



MMTA 2
MERRIMAN MARKET TIMING ACADEMY

**ADVANCED SUPPORT AND RESISTANCE FOR
SHORT-TERM TRADING AND
BECOMING A MARKET ANALYST**

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MODULE LESSON THIRTEEN



PRACTICUM UTILIZING 4 - YEAR LONG - TERM STOCK MARKET CYCLES

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The purpose of this lesson....

FOCUS
ON THE
LONG
TERM

Is to combine our understanding of charts and patterns to develop a longer-term plan for any market



Introduction

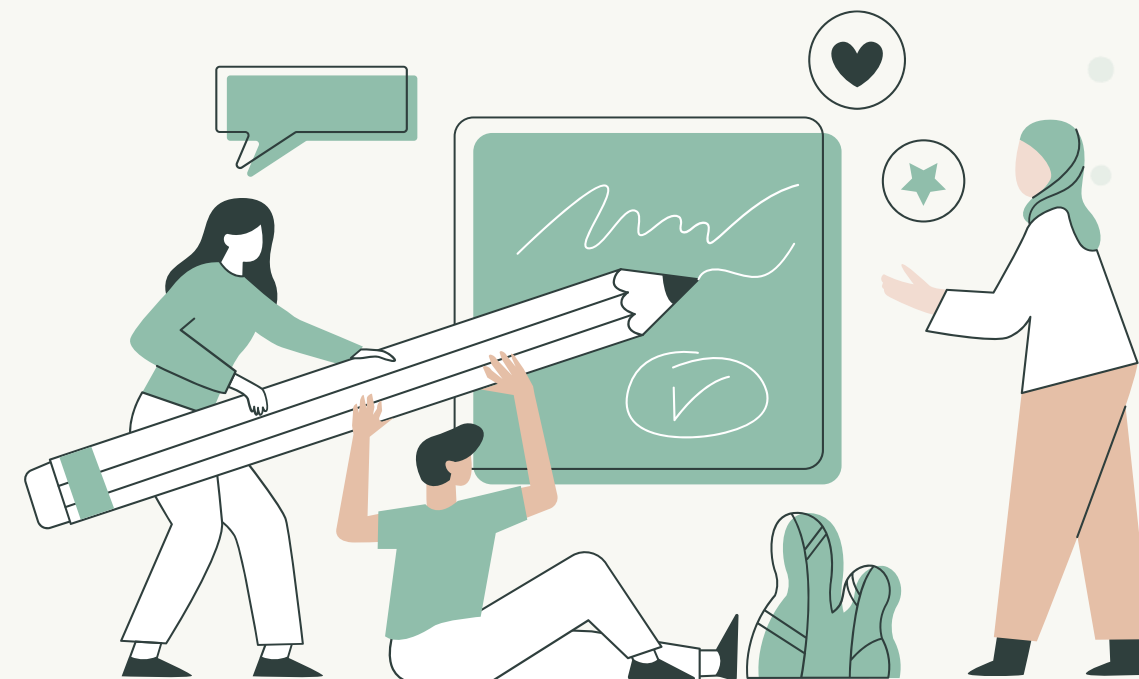
Chart patterns are the next step in our process

- 1). Bullish/bearish intermarket divergence**
- 2). Double bottom/top formations**
- 3). Head and shoulders (inverted)**
- 4). Other patterns**

Technical indicators/oscillators

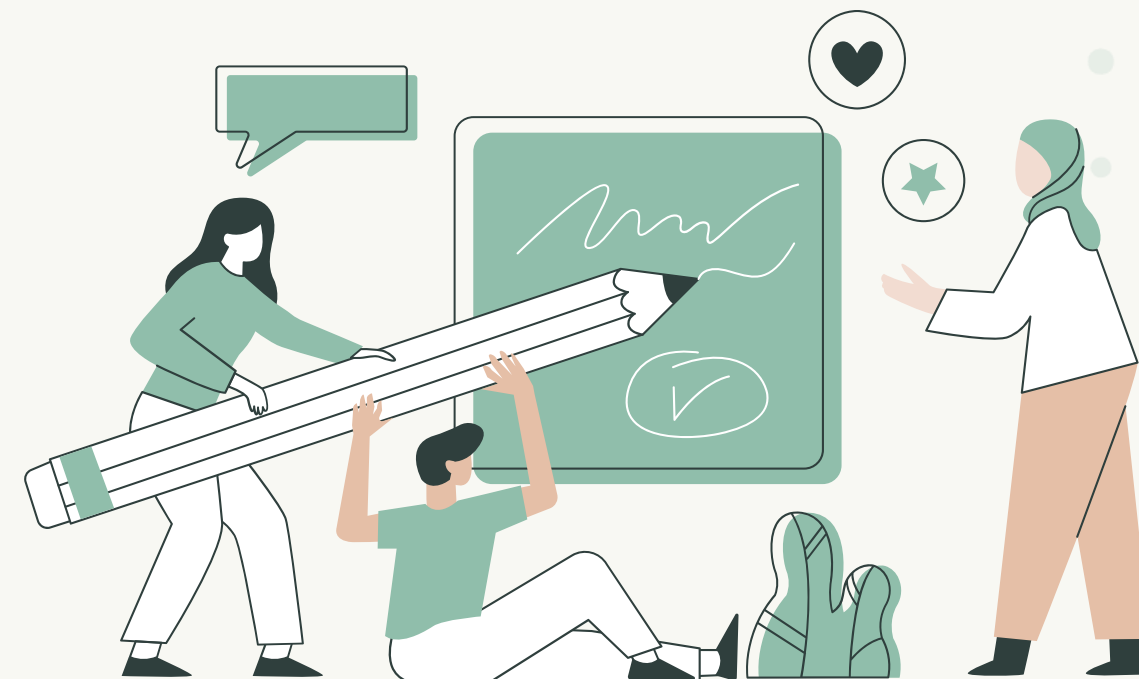
SUMMARY FOR WRITING LONG-TERM MARKET REPORTS AND CREATING SUCCESSFUL INVESTMENT PLANS

- **Real wealth comes from long-term plan**
- **Over time, stocks tend to go up**
- **Exception is Great Depression when Dow fell 90% and didn't recover for 20 years**



SUMMARY FOR WRITING LONG-TERM MARKET REPORTS AND CREATING SUCCESSFUL INVESTMENT PLANS

- Hence dedication to understanding market history
- Rewarded from buy and hold
- Could consider real estate and treasuries, but then there's issue of liquidity compared to price
- One can maximize profit potential by purchasing during periods of cyclical lows instead of randomly purchasing
- Invaluable for buy and hold investors



SUMMARY FOR WRITING LONG-TERM MARKET REPORTS AND CREATING SUCCESSFUL INVESTMENT PLANS

Steps to construct investment plan:

- 1) Long-term trend indicators
- 2) Leading indicators
- 3) Price targets
- 4) Chart Patterns
- 5) Strategies and Recommendations



STRATEGIES AND RECOMMENDATIONS



- **Anyone can write an analysis – but can you provide an actionable plan?**
- **This is where value is created**
- **Weigh all factors**
- **Focus on buying for long-term investments, especially if trend is up**

STRATEGIES AND RECOMMENDATIONS



- **Identify when long-term lows could occur and prepare to buy**
- **Look for indications of changing trend**
- **Observe geocosmics**
- **Are markets in price objective ranges?**
- **If in broad time band for a long-term low, odds are in your favor**

End of Module Lesson Thirteen: Practicum Utilizing 4 -Year Long - term Stock Market Cycles