

Programming The “Livermore Market Key”

HOW TO TRADE IN STOCKS

On April and prices began to be recorded in Natural Rally column. Refer to Explanatory Rule 6-B. Draw black line under last price in Downward Trend column. Refer to Explanatory Rule 4-C.

On April 28th, prices began to be recorded in Natural Reaction column. Refer to Explanatory Rule 4-D.

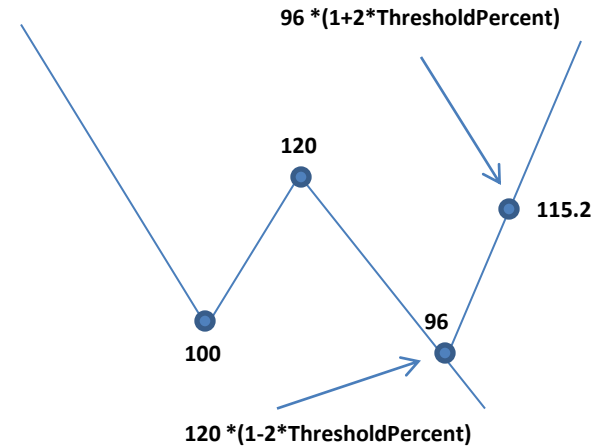
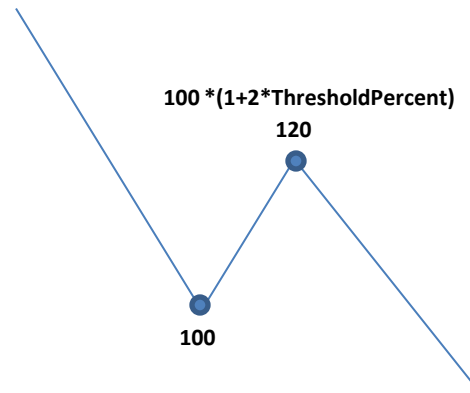
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CHART ONE

	SECONDARY RALLY	NATURAL RALLY	UPWARD TREND	DOWNWARD TREND	NATURAL REACTION	SECONDARY REACTION	SECONDARY RALLY	NATURAL RALLY	UPWARD TREND	DOWNWARD TREND	NATURAL REACTION	SECONDARY REACTION	SECONDARY RALLY	NATURAL RALLY	UPWARD TREND	DOWNWARD TREND	NATURAL REACTION	SECONDARY REACTION
		53		48				51		43				12		91		
		52		48				50		42				12		90		
1936								50		41				12		89		
DATE																		
MAY 20																		
24																		
25																		
SAT 26																		
28																		
29																		
30																		
31																		
APR 1																		
SAT 2		43						46						89				
4																		
5																		
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8																		
SAT 9		46						49						96				
11																		
12																		
13		47												97				
14		47												97				
SAT 16		49						50						101				
18																		
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22																		
SAT 23																		
25																		
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27																		
28																		
29																		
SAT 30																		
MAY 2																		
3																		
4																		

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Error with Simple Multiplication method when calculating the Up and Down Pivot Point.

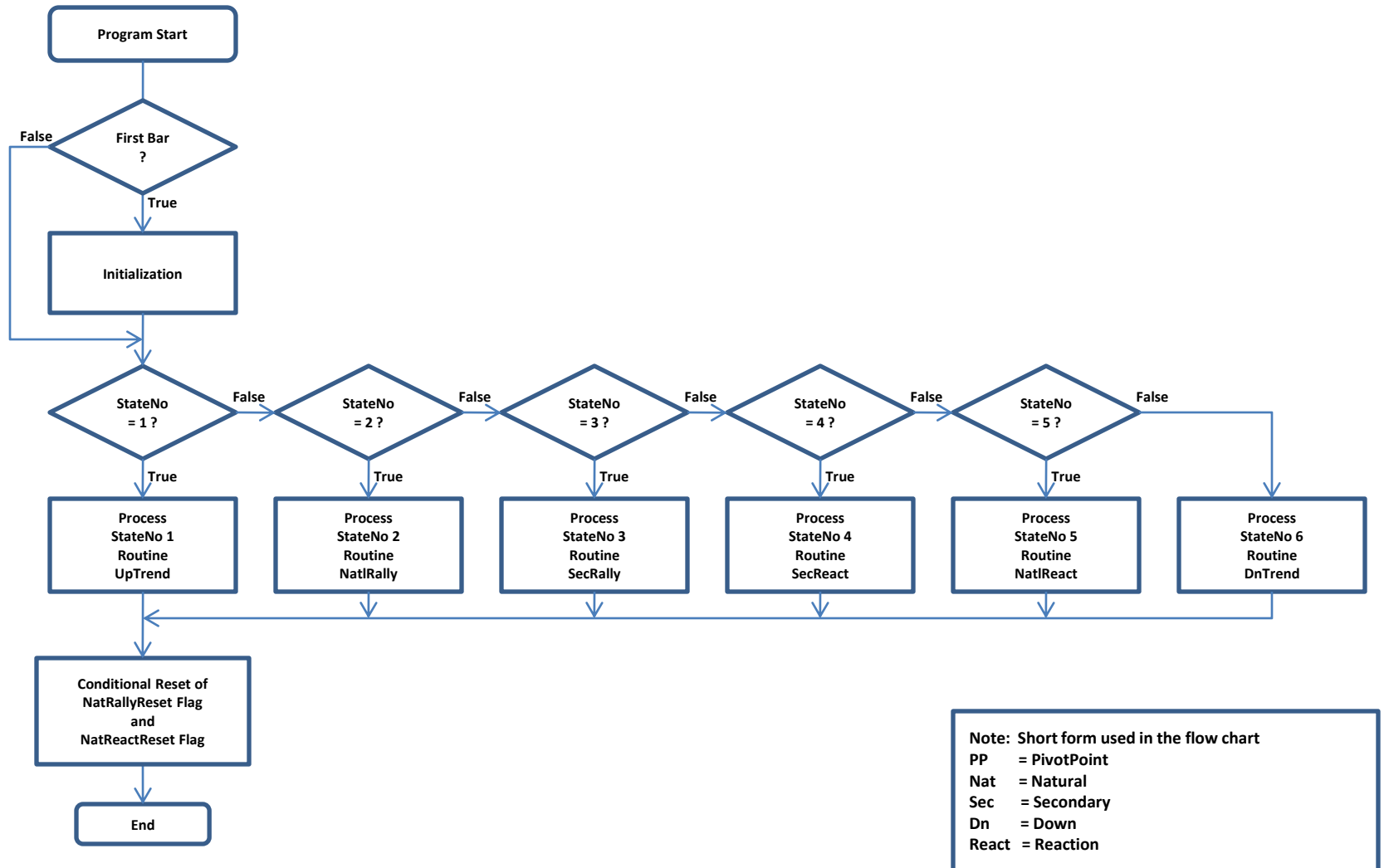


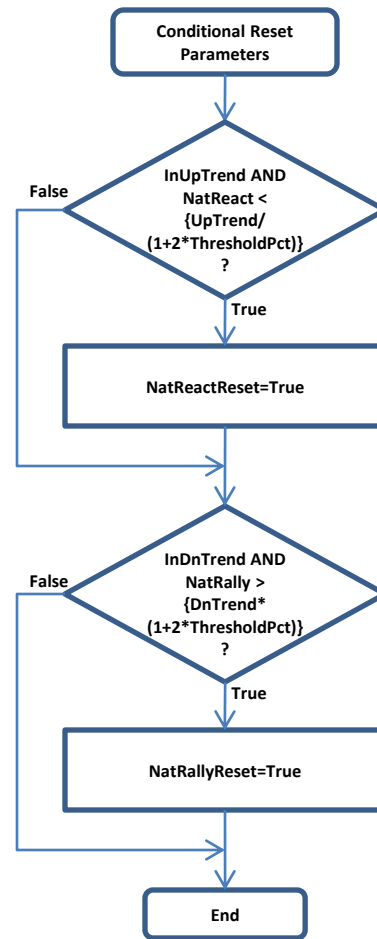
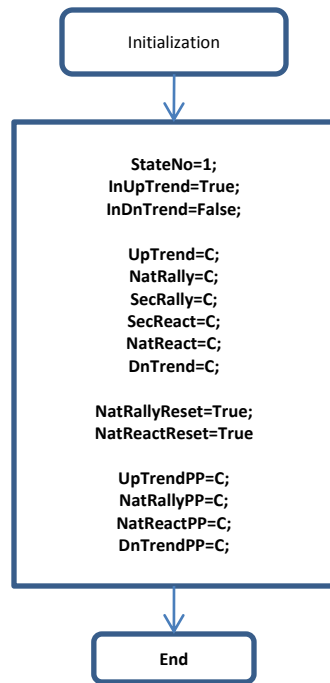
Solution to handle the error: =>

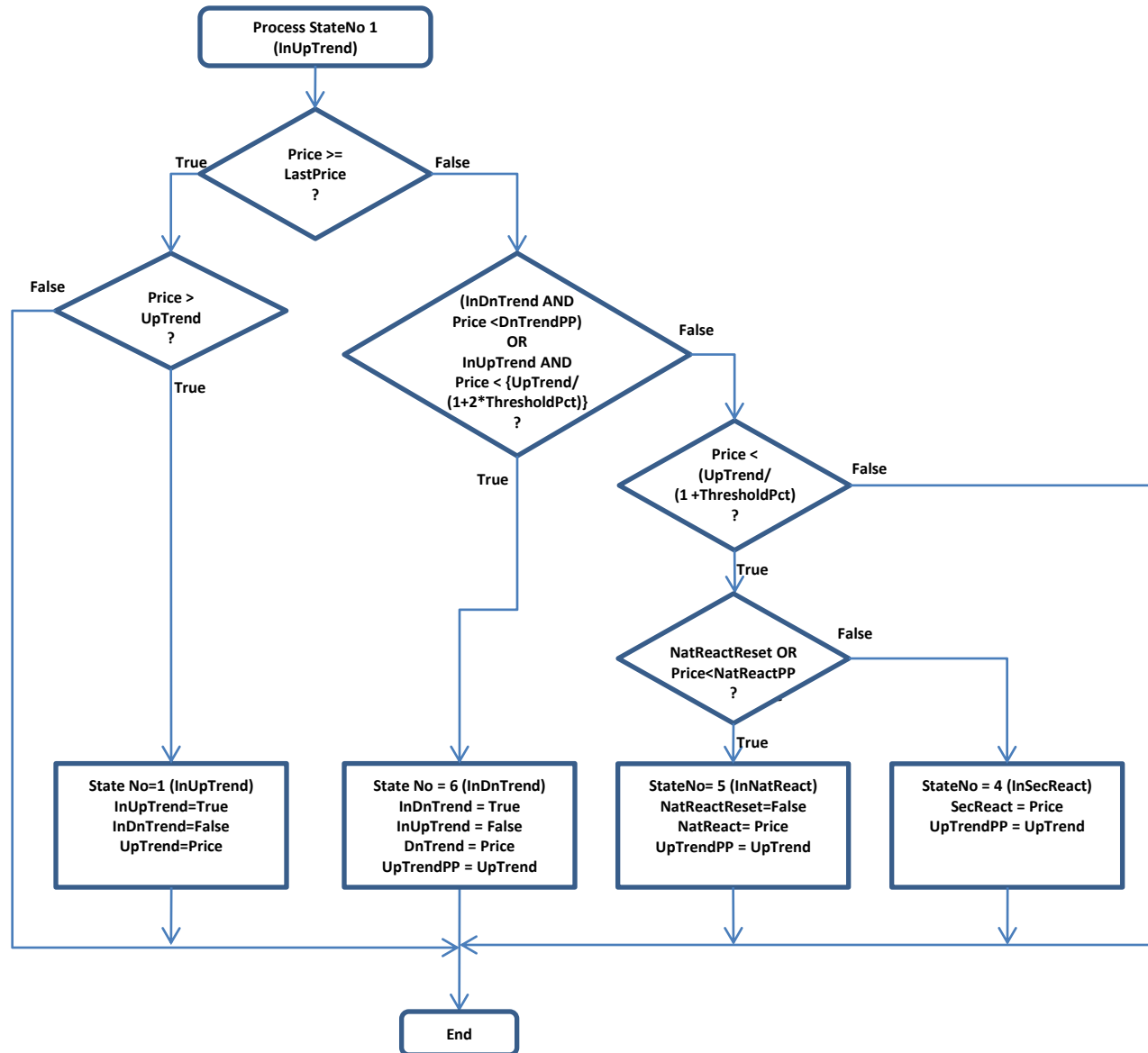
UpTrendThreshold Calculation
=>
DownTrend $*(1 + 2 * \text{ThresholdPercent})$

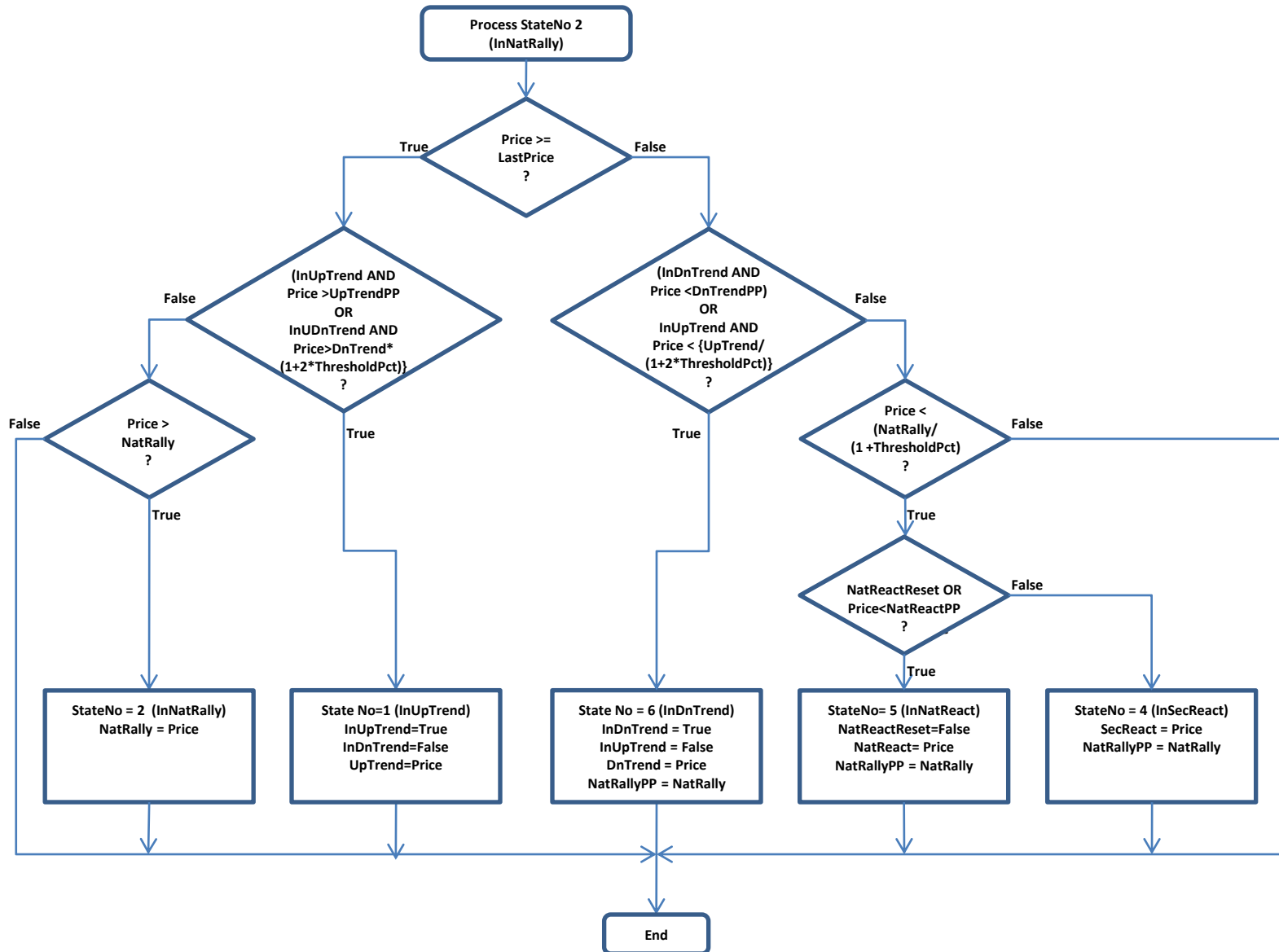
DownTrendThreshold Calculation
=>
UpTrend $/(1 + 2 * \text{ThresholdPercent})$

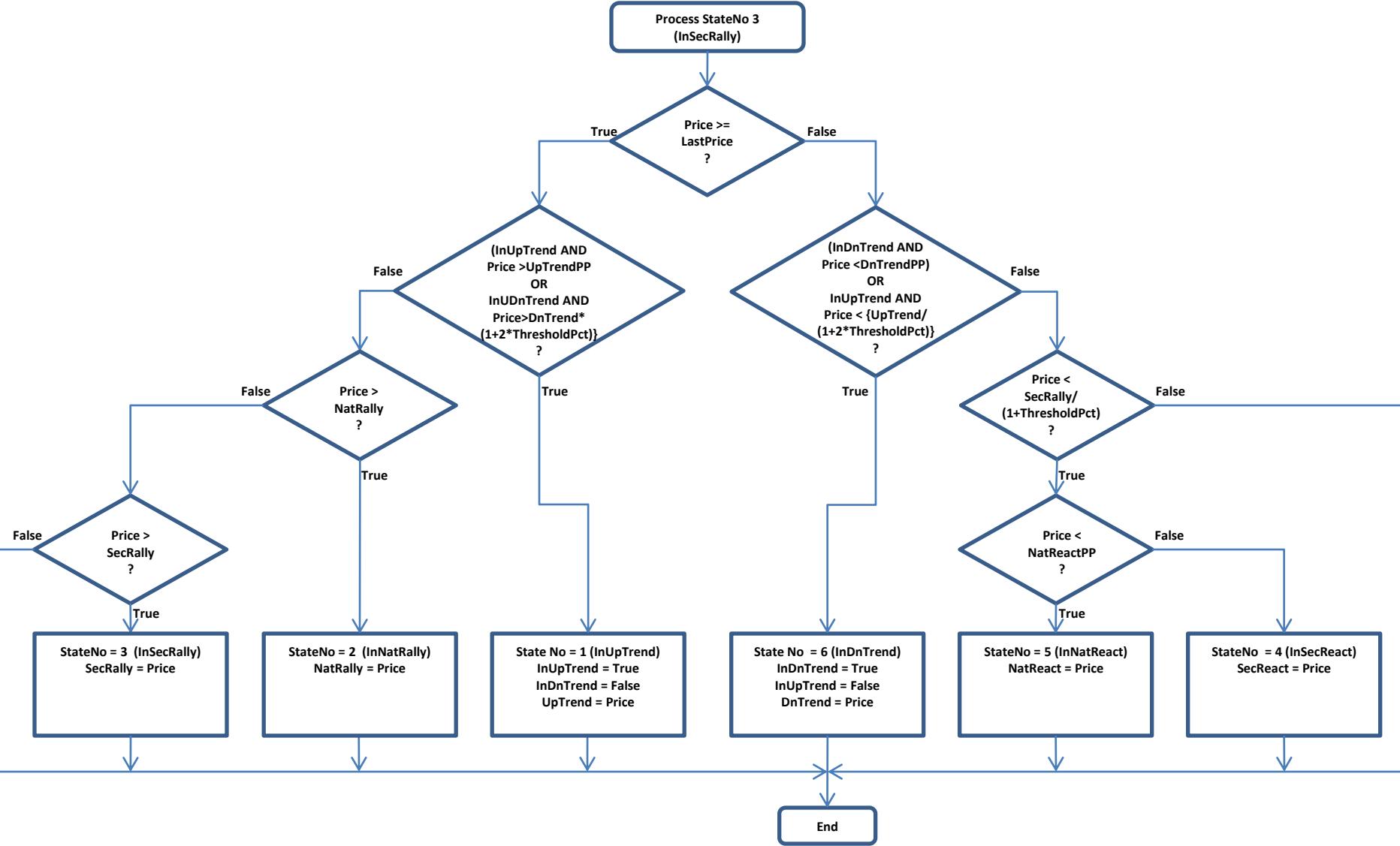
Jesse Livermore Secret Market Key Flow Chart by KH Tang

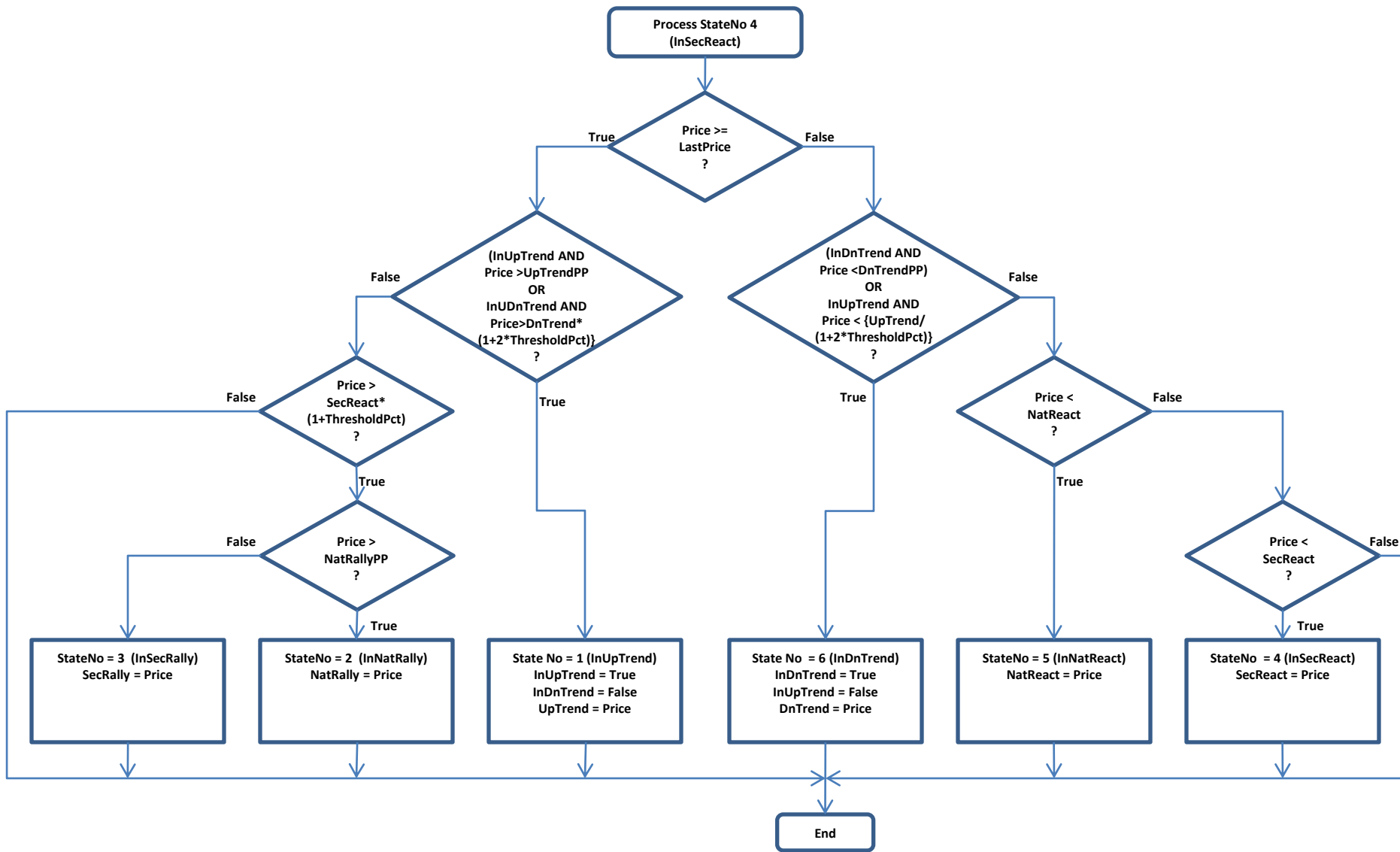


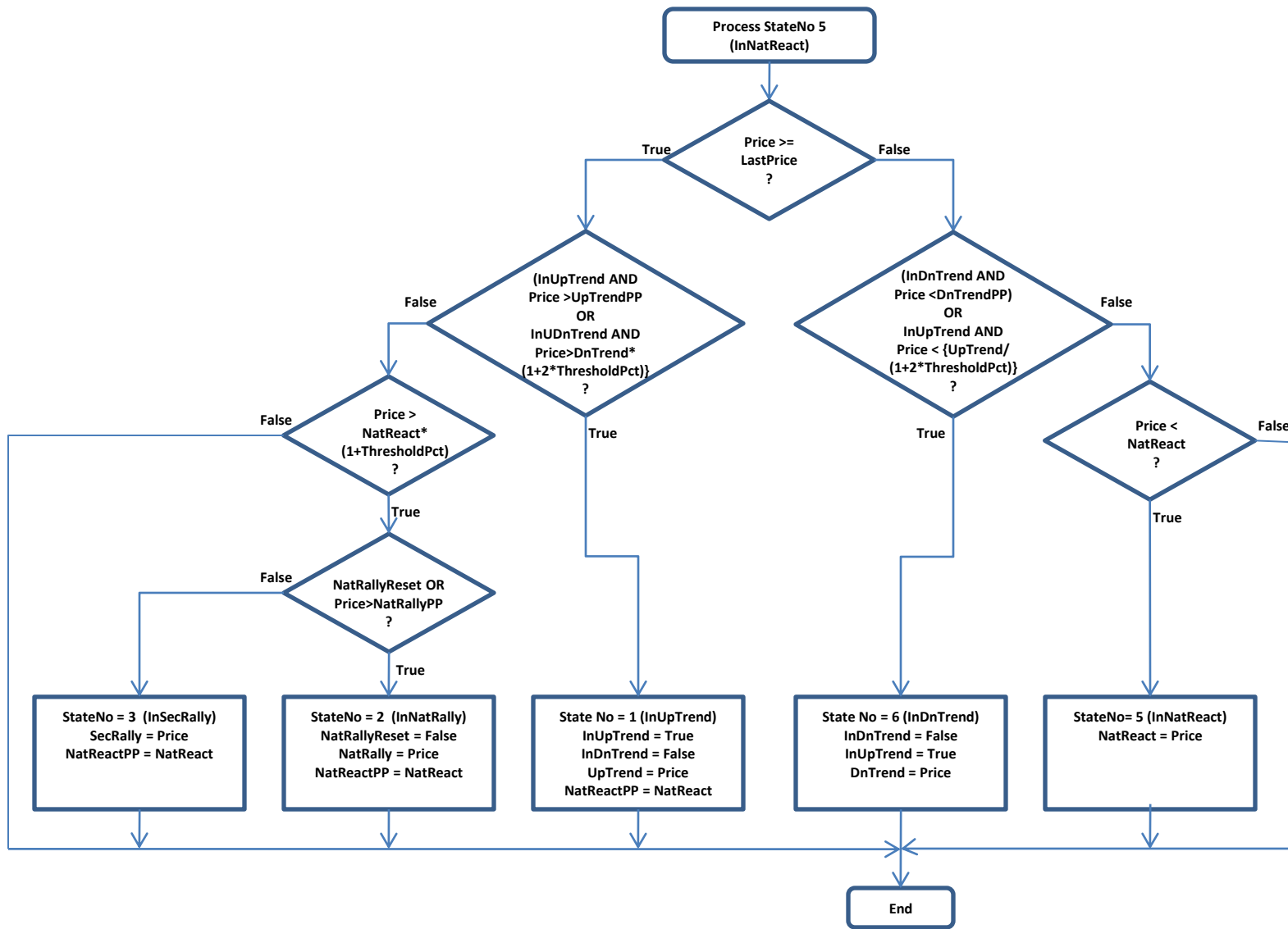


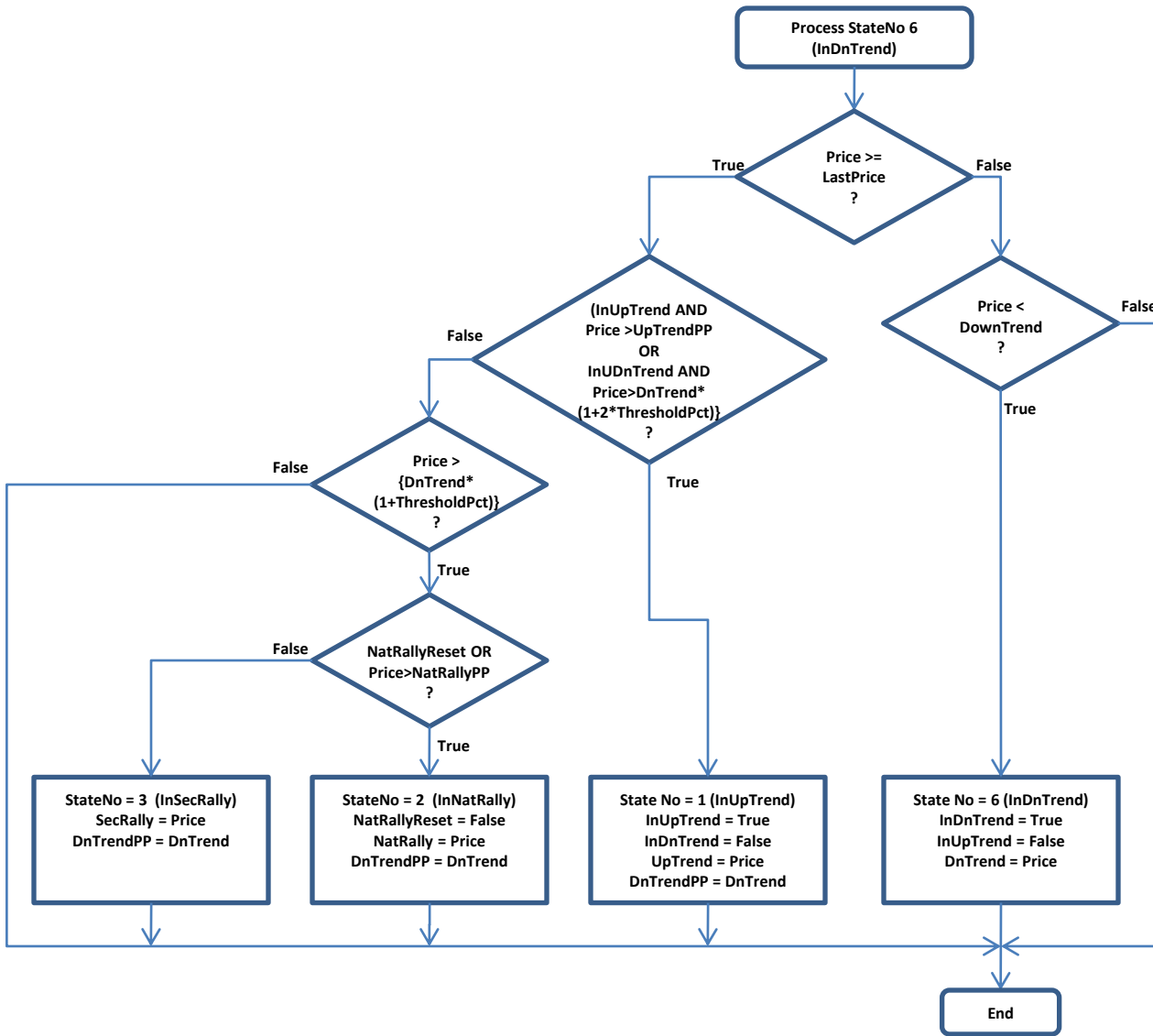




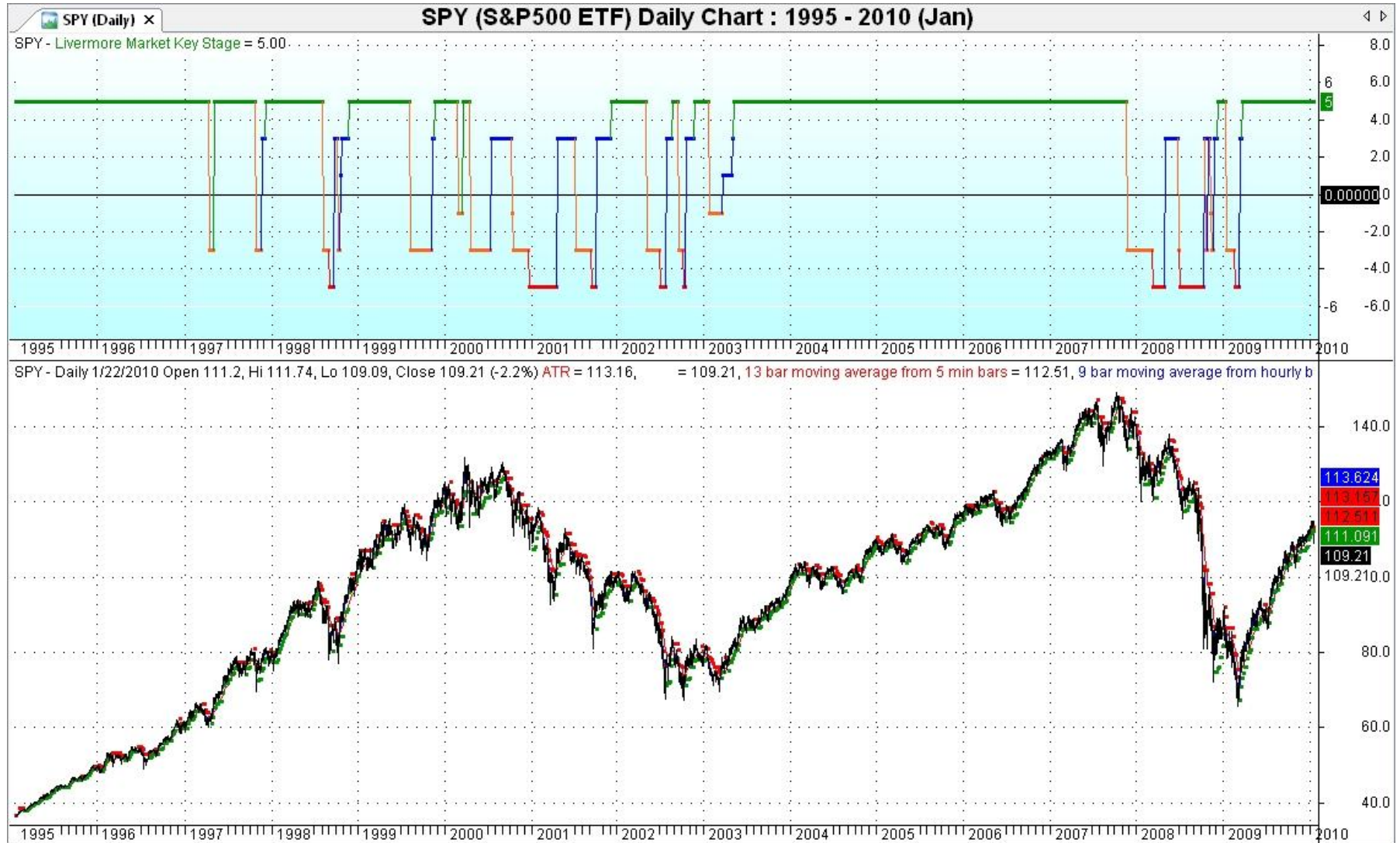








Sample Chart



In late 1939, Livermore's son, Jesse Jr., suggested to his father that he write a book about his experiences and techniques in trading in the stock and commodity markets. The book was completed and published in March 1940. It was titled [How To Trade In Stocks](#). (← Downloadable)

In this short book, Jesse Livermore spent a great deal of effort, more than 1/3 of the book, in explaining and illustrating this “Livermore Market Key” technique in details. Later in November 1940, he passed away...

May be... just may be that... Who Knows?
May be he wanted to pass down this tool to the public to avoid personal financial crash due to the Stock Market Manipulation in the future? As it surely would help those who believe and follow through his work. (See it for yourself from the charts on the next link.)

The above flow-charts were proven to be programmable as the result shown in my blog: [Stock Market Tools \(6\) - Livermore Market Key](#).

"La guerre! C'est une chose trop grave pour la confier à des militaires."

"War is too important to be left to the generals."

- Georges Clemenceau (1841-1929): A French journalist, physician and statesman. He served as Prime Minister from 1906 to 1909 and from 1917 to 1920.

With the same token, it is suggested that:-
Personal Finance matter is Too Important to be left to the Financial Advisors!

Thus, it is so serious that individual Must spend part of the time to learn and understand how economy works!

Bless You
KH Tang
24 Jan 2010