

Biiwii Commentary

eResearch Corporation is pleased to provide an article and video, courtesy of Biiwii.com, and written by Elliott Wave International (a link is provided on the following page).

The article, starting on the next page, is entitled: “**Anticipate Stock Market Trend Changes**”.

Biiwii.com was created in mid-2000 solely as a way to help get the message out about deeply-rooted problems about too much debt and leverage within the financial system. The concerns were confirmed and the message proved justified 3 to 4 years later as the system began to purge these distortions, resulting in a climactic washout extending from October, 2008 to March, 2009.

Along the way, a geek-like interest in technical analysis, a long-time interest in human psychology, and various unique macro market ratio indicators were added to the mix, with the result being a financial market newsletter (and dynamic interim updates), Notes From The Rabbit Hole (NFTRH) that combines these attributes to provide a service that is engaged and successful in all market environments by employing risk management first, and opportunity for speculation second.

But It Is What It Is: You can access Biiwii at its website: www.biiwii.com.

Notes From The Rabbit Hole: You can access NFTRH at its website: www.NFTRH.com

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How to Anticipate Stock Market Trend Changes

By [Elliott Wave International](#)

February 23, 2018

Every active stock market investor wants to know: Where are prices headed next?

Most will scour the financial headlines, tune into financial television, and talk to their broker or financial advisor in hopes of finding the answer. But, alas, this quest for market insight often leaves investors just as uncertain as before.

One market veteran might say “buy the dip.” Another strongly advises: “Sell!” Yet another knowingly smiles and comments: “Volatility is normal, just ride it out.”

The truth is: no one knows for sure what the market will do next.

However, in EWI’s four decades of analyzing the market itself, as opposed to news and events that are usually seen as market drivers, we have observed that recognizable and repetitive price patterns show up in the DJIA’s price line at all degrees of trend. That is what makes the stock market predictable.

Frost & Prechter’s *Elliott Wave Principle: Key to Market Behavior* tells you what that means to investors like you:

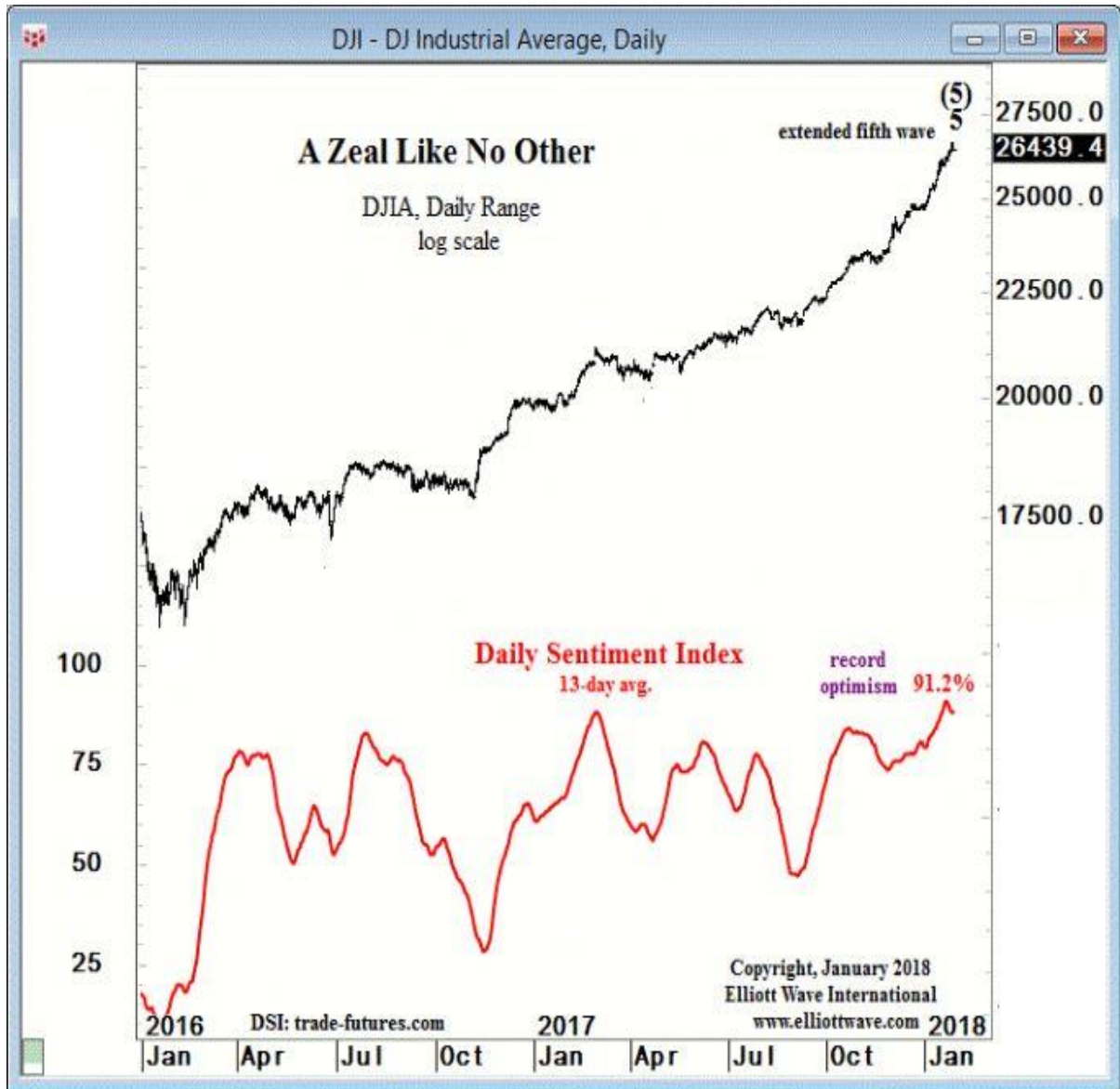
The primary value of the Wave Principle is that it provides a context for market analysis. This context provides both a basis for disciplined thinking and a perspective on the market’s general position and outlook. At times, its accuracy in identifying, and even anticipating, changes in direction is almost unbelievable.

That’s right, an analyst who is familiar with these repetitive price patterns, as well as other technical analysis methods and sentiment indicators, can anticipate stock market trend changes with a high degree of confidence.

Keep in mind: The basic Elliott wave pattern is five waves in the direction of the larger trend, followed by a three-wave correction. In other words, at the start of a bear market trend, expect five waves down followed by three waves up. The reverse is true in a bull market: five waves up followed by three waves down.

Indeed, the next day after the DJIA’s January 26 all-time closing high of 26,616, EWI’s *Short Term Update* signaled to subscribers that the market’s advance was toast. How? The *Short Term Update* editor, Steve Hochberg, labeled the end of the price line with fifth waves at two degrees of trend.

Here is that January 29 *Short Term Update* chart, which was also accompanied by this commentary (entire wave labeling available to subscribers):



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Mon Jan 29 2018 15:10:45, CQG 15.9821

It was just last week that the Daily Sentiment Index (trade-futures.com) on S&P futures jumped to 96% and the 13-day average pushed to 91.2%, an all-time record... At the same time, the 30-day average of the NYSE Trading Index is 0.88, a seven-year overbought extreme.

Today's market action was internally very weak, with 4.4 more NYSE stocks closing down versus those closing up.... A sell-off through 26,233 in the Dow and 2834 in the S&P 500 would be the largest of the year so far, suggesting at least a near-term change of character for the stock market advance.

Indeed, on January 30, the next trading day, the DJIA did drop below 26,233.



As you probably know, extreme volatility in the index soon followed, which included 1,000+ point daily declines.

But, here is what is remarkable: Our *Short Term Update* not only called the sell-off, but also prepared subscribers for the DJIA's sharp rebound that followed.

A new video by EWT's Robert Folsom titled [The U.S. Stock Market: From "Zeal" to "Change of Character."](#) shows you how. This highly instructive video is available to you now — 100% FREE. Learn how to gain instant, free access by reading below.

ANTICIPATE Stock Market Turns That Others Miss!

THAT's what the Elliott wave model can do for you.

See the evidence of just how useful the Elliott wave model can be, during extreme stock market volatility. Watch the just-produced, highly instructive video by EWT's Robert Folsom, titled [The U.S. Stock Market: From "Zeal" to "Change of Character."](#)

This article was syndicated by Elliott Wave International and was originally published under the headline [How to Anticipate Stock Market Trend Changes](#). EWI is the world's largest market forecasting firm. Its staff of full-time analysts led by Chartered Market Technician Robert Prechter provides 24-hour-a-day market analysis to institutional and private investors around the world.

Biiwii/NFTRH on the Web

[NFTRH](#) and [Biiwii.com](#) commentary and technical analysis have regularly been published, highlighted and/or quoted at [SeekingAlpha](#), [Investing.com](#), [MarketWatch](#), [Yahoo Finance](#), [Ino.com](#), [TalkMarkets](#) and many more since 2004.

Biiwii.com is proud to be included in the **50 Blogs Every Serious Trader Should Read** from [TraderHQ.com](#).

Biiwii: but it is what it is

NFTRH: Notes From The Rabbit Hole