

## SlammDunk

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. SlammDunk (and its sister signal PowwerPlay), identify acceleration and/or turning points in Equities on daily data, but as markets are generally skewed upwards, PowwerPlay is the more useful of the studies.

Both indicators can be applied to watch lists.

The chart below is Tesla, which probably polarises opinion more than any other stock at present. From a basic fundamental prospective in order to qualify Technical signals such as PowwerPlay, SlammDunk, BullWhip and BearCage, I need to see profitability with the exception of Biotech, for bullish signals, and losses or declining profits for sells. This places Tesla in the latter category.

There have been two recent sell signals, one false, and one true.



However, signals can be qualified deeper by the application of other 4<sup>th</sup> Dimension studies such as Peak Energy HA. Note that on the first sell price is still above the Peak support (blue line below price), whereas the second sell creates a clear break through Peak support.



Within the Set-Up there are two crucial additional qualifiers. Selecting Use Low places the indicator at its most aggressive as this will look to identify turning points and acceleration, although it must be remembered that the Close of a bar can be a considerable distance from the low and so not necessarily bearish. Selecting Require Breakout is the most conservative setting and this can be set as the user wishes. The default is set at 50 bars.

