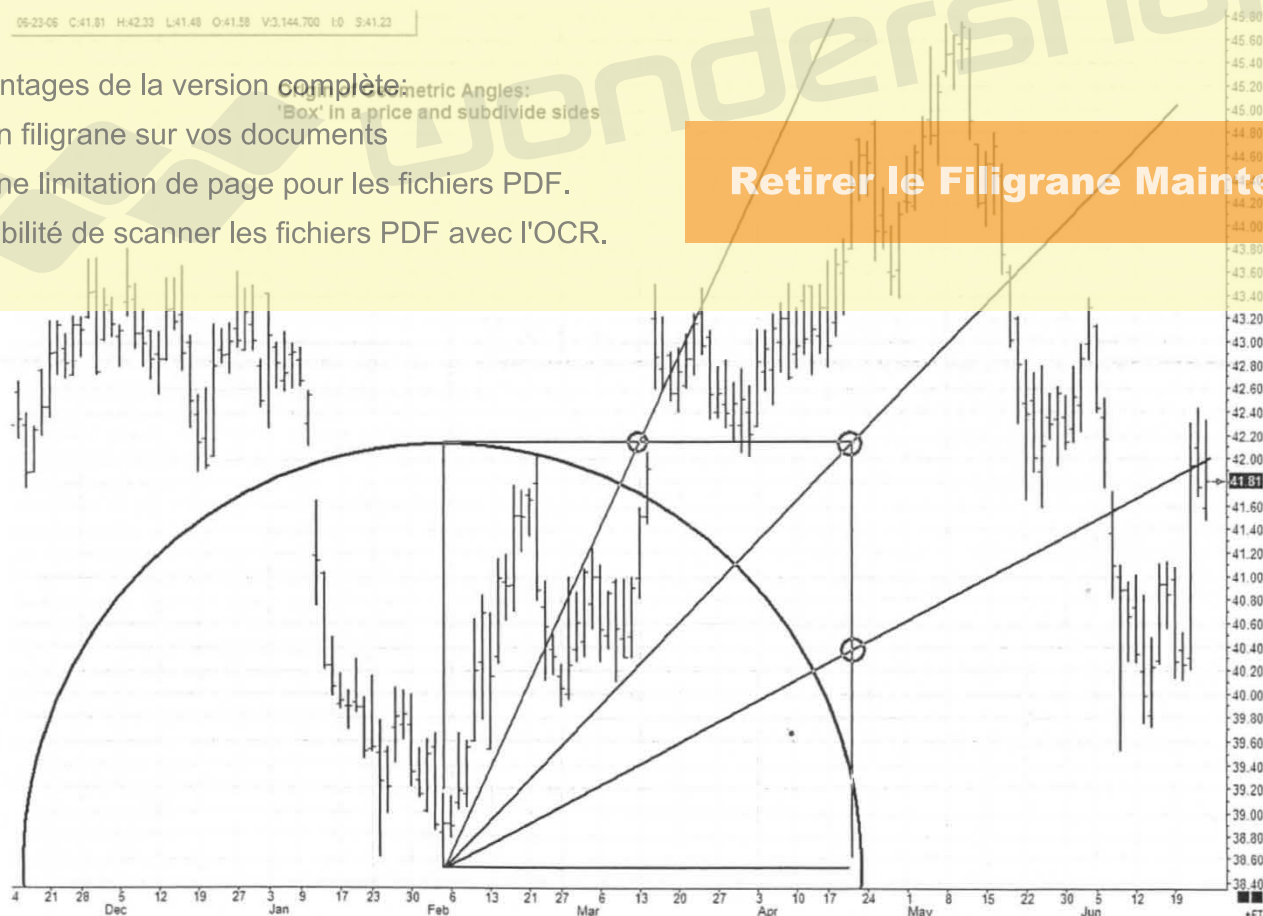
Usually the energy is multidimensional and *manifests at an angle* to the vertical and

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horizontal. If you have read my other works you know the first thing I ever do is adjust my angles to the axis plane of the chart. This is demonstrated in the next two exhibits. The first

06-23-05 C:41.81 H:42.33 L:41.48 O:41.58 V:3,144,700 I:0 S:41.23

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shows the 'unadjusted' typical angles and the second adjust the angles to the plane of the

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initial impulse axis and you can clearly see the big difference and how the adjusted plane method is superior.



Lets now look at *angular* nodal points coming from chart patterns and because these arise from offset angles to an advance or decline, we can often use 'standard' angles like 30, 45, 60 or 90. This next chart is a 'foldback' pattern or 'mirror image' with the year 2000 top on the S&P and its downward vertical axis creating nodes where 45 degree angles intersect it. The labels 'A' 'B' 'C' 'D' are the legs prior to the top and a 45 degree timing line coming down from those points intersect the axis tree and pivot back up to create the mirror image on the right side. Sometimes these levels are very similar to the horizontal past ones but if you note point B and point B' are quite different in price since the 45 angle on the right side has a slight different length then the decline from A to B on the left side. The reasons for these 'fractals' is that as the time cycle folds back thru 360 degrees it can also vary in speed and one half of the mirror can be faster or slower than its counterpart.

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S&P 500 CASH (1,122.14, 1,126.20, 1,115.77, 1,121.84, -0.3000)



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- Two major points are made by this chart but not highlighted. The first is the 'horizontal' effect of those intersection points under the axis tree. If you look at the angles from C and C', that intersection point is followed to the right catches the C' plunge, then the A' top and later the plateau top in late 2004. These nodal points create major vibration areas in this price structure. The intersection of D and D' gave us our March 2009, 666 area low. The second conclusion is what we'll turn to next and that is the 'square out' potential of following these angles up to intersect the final high point on the right. In other words follow the up the 45 degree angle from the nodal point near C' and continuing that up to the horizontal with the final March 24, 2000 high price. On this chart that is estimated to be in the vicinity of the first top just to the left of A'.
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These kinds of patterns are usually referred to as 'mirror image foldbacks' and they occur all the time and I trade off these patterns every day of my life. They are most important and we will soon see a method or two that will show us where to look for the repeats.

Below is a chart of the Daily S&P which shows these two areas 1) the extension of the 45 degree timing angle up to the top and 2) the horizontal support to the nodal point. The top intersection gave a nice reversal because it squared out a major leg from the left side of the chart whereas the horizontal gave a support area since the origin point was a support area.

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This next chart below is the final chart with all the pivots from the left side of the axis tree, reflected on the right.

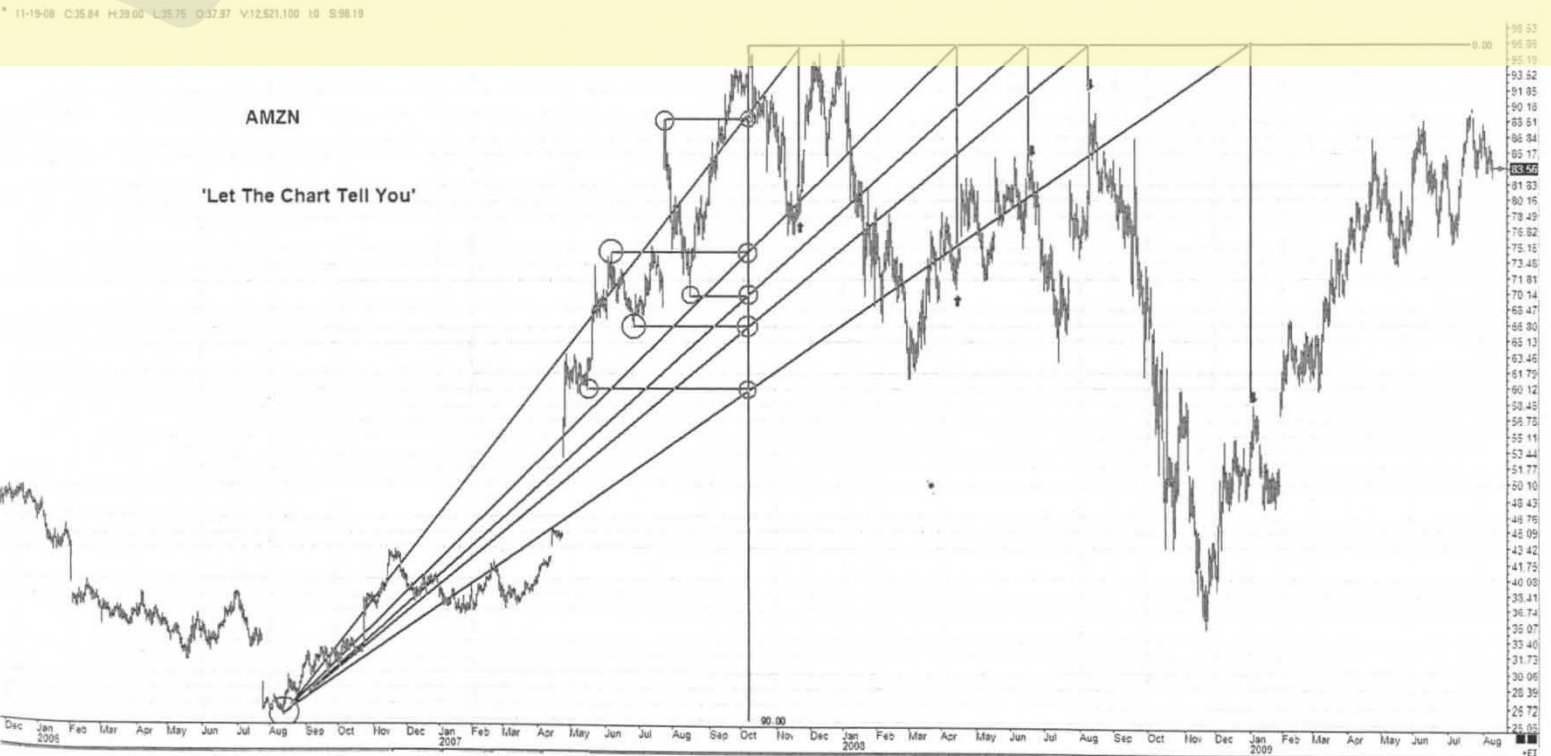


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intersections of the axis tree from prior major pivots on the way up. This will always result in square outs of the distance between the origin point and its angular relationship to the final top.

We see now that EACH of the significant reversals on the left of the vertical tree are reflected in significant reversals on the right side and all of these are great trades defined to the day and only limited to the accuracy of your drawing.

Here's another with McDonalds. Note that I used the 'first big top' as the axis so as not to confuse the chart too much, when the second top was made you would do the same analysis with that axis tree from the origin low. Note the 'main top' break (arrow) of the price on the right, was caused by a big top break on the left of the axis tree (left of node-arrow) and repeated a 'fractal pattern'. Follow the 'arrows' to see this repeat fractal.

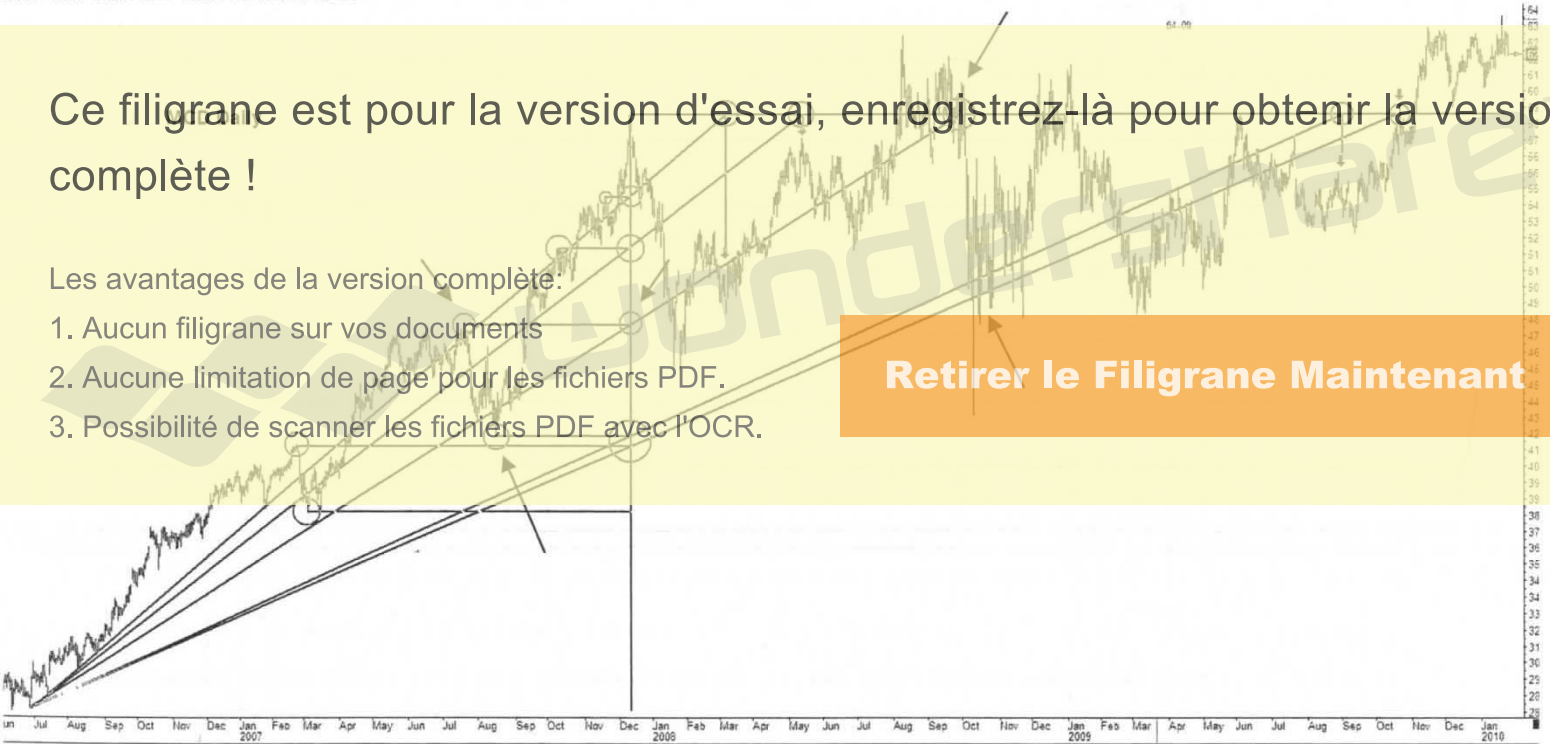
3-20-09 C51.42 H53.38 L51.17 O:52.66 V:13789.400 I9 S:64.08

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This method works on any time frame. Here's a 60 minute chart of the S&P cash index.

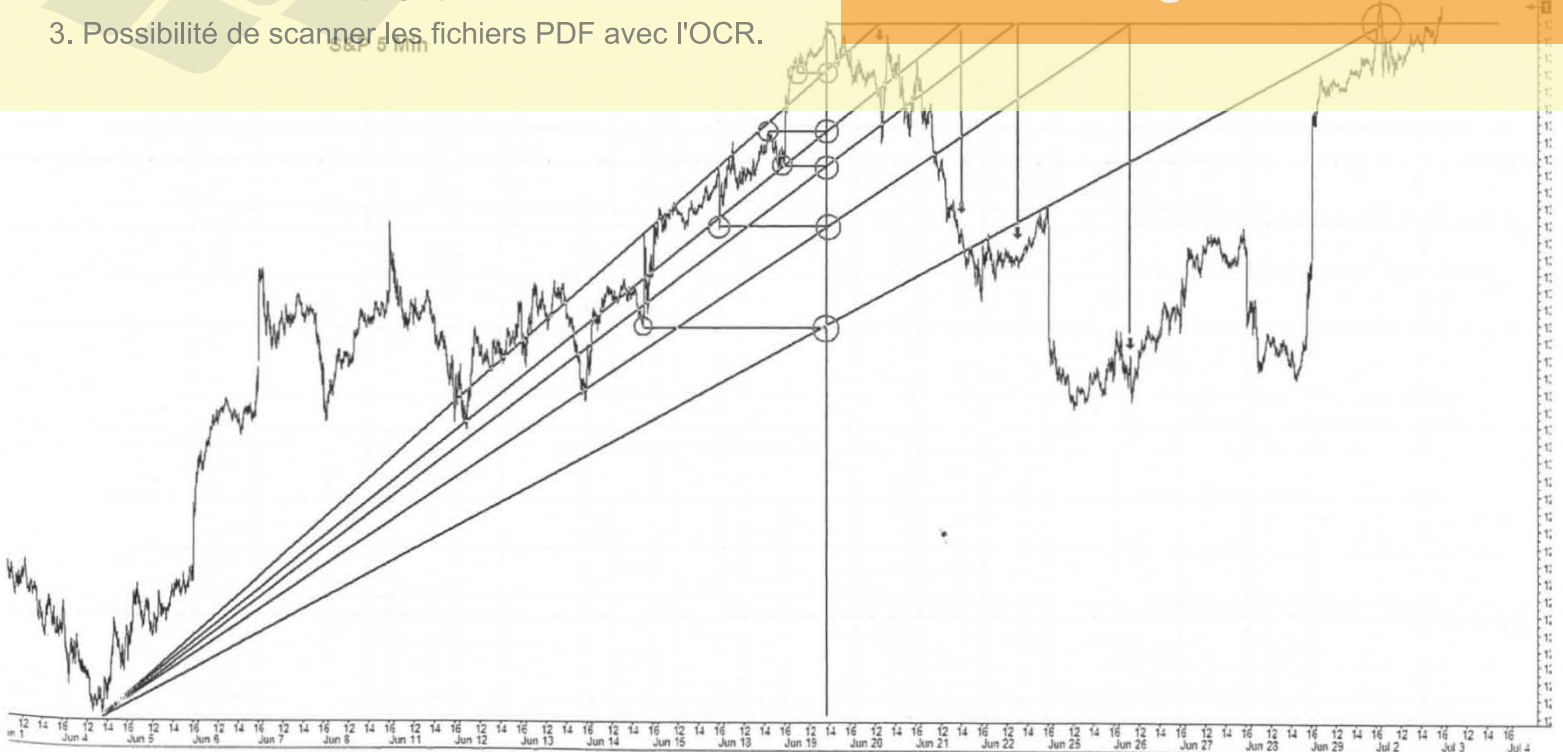


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Even a 1 minute chart will generate these square outs! Below is the US Dollar Index 1 min.

56 C:82.00 H:82.01 L:82.00 O:82.01 V:52 1:00 07-02-12 S:82.09 I:2



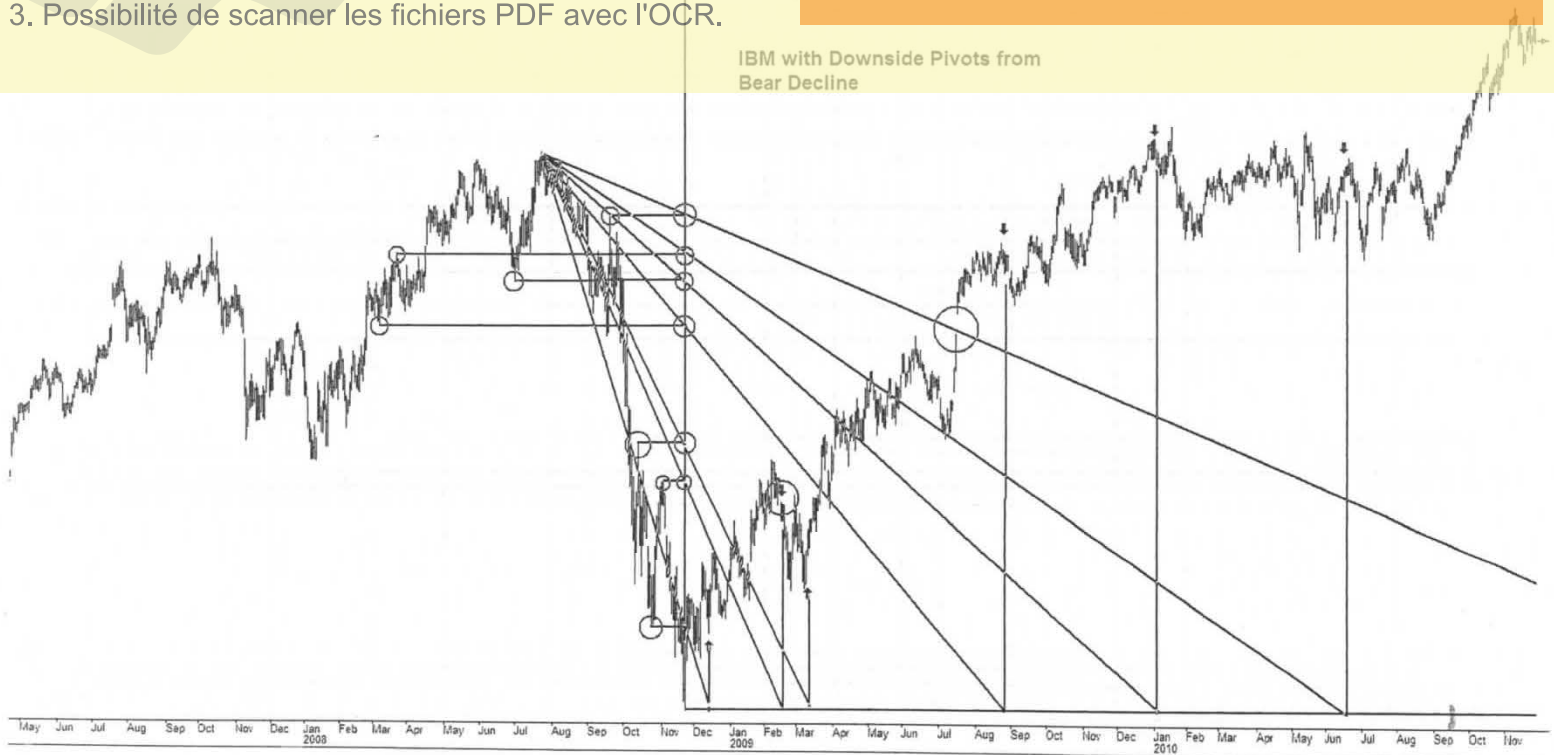
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IBM with Downside Pivots from Bear Decline



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Here's a nice 1 minute E-mini chart below:

L1346.25 O1346.50 V5.559 1.00 07-13-12 S1327.19 t2

1 Minute E-mini futures



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Weekly GLD- Gold Proxy



Natural Angle Trendlines

Another supplementary method, perhaps easier to apply than the nodal point angles is what I call 'Natural Angles' since these are lines that are drawn up from the origin low but under the top and they catch the charts own plunges. After each 'plunge' the angle will continue up to intersect the high and you will get a turn based on the charts own harmonics. Below is an example:

05-21-12 C:123.68 H:124.19 L:123.36 O:123.64 V:9,583,500 I:0 S:129.03

TLT Daily

'Natural Angles'

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Each of the 'circled' points is the bottom of a plunging low after the top, so we draw an angle up from the base at the axis tree and under the top thru that point. When the angle intersects the top you have a time and price range square out. You see, since all charts are miss-scaled, the fact that a 'plunge' was caught by an angle of some unusual degree of slope doesn't mean it isn't the real slope operating, since by definition only a square out on a trendline will reverse a market and each of these reverse the downward plunge even if it is only for a short duration.

Below is another Natural Angle example using JP Morgan, and the exhibit after that shows the 'combined' two angle methods of the 'Nodal Point' angles, and the 'Natural Angles' demonstrated on DuPont. This natural angle technique *is not always valid* since it assumes the angle that 'caught' the plunge came from the low under the high location. In truth that plunge could have been caught by many different angles from other origins, but since it is so easy to apply it is often worth the extra minute to try it to look for the fit.

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2:21:11 C32.09 H32.18 L31.67 O31.77 V30.893.000 I0 S:45.65



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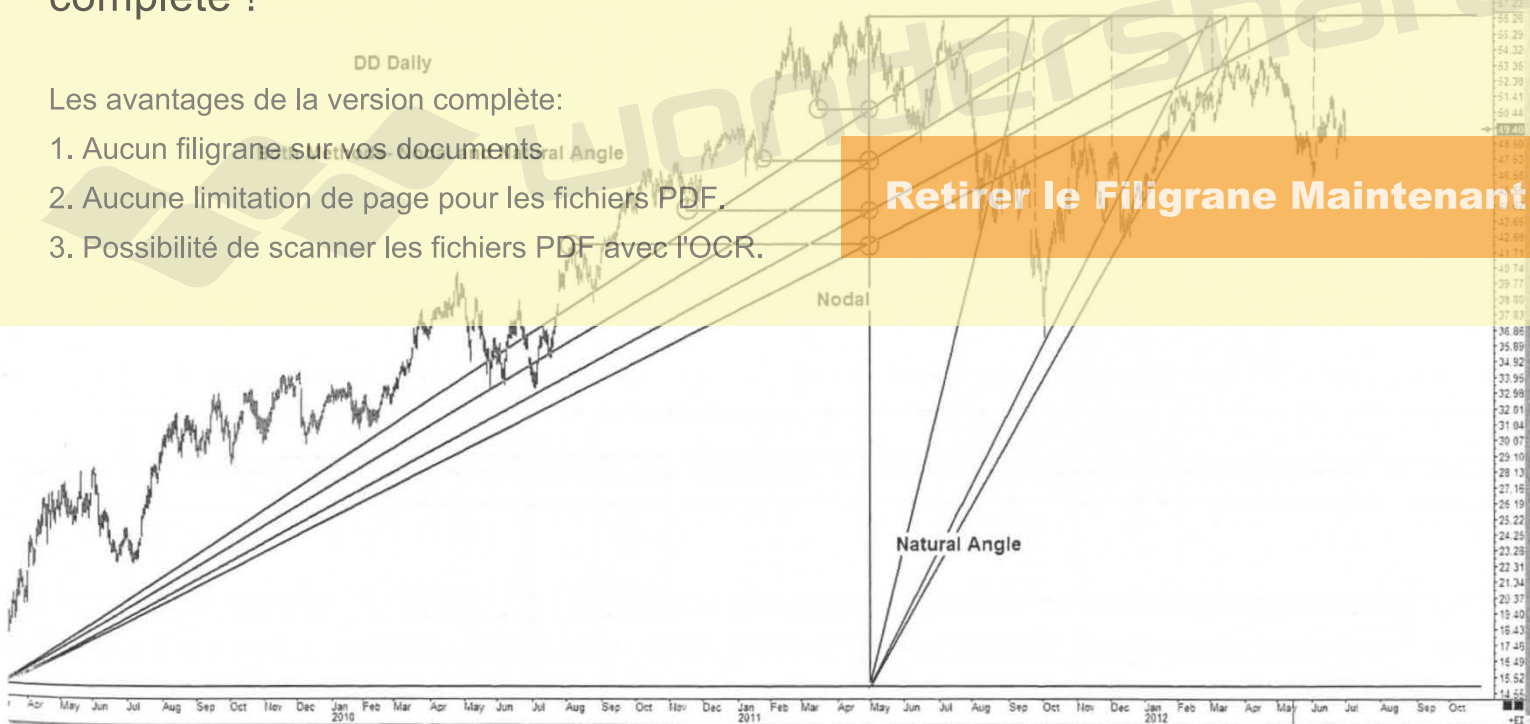
5:15:12 C32.09 H32.18 L31.67 O31.77 V30.893.000 I0 S:45.65

DD Daily

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This DuPont chart has 90% of the information we will need to build our trading system but one final piece needs to be reviewed. If you remember we started the discussion of the square out with the theory that the *Price advance* had to be followed by a *Time decline* period or consolidation, EQUAL to the advance, and vice versa. If you look at the next chart of DD you will note that the circled 'nodes' *measured from the circled point to the top* represents the Price advance amount. Now we must balance the chart with the Time decline

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or somehow turn those vertical circled segments 'sideways' to equal time. The best way to do this is of course with a circle whose radius is that measurement. In the following chart I have done this with each vertical node labeled A B C and D and the rotated circle with the price top as the center yields horizontal time durations of A' B' C' D'. These are all SPECTACULAR HITS ! (arrows). Note the *difference* between the arc and trendline hits.

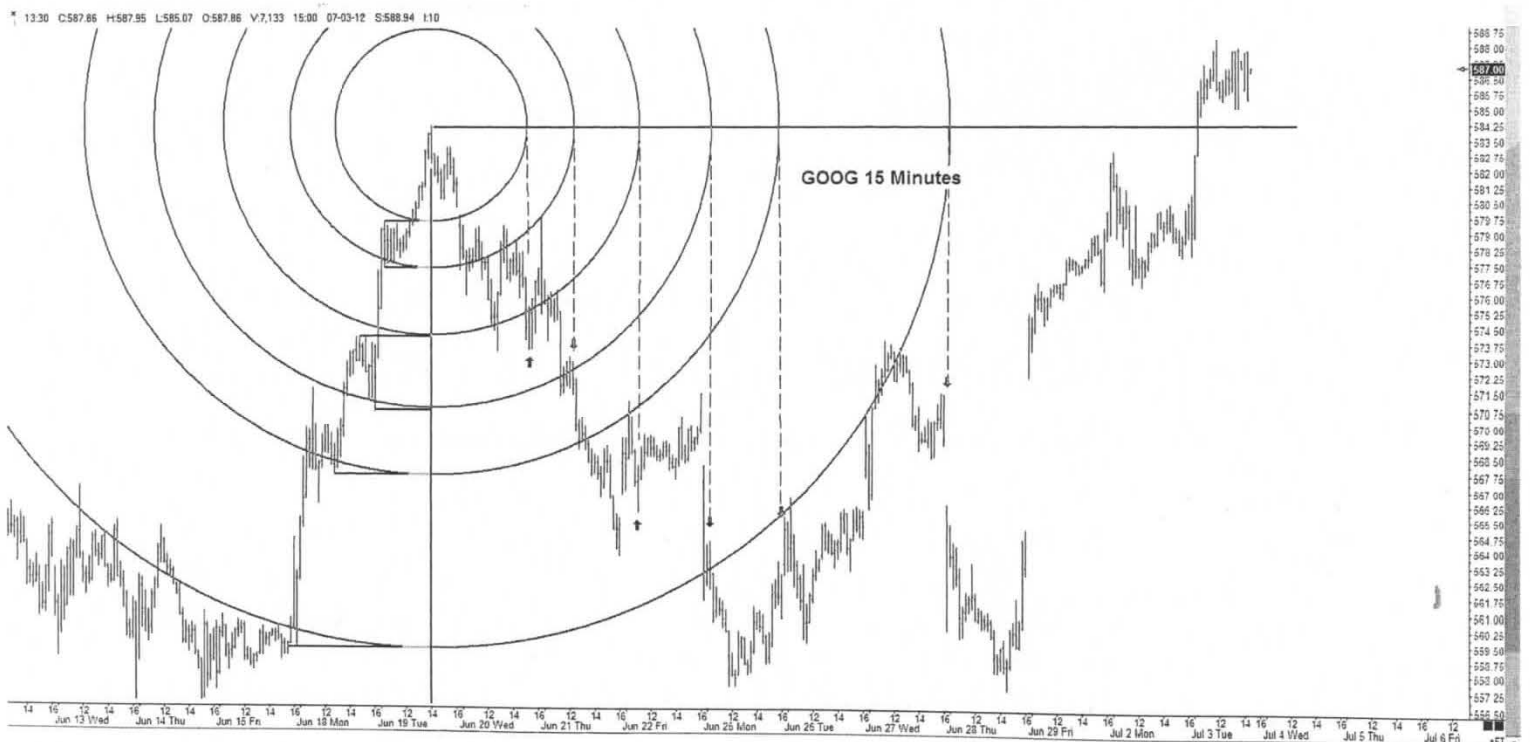


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Since this is a little cluttered with both the A and A' balancing, and the nodal angles, let's view a few more charts up close:



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This a Google 15 minute chart and while not perfect in every hit, to define a big move in GOOG within 15 minutes is quite impressive since the stock often moves \$5 to \$20 and options can make you rich. If we wait for the Big Nodes to square out, we have great odds.

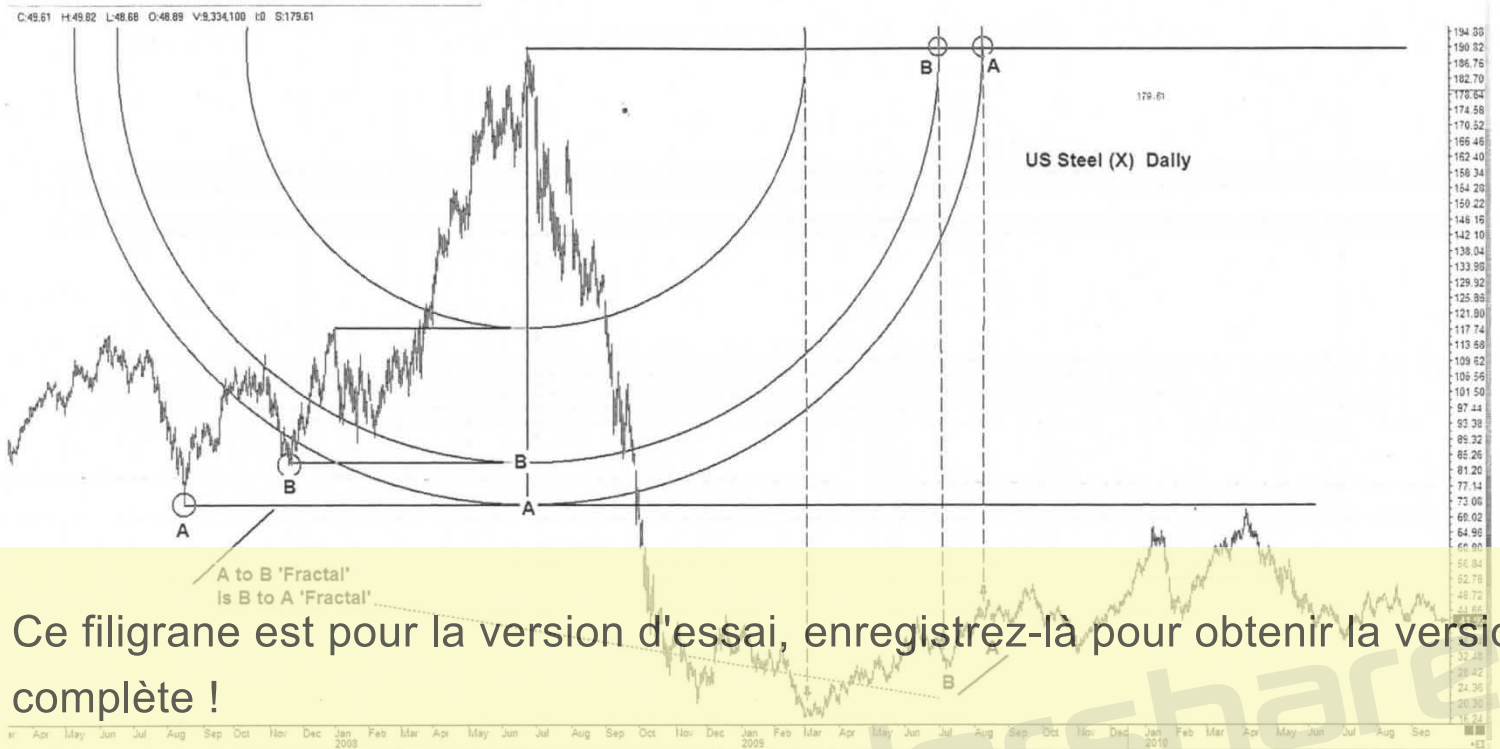
There is more information in this chart, however, that may help us with our trading decision and strategy. If we narrow in at the impulse 'legs' up, and isolate the price



advances, we can possibly find the corresponding time duration of another advance on the mirror side of the tree axis. In this chart we see the 'Advance Phase of the **Price**' on the left, and where those price end point nodes created arcs, the arcs defined the '**Time** of the advance phase' on the right. This is a revolutionary idea in technical analysis and if we can identify these spots and limit our trades to them, we will get rich. Note also the 'mirror' foldback affect in that the 'low' price arc on the left, gave the 'high' time on the right, and the 'high' price on the left gave a 'low' time on the right i.e. backwards foldback.

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This next chart of U.S. Steel also shows the possibility of finding 'foldbacks' or mirror images on either side of the axis tree to make projections. If you follow that B to A on the

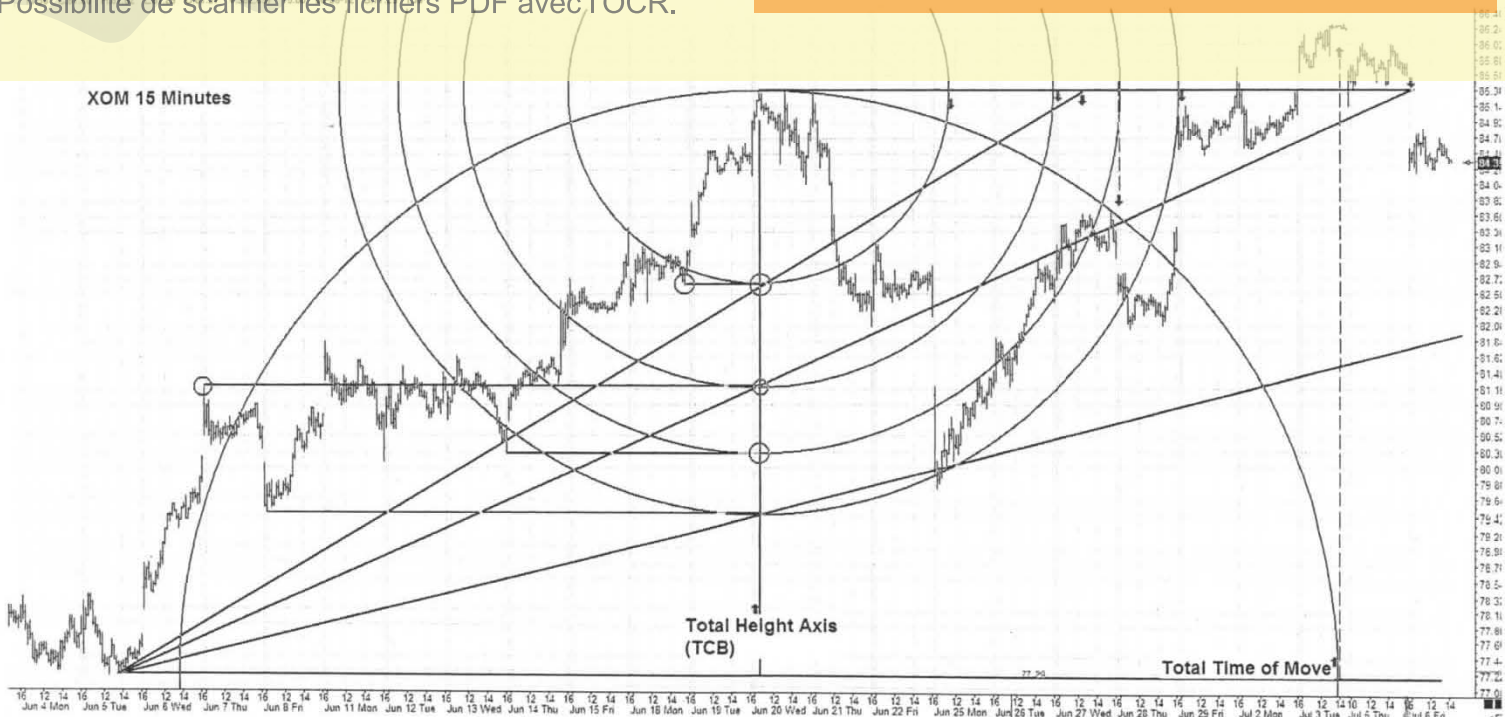


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Here's a 15 minute Exxon Mobil chart and note the construction:

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- 1) Find a low to high swing, or vice versa (a complete move, not just an everyday wiggle).
- 2) Mark the axis vertical down line.
- 3) Find the key horizontal node levels from the left side.
- 4) Start measuring the vertical nodal distances and turning them sideways with arcs.
- 5) Add trendlines thru the node to square out as trendlines intersect the high or low.
- 6) Look for fractal repeats where arcs culminate- trace them back to origins to find common points. For example the 'big' low on right was caught by an origin trendline angle *recreating* that origin swing leg up, on the left. The arc up from the first top price level after that origin low on the left (circled), points to a high on the right after about the same 'measured move' (vertical height).

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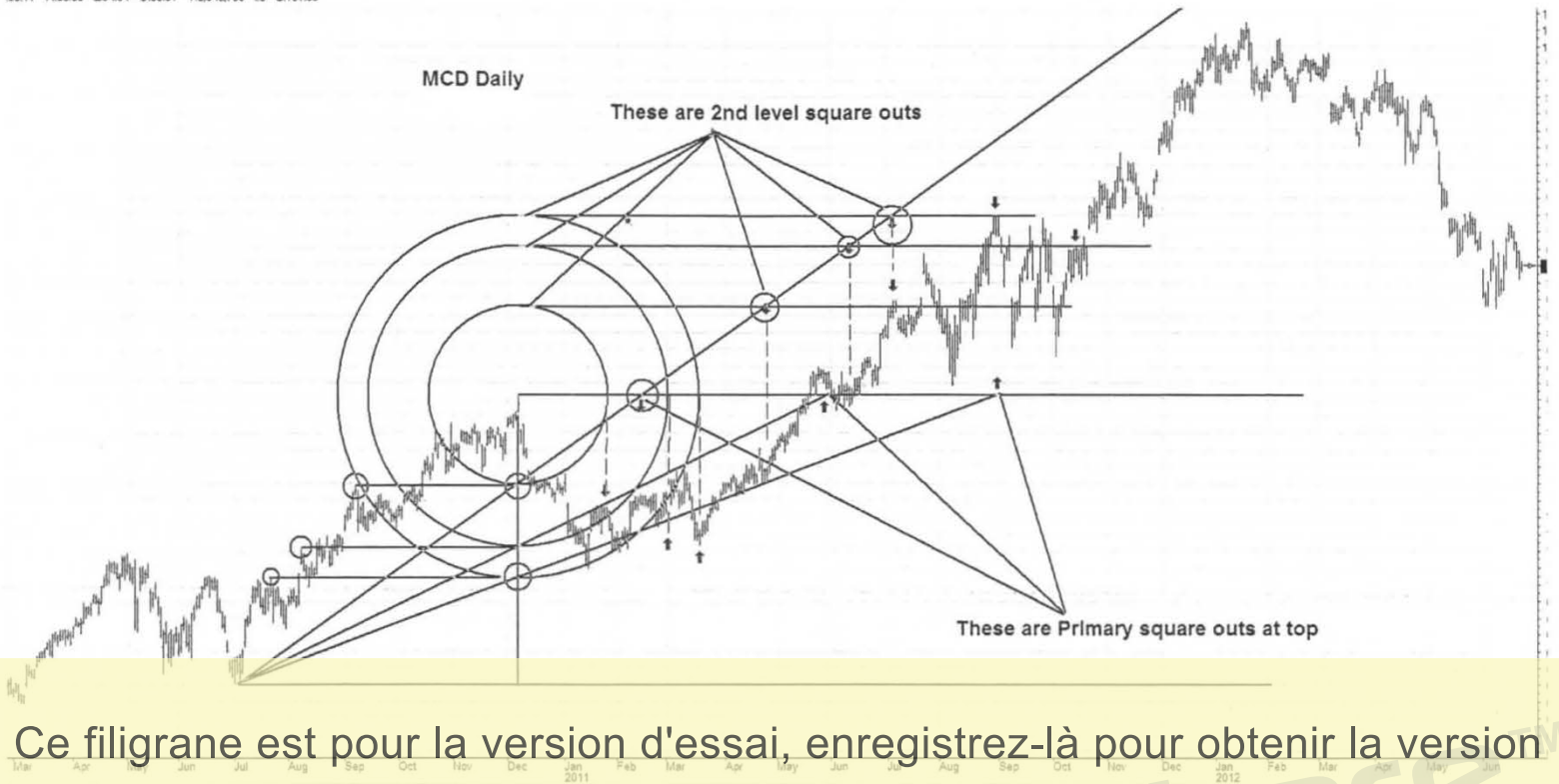
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It is very important to always keep in mind that although in *theory* the circles and timing lines are perfect, the fact is often that the left side of an axis tree may be moving at a different speed than the right side, so then the two halves will not be equal. You will usually be able to see the fractal 'wiggles' on each side to mark your way and once you are 90% to the expected final square out time zone, you should start to look for signs of a reversal and not necessarily wait for the exact arc or trendline square out. After all, these arcs are just mechanical timers and when you trade you let the chart with a signal reversal bar tell you when its ready to reverse, usually sometime within your target zone.

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\$5.11 H:66.09 L:64.64 O:55.51 V:5,940,700 I:0 S:101.83



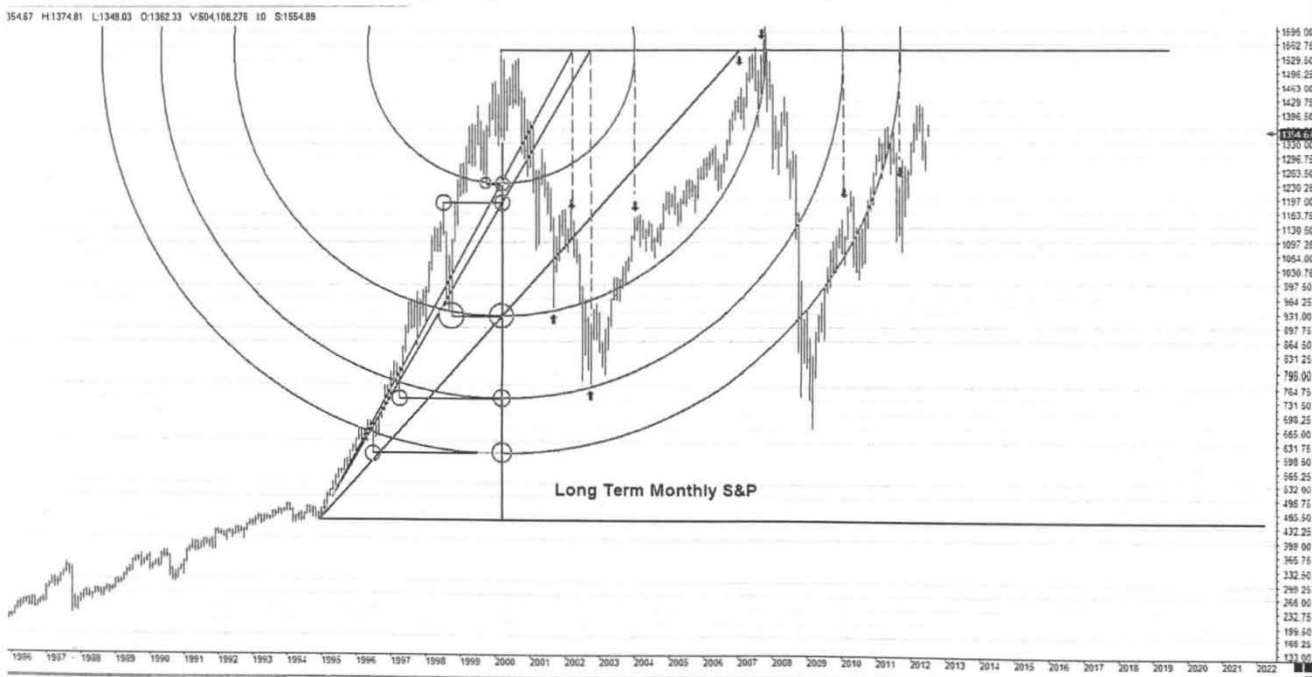
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is an example of '2nd level' higher patterns that repeat from the initial node square outs. The circles have Time resistance at the 3 o'clock position, while they also have Price resistance at the 12 o'clock position. Just like there is a left and right 'axis tree' you can find a 'left' axis tree with the center of the circle the dividing line.

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These methods work on all time frames so the key will be to set up several different time frames to watch for the big pivots on each. Start with the biggest time first and work down to the smaller frames. This next chart is a long term monthly S&P chart and you can see it caught most of the really big turns and the 2007 top was a perfect hit from the 1998 low arc.



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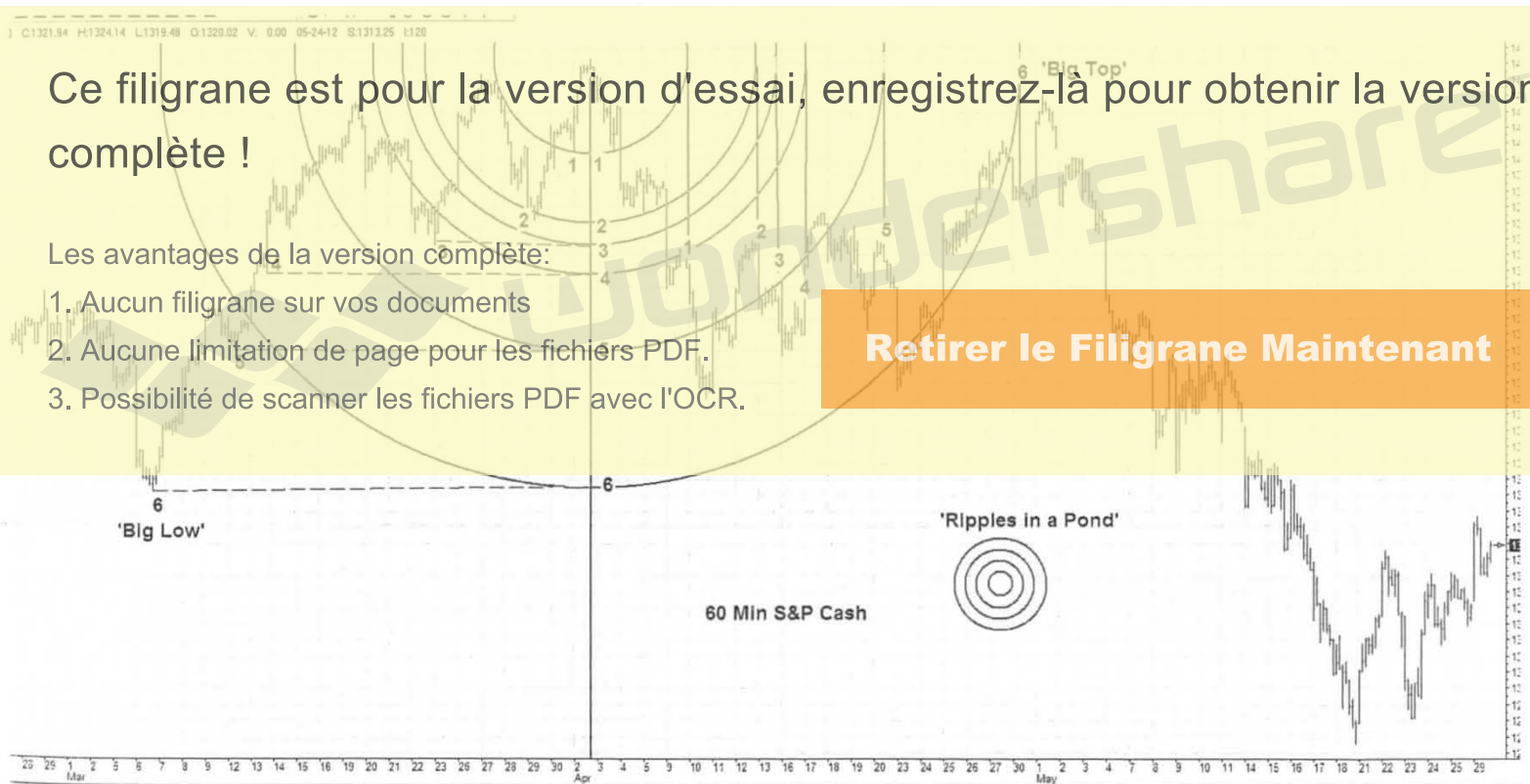
This next chart below is an attempt to identify the mirror image patterns based on each consecutive node on the left and following it's square out circle on the right. Note that the 'left' side LOWS were used and they largely predicted right side HIGHS. Circles won't always work perfectly because time cycles expand and contract with different speeds so the right side may be stretched or contracted more than the left but sometimes you will get periods for several months where the left and right sides are fairly symmetrical and you can make good estimates of high or low foldbacks. Pay attention to the 'vertical distance' between the labels on the right side like the distance between '5' to '6' and see that it is very close to the vertical distance of '6' to '5' on the left. Don't count the rally high before '5' on the left as that is the drop out after '5' on the right, but what is important is the vertical distance from the same direction pivots like low to next low yielding high to next high.

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Remember, as a basic technical tenent we use the 'measured move' concept to see where a trend will exhaust itself so while these arcs and circles point to *ideal* time periods it is the measured move in the recent time period that is the driving force to cause the high or low. Once it looks like a measured move is about done and an arc is culminating, look for the signal reversal bar on a couple of small time frames to warn you of the turn.

Chapter 6

Scaling

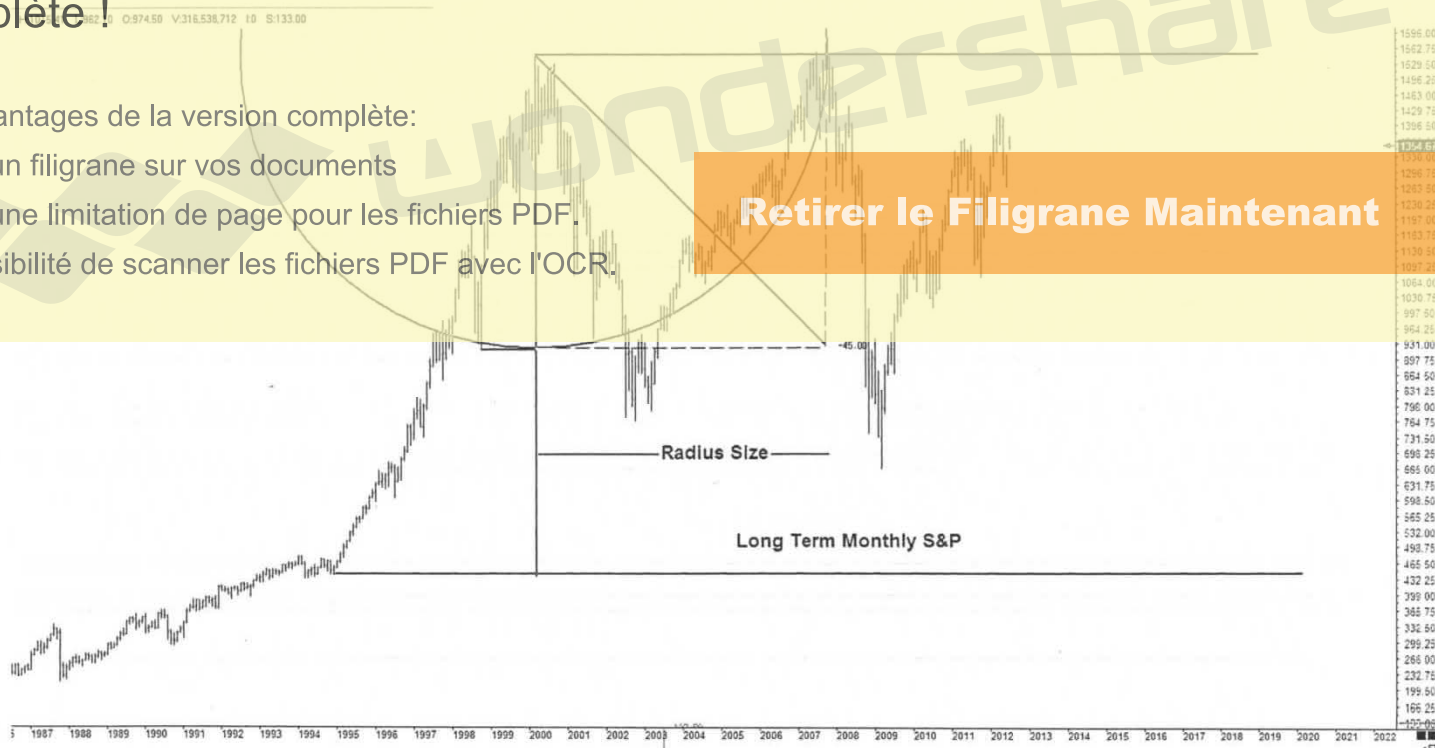
Let's look again at one of the previous charts and see how a major emotional event like the Long Term Capital Panic causing the 1998 low created a nodal point under the next top that caught the next bull market high perfectly. This fact can often be used to help us 'square' our charts or make them properly scaled in time and price. After each book I have ever written I always get the same question and it is about scaling. Different computer systems and different size charts have different numbers of days or bars along the bottom and different price increments on the vertical scale. Trying to reproduce one of my examples in the book perfectly will be difficult for many depending on their computer and data. The method itself will always work because it will pick up harmonic patterns on the left and right sides of the vertical axis tree but the exact number or dates could be off like a 50% point on mine could end up as a 5/8th point on yours but it could still be a significant tradable turn. Let's

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Here's the long term monthly S&P chart again with only that 1998 low node and arc drawn since it was a 'perfect' fit. Now the problem with computer graphics is that when a chart's dimensions change (usually by adding more bars at the right as time goes by), circles change their size. One thing that usually doesn't change, however, is *user* drawn lines or angles of specific degrees. In this chart I have drawn a 45 degree angle down from the top

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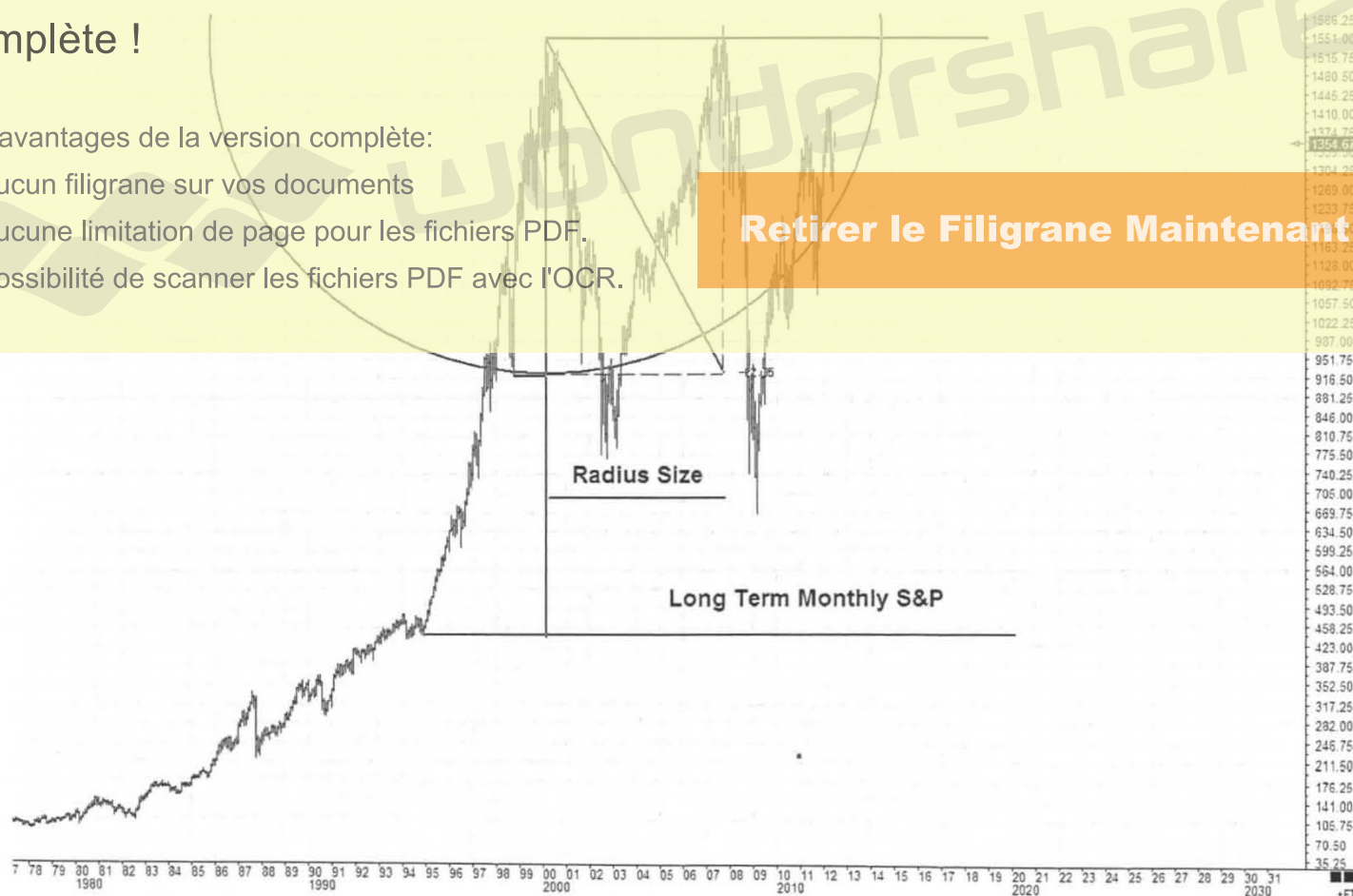
and as explained earlier, when it intersects the bottom of the circle it will define the diagonal of a square and the sides of that square will be the same as the radius of this perfectly drawn circle. This radius size I have drawn just below the lows and labeled it 'Radius Size'. Now let's look at the exact same chart after I have adjusted my setting to expand it or shrink it a little. In this next first chart I have compressed the chart and now we see our perfect circle no longer hits the top of 2007 but we also note my user drawn 45 degree angle and radius size line has maintained the proper fit so they still calculate the 2007 top where it should be although the new arc does not. The chart below this one is an 'expanded' size chart and here we see the circle shrunk to hit before the 2007 top but again our user drawn lines still expand or shrink with the exact dimensions of the chart and still work. This is why if you try and replicate my examples in this book you will get varying results even though your hits will work for trading purposes in most cases. The key is finding a chart that works for you and trading that. There is no 'rule' that says you have to trade a particular chart that you can't scale properly or don't get good results with.

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give us the same results all the time, and the advance phase from October 1998 to March 2000 should give us the *declining* phase in time and that would be the October 2002 or March 2003 LOW, not the 2007 high. This next chart is the same one greatly expanded with bar spacing so our arc now calculates to the expected low and we will then test to see if other highs and lows fit this new scaling. Remember on these long term monthly and weekly charts, while you may not be able to use them until the first big swing is done, after that they could work reliably for years!

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Earlier I said that while a computer will 'redraw' your chart pattern into a different scale, I often 'draw over' my circle radius or TCB lines and when the chart rescaled, your hand

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drawn lines will remain the same. You can then take these hand drawn lines and slide them around your new chart and often get back to the original scale that worked. This next chart shows two duplicate lines drawn in, one small one that is the vertical TCB of the time component converted to price, and a large one of the full TCB time duration defined by the radius of the large circle.



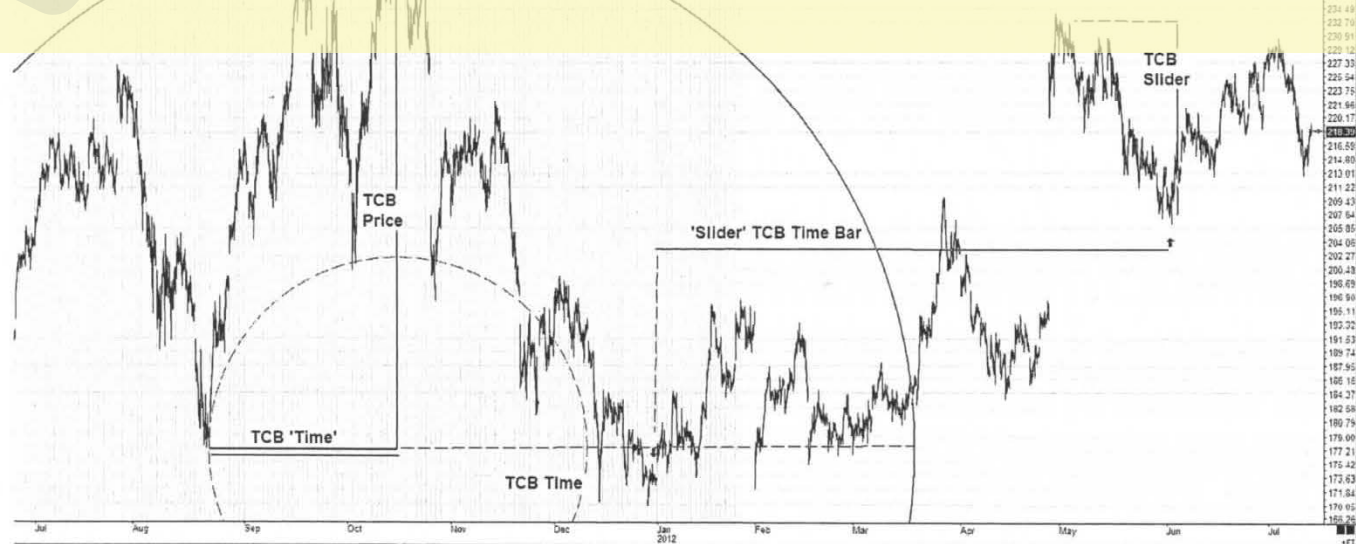
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AMZN 60 Minutes



This bottom chart shows the main large radius line removed to a different location to move the time cycle in the data to a different location and you can see it worked at the two end points where cycle turns manifested. I have also moved the small vertical TCB over to a

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new location to measure a standard 'measured move'. This way you can often keep you cycles moving forward on a rescaled chart to use them again.

When using small time frames like 1 minute or 5 minutes you will have a very hard time getting circles to work regularly simply because the vertical price difference is not great during a five minute bar and the number of bars can be substantial before you get a major move complete. In other words, you can have a 30 bar time count but only a 3 point price



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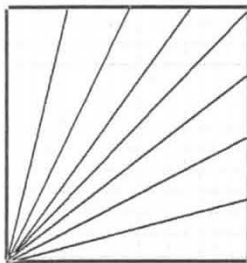
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move so using a circle with a 3 bar radius trying to square a 30 bar horizontal is impossible. The first thing to do is always square the range manually with the 'bar count'. In this next chart we do that with a 14 S&P point advance leading to a 14 bar decline to complete that first phase which is usually followed by several more on the five minute interval. Here the big arc circle shows some shape characteristics but no real end point dramatic reversal. I prefer to use circles since they are perfect 1 x 1, 45 degree units in all directions and are very simple to apply, but scaling problems may be insurmountable in some cases so after expanding and compressing your charts if you still can't get a circle to work you can always use angles. What we are looking for after all is a timing line of so many units of time and price to square out our range. The 1 x 1 is a perfect 'ratio' but as we have discussed various angles have other ratios that can work as well. The standard 'Gann Fan' tool on most computer software can often be a good substitute. If you don't have one of those you can just draw the angles from a little box like on the next exhibit and transfer parallel angles from that to the nodal point of the chart. On this chart of Caterpillar you can see how this

works. First note that the 45 degree diagonal angle from the square does tie in with the circle arc so we know the 'harmonics' are correct. After transferring the other angles to the node we see that all of them gave market turns. This method also suffers from some scaling issues but this example works because the 'Circle' came out with the 45 degree angle so they

* 10-25-11 C91.16 H91.84 L89.62 O91.41 V5,747,600 I0 S:115.97



Gann 'Fan' Angles



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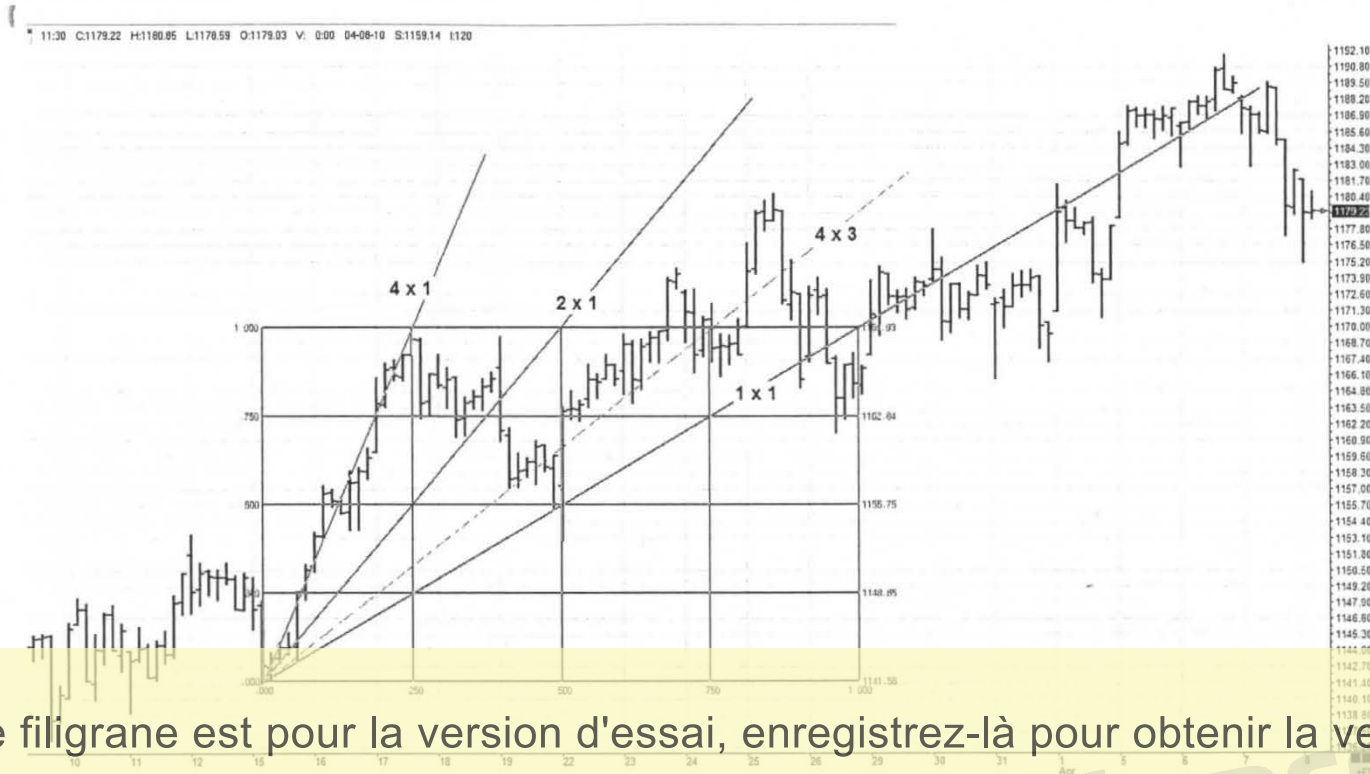
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On my website I have shown a method I use frequently to adjust a miss-scaled chart to its actual offset angles. In this method I use a 'distorted box' that is distorted to the same scale as the chart and take harmonic angles from this box. To do this I assume the first leg up is the strongest and is represented by a Gann 4 x 1 angle (not always true but will work 90% of the time). I draw a 'box' around this first 4 x 1 high and subdivide the box into quarters and then lay in the lines as shown in this next chart. Now we can see that the 4 x 1 top has a decline until the 2 x 1 time period but rests on support of the 50% of the square at that point. The 'diagonal' of this distorted square is still a 'relative' 45 angle in terms of our time and price relationships and you can see the angles work well. We then take parallels to these angles and move them around our charts and place them at lows and highs to see the natural slopes. In our trading system we will put these angles at our nodal points to square out the top price line.

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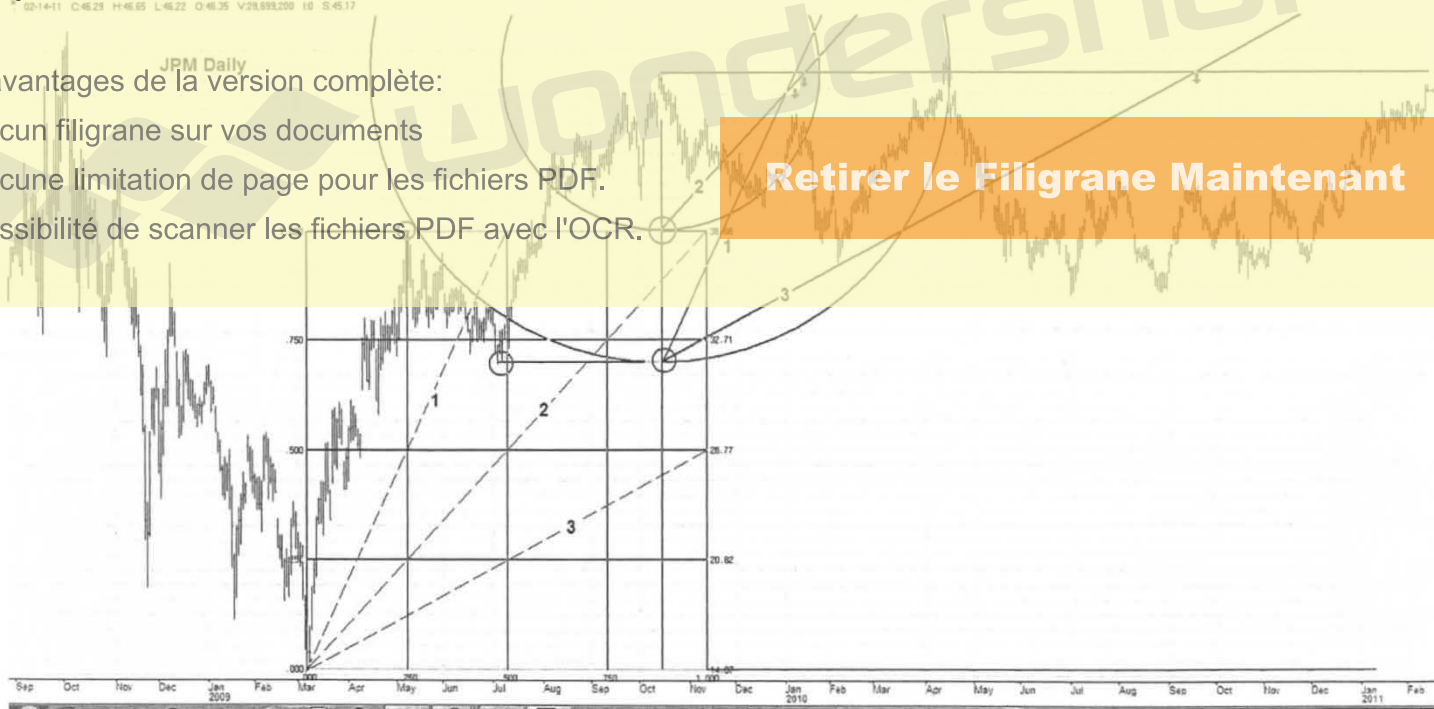


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On this JP Morgan chart above I have put on a 'box' on the first top (circled) making that my 4 x 1 angle and then transferred angles '1' '2' and '3' to the nodal points under the axis tree and they did create tops where they intersected the top line. Now you just keep track of these angle slopes and move them around to each node as shown below with the same chart but I have taken out the 'box' but left the 'dotted' box angle remnants to be transferred to the nodal points, and you can see each of these hit.

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06-16-10 C:39.13 H:38.22 L:38.33 O:38.55 V:37,270,800 I:0 S:48.76



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16:00 C:1341.45 H:1344.26 L:1336.20 O:1336.77 V: 0:00 07-11-12 S:1379.63 172



Most of the time you will just quickly drop a vertical line below the last top or above the



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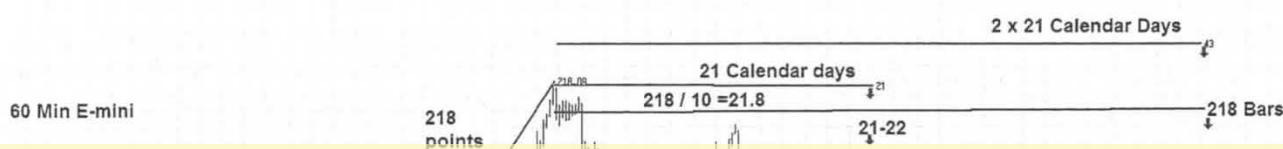
last low and look for major nodes from the left side. Then play with a trendline from the origin point to today's date and see if the trendline intersects the vertical axis tree line and if not move the trendline left or right until you get a nice fit. That will give you a projection of the next turn and now you would look for 'measured moves' up or down and support and resistance to enter a counter trade near the projection date. You would also hunt for foldback patterns to make discovery of the reversal point easier to identify. You can also put on the more exact arcs to square the node distances, and especially the square the price with bars method, but for the first quick scan I would start with the above.

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One additional subject we should cover when talking about scaling is the relative time frame and numerology of the square out numbers. Since time cycles 'translate' into numbers, there is no 'decimal point' and you can move the digits around and even 'chop off' the leading number like 1.732 could be '732' or 2.618 could be '618'. When squaring out a number of days or bars we can divide by 10 or 100 (move the decimal point one or two places) and get smaller square outs along the way. This next hourly chart shows this.

Here we see a big up move of 218 S&P points requiring a square out of 218 hours, days, weeks, etc., OR 21.8 units or 2180 for minutes or something small. In this example at 21-22 calendar days (21.8) there was a top and a decline and also at 218 bars a top and decline.

12:30 C1229.91 H1234.38 L1225.51 O1233.08 V: 0.00 12-21-11 S1322.04 1120



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21 22 23 24 25 26 27 28 29 30 Oct 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 Nov 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 Dec

These were 'new trends' at that square out point so the square out worked but why did it violate our principal that if they go UP 218, they must go sideways or DOWN for 218 ? In a way they didn't as you could count from the top a big 5 wave pattern out to the 218 bar decline and that could qualify as a consolidation but often you need to look to the next larger time frame for answers. This next chart explains why, and why we need to keep track of the larger time frame moves.

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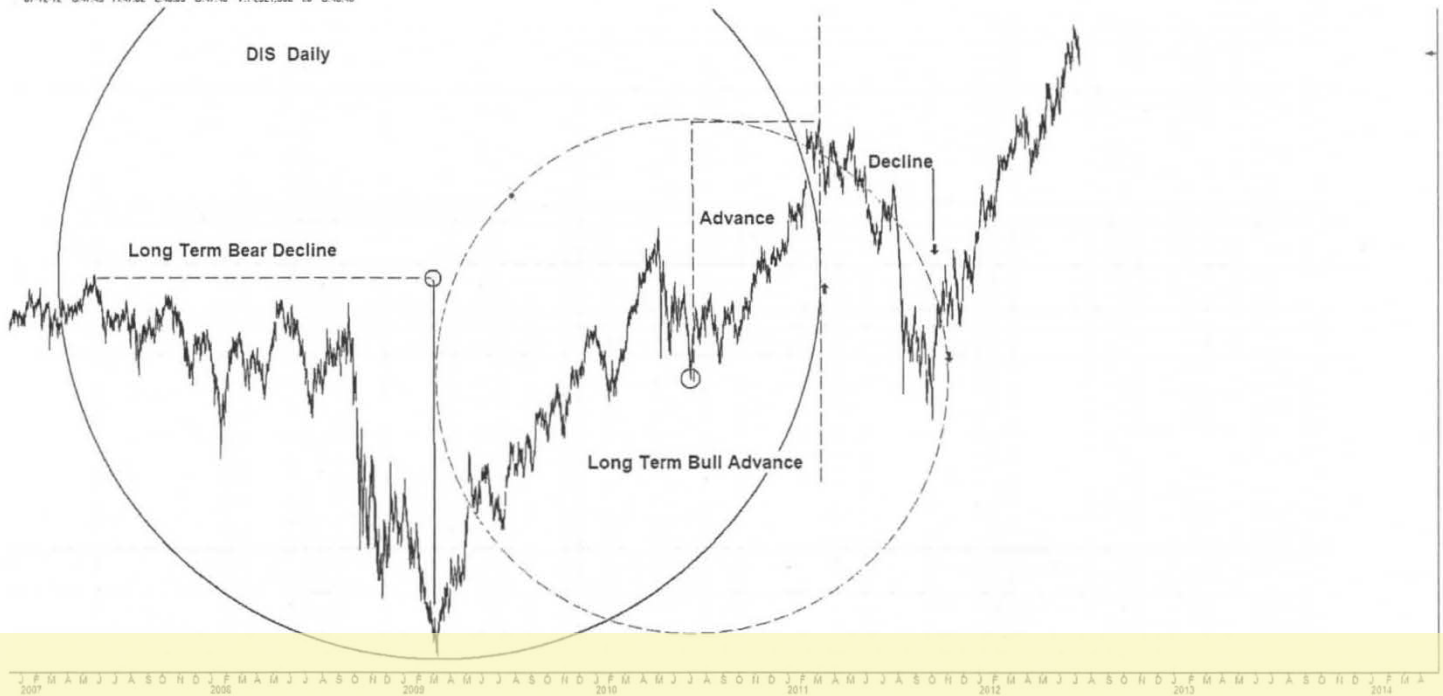
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theory, the 271 point decline will require a 271 day advance to square out. If such a big advance is required, there will be little room for a big decline after our first advance shown on that previous example.

What we'll see is a series of small tops and dips that will make up the 218 bars or days of the impulse top consolidation, while the primary advance of 271 days or bars exerts upward pressure and usually give rise to the typical 5 wave advance of ever higher highs until the entire move squares out. We can see here that the 1/10th or 27 calendar day harmonic gives small periodic turns within the 'whole 271' up move expected. The lesson here is that you always start with the largest time frame like monthly or weekly to find what the 'main' legs are and then look to the sub leg cycles found in smaller time frames like daily, 60 minute and smaller. The 'full' square outs of the full point count in days, or weeks give the main up / down trends, and the smaller circular arcs and harmonic angles from nodal points break down these bigger swings. By the way, on this above chart there is a bigger up move still possible since the chart shows the July to October decline of 271 points but the final top was May 2nd and the total drop was 296 making the advance at least out to July 26th 2012 with a possible topping phase for a week or so after that. This next chart of Disney shows a 'big picture' bear leg down and forecasted bull leg up using our TCB or circle method.

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* 07-12-12 C:47.43 H:47.82 L:46.85 O:47.40 V:14521.500 10 S:48.45



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Below is the same Disney chart with our nodal angle system added to the primary square outs above. Other pivots could be added with the 'arc' method of squaring the node points.

* 05-30-08 C:32.73 H:33.17 L:32.61 O:33.10 V:12,778,000 10 S:49.06

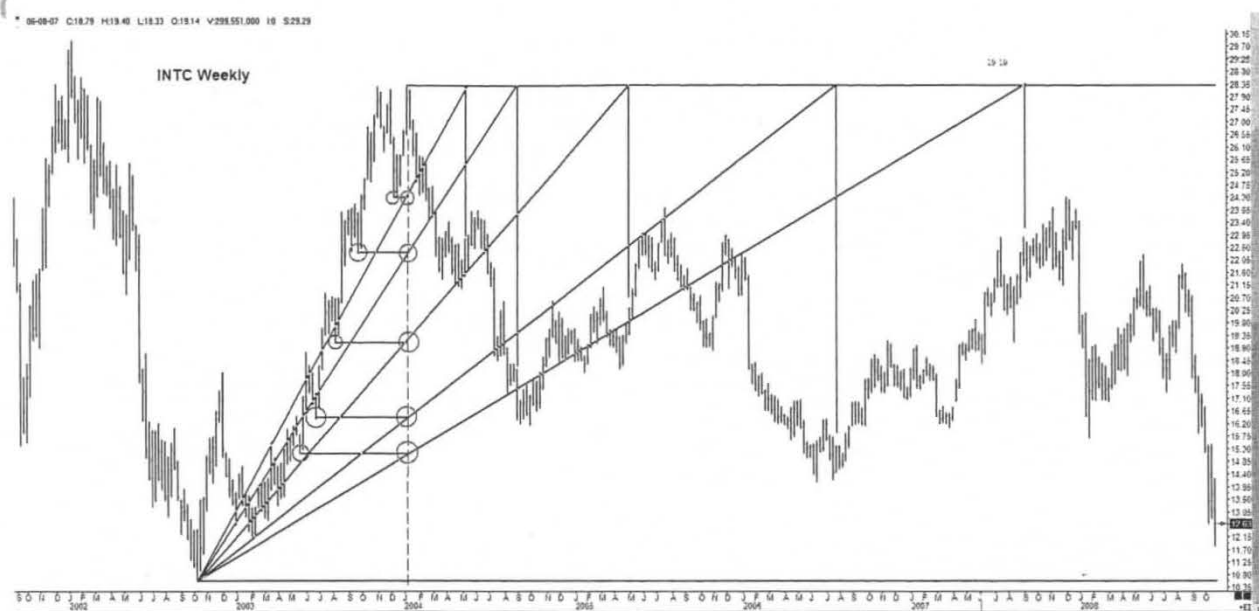
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Getting 'perspective' is the most important thing and many of you will rush off to make
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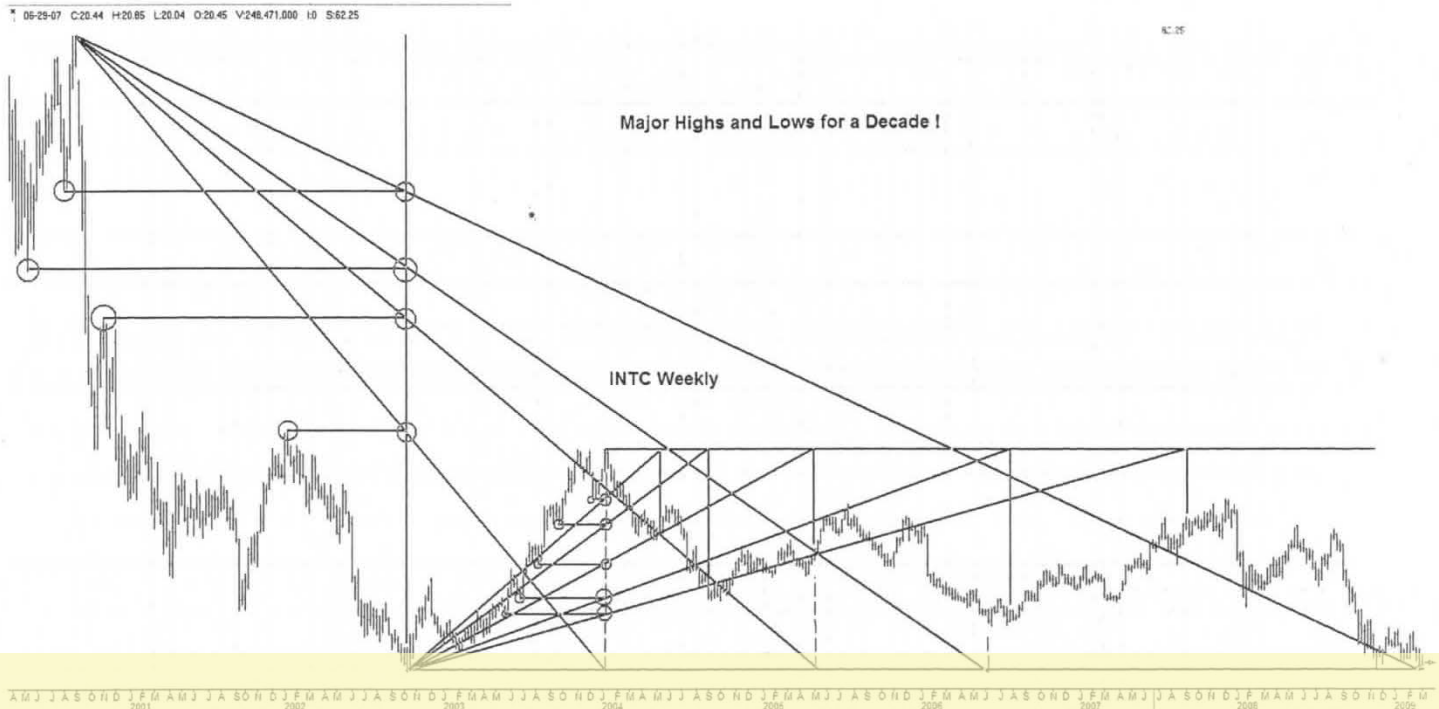
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the TREND will always bail you out of a bad trade, knowing what the trend is, is the most important thing. Very Long term charts can greatly help in this regards. This chart of Intel gives a sense of where the big pivots fall but they are not 'perfect'. If we back up even more to get a longer term view we can see the big swings much more clearly. The next chart is the same weekly INTC chart but backed up to show a 10 year history. We see that if we can use the all time high to the bear market low, we can get many swings in the future that will last for months to possibly years. The last low at the far right of this chart was the final low and so far has advanced at least two and a half years.

You should always try to start at the highest high or lowest low in history, or perhaps 10 years, if the historic extreme is 50 years ago or something very distant. This way you can get a feel for the long duration bull or bear moves. Many of those very long term moves will break up into 'waves' like 5 waves that comprise the long term trend. You can plot the smaller long term trends on perhaps a weekly or daily chart if the very long term historic extreme is on a monthly chart.

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Here's the very long term INTC and AAPL charts that at least identify approximately where intermediate moves of six months or more could be starting. Note on the long term INTC chart above how 'clear' the left side nodal points are when looked at on a long term chart. The resultant timing angles going to the baseline give us a much better feel for what the long term up or down legs will look like and when they are expected.

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When looking at very long term charts it best to 'keep it simple'. Just look for the basic principle of 'as much as they go down, they must go sideways or up'. Sometimes this is easily drawn with rectangles of price and time periods.

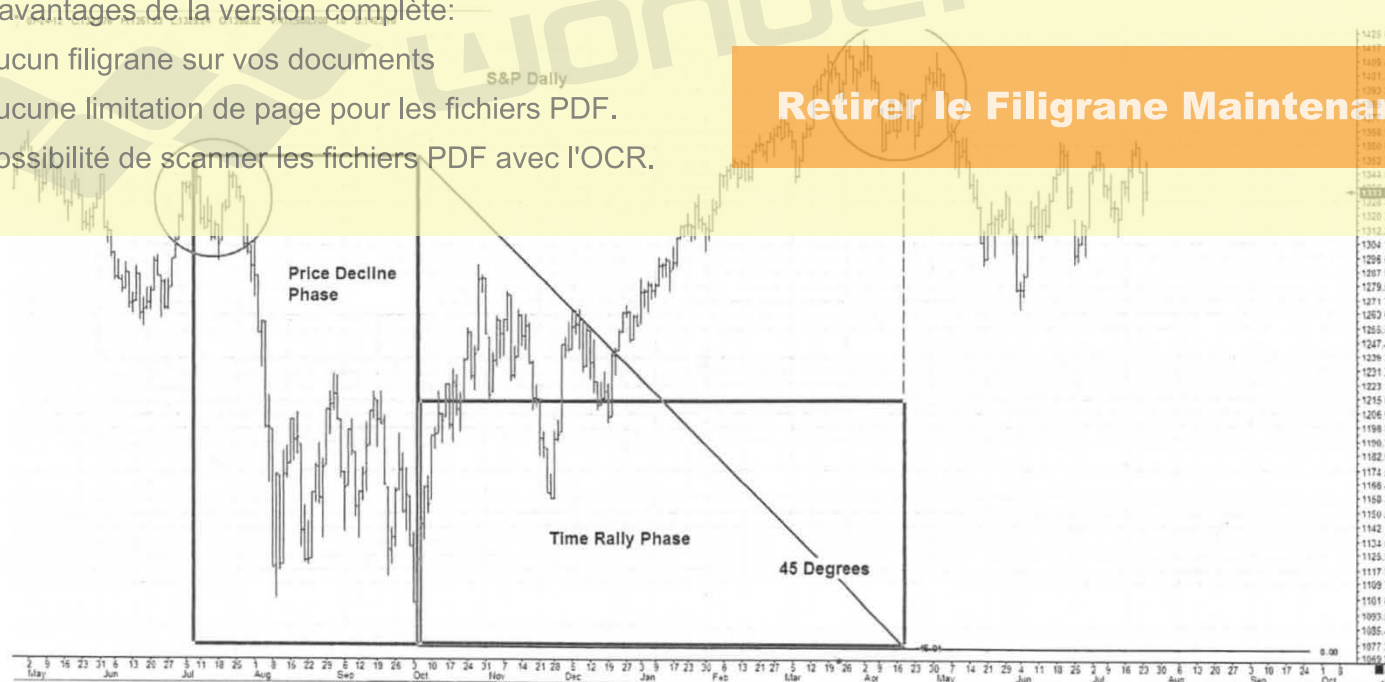


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I like the visual of the rectangles but they are just the vertical axis tree top with a 45 degree angle going down as shown here with the declining angle from the price drop square to the baseline. The same result could be drawn with a circle. By the way, note the above S&P Daily, and how after the first (circled) top and second projected top (circled), the same fractal developed.