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Sentiment Cycles Forecast VIX / S&P 500 Trading Technique

Continuous Examples &
Non-Interrupted Live Trade Setups
posted ahead of time

Automatic detected Dominant Cycle for the VIX Index - posted April 14th 2011 -

This analysis was posted live & ahead of time. So no cherry picking here.

Sentiment Cycles Update

P: 4/17/2011 4:23:19 AM

You know my favorite are cycles based on mood and sentiment. Here is an update of an actual VIX cycles analysis which points to an important low (=high in the markets). We are approaching an dominant cycles low in combination with a cycle swing divergence setting up.



datapool

Member

Total Posts: 425
Last Post: 6/19/2011
Member Since: 2/23/2008

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Automatic detected Dominant Cycle for the VIX Index - posted April 14th 2011 -

Market Cycles can be detected by analyzing Sentiment Measures

This analysis on the VIX was done with two basic cycle indicators and posted ahead of time in the cycles form.

The analysis done on April 14th projected a VIX dominant cycle low around April 17th – 20th and projected the upturn until mid/end june (dominant cycle plot into the future)

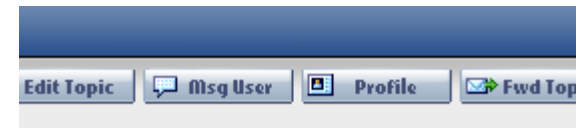
We expect the market to do the opposite. So a short in the SP 500 Index.

Cycle Swing Indicator

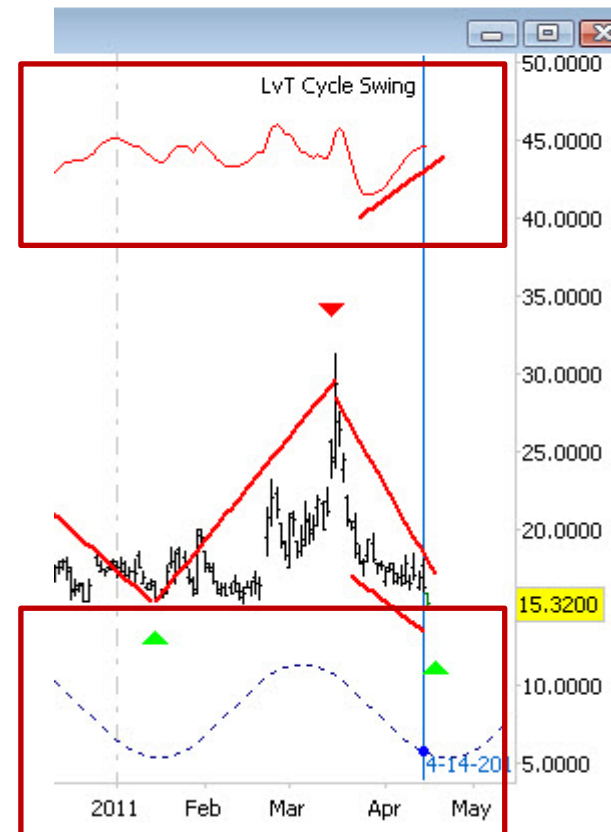
Shows a bullish divergence setting up

Dominant Cycle

was detected (length & phase) completely automatic by dragging the indicator on the chart – the dominant cycle is plotted and gives the dominant cycle forecast



VIX cycles analysis which points to an important low swing divergence setting up.



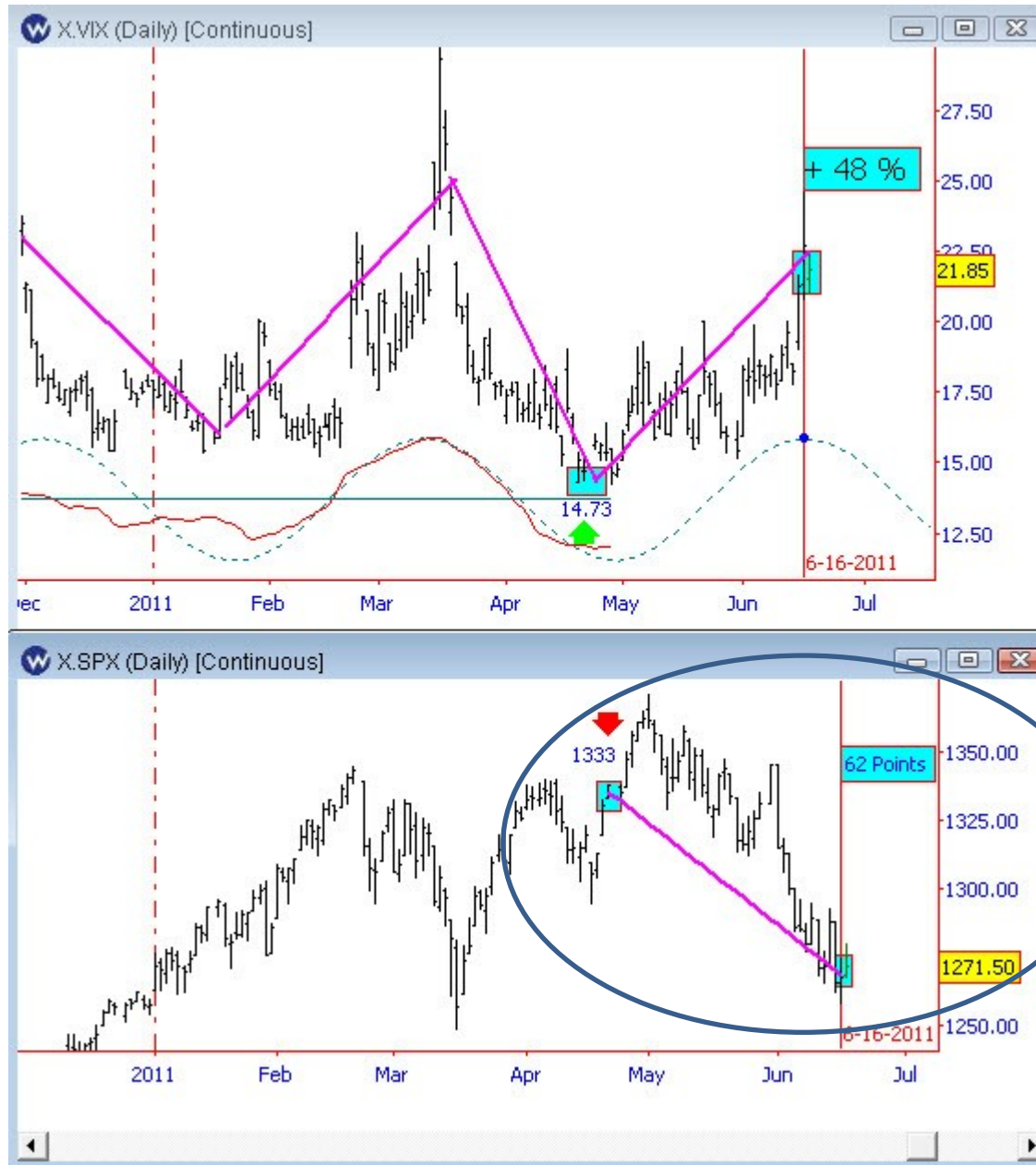
How it played out...



The low came in exactly as projected on April 20th

The dominant cycle was stable and the indicator tracked the upturn. – Trade exit on June 16th

During the same period, the SP 500 went down 62 Points...



P: 6/19/2011 1:49:38 AM



datapool

Member

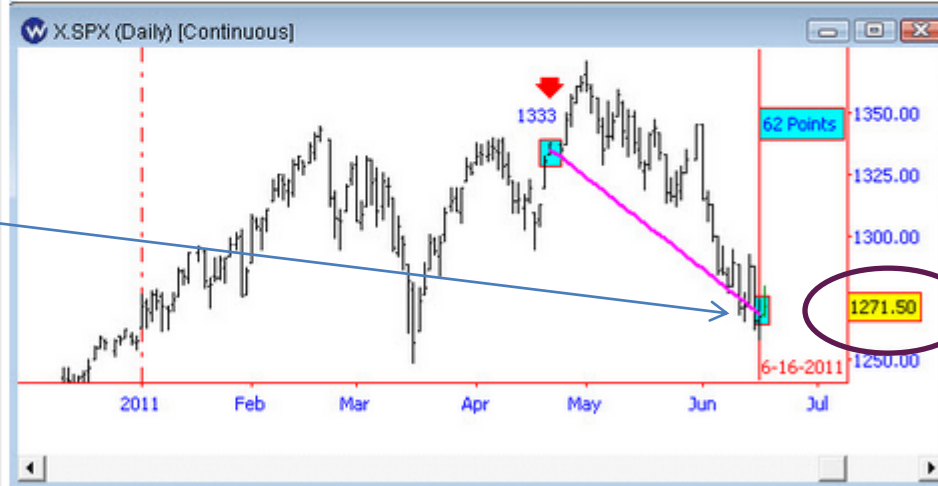
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- Sentiment Cycle Top Spot On -
This is an update as we are now "sitting" on the top of this cycle.



This was a textbook example of using the cycles toolbox. It was all done live and posted ahead of time! I me cycle" and confirmation by the cycle swing.

Additional info:

This confirms/supports - as shown in other actual threads - that the market "can" bounce now.

Again, this was also posted live in real-time in the open forum - so no cherry picking here...

Date: 6/19/2011

Actual S&P: 1271.5

Market Forecast: Confirmation that the market can bounce now.

The market did what the dominant sentiment cycles showed us....



Just two weeks later... again, the next 67 points on our long side....

You can learn to do this on your own...

- This was a real-time example, ahead of time, no cherry picking
- Not just one example ahead of time – an continuous stream of non-interrupted trade setups based on the same cycle technique
- Posted in the cycles community for free – it is documented, review on your own:
<http://forum.wave59.com/idealbb/view.asp?topicID=5553>
- Based on two standard cycle indicators without adjustments during the continuous stream
- Using a Sentiment Index to trade the S&P shows the power of the combination of trader sentiment analysis and cycle detection algorithms
- It is all explained in my book “decoding the hidden market rhythm”

If you want to do this on your own...
it is all included in my book:

<http://www.wave59.com/eshop/10Expand.asp?ProductCode=19> a

