Twitter Thread by Professor





More pointers to help in identifying whether its accumulation or Distribution.

Lest some charlie jumps to point out, let me make it clear that I haven't invented anything in stock market, all my knowledge of stock market comes from old farts. Just my observation is my own. https://t.co/uHNw8tV4AO

Wyckoff tests for buying – Accumulation period

- The downside protection has already been established, that is when the stock has reached its low points in a period.
- The stock has been given preliminary support, has undergone a selling climax, and then has met a secondary support test.
- 3. The stock has been undergoing typical volume patterns, where volume has been increasing during periods of bullish rallies and decreasing on falls in price.
- 4. Stock breaks through the resistance line and establishes the resistance line has new support.
- The stock is experiencing ascending support lines, where each subsequent support line is higher than the last.
- 6. Each peak the stock is reaching is higher than the last.
- 7. The stock has a higher strength than the overall market.
- The base of the stock chart has formed (ie. reverse head and shoulders pattern) to create a horizontal price line.
- The risk-reward ratio is 1:3, so, the upside potential for profit is three times more likely than the potential for loss.

Plz advice how to identify accumulation and distribution phase...... to me Both looks same

— VIVEK VAID (@bobvaid) February 12, 2022