



INVESTING AND TRADING RULES BASED ON 50+ YEARS' MARKET EXPERIENCE

AAII, RESEARCH TRIANGLE CHAPTER

Virtual Meeting December 11, 2021

Eric D. Wish, Ph.D.

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[@WishingWealth](https://twitter.com/WishingWealth)



Disclaimer

- Information presented by Dr. Wish today is for educational purposes only. It is not advice nor a recommendation.



“B-b-but, sir Silent Knight said so!!! Oh noes! Oh woes!”

IBDextra!

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IBD® Subscriber,
Dr. Eric W.

Eric is a research psychologist and university professor. He used to run a local IBD Meetup group. The following is in his own words.

I am pleased to write about my tremendous success using IBD since the 1980's.

I started trading stocks while in high school in the 60's. I remember that my Merrill Lynch broker gave all customers a free copy of Engel's book, *How to Buy Stocks*. I read the book and began to follow its advice and look for conservative, low PE, large cap stocks. Needless to say, I lost money repeatedly.

Then I happened to come across a book by Nicolas Darvas, describing the way he traded his way to \$2 million after rejecting the usual market advice and buying strong stocks of visionary companies at all-time highs. I radically changed my trading strategy and began to make money in the market during

▶ Investor Resources

Where is the stock market headed?



If you have a \$500,000 portfolio, you should download the latest report by *Forbes* columnist Ken Fisher. In it he tells you where he thinks the stock market is headed and why. This must-read report includes research and analysis you won't find anywhere else. Don't miss it!

▶ [CLICK HERE to download](#)

FISHER INVESTMENTS

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Screen Of The Month

Symbol	Company	Relative Strength / Day Ago	Accum/Dist Rate
DBRN	Dress Barn	96	A
DRIV	Digital River	94	A-
LL	Lumber Liquidators	96	A-
GMKT	Greenmarket Inc.	92	A
BECN	Beacon Roofing Supply	94	A-

▶ [View More Stocks](#) ▶ [About This Screen](#)

Data as of 05/05/09 Market Close

Saturday, July 13, 2019



INVESTING AND TRADING RULES BASED ON 50+ YEARS OF MARKET EXPERIENCE

Eric Wish, Ph.D.

Director, Honors College Stock Market Challenge, University of Maryland

Eric Wish, Ph.D., differs from most speakers in that he's a full-time research psychologist as director of the University of Maryland's Center for Substance Abuse Research.

Wish's passion for investing began in the 1960s and led him to develop methods suitable for successful investing that rely heavily on technical analysis. Investor's Business Daily (IBD) and the TC2000 charting program. As director of the University of Maryland's Honors College Stock Market Challenge, he teaches highly popular undergraduate courses on technical analysis.

Wish's strategies have been highlighted in IBD, at AAI and at Worden workshops and webinars. Wish authors the *WishingWealthBlog* and earned fifth in Barron's 2005 Stock Challenge, Professor's Division.

YOU WILL LEARN

- Wish's set of rules for navigating the stock market
- How to use technical indicators to identify promising growth stocks
- How to best manage market risk and protect your portfolio

Eric Wish and his co-instructor/IT expert David McCandlish will present a dynamic program based on their highly popular University of Maryland technical analysis courses. You'll learn how undergraduate students are taught to identify growth stocks and time their purchases so as to minimize losses if they are wrong. Key concepts shown include Yellowband and Red White and Blue (RWB) stocks as well as Green Dot signal to find stocks that are bouncing off of support. Using Investor's Business Daily (IBD) and the TC2000 charting program for stock selection, Wish will highlight the importance of analyzing the market's current trend. A list of valuable books for educating oneself about these topics will be shared.

A Conversation With Eric D. Wish

Index ▲ 156

Technical Analysis of Stocks
& Commodities,
November 2019

Since 1990, Eric Wish, PhD, has been director of the University of Maryland College Park's Center for Substance Abuse Research (CESAR), where as a research psychologist, he has focused on drug abuse epidemiology. In addition, since 2006 he has taught courses on the stock market and technical analysis at the university. In 2005, Wish placed fifth in Barron's Stock Challenge, professors division, with a 30.8% return during the 2.5-month contest.

Wish is a part-time trader who focuses on developing specific rules for buying and selling growth stocks. His free website, WishingWealthBlog.com, was begun as an educational source for friends and others to help them steer through the market's ups and downs.

STOCKS & COMMODITIES contributor and ETF columnist Leslie N. Masonson interviewed Eric Wish on September 3, 2019 to discuss his interests in stock market investing and his dedication to using a rules-based approach.



You have been investing in the stock market for almost 60 years. How did your journey begin?

I feel like the stock market is in my blood. I lost my father at age 7 but when I would visit his father, my grandfather, Abe, in Brookline, MA, the most common thing I remember him saying is, "Oh, the market, oh, the market." I'm told that he went every day to the Brookline Stock Exchange to watch the tickertape. Abe made a fortune in the stock market, which he lost in 1929, but he had also invested in real estate. I am told that he loaned money to Joe Kennedy. Abe's daughter, my Aunt Helen, was a chartist and a physician, and very passionate about trading. Helen encouraged me to learn trading, but when I showed an interest, my mother would try to deter me by saying, "Stocks are only for rich people." I understood much later that my mother actually was right. Helen would reply, "Let him try. He can afford to lose money when he is young."

Years after she finished medical school, Helen learned from a fellow student who became a fund manager about a company called Solitron Devices. Solitron was one of the great growth stocks of the 1960s. I heard she started buying it around \$2 a share, over the protests of her broker,

who actually paid off his mortgage from his own subsequent investments in the stock. Solitron rose to over \$200, split 5 for 1, and then rose again and split 2 for 1.

Adam Smith, in his entertaining 1967 book *The Money Game*, wrote that Solitron "...sold for as little as 1-1/4 in 1962 and as high as 275 in 1967." I learned that Helen's brother, my Uncle Leon, bought a home, which he named Solitron Estates. Helen also informed my cousin, Barry Wish, who was in the executive training program at Merrill Lynch, about Solitron. Barry put his clients into it and eventually gained a following, started his own brokerage firm, and went on to become a very successful banker and venture capitalist.

So, stock trading has clearly been rooted in my family tree. And while I did not make any money in Solitron because I was too young to invest then, I did begin a lifelong interest in studying the markets. I think one of the reasons I was drawn to technical analysis is that I am a research psychologist and professor studying drug abuse and am accustomed to examining patterns and numbers.

Your investing approach was heavily influenced by both Nicolas Darvas and William O'Neil. Can you briefly



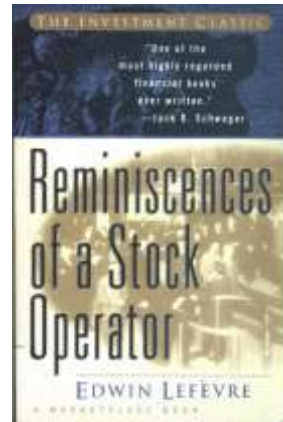
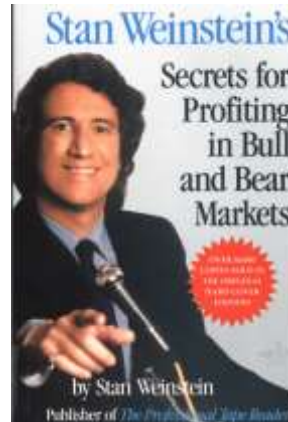
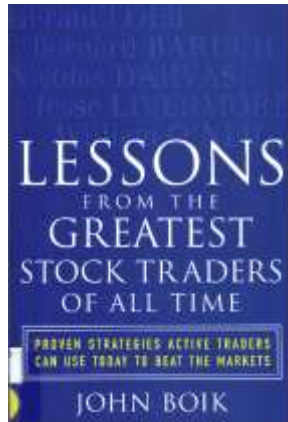
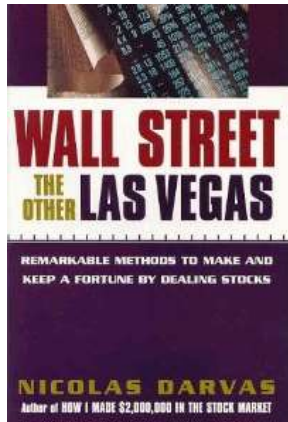
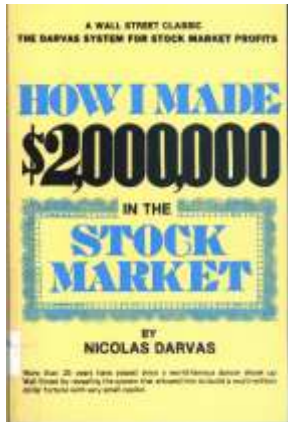
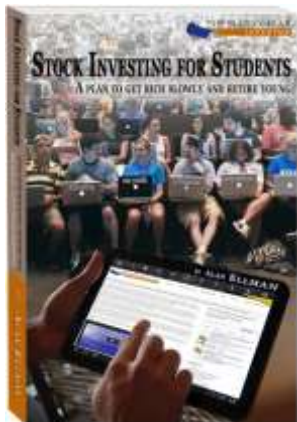
I'm a research psychologist and professor studying drug abuse, so I'm accustomed to examining patterns and numbers.

explain how you've incorporated their investing principles into your investing methodology?

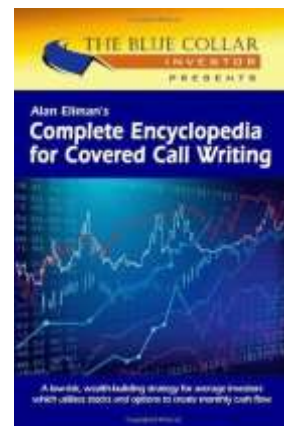
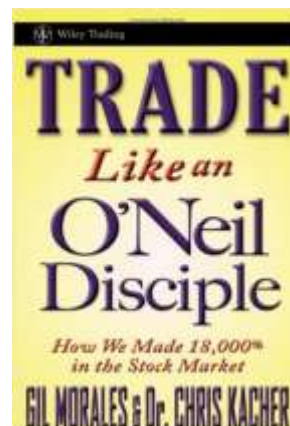
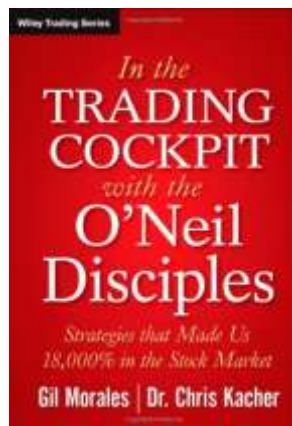
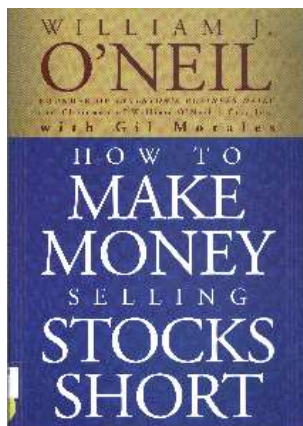
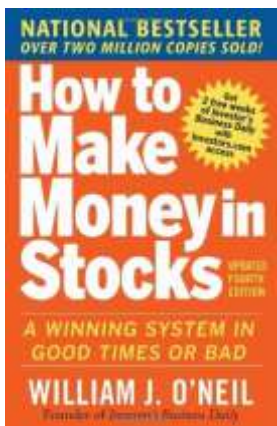
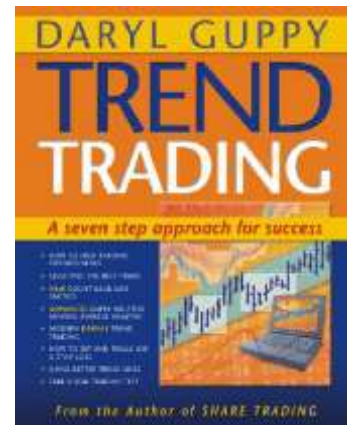
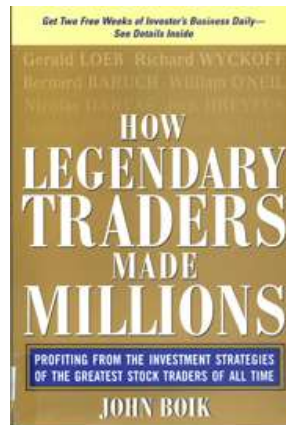
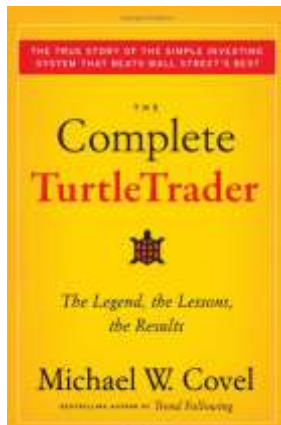
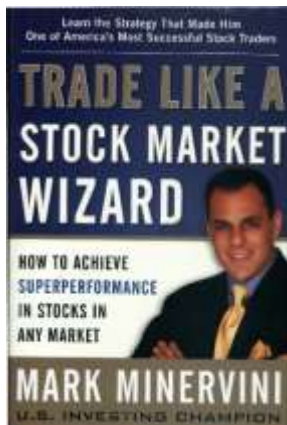
I like to put up a slogan on the first day of the technical analysis class that I teach at the University of Maryland, which says, "In an uptrending market, buy visionary stocks breaking out to all-time highs or bouncing off of support." That is a good summary of what I learned from the successful traders Nicolas Darvas and William O'Neil, who was the founder of IBD.

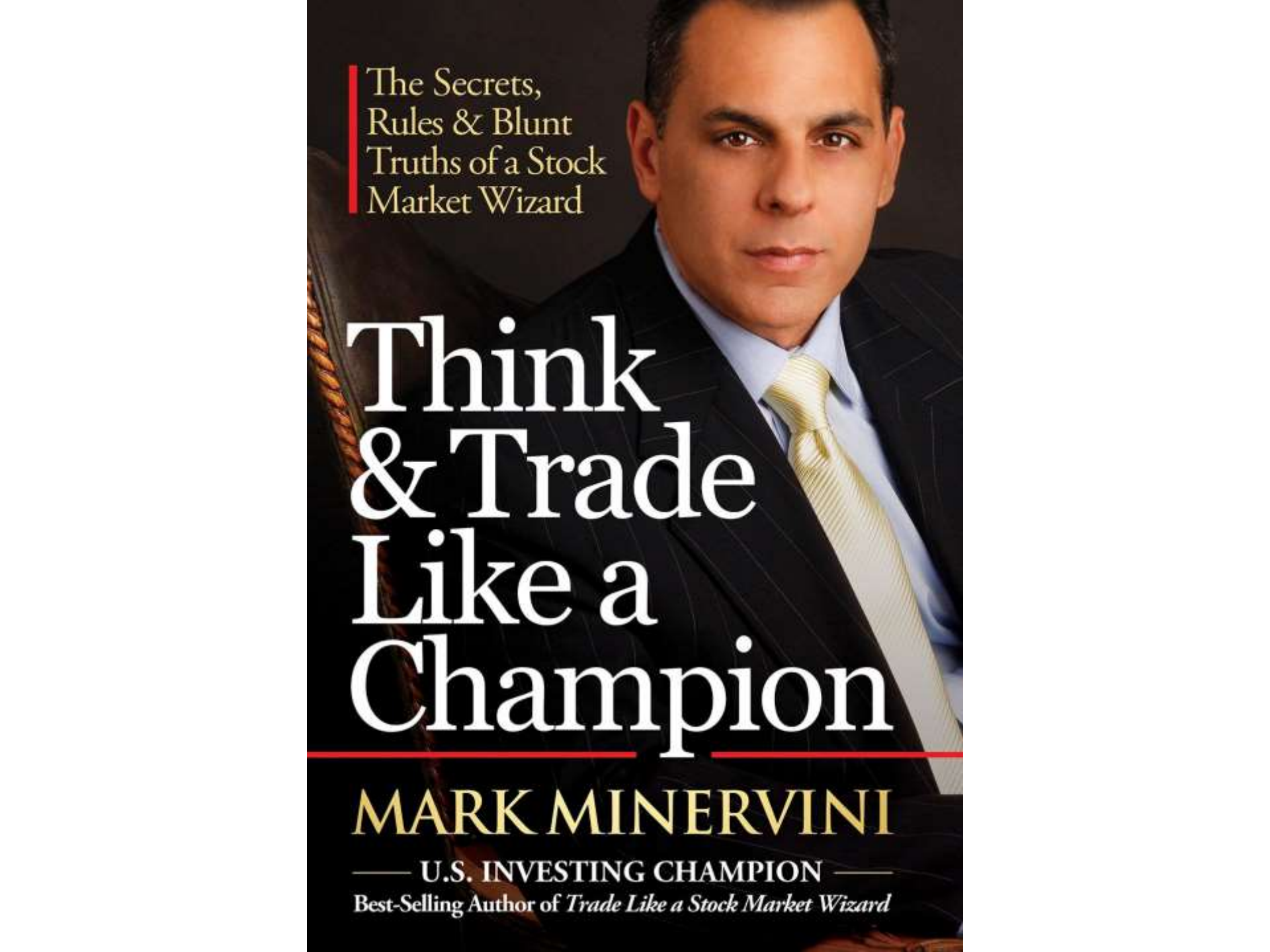
It takes me a 14-week semester to teach young people what each term means and how to develop rules to guide their trading in a virtual competition. I also learned from those two authors that the investor must manage and control losses. William O'Neil used to say that if you bought a stock at the perfect time, off

“In an uptrending market,
buy visionary rocket stocks
that are bouncing off of support or
that are oversold or
that are breaking through resistance
on above average volume.” - Dr. Wish 2014



Recommended Reading





The Secrets,
Rules & Blunt
Truths of a Stock
Market Wizard

Think & Trade Like a Champion

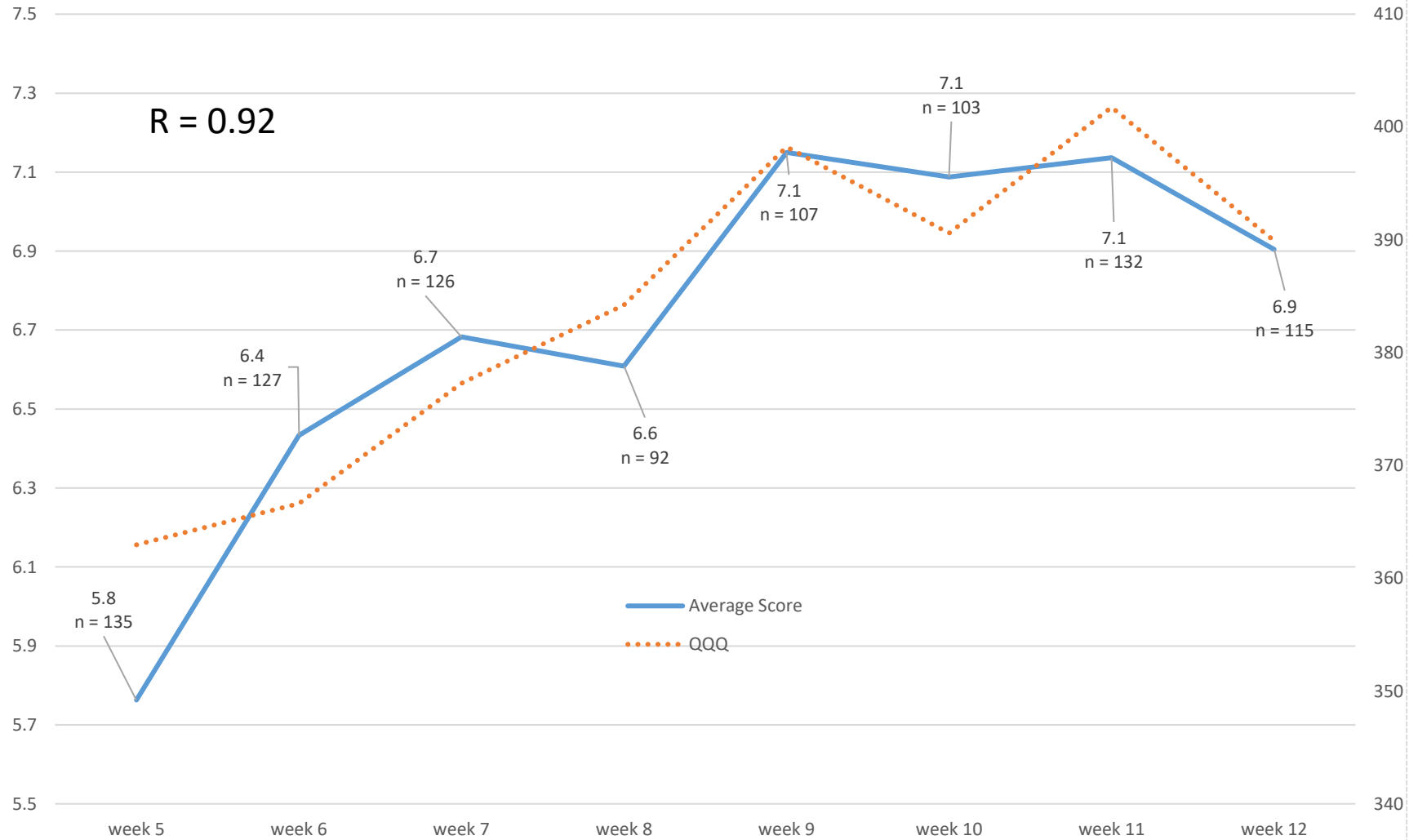
MARK MINERVINI

— U.S. INVESTING CHAMPION —
Best-Selling Author of *Trade Like a Stock Market Wizard*

Correlation between QQQ and Student Confidence in Trading

Average Score by Week to the Question:

"On a scale of 1 to 10, how confident are you in your ability to select stocks where 1= not confident and 10= extremely confident"

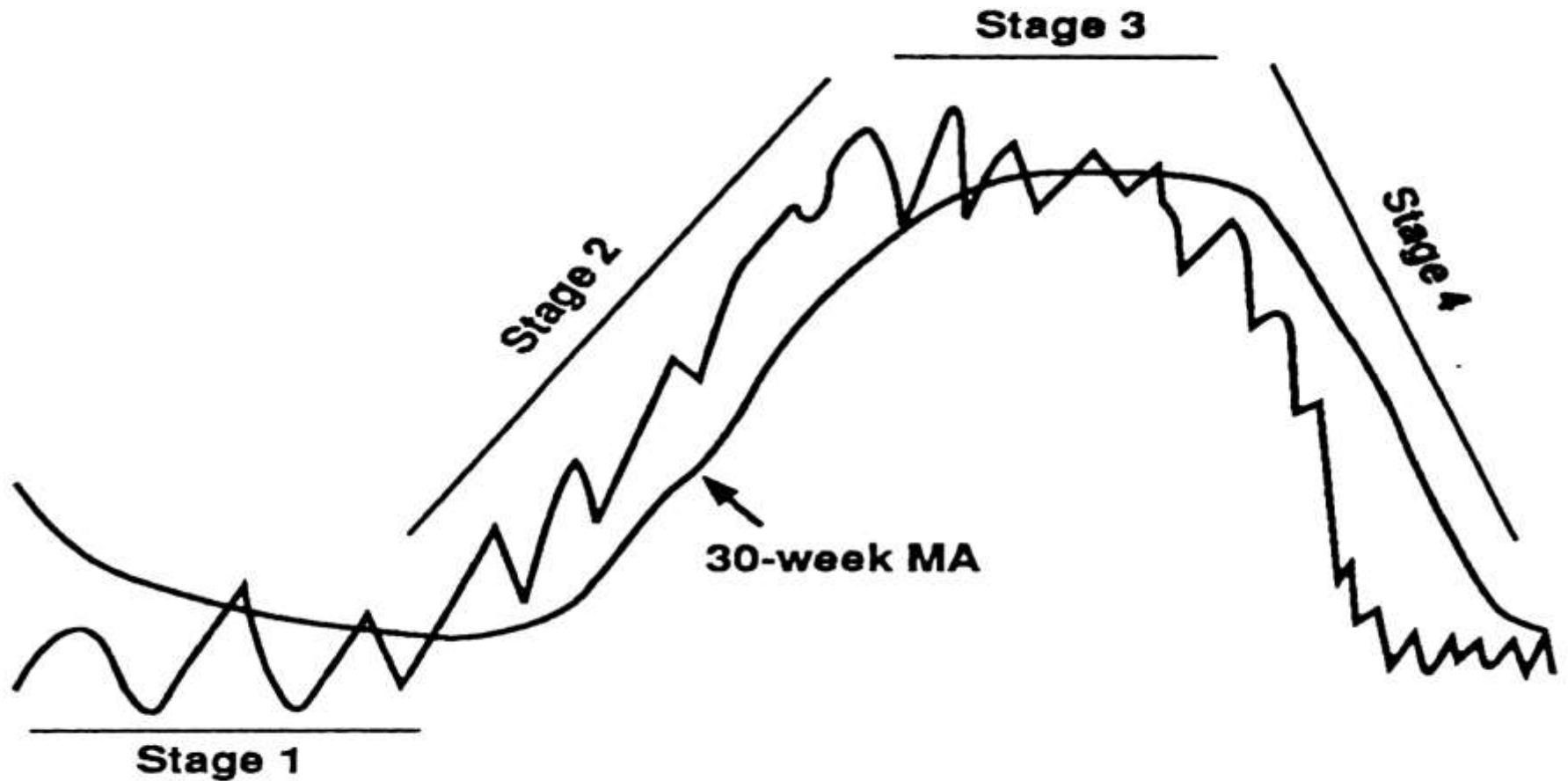


“Buying a stock without checking its chart is like driving to a new place without Waze.” – Dr. Wish, 2021



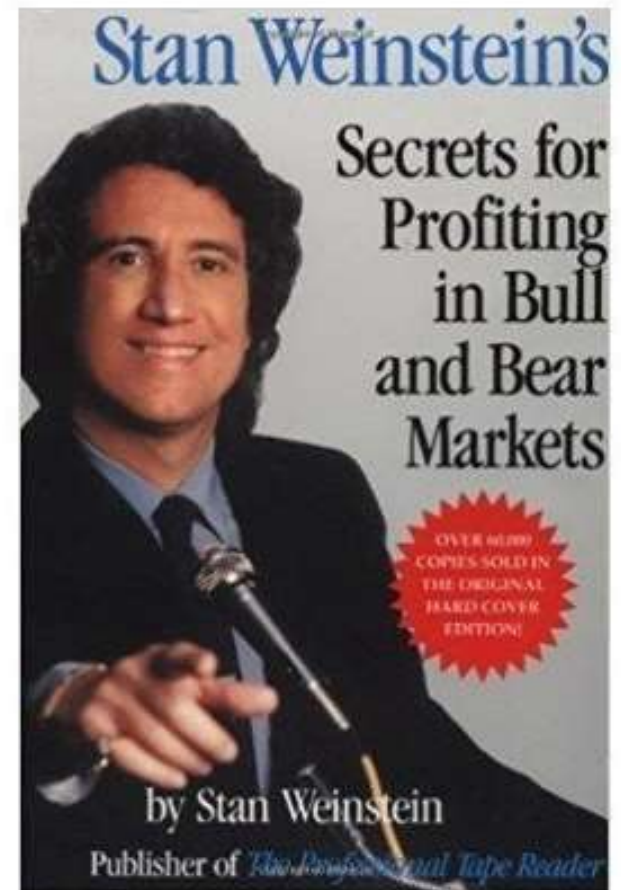
Stan Weinstein's Stage Analysis

Stage Chart



"Take the oath that you are never going to buy another stock in Stage 4...or hold onto any of your stocks once they move into Stage 4."

-Stan Weinstein



Why is Market Trend
Important?

Darvas on Market Trend

“I found that the relationship between the Average and my individual stocks were confined within certain principle, but they could not be measured exactly. From then on I made up my mind to keep watching the Dow Jones Industrial Average, but only in order to determine whether I was in a strong or a weak market. This I did because I realized that **a general market cycle influences almost every stock**. The main cycles like a bear or bull market usual creep into the majority of them.”

"Of course there are exceptions to the rules. There have been any number of stocks that have multiplied in price many fold in a bear market, just as there are plenty of stocks that have hardly moved in a bull market. But my temperament is such that I prefer to be safe than sorry. So I keep out of a bear market and leave such exceptional stocks to those who don't mind risking their money against the market trend."

N. Darvas, *You Can Still Make It In The Market*, 1977, p. 126.

What is CAN SLIM®?

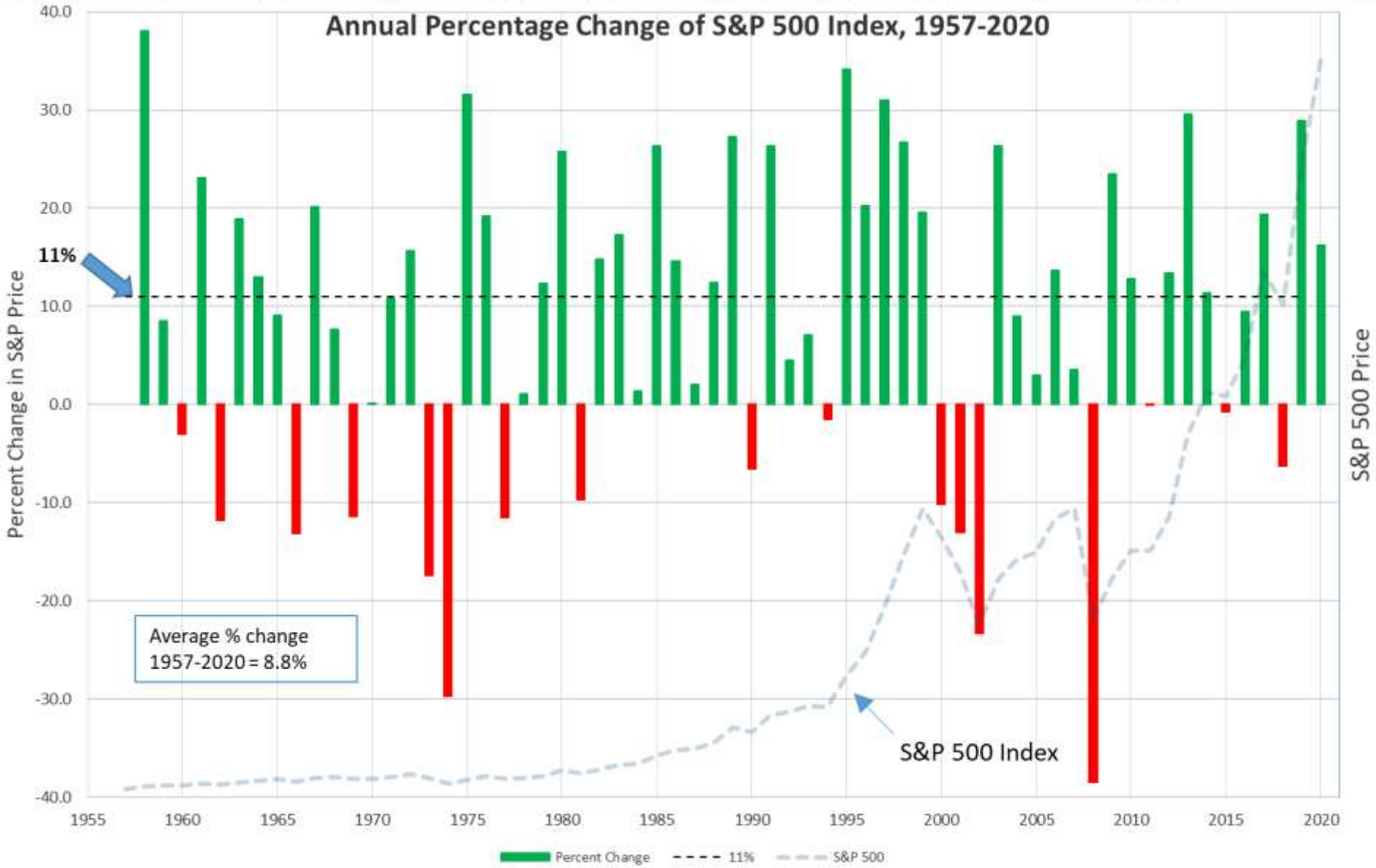
- **C= Current earnings** per share should be up 25% or more and in many cases accelerating in recent quarters. Quarterly sales should also be up 25% or more or accelerating over prior quarters.
- **A= Annual earnings** should be up 25% or more in each of the last three years. Annual return on equity should be 17% or more
- **N=** A company should have a **new product or service** that's fueling earnings growth. The stock should be emerging from a proper chart pattern and about to make a new high in price
- **S= Supply and demand.** Shares outstanding can be large or small, but trading volume should be big as the stock price increases
- **L= Leader or laggard?** Buy the leading stock in a leading industry. A stock's Relative Price Strength Rating should be 80 or higher.
- **I= Institutional sponsorship** should be increasing. Invest in stocks showing increasing ownership by mutual funds in recent quarters. IBD's Accumulation/Distribution Rating gauges mutual fund activity in a stock.
- **M= The market indexes**, the Dow, S&P 500 and Nasdaq, should be in a confirmed up trend since three out of four stocks follow the market's overall trend.

You can be right on every individual stock factor, but if you're wrong about the direction of the general market, three out of four of your stocks will plummet with the market averages and you will certainly lose money big time—as many people did in 2000. Therefore, in your analytical tool kit, **you absolutely must have a reliable method to determine what direction the market is headed.** The key is to follow, interpret, and understand what the general market averages are doing every day.

“It has taken me 40+ years of trading to understand the folly of fighting the overall market trend. Whether I look at Livermore's "line of least resistance," or O'Neil's "M" in CANSLIM, or Nicolas Darvas' writings, I find these gurus all saying that there is a time to be out of the market when it is declining, or to be short. This is a very difficult rule to follow because even in weak markets, I am tempted to go long when I find the "perfect" text book price pattern that brought huge profits in a prior rising market. The critical point to remember is that the same price pattern that works so well in a rising market, is likely to fail in a declining market.”

Dr. Wish, WishingWealthblog

Annual Percentage Change of S&P 500 Index, 1957-2020



Growth of \$100



How can one assess
the market trend?

Mark Twain wrote in *Pudd'nhead Wilson's Calendar*, 1894

“OCTOBER: This is one of the peculiarly dangerous months
to speculate in stocks in.

Mark Twain wrote in *Pudd'nhead Wilson's Calendar*, 1894

“OCTOBER: This is one of the peculiarly dangerous months
to speculate in stocks in.

The others are July, January, September,
April, November, May, March, June,
December, August, and February.”

Indicators for Determining Market Trend

– Stage Analysis of Indexes (DIA, SPY, QQQ)

– Guppy Charts

– GMI

– T-2108

Source: www.wishingwealthblog.com

– IBD Market Pulse

– Contextual indicators:

Investor Sentiment

P/C Ratio

Source: IBD

F9 - Chart Template #9 final Edit Weekly

07/23/30 239.10 242.00 228.70 239.30 +3.70 2124

+1.57%

Price Chart MovAvg 30 MovAvg 10



ATML 6.71%

F9 - Chart Template #9 final Edit Weekly

07/20/32 44.30 45.90 43.50 45.40 +0.50 630

+1.11%

Chart MovAvg 30 MovAvg 10



TML 20.65%

F3 - Chart Template #3 Edit Monthly

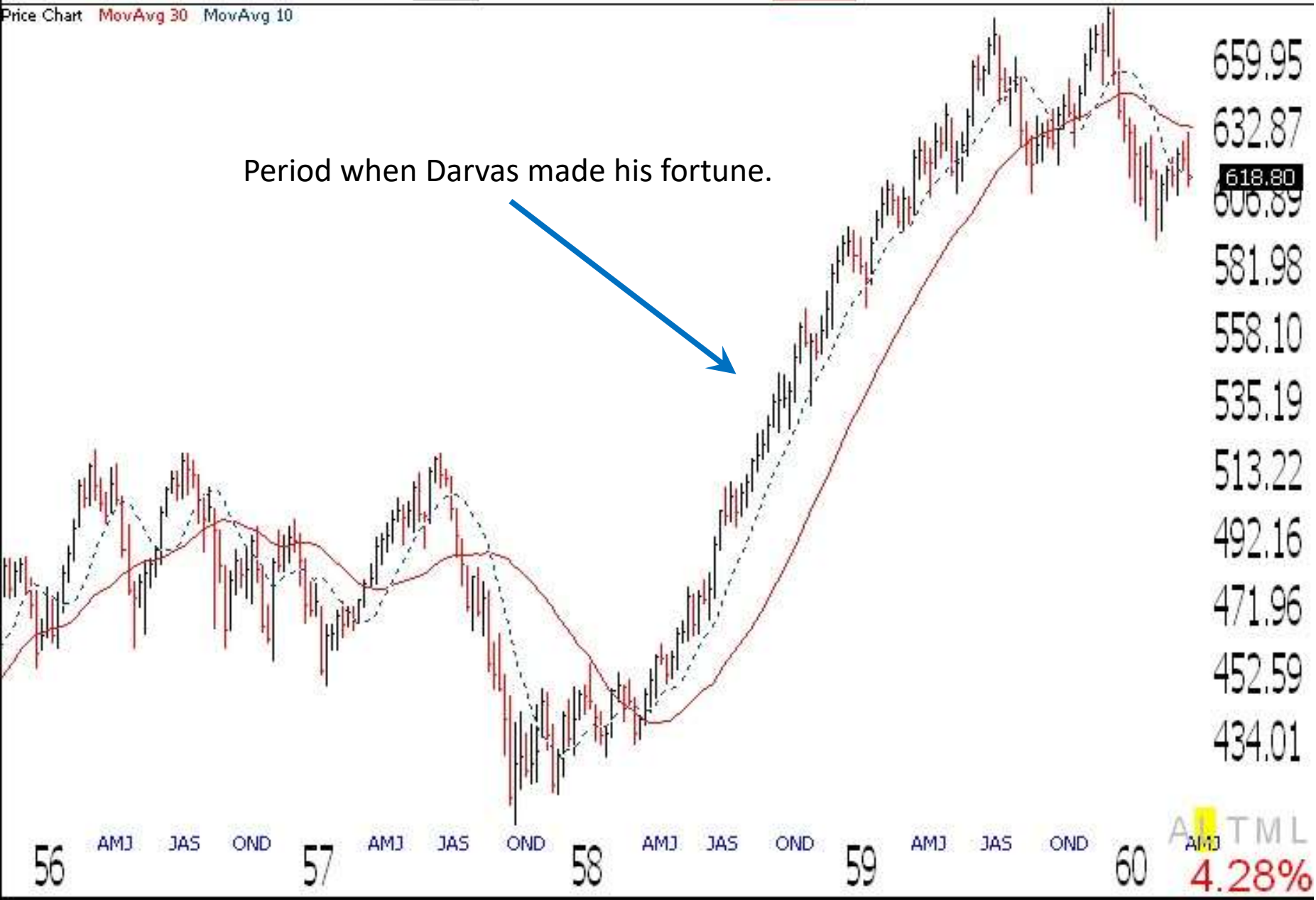
11/26/56 481.10 500.50 466.20 470.30 -12.40 1903 -2.57%

Price Chart MovAvg 10 MovAvg 30



470.30
 423.71
 342.35
 276.62
 223.50
 180.59
 145.91
 117.90
 95.26
 76.97
 62.19
 50.25

▲ TML
 23.77%



Price Chart MovAvg 30 MovAvg 10



QQQ - PowerShares QQQTrust Ser 1

FINANCIAL SERVICES - Closed End Fund - Equity

F9 - Chart Template #9 final



Weekly



10/26/00

84.50

87.88

73.63

79.88

-5.18

439587

Nasdaq

Optionable

-6.09%

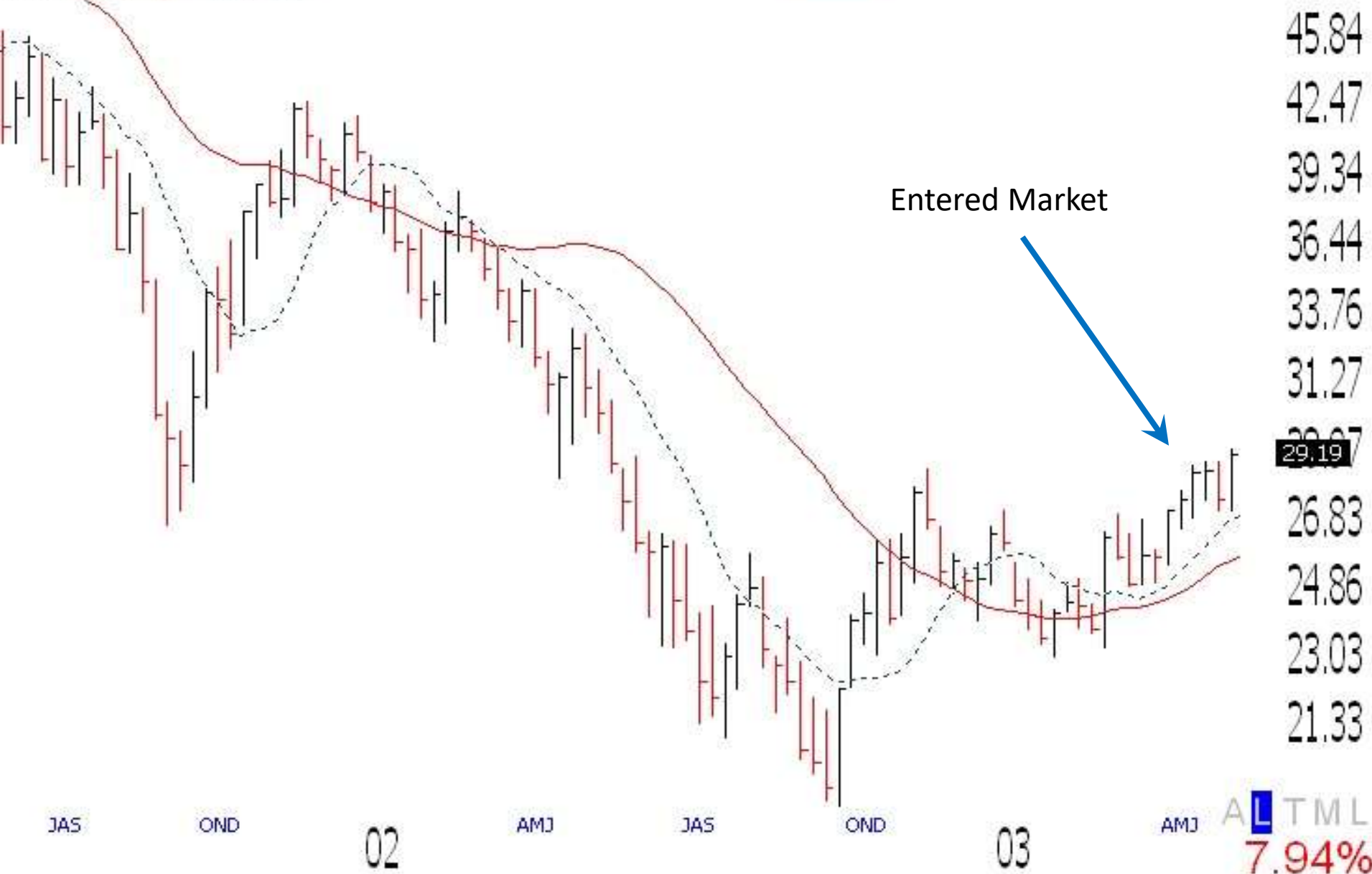
Past Chart

Price Chart MovAvg 30 MovAvg 10



Exited Market

ATML
10.50%



QQQ - PowerShares QQQTrust Ser 1

09/08/08

FINANCIAL SERVICES - Closed End Fund - Equity

F9 - Chart Template #9 final Edit Weekly

09/08/08 46.86 47.08 42.68 43.31 -2.91 2204392 Nasdaq Optionable -6.09%

Price Chart MovAvg 30 MovAvg 10



Exited Market

▲ TML 3.73%

QQQ - PowerShares QQQTrust Ser 1

FINANCIAL SERVICES - Closed End Fund - Equity

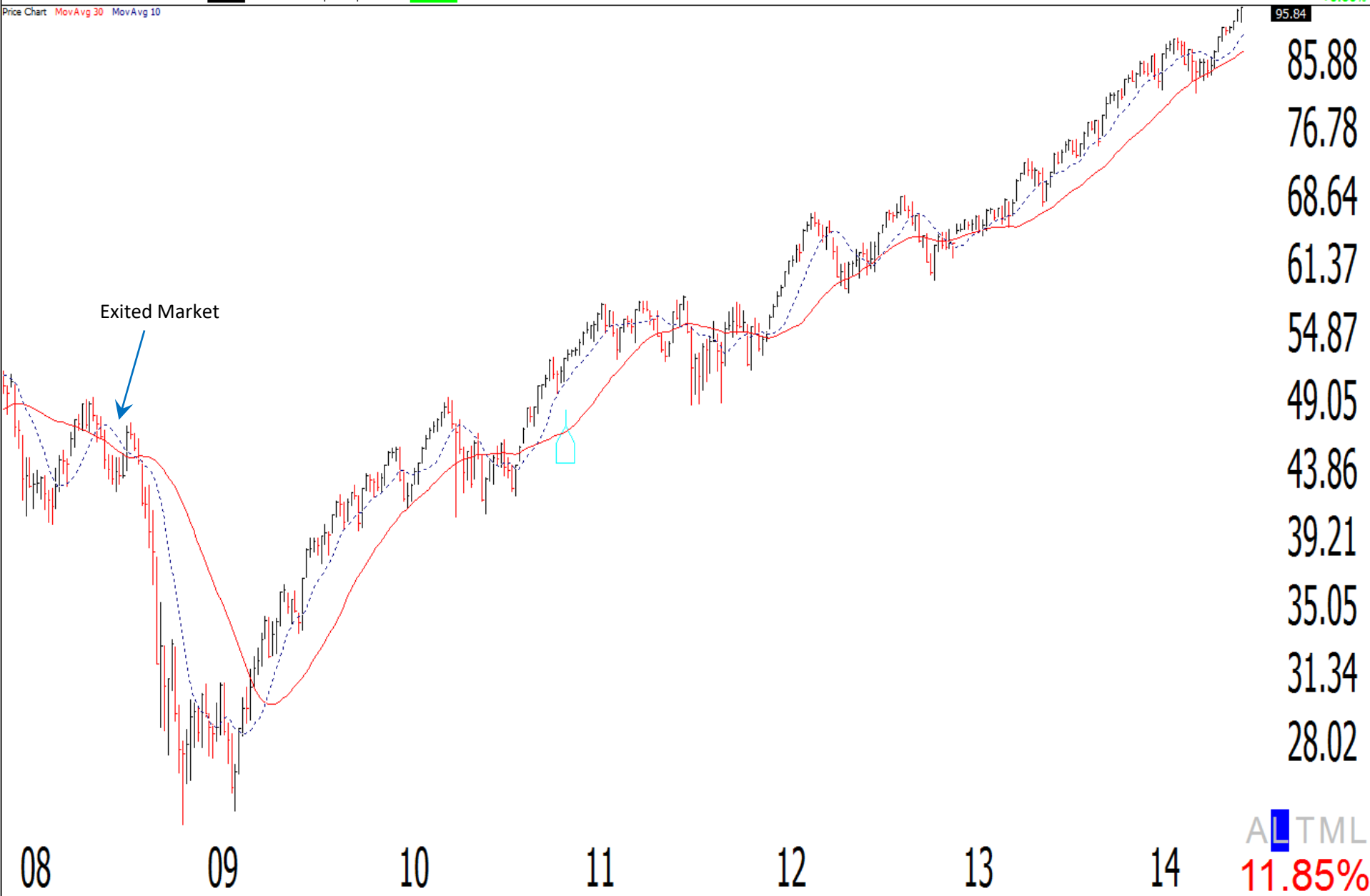
F2 - Chart Template #2 Edit Weekly

07/14/14 95.23 96.06 93.63 95.84 +0.43 289537 Nasdaq

Optionable +0.45%

+0.57
+0.60%

Price Chart MovAvg 30 MovAvg 10



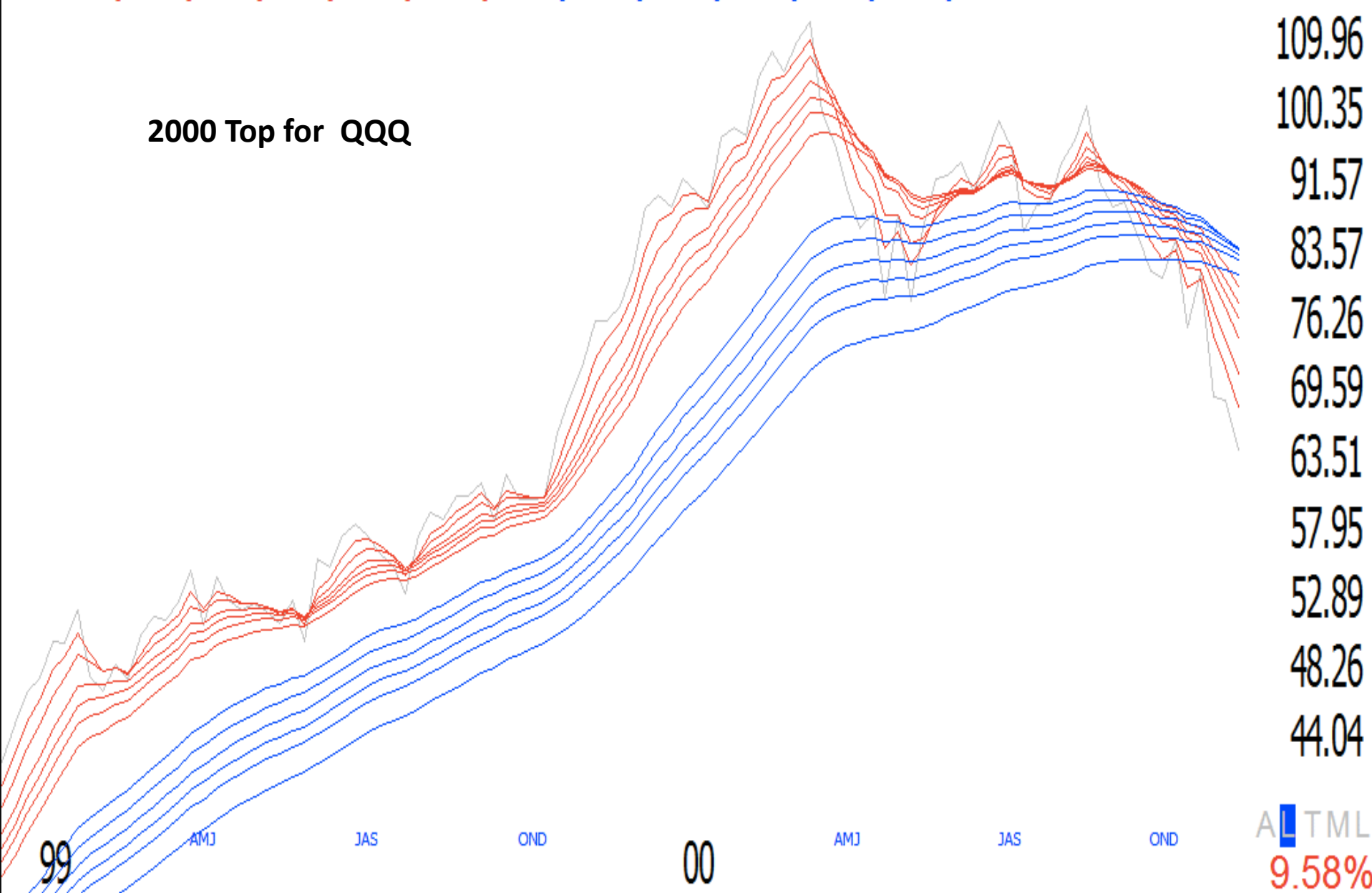
Guppy Multiple Moving Averages (GMMA) Indicator

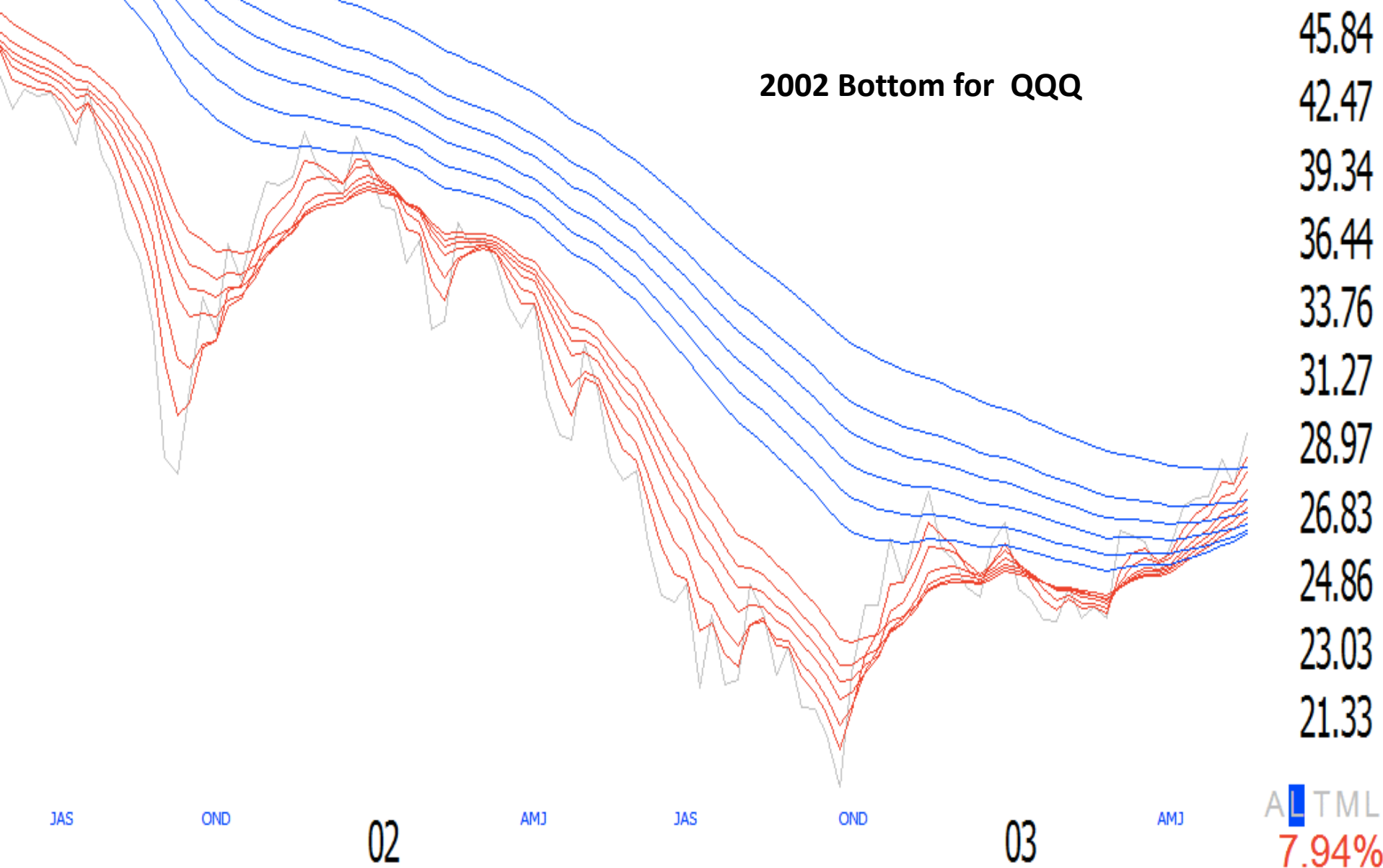
- Two groups of exponential moving averages with differing time periods.

One set of moving averages has a relatively brief time frame. The number of periods used in the set of short-term averages is usually 3, 5, 8, 10, 12 or 15.

The other group of averages is created with extended time periods. The long-term averages usually use periods of 30, 35, 40, 45, 50 or 60 days.

2000 Top for QQQ





QQQ - PowerShares QQQTrust Ser 1

Past Cha

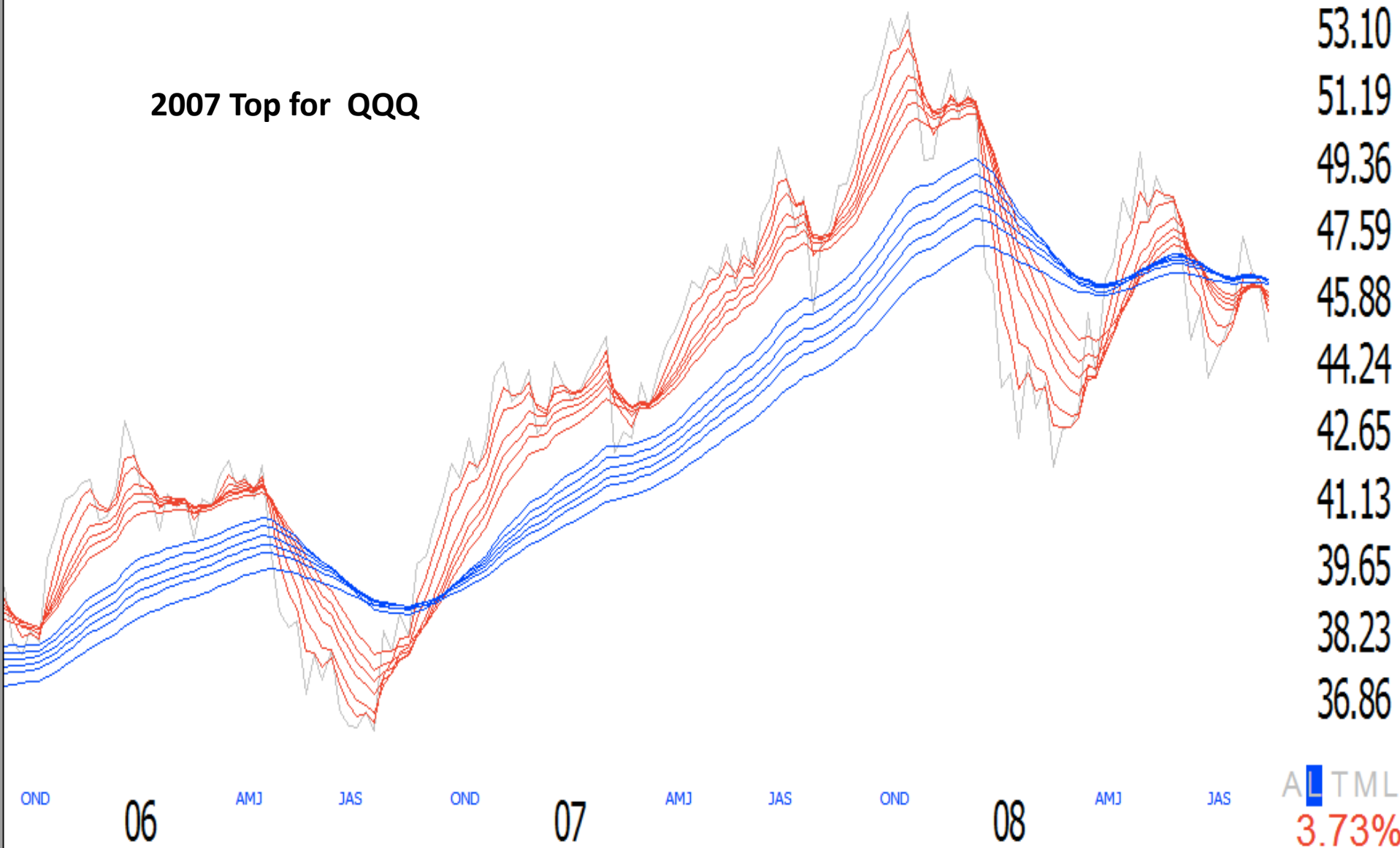
FINANCIAL SERVICES - Closed End Fund - Equity

DowHistoryGuppyDmcca Edit Weekly

09/03/08 46.45 47.28 44.79 45.12 -1.31 1356935 Nasdaq Optionable -2.82%

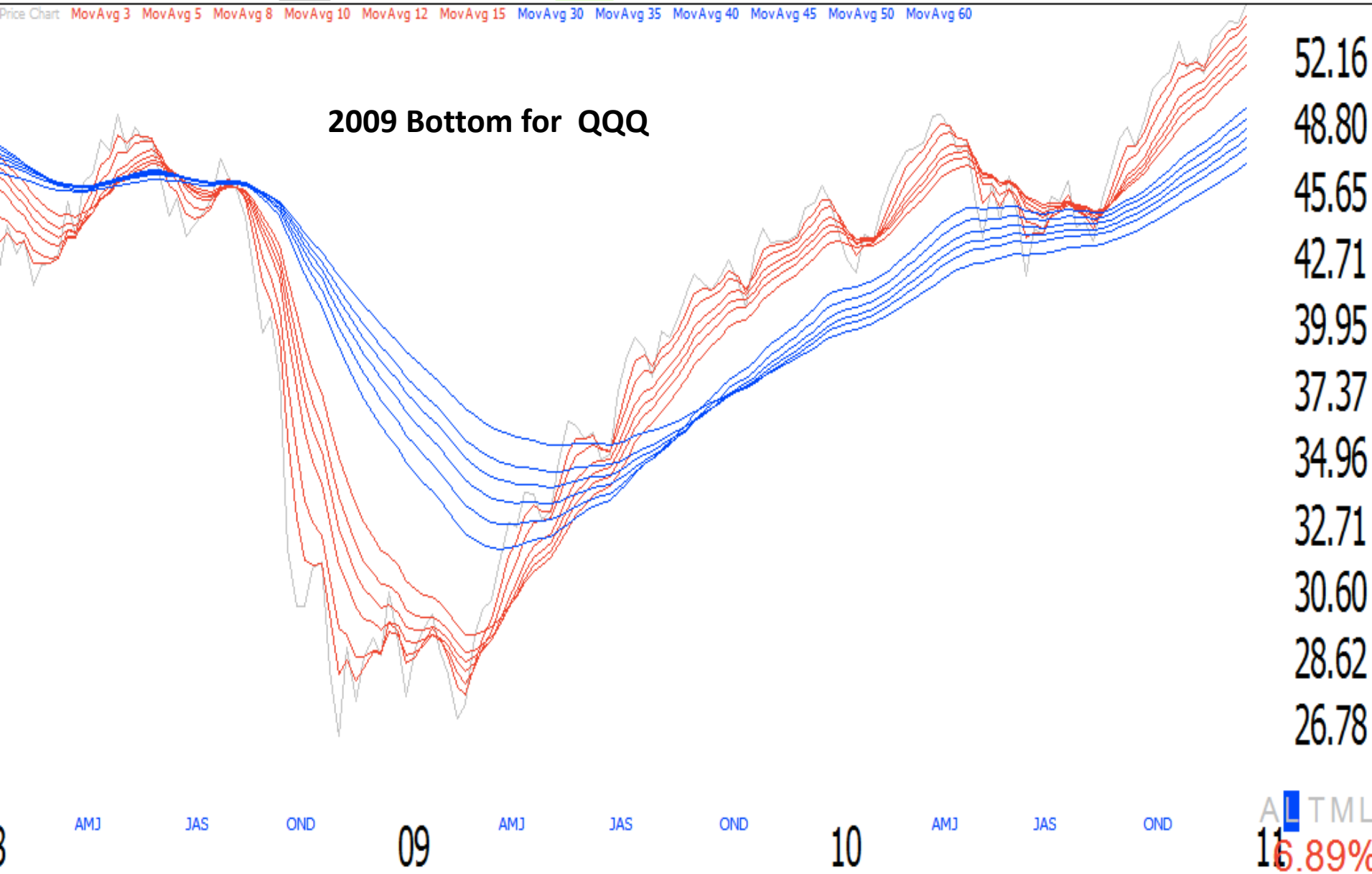
Price Chart MovAvg 3 MovAvg 5 MovAvg 8 MovAvg 10 MovAvg 12 MovAvg 15 MovAvg 30 MovAvg 35 MovAvg 40 MovAvg 45 MovAvg 50 MovAvg 60

2007 Top for QQQ



ATML 3.73%

2009 Bottom for QQQ

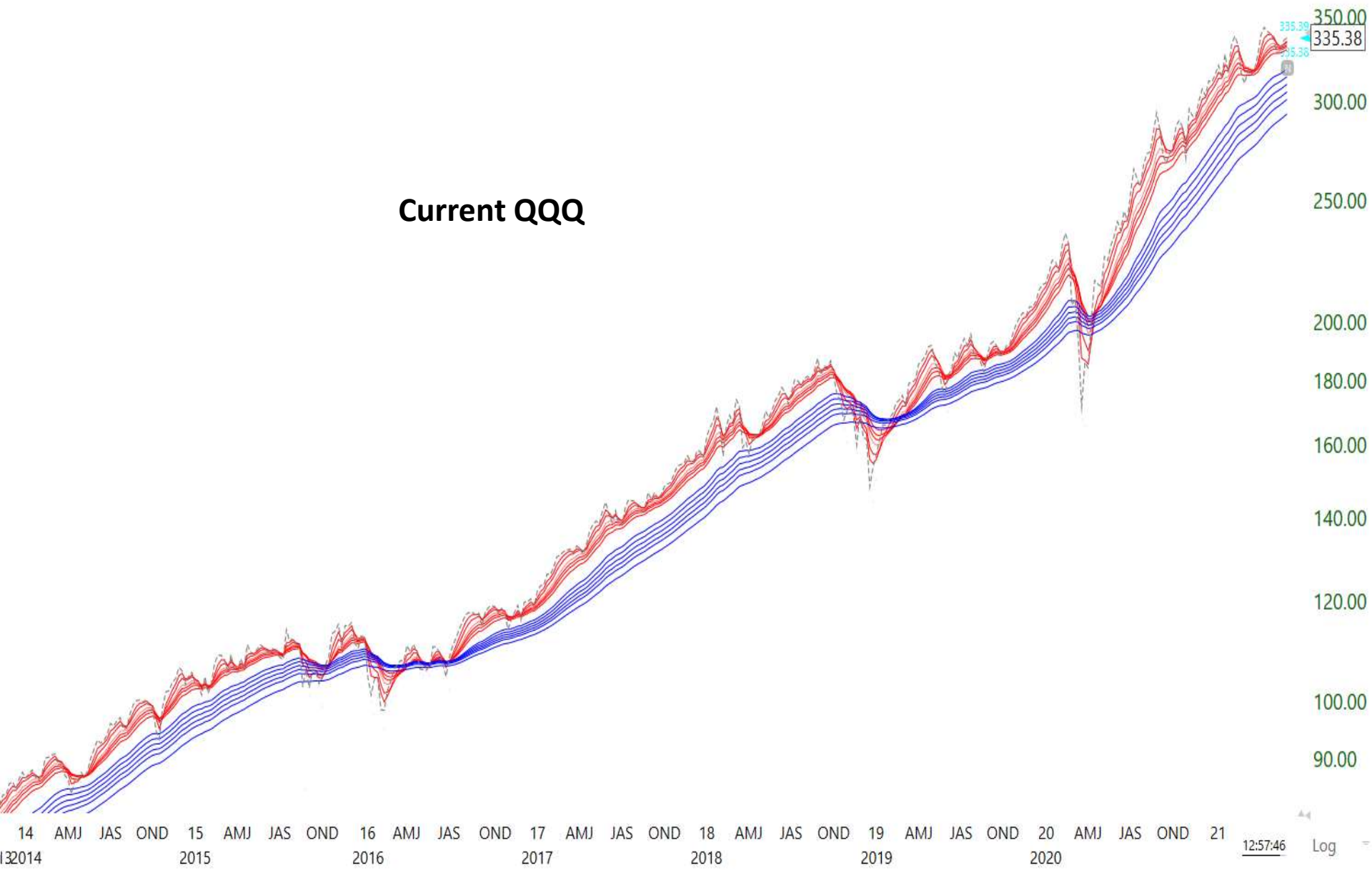


335.34 335.79 328.28 335.38 +1.45 +0.4% ... 1.4 1.4 12 12 6 6 -2.80 +10.37

vesco QQQTrust Ser 1 ... Optionable 331.34 330.57 330.67 333.80 -2.39 328.19

QQQ Weekly EAvg 3 EAvg 5 EAvg 8 EAvg 10 EAvg 12 EAvg 15 EAvg 30 EAvg 35 EAvg 40 EAvg 45 EAvg 50 EAvg 60 Avg 1 AvgL 1

Current QQQ



www.investors.com

12/07/21

MARKET PULSE

Tuesday's action:

Indexes extend sharp rebound

Current outlook:

Market in correction

Leaders up in volume:

Builders FirstSource (BLDR)

Ambarella (AMBA)

Life Storage (LSI)

Silicon Motion (SIMO)

Zim Integrated Shipping (ZIM)

Mimecast (MIME)

ServiceNow (NOW)

Power Integrations (POWI)

Leaders down in volume:

AutoNation (AN)

WISHING WEALTH GENERAL MARKET INDEX* (GMI)

As of Close 12/10/2021

GMI: 3

- | | | |
|----|--|-----|
| 1. | WISHING WEALTH 10 DAY SUCCESSFUL NEW HIGH INDEX
GREATER THAN OR EQUAL TO 50%, min. 20: ?% | NO |
| 2. | AT LEAST 100 NEW HIGHS TODAY OUT OF 5,000+ U.S. STOCKS: 66 | NO |
| 3. | WISHING WEALTH DAILY QQQ INDEX POSITIVE | YES |
| 4. | WISHING WEALTH DAILY SPY INDEX POSITIVE | YES |
| 5. | WISHING WEALTH WEEKLY QQQ INDEX POSITIVE | YES |
| 6. | IBD MUTUAL FUND INDEX GREATER THAN 50 DAY AVERAGE | NO |

GMI2: 7

- | | | |
|----|---|-----|
| 1. | * MORE NEW HIGHS THAN LOWS TODAY | YES |
| 2. | * QQQ CLOSED ABOVE 10 WEEK AVERAGE | YES |
| 3. | * QQQ CLOSED ABOVE 4 WEEK AVERAGE | YES |
| 4. | * QQQ: CLOSED ABOVE 10 DAY AVERAGE | YES |
| 5. | * QQQ: 4 WEEK AVERAGE >10WKAVG>30WKAVG | YES |
| 6. | * QQQ DAILY 10.4 STOCHASTIC <20 | NO |
| 7. | * QQQ Daily 12/26/9 MACD HIST RISING L2DAYS OR BLACK (>0) | YES |
| 8. | * QQQ 10.4.4 DAILY STOCHASTIC—FAST>SLOW OR ABOVE 80 | YES |
| 9. | * QQQ DAILY 10.1 STOCHASTIC<=20 | NO |

***For GMI definitions, click on “my favorite posts,” at bottom right of post**

QQQ SHORT TERM TREND COUNT: U-3

OF WEEKS QQQ HAS CLOSED **Above** ITS 10 WEEK AVERAGE: 8

OF WEEKS SPY HAS CLOSED **Above** ITS 10 WEEK AVERAGE 1 (wkly chg)

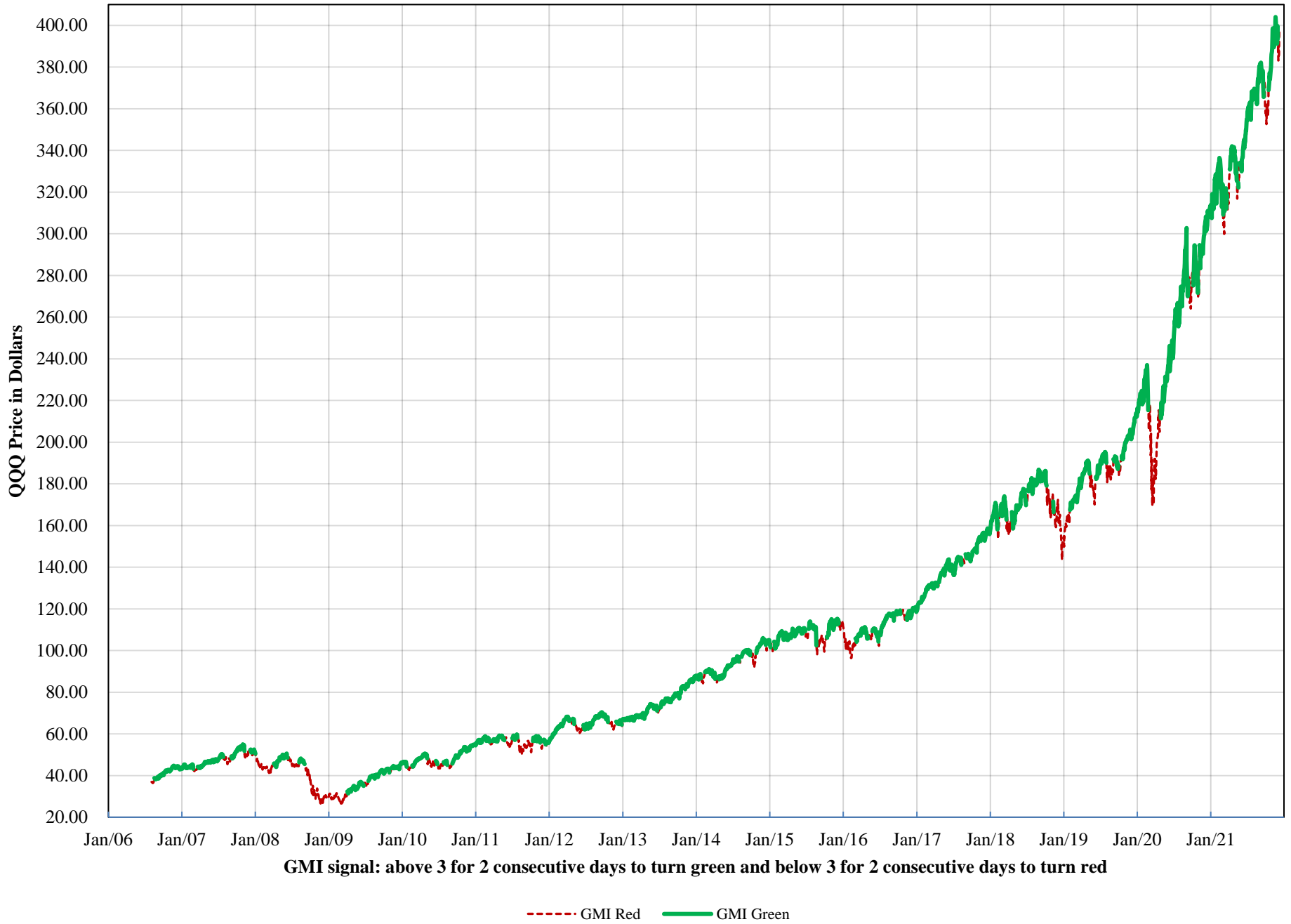
WORDEN INDICATOR T2108--% OF NYSE STOCKS ABOVE 40 DAY MA39

33% (+8)

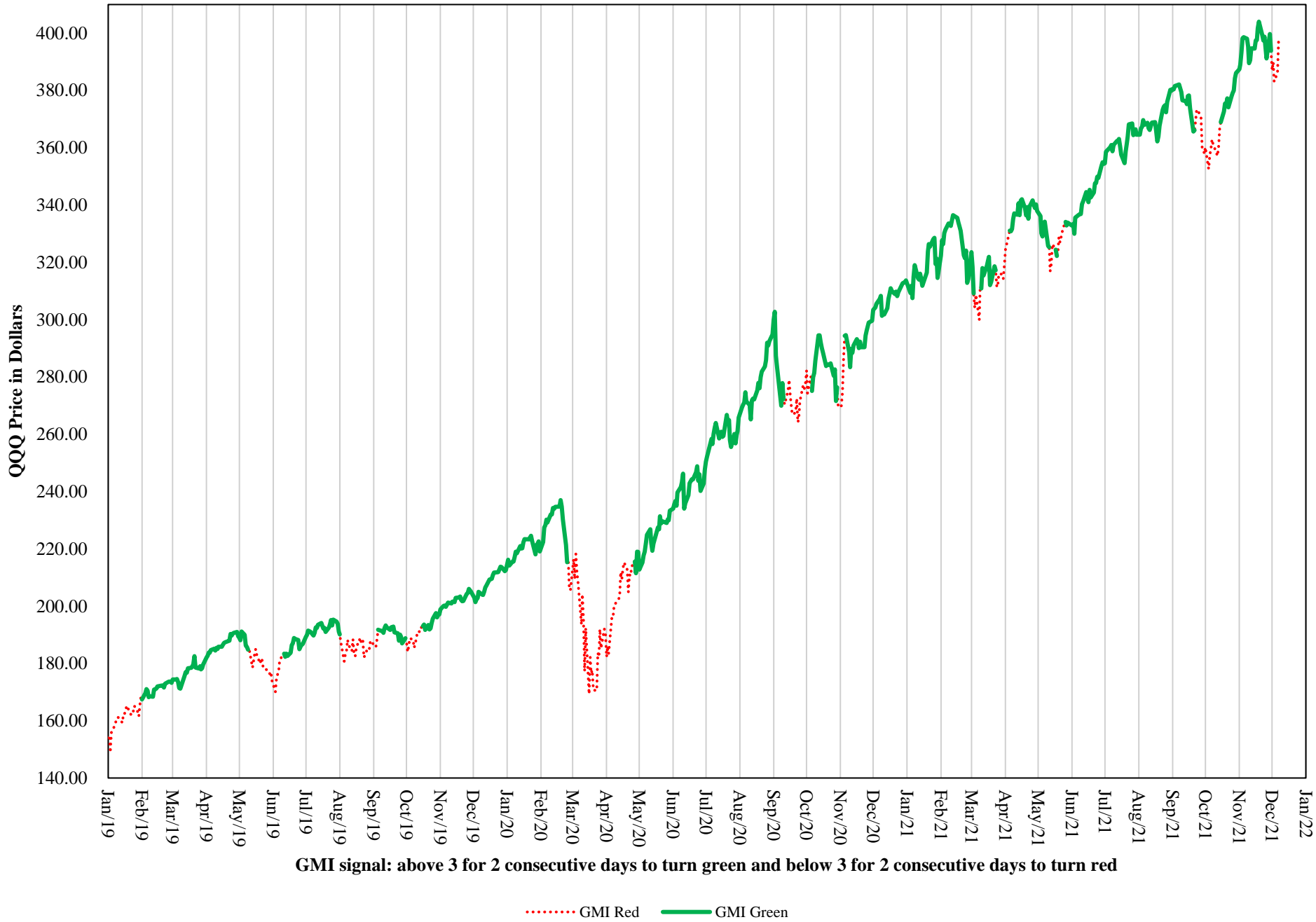
Nasdaq 100 stocks above MACD signal line:

55% (+39)

GMI Signals Applied to QQQ, August 2006 Through Dec. 7, 2021



GMI Signals Applied to QQQ, January 2019 Through Dec. 7, 2021



Blog post: GMI remains at 6 (of 6) and Green, 21st day of \$QQQ short term up-trend

Sunday, May 2, 2021 @ 11:04 pm by Dr. Wish

GMI **6/6** GMI-2 **3/8** T2108 **56%**

WISHING WEALTH GENERAL MARKET INDEX* (GMI) As of Close 4/30/2021

GMI:6

- | | |
|---|-----|
| 1. WISHING WEALTH 10 DAY SUCCESSFUL NEW HIGH INDEX GREATER THAN OR EQUAL TO 50%, min. 20: 59% | YES |
| 2. AT LEAST 100 NEW HIGHS TODAY OUT OF 5,000+ U.S. STOCKS: 218 | YES |
| 3. WISHING WEALTH DAILY QQQ INDEX POSITIVE | YES |
| 4. WISHING WEALTH DAILY SPY INDEX POSITIVE | YES |
| 5. WISHING WEALTH WEEKLY QQQ INDEX POSITIVE | YES |
| 6. IBD MUTUAL FUND INDEX GREATER THAN 50 DAY AVERAGE | YES |

GMI2:3

- | | |
|--|-----|
| 1. * MORE NEW HIGHS THAN LOWS TODAY | YES |
| 2. * QQQ CLOSED ABOVE 10 WEEK AVERAGE | YES |
| 3. * QQQ CLOSED ABOVE 4 WEEK AVERAGE | NO |
| 4. * QQQ: CLOSED ABOVE 10 DAY AVERAGE | NO |
| 5. * QQQ: 4 WEEK AVERAGE >10WKAVG>30WKAVG | YES |
| 6. * QQQ DAILY 10.4 STOCHASTIC <20 | NO |
| 7. * QQQ Daily 12/26/9 MACD HIST RISING L2DAYS OR BLACK (>0) | NO |
| 8. * QQQ 10.4.4 DAILY STOCHASTIC—FAST>SLOW OR ABOVE 80 | NO |
| 9. * QQQ DAILY 10.1 STOCHASTIC<=20 | NO |

*For GMI definitions, click on "my favorite posts," at bottom right of post

QQQ SHORT TERM TREND COUNT: U-21
OF WEEKS QQQ HAS CLOSED **above** ITS 10 WEEK AVERAGE: **5**
OF WEEKS SPY HAS CLOSED **above** ITS 10 WEEK AVERAGE: **13** (wkly cbg)

WORDEN INDICATOR T2108--% OF NYSE STOCKS ABOVE 40 DAY MA
(Market tops likely above 80, bottoms likely below 25): **56% (-)**

Nasdaq 100 stocks above MACD signal line: **40% (-18)**

Share this:

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Current GMI Signal

GREEN

since close on May 26, 2021

GREEN LINE BREAKOUT (GLB)

These are stocks/ETFs I am tracking that have had a successful recent Green Line Breakout (GLB) and met some of my other technical criteria. I am tracking their performance below:

I am not currently tracking any GLB stocks.

Indicators in your Inbox

Enter your email address:

Subscribe

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Tweets by @WishingWealth

 **Dr. Eric Wish**
@WishingWealth
Blog post; 11th day of \$QQQ short term up-trend; Two free online presentations coming up; TraderLion conference on Saturday and Long Island Stock Traders Meetup Group on Wednesday--check them out; find [SLOVE](#) [ift.tr/3vfxUJa](#)

Like Retweet 21

Popular Most Discussed Recent

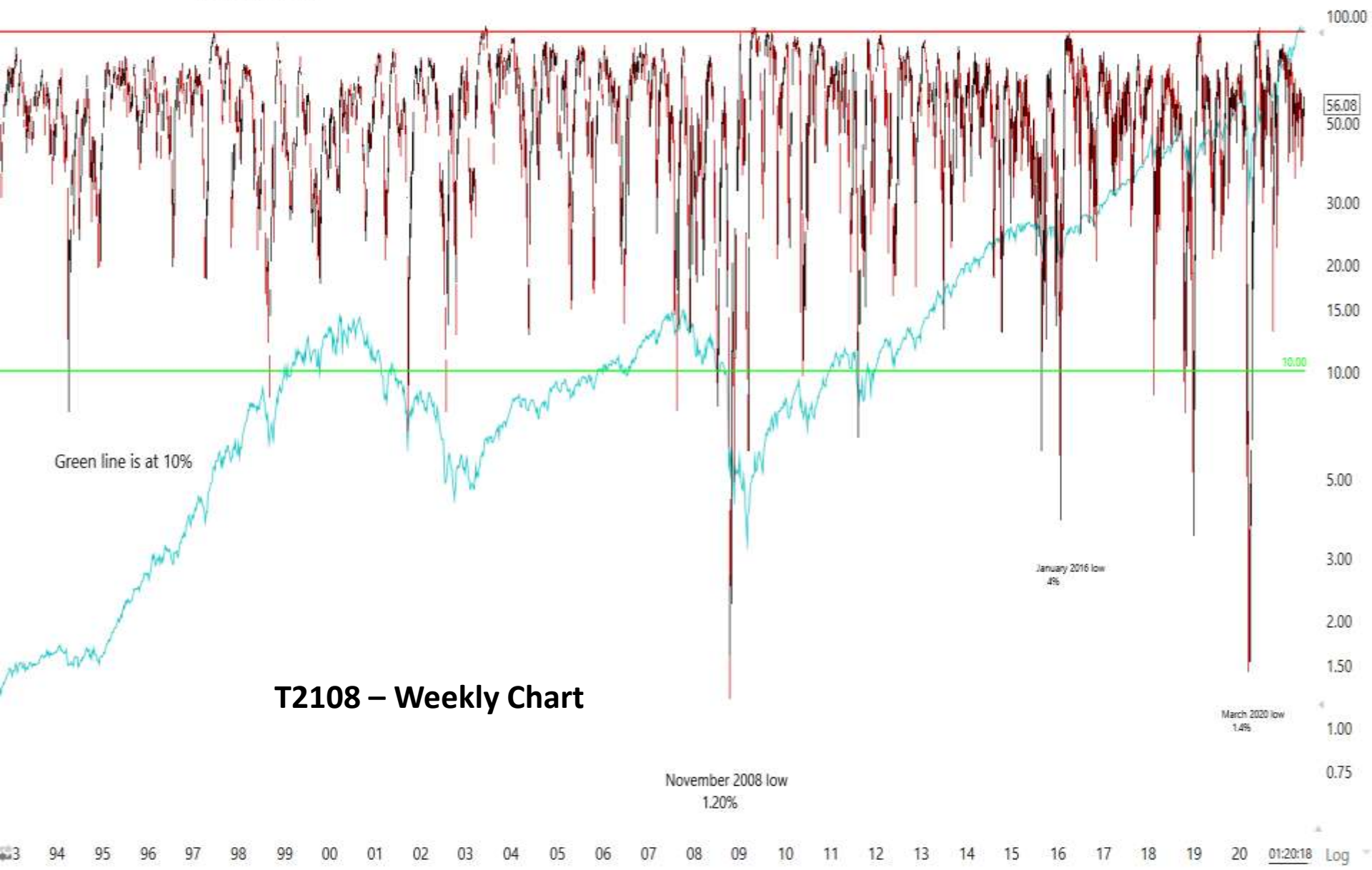
- About the General Market Index (GMI)
- How to use IBD 100 and New America stocks and TC2007 to find potential rocket stocks; Market rally begins
- Welcome to the new *and Improved* Wishing

Worden T-2108

T2108: Measures the percentage of NYSE Stocks that closed above their simple 40 day moving average.

Red line is at 92%

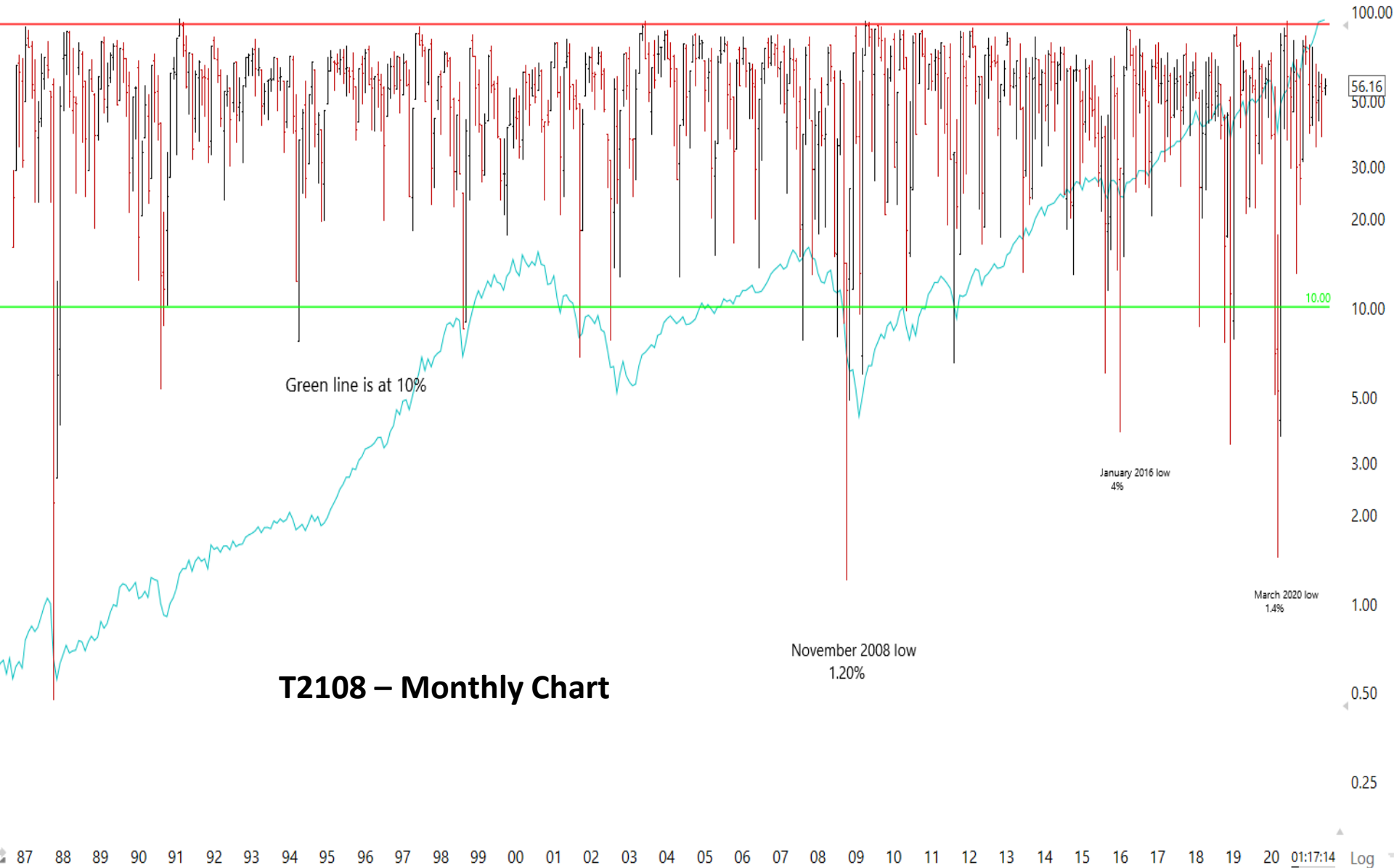
Green line is at 10%



T2108 – Weekly Chart

Red line is at 92%

Green line is at 10%



T2108 – Monthly Chart

INVESTORS.COM
CONTEXTUAL INDICATORS

P/C RATIO
SENTIMENT

Enron Weekly Chart



Enron's Top and Aftermath

Advice from Major Wall Street Firms on Enron

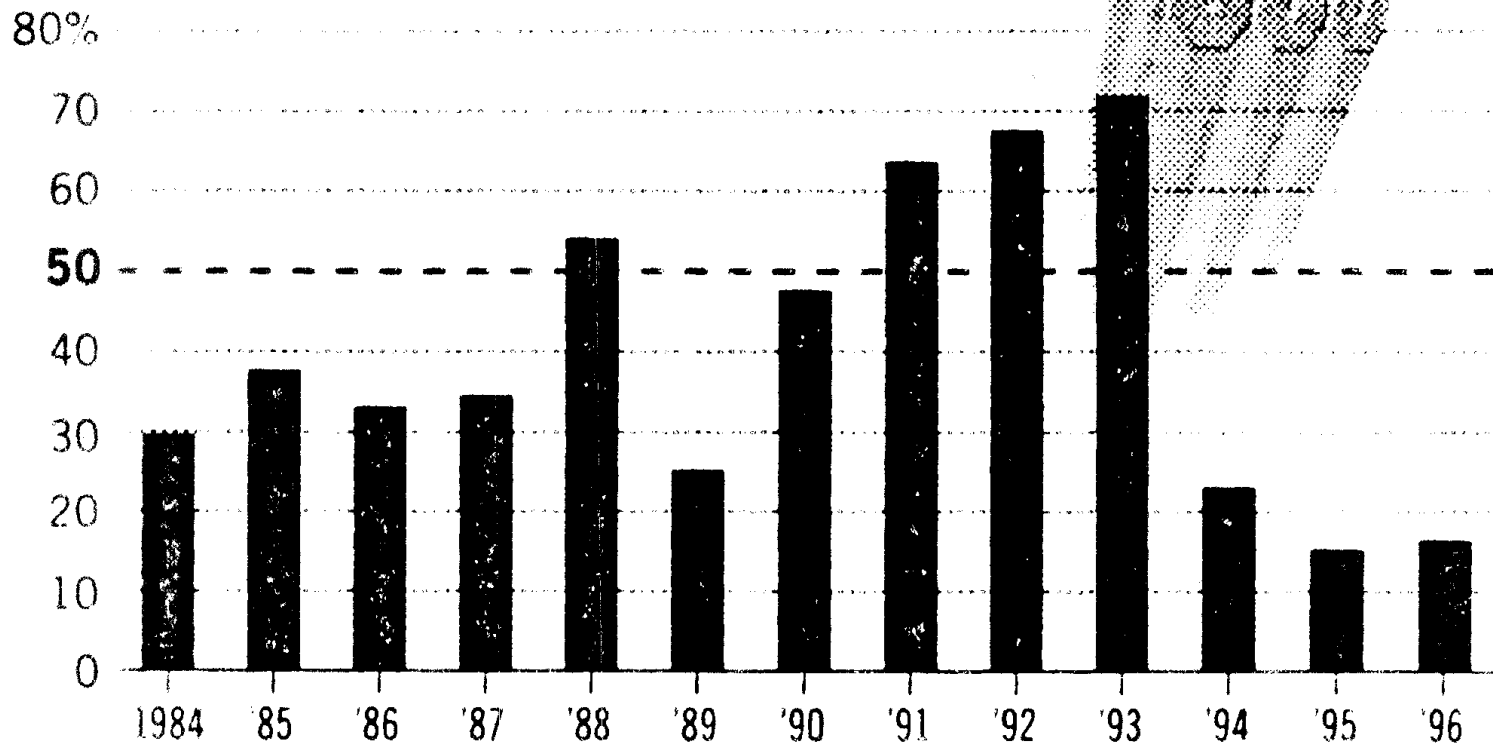
March 12-November 20, 2001

Date	Price		Date	Price	
3/12	\$61.27	Prudential—cut upward target price	10/16	32.84	Merrill —raised to near-term accumulate
3/14	62.75	Commerzbank—raised to accumulate	10/17	32.20	First Albany—reiterated strong buy
3/21	55.89	Merrill — reiterated near-term buy	10/19	26.05	AG Edwards—cut to hold
3/22	55.02	Commerzbank—reiterated accumulate	10/22	20.65	CIBC—downgraded to hold
3/29	55.31	Goldman— reiterated Recommend List			Prudential—downgraded to hold
4/16	59.44	Gold man—re iterated Recommend List	10/23	19.79	Edward Jones—cut to reduce
4/17	60.00	Merrill —reiterated near-term buy	10/24	16.41	Prudential —cut to sell
4/18	61.62	Goldman—reiterated Recommend List			JP Morgan—cut to long-term buy
		Commerzbank—reiterated to accumulate			Lehman —reiterated strong buy
5/21	54.99	Prudential—price target cut			First Albany—cut to buy
6/8	51.13	Bear Sterns —reiterated attractive	10/25	16.35	Bane America— cut to market perform
6/15	47.26	JP Morgan — reiterated buy			Salomon—reiterated buy but target cut from 55 to 30
6/20	45.80	Goldman —reiterated Recommend List			S&P—cuts to negative
6/22	44.88	AG Edwards—raised to accumulate	11/1	11.99	Merrill —near-term neutral
6/27	46.72	Goldman—estimate raised			CIBC—reiterated buy - but saw no reason to buy the stock
7/10	49.22	JP Morgan —reiterated buy	11/7	9.05	AG Edwards —cut to sell
7/13	48.78	First Albany—estimates raised	11/9	8.63	Commerzbank—cut to hold
8/15	40.25	Bane America—reiterated strong buy	11/12	9.24	Prudential—raised to hold
		Goldman—reiterated Recommend List	11/13	9.98	Edward Jones—raised to maintain position
		Bear Sterns —reiterated attractive	11/21	5.01	Goldman —cut to market perform
		Merrill —cut to near-term neutral			CIBC-cut to hold
8/28	38.16	Bane America—reiterated strong buy			Edward Jones—cut to sell
9/6	30.49	Sanders Morris—raised to buy	11/28	.61	Prudential—estimates reduced
9/26	25.15	AG Edwards — upgraded to strong buy			UBS-cut to hold
10/3	33.49	Goldman—reiterated Recommend list			Commerzbank—cut to sell
10/4	33.10	AG Edwards—downgraded to buy	11/29	.36	Credit Suisse —cut to hold
10/5	31.73	First Albany—reiterated strong buy			RBC Capital—cut to underperform
10/9	33.39	Merrill —raised to long-term buy			

PICKERS VS. MR. MARKET

The Standard & Poor's 500-stock index has outperformed the majority of mutual funds in nine of the last 13 years.

Percentage of mutual funds having a yearly return greater than or equal to the S&P 500



SOURCE: Lipper Analytical Services

BY ROBERT DORRELL—THE WASHINGTON POST

Many people get confused: they think we are trading the actual companies themselves, that the pieces of paper we are trading, investing, owning, are some sort of redemptive right, a coupon that will give you certain cents off, or an ownership right that will allow you to have a chunk of the brick and mortar if not the cash in the treasury of the joint; untrue. These are, in the end, simply pieces of paper, to be bought, sold, or manipulated up and down by those with more capital than others ... the fundamentals of the company play only a part in what moves the stock up or down.

—Jim Cramer

Before the open on Tuesday [1/5/2016], Jim Cramer was talking up the virtues of FIT. The stock fell more than 18% during the day. Beware the media pundits!!!!

www.wishingwelth.blog 1/5/2016



**THERE IS NO MAGIC ABOUT "BUY SIGNALS."
THEY ARE ONLY DEVICES BY WHICH WE CALL
OUR ATTENTION TO STOCKS THAT HAVE
ALREADY BEGUN TO ATTRACT THE ATTENTION
OF OTHERS.**

BURTON CRANE, THE SOPHISTICATED INVESTOR. 1964, P. 49

“Don’ t gamble;

take all your savings and buy some good stock and hold it till it goes up, then sell it.

If it don't go up, don't buy it.”

Will Rogers

Q. When you use an historical high as a buy-point, do you hold *literally* to the *historical* high, or can you buy *safely* a stock making a new high for a lesser period, viz., five years, that also shows stepped-up volume?

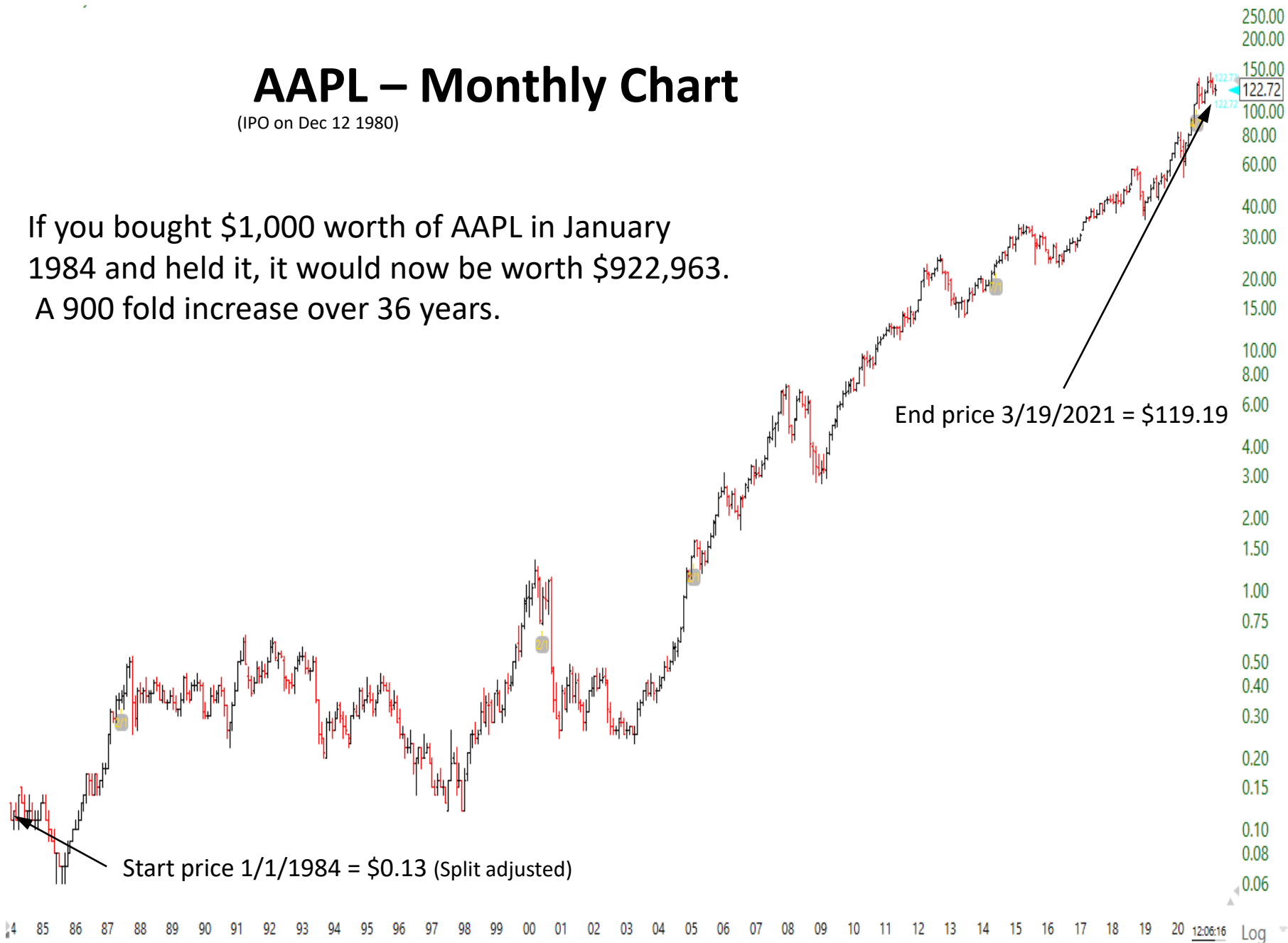
A: I strictly adhere to *historical* high.

Nicolas Darvas, *How I Made \$2,000,000 in the Stock Market*. Kensington Publishing Corp., 1986.

AAPL – Monthly Chart

(IPO on Dec 12 1980)

If you bought \$1,000 worth of AAPL in January 1984 and held it, it would now be worth \$922,963.
A 900 fold increase over 36 years.

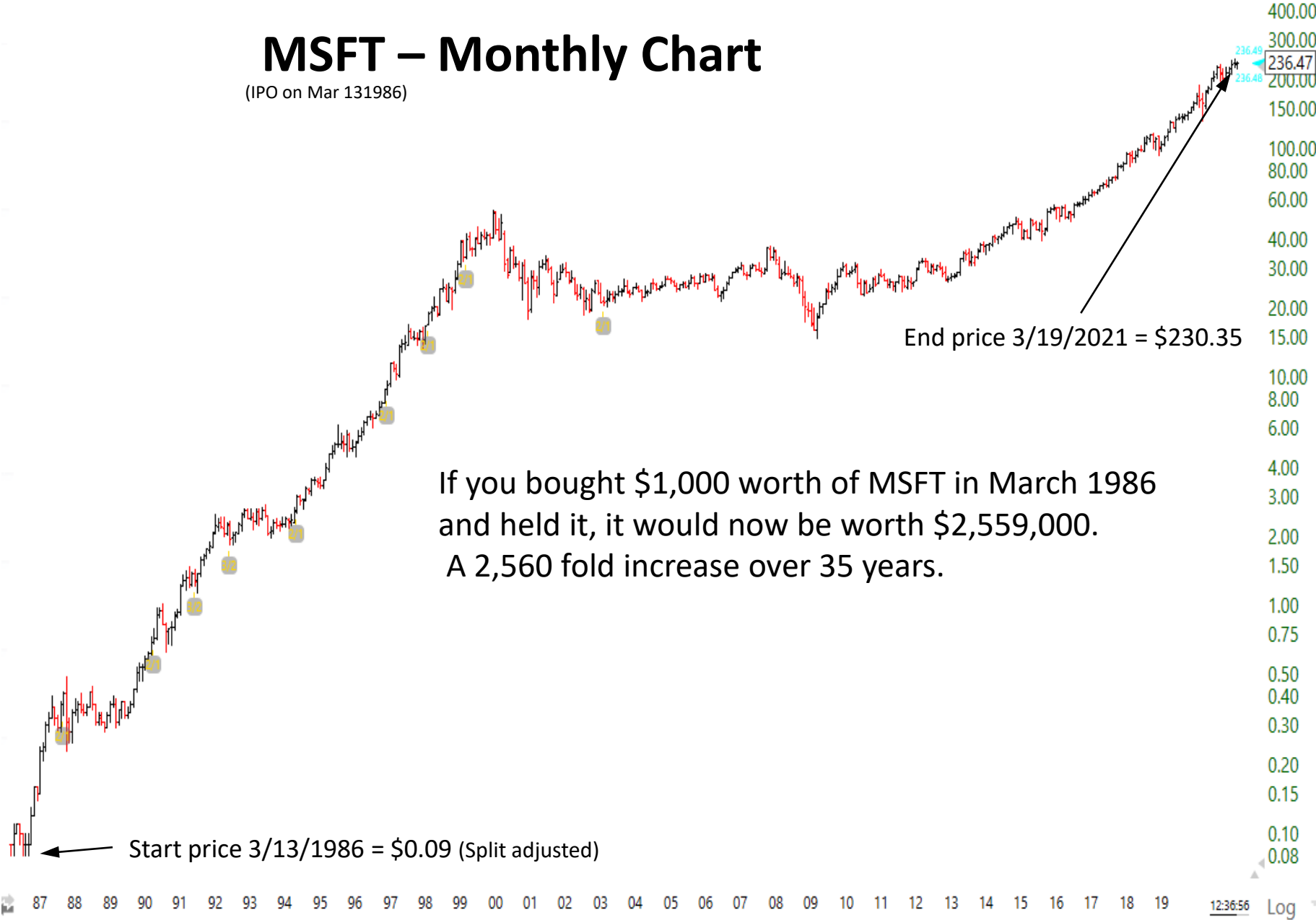


End price 3/19/2021 = \$119.19

Start price 1/1/1984 = \$0.13 (Split adjusted)

MSFT – Monthly Chart

(IPO on Mar 13 1986)



SQ – Monthly Chart

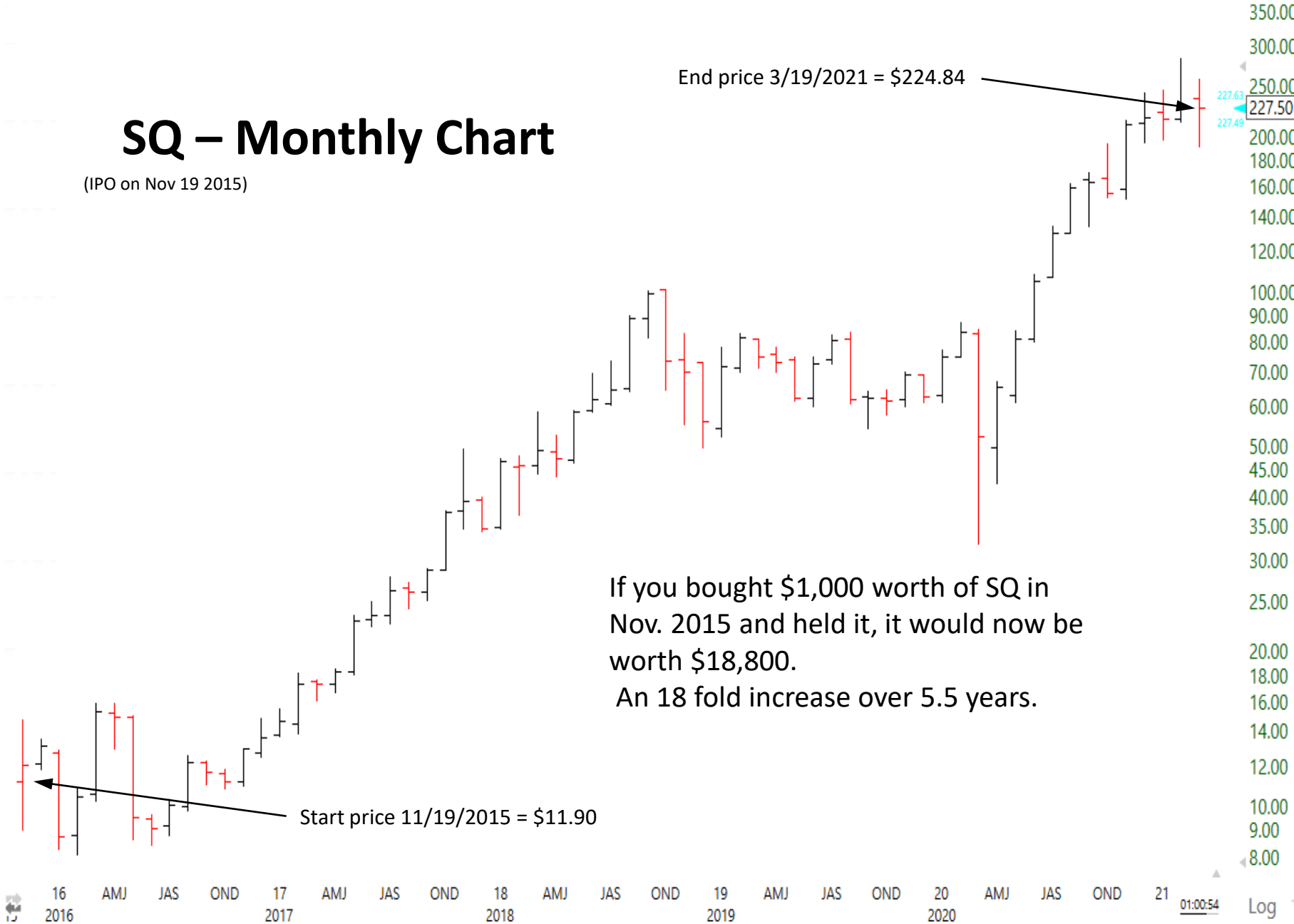
(IPO on Nov 19 2015)

End price 3/19/2021 = \$224.84

If you bought \$1,000 worth of SQ in Nov. 2015 and held it, it would now be worth \$18,800.

An 18 fold increase over 5.5 years.

Start price 11/19/2015 = \$11.90



TSLA – Monthly Chart

(IPO on Nov 19 2015)

End price 3/19/2021 = \$654.87



If you bought \$1,000 worth of TSLA in Jun. 2010 and held it, it would now be worth \$172,000.

An 172 fold increase over 10.5 years.

Start price 6/30/2010 = \$3.80

Dr. Wish's Criteria for Buying a Stock

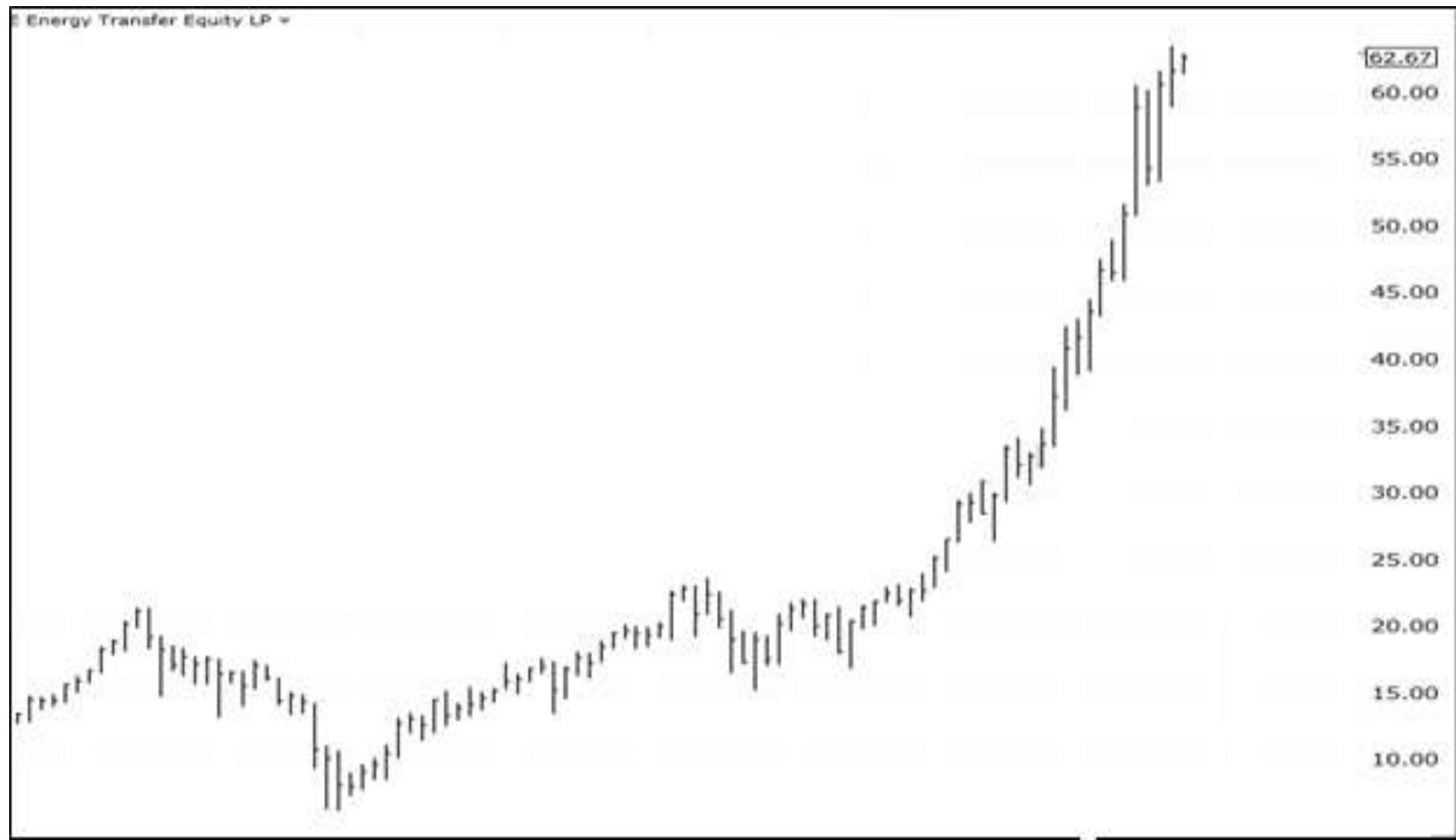
1. Market is in a Stage 2 uptrend
2. The GMI on a 'buy signal'
3. Stock is above the last Green Line
4. Stock is in a Stage 2 and/or a RWB uptrend
5. Stock is breaking out or is on support or oversold and turning up
6. There is an obvious technically based place for a stop that is close to the entry.
7. No imminent earnings release scheduled
8. Strong MarketSmith fundamental ratings and rankings
9. Evidence of increased volume -- Volume Buzz™
10. Stocks on IBD-50 and MarketSmith lists

Introducing: Green Line Charts

Green Line Requirements:

- Monthly Chart
- ALL time high not surpassed for three months

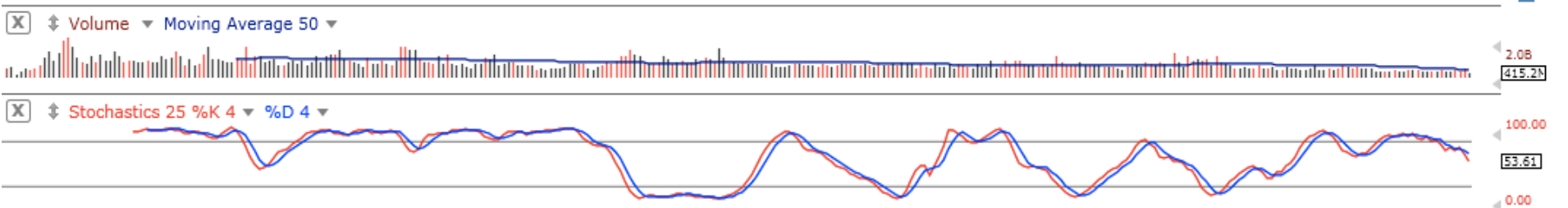
Where are the Greenlines on this monthly Chart ?

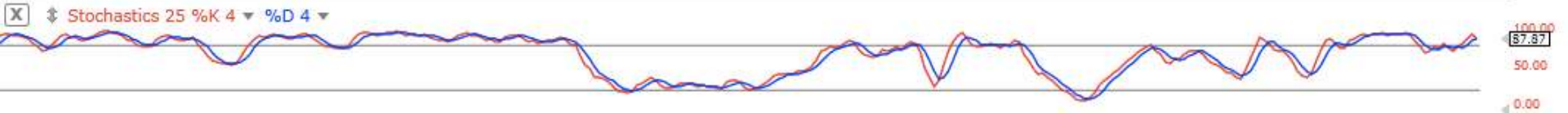
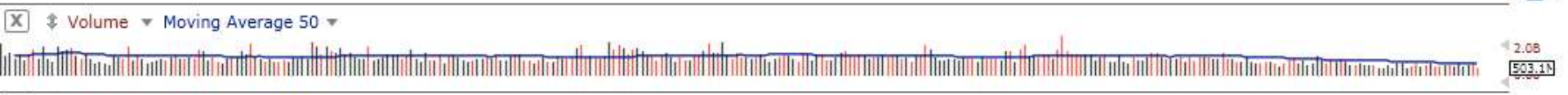


Where are the Greenlines on this monthly Chart ?



“I prefer stocks trading
above last Green Line Top”





1.7 144.93 149.12 142.41 148.92 +4.90 +3.4% +11 5 1 1.5 1.5 11 9 6 6 0.73

Apple Inc 8/1/2017 Optionable 145.93 146.58 145.85 149.29

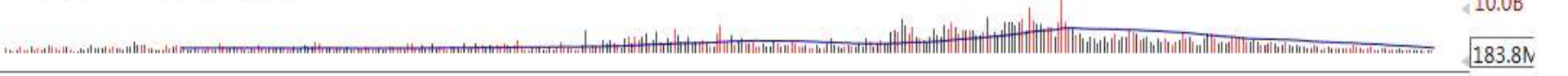
AAAPL Monthly Moving Average 30 Moving Average 10 Bollinger Bands@ 15 2



200.00
148.92
100.00
50.00

85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 00 01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 02:51:05 112065% A 5%

x Volume Moving Average 50



10.0B
183.8M

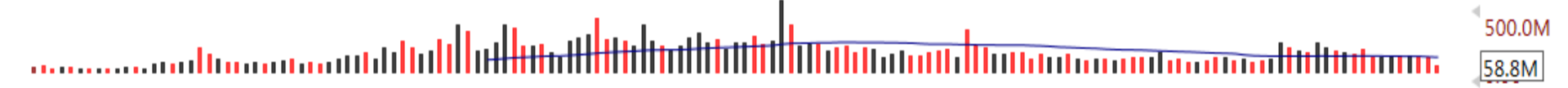
116.50 117.25 114.80 116.80 -1.22 -1.0% ... 2 0.9 1.1 6 2 5 0 -2.56

PDR Gold Trust ... Optionable 116.93 117.82 117.38 118.78

GLD Monthly Moving Average 30 Moving Average 10 Bollinger Bands® 15 2

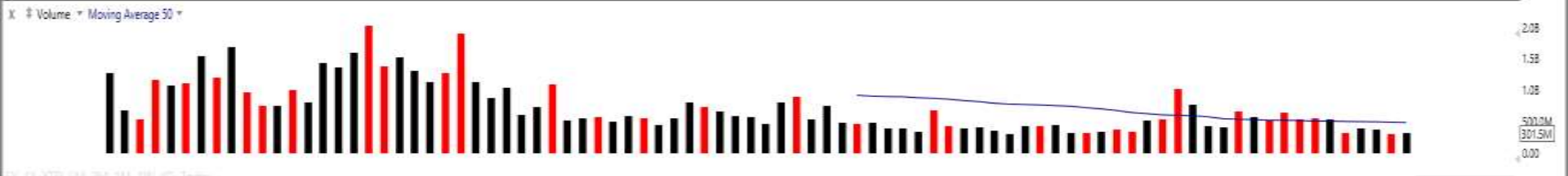


05 06 07 08 09 10 11 12 13 14 15 16 02:00:48 425% A 5% S



Facebook Inc O= 175.00 H= 194.53 L= 160.84 Cur:186.26 Chg:+8.79 %Chg:+4.95% ... NxtEm:7/24/2019 1156 s
-50 65 11 32 1yEPSChange: 11% 5yrEPSGrtr: 59.8 Optionable stock 85.99
FB Monthly Moving Average 5

Facebook breaks up through IPO base



SQ 10m 15m 1h 1W M Y ↓ -0.08 (-0.11%)

Quote: O=61.95 H=73.51 L=59.89 Cur:71.74 Chg:+9.79 %Chg:+15.80% ... NextEmit:8/7/2019 666 6

-50 -50 200 75 1yEPSChange: 33% ... Optionable: stoch 87.57

SQ Monthly Moving Average 5

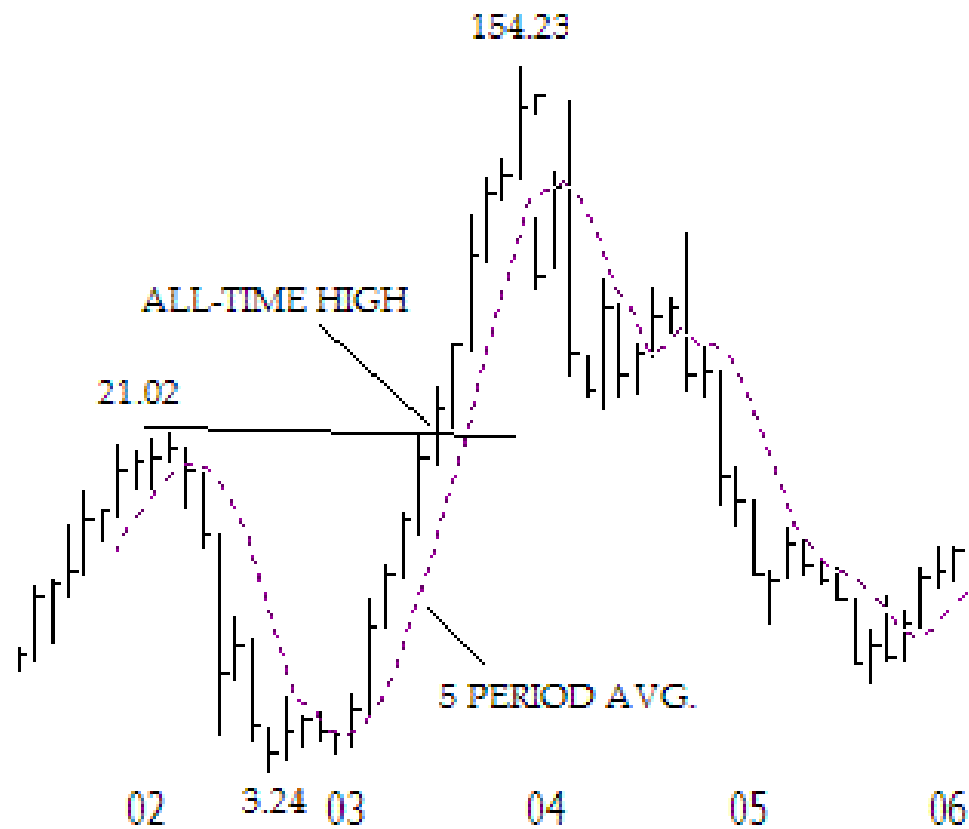


X Volume Moving Average 50



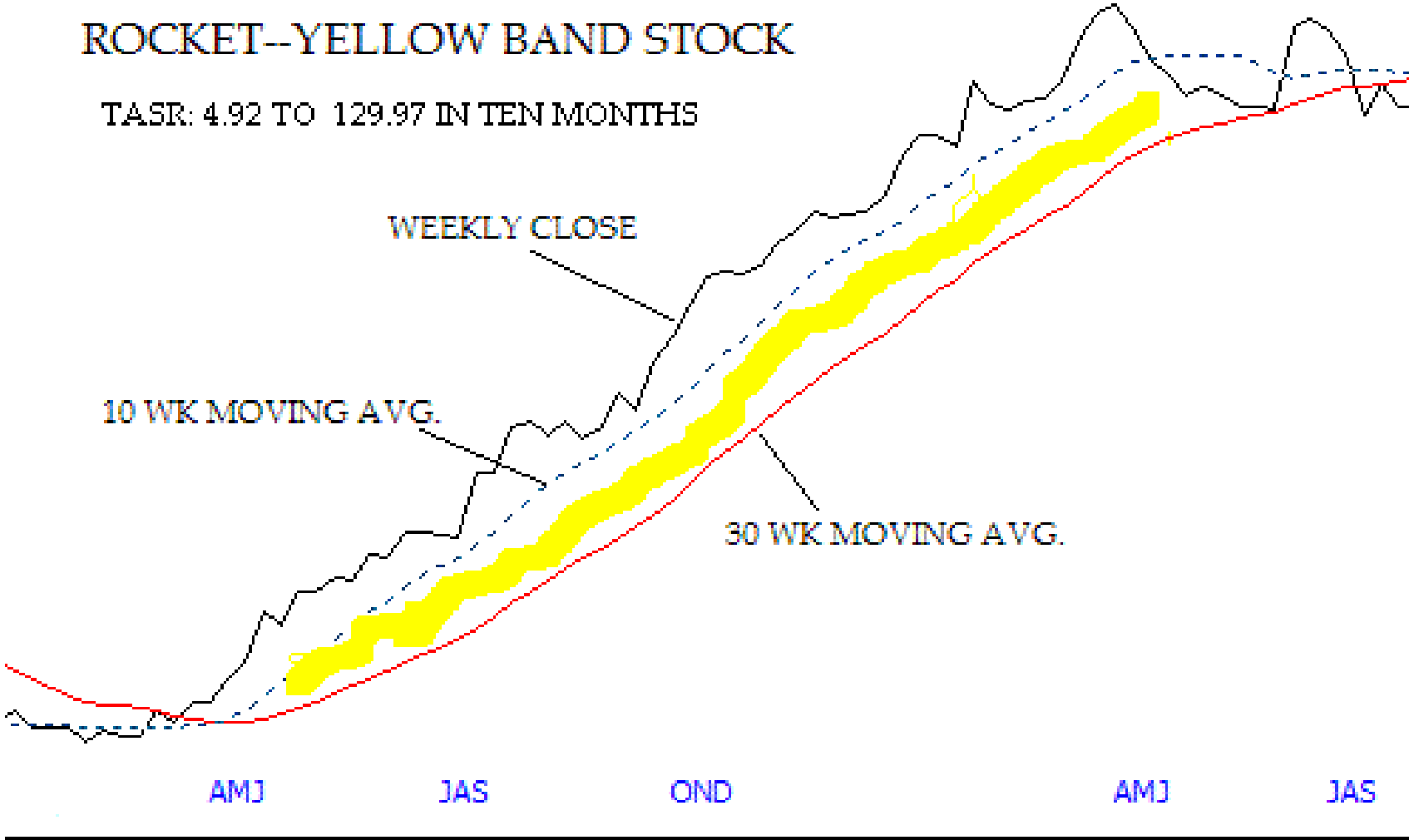
Introducing: Yellow Band Stocks

MONTHLY PORTRAIT OF A YELLOW BAND STOCK



ROCKET--YELLOW BAND STOCK

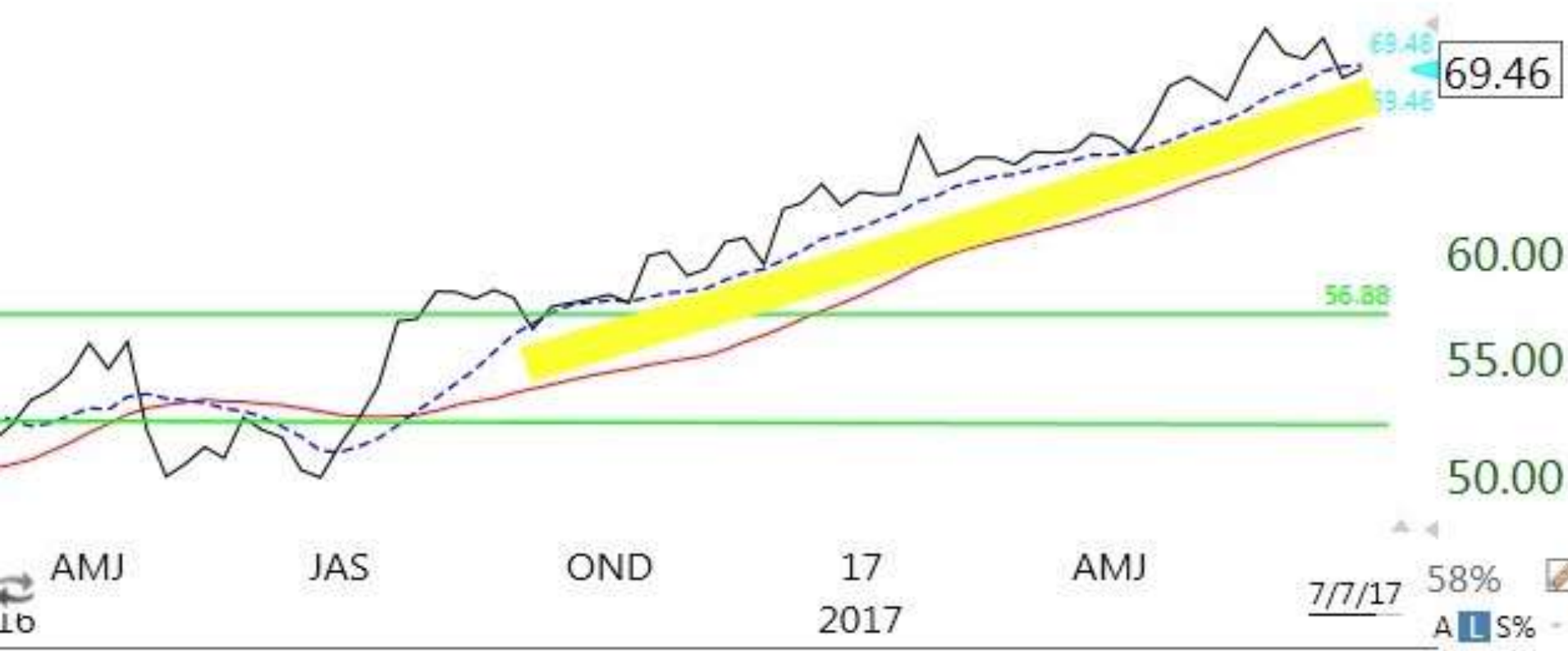
TASR: 4.92 TO 129.97 IN TEN MONTHS



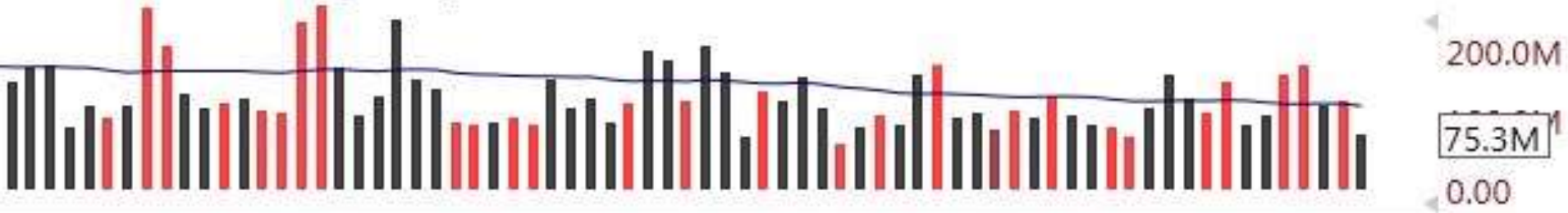
2.3 69.28 69.84 68.02 69.46 +0.53 +0.8% +30 8 2 1.3 1.3 10 7 5 4 -1.56

Microsoft Corp 7/20/17 Optionable 69.47 69.55 69.90 69.67

MSFT Weekly Moving Average 30 Moving Average 10 Moving Average 1



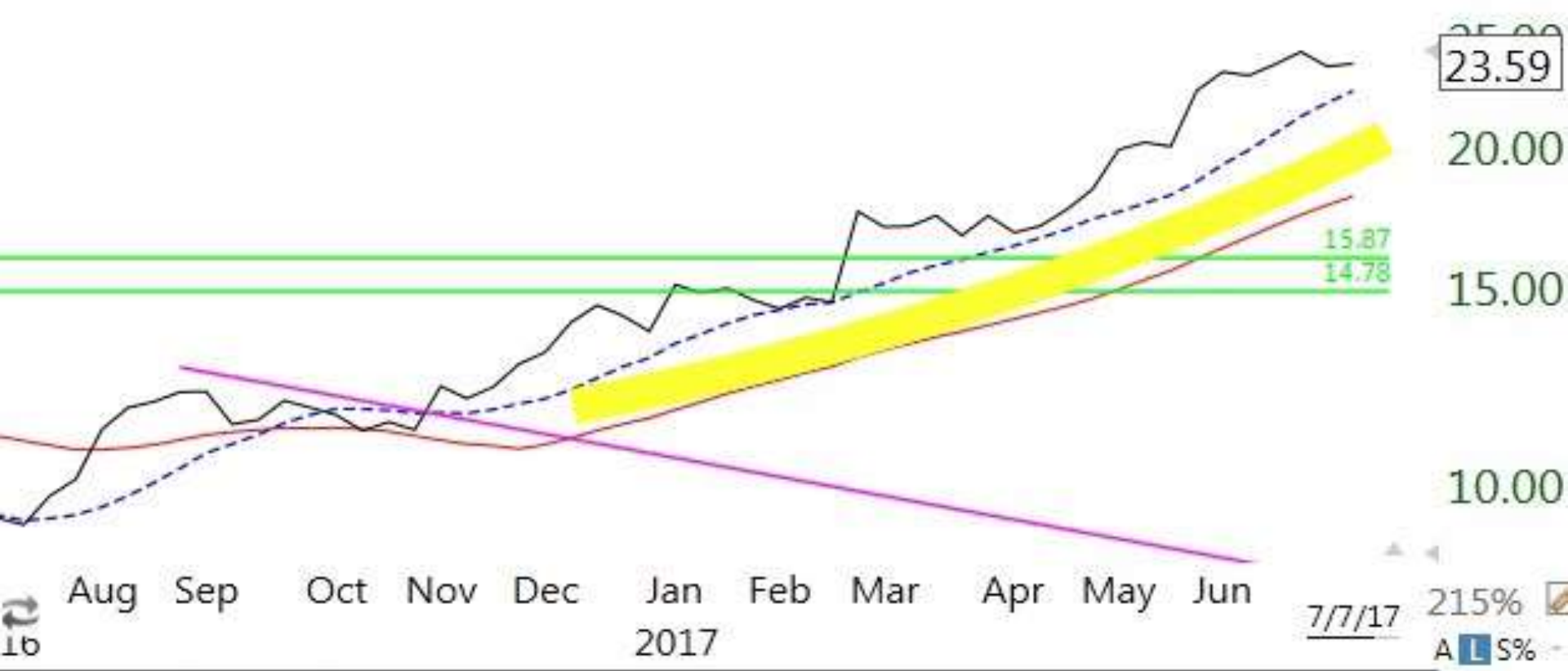
Volume Moving Average 50



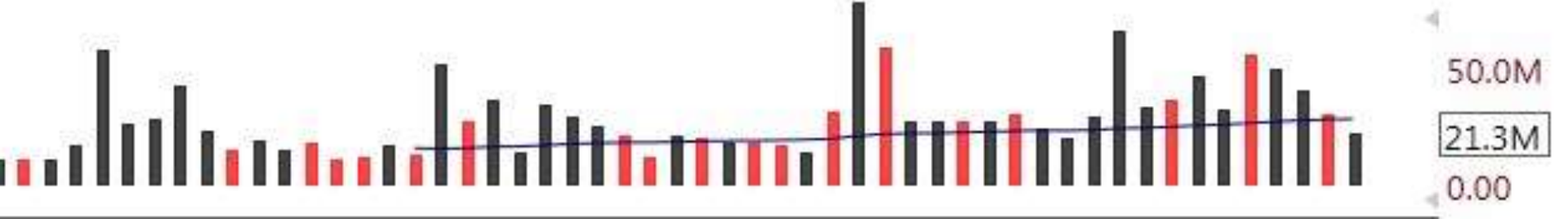
... 23.55 24.16 22.66 23.59 +0.13 +0.6% +86 22 2 2.6 2.6 12 8 6 6 -0.77

Square 8/2/17 Optionable 23.54 23.04 23.70 22.31

↓ SQ Weekly ▾ Moving Average 30 ▾ Moving Average 10 ▾ Moving Average 1 ▾



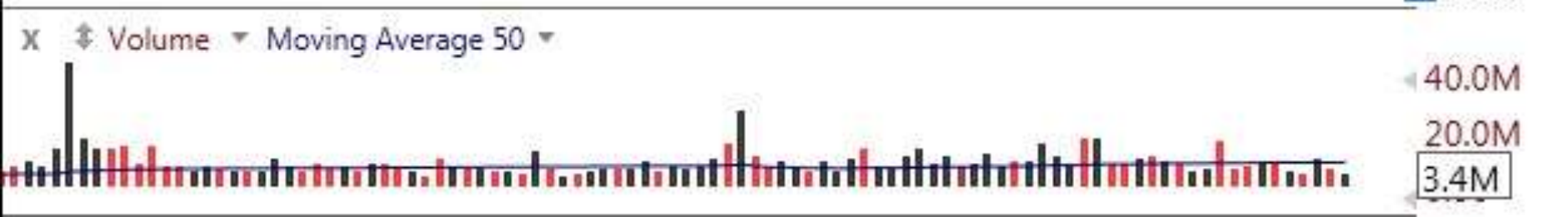
x ↓ Volume ▾ Moving Average 50 ▾



... 23.43 23.82 23.39 23.59 **+0.37** **+1.6%** +86 22 2 2.6 2.6 12 8 6 6 -0.77

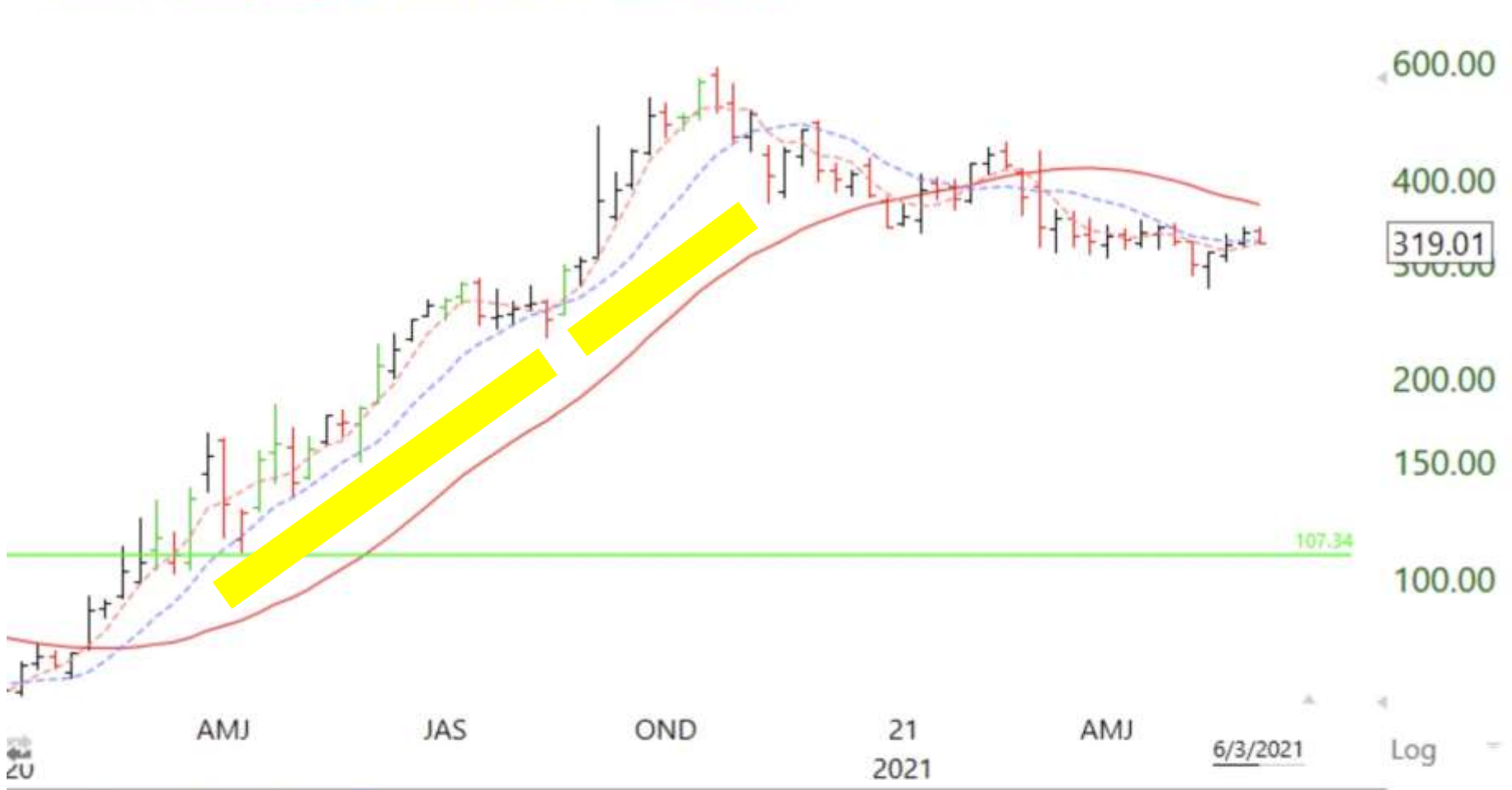
Square 8/2/17 Optionable **23.54** **23.04** **23.70** 22.31

⌵ SQ Daily ▾ Avg 30 ▾ Avg 10 ▾ Avg 4 ▾ Avg 50 ▾ BBand 15 2 ▾ Avg 150 ▾

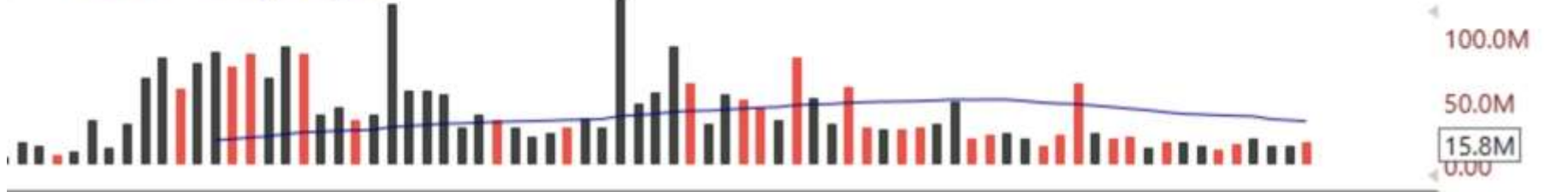


Zoom Video Communications Inc 8/30/2021 Optionable 320.01 319.30 318.71 320.54 -0.46 328.29

Zoom Weekly Moving Average 30 Moving Average 10 Moving Average 4

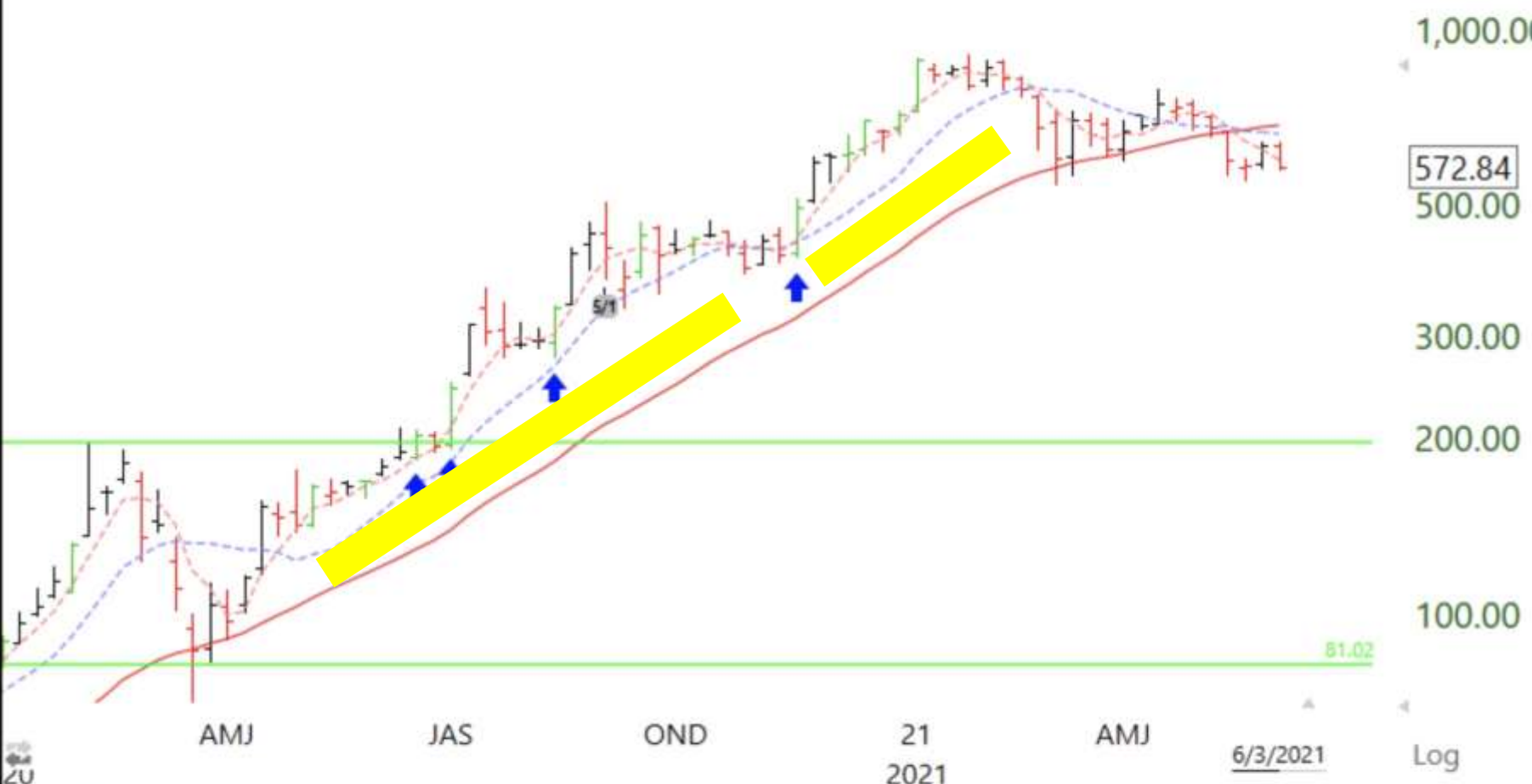


X Volume Moving Average 50

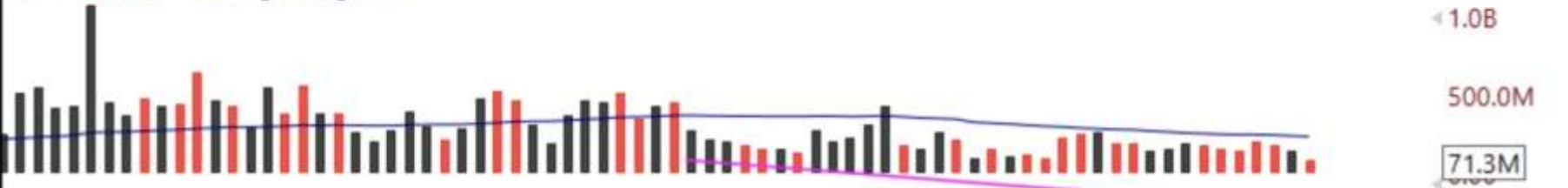


Tesla Inc 7/28/2021 Optionable 609.78 628.69 592.17 655.84 -20.95 652.35

⌵ TSLA Weekly ▾ Moving Average 30 ▾ Moving Average 10 ▾ Moving Average 4 ▾



x ⌵ Volume ▾ Moving Average 50 ▾



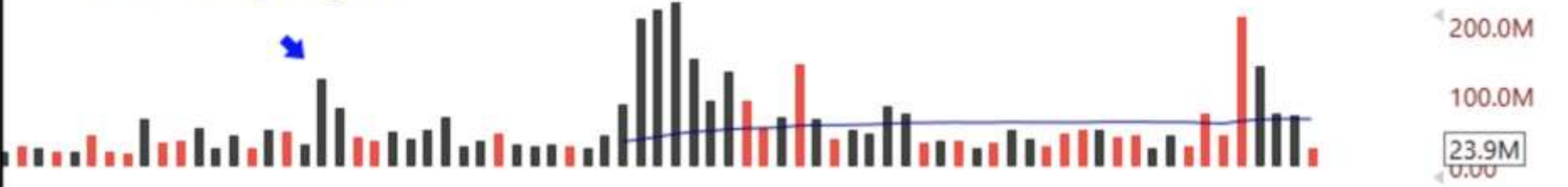
... 110.90 112.99 102.91 103.10 -7.21 -6.5% +85 141 ... 2.2 2.4 6 5 0 2 -6.91 +13.35

Peloton Interactive Inc 9/9/2021 Optionable 103.27 102.49 102.72 104.10 +0.19 106.64

PTON Weekly Moving Average 30 Moving Average 10 Moving Average 4

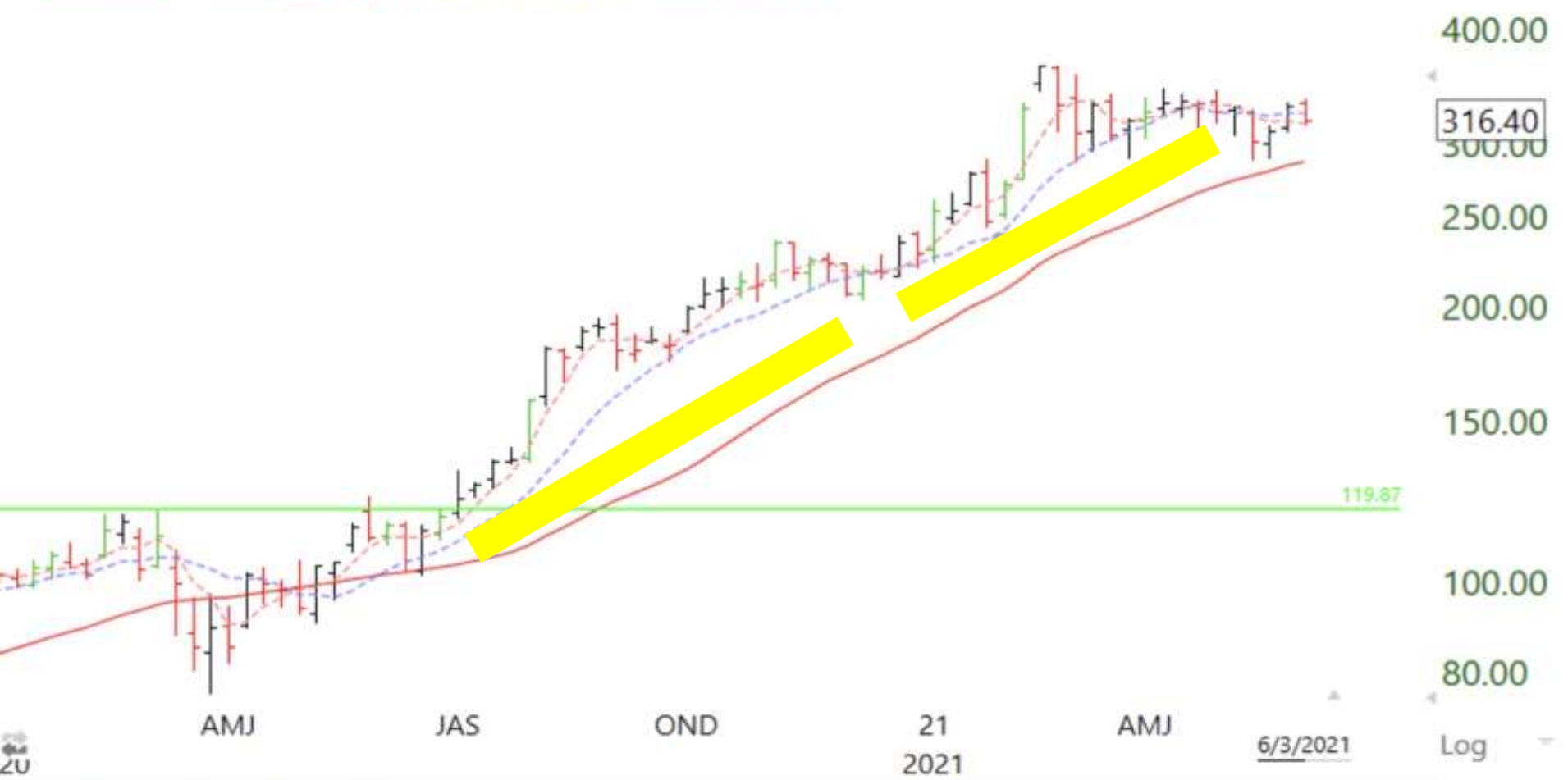


x Volume Moving Average 50

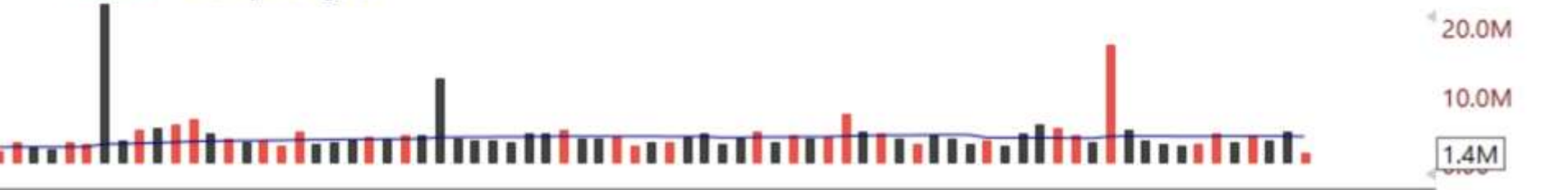


Generac Holdings Inc 7/29/2021 Optionable 315.70 315.12 313.67 322.30 +0.34 311.42

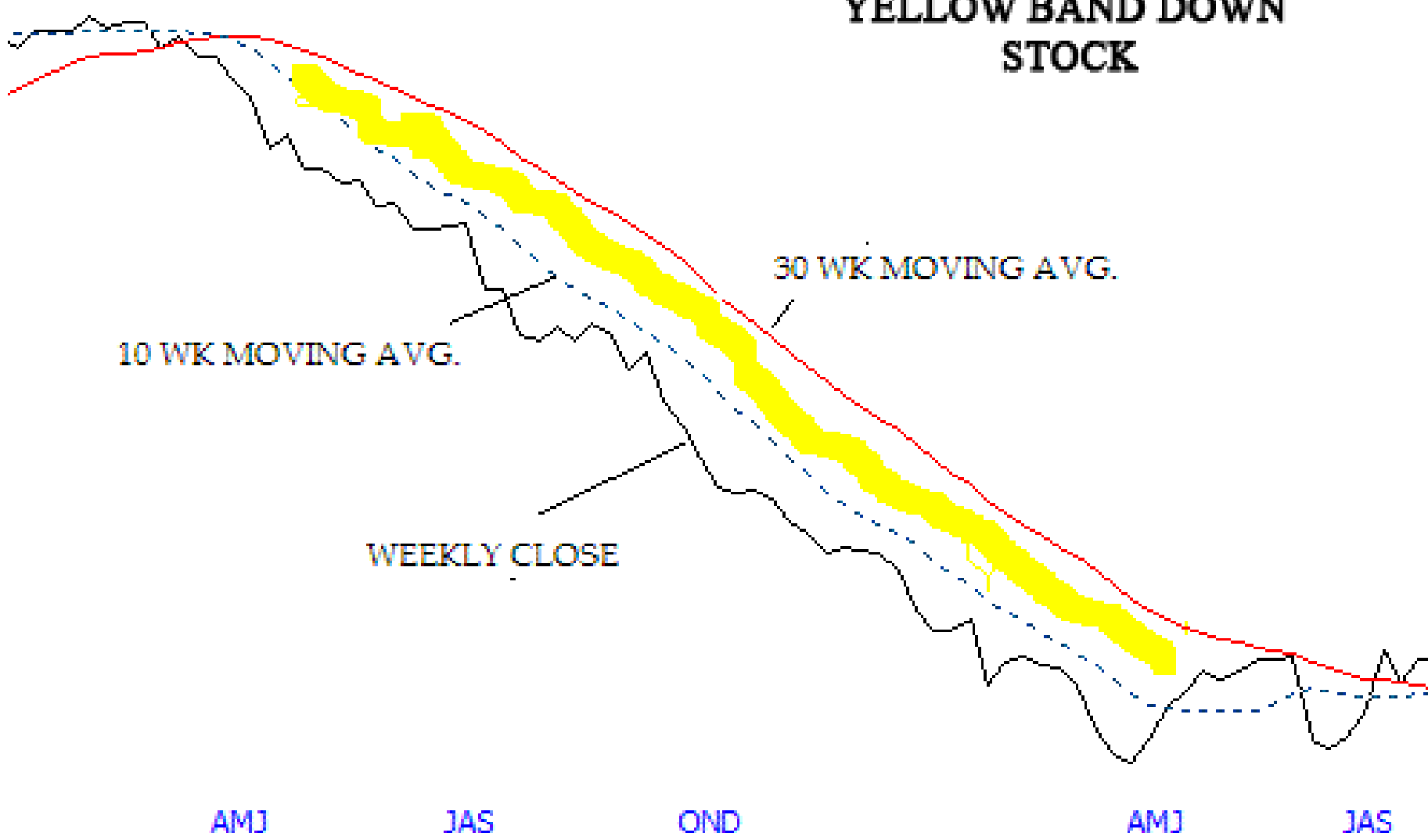
GNRC Weekly Moving Average 30 Moving Average 10 Moving Average 4



Volume Moving Average 50



YELLOW BAND DOWN STOCK



10 WK MOVING AVG.

30 WK MOVING AVG.

WEEKLY CLOSE

AMJ

JAS

OND

AMJ

JAS

Daily RWB Charts

(Red White and Blue Daily Guppy Charts)

–RWB Up-Trend:

All shorter averages (Red) well above
rising longer averages (Blue)

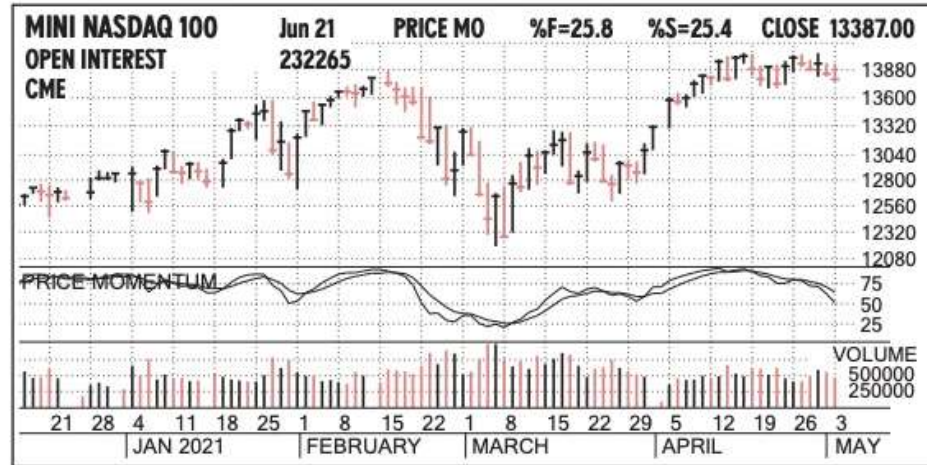
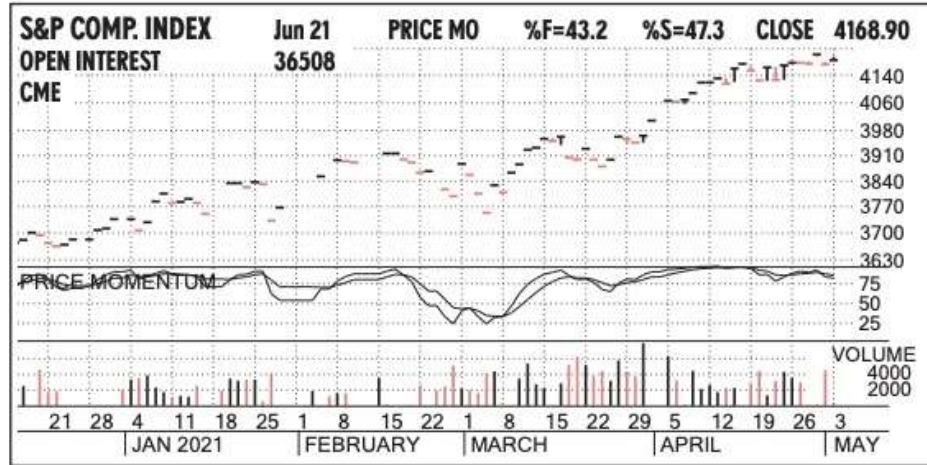
–BWR Down-Trend:

All longer averages (Blue) well above
declining shorter averages (Red)

Daily Set-Ups

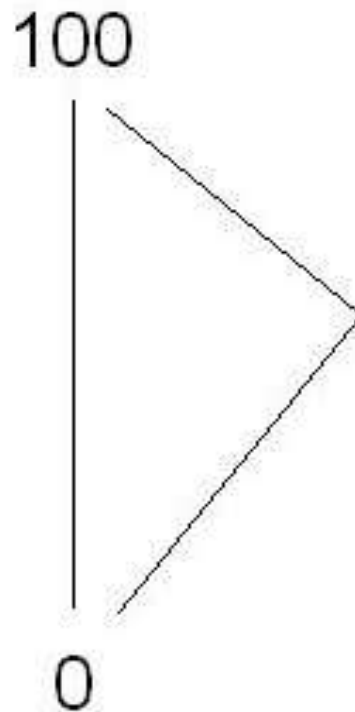
- Daily Bollinger Band 15.2 bounce
- Green dot
- Black dot

Key Financial And Commodity Futures



Stochastics:

Stochastic 'x'



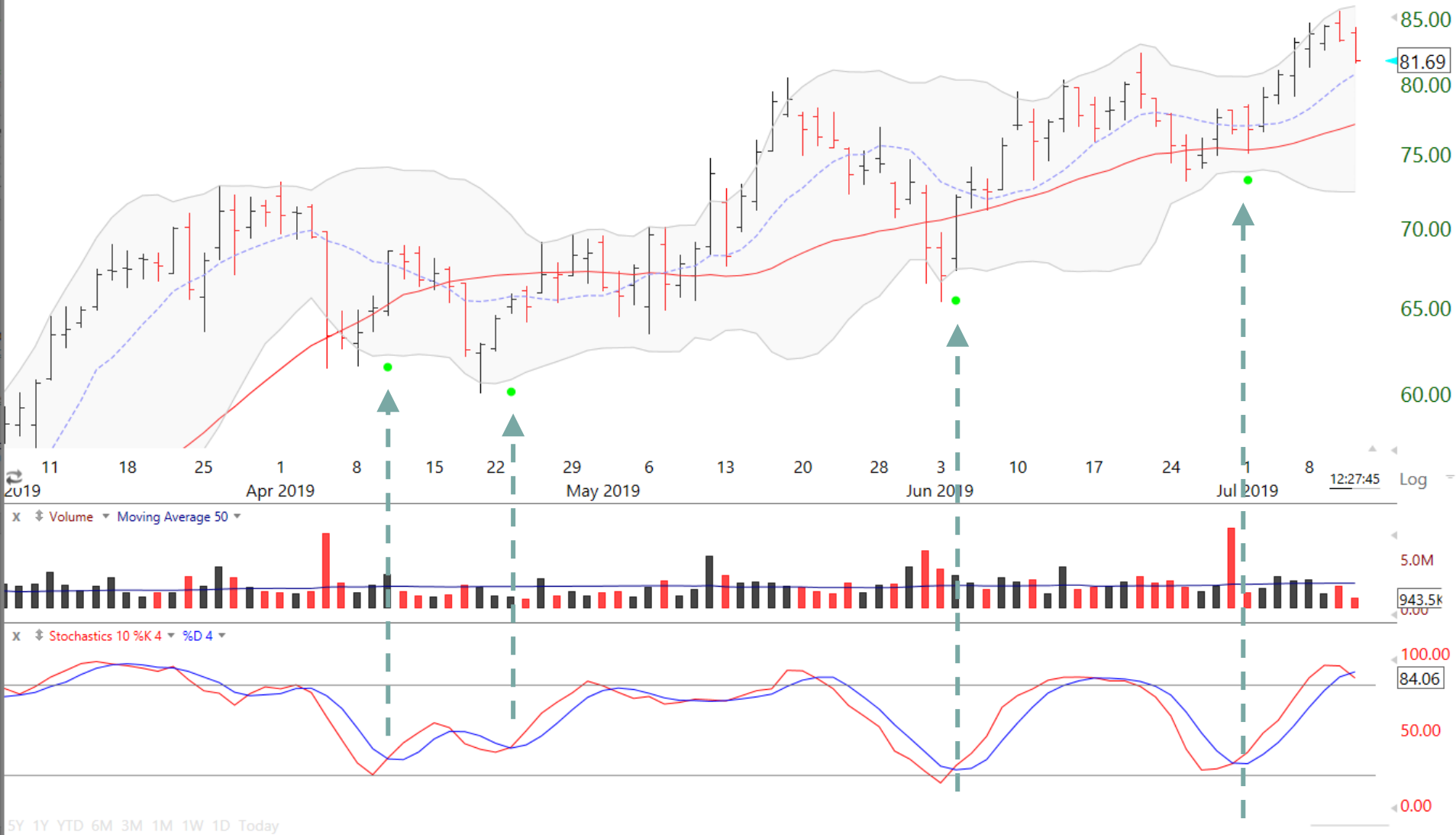
Price High and Low
over 'x' periods

Bollinger Band + Green Dot*

*Rising Stochastic Cross Indicator on TC2000

PCF = $\text{iif}(\text{stoc10.4.1} < \text{avg}(\text{stoc10.4.1},4) \text{ and } \text{stoc10.4} > \text{avg}(\text{stoc10.4},4) \text{ and } \text{stoc10.4} < 50, .995 * \text{min}(l, 5), 0)$

TC200
20190711
ZS
83.85
Zscaler
ZS Da



Green Dot* Tutorial

*Rising Stochastic Cross Indicator on TC2000

Tutorial available through:

- <http://db.cesar.umd.edu/cesar/H348M/Videos/RisingStochCrossIndicator.mov>

Code for Rising Stochastic Cross:

```
iif(stoc10.4.1 < avg(stoc10.4.1,4) and stoc10.4 > avg(stoc10.4,4), .995 * min(1, 5),0)
```

Search



Stocks Tracker:Real...

Realtime stock quo...

OPEN



55K RATINGS

4.6

★★★★★

AGE

4+

Years Old

CATEGORY



Finance

What's New

Version History

Version 8.2.4

2mo ago

minor bug fixes

march2021 RCKY Action Menu

62.50 +8.69 (+16.15%)
05:43 PM 62.40 -0.10 (-0.16%) 03:59...
Bid: 60.06 x 2 Ask:65.29 x 1

Overview News AnalysisTechnic Option Discuss



1D 5D 1M 3M 6M 1Y 2Y 5Y Max

Market data

Open: 59.70 Pre-Close: 53.81
Day Range: 58.88 66.06
52w Range 16.24 66.18
Volume: 256.12K Avg vol: 80.66K

209.38 +2.60 (+1.26%)
 06:37 PM 208.88 -0.50 (-0.24%) 03:59...
 Bid: 208.10 x 1 Ask: 210.40 x 1

Overview News Analysis Technical Option Discuss



1D 5D 1M 3M 6M 1Y 2Y 5Y Max

Market data

Open: **207.64** Pre-Close: **206.78**
 Day Range: **206.50** - **211.75**
 52w Range: **105.70** - **211.85**
 Volume: **1.23M** Avg vol: **1.06M**

587.92 +13.87 (+2.42%)
 Nvidia Corp 09:37...
 Bid: 587.91 x 1 Ask: 588.04 x 1

Overview News Analysis Technical Option Discuss



1D 5D 1M 3M 6M 1Y 2Y 5Y Max

Market data

Open: **588.41** Pre-Close: **574.05**
 Day Range: **574.05** - **592.54**
 52w Range: **290.89** - **648.57**
 Volume: **789.00K** Avg vol: **7.95M**



StocksTracker.com

209.43 +29.42 (+16.34%)
 07:03 AM **220.19** 10.76 (5.14%) **May 25**
Bid: 220.01 x 2 **Ask: 220.89 x 4**

[Overview](#) [News](#) [Analysis](#) [Technical](#) [Option](#) [Discussion](#)



1D ▾ 5D ▾ 1M ▾ **3 M** 6 M 1 Y 2 Y 5 Y Max

Market data

Open: **181** Pre-Close: **180.01**

Day Range: **181** **217.11**

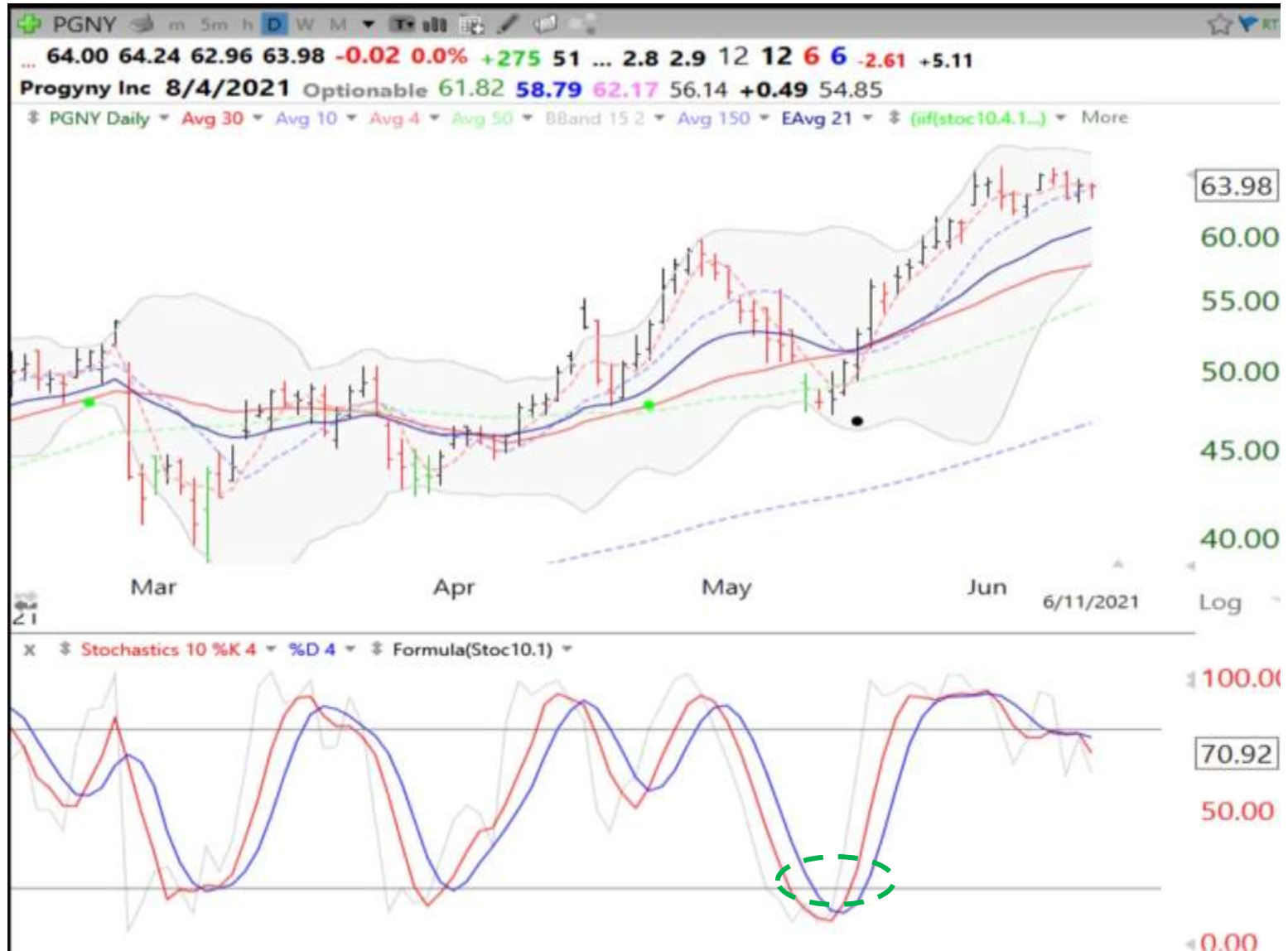
52w Range **3.77** **483.00**

Volume: **14.93M** Avg vol: **4.80M**

P/E: **0.00** Beta: **0.00**

Dr. Wish's Black Dot Indicator*

(* 10.1 stochastic bounce)



Dr. Wish's Black Dot Indicator*

(* 10.1 stochastic bounce)



Check Fundamentals on MarketSmith™

- EPS and RS Ratings
- Composite Rating
- Projected Earnings
- Fund Ownership Trend
- Float
- Short Interest
- Industry Group and Ranking

"Buying a stock without knowing when or why you should sell it is like buying a car with no brakes, or being in a boat with no life preservers, or taking flying lessons that teach you how to take off but not how to land."

-William O'Neil

“How you deal with losing positions will determine how big a winner you're gonna be in the stock market.”

<https://www.spreaker.com/user/renmac/05172021-podcast-stanweinstein>

The screenshot shows the Spreaker website interface. At the top, there is a navigation bar with a search icon, 'Features', 'Create a Podcast', the Spreaker logo, 'Plans & Pricing', 'Listen', 'Login', and a 'Sign up' button. The main content area features the podcast title 'RenMac Legends: A Conversation with Stan Weinstein' by 'RenMac'. Below the title are social sharing icons (heart, share, square) and a yellow play button. A waveform visualization shows the audio content, with a progress bar from 00:00 to 59:37. To the right is a large red square logo with white letters 'R' and 'M'. Below the audio player is an 'INFO' section with a paragraph of text about Stan Weinstein and a timestamp '6 days ago'.

Expect Trade to Lose and/or Fail

At the beginning of each and every trade, **expect** that it will fail.

Know what you will do when it does fail in order to minimize the loss.

% Loss to	% Gain Required
10%	11%
20%	25%
30%	43%
40%	67%
50%	100%
60%	150%
70%	233%
80%	400%
90%	900%
100%	Broke

Drawdown Effect

Risk Management

- Pilot Buys
- Pyramid
- Expecting and Preparing for trade to go Wrong
- Stop Loss
- Protected Puts
- Selling Cash Secured Puts
- Selling Covered Calls (www.thebluecollarinvestor.com/)

Breaks Above Resistance

Long Entry Point

Initial Stop Point

When you buy when a stock breaks above the green line top...

Set stop just below the green line top.

When you buy above the pivot of a cup and handle pattern...

Set stop 7% below the pivot point.

When you buy on a break above a Darvas box top...

Set stop just below the top of the Darvas Box.

Bounces Up from Support

Long Entry Point

Initial Stop Point

When you buy on a bounce above the lower 15.2 daily Bollinger Band...

Set stop just below the lower 15.2 daily Bollinger Band.

When you buy on a bounce above a moving average...

Set stop just below the average.

When you buy an oversold bounce

Set stop just below low of bounce

Nicolas Darvas – Loss Analysis Table (LAT)

Simultaneously, I tried to train my emotions. I worked it this way: Whenever I bought a stock, I wrote down my reason for doing so. I did the same when I sold it. Whenever a trade ended with a loss, I wrote down the reason I thought caused it. Then I tried not to repeat the same mistake. This is how one of my tables looked:

	Brought	Sold	Cause of Error
ISLAND CREEK COAL	46	43½	Brought too late
JOY MANUFACTURING	62	60⅝	Stop-loss too close
EASTERN GAS & FUEL	27¾	25⅛	Overlooked weak general market
ALCOA	118	116½	Brought on decline
COOPER-BESSEMER	55⅜	54	Wrong timing.

These cause-of-error tables helped me immeasurably. As I drew them up one after the other I was learning something from each trading. I started to see that stocks have characters just like people. This is not so illogical, because they faithfully reflect the character of the people who buy and sell them.



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Learning how to trade successfully is a long difficult process. With zero commissions there is a new way to learn how to trade. Buy only one share at a time. If you can't do well buying one share you won't do well buying 100+ shares at a time.

8:23 am · 13 May 2021 · Twitter for iPhone

Market Indexes

Exchange Traded Funds – Major Indexes and Gold Bullion

	ETF		2x Leveraged ETF		3x Leveraged ETF	
Underlying Index	Regular	Inverse	Regular	Inverse	Regular	Inverse
DJ-30 Dow Jones Industrial Index	DIA (SPDR Dow Jones Industrial Average ETF)	DOG (ProShares Short Trust Dow30)	DDM (ProShares Ultra Dow30 ETF)	DXD (ProShares UltraShort Dow 30)	UDOW (ProShares UltraPro Dow 30)	SDOW (ProShares UltraPro Short Dow 30)
S&P 500 Standard & Poor's 500 Index	SPY (SPDRs S&P 500 Trust Series ETF)	SH (ProShares Short S&P500 ETF)	SSO (ProShares Ultra S&P 500)	SDS (ProShares UltraShort S&P500)	UPRO (ProShares UltraPro S&P500) SPXL (Direxion Daily S&P 500 Bull 3X)	SPXS (Direxion Daily S&P 500 Bear 3X) SPXU (ProShares UltraPro Short S&P500)
NASDAQ 100 Index	QQQ (PowerShares QQQTrust Ser 1)	PSQ (ProShares Short QQQ ETF)	QLD (ProShares Ultra QQQ)	QID (ProShares UltraShort QQQ)	TQQQ (ProShares UltraPro QQQ)	SQQQ (ProShares UltraPro Short QQQ)
Gold Bullion	GLD (SPDR Gold Trust) IAU (iShares COMEX Gold Trust ETF) SGOL (ETFS Gold Trust)		UGL (Proshares Ultra Gold)	GLL (Proshares Ultrashort Gold)		

TC2000 Demonstration

During the QQQ weekly RWB uptrend, 5/1/20 – 6/11/21, QQQ advanced +60% and TQQQ rose +244%, but:

- Only 3 NASDAQ 100 stocks beat TQQQ (MRNA +357%, TSLA +335%, PTON +253%)
- Only 5 S&P 500 stocks beat TQQQ (LB, FCX, TSLA, GPS, and IVF)
- Only 18% (132/730) of stocks on Dr. Wish's IBD/MS watchlist beat TQQQ, 2% of GR250 stocks on 4/20/20

In an uptrend, instead of trying to identify in advance the rare individual stocks that will outperform TQQQ, why not simply ride TQQQ?

What are I-Bonds?

- Series I Savings Bonds, or I-Bonds, are a savings bond issued by the U.S. Treasury. The rate of an I-Bond adjusts to track inflation and is guaranteed to never lose value.
- Current rate is 7.12% (adjusted for inflation every 6 months. Current rate is good through April 22, 2021)

www.treasurydirect.gov

↑ Lots and lots of information on I-Bonds and other Treasury Securities ↑

Some Technical Analysis Websites

www.investors.com

www.worden.com

www.freestockcharts.com

www.finviz.com



Richard Moglen

 Youtube Channel

- Link: <http://youtube.com/richardmoglen>
- Trader Interviews (US Investing Champs, Hedge Fund Managers...)
- Stock + Market Analysis
- Technical Analysis Tutorials

 Twitter

- <https://twitter.com/RichardMoglen>



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End of Presentation