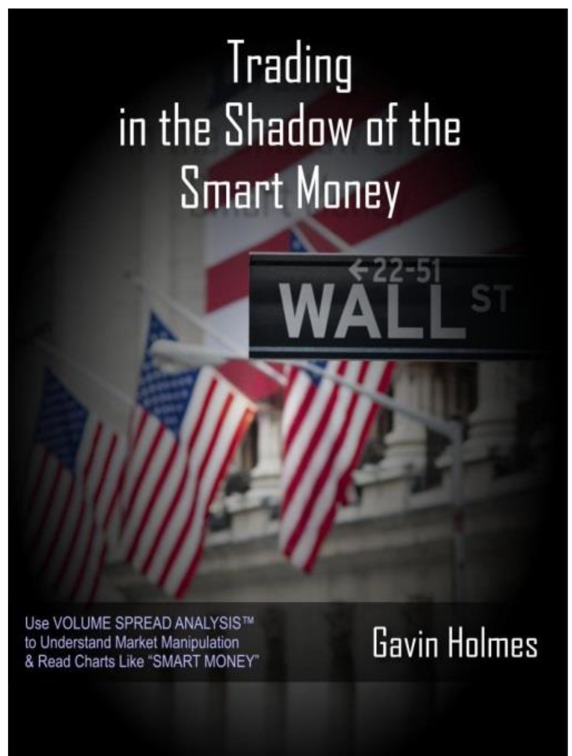
Market Manipulation
What *You* need to know to stay profitable using Wyckoff / Volume Spread Analysis



Important Disclaimer

Trading Stocks, Options on Stocks, Futures, Options on Futures, and retail off-exchange foreign currency transactions (FOREX) involves substantial risk of loss and is not suitable for all investors. Past performance, whether actual or indicated by historical tests of strategies, is no guarantee of future performance or success. There is a possibility that you may sustain a loss equal to or greater than your entire investment regardless of which asset class you trade (equities, options, futures or forex); therefore, you should not invest or risk money that you cannot afford to lose.

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Are The Financial Markets Manipulated - Fact or Fiction?

Market Manipulation - Evidence

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'The market is rigged' - Michael Lewis

Kamal Ahmed
Business editor

10 April 2015 | Business

Market Manipulation - Evidence

In his seminal work on the role of high-frequency traders in global stock markets, Michael Lewis quotes Charlie Munger, Warren Buffett's right hand man.

Mr Munger said that high-frequency trading was "the functional equivalent of letting a lot of rats into a granary".

The central thesis of Flash Boys, which is published, with an updated final chapter, in paperback this week, is that electronic trading has rigged the market against ordinary investors, particularly in America.

Computer algorithms allow high-frequency trading (HFT) firms to "get ahead" of institutions investing on behalf of our pension funds and savings schemes.

Because HFT firms execute deals in tiny fractions of seconds they are able to "front run" human traders who are buying stocks and make a small "skim" on the deal by pushing prices up or down.

Although each "skim" is tiny, the overall effect, according to Mr Lewis, is that billions of dollars are being lost by investors to HFT firms which have inserted themselves into the market.

More from Kamal

Sajid Javid: Calling a strike will be harder

Will HSBC really quit the UK?

Tesco hits the bottom

Confusopoly - the art of baffling your customers on price

"When the incentives are screwed up the behaviour is screwed up.

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UK 'flash crash' trader appears in court

22 April 2015 | Business

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Forex scandal: How to rig the market

By Sebastian Chrispin
Business reporter, BBC News

12 November 2014 | Business

The foreign exchange market is not easy to manipulate.

But it is still possible for traders to change the value of a currency in order to make a profit.

As it is a 24-hour market, it is not easy to see how much the market is worth on a given day.

Institutions find it useful to take a snapshot of how much is being bought and sold. This happens every

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Market Manipulation - Evidence

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Forex manipulation: How it worked

Catherine Boyle | @cboylecnbc
Wednesday, 12 Nov 2014 | 12:59 PM ET

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The Telegraph

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Thomas Pascoe

Thomas Pascoe worked in both the Lloyd's of London insurance market and in corporate finance before joining the Telegraph. He writes about the financial markets. His email is thomas.pascoe@telegraph.co.uk and his Twitter address is @PascoeTelegraph

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The price of gold has been manipulated. This is more scandalous than Libor

By **Thomas Pascoe** | **Economics** | Last updated: July 11th, 2012

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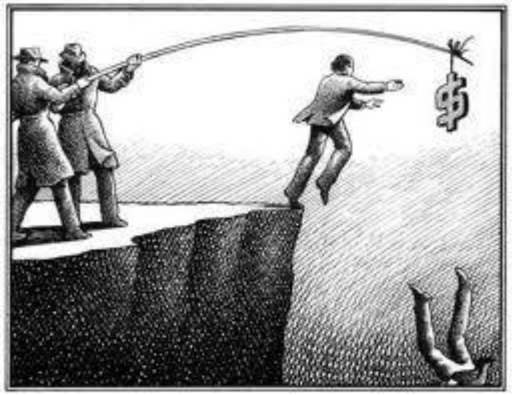
Market Manipulation
Gold and Silver



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The Truth in the Newspaper!!

METAL$ ARE IN THE PITS

Trader blows whistle on gold & silver price manipulation

EXCLUSIVE

By MICHAEL GRAY

There is no silver lining to the activities of JPMorgan Chase and HSBC in the precious-metals market here and in London, says a 40-year veteran of the metal pits.

The banks, which do the Federal Reserve's bidding in the metals markets, have long been the government's lead actors in keeping down the prices of gold and silver, according to a former Goldman Sachs trader working at the London Bullion Market Association.

Maguire was scheduled to testify last week before the Commodities Futures Trade Commission, which is looking into the activities of large banks in the metals market, but was knocked off the list at the last moment. So, he went public.

Maguire — in an exclusive interview with The Post — explained JPMorgan's role in the metals pits in both London and here, and how they can generate a profit either way the market moves.

"JPMorgan acts as an agent for the Federal Reserve; they act to halt the rise of gold and silver against the US dollar. JPMorgan is insulated from potential losses [on their short positions] by the Fed and/or the US taxpayer," Maguire said.

In the gold pits, Maguire sees HSBC betting against the precious metal's price without having any skin in the game in the form of a naked short.

"HSBC conducts an ongoing manipulative concentrated naked short position in gold. Silver is much easier to manipulate due to its much smaller [market] size," Maguire added.

"No one at JPMorgan is familiar with Andrew Maguire," said Brian Marchiony, a company spokesman. HSBC declined to comment.

Also during the CFTC hearing, Jeff Christian, founder of the commodities firm CPM Group, said that the LBMA, the physical delivery market for gold and silver in the UK, has been using leverage, which is another way to depress the price of gold and silver.

Christian said that the LBMA — the same market Maguire trades in — has leverage of about 100-1 on the gold bars settled on the exchange. In layman's terms, that means if 100 clients requested their bullion bars be delivered, the exchange could only give one client the precious metal.

The remaining requests would have to be settled for cash equivalent. "That is tantamount to a default on the trade," says Bill Murphy, chairman of the Gold Antitrust Action committee.

Maguire goes further and calls it a fraud: "If you sell something you do not own, then that is fraud."

Back in 2007, Morgan Stanley agreed to settle a $4.4-million lawsuit brought by precious-metal clients, who alleged that Morgan offered to buy gold and silver and store it for the investors, but never purchased any metal and still charged them storage fees.

Morgan Stanley denied the charges at the time, but "settled the case to avoid the cost and distractions of continued litigation," the firm said.

Despite gold's rise each of the last 10 years, Murphy believes the price of gold today would be closer to $2,300 an ounce if the price just moved with inflation.

Maguire believes the price should be even higher given the fear trade that would have sent prices spiking during the financial crisis in 2008-09.

Both precious metals have seen a recent spike since Maguire's e-mails became public. Gold has gained 6.5 percent to close at $1,161.55, while silver has spiked 10 percent to $18.38.

According to the e-mails Maguire sent to CFTC regulators, he was spot-on in his expectations of how the precious metals would trade on release of the January jobs report.

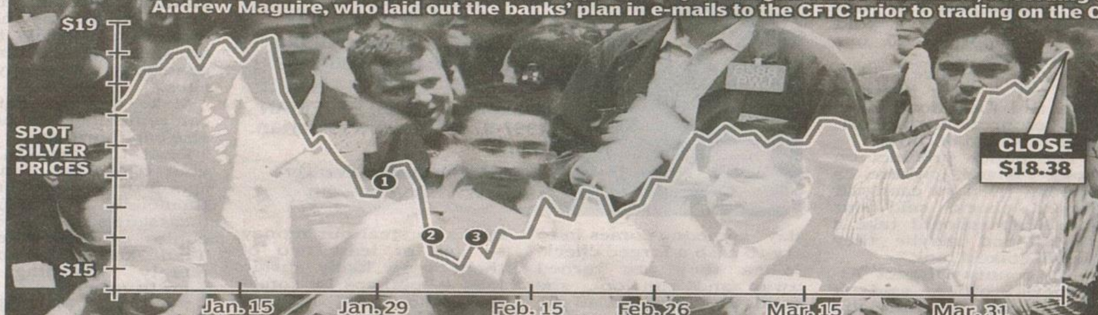
This message is to "confirm that the silver manipulation was a great success and played out exactly to plan as predicted yesterday. How would this be possible if the silver market was not in the full control of the parties we discussed in our phone interview," Maguire wrote to a staff investigator after the trading day.

CFTC commissioner Bart Chilton said, "I'm appreciative of the information Mr. Maguire provided and I'm glad it was introduced into the investigation."

mgray@nypost.com

High, low silver

The prices of gold and silver have been allegedly suppressed by JPMorgan Chase and HSBC, according to a London whistleblower. Andrew Maguire, who laid out the banks' plan in e-mails to the CFTC prior to trading on the Comex on Feb. 5.



1 **From:** Andrew Maguire
To: Ramirez, Eliud [CFTC]
Cc: BChilton [CFTC]
Sent: Wednesday, February 03, 2010 3:18 PM
Subject: Re: Silver today

Thought it may be helpful to your investigation if I gave you the heads up for a manipulative event signaled for Friday, 5th Feb. **Scenario 1.** The news is bad (employment is worse). This will have a bullish effect on gold and silver as the US dollar weakens and the precious metals draw bids, spiking them higher. This will be sold into within a very short time (1-5 mins) with thousands of new short contracts being added.

Scenario 2. The news is good (employment is better than expected). This will result in a massive short position being instigated almost immediately with no move up. This will not initially be liquidation of long positions but will result in stops being triggered, again targeting key support levels.
Kind regards,

2 **From:** Andrew Maguire
To: Ramirez, Eliud [CFTC]
Cc: BChilton [CFTC]; GGensler [CFTC]
Sent: Friday, February 05, 2010 3:37 PM
Subject: Fw: Silver today

A final e-mail to confirm that the silver manipulation was a great success and played out EXACTLY to plan as predicted yesterday. How would this be possible if the silver market was not in the full control of the parties we discussed in our phone interview?
Kind regards,
Andrew T. Maguire

3 **From:** Ramirez, Eliud
To: Andrew Maguire
Sent: Tuesday, February 09, 2010 1:29 PM
Subject: RE: Silver today

Good afternoon, Mr. Maguire,
I have received and reviewed your email communications. Thank you so very much for your observations.

AP

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Andrew Maguire
Former Goldman Sachs Trader and Whistle Blower

* * *

From: Andrew Maguire
To: Ramirez, Eliud [CFTC]
Cc: BChilton [CFTC]
Sent: Wednesday, February 03, 2010 3:18 PM
Subject: Re: Silver today

Dear Mr. Ramirez,

Thanks for your response.

Thought it may be helpful to your investigation if I gave you the heads up for a manipulative event signaled for Friday, 5th Feb. The non-farm payrolls number will be announced at 8.30 ET. There will be one of two scenarios occurring, and both will result in silver (and gold) being taken down with a wave of short selling designed to take out obvious support levels and trip stops below. While I will no doubt be able to profit from this upcoming trade, it is an example of just how easy it is to manipulate a market if a concentrated position is allowed by a very small group of traders.

I sent you a slide of a couple of past examples of just how this will play out.

Scenario 1. The news is bad (employment is worse). This will have a bullish effect on gold and silver as the U.S. dollar weakens and the precious metals draw bids, spiking them higher. This will be sold into within a very short time (1-5 mins) with thousands of new short contracts being added, overcoming any new bids and spiking the precious metals down hard, targeting key technical support levels.

Scenario 2. The news is good (employment is better than expected). This will result in a massive short position being instigated almost immediately with no move up. This will not initially be liquidation of long positions but will result in stops being triggered, again targeting key support levels.

Both scenarios will spell an attempt by the two main short holders to illegally drive the market down and reap very large profits. Locals such as myself will be "invited" on board, which will further add downward pressure.

The question I would expect you might ask is: Who is behind the sudden selling and is it the entity/entities holding a concentrated position? How is it possible for me to know what will occur days before it will happen?

Only if a market is manipulated could this possibly occur.

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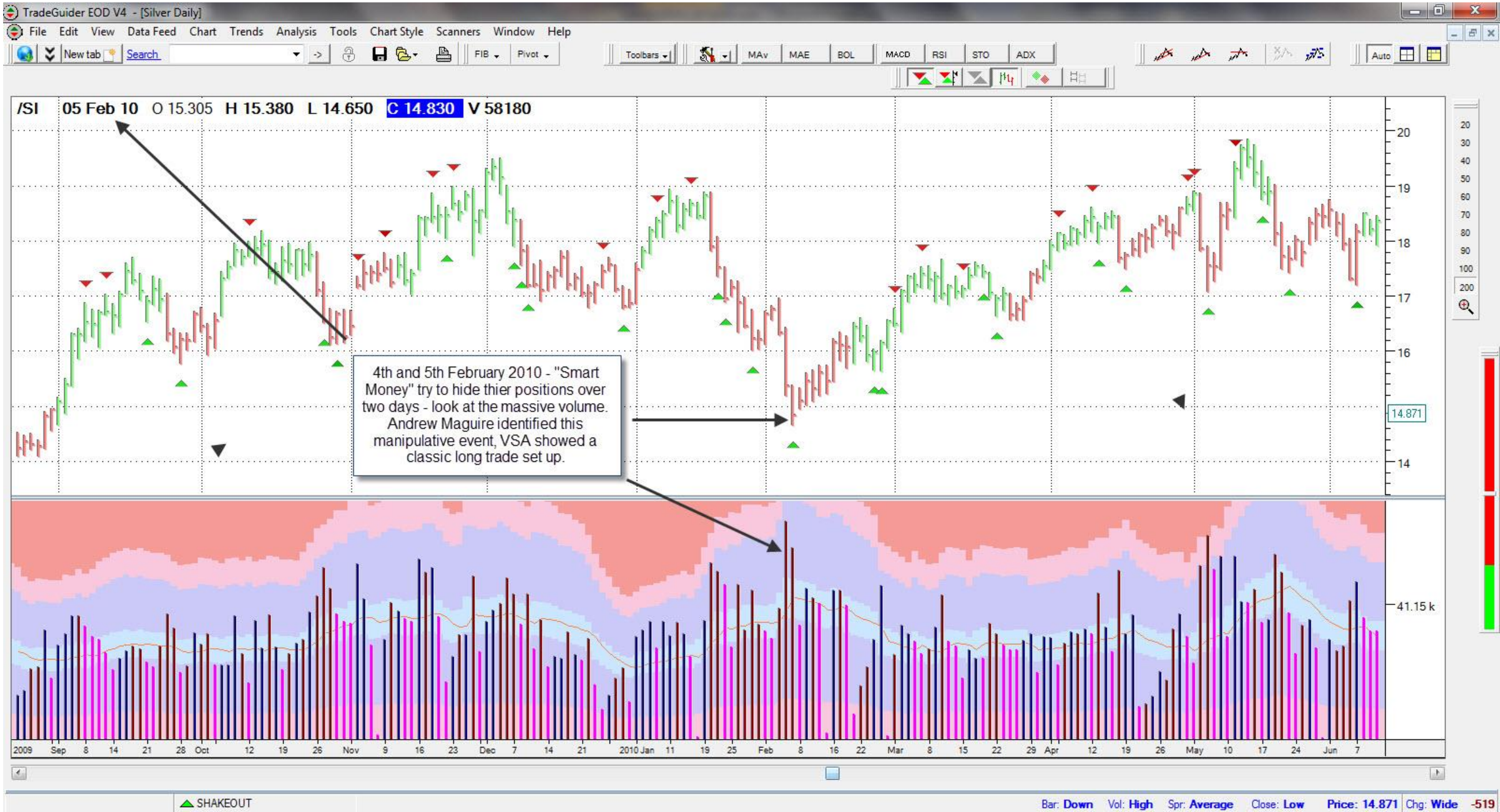
The "Shakeout" – Just as Maguire predicted BEFORE it happened – VSA Highlights this – The Yao Ming Bar



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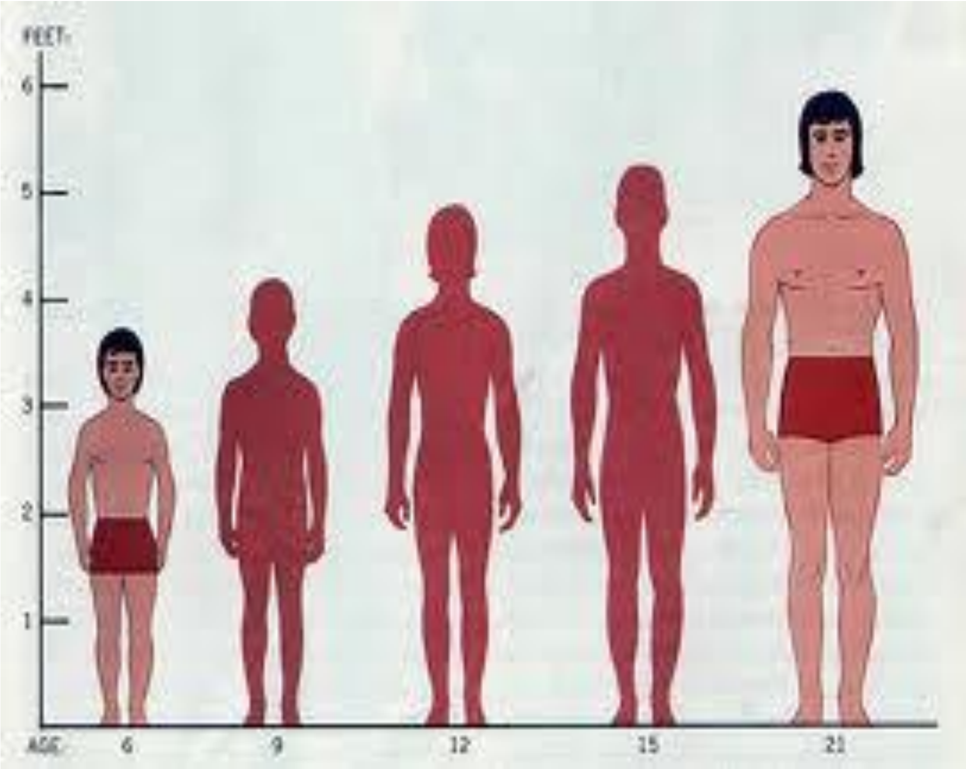
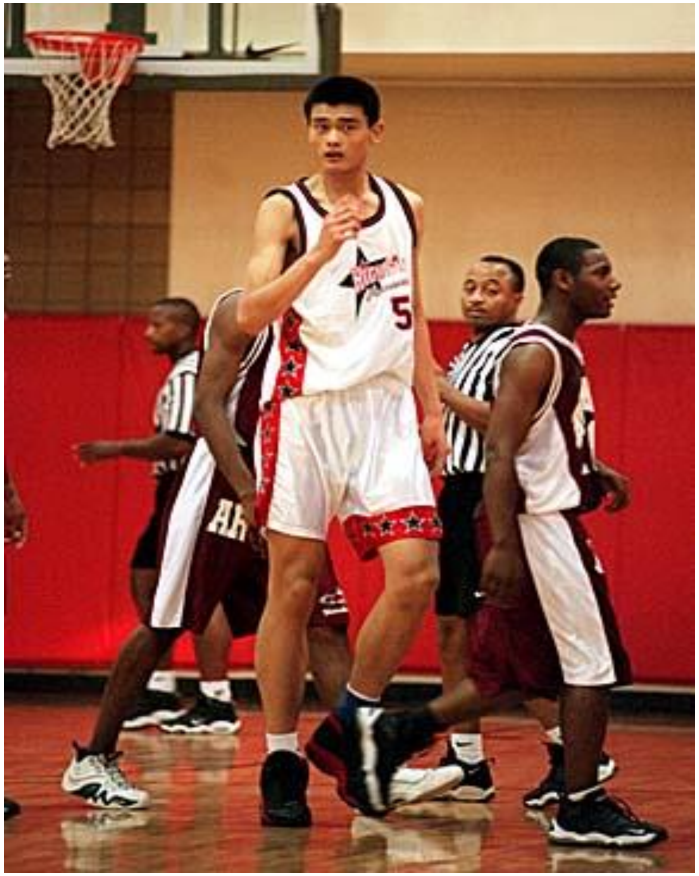
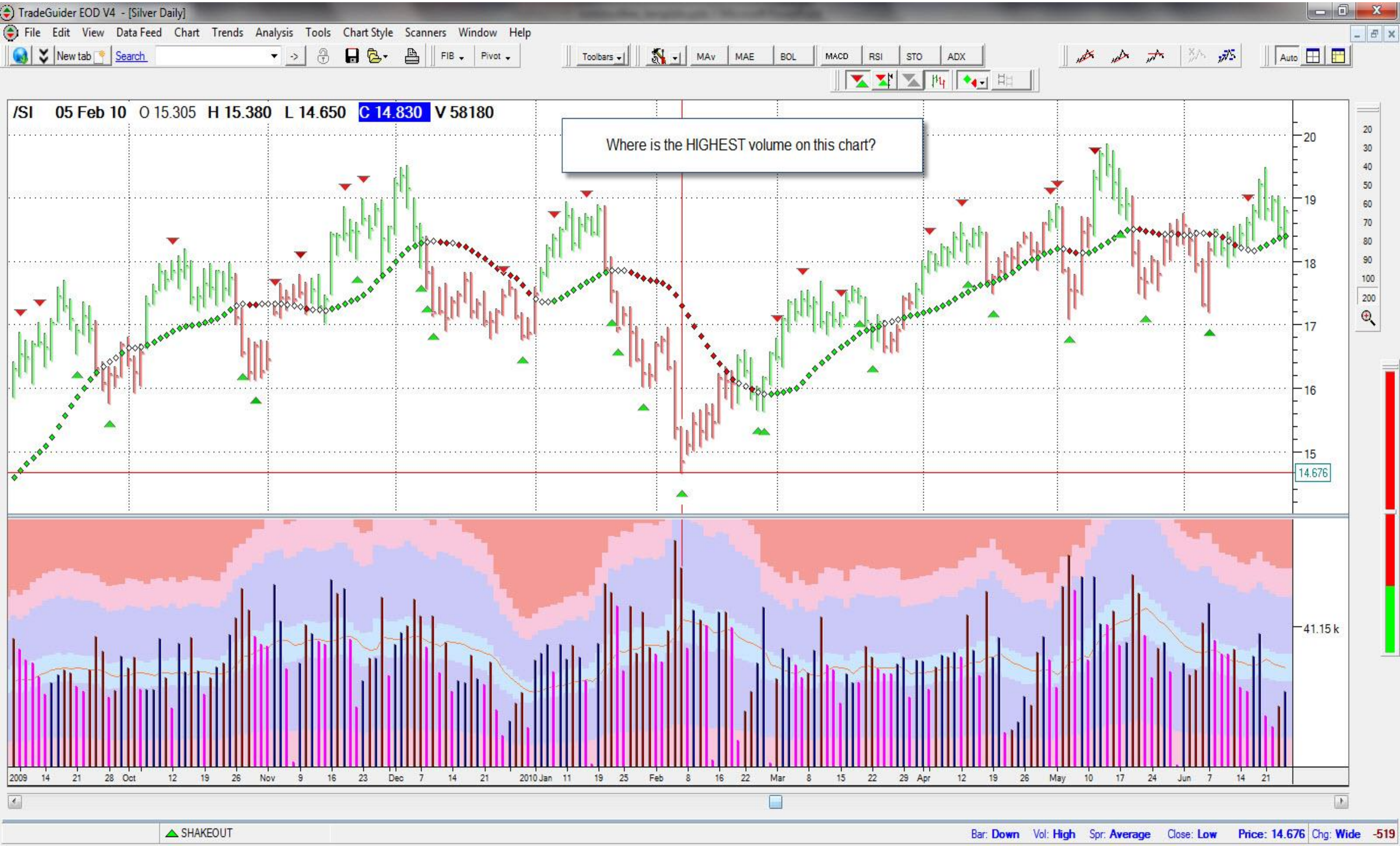
The Yao Ming Bar – What is it?



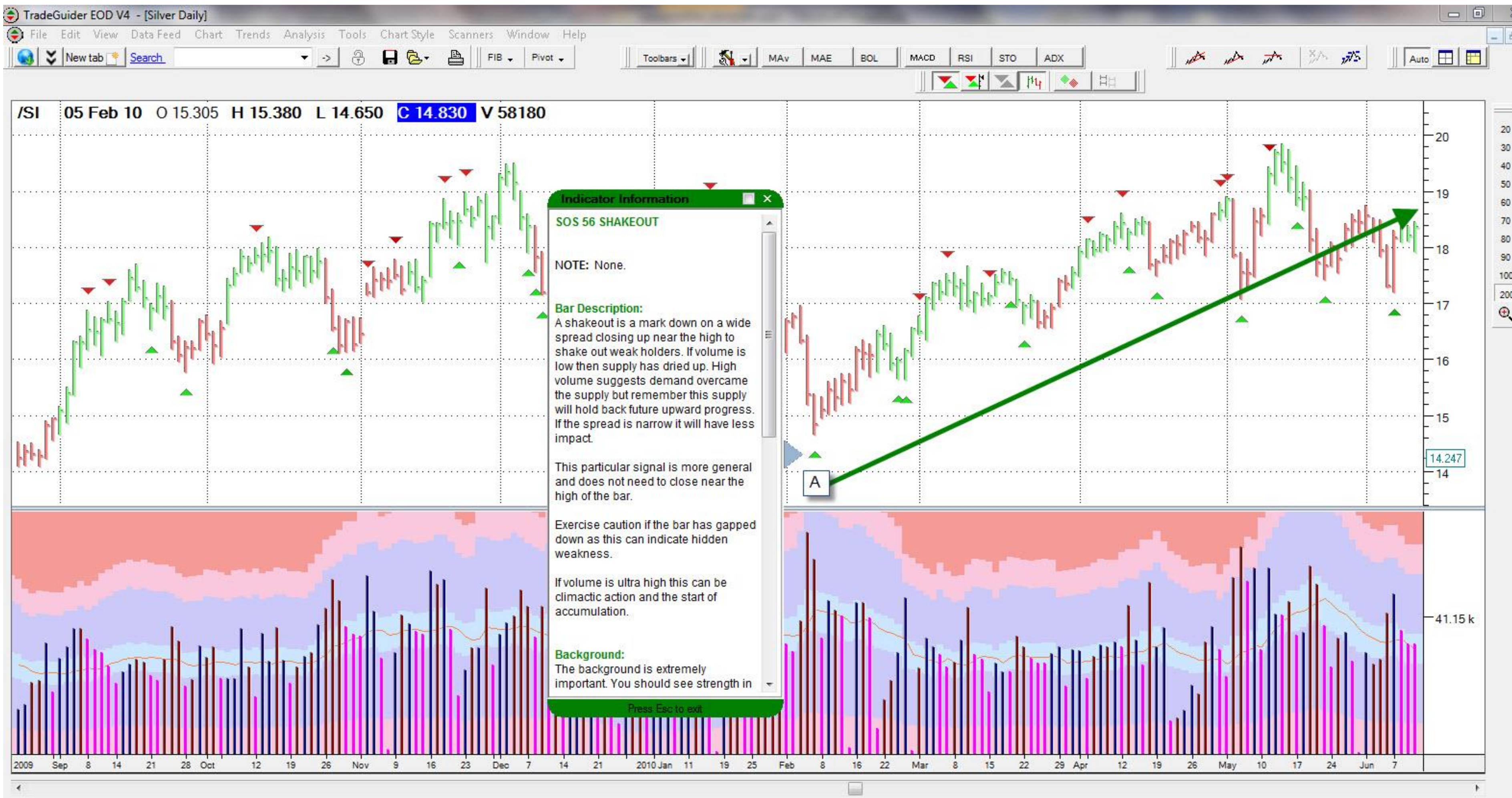
Houston's Yao Ming would be ULTRA HIGH VOLUME on a chart!! He is currently the tallest player in the NBA, at 2.29 m (7 ft 6 in).



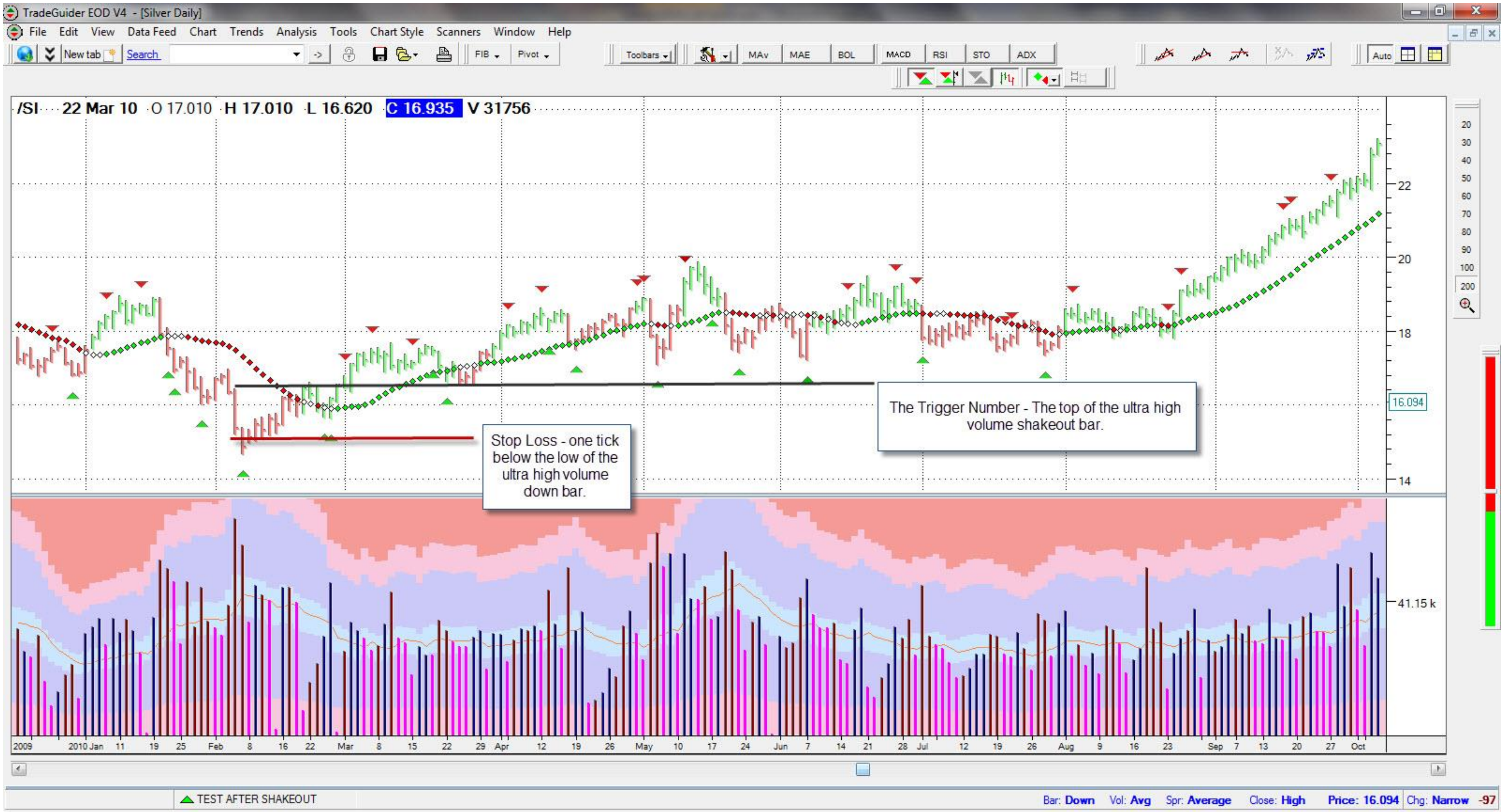
CAN ANYONE SPOT YAO MING VOLUME?



The “Shakeout” – Just as Maguire predicted 3 months BEFORE it happened – VSA Highlights this – The Yao Ming Bar



The "Shakeout" – Wait for the trend to change and price to move above the top of the "Shakeout" bar. Stop loss below low of "Shakeout" bar.



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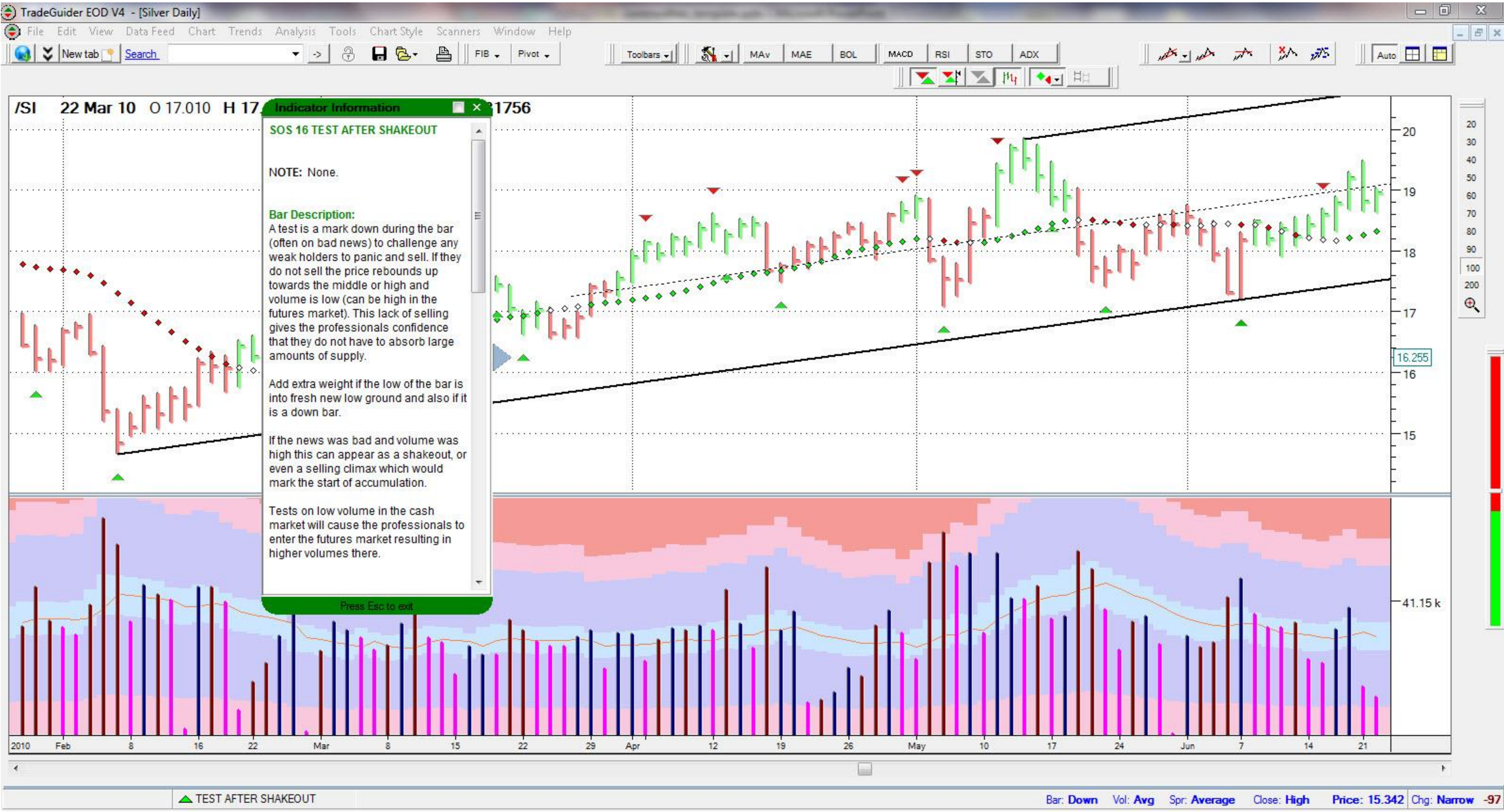
The "Shakeout" – Often causes a trend reversal from bear to bull trend, especially when the volume is ULTRA HIGH or Yao Ming!!

After a “Shakeout” is identified – WAIT. Market price action will move above the top of the “Shakeout” bar. Now we look for the following.



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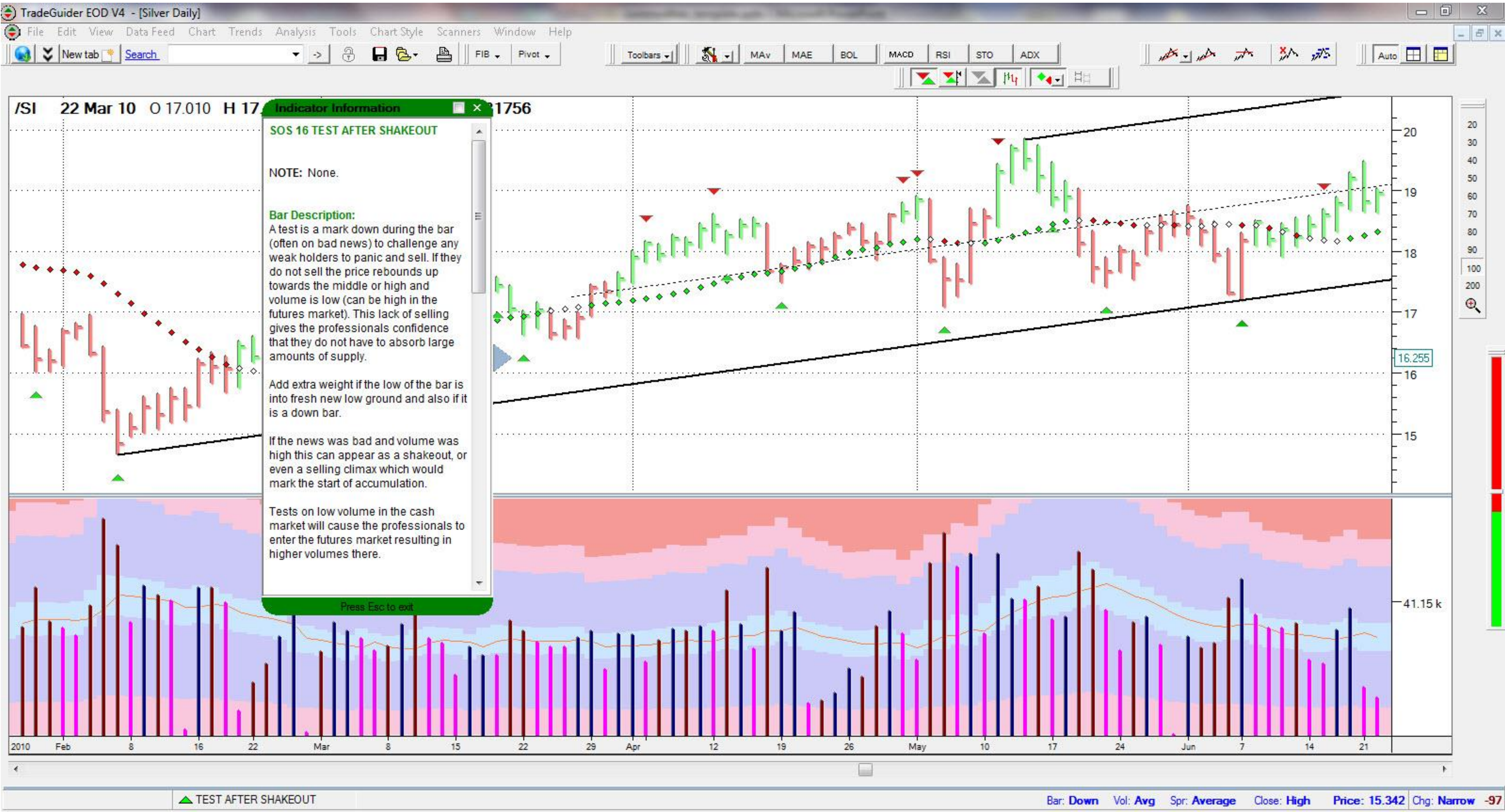
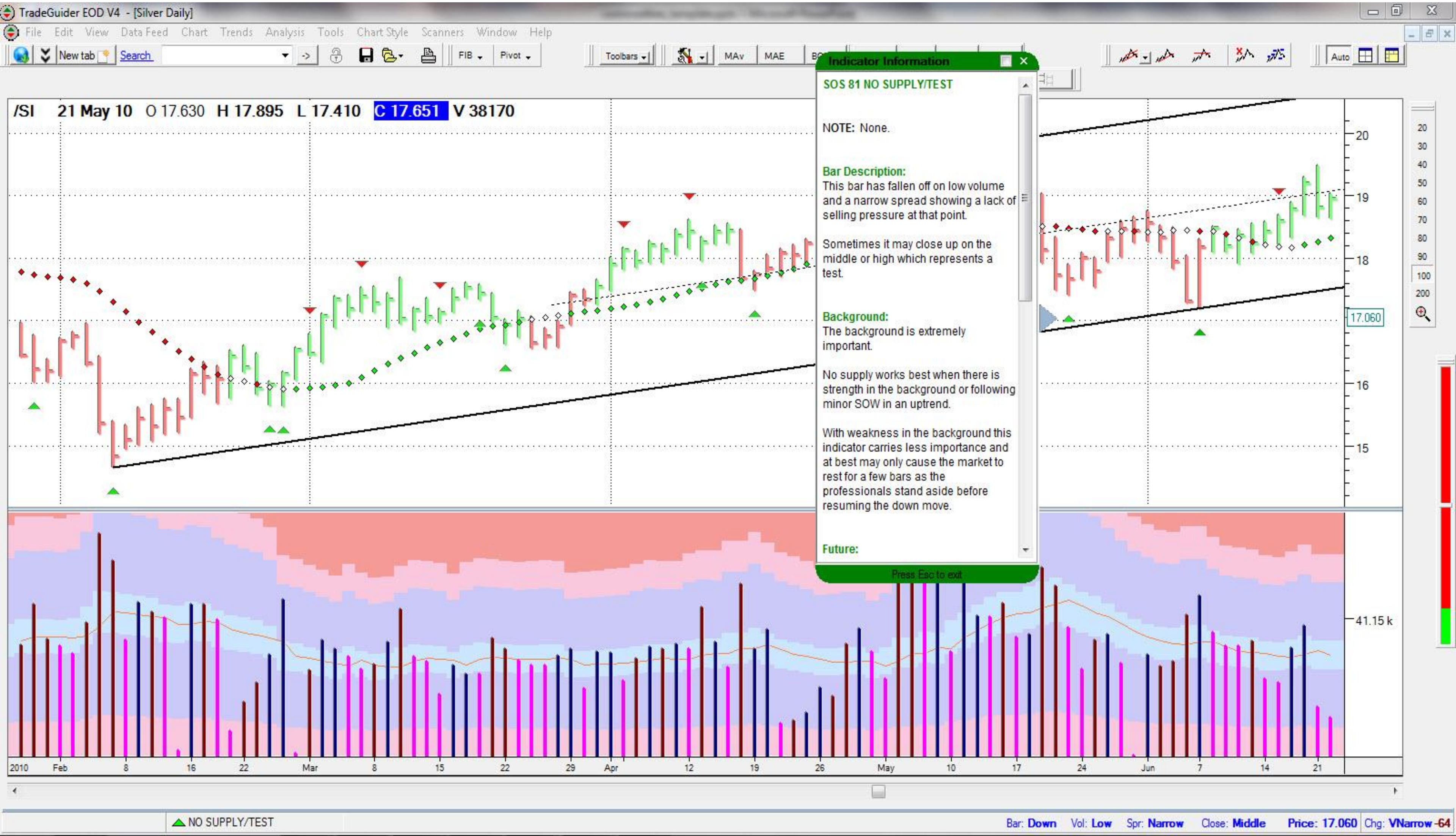
A “Test after a Shakeout” – ANY signal number with this description.



A "No Supply" – ANY signal number with this description.



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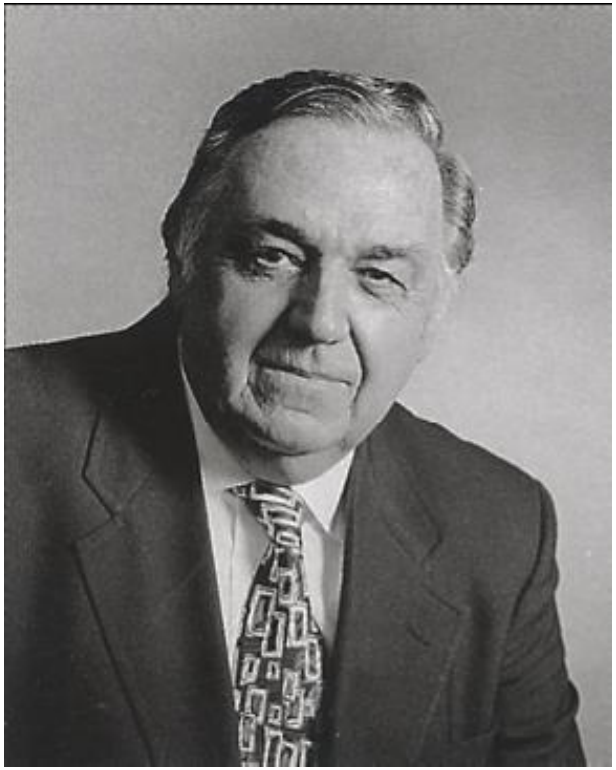
The Masters & Teachers of the Wyckoff Method & Volume Spread Analysis



Tom Williams

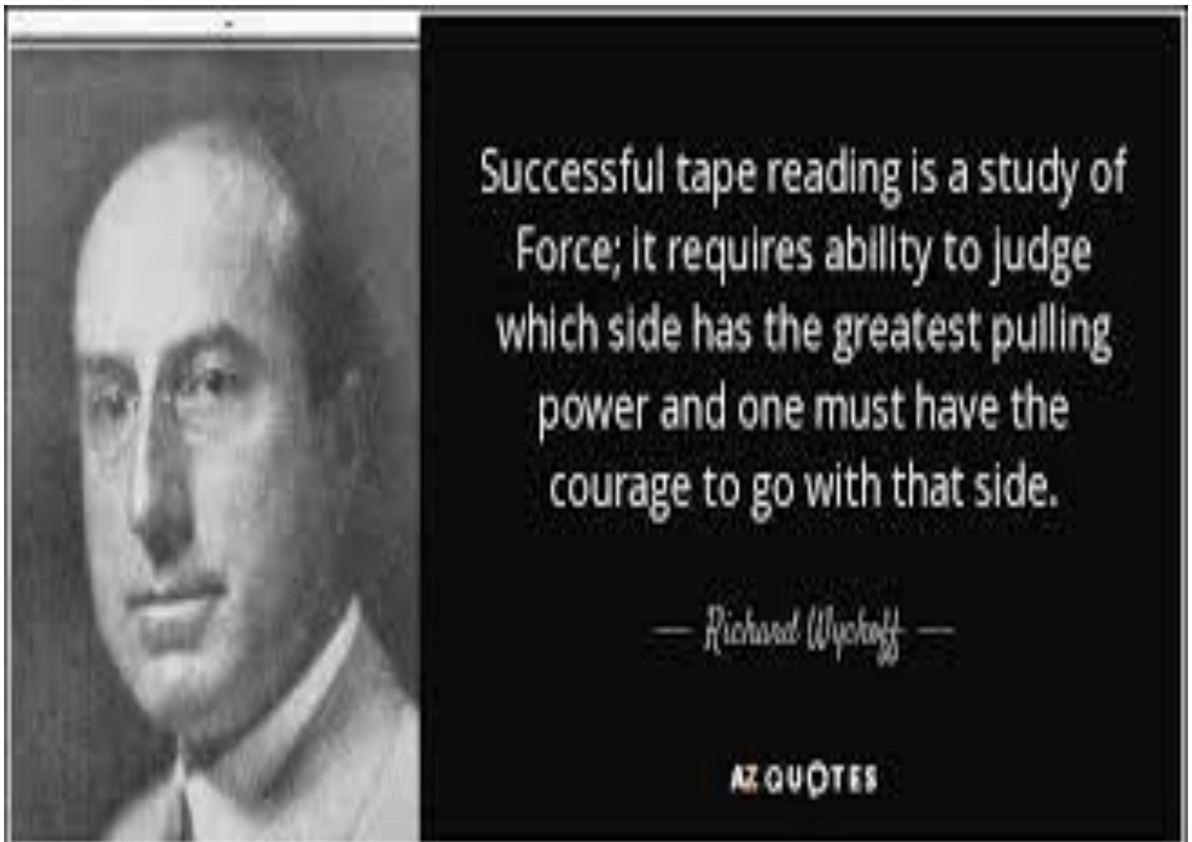
Richard Wyckoff

Richard Demille Wyckoff (November 2, 1873 – March 19, 1934) was a stock market authority, founder and onetime editor of the *Magazine of Wall Street* (founding it in 1907), and editor of *Stock Market Technique*.

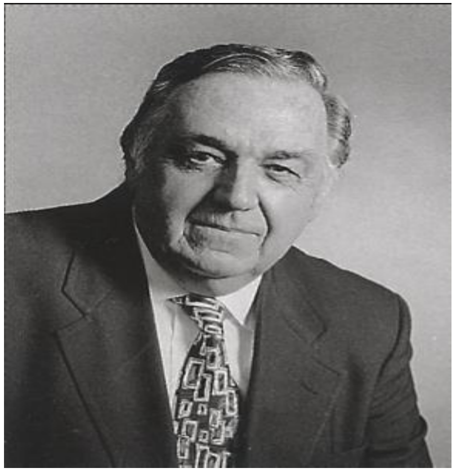
"...Thousands of those who operate in the markets now recognize the fact that the market momentarily indicates its own immediate future, and that these indications are accurately recorded in the market transactions second by second, and therefore those who can interpret what transactions take place second by second or moment by moment have a distinct advantage over the general trading public...."

Richard D Wyckoff, 1914

VSA Measures the forces that drive the markets



Inventor VSA - Tom George Williams - January 4th 1929 – November 7th 2016



“ If you can read a chart correctly, you will understand the markets do not move randomly but are moved by the “Smart Money” and you can see their intention at support and resistance levels by looking for the footprints hidden in the volume and price, and then you will have a chance to profit by following their footsteps.
Volume is vital in your analysis, which is why the self regulated exchanges around the world will not release true volume figures until the day after trading took place!!
Tom Williams, 2016

What Is Volume Spread Analysis www.volumespreadanalysis.com

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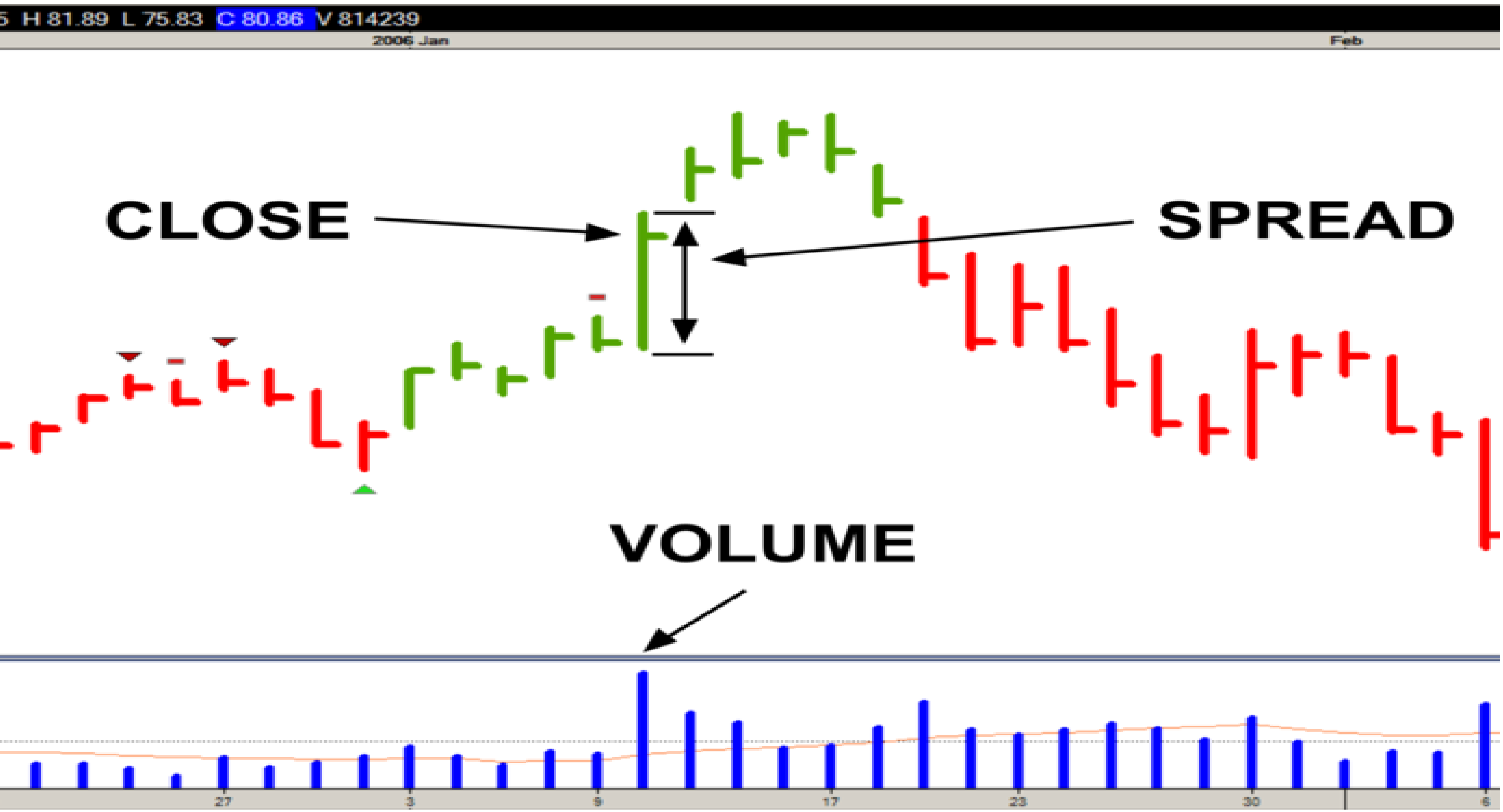
Volume – Spread or Range of Bar and Closing Price



How Can Volume Spread Analysis Identify These Moves?

Volume = Activity

We are interested in volume because it tells us the consensus of opinion amongst the

"Smart Money"

The Spread and Close in Relation to the background Confirm

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Will Volume Spread Analysis Work In All Markets (Including Currencies)?

YES – EVEN IN FOREX

Friday 13th June 2014 – Pound Surges

theguardian

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Business > Bank of England

Interest rate warning sends pound surging

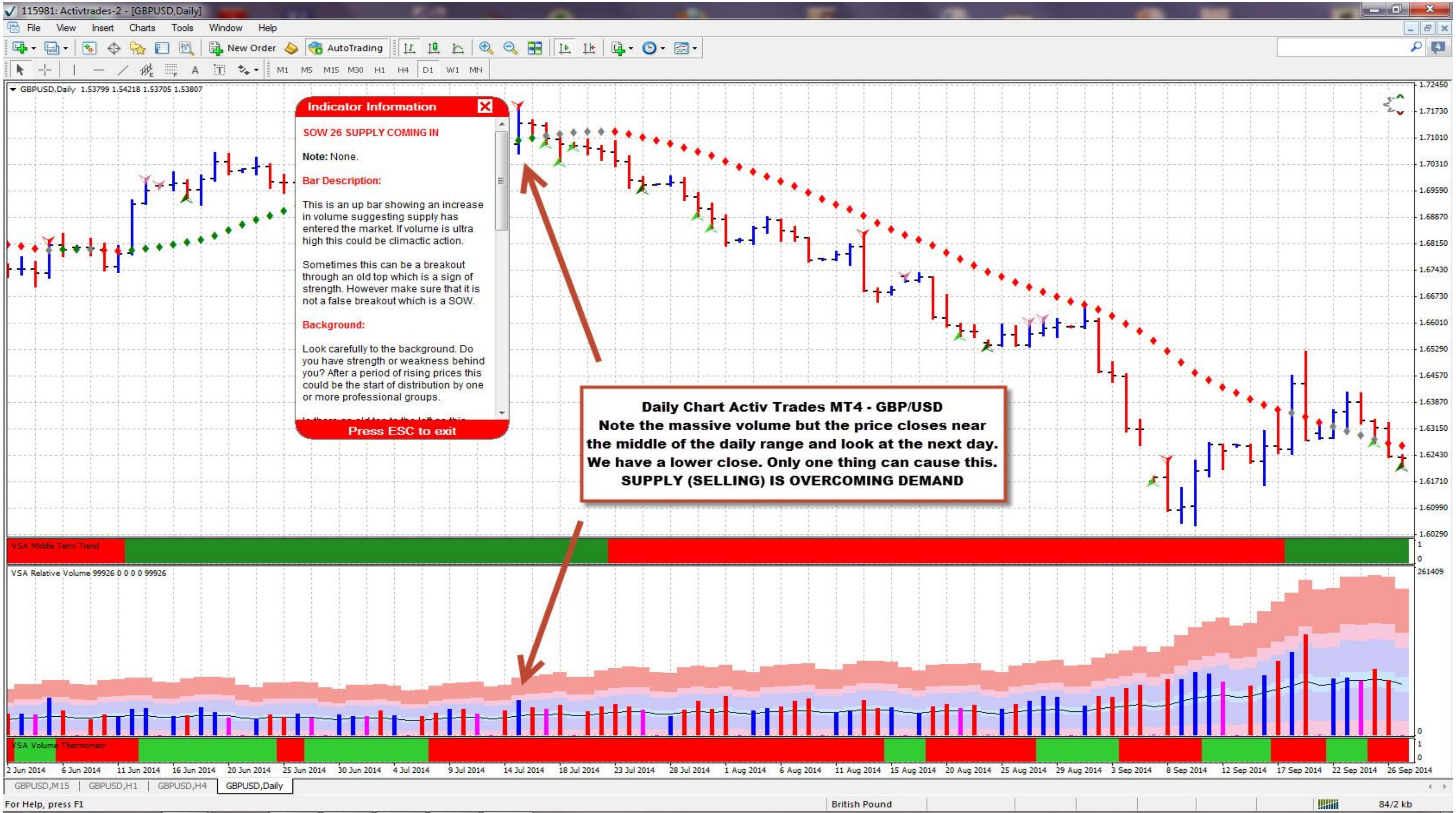
Bank of England governor Mark Carney surprises City with Mansion House speech, leading to expectations of early rate rise

Sean Farrell
theguardian.com, Friday 13 June 2014 10.21 BST
Jump to comments (65)

Governor of the Bank of England Mark Carney at his Mansion House speech. Photograph: Peter Macdiarmid/PA

The pound has risen sharply after the governor of the Bank of England

Daily Chart GBP/USD SPOT FOREX MT4 Activtrades



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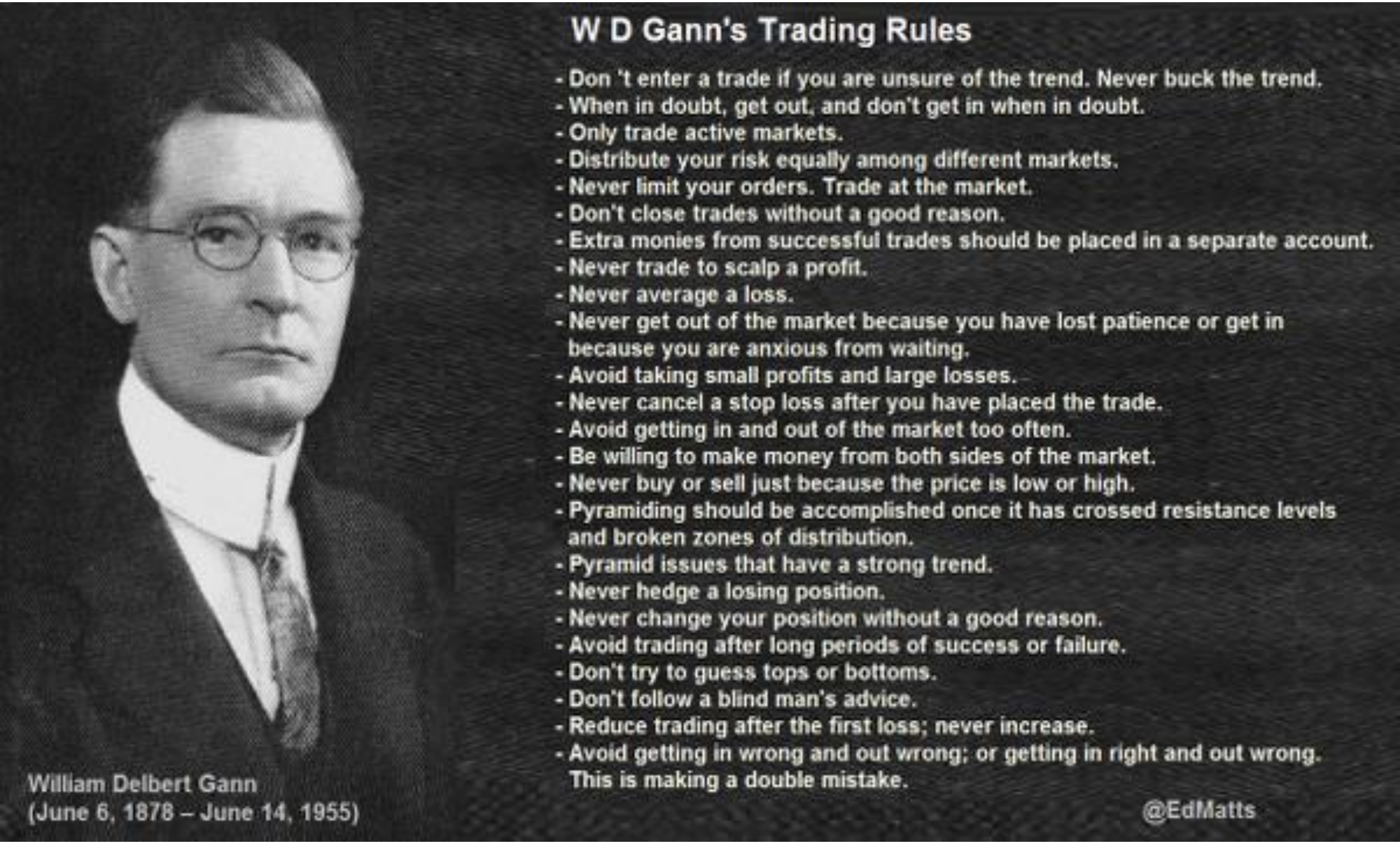
Some Words of Wisdom from WD Gann



Scan Confirm Trade – The Concept

- To identify trading opportunities by finding unusually high volume on a chart (climactic action) followed by low volume (No Demand or No Supply) at the same price level.
- To show visually clear trend alignment in multiple timeframes.
- To alert the trader when a major VSA trade set up has been found in any timeframe via email.
- To alert the trader when a VSA sequential trader set up has been found in any timeframe via email.
- To allow a trader to monitor and scan hundreds of charts at one time so the system is “sniffing” out trading opportunities for the trader to then analyse on the charts.

Scan Confirm Trade – The Concept

- To show when the market is in congestion using the proprietary trading tools developed by TradeGuider Systems International.
- When the scanner is misaligned in multiple timeframes, no trade.
- When the scanner is aligned in multiple timeframes, possible VSA trade set up.
- Visual and audible alerts when trade set up located.
- Bar information window for bar by bar VSA analysis.
- Each VSA indicator has a number and a detailed description of market conditions that caused the indicator to appear.

The Market Participants – The "Herd" and The "Smart Money"

Soon You Will Be Trading in Harmony with “Smart Money”