

## BullWhip

The nature of individual stocks means that the application of Technical Analysis in order to provide sufficiently robust (and just as crucially) sufficiently rare signals, is of such complexity and difficulty, that few take the leap of faith to even attempt to solve what can be a Pandora's box of theory and analysis. This is one reason why popular methods remain so archaic in both architecture and interpretation. What works in asset classes such as Futures rarely transfers to Equities. The reality is that in order to create good signals on daily data in equities the adage that "less is more" can never be truer. BullWhip (and its sister signal BearCage), attempt to quantify turning points in Equities on daily data, but as markets are generally skewed upwards, Bull Whip is the more useful of the studies.

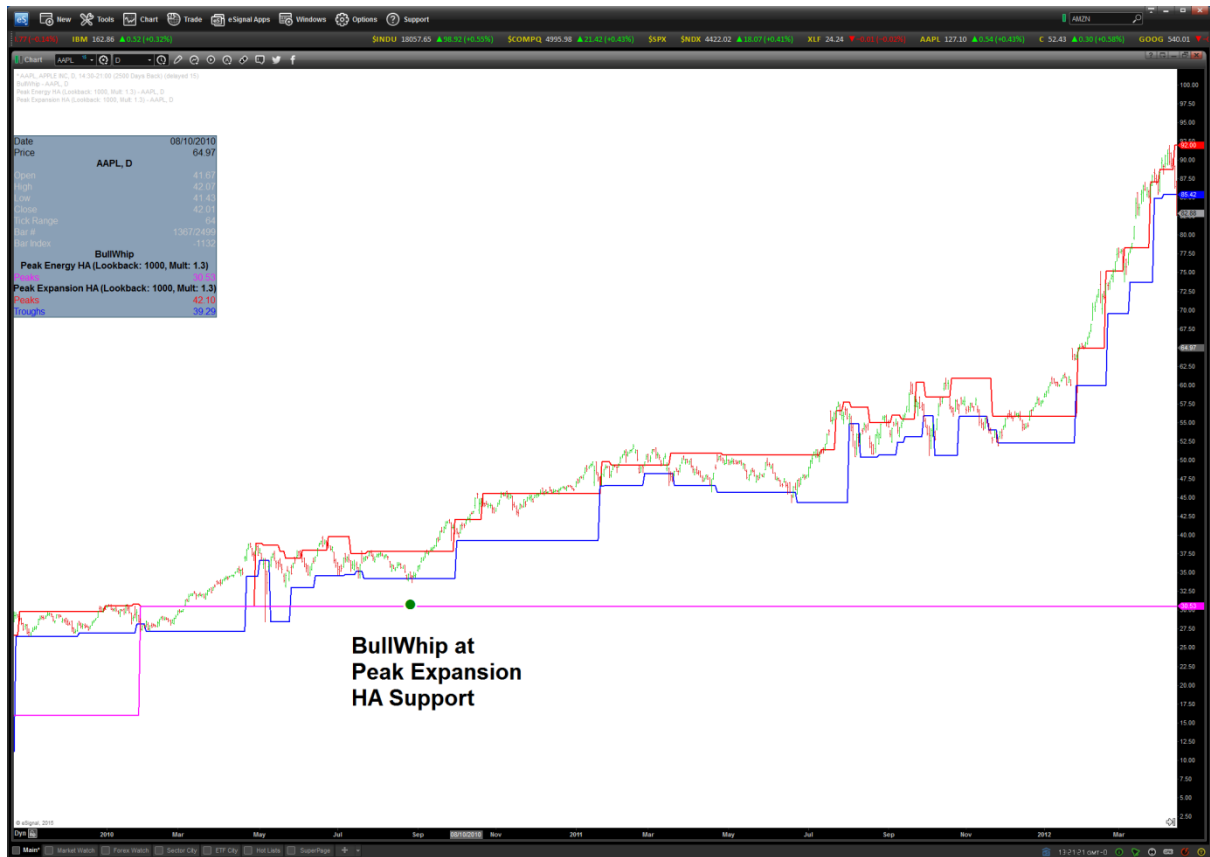
Both indicators can be applied to watch lists.

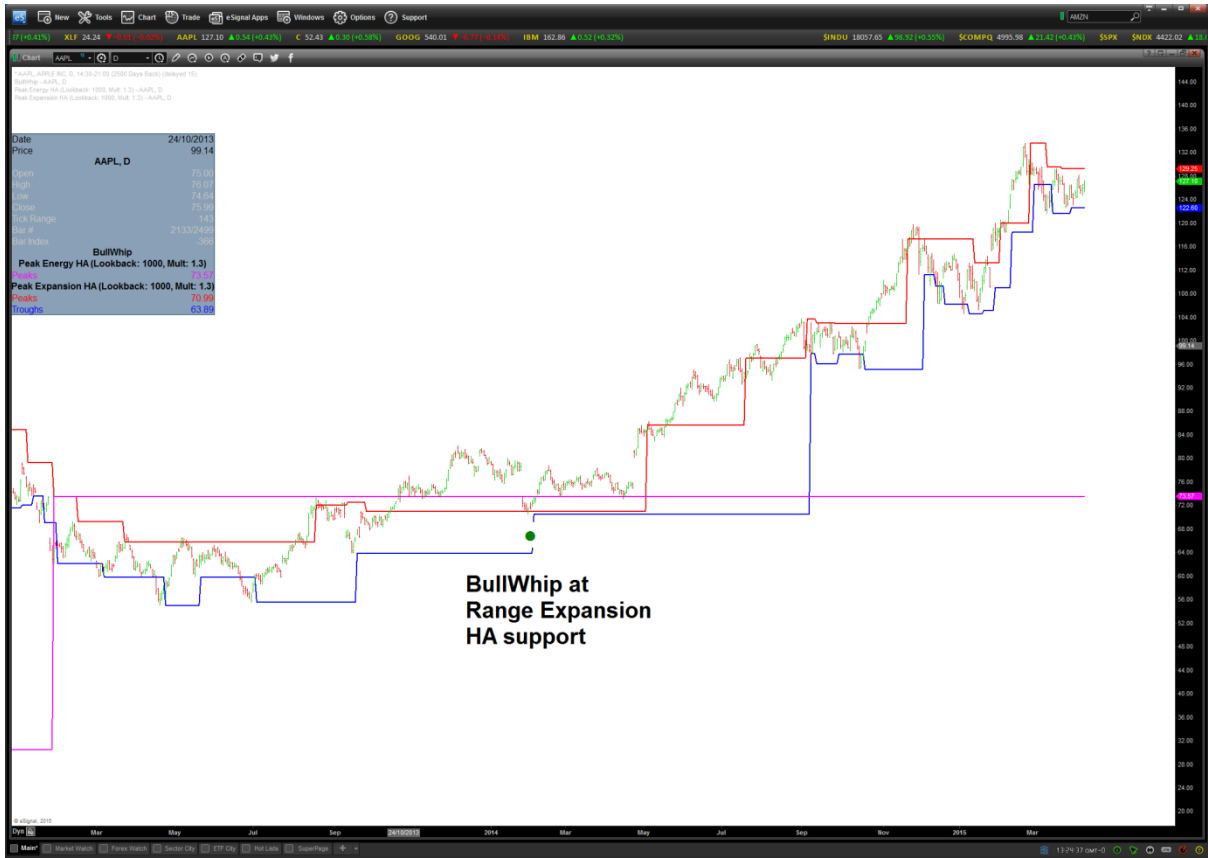
The charts below are of a daily of Apple. There has been only two signals since 2010 (highlighting the less is more philosophy) and both proved to be major turning points.





Whilst those signal proved fruitful, additional confirmation is usually linked with the Peak Long Term suite of studies. The charts below show that both Signals occurred directly at major support points as defined by the Peak Energy and Peak Expansion studies.





Within the Set-Up parameters, the Lookback can be adjusted but is recommended to be kept at the defaults. There are two additional variables called Trend Continuation and Expansion, which act as an additional filter to further scale back the number of signals. The default is OFF.

