

WYCKOFF METHOD TRADING WITH SUPPLY AND DEMAND



WYCKOFF WITH SUPPLY AND DEMAND
SUPPLY AND DEMAND POSITION ENTRY
WYCKOFF WITH PRICE ACTION

Wyckoff method Trading With Supply And Demand And Price action

This Book is Talking About My System Trading in Forex From Wyckoff method with Supply and Demand levels and Price Action Candles For Easy Trade And Make more Profit.

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why you need Read This Book?

- * You need Read this book to know a general idea about Wyckoff Method.
- * You Need this book to know the development of the market.
- * You need Read This Book to Knowing the Phases the market is going.
- * You need Read This Book to Know A general concept of supply and demand Areas.

- * Learn Supply And Demand Zones Types.
- * Learn to extract strong supply And Demand Areas * Learn Evaluating Supply And Demand Areas

- * Learn How exchanging Supply and request with Price Action Candles
- * You need Read This Book to know how would you be able to Trade Supply and Demand with Price Action

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- * How to Trade Wyckoff With Supply And Demand whit Price Action Candles.

INTRODUCTION:

You comprehend and recognize that there is a very high level of risk involved in trading securities. Moderator accepts no accountability or obligation for your exchanging and venture results. I just will talk with you about My Strategy Forex Trading.

And i will Show you How You can trade Like a Pro and you will learn how To read market structure by applying Wyckoff's cardinal insights regarding the interplay of price.

Whereas, I will explain the entry methods that I rely on to enter into deals with pictures and examples from the chart to understand the strategy clearly.

- What is The Wyckoff Method?

Richard Demel Wyckoff was born on November 2, 1873 and the year of his death was in 1934. Richard's job was speculation in the stock market and is considered one of the best traders and legends in the stock market world and was the editor in chief in Wall Street magazine in 1907.

Wyckoff's famous saying

There are those who think that they are studying the market ... all they do is they are studying what someone said about the market without looking at what the market is saying about itself.

Richard Wyckoff also invented speculative theories of relativistic strength, and he was one of the best analysts of psychological and behavioral influence, and his most famous theories are: Analyzing trading volume differences called "VSA" .Today, most traders are not ignorant of these basic concepts and what they use to analyze the Forex market, but the idea is that each one of them remains a specific job. The basic analysis is related to studying the reasons that drive the market. As for technical analysis, it is related to estimating the period in which the movement will begin. Here, Richard Wyckoff's features in his VSA

Theory, whose method is based on price analysis in the financial and Forex markets in a way that combines the best features of technical and fundamental analysis, as it gives you an answer to the two questions at the same time "Why and when".

Wyckoff's theory is based on examining the difference between demand and

supply practiced by large hands and with intervention in Forex. This category includes banks, speculators, institutions and market makers.

Wyckoff Rules:

The first stage - the law of supply and demand

This law, known simply in the economy, comes with high demand with increased price and reduced demand with higher supply, except that with low price, demand will increase and supply will decrease, and Wyckoff's theory was based on amending the law to suit financial markets.

The second stage - the law of effort and result

The "effort versus the result" law This law provides for the price result that must be commensurate with the effort "quantities" made, and this talk applies to market movements. If the price moves in a bandwidth over a period of time in the stage of collection or disposal, then the price must move after Strong proportional to the effort involved in transverse movement.

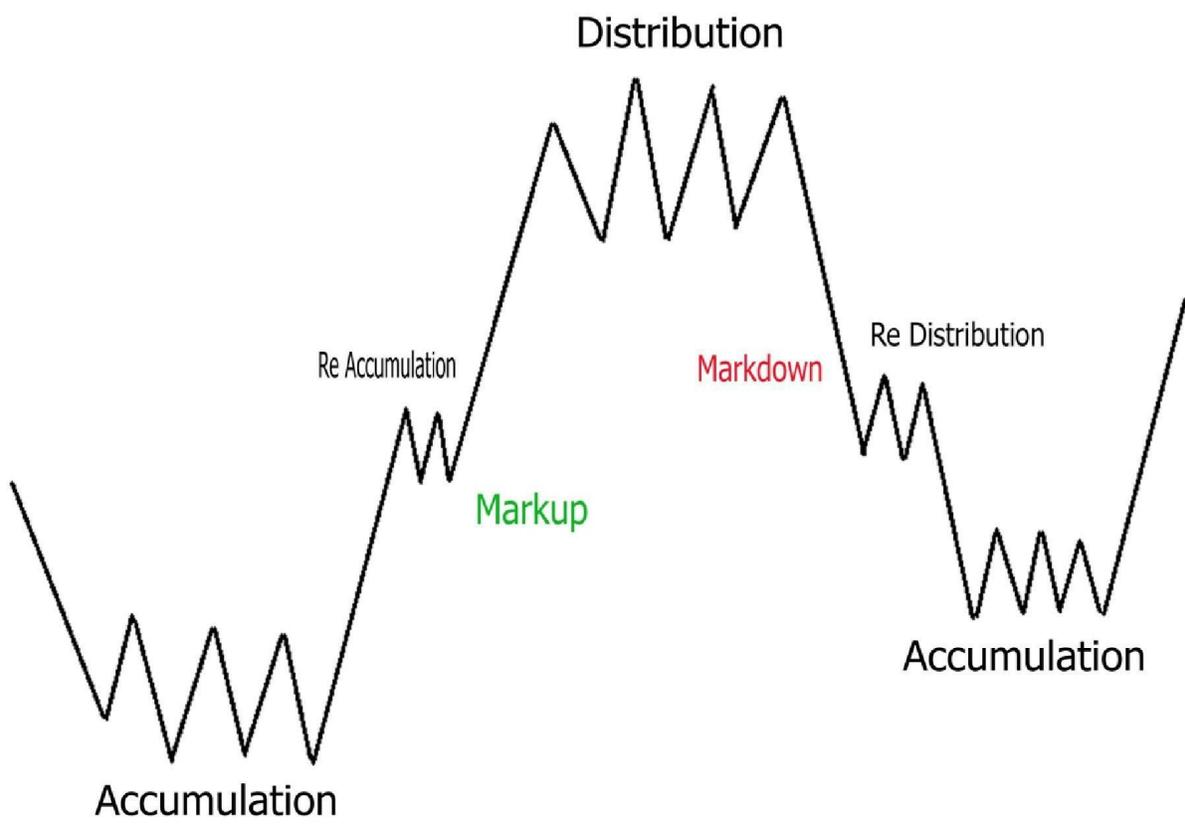
The third stage - cause and effect law :

The reason for the movement always in the financial markets is based on the quantities of supply and demand in the market, and the reason for the movement are the makers of the market or the market maker, whether in the assembly or disposal, and therefore the result of the movement is a strong end in one direction as explained previously.

Wyckoff Price Cycle:

As demonstrated by Wyckoff, the market can be grasped and anticipated through quick and dirty examination of natural market, which can be found from looking at esteem action, volume and time. As a middle person, he was in a circumstance to watch the activities of uncommonly viable individuals and social affairs who governed unequivocal issues; in this way, he had the alternative to decipher, by methods for the use of what he called vertical (bar) and figure (Point and Figure) outlines, the future desires for those immense interests. A celebrated schematic of how he conceptualized the colossal premiums' basis for and execution of bull and bear markets is depicted in the figure underneath. A chance to enter long demands is towards the completion of the preparation at a cost markup or purchaser exhibit (assortment of gigantic lines of stock), while a chance to begin short positions is at the completion of the

Foundation for cost markdown.

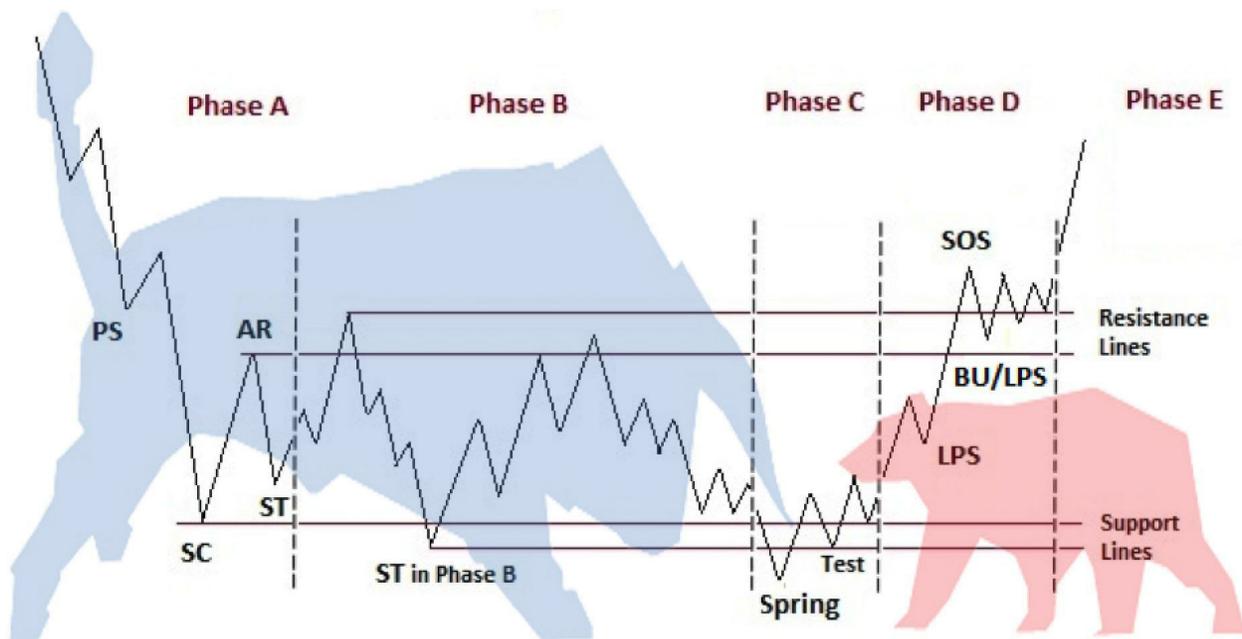


Wyckoff schematics:

A fruitful Wyckoff examiner must have the option to envision and accurately judge the bearing and extent of the move out of a TR. Luckily, Wyckoff offers tried and true rules for distinguishing and depicting the stages and occasions inside a TR, which, thusly, give the premise to evaluating value focuses in the resulting pattern. These ideas are represented in the accompanying four schematics; two delineating normal variations of amassing TRs, trailed by two instances of dispersion TRs.

Wyckoff Accumulation:

Accumulation Schematic 1



PS-Preliminary support:

where considerable purchasing starts to give articulated help after a drawn out down-move. Volume increments and value spread extends, flagging that the down-move might be moving toward its end.

SC- selling climax:

where broadening spread and selling pressure generally peaks and overwhelming or panicky selling by the general population is being consumed by bigger expert interests at or close to a base. Frequently cost will shut well off the low in a SC, mirroring the purchasing by these huge interests.

has extraordinarily lessened. A flood of purchasing effectively drives costs up; this is additionally filled by short covering.

AR-Automatic Rally:

which happens on the grounds that serious selling pressure

The high of this convention will help characterize the upper limit of a gathering TR.

ST-Secondary Test:

in which cost comes back to the region of the SC to test the stock/demand balance at these levels. In case a base is to be asserted, volume and worth spread should be through and through diminished as the market approaches support in the zone of the SC. It is totally expected to have different STs after

a SC.

Test :

Colossal heads reliably test the market for supply all through a TR (e.g., STs and springs) and at key concentrations during a worth development. In case amazing stock ascents on a test, the market is normally not fit to be expanded. A spring is as often as possible trailed by at any rate one tests; a powerful test (exhibiting that further cost augmentations will follow) routinely makes a higher low on lesser volume.

SOS-Sign of Strength:

a cost advance on extending spread and decently higher volume. Normally a SOS occurs after a spring, supporting the agent's clarification of that previous action.

LPS—Last Point of Support:

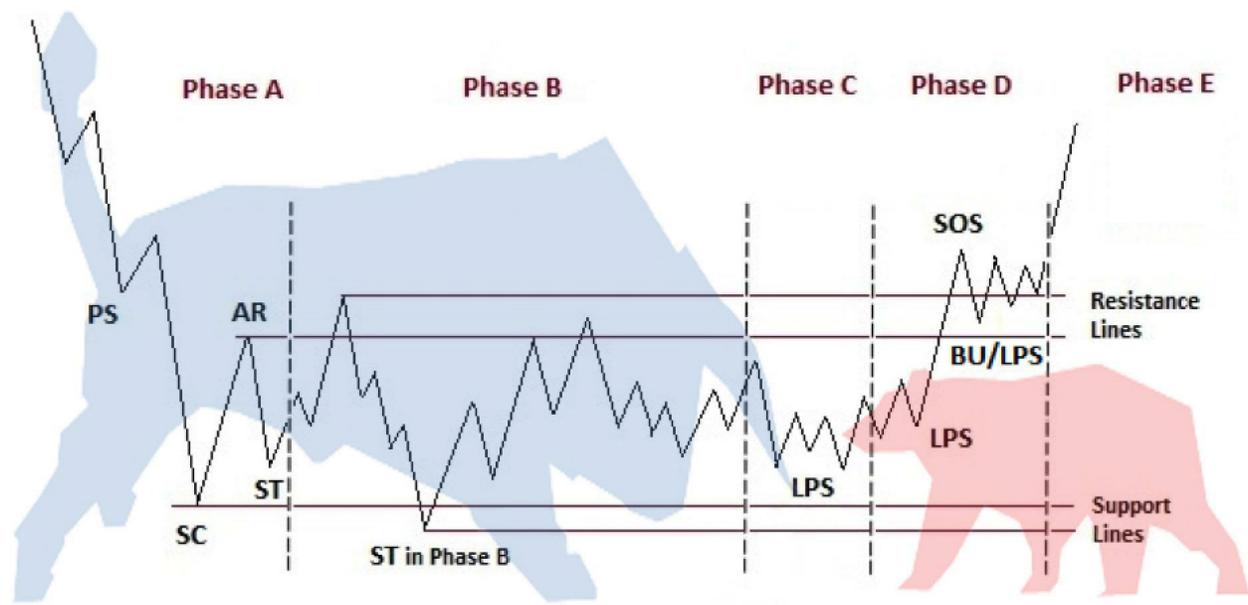
the discouraged spot of a reaction or pullback after a SOS. Sponsorship up to a LPS suggests a pullback to help that was once in the past obstacle, on decreased spread and volume. On specific diagrams, there may be more than one LPS, paying little heed to the clearly specific precision of this term.

BU-“back-up”:

This term is short-hand for a beautiful similitude authored by Robert Evans, one of the main educators of the Wyckoff strategy from the 1930s to the 1960s. Evans analogized the SOS to a "hop over the stream" of value opposition, and the "back up to the spring" spoke to both momentary benefit taking and a test for extra stockpile around the region of obstruction. A back-up is a typical basic component going before an increasingly generous cost increase, and can take on an assortment of structures, including a straightforward pullback or another TR at a more elevated level.

Note: Springs or shakeouts typically happen late inside a TR and enable the stock's predominant players to make a complete trial of accessible inventory before a markup crusade unfurls. A "spring" takes cost underneath the low of the TR and afterward inverts to close inside the TR; this activity enables enormous interests to misdirect general society about the future pattern bearing and to obtain extra offers at deal costs. A terminal shakeout toward the finish of an aggregation TR resembles a spring on steroids. Shakeouts may likewise happen once a value advance has begun, with quick descending development expected to initiate retail merchants and financial specialists in long situations to offer their offers to huge administrators. In any case, springs and terminal shakeouts are not required components: Accumulation Schematic 1 delineates a spring, while Accumulation Schematic 2 shows a TR without a spring.

Accumulation Schematic 2



Wyckoff Phases:

Phase A:

Stage A engravings the ending of the prior downtrend. Up 'til now, supply has been prevalent. The pushing toward reducing of supply is affirm in starter support (PS) and a selling top (SC). These events are much of the time incredibly clear on reference diagrams, where increasing spread and overpowering volume depict the trading of enormous amounts of offers from general society to tremendous master interests. At the point when these exceptional selling pressures have been calmed, a customized rally (AR), containing both institutional enthusiasms for shares similarly as short-covering, regularly follows. A viable helper test (ST) in the locale of the SC will show less selling than already and a narrowing of spread and decreased volume, overall ending at or over a comparable worth level as the SC. In case the ST goes lower than that of the SC, one can imagine either new lows or deferred mix. The lows of the SC and the ST and the high of the AR set the cutoff points of the TR. Level lines may be pulled in to help base thought on publicize direct, as found in the two Accumulation Schematics above. Now and again the downtrend may end less altogether, without climactic expense and volume movement. At the point when all is said in done, regardless, it is attractive over watch the PS, SC, AR and ST, as these give a logically obvious plotting scene just as a sensible sign that gigantic managers have definitively begun assortment.

In a re-assortment TR (which occurs during a progressively drawn out term upswing), the centers addressing PS, SC and ST are not clear in Phase A. Or on the other hand possibly, in such cases, Phase A takes after that even more typically found in scattering (see underneath). Stages B-E generally have a shorter length and more diminutive adequacy than, yet are finally similar to, those in the basic assortment base.

Phase B:

In Wyckoff investigation, Phase B serves the capacity of "building a reason" for another upturn (see Wyckoff Law #2 – "Circumstances and logical results"). In Phase B, establishments and huge expert interests are gathering

generally low-evaluated stock fully expecting the following markup. The procedure of institutional aggregation may take quite a while (some of the time a year or more) and includes buying shares at lower costs and checking progresses in cost with short deals. There are typically various STs during Phase B, just as upthrust-type activities at the upper finish of the TR. In general, the huge interests are net purchasers of offers as the TR advances, with the objective of procuring however much of the staying drifting stock as could reasonably be expected. Institutional purchasing and selling gives the trademark all over value activity of the exchanging range.

Right off the bat in Phase B, the value swings will in general be wide and joined by high volume. As the experts ingest the stockpile, in any case, the volume on downswings inside the TR will in general decrease. At the point when apparently supply is probably going to have been depleted, the stock is prepared for Phase C.

Phase C:

It is in Phase C that the stock cost experiences an unequivocal trial of the rest of the inventory, permitting the "savvy cash" administrators to determine whether the stock is fit to be increased. As noted over, a spring is a value move underneath the help level of the TR (built up in Phases A and B) that rapidly switches and moves once again into the TR. It is a case of a bear trap on the grounds that the dip under help seems to flag resumption of the downtrend. In actuality, however, this denotes the start of another upturn, catching the late merchants (bears). In Wyckoff's strategy, an effective trial of supply spoke to by a spring (or a shakeout) gives a high-likelihood exchanging opportunity. A low-volume spring (or a low-volume trial of a shakeout) demonstrates that the stock is probably going to be prepared to go up, so this is a decent time to start in any event an incomplete long position.

The presence of a SOS not long after a spring or shakeout approves the investigation. As noted in Accumulation Schematic #2, be that as it may, the testing of supply can happen higher up in the TR without a spring or shakeout; when this happens, the ID of Phase C can be testing.

Phase D:

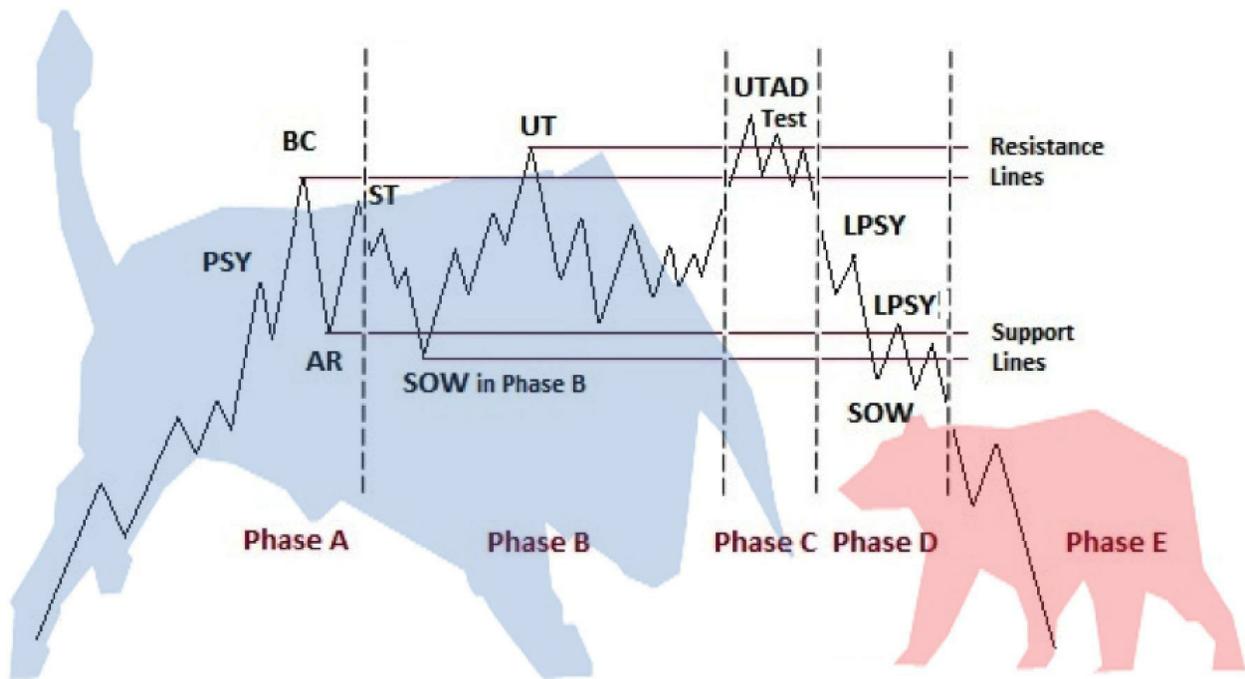
On the off chance that we are right in our investigation, what ought to follow is the reliable predominance of interest over stockpile. This is confirm by an example of advances (SOSs) on augmenting cost spreads and expanding volume, just as responses (LPSs) on littler spreads and reduced volumes. During Phase D, the cost will move at any rate to the highest point of the TR. LPSs in this stage are commonly astounding spots to start or add to beneficial long positions.

Phase E:

In Phase E, the stock leaves the TR, request is in full control and the markup is evident to everybody. Misfortunes, for example, shakeouts and increasingly run of the mill responses, are generally fleeting. New, more elevated level TRs involving both benefit taking and securing of extra offers ("re-collection") by enormous administrators can happen anytime in Phase E. These TRs are at times called "venturing stones" while in transit to considerably more significant expense targets.

Wyckoff Distribution:

Wyckoff Distribution Schematic1 :



PSY: Preliminary Supply :

where enormous interests start to empty offers in amount after an articulated up-move. Volume extends and value spread augments, flagging that an adjustment in pattern might be drawing closer.

BC—buying climax:

during which there are frequently stamped increments in volume and value spread. The power of purchasing arrives at a peak, with overwhelming or pressing purchasing by people in general being filled by proficient interests at costs close to a top. A BC frequently concurs with an extraordinary profit report or other uplifting news, since the huge administrators require gigantic interest from people in general to sell their offers without discouraging the stock cost.

AR-Automatic Reaction :

With extreme purchasing significantly decreased after the BC and substantial stock proceeding, an AR happens. The low of this selloff characterizes the lower limit of the conveyance TR.

ST- Secondary test :

in which cost returns to the region of the BC to test the interest/supply balance at these value levels. For a top to be affirmed, supply must exceed request; volume and spread should hence diminish as value moves toward the opposition region of the BC. A ST may appear as an upthrust (UT), in which value moves over the opposition spoke to by the BC and perhaps different STs before rapidly turning around to close underneath obstruction. After an UT, cost regularly tests the lower limit of the TR.

SOW—Sign Of Weakness:

discernible as a down-move to (or marginally past) the lower limit of the TR, as a rule happening on expanded spread and volume. The AR and the underlying SOW(s) demonstrate a difference in character in the value activity of the stock: supply is currently predominant.

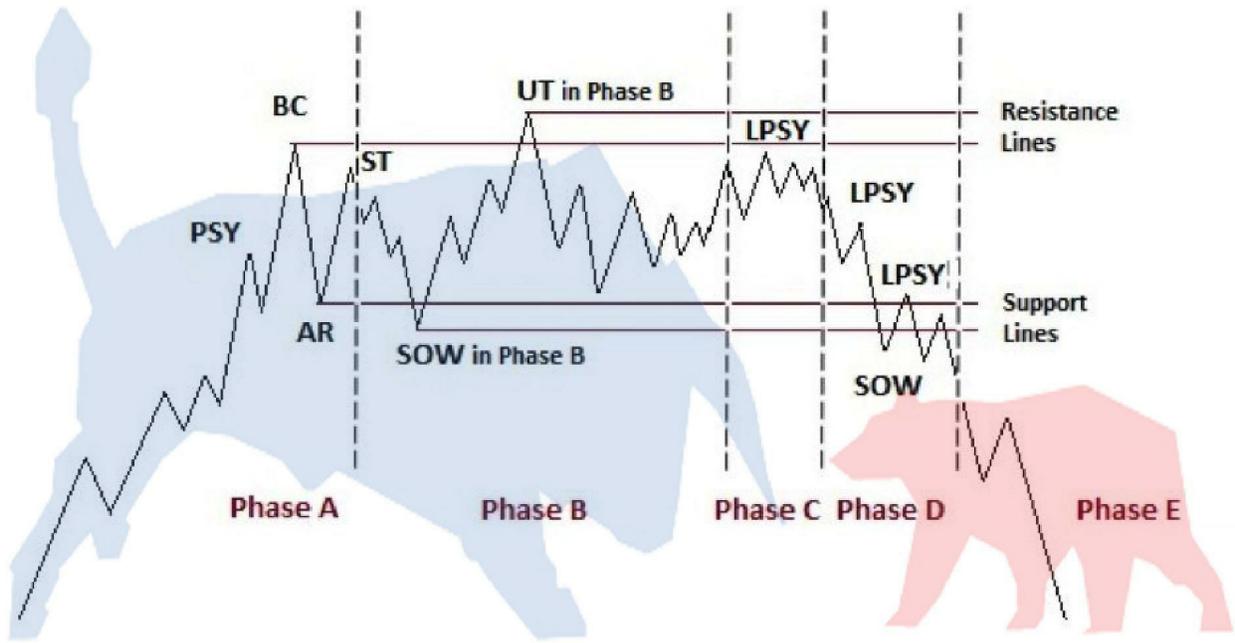
LPSY—Last point of Supply :

Subsequent to testing support on a SOW, a weak convention on slender spread shows that the market is having significant trouble progressing. This powerlessness to revitalize might be because of feeble interest, generous stockpile or both. LPSYs speak to weariness of interest and the last rushes of enormous administrators' conveyance before markdown starts decisively.

UTAD—Up thrust After Distribution:

An UTAD is the distributional partner to the spring and terminal shakeout in the collection TR. It happens in the last phases of the TR and gives a conclusive trial of new interest after a breakout above TR obstruction. Similar to springs and shakeouts, an UTAD is definitely not a necessary auxiliary component: the TR in Distribution Schematic #1 contains an UTAD, while the TR in Distribution Schematic #2 doesn't.

Wyckoff Distribution Schematic2:



Phase A:

Phase A marks the halting of the earlier upturn. So far, demand has been prevailing and the principal noteworthy proof of supply entering the market is given by fundamental stockpile (PSY) and the purchasing peak (BC). These occasions are generally trailed by a programmed response (AR) and an auxiliary test (ST) of the BC, frequently upon lessened volume. Be that as it may, the upturn may likewise end without climactic activity, rather showing fatigue of interest with diminishing spread and volume; less upward advancement is made on each rally before huge stockpile rises.

In a redistribution TR inside a bigger downtrend, Phase A may look progressively like the beginning of an aggregation TR (e.g., with climactic cost and volume activity to the drawback). In any case, Phases B through E of a re-circulation TR can be dissected along these lines to the dispersion TR at the market top

Phase B:

The capacity of Phase B is to assemble a reason in anticipation of another downtrend. During this time, foundations and huge expert interests are discarding their long stock and starting short situations fully expecting the following markdown. The focuses about Phase B in dispersion are like those made for Phase B in gathering, then again, actually the huge interests are net merchants of offers as the TR develops, with the objective of debilitating however much of the rest of the interest as could be expected. This procedure leaves hints that the inventory/request balance has tilted toward supply rather than request. For example, SOWs are typically joined by fundamentally expanded spread and volume to the drawback.

Phase C:

In appropriation, Phase C may uncover itself by means of an upthrust (UT) or UTAD. As noted over, an UT is something contrary to a spring. It is a value move above TR opposition that rapidly switches and shut in the TR. This is a trial of the rest of the interest. It is likewise a bull trap—it seems to flag the resumption of the upturn however as a general rule is planned to "wrong-

foot" ignorant break-out merchants. An UT or UTAD enables enormous premiums to deceive the general population about the future pattern heading and, in this manner, offer extra offers at raised costs to such break-out brokers and speculators before the markdown starts. What's more, an UTAD may instigate littler brokers in short situations to cover and give up their offers to the bigger interests who have built this move.

Forceful dealers may wish to start short situations after an UT or UTAD. The hazard/reward proportion is frequently very positive. In any case, the "brilliant cash" over and over stops out merchants who start such short situations with one UT after another, so it is frequently more secure to hold up until Phase D and a LPSY.

Regularly request is so powerless in a dispersion TR that cost doesn't arrive at the degree of the BC or introductory ST. For this situation, Phase C's trial of interest might be spoken to by an UT of a lower high inside the TR.

Phase D:

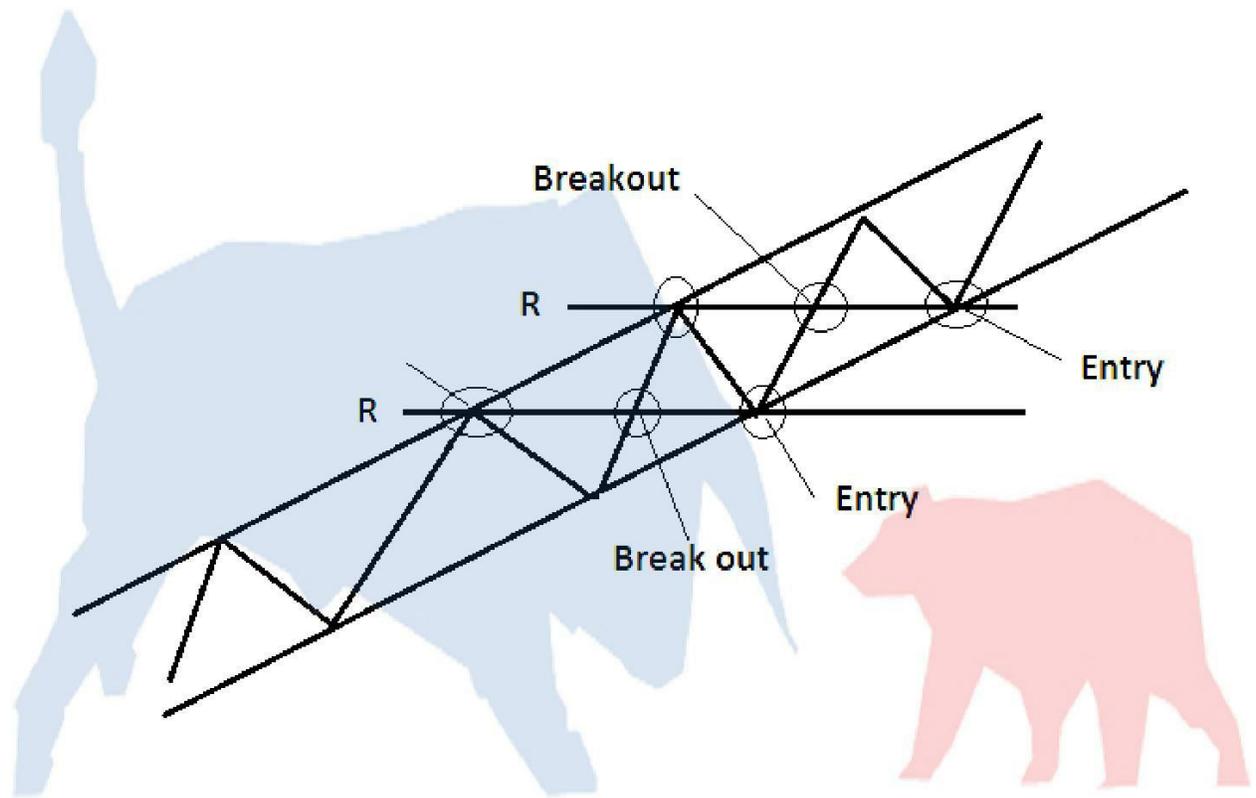
Phase Stage D lands after the tests in Phase C show us the last wheezes of interest. During Phase D, value goes to or through TR support. The proof that supply is unmistakably predominant builds either with a reasonable break of help or with a decrease beneath the mid-purpose of the TR after an UT or UTAD. There are frequently numerous frail conventions inside Phase D; these LPSYs speak to astounding chances to start or add to gainful short positions. Anybody still in a long situation during Phase D is requesting inconvenience.

Phase E:

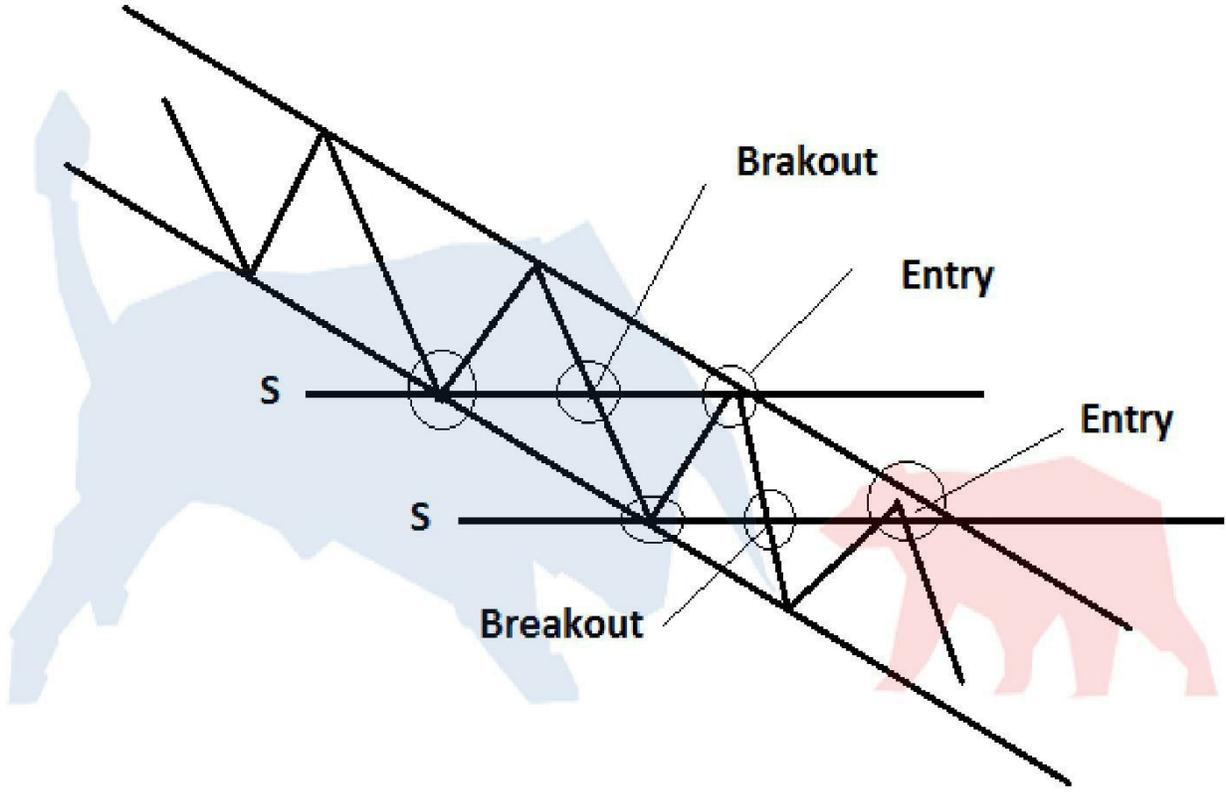
Stage E portrays the unfurling of the downtrend; the stock leaves the TR and supply is in charge. Once TR support is broken on a significant SOW, this breakdown is regularly tried with a convention that falls flat at or close to help. This additionally speaks to a high-likelihood chance to undercut. Ensuing meetings during the markdown are typically weak. Dealers who have taken short positions can trail their stops as value decays. After a critical down-move, climactic activity may flag the start of a re-conveyance TR or of gathering.

*** Wyckoff Channels:**

Up channel



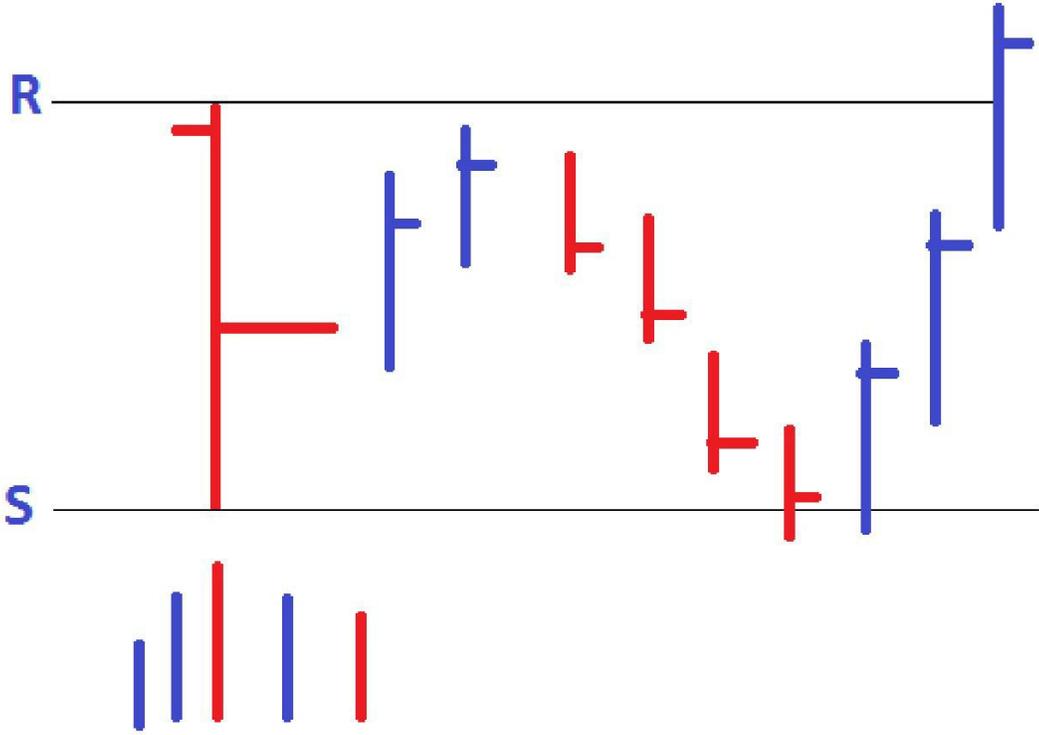
Down Channel



-Wyckoff Volume types Bars in My Strategy

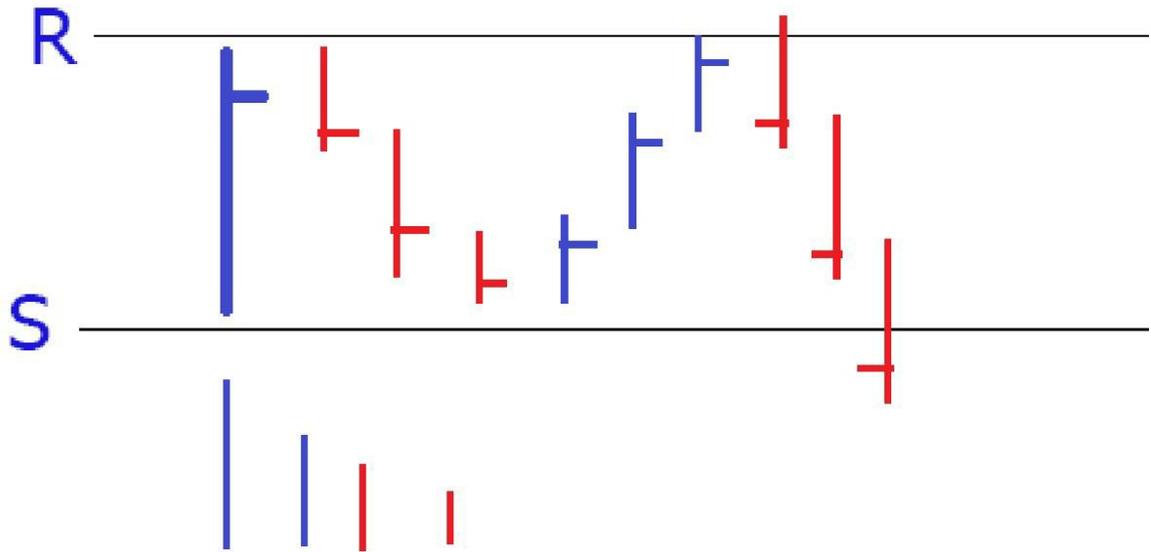
1 - Selling Climax

Down Bar Wide Spread high to Ultra high volume .closed in the middle



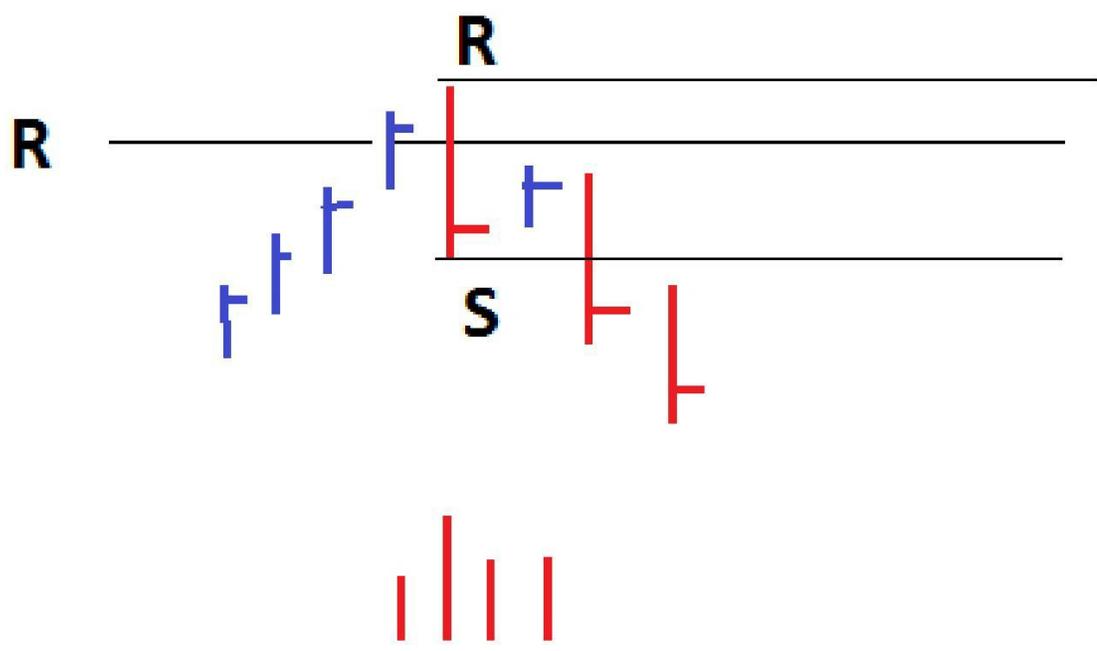
3- Buying Climax:

Bar With a High to Ultra high Volume. Closed in the middle



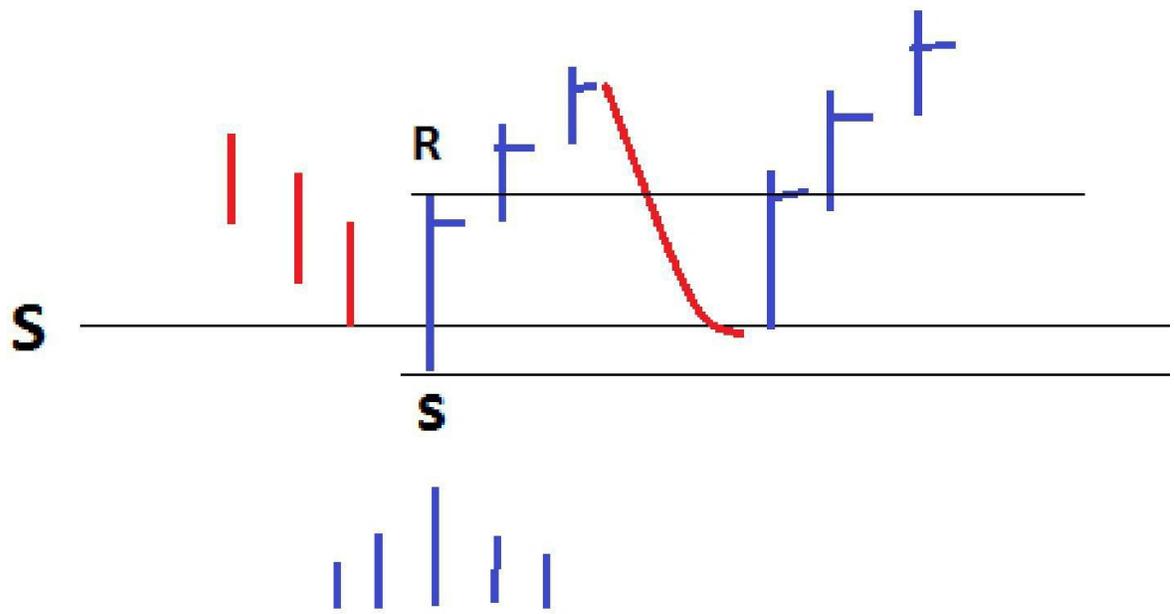
4-Upthrust:

Down Bar Ultra high volume. Closed in the low



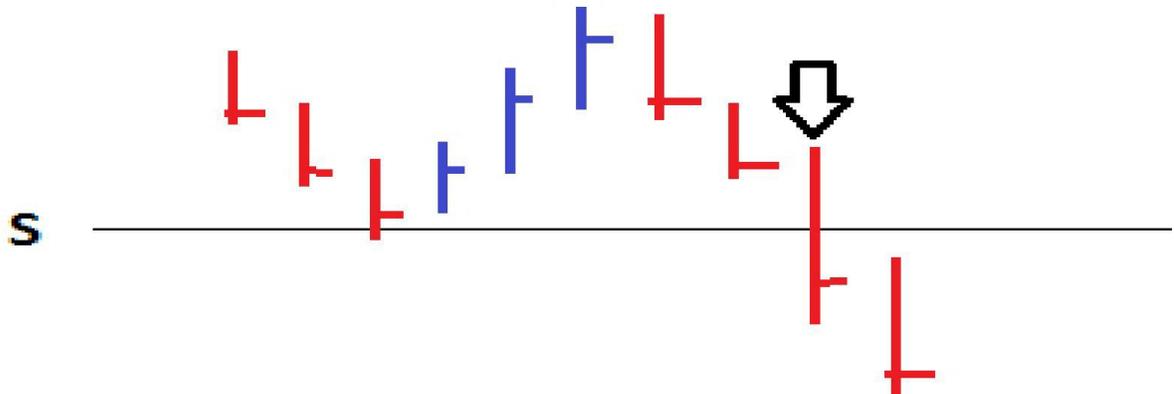
5-Down Thrust:

high to ultra high volume. Closed in the high



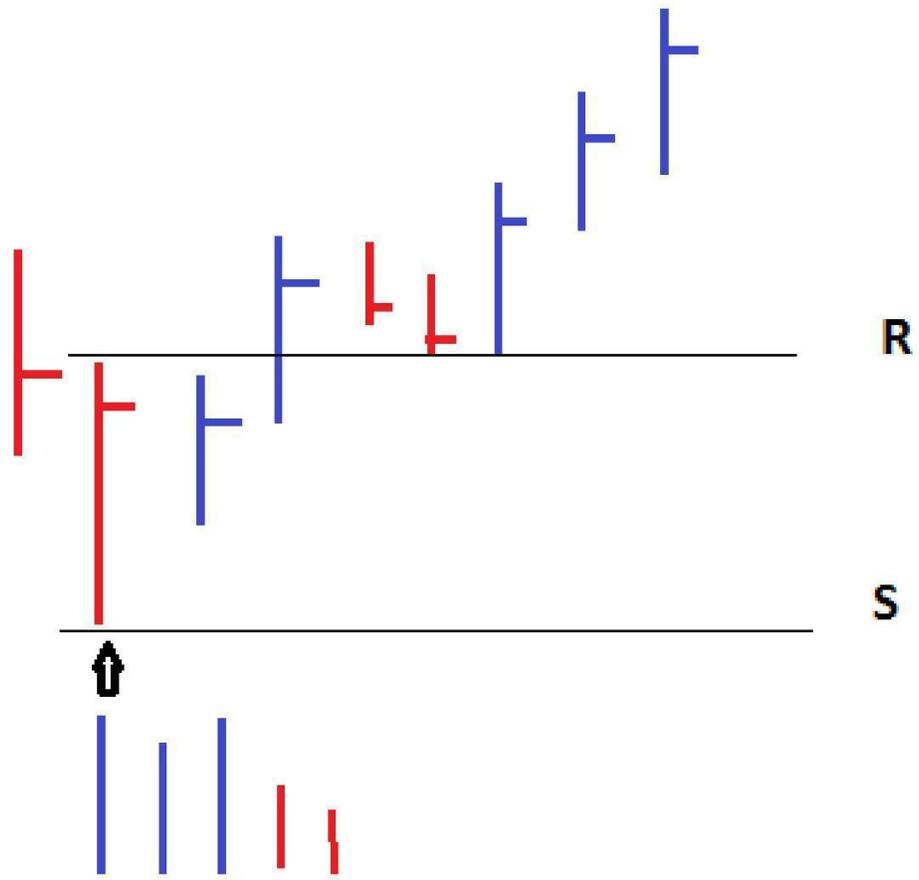
6-Effort Bar

Down Bar high to ultra high Volume. Closed in the low Bottom break or support.



7-Stopping Volume:

Down wide spread high to Ultra high Volume. Close above the middle.



Supply and Demand:

Supply and demand trading is one of the main trading methods I use to trade the forex market you'll know that I trade it a little bit differently to how most people trade it online

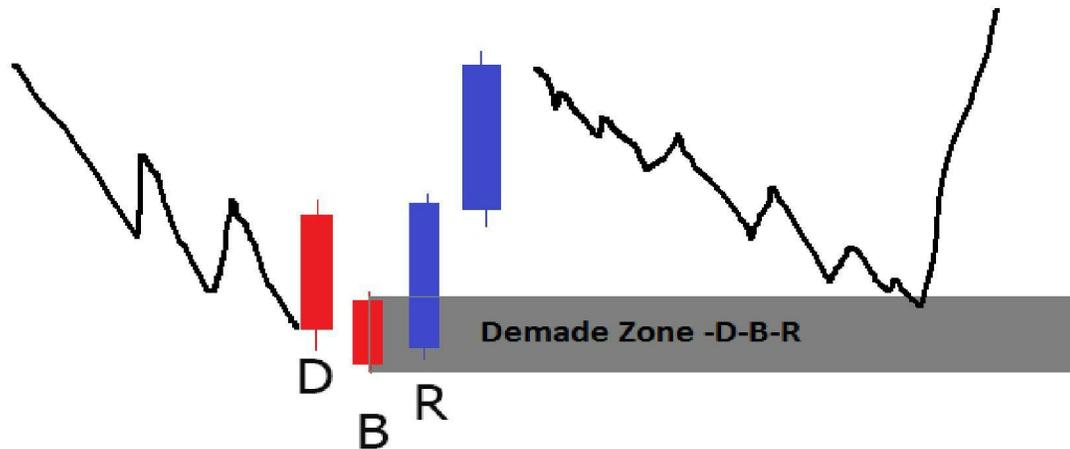
In general, the supply and demand for goods is the primary driver of the price of a particular commodity. The greater the demand for a commodity, the higher its price and vice versa. The more the quantities supplied for a commodity, the lower

its price, and this is a well-known principle of economics in general.

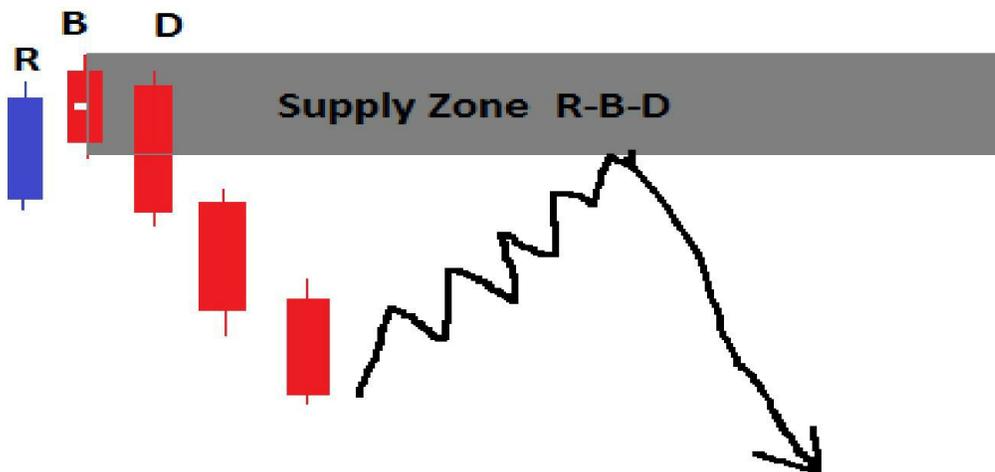
This is also what happens in financial markets. The first and last price drivers are the required quantities and are offered to a specific pair. The higher the quantities required for a specific pair or asset, the higher its price and vice versa. The higher the quantities offered for a specific husband or asset, the lower its price.

Supply And Demand Zones Types:

The demand and supply areas are divided into two types: The demand and supply areas are divided into two types: **Bottoms areas: Drop-Base-Rally.** (For demand Zone)

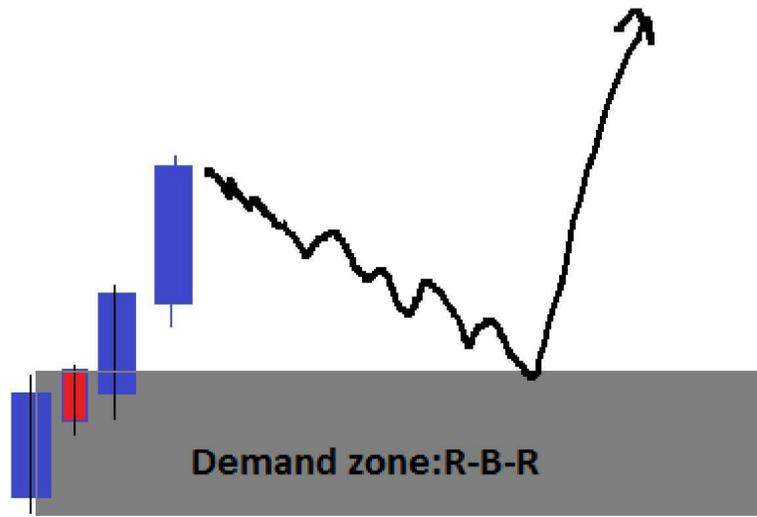


And Peak areas: (Rally-Base-Drop).(For Supply Zone)

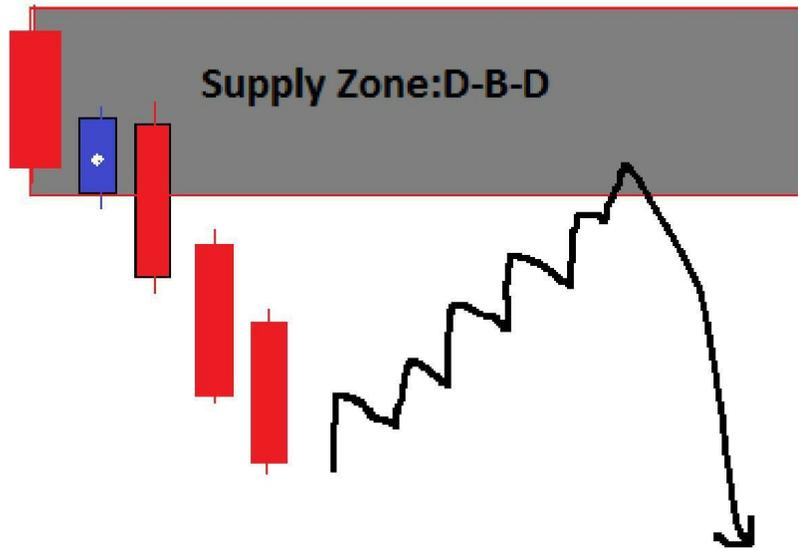


2- Continuation Patterns areas:

- Strong with only trend
- Weak in trading against the trend
- * **Rally-Base-Rally (For Demand areas)**

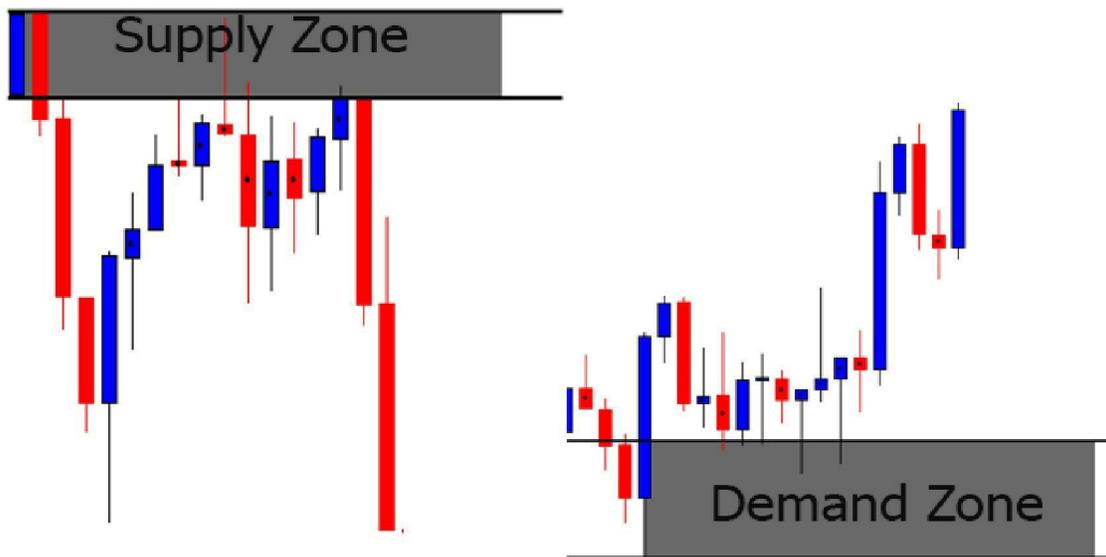


*** Drop-Base-Drop (For Supply Zone)**



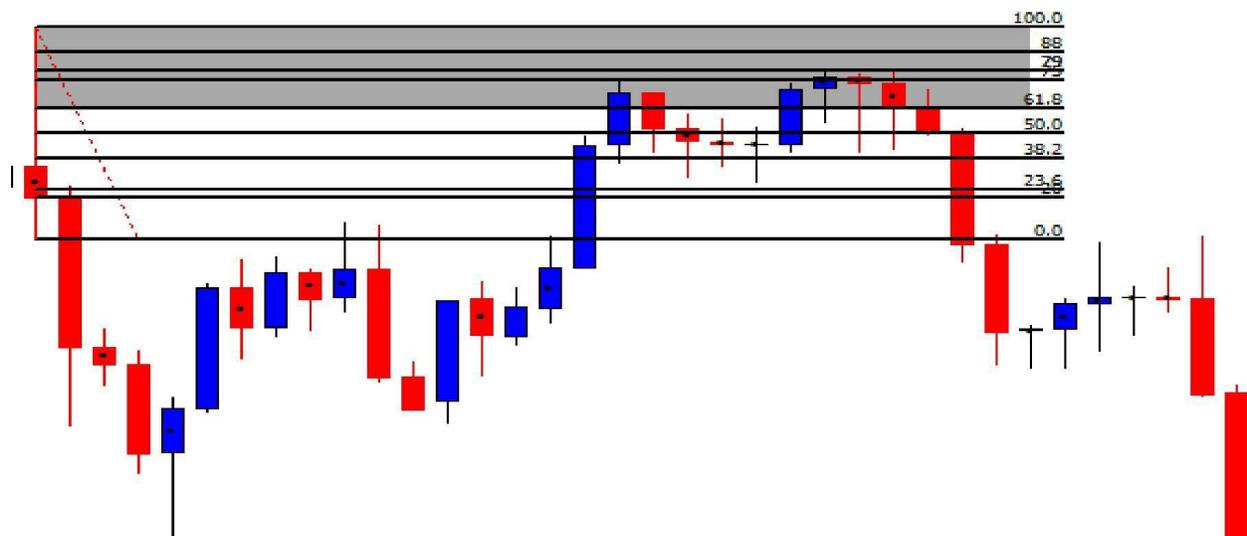
Drawing supply and demand areas:

first you must know the types of candles that I use to draw areas Now let me Show how I Drawing Supply and Demand Areas Using our own candles
If I have an area consisting of a engulfing candle. I do draw area on a swallowed candle as shown in the picture



Draw areas using candles Bin Bar

We take the Fibonacci indicator and draw it on the candle body. Our entry point will be of proportion. 38 or 50 or 61.8 Fibonacci *Bulish Pin Bar
Bearish Pin Bar



Drawing Morning star and Evening Star areas

we take the candle in the middle and draw a rectangle on the body of the candle

Drawing Dark Cloud Candles Supply and Demand Zone

i draw the area on the candle inside the big candle

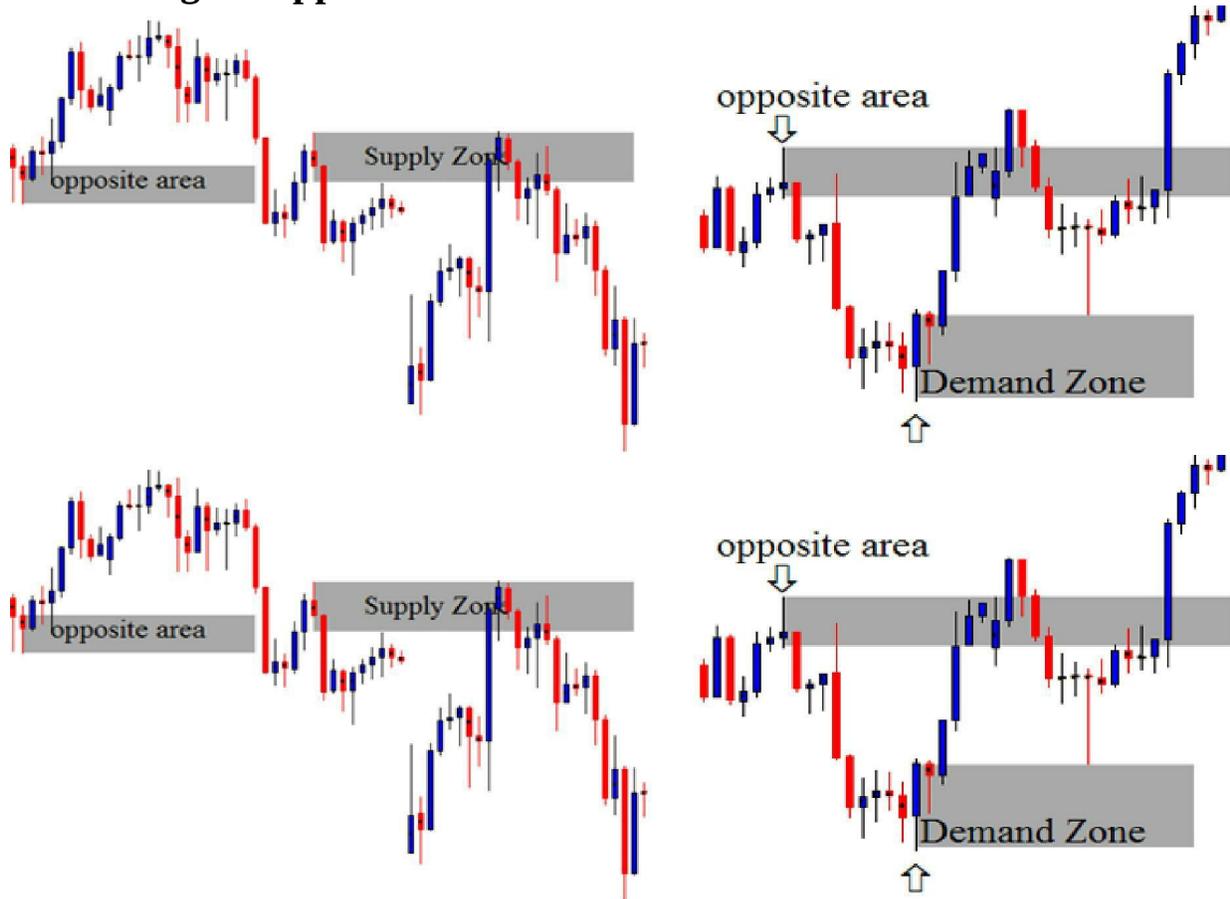


Conditions for supply and demand areas:

Conditions for supply and demand areas:

Break the trend with a full candle (HLOC).

2-Breaking the opposite area.



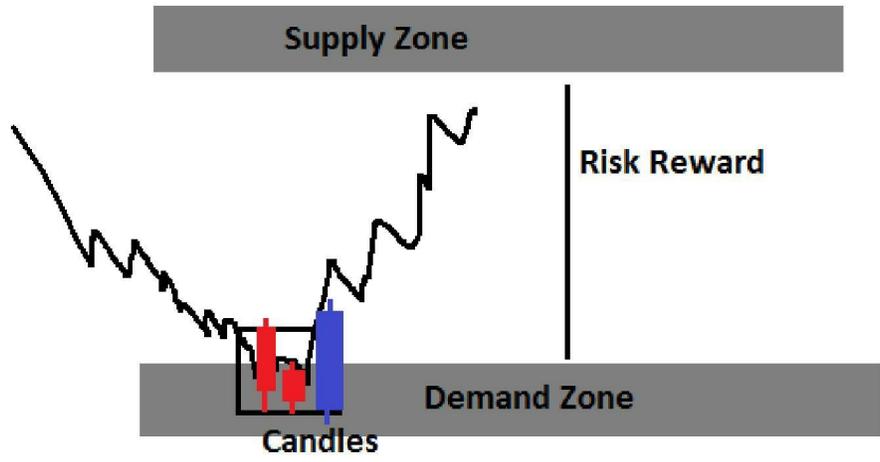
The risk should be at least 1/2 pioneers

4-The number of candles in the area should not exceed 6 candles.

4-The number of candles in the area should not exceed 6 candles.

Check out large candles with full body (ERC Candles)

6-frish Area



How To Trade Supply And Demand With Price Action:

How to trade it ?

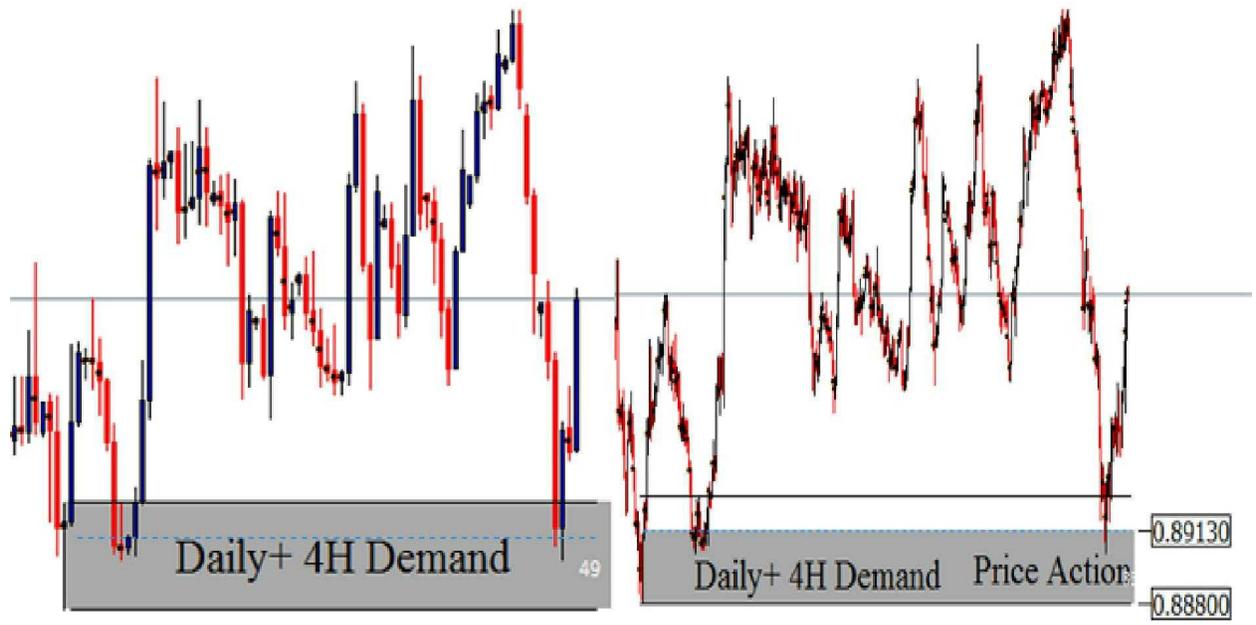
- We define the supply area on the weekly and daily frame, and the operations window will be four hours
- We go to the frame for less than 4 hours, we define the overlapping region with the weekly and daily
- We wait for the price to reach the region and be a model of Action Action models
- Bearish and Bullish Engulfing candles.
- Bearish and Bullish Pin Bar



The image above shows a weekly display area graphic overlapping with a daily area



Just like in our plan, the price arrived to our area and gave us our form.



***How To Trade Wyckoff With Supply And Demand whit Price Action Candles.**

-We draw a display or demand area on the weekly or daily frame.

-We go four-hour frame and define an area overlapping with the weekly or daily frame

-We wait for the price to reach the area and start a stage of collection or disposal

Example:Distribution With Weekly and daily supply Zone



Example: Accumulation whit Demand Zone and price Action.

Some Another Example: Before



After Bearish engulfing Pattern



Before

