PVSRA (Price/Volume/S&R Analysis)

Posts on PVSRA by Sonicdeejay, Traderathome, Jrissa.etc, Compiled by Jackywang5

PVSRA is part of **SONICR SYSTEM**.

There now are two kinds of trades in the Sonic R. System:
Classic
This is an ema (Dragon) based method of trading that uses Price Action, Wave Analysis, S&R and a bit of Volume to validate a setup for a single entry trade.
Scout
This is a pure Price, Volume and S&R based method of trading that uses a unique analysis of Price Action, Volume and S&R (called PVSRA) to determine two things: if the market is bull or bear, and accordingly at what optimal price areas to make entries to build a trade of multiple positions, much as the market itself is doing.

PVSRA Rules

If MMs are bears, avoid Sonic R. long setups.
If MMs are bulls, avoid Sonic R. short setups.
Or, it is ok to be counter-trend, just never be counter MM!

PVSRA is intended to:

1. Analyze Price bars when high volume shows - are the bars lower or higher than before, and has PA generally been drifting upwards or downwards, etc.
2. Analyze Volume - simply spot when volume is relatively higher.
3. Analyze Price and Volume relative to S&R - once 1. And 2. Exist, where is it all happening relative to whole, half (and even quarter number) natural S&R levels.

WHY do we use price volume analysis?

A study of volume is not the basis for a Sonic R. System trade. However, if a current Sonic R. setup points in the same direction that a study of recent volume points to, then there can be added confidence the setup will not end in a head fake. Also, if you are in a Sonic R. System trade and suddenly a green or red bar appears, especially if the volume bar is exceedingly tall, that should alert you to the possibility the run is nearing the end.

The blue bars are simply an indication "business is picking up". The green/red bars denote "institutional trading" went into high gear. These green/red bars can come near the beginning of a move, so possibly denoting a run is in the making. However, if the resultant move was very modest, ending soon after such bars, then these bars can be denoting both the beginning and end, something like the final spurt of activity, and possibly before a reversal. These green/red bars can also come during a move, so possibly denoting a run is coming to a close, or a pause.

Conclusions drawn from the study of the relationship between price and volume cannot be exacting. For one thing, forex volume is only the count of trades on your broker's server, not the market-wide count on total currency being traded. For another thing, and more importantly, the "Big Money" trading outfits can turn price around on a dime and send it far off in the opposite direction. And they can do this at any time, no matter what any sort of technical study has been "telling" you!

At any time when an MM starts building a position, or decides to add to one you will see the price move up and down, or down and up. This keeps the price in a range and makes the average cost more attractive than if the MM simply kept buying in an upwards direction or selling in a downwards direction. Sometimes there can be more than two swings, and they do not all have to strike the same highs and lows. The point is that by manipulating the price up and down the MM keeps from moving the price up too high while buying, or from moving too low while selling.

Consolidation areas on charts are where you see the price has constantly moved up and down within a range, and in a concentrated fashion. The market term "consolidation" is another of those benign and palatable words that really avoids telling the truth. The truth is that when you see these areas on a chart you know there is a concentration of MMs buying or selling. If you could figure out which it was (and sometimes you can) then it makes you a less easy target for the MMs to steal money from.

You cannot tell from the up/down price gyrations put on by the MMs when they are active buying or selling, which it is. Other kinds of information must be added to the mix. Volume is unique information because it is not a technical that is a calculated derivative of price information, as all other technical are. It is the one technical that can show you something that no other technical can show you. It can show you the price areas the MMs are doing most of their trading; at the higher prices, or at the lower prices. Is it any wonder that in the forex market the volume information given to us is prostituted down to a count of trades rather than a count of currency volumes traded? If we knew just how big some of the trades were after prices were driven to lows or to highs, then we would be even more knowledgeable about whether the MMs were bulls or bears.

Any volume chart can give enough information to reasonably figure this out, however. Even though we don't know the size of trades, if the count of trades goes up, then we know that was where the MMs wanted the price. If this is as a result of the price being driven low, then we can conclude the MMs wanted the price low because trading increased at the lows. And if that is the case, then the MMs are either closing shorts at the end of a Mark Down phase, or they are opening longs as part of an Accumulation phase. If this is as a result of the price being driven higher, then we can conclude the MMs wanted the price high because trading increased at the highs. And it that is the case, then the MMs are either closing longs at the end of a Mark Up phase, or they are opening shorts as part of a Distribution phase. In other words, if the MMs run the price up and following that there is increased volume of trades, then the MMs are bears, not bulls. If the MMs run the price down and following that there is increased volume of trades, then the MM are bulls, not bears.

You see, bullish MMs do most of their Accumulation while price is in a range, before they break the price up out of the range. Sometimes they even drop the price down out of the range (called a head fake) to get lower prices for additional buying. Once they are loaded up long, they are ready for a Mark Up run. Bearish MMs do most of their Distribution while price is in a range, before they break the price down out of the range. Sometimes they even raise the price up out of the range (called a head fake) to get higher prices for additional selling. Once they are loaded up short, they are ready for a Mark Down run.

The point is, by looking more closely at those events where the MMs run the price down or up, by studying the volume associated with the price bars during such an event, you can often see whether the MMs are bulls or bears. To do this you need to drop down to M1 charts and see what the volume looks like as price is manipulated up or down, then peaks and goes sideways. If the volume is more substantial overall at and after the extreme prices are achieved than before the run then you can conclude that is where the MMs wanted the price to go. And if that is where they wanted it to go then if it went up, the MMs are bears that are either closing longs or opening shorts. If it went down, then the MMs are bulls that are either closing shorts or opening longs. However, if price went up and then soon fell down again, it is more likely the rise was buying and then the MMs pulled the price down again for lower prices for more buying. If the price went down and then soon went back up again, it is more likely the drop was selling and then the MMs pulled the price back up again for higher prices for more selling. Most of PA is just a misch-mash of ups and downs and volume that is indeterminate. So you have to be diligent. You have to investigate any notable price action and move on until you come to an event that yields the information you are looking for.

Just keeps this in mind about the MMs manipulating prices. There are sundry MMs, so one move can be followed by another, and another as each MM pushes prices to new highs or lows seeking better prices for their selling or buying. So, we do not trade on volume information alone! The way to use the information that studying volume gives you regarding whether MMs are bulls or bears is to wait for the next valid Sonic R. setup in that direction.

Some of this might sound tedious. It isn't, once you get the hang of it. Trading isn't easy, but price action and volume together can be very reliably predictive those times when clear clues appear; as close to the "Holy Grail" as anyone will ever come. Most forex traders shun volume, and have no idea what they are missing.

MONEY MANAGEMENT FOR USING PVSRA

---------------------***MOST INPORTANT PART***

Professor TAH has been telling many times how you must use small position sizes compared to what you might have been doing before!

I said last week that I can easily handle 1000pips moves to position building direction (loss side before profit side) and add more and more to my position. Right now I'm building positions on GU short, EU short, and some exotic pairs like USDSEK long and USDNOK long.

Now if we look at actual temporary "drawdown" (can't talk about loss, because this should be temporary until price goes where it is supposed to go based on PVSRA) in deposit currency;
I now have 7 short positions open on EU. Micro lots 0.01
#1 1.3059 -6.79€
#2 1.3096 -3.99€
#3 1.3090 -4.22€
#4 1.3103 -3.32€
#5 1.3117 -2.34€
#6 1.3143 -0.48€
#7 1.3150 +0.03€
So... -21.11€ total.

If one goes by the rules building position and keeping sizes small, who can't handle this?

My intention is to double positions on the way down, cause then we are moving to direction that was originally read from PVSRA. That way I'm maximizing profits with building positions and minimizing losses with keeping positions small when building stage is on way.

So little info about money management using different trading styles here

Little example how I do it:

Classic Sonic R trade with SL at recent higher swing low/high 0.1lot. Risk is normally in 50-100pips range and TP in 50-100pips range. So 50/50 risk/reward ratio.

PVSRA proven Classic Sonic R early entry with SL at recent swing low/high (like todays EJ, GJ and UJ trades) 0.1lot. Risk is normally in 20-50pips range and TP in 80-150pips range. So 30/70 risk/reward ratio.

Now the building part

Building position the MM way is hard to put in any risk/reward ratio. It can be described as highest probability trading style I have come up. You basically can risk anything you want here, but my example is this:
I start building in 1/10 positions from size used normally. Adding on position every time I think is good place to do so (full and half numbers when PVSRA still confirms the MM's haven't switched side). When the price starts to move to the direction that was originally read with PVSRA, I add to each and every position I already have taken building. This way I'm already at profit side when price has gone back 1/3 way to direction from where the building started.

So different ways to trade, different ways to use money management. This is just an example how I do it

BY JRissa

Fire At Will! The Enemy is Being Routed!

I have this post linked to the post by JRissa giving more details on some of the ways he manages his money position building. It is a informative post. It is well worth reading and well worth spending some time thinking about, after you read it. Give time for such information to sink in. It may have greater significance than one might first realize.

I would like to add another thought to this body of knowledge that is starting to be openly discussed, unlike before when such would only have received ridicule from the Doubting Thomases within the retail trader group, and from the spies of the MMs who would not like retail traders doing anything that makes it more difficult for the MMs to take their money!

The thought I would like to add is this. JRissa talked about building a position up as the MMs worked price to build up their own positions, and with the plan to also add more to the position when the MMs finally move the price in the profit making direction. So?

Here is the "So?" When EU was dropping earlier yesterday, I did not add. There had already been talk (ref: Worldfreedom) about the possibility the MMs might take price high again later, and they did, and to the tune of almost 70 pips past the previous signicant high, on a run off the bottom of almost 135 pips! So, we must keep in mind this next statement.

PVSRA can indicate if the MMs are bulls or bears, but we can never know when the MMs are going to stop building and start their run for profits.

As a result of not adding to my EU short position as the run for profits "seemed" to have started early yesterday, when the shit hit the fan I was able to send out several more Scouts near the top of the 135ish pips run back up! I responded to a question earlier yesterday that the MMs might be lowering price ahead of news to coax shorters into the market. On the surface, that would seem not the thing for the MMs to do if they are bears. I mean, why would bear MMs encourage more bears to come in and compete for whatever liquidity for shorting is available? The answer proved simple enough. Suck 'em in and wipe 'em out later! Not only wipe 'em out, but wipe 'em out with nice losses which magnified the liquidity for these sonofabitch bastard MMs!

I hope my added thought is clear. We can never know when the MMs have stopped building and have indeed initiated their run for profits. Therefore, how can we know when it is safe to expend more Scouts during moves in the profit making direction? Please think on this carefully. Building **only** when price is moving against you might be a hell of a lot safer than doing that and then expending more Scouts when the price is not moving against you. Don't fire all the rest of your ammunition when you see you have the enemy on the run!

Exacting Entries!

Don't need 'em. PVSRA indicates if the MMs are bulls or bears. Bull MMs can, and do, put on bear PA. Bear MMs can, and do, put on bull PA. This PA can, at times as we have seen today, be extreme! So what? This is one of the strategies we should always be expecting the MMs to pull off in order to create liquidity to get more of their own orders filled!

It is the way of the market, traders. If you don't like it, get out of trading.

On the other hand, you can use any move the MMs make to advantage you the same way they take advantage of it. Build a position along with the MMs. It is as simple as that, but you must restrict your size of individual trades from however you are currently trading. If you trade in lots, then trade in mini-lots, etc.

You don't need your entries to be exacting, only in the same ballpark! Making exacting entries is impossible except by pure chance, and it doesn't often happen, so don't worry about it. Just get your position built with individual entries at decent locations. The skill here is to manage entries so you do not run out of those smaller bullets before the MMs run out of running the price. We will never succeed at being perfect at this simply because while PVSRA indicates if the MMs are bulls or bears, we can never know when the MMs will stop running prices and initiate their run for profits.

Trade small sizes, very small relative to account size. Trade light and don't waste your smaller bullets too early in the game. Don't worry about exacting entries!

Frankly, I still stay on the record that I do not yet recommend anyone trade like this, though I understand the temptation to do so. If you try it, you do so at your own risk. So if you do, you better demo it with an amount of money you might really start with, and see what tweaks you need to make to your trading in order to survive! You need experience with this in order to come to the knowledge, based on an account size, how small trade sizes need to be, how many you can have open at the same time, and where you need to terminate a trade gone bad. I will repeat what I said in a post above. JRissa recently stated he trades small enough that he can be down one thousand pips. Anyone trading this way needs to think about this and understand the reasoning. It is better to blow one or more demo accounts until you truly understand, than to blow your real money right off the bat!

By TAH

PVSRA Tutorial

The PVSRA project is by no means complete. This is an "in-work" project to identify and clarify the method of analysis. The analysis is a Price, Volume, S&R Analysis (hence the acronym PVSRA). PVSRA uses absolutely no other indicators because all other indicators are nothing more than derivatives of price. They are all lagging indicators that frequently point you in the wrong direction. They waste computer resources and serve only to inhibit your success that can only be achieved by properly analyzing the three most important datum in trading, and then setting up your strategy to trade based on that analysis, and that analysis alone!

The method of analysis is to look for notable volume changes, then to look at the general price action (PA) and the individual price bars within that PA before during and after notable volume changes, and finally to look to see where all this PA is taking place relative to important S&R levels. That is it in a nutshell, but there are important specifics involved.

The area of important specifics involved include what is meant by "notable volume changes", what are we looking for in the general PA, what are we looking for in the way of individual candle configurations within that PA, and what are we looking for when we bring the S&R factor into all of this? Finding out the best answers to these questions is what this "in-work" PVSRA project is all about; what works and what does not work.

In the following text I am going to discuss some specifics, some considerations being tried. In time, some may be discarded as unreliable and some as yet unidentified specifics may come to light through discoveries to be made by traders that have embraced this project and are trading based on PVSRA.

Volume Specifics

By "notable" volume changes we mean relative volume changes that stand out. These do not have to result in tall volume bars, just taller volume bars compared to within a short time before they occur. The color coded volume histogram helps to identify such notable changes, regardless of the actual height of the bars, which is why short bars can appear as color coded bars. Certainly, when very tall color coded volume bars appear, even among other tall volume bars, this is not only a notable change in relative volume, it has the possible added indication of being "stopping" volume. This of course must be confirmed by studying the candle associated with such a volume bar. Relative to important S&R, where the end of the candle strikes can be a form of confirmation. More will be said on this in the section on S&R below.

Price and PA Specifics

When a notable volume event occurs what does the specific candle look like and what has PA been doing in general? Here are some considerations. If the specific candle strikes into lows, or is low, or is coming up off of lows in PA that is generally declining, this is an indication lower prices are favored more than higher prices, which implies bulls are building long positions. If the specific candle strikes up into highs, or is high, or is coming down off of highs in PA that is generally rising, this is an indication higher prices are favored more than lower prices, which implies bears are building short positions. Sometimes the general drift of PA is neither declining nor inclining, but doing both or doing neither. At such times you might still be able to see if high or low prices seem to be favored. However, there are times when this aspect of PVSRA does not yield clear results. It is not a failing of PVSRA. It is the strength of PVSRA! At such times PVSRA is telling you there is no clear "signal" and no trade entry should be under consideration by you!

S&R Specifics

Currently, there are two S&R considerations: discrete S&R levels and where has price come from. The discrete S&R levels are whole, half and quarter numbers, in that order of priortiy.

Bears like to move price above these levels to close longs/build shorts. Bulls like to move price below these levels to close shorts/build longs. So, if price as been moved above/below any of these levels and notable volume changes then occur, this is an indication bears/bulls reign. Where price has come from is also a consideration because you will see, using the Levels on your SonicR template and viewing H1 charts, that inter-day swings tend to be birthed in the area of these Levels, and tend to die in the area of these Levels. The way to use this information is to see the progress of PA from the birth of the current swing. Inter-day swings tend to be 100+, 150+, 200+, 250+, etc. pips in length. If a swing has just started, the odds are for more progress. If a swing is already mature, the odds increase for price to reverse. Unfortunately, we cannot know how far a swing might progress. Nevertheless, this sometimes does add confirmation to what other aspects of PVSRA are indicating. And it sometimes boldly refutes what other aspects of PVSRA are indicating. For this latter situation, suppose the price and volume specifics are indicating the MMs are bulls, with notable volumes occurring at prices at lows, and maybe even in the very short term prices are starting to drift low. What would you conclude if your S&R part of the PVSRA showed price had already performed a 250+ pips inter-day swing upwards? Could the MMs be putting on "bullish looking PA" as part of a last effort to coax longs into the market to give the bear MMs liquidity for their final round of short building before they start their run for profits downwards? You see, it is not just price and volume that can be analyzed. S&R must be a part of the analysis for the analysis to yield reliable indications!

Conclusions
As I have repeated over and over again, PVSRA can determine if MMs are bulls or bears, but we cannot ever know how far they might move price as they build their positions (by screwing other traders into giving them the liquidity they need to build). Therefore we can never know when the MM will start their run for profits. What this means is, we Sonicers can both build positions as the MMs build, or we can trade opposite the MMs. For example, if the MMs are pushing up prices and building shorts as they go, we can also or we can be in a counter-MM long trade. If the MMs are pushing down prices and building longs as they go, we can also or we can be in a counter-MM short trade. PVSRA is used to determine if the MMs are bulls or bears. Once you determine that, you are best able to set your strategy for trading, with the MMs or counter-MMs, as price achieves landmark S&R levels (whole, half, quarter levels), which are good places to make your trade entries.

Sonicer, I hope this "current state" tutorial helps, and that the effort of other PVSRA traders will eventually yield a PVSRA that is simple and as effective as the Sonic R. System it is intended to serve.

-tah

The "SR" in PVSRA

Whole, half and to a much lesser degree the quarter number levels are universal Supply and Demand areas, and to which side of them that the MMs move price and then increase their trading is an indicator as to whether the MMs are bulls or bears. So, for example, if the MMs move price below a whole number and then increase their trading, then that area has become a Demand Zone for the MMs and they are bulls. If the MMs move price above a whole number and then increase their trading, then that area has become a Supply Zone for the MMs and they are bears.

Whole and half number areas are significant Demand/Supply zones, and one time they might be of Demand and another time of Supply. The MMs place orders for longs or shorts at such areas making them what they turn out to be. The important thing is not to try and figure out in advance what they will be when price gets there, but to analyze what the MMs do when they get the price there!

Are whole and half numbers the only "most significant" levels that were either a zone of Supply or of Demand when price was last there? No, and Hansma point out that we need to be aware of such other levels, not that they will be of Supply or of Demand as when price was last there, but because if price takes off in their direction then price most likely will eventually get there. Once price revisits a zone of previous Supply or of previous Demand, we can tell via PVSRA what type of zone it is now. If PVSRA indicates the MMs are bulls, then it remains or has switched to a Demand Zone. If PVSRA indicates the MMs are bears, then it remains or has switched to a Supply Zone. The important thing about such levels other than whole/half numbers is not knowing what they will be (Supply or Demand) when price next gets there, but to know they are possible targets. Once price gets there, based on PVSRA we will know then what the area is (Supply or Demand).

For me personally, I don't pay much attention to historic "Supply" and "Demand" areas as targets, and of course I never concern myself with what they might be (Supply or Demand) should price next get there. I find using whole, half and quarter number levels are universal enough, in that order of priority, that I can trade very profitably and with a lot more simplicity. Inter-day swings tend to be birthed in these areas and die in these areas. And it makes my trading life a lot less complicated to trade off of them.

However, I do pay close attention to all of Hansma's posts because he is a "no messing around" success doing what he does. He has a lot to offer to anyone willing to listen up and learn.

Important: sometimes PVSRA results are unclear and you simply must keep analyzing until they become clear.

Using PVSRA to determine if the MMs are Bulls or Bears

Let's apply some PVSRA to AJ as an example. First, look at the H1 standard zoom chart where you will note the TL and the yellow area. Next, let us zoom in for a closer look using the second H1 chart. On the second, zoomed in chart, we still see the TL and now the specific candles within the yellow area are easier to distinguish and have been re-marked into two yellow areas. What do we see here?

1. The first blue (bull rising volume) candle is relatively small, yet with relatively high volume. This indicates "stopping" volume, which is another way of saying the MMs are selling at the highs, which makes them bears. And, as we clearly see, they kept right on selling, such that the next purple (bear climax) candle is large and with even higher relative

volume, proving the MMs are indeed bears and heavily selling! As a side note, notice all this is happening above a whole number, which is where MMs prefer to close longs/open shorts. Finally, note this started happening after the MMs hiked the price above the TL, which amounts to the bear MMs faking longs (buyers) into the market so the MMs could be sellers!
2. In the second yellow area we see two blue candles, both striking up into the area above the whole number again (Clue! Clue! Clue!), and again on increasing high relative volumes! This indicates once more the MMs are bears and are hiking the price to again sucker in longs so the bear MMs can short! You will even notice one candle, following those marked in yellow, struck above the upper half number. This candle seems insignificant in volume, but it is bearish engulfing. Don't get sidetracked into the study of individual candles, as that is not what is intended. What is intended is that you come to appreciate that any configuration candle that might have struck up thru the half number might include a single MM order, or group of MM orders, representing tens of millions of currency being sold off at a perfect time and price to do so!
3. Also, note that PA is most recently tending to be kept above the TL. Is this some sort of coincidence? No! This is intentional by the bear MMs to foster the impression of bullishness in order to continue to sucker in longs! The more long traders that are tricked in by this deceit, the more liquidity is provided to the MMs **to get more of their own short orders** filled, and at these very high prices!

Position Building

With PVSRA it is easy to determine if MMs are bulls or bears. What we can never know, no matter what and how many indicators are added to a chart, is when the MMs will have completed building their positions and initiate the "Run for Profits". This is another reason it makes sense to build a position right along with the MMs instead of guessing on all of the "good looking setups" into which you invest your entire trade size in one single shot!

The natural evolution in trading that is suggested by PVSRA is to make a downsized shot on these "good looking setups" and then stand ready to add additional parts to your trades as the MMs (who are on the same side of the trades as you are) work prices to their advantage, building their own positions. You build yours as they build theirs! The fact is that most good looking setups do not straight away run good. Most of them have "pullbacks" before finally running good. This means that by building a position you will most of the time end up with a better average EP than for a single shot entry, and have smaller drawdowns, not larger ones!

PVSRA, is it Different From, or Part of, the Sonic R. System?

If you have read the above, you know the answer. PVSRA is a method of analysis used within the Sonic R. System, to determine if MMs are bulls or bears, and so to be more confident of the direction of Classic setups to trade. Certainly, by knowing if the MMs are bulls or bears, the improved use of Scout trades is possible, too.

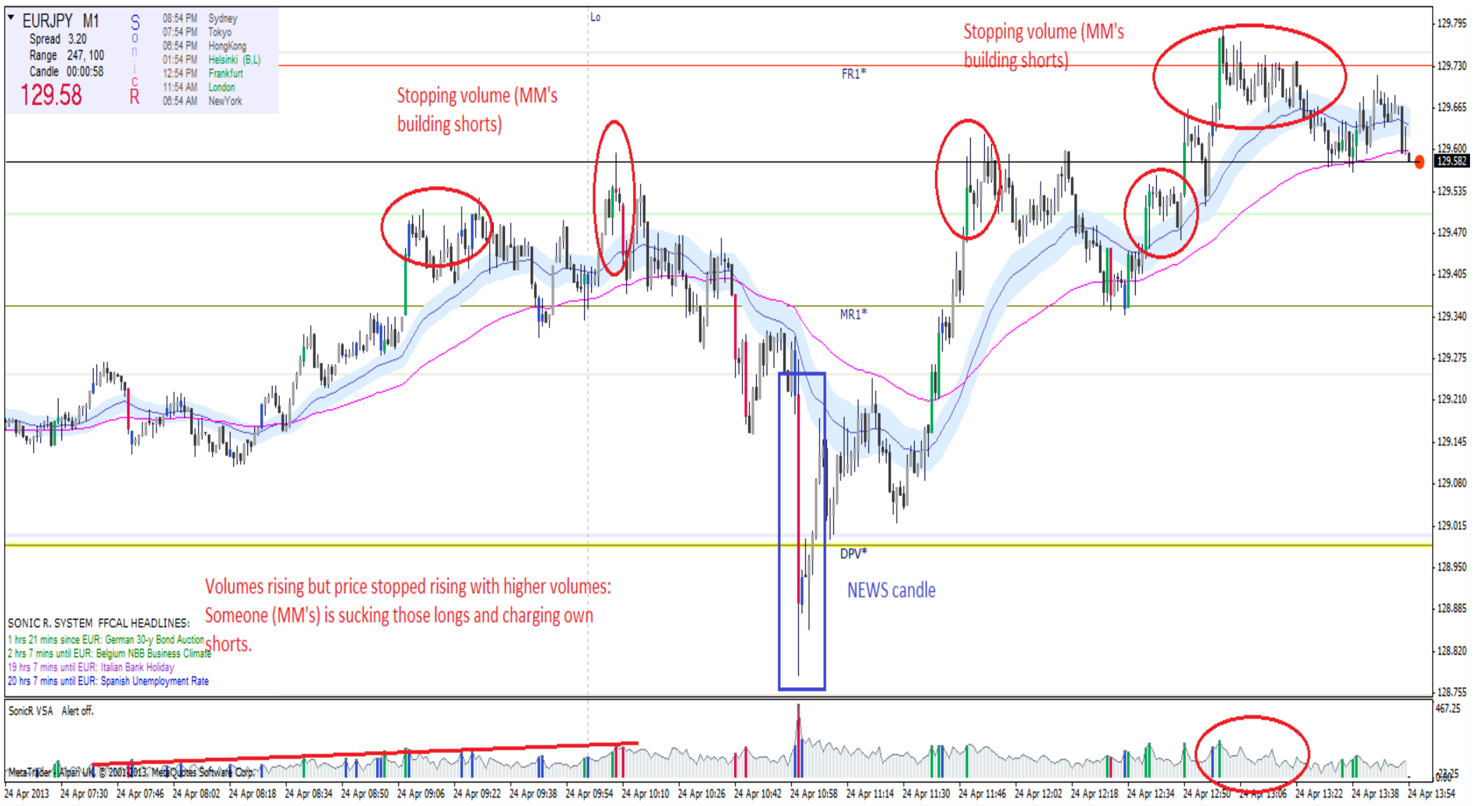
SonicR Indicators & Templates

Until such time as the next upgrade is release be advised that Post #1, link #1 is to the latest released TAH indicators and templates, which are totally adequate. I suggest you use them and only them. Nothing else is needed; moreover anything else just adds clutter to your charts and nothing of further value, because how MMs will move prices cannot be predicted by indicators that are nothing more than mathematical derivatives of PRICE itself. If we cannot "predict" using PRICE (and we can't), then it is folly (no, it is complete stupidity) to think that inventing a derivative of PRICE will change anything! Volume is the ONLY indicator, other than PRICE, that is not a derivative of PRICE. This is why PVSRA works! It uses PRICE, VOLUME and S&R, which are the three most important datum in trading. Nothing else adds, only detracts. Believe it or not. Take it or leave it. BTW, when I speak of PVSRA I do not imply any predicting of where price goes next. That can never be done reliably. I speak of knowing whether bull or bear MMs are behind current price movements. That is as close to the Trader's Holy Grail as we will ever be.

Some explainations in pictures by Jrissa etc…


MM's open more shorts all the way up by provided liquidity from other traders.
Lastly MM's close their long positions at good profit and as doing this, provide the needed push to get price going their short positions. Also adding shorts as needed to push it more.
DR1*
RDH
MR1*
DPV*
MM's open more longs to support price to go even higher
MM's opening shorts as others think price has changed direction providing needed liquidity to do so
MM's bought to support price to go higher
MS1*


Direction supporting "pushing" volume
Fail to push through resistance
DPV*
Direction supporting "pushing" volume
Getting ready for another push up
Direction changing "stopping" volume
MS1*
FS1
Direction changing "stopping" volume


EURJPY M1
129.58
Stopping volume (MM's building shorts)
Stopping volume (MM's building shorts)
FR1*
MR1*
DPV*
NEWS candle
Volumes rising but price stopped rising with higher volumes: Someone (MM's) is sucking those longs and charging own shorts.
SONIC R. SYSTEM FFCAL HEADLINES:
SonicR VSA Alert off.


EURUSD M1
1.3049
ASIAN MM'S USED LIQUITITY TO BUILD THEIR OWN SHORTS; NO MORE NEW LONG ORDERS TO FILL LONDON MM'S SHORT ORDERS.
TOO USTABLE PRICE MOVEMENT TO LOAD SHORTS
LITTLE PUSH DOWN TO SHAKE WEAK LONGS AND BUYING TO GET PRICE BACK TO GO HIGHER.
AFTER THAT, LOADING OWN SHORTS BY PROVIDED LIQUIDITY
MS1*
SONIC R. SYSTEM FFCAL HEADLINES:
SonicR VSA Alert off.


EURUSD M1
1.3041
PUSH ABOVE HALF NUMBER TO ENCOURAGE BUYERS TO GET MORE SHORTS AGAINST THEM
HEAVY SELLING
Price pushed down
High activity below RN
MS1*
SonicR VSA Alert off.
VOLUME RISES ON HIGHS
VOLUME DOWN WITH PRICE

A Lesson in Reading Volume:

GU, MMs Bulls or Bears? Yes, they were and are bulls. Here's the proof.

For the pic above:
Above the Dragon, here and there, you will see a significant green candle or a series of green candles. These are where the professional traders are adding to long positions. They covet the lows, ...

Price-Volume Analysis Lesson: The attached M15 chart for UCad clearly shows two times the MMs spiked the price below the half number on high activity. Below whole and half numbers is where the MMs prefer to build long. You should look at your M1

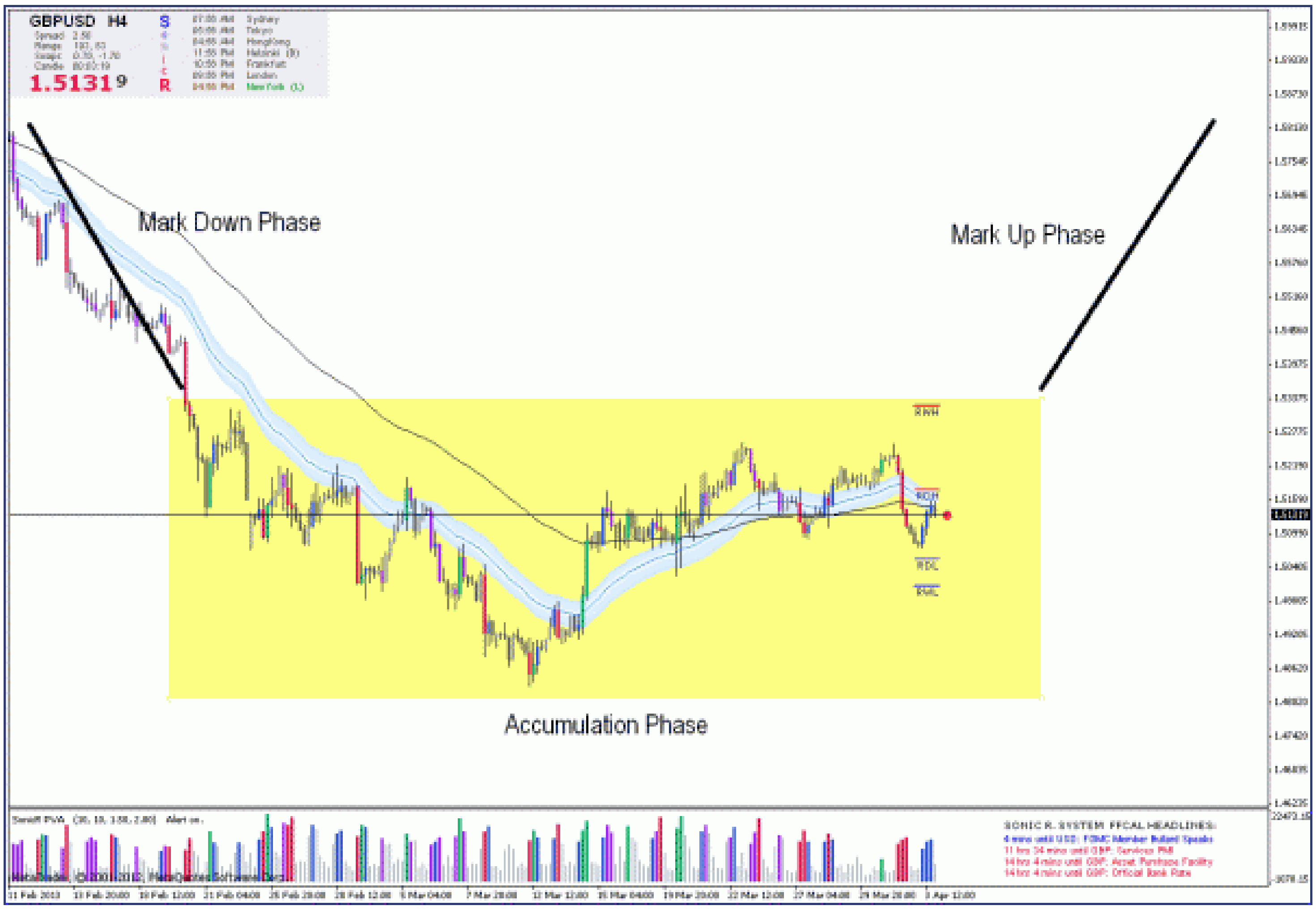
GBP analysis
Look at the added pic 2! So, unless you think the MMs depressed the prices just so they could have the opportunity to sell at those lows, the only other conclusion you can come to is,**..........they are buyers!**

BTW, pic 3 is a different way to view H4. Try it on for size. The Accumulation Phase can be extensive because much time can be needed to close maybe huge short positions gradually so the MMs don't raise the price on themselves while taking profit. Then even more time is needed to open huge long positions gradually so the MMs don't raise the price on themselves while doing so. The Accumulation Phase should really be termed the Buying Phase; buying to close shorts and buying to open longs. The MMs have to do all this buying as covertly as possible because they don't want the price to go up until they are ready for it to go up! Get the picture?

Pic 4 shows the ultimate price manipulation strategy in the MMs book of strategies, quickly hitting the stops on longs and triggering into the market pending short orders, both of which instantly create liquidity for the MMs to get more of their own long orders filled before any other traders can take much advantage of the low prices to get longs for themselves!

Pic 1

Pic 2


GBPUSD H4
1.51319
Mark Down Phase
Mark Up Phase
Accumulation Phase

Pic 3


GBPUSD M1
1.51276

Pic 4

PVA Example

Price and volume, when used properly with S&R and the highs and lows of PA swings is uncannily accurate in revealing whether the MMs are bulls or are bears. As I said, the only thing that cannot be known, can never be known, is the timing of their planned breakout. The picture here is very clear. PA came back up thru the lower whole number on extremely high trading (very bullish). PA leveled off at the next half number. Now some MM(s) are pegging the price back down (where it runs into support at a local S&R level) in order to do what? The phrase is, "Buy low, sell high." So you figure it out! What do you think the MM(s) did when they got the price down there? It is all laid out for anyone to see on the M1 pictures already posted.

Finally, if you want an indication that might be confirming the MMs are bulls, from a higher TF, then may I suggest you look at the pin bar on the Monthly chart.

However, how many times have we seen bull MMs repeatedly step prices lower (in order to capture better priced longs), which in actuality was a perfect environment to "....trade what we see..." and make profits trading short! How many times have we seen bear MMs repeatedly step prices higher (in order to capture better priced shorts), which in actuality was a perfect environment to "....trade what we see..." and make profits trading long! So, be the MMs bulls or bears, though we can build a position (like they do) based on their stepping down/up (respectively) the prices, we can simply "....trade what we see....", which is really the message Master Sonicdeejay encourages us all to focus on.

"The only two "truths" in trading are:
1) MMs move price for one reason, and one reason only ...to increase profits or to decrease losses.
2) MMs can, at any time, decide to turn around the direction of price movement and take the price to whatever level they damn well can afford, in order to screw others out of money in the process.
No indicator or combination of indicators will ever be able to divine the future decisions made by those who control market prices. Trading successfully requires coming to a good understanding of what the MMs might be doing, based on pure PA and volume relative to S&R."
....and here is a picture that illustrates both truths. It shows the MMs response to the earlier AUD releases. The MMs suddenly drove the price up almost 40 pips, undoubtedly wiping out many shorts by hitting SLs. Now, the MMs are bears themselves, but this was a move to screw other bears. And how do we know the MMs are bears? Just look at the two red volume bars immediately following the single green volume bar. Clearly, once the MMs had the price up about 40 pips, they poured on their own orders. Those would be "sell" orders, of course, unless you mistakenly believe the MMs hiked the price just so they could be privileged to buy more at higher prices! And now the price remains high for the MMs to continue shorting for as long as liquidity here exists. As for the volume of the green bar that hiked the price, well the MMs may have had to do some "buying" to get the price up there, but all of it easily closed for profit once the higher target price was achieved. The MMs don't lose on these price manipulations to get the price where they want it.

Look at the tiny red candle near the bottom of a prolonged drive down of the price instigated by some MM(s). Now look at the volume bar associated with that candle! There can only be one conclusion: the price manipulating MM(s) are extremely bullish, having driven the price down to obtain lower priced longs.

UCad Comment, Price Volume Analysis:

I read the PVA story on M15 as indicating the MMs continue to be bulls.

Before the LS yesterday there were two drives down (red volume bars w/candles with long lower wicks) with price immediately coming back up. This was buying, bull MMs driving price down to add longs. Soon after the US Open there was heavy buying by the US MMs also (tall green volume bar followed by red and blue). However, immediately following this the MMs reversed and put on a bear drive which was sustained thru much of the rest of the day. This bear drive was also bull MMs driving the price down to add longs. The tall red volume bar for the candle making the low of the day is the key to seeing that once the MMs had the price sufficiently down, they quickly increased the amount of trading they were doing,....buying at the lower lows as they broke the price down thru previous S&R (yellow area). Note that there was another surge of buying as the bull MMs rammed the price back up thru this S&R area (green volume bar and candle) and then supported the price to protect their profits.

Keep in mind that all of this was happening in a range of about only 60 pips from top to bottom, and any price within this range will turn out to be a good entry long price once the MMs finally decide to begin the real Mark Up of the price. This 60ish pip drop undoubtedly brought in a lot of shorting bears, just what the bull MMs needed to provide the market liquidity for them to continue adding longs.

The Mark Up phase could begin with the upcoming multiple USD high impact releases this last day of the week. While we can figure out if the MMs are bulls or are bears, we can never know their planned timing of breakouts. Let's see what happens, because they could put this off again for yet another week of accumulation.

I hope this post, and others like it to follow, will help Sonicers that are dedicated to learning how to use volume. I believe a trader can become extremely profitable if they can determine if the MMs are bulls or are bears, and nothing more reliably determines that than properly using volume in conjunction with PA and S&R. I believe once you correctly determine if the MMs are bulls or are bears you will have better results trading the Sonic R. System setups.

USD Upcoming Releases: How Will the MMs Move Prices?

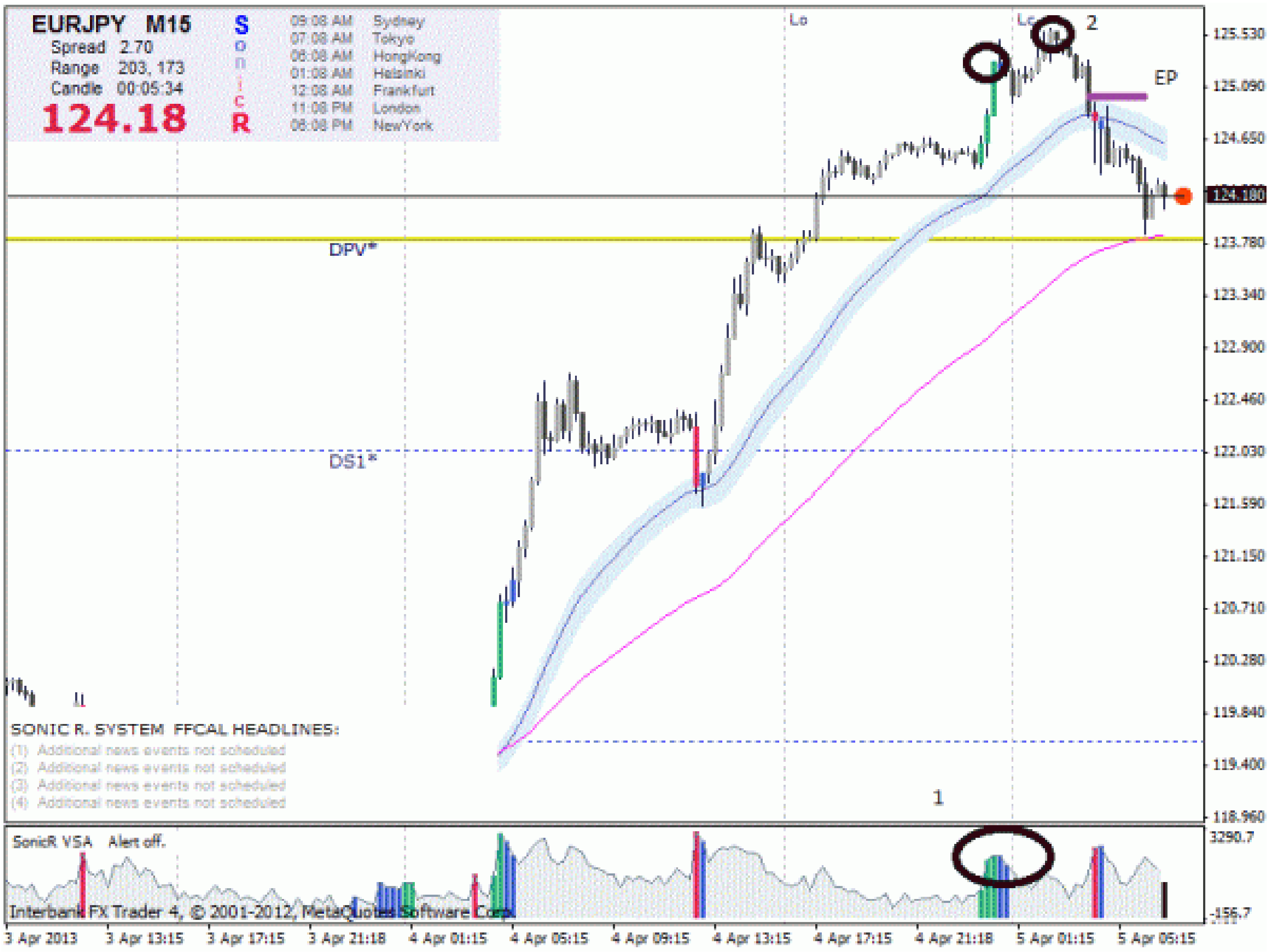
This has to be pure speculation at this point, but it is based on PVA. I am looking at AU on the M1 chart and I see that some MM(s) just ran the price down to below the whole number and then poured on the buying, and the price is moving back up now. We know what it means when MMs manufacture price drives to get prices below whole numbers. That is where they like to add longs.

If the MMs were going to respond to the USD releases by pro-USD moves, then this AU price action would not have just happened. No, if anything the MM(s) would have driven prices up to add higher priced shorts! If the MMs are planning to respond with anti-USD moves, then it is totally understandable what the MMs just did. They lowered the price to add longs because they know prices will rise later.

Therefore, it would seem the MMs are lying in wait for the USD releases with the intent that anti-USD moves will follow at some point. Let's see how this works out for AU, EU, and GU.

This is how I entered scout..

1. Possible Stopping Vol (toppish Vol)
2. Price went higher with lower vol..
3. Price actions start to get bearish..



Here is another lesson using price and volume to analyze if MMs are bulls or bears.

The M15 picture attached shows the MMs price drive up in conjunction with the multiple USD high impact releases on Friday. Were the releases responsible? Sometimes not. Quite frankly, many times the MMs already have their plans for price, no matter what news comes out. Anyway, two important clues about MMs are revealed here.

Firstly, Thursday the MMs tanked the price again, something they've been doing for a month. Now, the move down (red volume bar) did not attract a lot of trading. A lot of trading would imply there were a lot of folks willing on both sides, longs and shorts. In this case, the low activity really said that there were not a lot of willing shorts. So, the bull MMs that drove the price down to add more, and cheaper longs, came up light. And up the price did come. All this clearly indicated the MMs were bulls, and had only a partially successful drive down to add more longs. And that in itself was a huge clue the whole market is bullish...few, if any shorts left!

Secondly, after the highs were attained Friday you can see how the volume dropped back low, right up until the previous S&R area (yellow) was obtained by the bull MMs that were doing it all over again, dropping the price to get back to lows to start buying again. At the S&R area, clearly the buying picked up (red, blue, green volume bars)!

So, there you have it. Do the MMs remain bulls, or are they bears?

Here is the same chart as above used. Something else is to be learned from the price action illustrated, and that is we are not dealing with a "free market", but a casino run by some outfits with practically unlimited funds to use to move prices whenever and however they damn well feel like affording.

In conjunction with the multiple USD high impact releases Friday, there was this 100+ pips run up. The majority of currency traded was traded by the MMs (Market Manipulators: market makers, large trading houses like GS, large hedge funds, and sometimes central banks), who have huge amounts of money and credit to instantly get more when wanted. So, the bulk of the volume was theirs, not from retailers. Now, after the second high, which was the highest high, take a closer look at what happened to the trading activity.

As you can see, activity rapidly tapered off, eventually to the pre-release lows. Again, the majority of currency traded is by the MMs, and you can tell right away that they traded a lot less as they worked the price back down.

So, shall we ask the obvious question? If the multiple USD releases were all that good, enough so as to "have" the MMs drive the price up 100+ pips, then what in hell happened to justify the price falling back down 60% before the day was even over? Justification? You see, market prices are determined by the MMs, plain and simple. News comes and goes, sometimes a reason for a move one way or the other, but mostly just as opportunity for the MMs to jerk the price around to wipe others out and steal their money.

This is the market. Prices are not based on any sensible or cohesive and intrinsic value. Prices are what the MMs make them. And the MMs make prices change whenever they want, by any degree they want to afford, in order to wipe others out and steal their money. News, releases, etc., well they are most of the time just used for "timing" of some of the MMs moves. Sometimes the MMs will move prices "according" to the news, sometimes not, and often both ways, and even sometimes one of two ways more than once! We are not trading a "free market. We are trading a price manipulated market. It has always been that way and it always will be because those with the most money run things, and they run things their way!

All this being said, we can still profitably trade. It is all in learning how to under these conditions.

Yen Pairs, MMs Bulls or Bears

Using GY as an example, Friday the MMs pumped prices again. They did this the same time as they moved other pairs in conjunction with the multiple USD high impact releases. Not that the releases actually had anything to do with it all, it was just a "timing" thing for what, I suspect, the MMs already had planned for every forex pair, no matter what the releases contained.

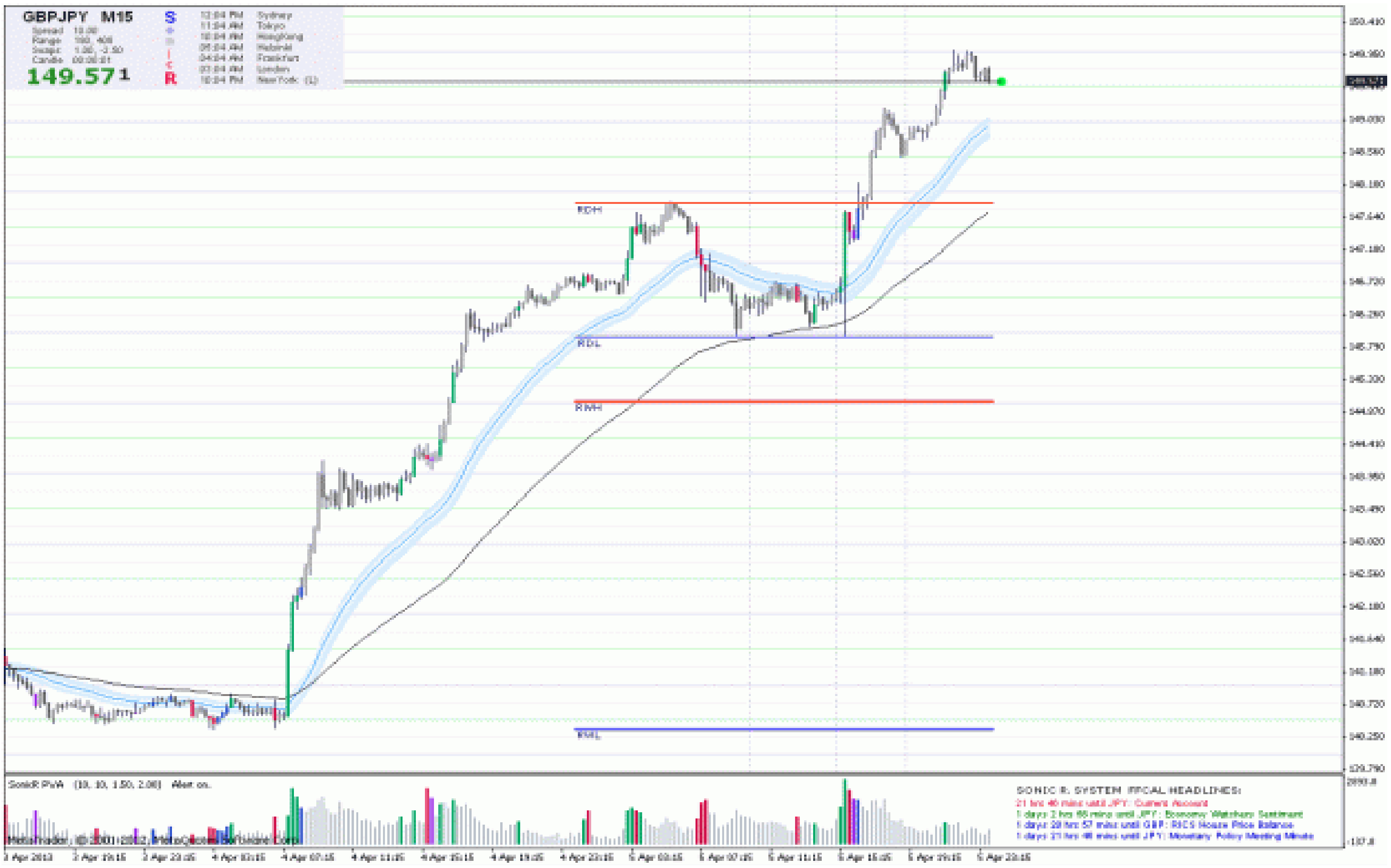
So, the Yen pairs got another pump. The MMs must figure on somebody waiting at the top of these pumps to buy what the MMs are dumping. That is the strangest part to figure sometimes, If the MMs are pumping and dumping, step by step buying low and selling high, who is conveniently on the other side selling low and buying high step by step? I won't go so far as to say there is corruption here, a "set of double books" on the liquidity providing banks' computers to be "settled sometime later, weeks, months or years down the road, but it gets real hard to believe at times that everything is on the up and up.

No matter, the higher they go the further they have to fall. The critical part is not to overindulge and run the account down while not having any idea how far this gambit by the MMs might take these prices.

Are the MMs bulls or bears? Sure looks in the near term they remain bulls, step by step. But, I also believe each step up is a shorting place for them also. They can be both buying low and selling high, step by step, and at the same time selling more at the tops of each step, building a large short position for the eventual reversal, which has massive potential. In other words, they are also longer term bears.

That is what it looks like to me, short term bulls (which may soon be coming to an end) and longer term bears.

Finally, the highs Friday were made on decreasing volume, without notable high activity levels after the late day highs were attained. Could this be just due to not many organizations trading, low liquidity for closing longs and opening shorts? Or, and this could be a serious factor, were the MMs involved the only "bulls" around, with everyone else standing on the bear side of the line, which would have kept those "bulls" from pulling off a big "take" at the tops! I think this is very likely. If it is the case, then a true reversal of the Yen pairs is not far away.



The YEN Sting (and the Banks Stink)

Maybe. Maybe the bank's "decision statement" and maybe the opinion of "analysts" and other "talking heads" can magically weaken the YEN, but I seriously doubt that.

So, let's be fair and look at the other side of the coin. When central banks speak, folks listen up. So, when appropriate "talking heads" proclaim the YEN must get weaker as part of improving an economy, well, folks believe and think the YEN will weaken. And as it does, as it has, folks are reassured that the banks have things well in-hand, and that all will come out rosy.

So, what is the other side? The other side is this, the super-rich control the money. They control the banks, the politicians and the laws that govern bank operations. And these people really don't care about "economies" as you and I think they do. They really care mostly for their own slices of heaven, and preserving them and the where-with-all to grow them,.....and to hell with the rest of the world! That is, after all, why the world is already in a mess. They caused it, and if the boat sinks with the rest of us on it, it won't be before they have made it to safe haven.

How? Well one way would be to get folks convinced the YEN is destined to weakness. Talk it up and then use bank trading desks to start it off in that direction, and to continue to help it along when needed. Then, when everybody else gets really into selling the YEN, the central banks (and the super-rich) get into buying,....for days, week, even months! There are fortunes to be made here! And when the bubble bursts,....when everyone else discovers "What the F...k, the YEN is actually worth more than others, a lot more!" and everyone else turns around and starts buying, guess who already owns a huge chunk of the country's coin! And when everyone starts buying and causing the price to rise, guess who stands to rake in fortunes!

You got it! The banks and the super-rich! The very ones that created and promoted this grand YEN sting! The very ones responsible for the global financial collapse in the first place! The very ones that are making sure if anyone comes out suffering, it won't be them!

Oh, and the "economy"? Well, as things always go, hardworking "Joes" will continue to work hard, muddle thru and eventually things will start to turn around. Not because the banks and the super-rich really did anything but line their own pockets, but because more good and honest folks just worked harder and longer.


EURJPY Daily
126.743
???
SONIC R. SYSTEM FFCAL HEADLINES:


EURJPY M15
127.177
Repump on decreasing volume,
selling as the price climbs
Additional selling at final highs
(above whole number, too !)
Pump & Dump
RDH
RDL
SONIC R. SYSTEM FFCAL HEADLINES:

Another Price Volume Analysis

Another Price Volume Analysis, UCad:

Easy to see yet another effort by the bull MMs to drive price down to add longs (black arrow in pic. #1)! This is being readied for another MARK UP run. It is getting late in the day (London session almost finished) but this is worth keeping an eye on. The MMs could at any time initiate the run up, and a low activity time of the market, such as after the LS closes, makes moving price less expensive for the MMs to accomplish!

As for Sonic R., the Dragon is starting to angle up and so is the Trend Line. The PA wave is an extremely nice one, too (See pic. #1). If the bull MMs really get behind a MARK UP run, this has a good distance it could eventually go (pic. #2).

Price Volume Analysis, EU

This is not always crystal clear. In this case I marked a couple of candles, out of the rather non-eventful PA, that suggest the MMs are bulls.

Both are red, bear candles and rather tall ones. When we see such a candle, the next thing we want to pay attention to is if the price subsequently moves down or up. In both of these cases, subsequent PA moved back up and went higher. So, a logical conclusion is the bull MMs drove price down on these two events to add longs at lower prices. That makes them bulls that are seeking to build a long position with the lowest average price possible. It is also logical to conclude that at some point the MMs are going to initiate a MARK UP run in order to make profits on their long positions.

Keep in mind that this is just the Asian session. When the rest of the MMs go to work later, they too might drive prices down to add longs. Their price drives can be substantial. I'd not be surprised if price is driven again below the half number. If it is, and if higher volumes follow, that will be confirmation the MMs are bulls and that a MARK UP run will be coming.

Repeat Lesson in Price Volume Analysis

I already talked about this last week in one of my posts. When bull MMs figure the price is too high and they don't want to keep adding at the current and higher levels, their strategy is to drive the price back down and start over. So, naturally you will see PA "top off" here and there. And while the volume in these topping areas might seem high, later on when the bigger picture is seen, it will show that when the MMs drive the price back down and resume buying, their net accumulation over time is a lot more than the volume at the highs. It is just spread out over more time.

Think about it, and go back and find that post of mine.

And it is not a "messy picture." A messy picture is a chart with a lot of crappy indicators on it, defocusing you from price and volume. All that is on my chart is price, Dragon, Trend and volume. And in the case of the aforementioned picture, I added two yellow rectangles to help you focus.

As I write this, the MMs are driving the price back down, so let’s see what happens.

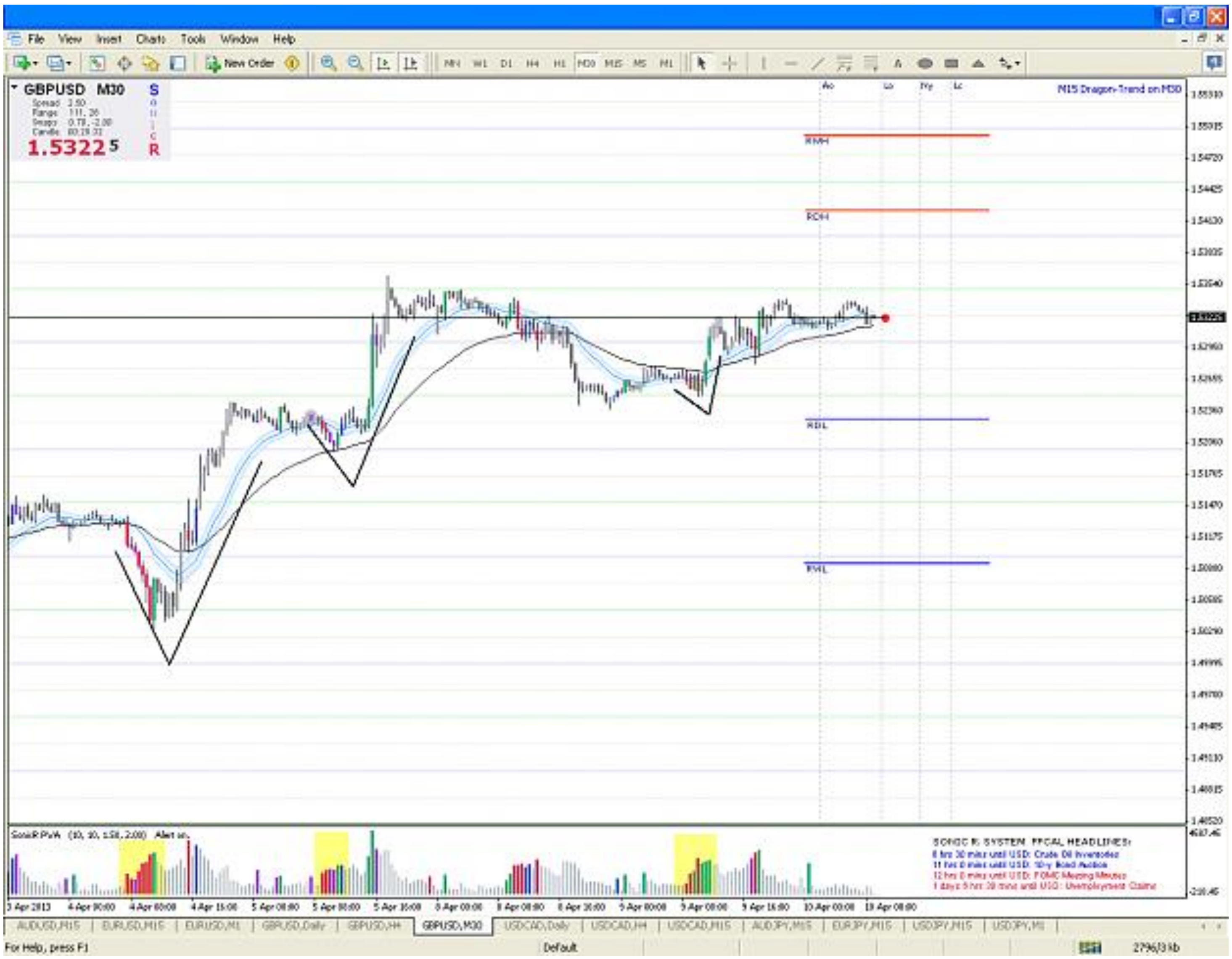
Edit (add pic. #2): Ok, you can see the drive down and the high volume that occurred once the price was well on its way down. And now the MMs can continue to add longs for quite some time while the price is lower than from where it started down. Do you see how this will add up to a lot more volume than what looked like high volume at the previous highs? I hope so.


File View Insert Charts Tools Window Help
New Order
EURUSD M1
1.30739
For Help, press F1
Default

GU, MMs Bulls or Bears (Price Volume Analysis Lesson)

Over a week you can see clusters of heavy volume (yellow areas). You can see these were all associated with the bull MMs driving price low before a MARK UP run. You can also see that in all this time the price has essentially moved up only about 200 pips! The bull MMs will MARK UP more than that! RWH is a viable target and it is also the target area of the inverted H&S on the Daily chart that has already been many times posted.

I'd say the MMs are strong bulls on GU and more upside is coming.



EU Comment:

At this stage, it appears the MMs might be switching from bulls to bears. They executed a Pump & Dump today. Even if the MMs are now bears, it does not mean they won't repeat this. They can and usually do continue to drive prices up for a while to close longs and add shorts, and for how long we can never know. Probably we will learn more tomorrow.

EG:

This is a Pump & Dump, and notice that the MMs pushed the price up thru the half number, above which is a place they prefer to close longs and open shorts. Is now the time for a short entry? The price is still reasonably high for a short entry. However, later today or during the next Asian session, or even with the next LS the MMs might again push up the price. That is just something we can never know. Personally, at this stage were it me, I'd wait to see what happens because the MMs might not be ready to push GU up nor EU down until tomorrow at the earliest. And meanwhile the MMs might work more on preparing to do so, and EG could go back up some.

You make up your own mind because this could move at any time. We can presume it will move, but there is just no way to ever know the timing of such a thing.

AJ, MMs Bulls or Bears?

Easy to see that the MMs Pumped & Dumped here. A Bear Channel, what the bears do to attract bulls! The bear MMs drove the price above the whole number, then above RDH, and then followed with high selling volume as they passed their longs off to the unsuspecting new buyers that were attracted in by this fake move up.

This is just part of what I suspect has been going on for days now, bear MMs continuing to drive prices up as they close longs and open shorts. And this move might not be the last one.

GU, MMs Bulls or Bears?

Ok, the LS is closed. Look at the extremely high volume with all of the candles associated with the lows, early in the US session! Not only that, but the MMs got the price below the whole number, where they prefer to close shorts and add longs. No doubt about it, the MMs are bulls. Now note that the Dragon itself has a sort of "Double Bottom", which sometimes happens and suggests a move up is imminent,....late in the US session? This might be worth continuing to watch.

EU, MMs Bulls or Bears?

Here is my take on the price action on H1. Today the MMs drove the price up, this time above the next higher whole number. That TF candle and all of those that followed for five more hours all struck back above this whole number. This overwhelmingly suggests the MMs are bears and repeatedly attempted successfully to attain prices above the whole number to close their longs and open their shorts.

The price has since dropped and that drop includes the highest volume TF of the entire day (by my broker volume), which also indicates a strong selloff from the highs, even after all the activity at the highs!

Does all this mean the MMs won't attempt to drive the price back up again to add more shorts? No, but with all that price action above the whole number today, and with the strong volume selloff from that area, I'd not count on that area being revisited, though it could be. Anything can happen, as we well know.

I already have a Classic Sonic R. short just recently opened on EU. If the MMs do drive the price back up sufficiently (especially if back above the whole number), I'll simply add a Scout short to the trade.

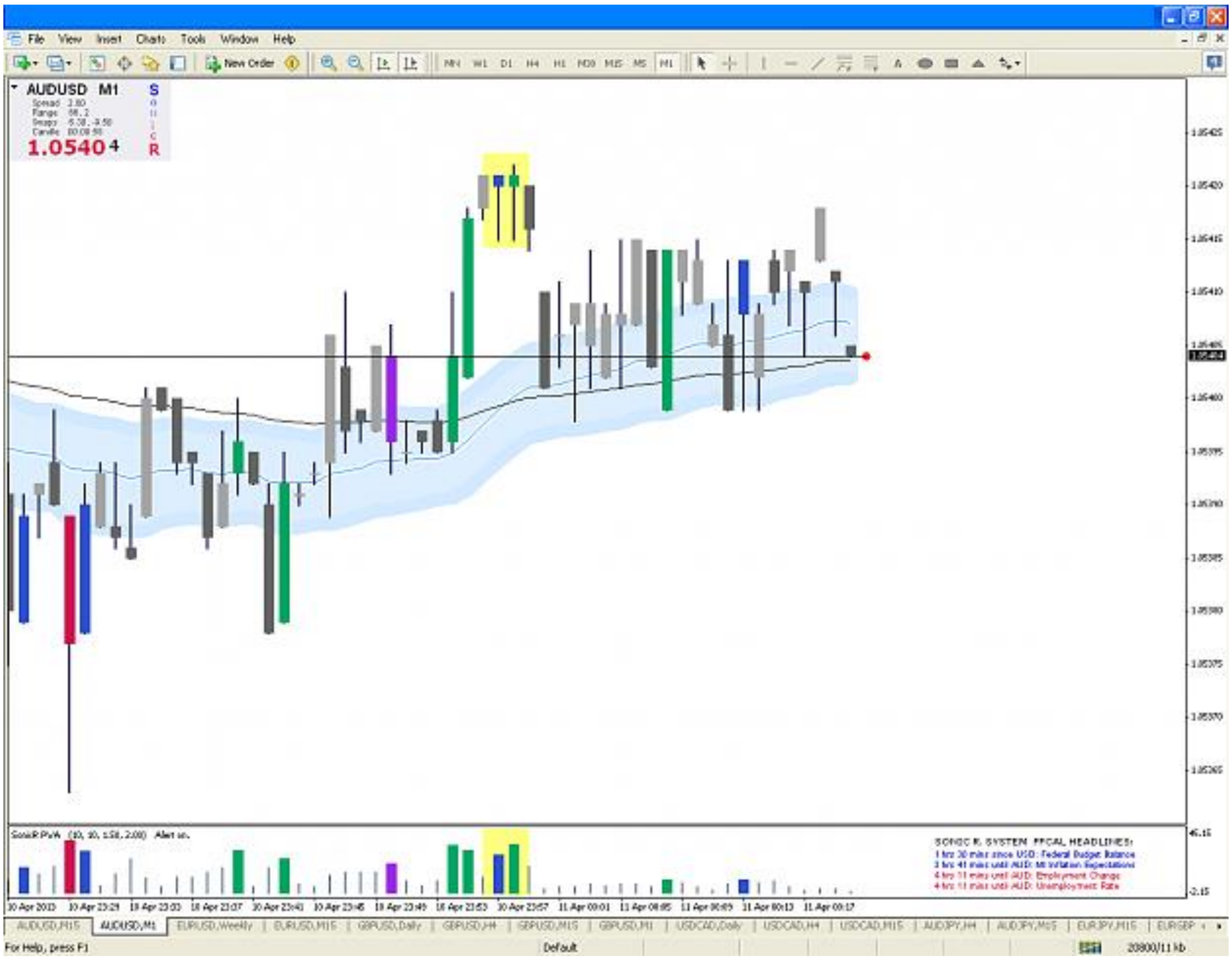
Another Lesson in Price Volume Analysis

AU, MMs Bulls or Bears?....Another Price Volume Analysis Lesson

If one learns anything after years of trading it is this,.......buy low, sell high. Relatively speaking, that is a lot of trading within a very tight candle spread, and the MMs intentionally pushed the price up there to do that trading. That raises their average price for the position they are building. So, are they raising the average price of a long position, or a short position? You decide.

Edit: MMs just did it again (2nd pic.). Have you decided?

Edit: MMs did it again (3rd pic.)! Have you decided yet? If not, let me suggest that you might want to give up trading




File View Insert Charts Tools Window Help
New Order
AUDUSD M1
1.05412
S
R
For Help, press F1
Default


File View Insert Charts Tools Window Help
New Order
AUDUSD M1
1.05426
S
R
For Help, press F1
Default

UChf, MMs Bulls or Bears?

Well, gee. Wonder if the MMs are all now closing out the trades they worked so hard to get just several hours ago after pushing the price **quite** low, below a whole number where they prefer to add longs. Really, do you believe that is what is happening. **I doubt it!** And I doubt it based on reason, not fear, and the obvious fact that the MMs are still coveting the lows and increasing their trading when they get them! Late on a Friday, too!!

EJ, MMs Bulls or Bears?
Bears. You cannot properly analyze PV on M15 alone! Late in LS the MMs moved price back above half number (that is a clue), and since have been coveting the highs, which indicates they continue to add shorts. Here’s the proof. Don't take long coming, either.

Look at pic #2, after the drop. You can see the green volume bar is highest volume, but the green candle is not striking back down to the low, or making the low. What is happening? The MMs stopped the drop and expended their money and effort to immediately re-hike the price somewhat,....in preparations for more shorting or to stabilize the price for the opening next week.

That quick dash down might have trapped some longs, which might not be too worried with such a small drop. What if next week opens with a quick drop and no later pullback? The MMs are a dirty bunch of deceiving bastards, so all possibilities that jive with PA should be considered. For now though, there is no evidence the MMs are anything but bears.

The MMs simply stopped the drop, immediately re-hiked the price, and resumed heavy shorting! And yes, even such a small re-hiking of price before resuming heavy shorting means a lot of extra profit when you realize the MMs can be trading millions of dollars of currency!

And the highest volume you saw was not at the lowest price, but for the bar that started the price going back up.

And, here is the proof.......

The MMs are bears, and by manipulating the price to constantly pullback a bit, they are able to get a lot more shorts on the books without the price dropping too fast. Keep in mind this is very late on a Friday, so the MMs have practically no resistance to their price manipulations and they have no competition for whatever liquidity remains in the market.

They might suck up all the liquidity the market has right down to the lower whole number in their quest to build a short position. Nothing can stop them from doing it. Later, or next week they can run the price right back up and start over again, averaging out a huge position at a very reasonable price. And, it also suggests they anticipate such a follow-on MARK DOWN that they don't need to be so concerned with shorting anywhere in today's price range.

MMs Bulls or Bears? There is a Clue.

I keep talking about the necessity to analyze price and volume in conjunction with S&R. Is my instruction falling on deaf ears?

EU - MMs hit the upper whole number late in US session and continued to short it down from there until it got too low, at which point the MMs started the drive back up to the whole number. What do MMs like to do above whole numbers?

EJ - Late in US session the MMs sold off, down from above the half number, slowly step by step to get as many shorts as possible, and when price got too low (lower whole number) they rammed it right back up to above the upper half number and had another heavy selloff.

The Clue is S&R,


EURJPY M1
129.302
Little Pump & Dumps, re-hike and sell, whatever....
PDL
SONIC R. SYSTEM FFCAL HEADLINES:


EURJPY M1
128.721
One more trip above half number.....and whamo!
Little Pump & Dumps, re-hike and sell, whatever....
PDL
SONIC R. SYSTEM FFCAL HEADLINES:

Price-Volume Analysis Lesson:

The attached M15 chart for UCad clearly shows two times the MMs spiked the price below the half number on high activity. Below whole and half numbers is where the MMs prefer to build long. You should look at your M1 charts for these two events and see for yourself how the activity picked up once the MMs got the prices low! This is how to use price and volume to determine if the MMs are bulls or are bears.

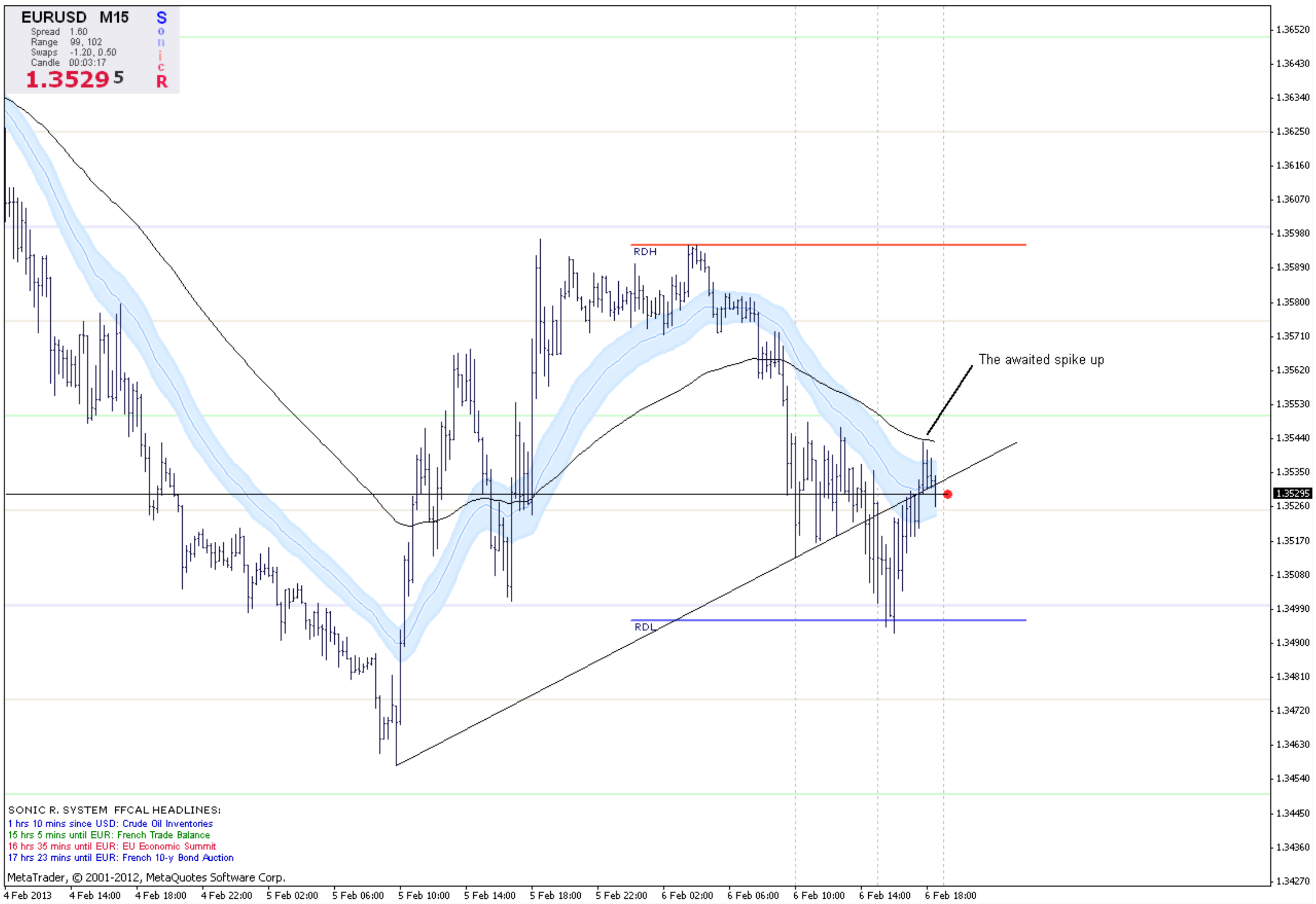
The MMs are bulls on UCad, putting on bearish price action as they continue to build long for an eventual move higher. Once you determine if MMs are bulls or are bears, you still won't know the "timing" of the eventual move they are planning for. It could come at any time, and sometimes not for many, many days. High impact releases upcoming in one to several days can often turn out to be the "timing" the MMs plan on. Sometimes, however, the MMs can put the move on "hold" and wait until into the next week, or even beyond.

How the MMs Steal Your Money

After selling off from the Asian session highs down to the whole number area, a 100+ pips sell-off, the MMs started to support the price. They brought the price back up to the TL. From that time on, they kept the price up against the TL, feigning bullishness. Later, after the highs had crept up along with the TL for a suitable time, the MMs suddenly rammed the price up even more. Who knows how many traders got sucked into going long then!

Since the run up in price yesterday, PA has been screaming **"MMs Distributing!"** Just look at the Daily chart and see how EU has been pushed higher and higher for ever so long now. And the drop a few days ago was the first substantial drop in more than a month! Any such drop, after such a long, relentless pumping of the price, could be the start of a reversal. And you have to consider that possibility. And if prices are going lower, they aren't going much lower until the MMs start getting rid of a lot of their longs. They need others to go long in order to get rid of their longs! So, as price begins to show bearishness, there is bound to be lots of deceptive PA put on by the MMs to sucker traders to go long. The MMs not only need to get rid of longs, but in addition they need to build shorts! This requires the MMs put on a lot of fancy, deceptive PA to fool lots others into going long!

Now, the price is back below the TL, apparently moving lower. And that is how the MMs steal your money.



The Super Trade!

Here is my theory I only expressed before privately.

Crete is the first example in modern time of a country implementing a form of currency devaluation; repatriating money from the more wealthy. When countries over spend and under employ to the point where the production of new wealth (mining, manufacturing and farming) is insufficient to even pay the interest on the country's debt, there are only two known solutions: start a war and take the wealth of another country, or devalue currency to devalue the interest on the debt to where the production of new wealth is sufficient to cover the interest on the debt.

So, if the world gets to that point, which of the two choices do you think will be first tried?

Let's digress briefly. Getting to that point could be avoided if the disparity between the rich and the poor, which has accelerated in recent years, could be pushed back, if the goobs of money being hoarded by the super-rich could be repatriated to the coffers of the countries. A super tax on the super-rich is needed because they are the only ones with enough money to fix the problem. Printing more money just pushes us all closer to the edge. Unfortunately the super-rich control the banks, the politicians and the laws governing bank regulations. They are the ones that created the global crisis. They are the ones that got bailed out. They are the last ones willing to do the honorable thing to correct the problem they created! Unless the super-rich are all rounded up and forced to repatriate goobs of their wealth, and especially if we continue to print money, we will get to the point of having to devalue currency. Ok, now back to the subject.

So, what is The Super Trade?

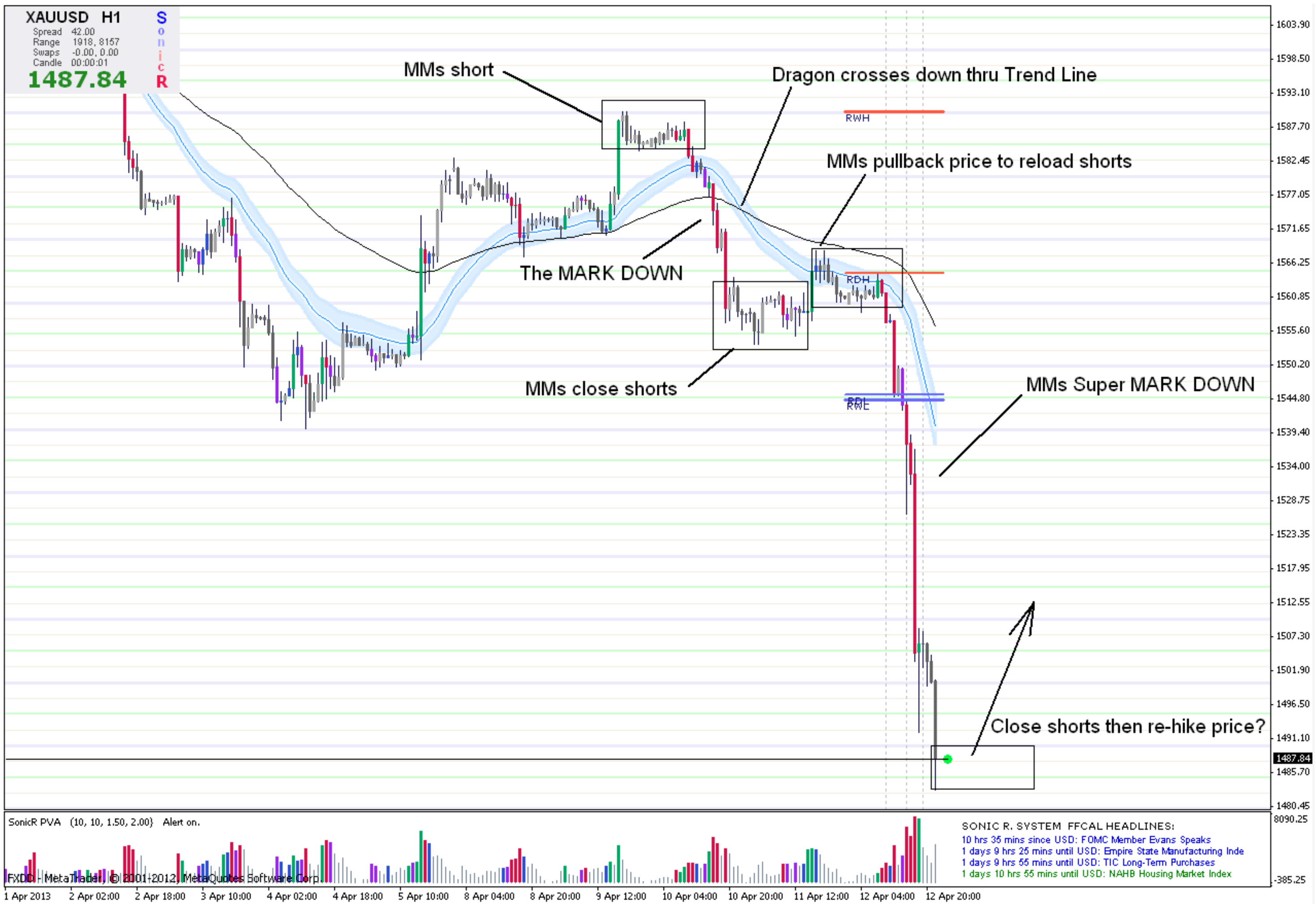
The price manipulators of precious metals (gold, silver, etc.) start shorting heavily. Next they start moving the price lower, relentlessly while their "talking heads" proclaim more declines coming. And more declines come, with the price manipulators helping the price lower whenever it falters. Now this won't be a short process like the YEN Sting will be. This will be a much longer process, maybe at least a few years. As the price drops, holders will give up and sell. Of course as the price drops and continues to do so, as more and more folks sell, somebody has to be buying. Who do you think are the buyers? Right! The price manipulators, such as Goldman Sachs, JPMorgan Chase, probably the central banks too. So, where does this all end up going? The bottom line is this. Let us suppose eventually the nations of the world have to face currency devaluation. Then let us suppose they don't.

Once countries start collapsing, devaluing their currency, the price manipulators will have their "talking heads" spreading panic and that the best solution is to buy,.......you guessed it! Gold, silver, etc. will be talked up! The price manipulators will have by this time cornered the market, because they have been the primary buyers in their scheme to drive prices down and get everyone else to sell. Now, they will start talking up precious metals, and driving up their prices. It won't take much of either, with fear spreading about currency devaluation more and more people will trade paper (fiat money, maybe soon to be worthless) into precious metals. Practically overnight, relatively speaking, the holders of precious metals, the price manipulators, will see an incredible increase in the value of what they own. And they will drive the price up, just as they drove the price down. They will make fortunes upon fortunes!

What if currency devaluation never comes? The price manipulators will just do what they are doing with the YEN. First they shorted it. Then they started talking about the necessity for the YEN to be devalued. Then they drove the price down, down, down, down. As more folks sold, the price manipulators kept buying. Now they own a good portion of the country's coin. Now they need to reverse price and make their fortunes. So, what happens?

Yep, one of the big "talking heads" (of BOJ no less) starts saying the YEN has been devalued enough. In a day or so, another "talking head" (other side of the world) proclaims "currency war!, the YEN needs to be increased in value". Understand, all these super-rich folks and their banks and their talking heads are in league. They are not actually in opposition. It is just that now is the time for the STING. Now is the time, since the super-rich own a lot of YEN, to drive up the price! They will make fortunes upon fortunes!

So, if there is no currency devaluation in the future, the super-rich that corner the market on precious metals in the meantime will just do the same as the are starting to do with the YEN: first talk it up, then drive it up, and as more and more people also switch and start buying again, the super-rich will eventually make fortunes upon fortunes. Sound familiar? You see, they don't actually need the crisis of countries devaluing currencies to make this scheme work, but if that were to happen then the fortunes the super-rich make will be bigger and will come faster.



Tall Green/Red "Rejection" Candles, MMs Bulls or Bears? M1 PVA (or currently VSA) Sheds Light!

As to your question concerning "big rejection candles", I think I see the fine point you might be missing because you stated previously that green candles are buying and red candles are selling. That is not necessarily the case. Consider this. Suppose price is coming to what we will later discover as a notable high, a high where we later discover the MMs must have planned as the area to close their longs and/or open shorts. Suppose the chart shows a dramatic green rejection candle first striking that area of new highs. Was that "big rejection candle" buying simply because it is green? When I see something like that the first thing I do is examine that area of time on the M1 chart. I want to know exactly how the volume was distributed relative to the increasing price during the time frame of that big green rejection candle. It may turn out that there was less volume during the initial time when the price was starting up, and a lot more volume in the ending time when the price was from half way up to the top. If that turns out to be the case, then immediately the suspicion occurs that because the MMs saved most of their trading until the price got higher, the volume was not really the volume instigated by buyers (other than to push up the price), it is more likely it is volume instigated by sellers and that premise being born out by the fact that most of the volume during the TF occurred at the higher, not lower prices.

Of course, just the opposite sort of analysis needs be done on big red rejection candles, because most of the volume might be found to exist at the lower prices when viewing the M1 chart, and if so then it was a move down instigated by bull MMs seeking lower prices to close shorts and/or start loading up on longs.

The color of candles is based on if the close is higher than the open (green) or lower than the open (red), typically called "bull" and "bear" candles respectively. But this "terminology", while descriptive in one way can be grossly misleading when it comes to divining if the MMs are bulls or bears. Bull MMs frequently put on bear price moves! So a "bear" candle that leaves the price lower than before might actually be the result of bull MMs at work. A "bull" candle that leaves the price higher than before might actually be the result of bear MMs at work!

No price volume analysis is complete, or even competent, if it does not include a careful examination of the M1 chart to see the price levels where the bulk of the trading is taking place during notable trading activity.

EJ, MMs Bulls or Bears?

1. As of last Thursday the MMs had driven price up over a thousand pips in recent past days!
2. Suddenly, late last Thursday after the LS closed, when most forex trading has stopped, what happens? Some MM(s) suddenly drive the price up another measly 25+ pips to get it above the next whole number (above whole numbers is where MMs prefer to close longs and open shorts)! Why the rush? There should be no rush if the MMs have more upside in mind for the next day! And if the MMs did have more upside in mind for the next day, wouldn't they keep the price down and continue to add longs? Conclusion: There was no upside planned by the MMs for the next day, and maybe that means the reversal is coming and some MM(s) jumped the gun to close longs and get some shorts above the next higher whole number, using whatever market liquidity was available to do so, completely without interference from everyone else that had already quit for the day!
3. Don't think that relative increase in volume for the drive up and immediately following while the price was kept up was not much volume. Any single trade could be for millions of currency. And there were a lot of single trades for which that could be true!

All that "red" the next day was simply the confirmation that the MMs switched from bulls to bears!

Stopping Volume is Insufficient Evidence to Trade On

I agree with you, Master. "Stopping" volume alone is an insufficient clue. Waiting for a proper HL wave to form, however, is also insufficient. Personally, I think it is necessary to figure out if the MMs are bulls or bears before a trading strategy is formed. Are you going to wait for a long or short Classic setup? Are you going to go for a long or short Scout if the opportunity presents itself? Don't just wait for either type trade in either direction, and if it looks good then enter it! That is a recipe for disaster. If the MMs are bulls then you want to be waiting for long opportunities of either kind. If the MMs are bears then you want to be waiting for short opportunities of either kind. To me, this is what "trade what you see" should mean.

I'll stick my neck out here. I think the MMs continue to be bears on gold. Those previous "stopping" volume events were just to stop the drop and hike the price a bit for resumed shorting. And I think the green wave up you have marked is just bullish PA put on by bear MMs to hike the price again, to resume shorting again. I could be wrong in my analysis, but let's see what happens.

Gold, MMs Bulls or Bears?

I don't trade gold. However, if the charts on gold were the charts on any forex pairs I do trade, I'd certainly not be a buyer. As for the price being too low to short, what if it turns out that gold continues to drop for the next year and a half, with the only upside PA being put on periodically by bear MMs that have taken profit on some of their shorts and want to replenish them at higher prices?

XAUUSD M1
1359.96
RDH
RDL
SONIC R. SYSTEM FFCAL HEADLINES:

A Lesson: MMs Bulls or Bears?

Sonicers, here with UJ is an example of just one aspect of my price/volume/SR analysis (PVSRA) for the Sonic TAH trade.

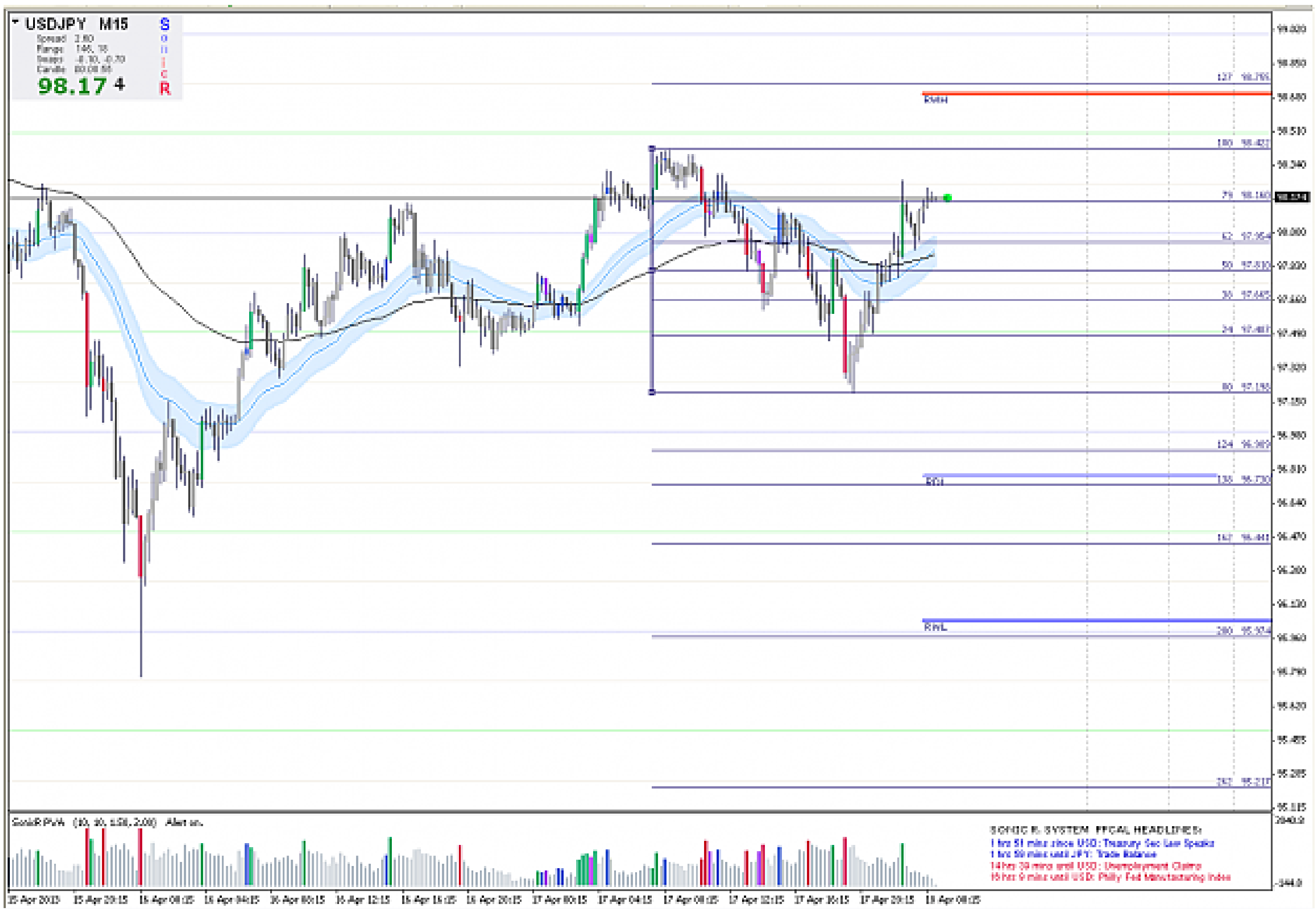
The M1 chart shows a nice clean straight bullish move by bear MMs, right to above the whole number and immediately followed by additional high trading. This is a perfect example of bears MMs fabricating bullish PA in order to hike the price to add shorts. Remember, a volume bar does not have to be all that big to be meaningful since any single trade contained within any volume bar could be for tens of millions of dollars of currency traded! Remember too, this does not mean the price cannot go higher. It can. But now you know what the MMs are currently doing.

You don't need to be involved making Sonic TAH trades to benefit by learning to use volume the unique way I do (PVSRA). The SonicR VSA indicator is a sufficient tool to use in the determination if MMs are bulls or bears. Once you do, you can have a better strategy for trading. In this case the MMs are showing themselves to be bears hiking the price to trade more as they get the price higher. Since they are not buying the highs, they must be selling the highs. Therefore they are bears, so wait for the next Classic SonicR short setup, now with greater confidence. Avoid any long setups now.

UJ and a PVSRA Lesson

A good pullback. And it actually makes PA look bullish (on the surface). Probably just the way the bear MMs want it to look. Bring the price back up and sort of keep it up, as though it might break to the upside later (and maybe they will head fake that, too). All this should certainly encourage more longs to the slaughter, but providing right now the liquidity the bear MMs need for their shorting. The slaughter of the longs will come later.

Look at M1. See that very short candle at near the very top of the recent highs (highlighted yellow)? Now look at the volume bar! Who in their right mind drives price to highs and then increases their buying? This is just another PVSRA gem! Want to guess now if the MMs are bulls or bears? Which is the point I make? With PVSRA there is no guessing! You know with absolute certainty what the MMs are doing, if they are bulls or bears. No other indicator or combination of indicators on the planet can match the real-time effectiveness of what we are doing here, and which leads to increased profitability of trading!



An Excellent Lesson in PVSRA: EU, MMs Bulls or Bears?

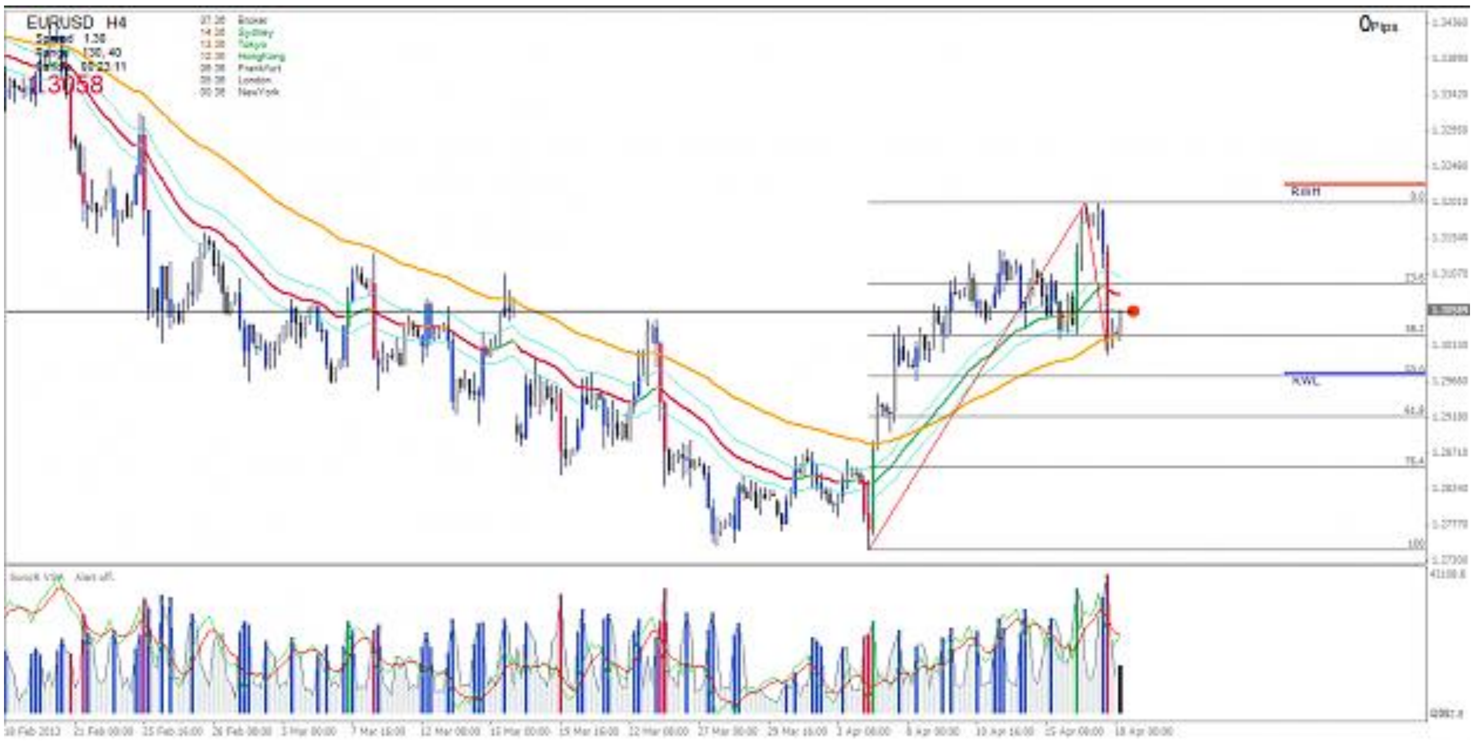
DmitryFX, if you are suggesting maybe the price will continue to rise from the FR 38.2% level, then you are suggesting the MMs are bulls. Now, switch gears from trying to get your clues from larger TF charts to lower TF charts, namely look at M1 and analyze the price and volume relative to S&R. In this case you will see the MMs worked to drive prices above the half number (where MMs like to short) and here they suddenly increased their trading! This confirms the MMs are bears adding shorts, not bulls adding longs.....unless you believe professional traders push prices up on themselves for the glorious opportunity to buy at higher prices!

Now please keep in mind this Asian session activity does not mean the bear MMs won't push prices even higher. They frequently do, and this may go higher for the same reason again in the LS. However, now we know the MMs are bears and will eventually initiate their MARK DOWN run to make profits, which means the price is destined to go lower than it is now, enough lower such that these MMs will be making profits on these shorts!

Do you see the effectiveness of the Sonic R. System using PVSRA? You are admittedly guessing about what is going on, and about what might happen later. I don't have to guess, I know what is going on right now, and the obvious conclusion sometime later. PVSRA is telling me!

(Required Disclaimer: but, I could be wrong. Have been before)

Edit: Now look at the second M1 a bit later. You can see that the bear MMs, having driven the price above the half number, and after increasing their trading there, have exhausted the liquidity up there and now their shorting is causing the price to fall back lower again. This is a perfect example of how bear MMs push up price, shorting as they go, and continue to short away all the liquidity, and continue to short the price back down. This is a very neat trick, as it shows how the MMs go on a selling spree without ever dropping the price lower than it was when they started selling! This is why I call them MMs,.....Market Manipulators of price! In a so-called "free market" we'd expect selling like this to drive price lower, but as you can see, the MMs sell it up, sell it across as they exhaust liquidity, and then sell it back down to where they started! Now the bear MMs have bigger short positions and they never decreased the price on themselves as they built it! BTW, any single trade in all that manipulation could be for tens of millions of dollars of currency, do don't think what just happened cannot be a big deal.



For the Frankfurt Open MMs, the half number "grab EU shorts" area seems to be their cup of tea, also. Same with GU. Let's see what the "Big People" in London do.

The PVSRA Challenge!

GU is turning out to be the most interesting pair of all because viewing normal PA, it looks bullish. Just look at M15! Dragon angled up and crossed up thru Trend. Trend angled up. PA above both and with the "appearance" of impending break up thru whole number! Wow!

On the other hand, PVSRA continues to show MMs are bears, with constant dedication to their highest trading being done at the various highest prices they achieve!

So, the contest is on! "Trade what you see."? Or first determine if MMs are bulls or bears, then trade what you see!

That small body candle at the top of the MM's pump has a lot of volume! It is selling at the top, plain and simple, and indisputable. So, that means the MMs are bears still and maybe even now are "topping off", Pump & Dump!

The MMs might save the downwards part of the Dump for next week. Like maybe a huge gap down and relentless undermining of the price for days following, absolutely slaughtering longs. (highly speculative based on **the YEN Sting**)

What is the Essence of the Sonic R. System? What is the Objective of the Sonic R. System?

Actually, the essence of the Sonic R. System is trading price moves between S&R areas.

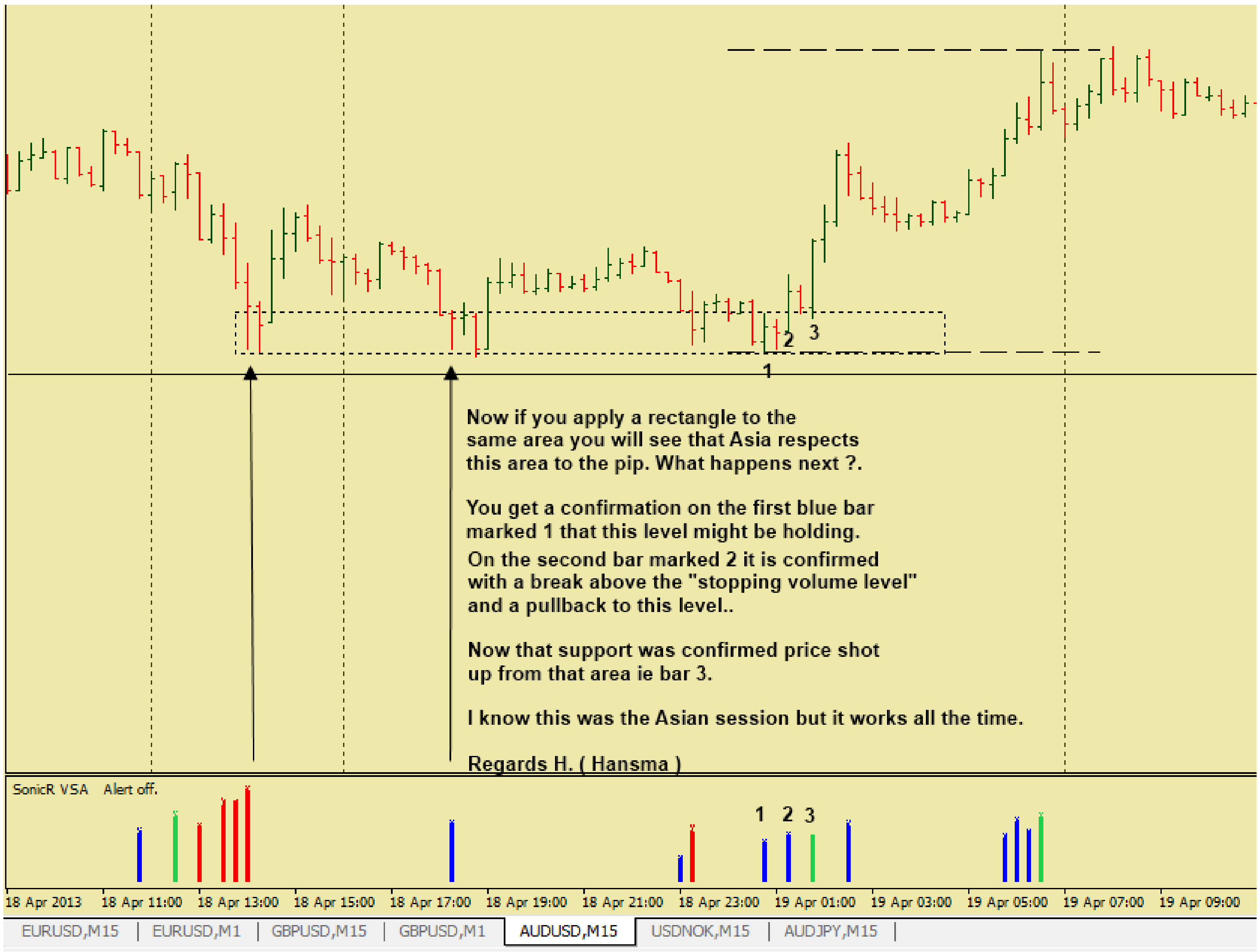
PA waves, the Dragon and the Trend are "structures" that comprise the Classic setup, presumed to get us into a price move between S&R areas, albeit late in the move.

Eventually, Master Sonicdeejay introduced the Scout trade recognizing there are good opportunities to trade, even when the Dragon is not around. Notable volume at the end of good runs, followed by sufficient PA to suggest the price is indeed reversing became a time for a Scout entry opposite that last run that ended on big volume. As such, the Scout represents another way to trade price moves between S&R areas, getting into a trade soon after a reversal has taken place, putting the trade for the reverse direction ahead of whatever later Classic setup might form for the same direction.

There is nothing wrong with sticking with the Classic trade. Neither is there anything wrong with building a position using both Scouts and Classic trades.

For me, I have taken the use of price, S&R, and volume "to the next level" and use this most important datum of all to determine if the market is bullish or bearish. If a Classic fails because the market pulls price back to build before letting the Classic trade run, then I build with the market. And sometimes I can start building with the market even before a Classic setup. This might become the future of the Sonic R. System. It needs work, and if it works, it still needs approval by Master Sonicdeejay. Meanwhile, I demonstrate it and am making good progress with it.

An example is shown clearly using AU right now (attached pic.). I said hours ago the MMs analyzed as bulls. You can see how they eventually pushed price lower to the half number area, where bull MMs like to build longs. Often this happens below the half number, but not always. Twice the price has now bounced and according to analysis the bull MMs are simply working the price up and down to build long. This is a simple example of how bull MMs put on bearish price moves to get price to a better area for the bull MMs to add longs. When they dropped the price down here to go to work adding longs, I added another long to the long position I was building. This is a very simple way to prepare to benefit from a price move between S&R areas. When the bull MMs are ready to move the price from this natural S&R area to a higher one, I am ready with them. This is, after all, the primary objective of the Sonic R. System.



AU, A Price/Volume/S&R Analysis (PVSRA) Lesson

The market (MMs) was bullish yesterday, lowering prices and loading longs several times. The first trading day of the week is often used by the MMs to gain positions for moves later in the week. Now we start the second trading day of the week. Before upside might begin it is very likely the MMs will again lower price to add longs. The key S&R level is the half number. If the MMs do lower price to/thru the half number, and follow the move up with higher levels of trading, then as a Sonicer looking for a Classic trade, be on the lookout for a subsequent long setup and take it.

A Gbpusd M1 chart shows how MMS add longs

The PVSRA Lesson Continues.....

Folks, it is crystal clear what the MMs are doing. They are taking price below one of their two most favorite levels where they like to add longs. And what do you suppose they do once they the get the price there? There are two possible answers....

1. Buy at lows.
2. Sell at lows.

Now, if you get the right answer, congratulations, you have a shot at being a successful trader! If you get the wrong answer, you don't.

You see, since the market opened this week, the MMs have been bulls and have been buying and then pushing the price back down to resume buying......repeatedly, in order to build very large long positions for whatever is ahead this week. The inter-day swing is what it should be, at least 100+ pips, and the "drift" of PA should be down if the MMs are bulls, which it has been. When the MMs do finally initiate the Mark Up run for profits, it should be a whopper!


AUDUSD M15
1.0248 5
PVSRA
(Just one of the telling situations to look for)
Drive Price Back Down
Drive Price Back Down
Drive Price Back Down
Buy
Buy
Buy
Buy
Buy

Early New Day Notable GU Activity

Sydney is not even open yet, so who is responsible? Guess it really does not matter. What matters is this is indeed an indication some MM is frenetically working price up and down to build or rebuild a position! Today could become very interesting.

Zoom in on Volume & Do the PVSRA

Ok, first is the pic. previously posted in which there seems to be "stopping" volume. Now look at my M15 showing another "stopping" volume bar within a box. Finally, look at the analysis of that bar on the M1 chart.

Clearly the biggest single contributor to the overall totals was when price was almost highest, indicating high selling as price came off the highs. There were previously high volumes at the highs. And even as price further dropped much of the remaining high volumes were while price was still about midway from the bottom. Overall, this indicates the MMs favored highs for most of their trading and therefore are bears and they are shorting.

And, if we go back and zoom in on the "stopping" volume bars Sonic noted, look what we see (pic. #3). We see here too the volume distribution clearly favored the higher prices, also confirming the MMs are bears.


EURJPY M15
128.854
SONIC R. SYSTEM FFCAL HEADLINES:
65 mins until JPY: BOJ Outlook Report


EURJPY M1
128.866
SONIC R. SYSTEM FFCAL HEADLINES:

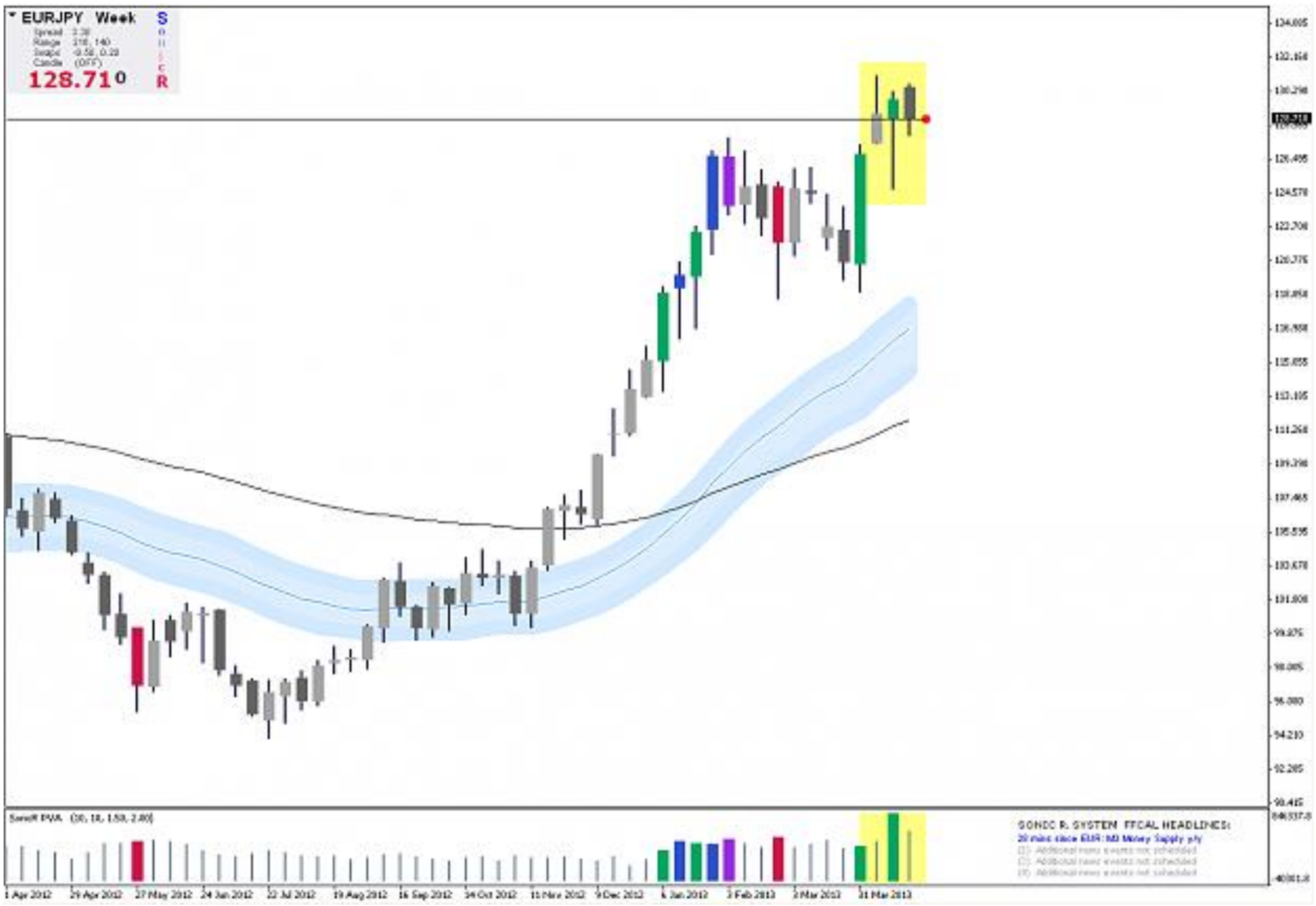
New Setups on YEN Pair Island Reversals!

Man oh man! These are far better than last Friday! Now the Climax volume is right where it is supposed to be. So, I'm suggesting again that the YEN Sting is pending and it might begin with the open next week. We are talking about the most significant pure price action + volume "indicator" in all of trading, a formation undisputed by anyone! Attached are some examples. Like a H&S formation, this is only a "possible" until it starts to run. Unfortunately (for longs in this case) since an Island Reversal starts with a gap down, by the time it is no longer a "possible" it is do late to save your ass if you are long!

I recommend all Sonicers Google "Island Reversals", or go to Baby Pips.com, etc. and read about this most significant formation in all of trading.

No wonder GoldmanSachs, etc. rolled out Kuroda, the key "Talking Head" again today, to say all is "ok".

What a YEN Sting setup!



Inter-day Price Swings are a PVSRA Consideration

One thing you might have forgotten, or maybe had not read that I stated on some posts this month, is that the inter-day swing is a PVSRA consideration. Prices tend to swing in 100+, 150+, 200+, etc. pip moves over some days. If price has just begun a swing down the MMs could well be new bears. On the other hand, once such a swing has made at least the minimum progress, and more so as progress continues, the MMs could then turn bulls.

In your case price has just started an inter-day swing down.

Sometimes PVSRA results in mixed signals, a sign to factor in other considerations such as the inter-day swing consideration. Sometimes nothing is clear anyway. This is caused by the market, not a failing of PVSRA. Just wait, don't trade, continue to analyze until clear results again show up, and then set your strategy for trading.

I've included a chart that shows the MMs are bears, repeatedly driving price above the whole number to add shorts up there and to start heavy sell offs from there......up and down repeatedly building a short position without letting the price fall until they were ready to initiate their run to build in profits.

I recommend you read all my trade posts and other posts on PVSRA from the beginning of April. And then stay up with them, catching up each time you return to the thread. PVSRA is a work in progress. I post the progress as it happens. If you miss a post you might miss a key element. Sorry, but that is the way it is until this work is finished and a finalizing document can be generated.

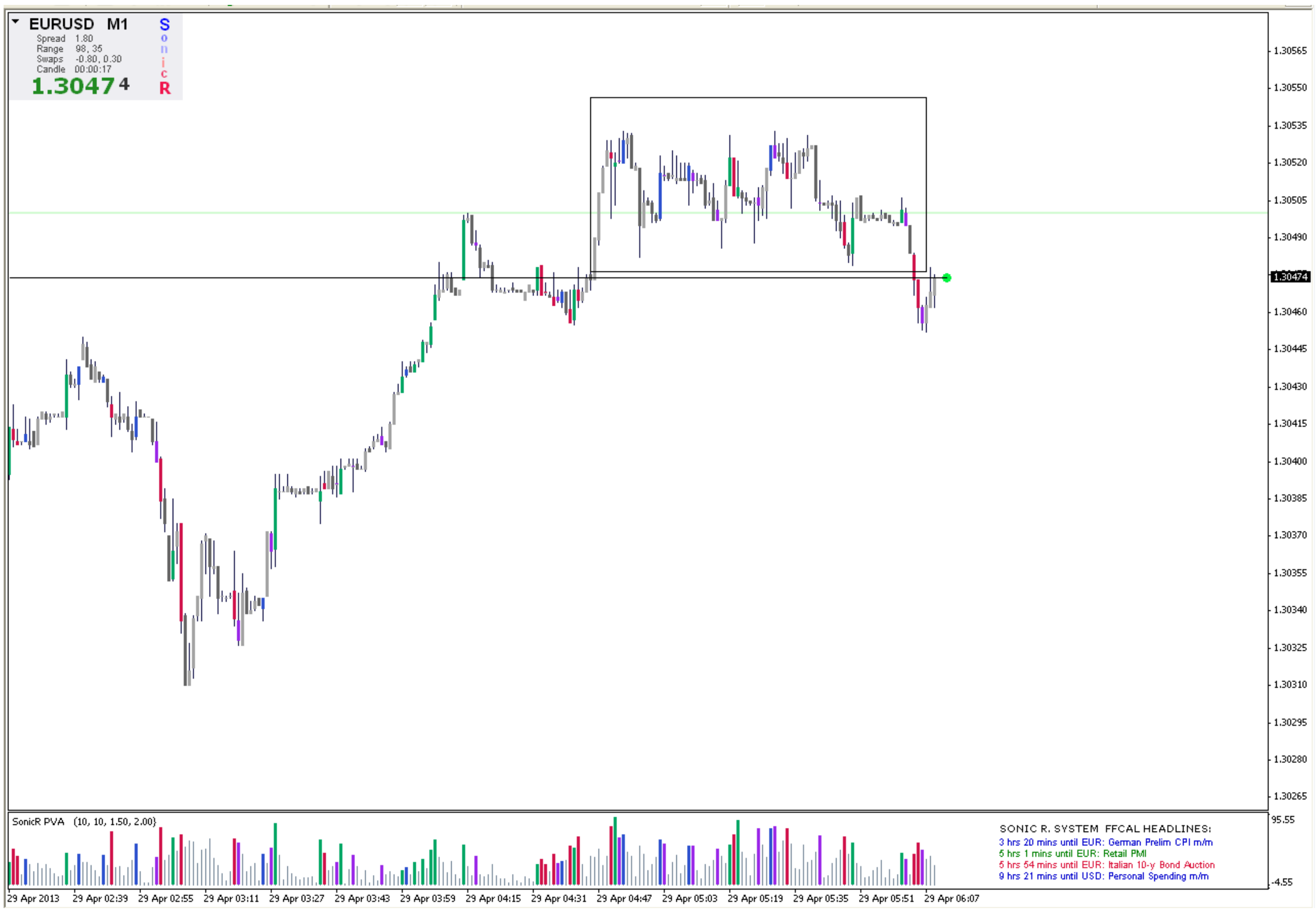
And let me repeat, for all, PVSRA is an analysis method taking into account price, volume and S&R, all the key elements of trading, and for the purpose of determining if the MMs are bulls or bears. The result is intended to be used to better decide how to trade Classic setups, and to better select Scout entries. It is not intended to change the Sonic R. System, but to improve it.

EU, MMs Bulls or Bears?

This shot of the M1 chart, now that the Asian session is well underway, shows that in the boxed area above the S&R half number the highest volumes are for...

1. Price striking up to highs.
2. Price at highs.
3. Price falling off from highs.

All indicating the MMs are favoring the highs to sell at and to start selloffs from. Therefore, the MMs are bears.
The LS MMs might seek these price levels themselves, or even higher levels.

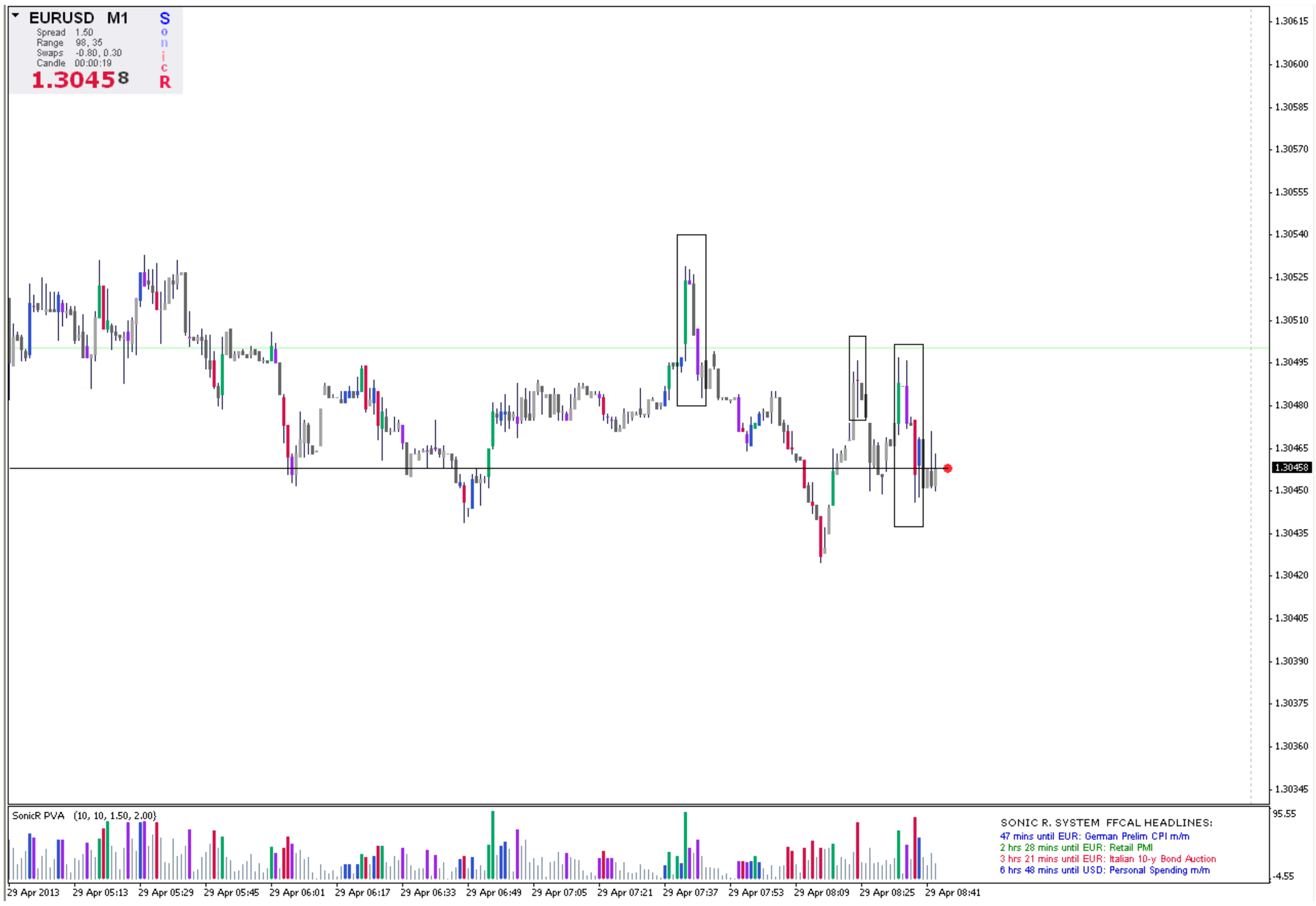


If you study more closely and more carefully you will see that the highest trading occurs when price makes relative highs and also as the high selling causes price to fall off the relative highs.

You need to be very careful and precise with your analysis. If you do not find clear results do not trade! If you are position building it is imperative you have properly determined if the MMs are bulls or bears, or you will end up trading against them.

Remember what I've said. You can trade counter-trend, just don't trade counter MMs!
Personally, I half expect FO/LO or US MMs to hike the price even higher above the S&R half number, maybe all the way to the upper S&R whole number. This is, after all, just the first day of the week and a time when the MMs frequently move prices to their advantage for whatever they might have planned for during the week. Not always, but often enough to be very careful.

I don't have any EU positions for the week yet, and I want to see more before I start building, if I start building, which will take price and volume and S&R analysis that is conclusive, and time for the MMs to run the price to extremes maybe before I start.



A PVSRA Lesson With EU

Suppose PVSRA indicates the MMs are bears, and now we see price raising ...sort of a Classic setup on a big PA wave. Does it make sense to have a long setup if the MMs are bears? Is PVSRA wrong?

Think about this. If the MMs want to build short, do they not need longs coming into the market? Yes, they do. So, the higher the MMs hike the price, the more longs come in and the more the MMs can build short ...at higher and higher prices, too! What a deal!

Time and again classic setups have been profitable, even though the MMs were actually on the other side of the move, building their positions for an opposite move. The PVSRA breakthrough is that we know what the MMs are. So, now we know when trading a Classic setup if the MMs are with it or are against it. We can trade regardless, but that added information just makes us more aware of what is really going on.

Since it is the first trading day of the week, and because early PVSRA indicates the MMs are bears, I want to see the MMs run the price for a ways and see if the PVSRA results remain consistent before I even think about trading. So far, on this current move up, PVSRA continues to indicate the MMs are bears with higher trading at each new plateau the MMs take the price up to (see M1 attached).

Let's look at this situation again. Firstly, since the market opened for the week, PVSRA came up with good indications the MMs were bears, and this continued to be the results of PVSRA not only at the time of the Classic long setup, but throughout the breakout run upwards. What can we make of this?

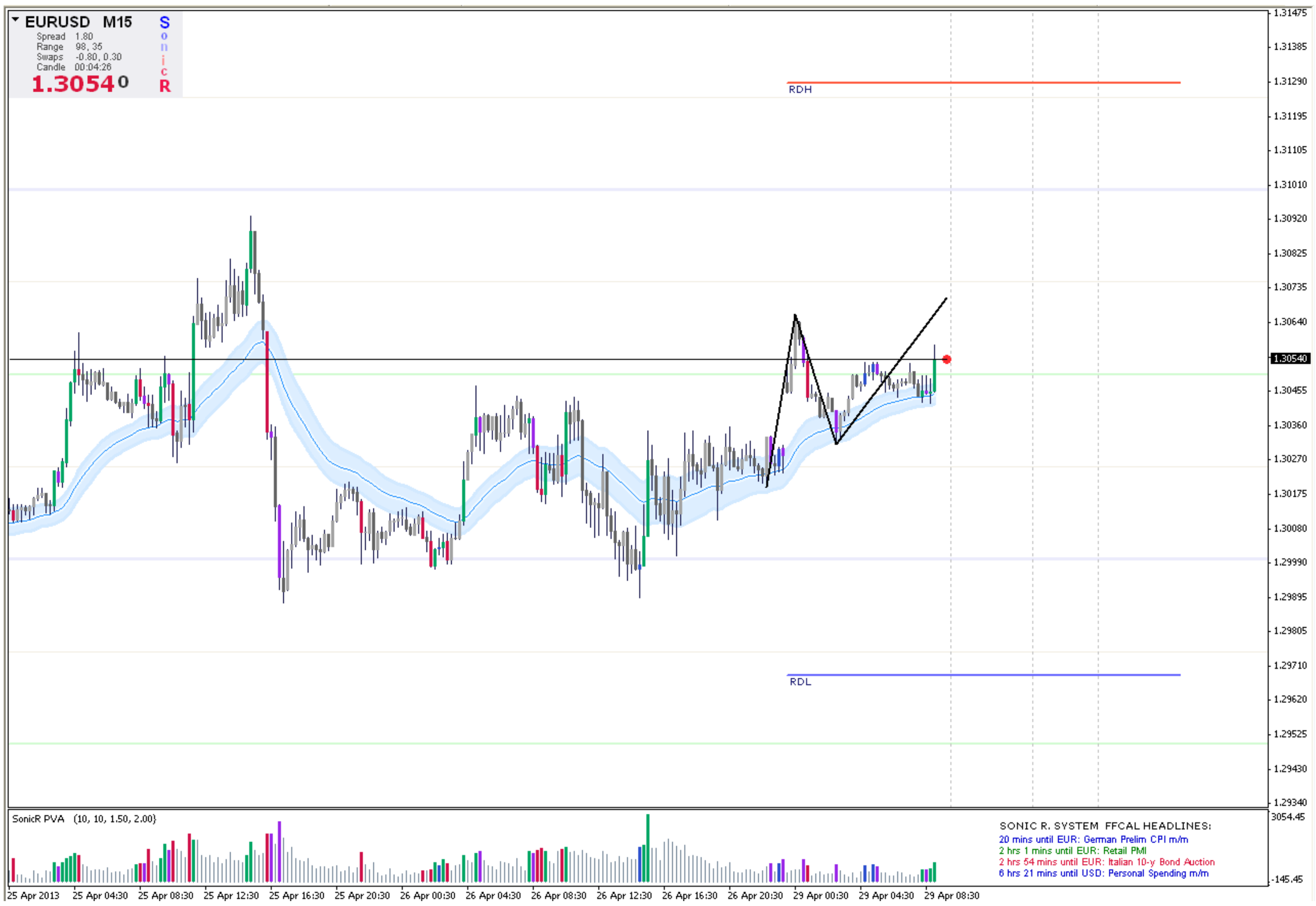
Two things come to mind.....

1. You can take a classic trade and do well, even if the MMs are building for an opposite move. In fact, if the MMs intend to drive the price up to coax in longs to give the MMs the liquidity at ever higher prices to build short, then it assures the Classic setup will result in a good run. The downside here is that not all good looking setups run good. If the MMs are bulls and the Classic is long, then the results should be good, even if there is a pullback first, and you can use Scouts on the pullback to build long. On the other hand, if the Classic is long and the MMs are bears, it really doesn't always work out that the bear MMs will hike price far to build short,

making the Classic long a good trade. The bear MMs might very quickly initiate a profit run, leaving the Classic long in the red and with no way the Scouts can help.

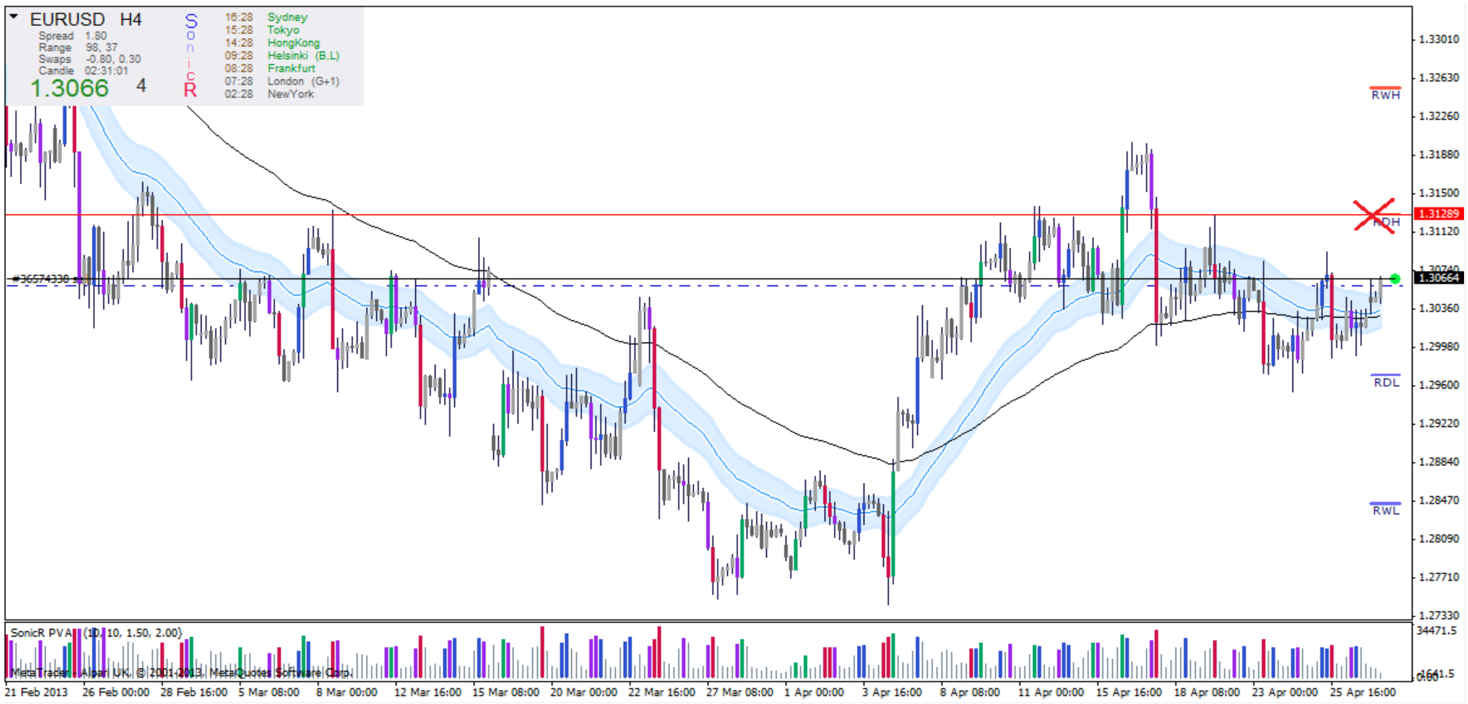
2. You can trade along with the MMs, building a position along with them.

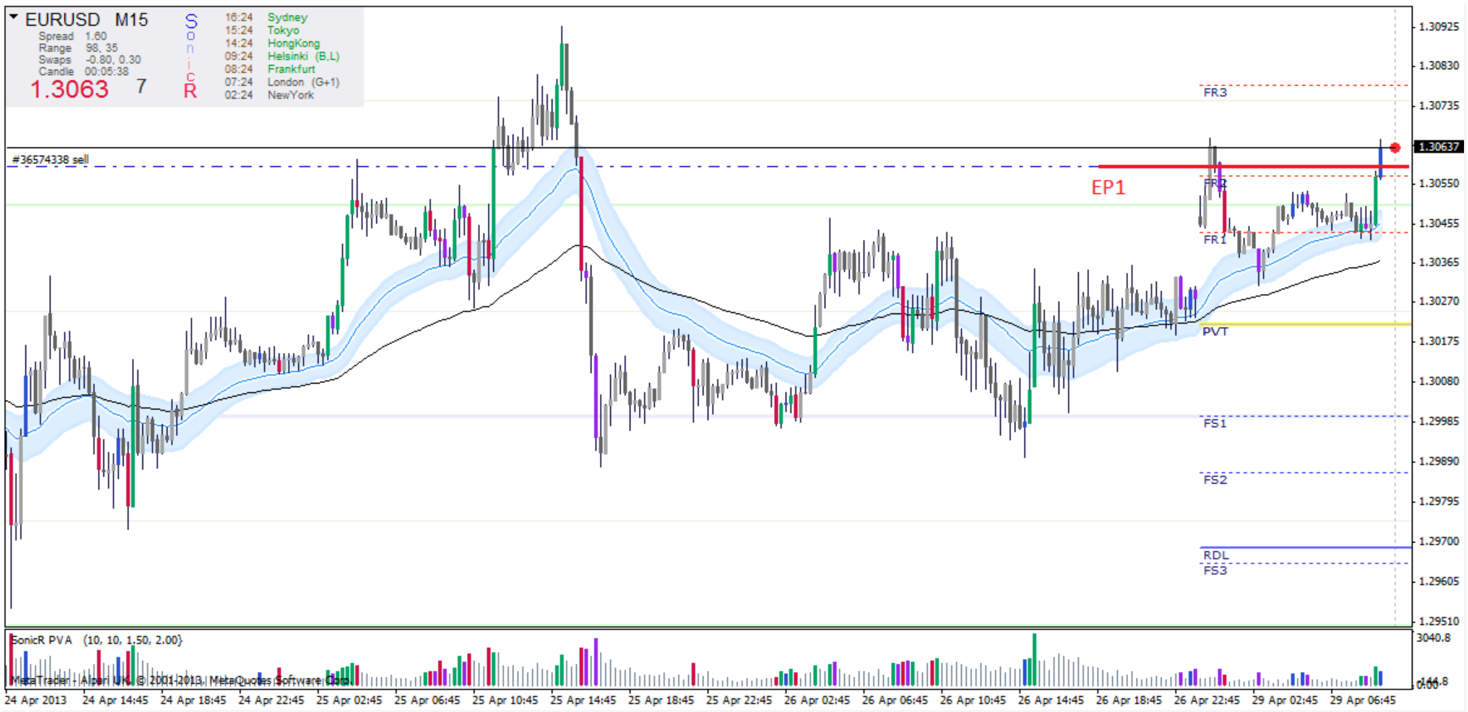
To my way of thinking, #2 involves a lot less risk. You're trading along with the MMs, and it is the MMs that know what's what now and what'll be what later. And the past four weeks of trading this way have been the best weeks of my trading.



I took short scout EP1 already, because it seemed so obvious that they pump the price up to get shorts. Now we are above half number and trading is getting some volume in. Although I am thinking they might be getting this above full number before mark down. That would be good place to start mark down: RDH, 4h & daily resistance area.

On the 1min chart we can see how volume stays up without price continuing to go up after each fast pump up.

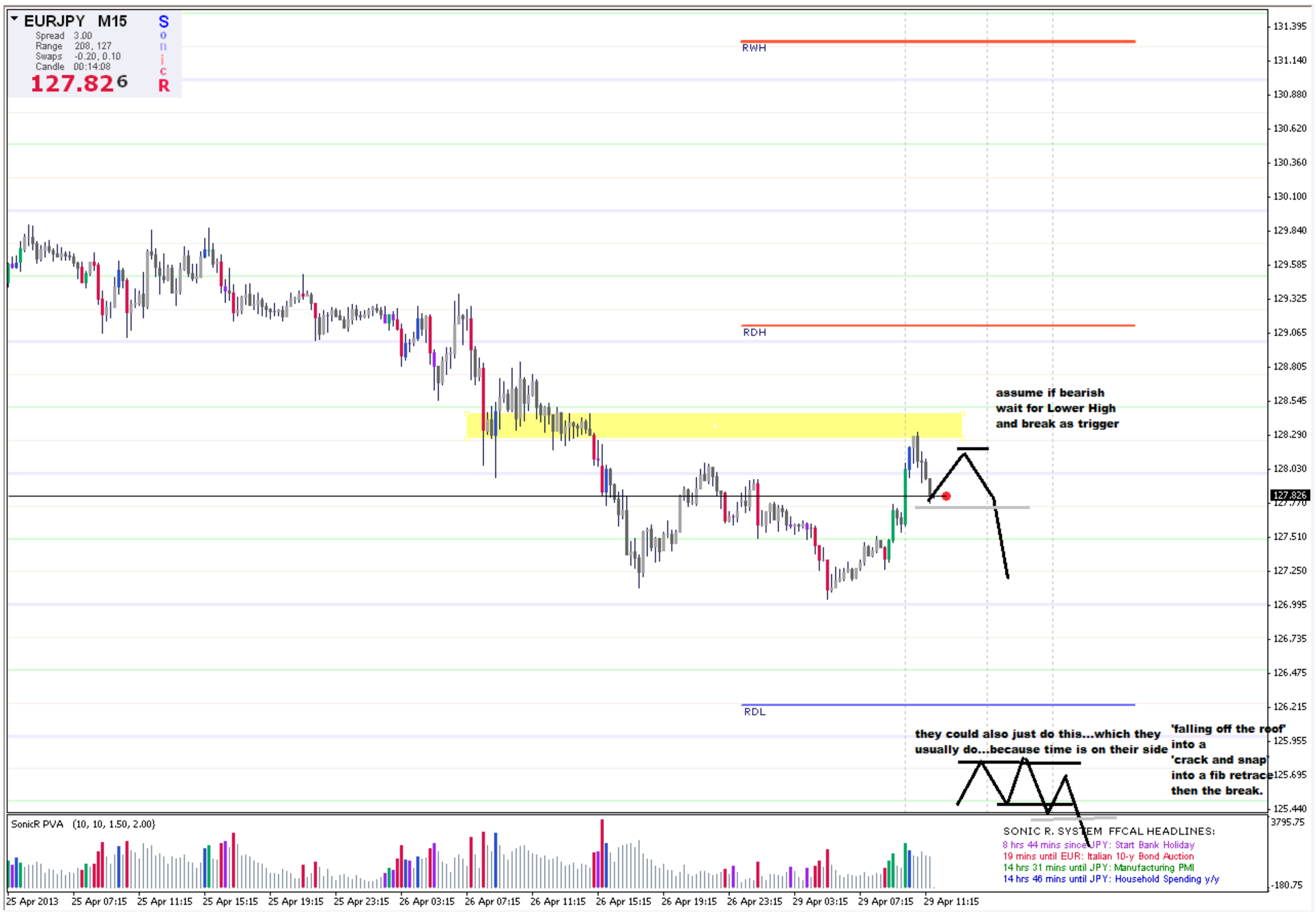




Another Lesson on PVSRA

The thing to adjust to is that PVSAR is not just an analysis of price and volume. No sir! It is the analysis of price, volume and S&R,....and **that** makes all the difference in the world!

You see, I pointed out the MMs took the retrace up thru the S&R whole number, and there it is plain to see they did a shit load of trading at the highs. Obvious heavy shorting is what they did, and **there** is where the best short entry was to be made! PVSRA is far more reliable than PA waves! When building a short position using PVSRA, you don't need to wait for PA waves as you show (2nd pic.) because compared to PVSRA they are just another lagging indicator.

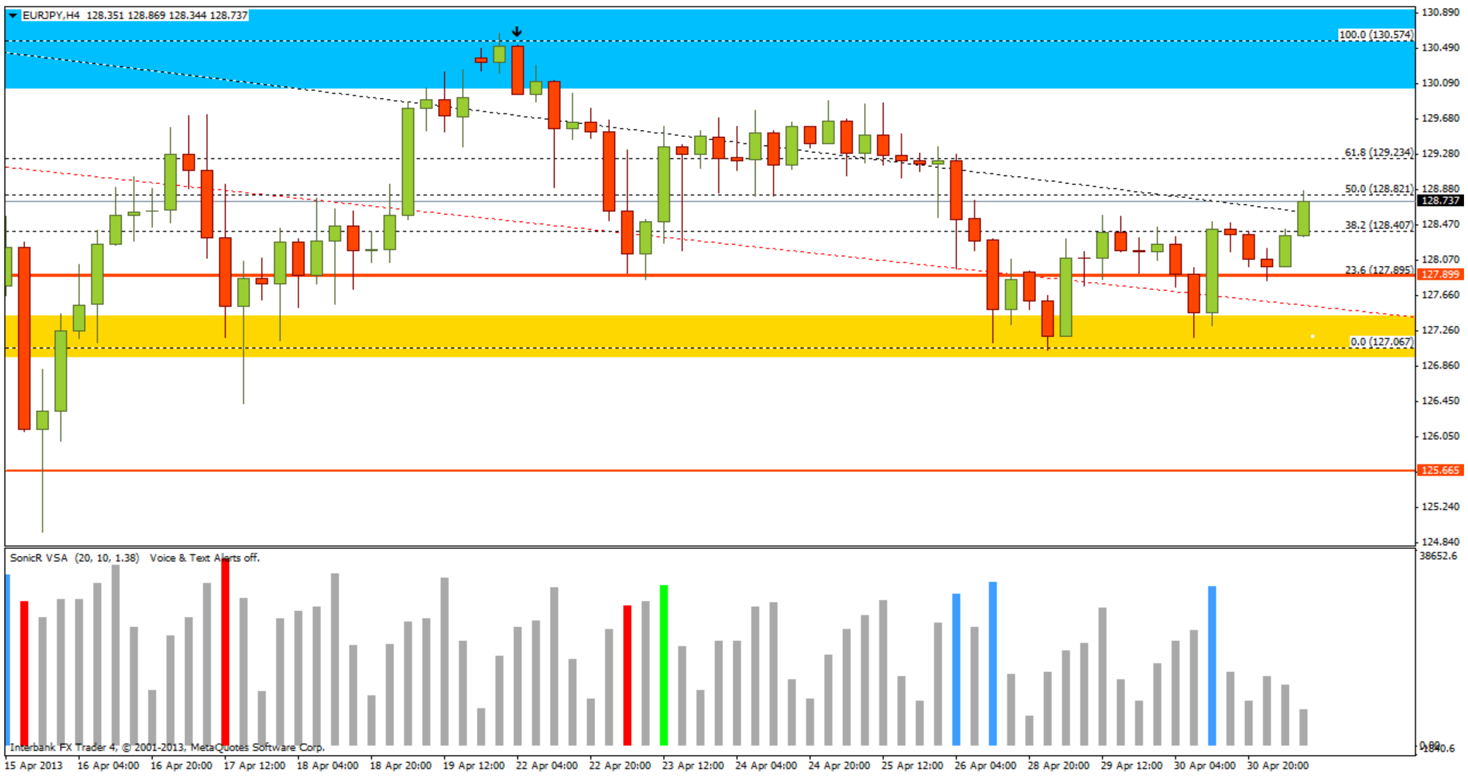


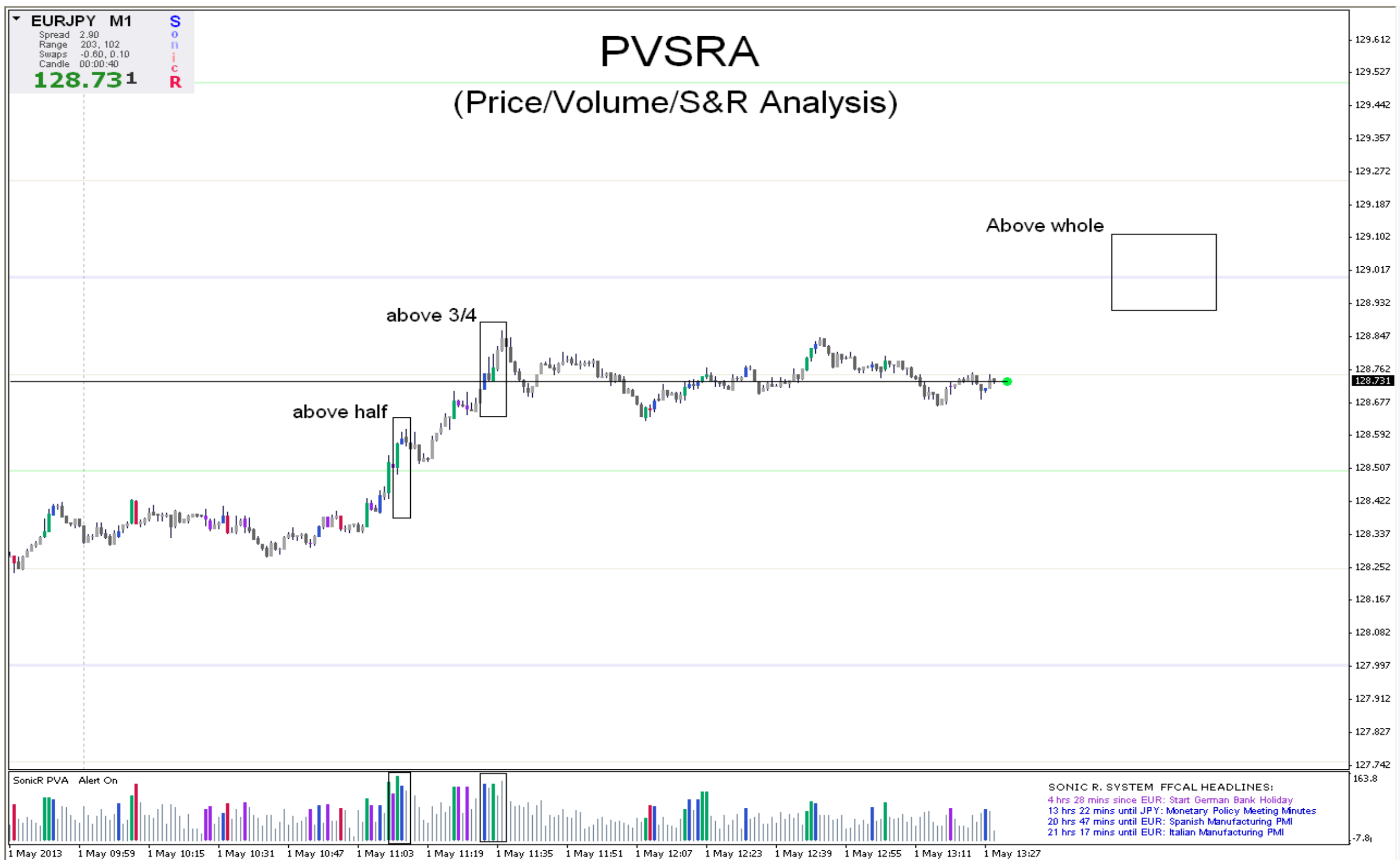
PVSRA, the Difference Between Guessing and Knowing

PVSRA on M1 is a way to know if the MMs are bulls or bears, and is indicating the MMs are bears. As always, the unknown (and what can never be known) is how far MMs will take price before they initiate their run for profits.

Bear MMs lust after the area above whole numbers, so there is a good chance price will end up there before the next profit making run down. There is still plenty of time before a profit making run might begin. So for pairs such as EJ, EU, GU the MMs can keep price away from the area above the whole numbers and exhaust the patience of other traders, causing them to give up waiting and enter below the whole numbers. That way, when the MMs finally do push prices above the whole numbers there will be less competition for the liquidity up there.

Personally, I am waiting for prices to break up through whole numbers before adding to any pairs I have trades on. However, if it doesn't happen, it really won't matter because any price nearby will be plenty good once these start profit making runs to the downside.



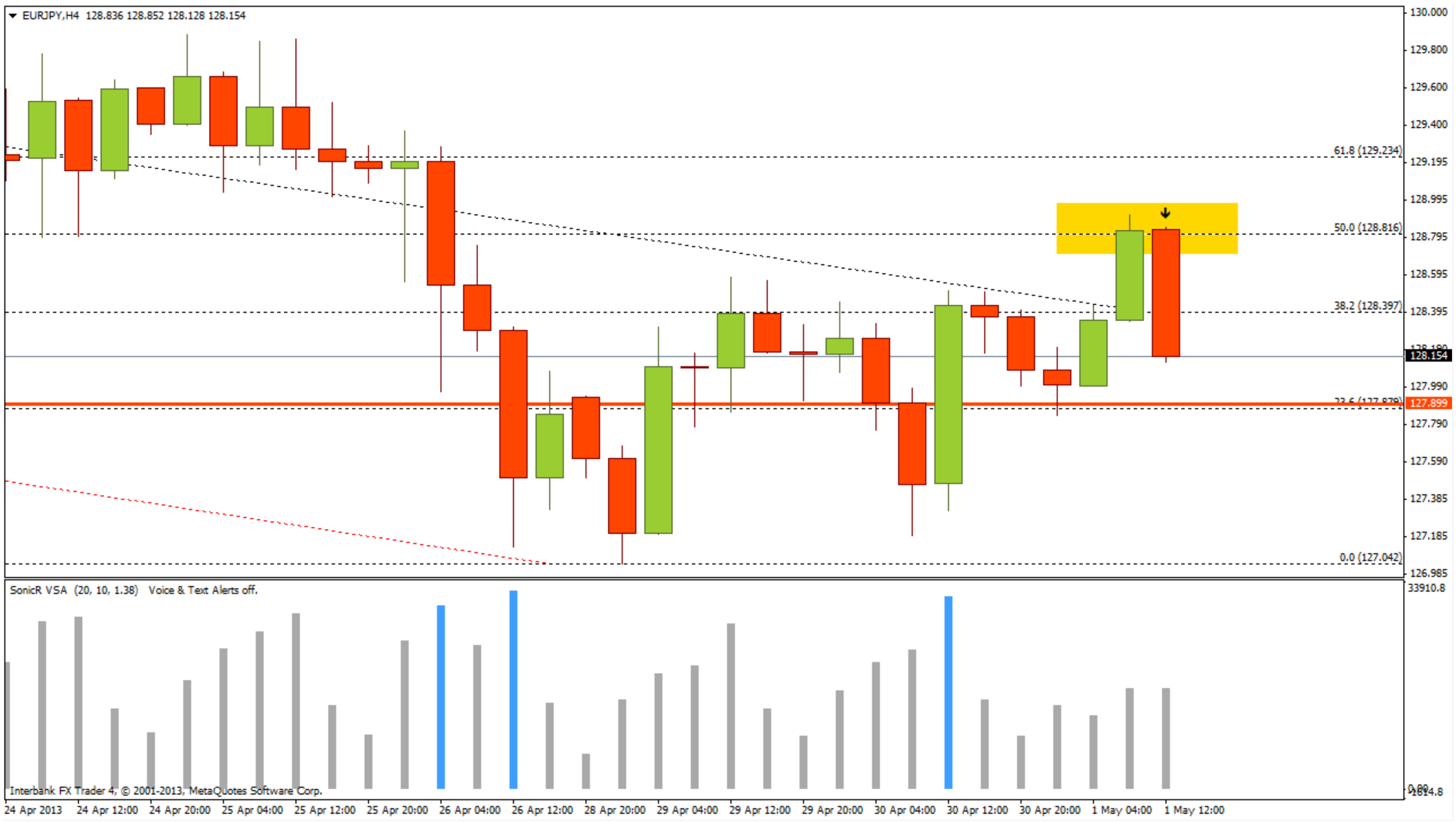


PVSRA Lesson, AU

US MMs load up with shorts right after US open.....

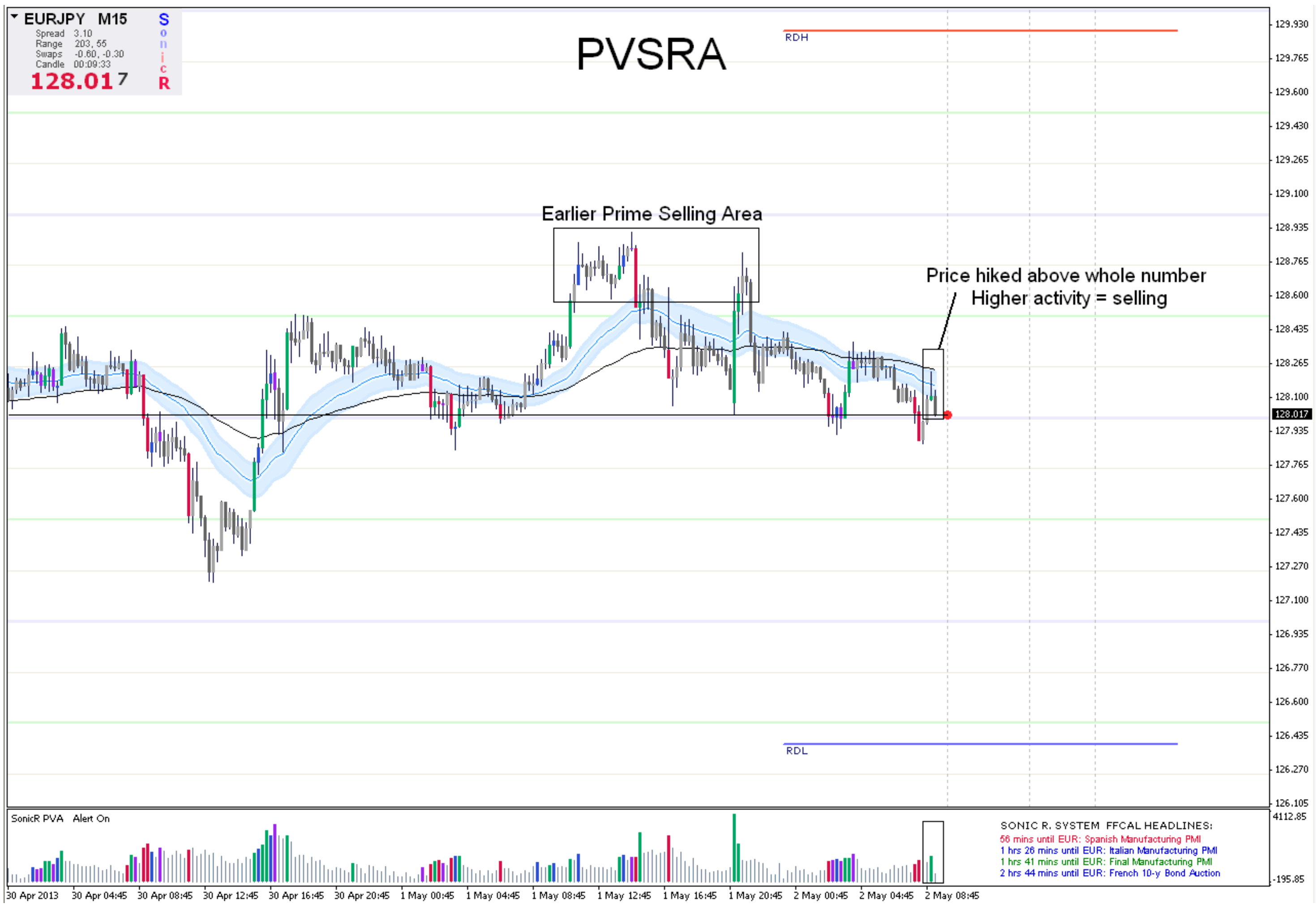
PVSRA Lesson, EJ

Large TF candles can indicate a move is coming, but by the time they confirm the move it has already traversed lots of pips. PVSRA is the answer. Not even using a "50% fibo retrace" is as reliable as PVSRA. PVSRA indicates if the MMs are bulls or bears. With fibos, your still guessing. Now, if one uses PVSRA in conjunction with Fibonacci retracements...




EURJPY M15
128.223
PVSRA
RDH
Above 1/2 S&R, then above 3/4 S&R
...any EP up here is fine
RDL
SonicR PVA Alert On
SONIC R. SYSTEM FFCAL HEADLINES:

PVSRA, EJ


EURJPY M15
128.017
PVSRA
RDH
Earlier Prime Selling Area
Price hiked above whole number
Higher activity = selling
RDL
SonicR PVA Alert On
SONIC R. SYSTEM FFCAL HEADLINES:

PVSRA, EJ

Yesterday the MMs hiked the price above the upper half number and did a humongous amount of trading in that region, which therefore was obviously selling. Today, ahead of EUR "news", the FO hiked the price above the whole number and increased trading, which therefore was obviously selling. Since then, PVSRA continues to indicate the MMs are bears, so......

......what is all this talk about longs?

Frankly, I am willing to believe many of these MMs already have spied out the "news". They know full well what is coming and start building in advance of it. For your information, insider trading is not illegal in the forex market! So you can damn well bet that "news" is ferreted out by the MMs before release whenever they can do it!

PVSRA, A Winner!

A huge whipsaw by the MMs for liquidity for their shorting. Ram the price up to stop out shorts and trigger "wrong side" pending long orders. Then ram the price down again to stop out those longs! Liquidity! It is all about the MMs getting liquidity to fill their own short orders! No doubt can there be now which way the profit making run goes! By the looks of this whipsaw effort the MMs put on, it could be a doozy, too!

PVSRA of EJ, a Review

Let's take a close look at what a PVSRA of M1 shows us about the market (the MMs, the Market Manipulators).

1. Just before the US open, the MMs dropped the price about 50 pips. This resulted in two things happening: 1) shorts were encouraged, and 2) some longs got stopped out which created liquidity for the MMs. Who do you think had the most short orders set before the move started?

2. Next, the MMs raised the price about 240 pips. This resulted in two things happening: 1) some shorts were stopped out, and 2) longs were encouraged and pending long orders were triggered. These actions created liquidity for the MMs. Would MMs be buying or selling into a rising price?

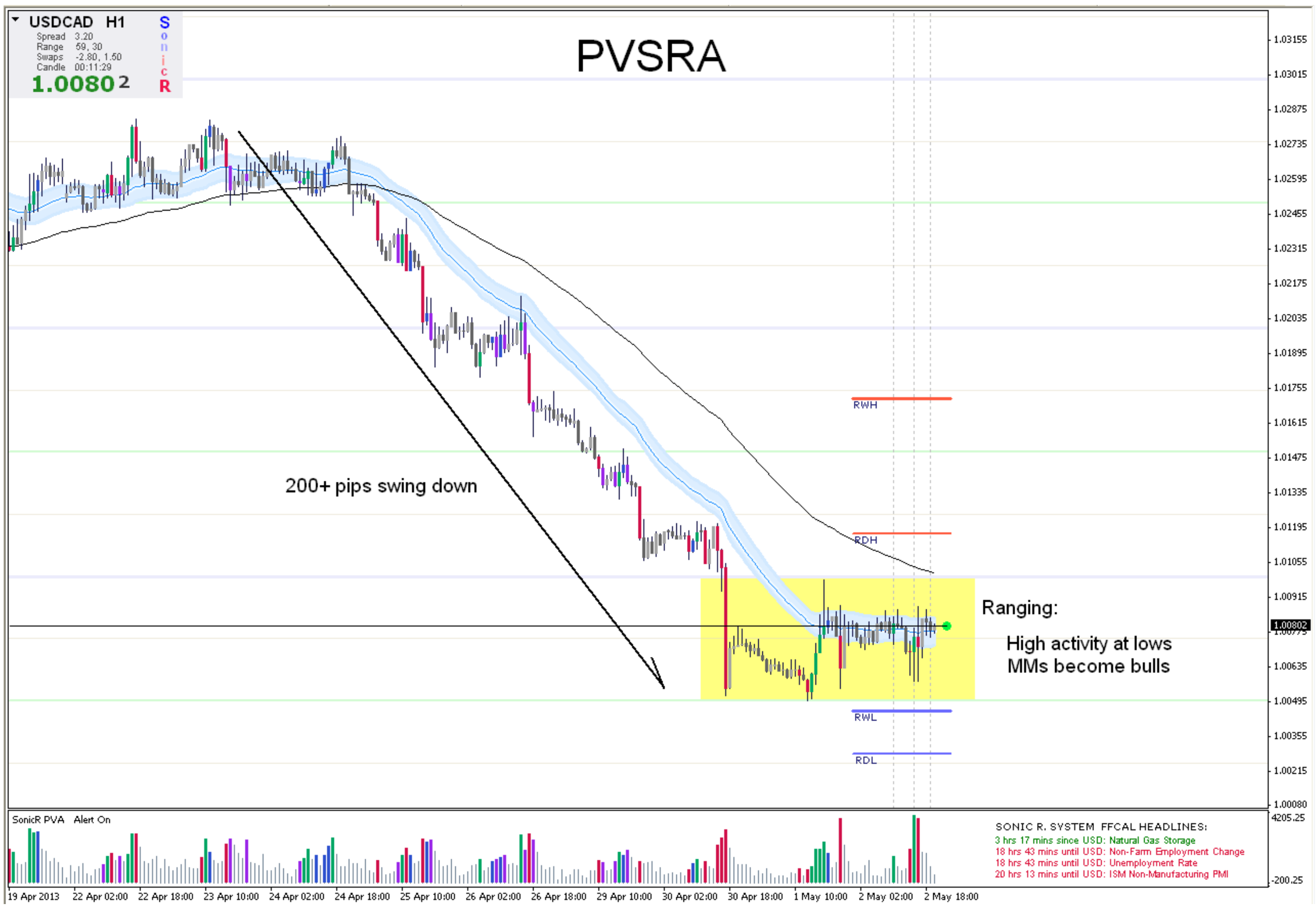
3. Next, the MMs dropped the price about 240 pips. This resulted in two things happening: 1) shorts were encouraged and pending short orders were triggered (and at this point you might be asking who had the most pending short orders waiting to be filled!), and 2) some longs were stopped out creating even more liquidity for the MMs.

4. Finally, note where the price landed,.....right back from whence it started! Look again. Now you will see that most of the action today took place higher, not lower, than the whole

number area it all started, at and ended at. So, ask yourself this question. If MMs ran price higher for a time to get orders filled, were they bulls or bears.

5. To help you answer this question, here is a statement you might use, "Buy low, sell high." PVSRA indicates the MMs had been, were during this whipsaw today, and still are bears. Now they are more fully loaded with short positions and we are getting closer to the time these bear MMs initiate their run for profits. The second pic. pretty much sums it up.

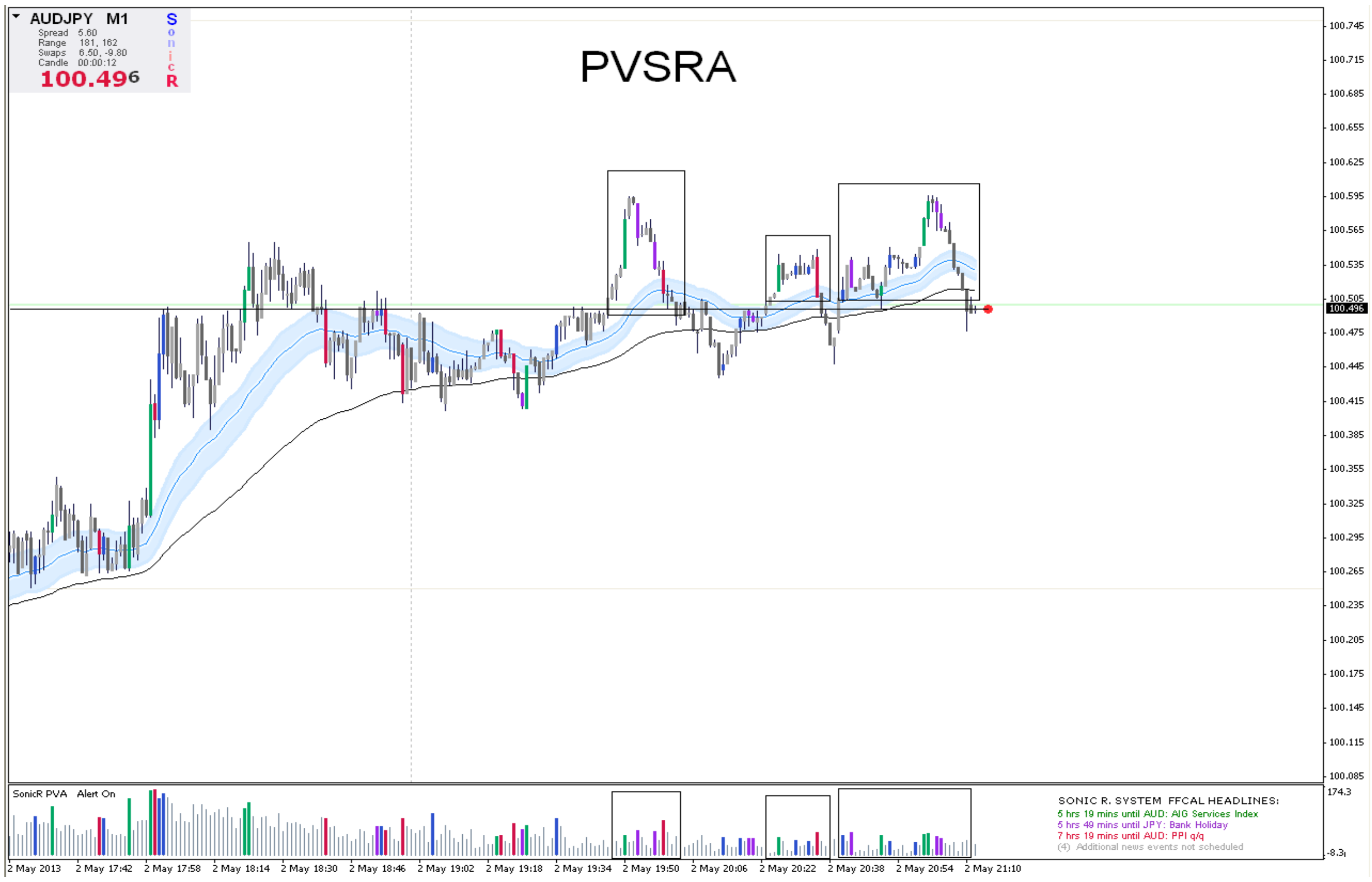
PVSRA, UCad



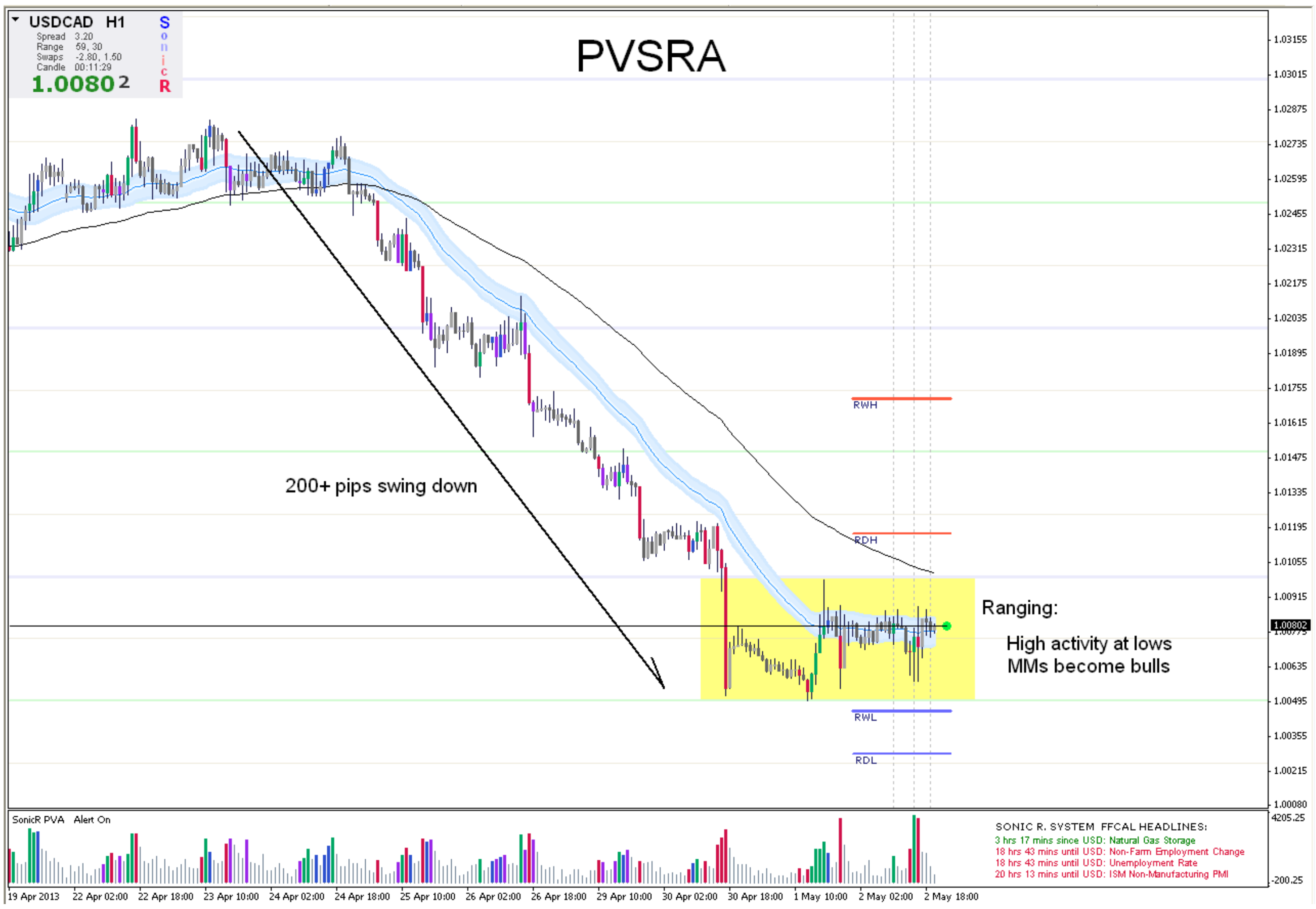
PVSRA, AJ

Don't wait for big pips. PVSRA indicates the MMs remain bears. They are just involved in a retrace, i.e. they are pumping up the price to get higher prices to short at. The bear MMs now have price above the half number and M1 PVSRA shows highest levels of activity at the higher prices while the MMs hold the price above the half number.

I'm not saying it can't go higher. It can. PVSRA determines if the MMs are bulls or bears. Nothing can determine when the MMs will cease moving price one way and initiate their run for profits the other way.



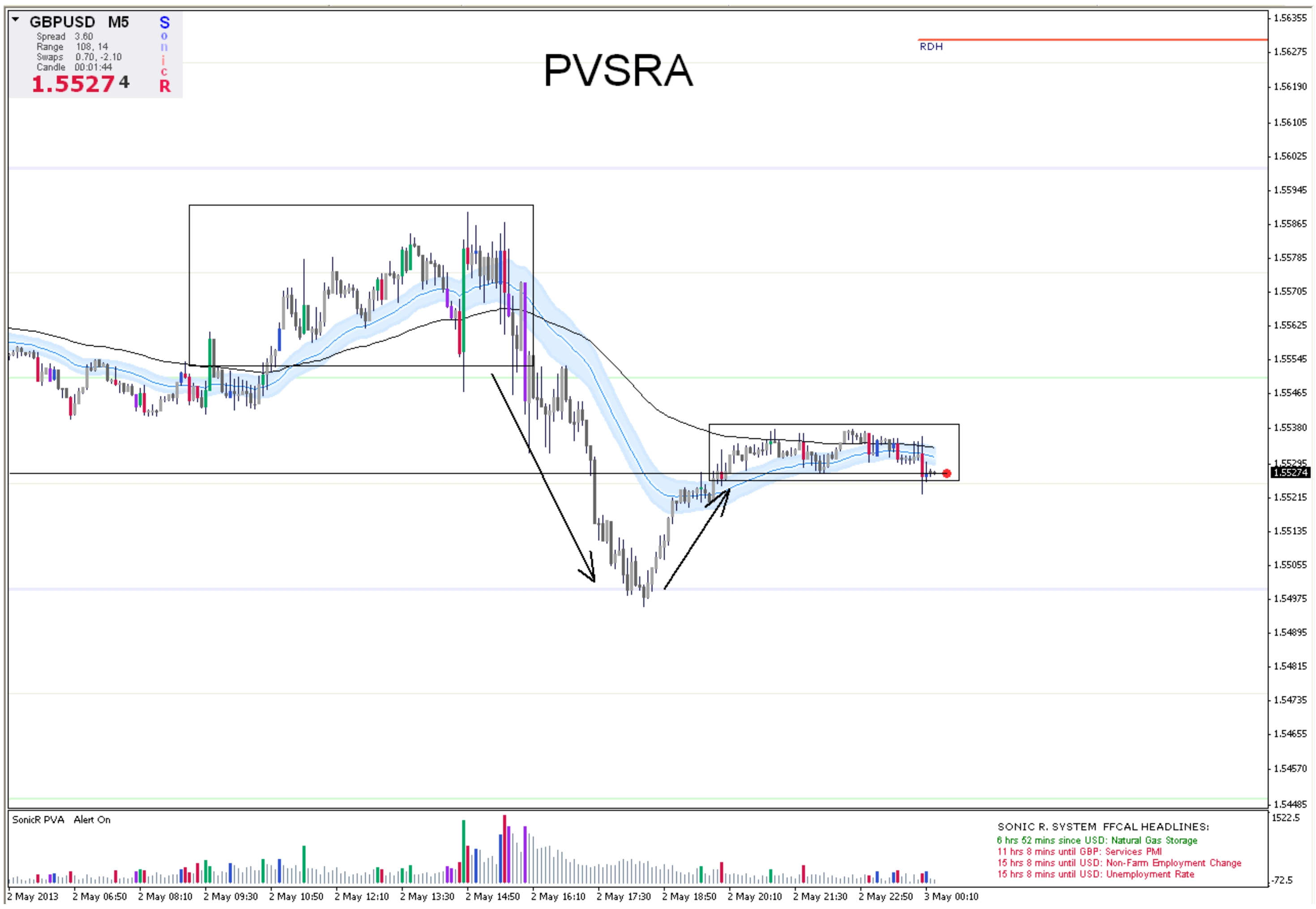
PVSRA, UCad
Progress Report



PVSRA, GU

PVSRA does indicate the MMs remain bears. Not on M1, however, which is not yielding clear results. M5 is yielding clear results. BTW, the Dragon has nothing to do with PVSRA. And price is not currently above the half number. It is below it.

M5 clearly shows the bear MMs previously moved price above the half number, loaded up, and later drove the price back down thru the half number all the way down to the lower whole number. Since then, the bear MMs have instigated a retrace to get back to some higher levels for renewed shorting. The bear MMs have hiked the price back above the 1/4 S&R level and up here is where higher trading levels are kicking in. So, PVSRA is clearly indicating the MMs remain bears.



PVSRA, UJ

When price was in the lower range, PVSRA on M5 shows notable volumes are associated with the higher prices and with the drop in prices from those highs, hence the MMs favored the highs to load up at, and to sell off from, indicating the MMs are bears.

Now, with price in the upper whole number area, the same is happening. The MMs are repeatedly pushing price above the whole number and selling off from there.

Things are not crystal clear, as they sometimes are, due to current market conditions (flat). I will say this, however. You made no mention of any PVSRA on any chart other than M15. You cannot do a competent PVSRA without also doing so on M1 and/or M5, and I have said this before.

Because PVSRA is not crystal clear, there is doubt. It could behave like the other YEN pairs which are bearish. On the other hand, if the MMs plan to respond later to US releases as though the data is strong (even if it isn't so strong), this particular YEN pair might get a bullish move. The uncertainty here, due to the upcoming USD releases, is why I have no interest in taking any position on it.

JPY Bank Holiday!

During the second TF of the Asian session on this last day some MM(s) quickly did some fancy trading. Look at an H1 chart and you might find that in the last two weeks of trading, there are only 4 other hour bars with higher levels; **only 4 in all of 2 weeks, including London and US sessions!**

None of the other YEN pairs have this magnitude of trading, but they all have increased levels of trading at some point within the first several hours of this last Asian session. GJ, though clearly an exception by showing such a high level of trading, might nevertheless be a clue that something is up. So maybe there is more to this possibility than we thought!

The main issue is ourselves.. it is not the market, it is not the indicators, it is not the methods.

We are told and programmed to look for "certainty". 1+1=2, remember?? Mkt doesn't really work that way. Mkts are basically the representation of millions of traders trading against each other.

Trader A, he spends weeks of research on a security and place a trade. It is high chance of the trade will end up profitable but there are certain probability that the trades will turn loser too.

Trader B, he spend minimal research and place a trade, he has certain probability of making it winner even though the trade mostly to turn soar.

So, high degree of uncertainty is the name of the game here. No such thing as 100% sure in the market as no one can predict so accurately all the time.. Once you accept that fact, you trading will be must easier.

We are "just" using waves, dragons and volume to add up our chance of getting the right entry in the right direction and good money management to let my winner ride and cut my losers fast.

Yesterday, move in Euro pairs (e.g. EUR/JPY) is the very best example.

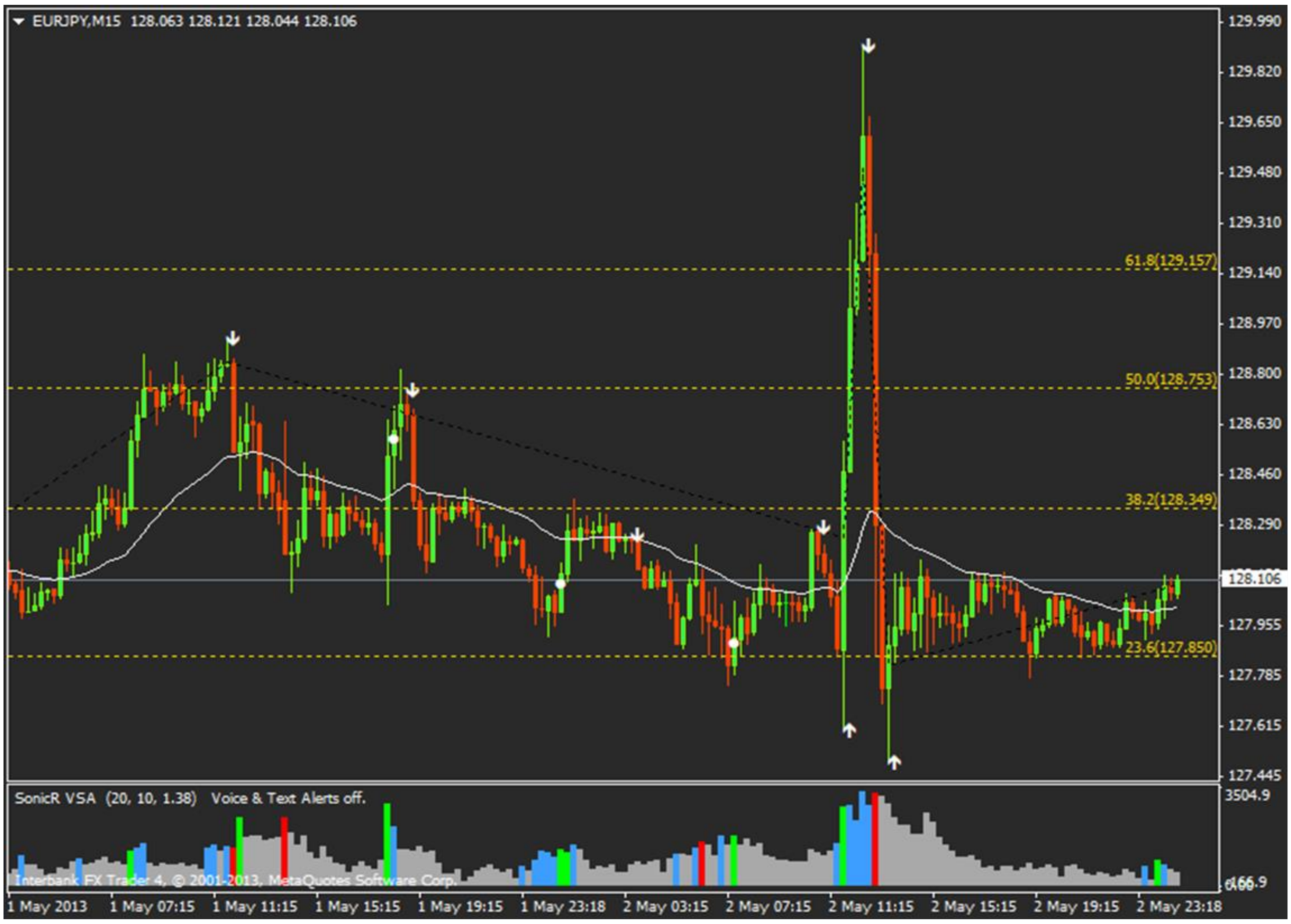
I was bullish few hours before rate decision and I had longs, and it spike up with hundred pips. So, my instinct kicks in started to lock in my profit.. when it turns back, my money management help me to bag about 40 pips. I added few shorts from high ride down the slide.

Professor TAH was bearish for this week and he was building positions for sometimes now.. He know the risks well and good at managing them... When it spiked up, he didn't close immediately in panic as he know where are the red flag zones are. So, he didn't get whipped either or even he may added nice shorts at the high.

We both cannot predict the mkt with 100% accuracy for sure. We are on the opposite sides but we are both trained enough to act accordingly at any given situation..

So, the morale of the story is, we need to know/accept the nature of the game (which is uncertainty) and turn it to our advantage with the very tools/methods/management that we have.

I hope it will blow a light bulb or two...



PVSRA Shows What the MMs Do Best!

The MMs suck in shorts with SLs, while they themselves short (red bar down). Then the MMs stop out the shorts with SLs and suck in longs again, both providing for more liquidity while they themselves continue to short (green bar up). Finally, the MMs hold prices high and add more shorts so long as deceived longs supply the needed liquidity! Eventually, these longs will also begin to be slaughtered when the bear MMs initiate their run for profits.

All this manipulation of price by the MMs (Market Manipulators) was accomplished in concert with the USD releases. This example, all by itself, should explain to "news buffs" the folly of paying any attention to the content of news in order to figure out how the price will move!