

solutions” : _____

The organic combination of wave theory, time theory and level theory

P a n R o l l i n s L i s t p r i c e ¥ 8 , 5 0 0 + t a x

Please excuse me.

If you have any questions about this book or the original publication, please use the following URL Web:

<http://www.ichimokukinkouhyou.jp/>

Your exemption

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Introduction

The method of drawing and viewing equilibrium tables was first introduced to the world in 1969 with the publication of "Equilibrium Tables at a Glance".

(henceforth "Volume I") was the first.

The author was Ichimoku Sanjin, my grandfather. It was published by the Institute for Research on Economic Fluctuations, Yamato's personal research institute, and all of his "original works", including this first volume, known as the "Seven Parts of the Ichimoku Equilibrium Table", were published privately.

It is also possible to

My grandfather's Institute for Research on Economic Fluctuations was renamed the Institute for Research on Economic Fluctuations after my father's death, and my grandson, myself, is now in charge of the equilibrium table.

It is rare to find a market participant who is not familiar with the name "Ichimoku Kouryakuten". But how much use is it getting?

Many of us look at equilibrium tables every day. However, it is rare to find anyone who has seriously tried to work out what the equilibrium tables are intended to do and what each one means.

If one wants to understand the "essential meaning" of the equilibrium table, it is natural to refer to the works of Ichimoku Sanjin. However, many people conclude that this is what equilibrium tables are all about without even trying.

The equilibrium table has become more than just a name. This is one of the reasons why many people were unable to cope with the typical market collapse of 2008.

It is not only the equilibrium table, but also the baron's line and the market fluctuation that are not well understood, or understood in the wrong way.

Why has the original work, already published 40 years ago, not spread as far as the equilibrium table has?

The reason for this may be that the original book is "difficult" to understand. I believe that this difficulty stems from a general misunderstanding of the ascending line and market movements themselves. If this is the case, then what I, as the inheritor of the equilibrium table, have to do will be obvious.

What I have tried to do in this book is to explain the equilibrium table from the point of view of the original author and the inventor of the table. Rather than trying to lower the bar and make the explanation easier to understand, I have tried to follow my own path of understanding, which has been based on my

own honest confrontation with the original work.

At the very least, it will help to clear up the widespread misunderstanding of the equilibrium table and make it a more tangible tool for the reader. Above all, it is a book which I have struggled with for many years and which I have not been able to finish.

For those readers who do not find it fruitful, we believe that it will certainly help them in their research.

Nor do we expect this book to be an instant tool for the reader on first reading. Most of what one reads or sees at first sight is based on a very simple three-part argument. Most of them are a kind of deformation, a kind of picture-story.

In order to be realistic, there must be a certain amount of complication and then simplification. You will understand the meaning of these words as you gain more experience with the equilibrium tables from this book.

It is said that the art of war is a recipe for serious injury. It is essentially up to the user to make the most of the Art of War. I have been working with the Ichimoku Kinko Hyo for more than 15 years. I have been using it for more than 15 years.

It has been a part of my life for many years now. I am therefore well aware that I am not yet at the level of a mountain man. The equilibrium table and the mountain man I speak of are beyond my present understanding, and I am sure that in ten or twenty years' time my account of the equilibrium table will be written with a different perception to that of this book.

However, as heirs to the generalisation of the equilibrium table in the past and in recent years, we cannot continue to neglect it.

Just as my father formally took the name of the second generation Ichimoku-Sanjin, I also take the name of the third generation Ichimoku-Sanjin when presenting this book and would like to introduce the authentic Ichimoku-Sanjin equilibrium chart.

The wish for this book is no different from that of the original. The "Foreword" to the first volume of Equilibrium Table I tells us almost everything we need to know about equilibrium tables. If you read this book and then review the Foreword to Volume 1, you will get an idea of Yamato's way of thinking.

I would also like to take this opportunity to give a short biography of Yamato. I am not in a position to speak objectively about the historical reality of Yamato, as any description of his greatness would be perceived as a boast of my own people.

For me, the mountain man remains a living being. For me, however, he remains a living person, but for the absent-minded reader he is only a person of the past. In the first place, only those who have come into direct contact with the original work are qualified to criticise Yamanjin.

Although I believe that the Ichimoku Equilibrium chart is not a departure from the tradition of the Japanese line method, I would like to reiterate that the ideas about the Go line and the market expressed in this book are my own.

I would like to add a commentary to the text by Ichimoku Sanjin as a foreword to this book.

June 2010

Tetsuo Hosoda, the third Ichimuzanjin, writes

From the Foreword to Volume One

This equilibrium chart was published in **the Tokyo Shimbun** in 1927 under the title "New East Turnover Line", after many years of hard work. Those of you who are over 60 years old now, but not so many people in general, know how substantial the situation was and how well it was received.

The Tokyo Shimbun's business section flourished until 1935 or 1960, but during the war the name of the newspaper was changed to the Tokyo Shimbun, so it has become even more distant from people's memories.

After the war, in 1950, during the Korean uprising, at the earnest request of a friend, I gave it to **only three people**. At the time, I received a huge reward for my work on the promise that it would not be made public for ten years, but now that twenty years have passed, I have received some approval and have decided to make it available to the public. This is a compilation of the ten explanatory notes that were written at the time, and because of this there is a great deal of overlap. Of course it would be very easy to correct them, and in fact we have done so, but the **equilibrium tables and the spans are** so simple that we thought it would be useful to write down as many things as are necessary for your understanding.

Needless to say, all the charts are new, and all the explanations are newly written, but the reason I have decided to publish them is that I have been receiving enquiries almost all over the country whenever they are published on the air or in the press, and it is not easy for me to answer each one. It is not easy for me to answer each and every one of them, and I have already passed my old age, so I thought that I should not leave something like this lying around: 0_.

The market is either stuck or moving. If it does, it is either up or down. It's very simple; however, when you actually try it, it's not so easy to make money. So you read about it in newspapers, magazines and on air. It is not a bad thing to know a lot of things, but no matter how much research you do, it will not make things more complicated, it will only make them simpler and simpler. It is important to simplify and simplify. The reason why the market is so lucrative at first, but becomes less so as you get used to it, is that it becomes more complicated.

The beauty of this equilibrium and span is that it is so simple. It is a system that cannot be complicated. No matter how complex a person's mind is, as long as he or she adopts it, there is no

It is a matter of simplification. What is the most important thing in the market? Needless to say, the most important thing is to know what to do. How many days. How much does it cost? It is a question of "what, how many days, and at what price". In these days of extreme

In the market for coho, what is the best choice? I'm getting a bit carried away. It is never easy to know which one to choose when there are several stocks that seem to be

The more artificial the market is, the more likely it is that you'll get a little carried away and grab something boring.

We all know how easy it is to fall into the trap of We all know how easy it is to fall into the trap of thinking that the market is going to go down. In contrast, the equilibrium table and the span provide a clear and definitive "this is it".

Next, I want to buy this stock. It is not easy to decide when to start. It's not easy, but if you get the order wrong, you'll lose the rotation more than anything else.

But this equilibrium is only just beginning. However, this equilibrium chart is a "starting point". But this equilibrium chart shows that the time of "r
It's a great way to learn.

In addition, in the newspapers and magazines, people often say "buy at the bottom" or "sell at the top", but this is too abstract and as a practical matter, how far is the bottom? How far is too far? The equilibrium chart and the span are used to determine the day and the price. The equilibrium and span tell us definitively how many days and how much the price will fall. This is what the equilibrium chart and the span tell us conclusively. The reason why I changed my pen name to Ichimoku Sanjin after the end of the war is that the trend of the market can be clearly seen from this equilibrium chart, and this equilibrium chart is also named Ichimoku Equilibrium Chart.

***Metropolitan newspaper**

This was the present-day Tokyo Shimbun. The newspaper was famous for its extensive literary section, and when Yamato joined the paper in 1923, the literary section was headed by Shin Hasegawa (known for plays such as "Eyelid Mother". When Yamato joined the company in 1923, the literary department was staffed by Shin Hasegawa (known for his plays such as "Eyelid Mother"; today he would be known as Shotaro Ikenami's mentor). A few years after joining Yamato, Osamu Dazai took an entrance exam to cover up his absence from university, and the newspaper was particularly popular with aspiring writers.

The mainstays of the metropolitan press at that time were the literary and

business columns. Both were deeply connected with the lives of the people of Tokyo. In the program listings of the radio broadcasts that began in the Taisho era, one third to one half of the programs were on the commercial situation, which shows how serious the issue of the price of goods was.

At that time Kabutocho was in the midst of a transition from private traders to modern securities firms, and the newspapers read in this area were either the Tokyo Shimbun or the Chugai Shogyo Shimpō (now the Nihon Keizai Shimbun). As was customary at the time, Ichimoku Sanjin wrote articles under the pseudonym "Sagami Taro", and after the war continued under the name "Ichimoku Sanjin". For this reason, his real name, Goichi Hosoda, was never known to the general public before or after the war.

New East conversion line

Sintokoge (a new stock on the Tokyo Stock Exchange) was one of the leading stocks of its time, and like the Nikkei 225 today, it had an index role.

It was a brand that had **Only the three of us**

We know who two of the three men are. They are Hajime Ohgami, the manager of Yamaichi Securities, and Masanori Yamase, the head of the stock department of Yamaichi Securities. Yamaichi Securities was a major player in the industry until 1955, before some memoirs were published when the company went bankrupt in the 1990s.

Whether Equilibrium or Span

As far as we can see from Volume I, "equilibrium table" refers to the base line and the transition line, and "span" to the two leading and lagging spans. Yamato's handwritten notebooks still contain his daily entries of the semi-majority relationship at the basic values, which together suggest that the equilibrium table was originally a 'table' of the semi-majority relationship at the basic values.

A Chinese man once asked me, "Why do you call a chart a table? I was once asked. For the reasons given above.

I call it the "equilibrium chart". Span originally meant "the distance between the pillars". In Volume 1, span refers to the lagging and leading spans.

It is used in many senses in later editions. In this book, this expression is avoided if possible.

The market is either stuck or moving, and if it moves, up or down.

Yamato's research has consistently revolved around solutions to this question. This book is organised as follows

We would like you to study again what kind of fluctuation is a market that does not move, what kind of fluctuation is a market that moves, and what are the signs of the moment when a market that does not move starts to move and the moment when a market that is moving stops moving. There is a good reason why the term "direction" is used instead of "direction of the market". Of course, it is the direction, not the direction, that the trader must be clear about.

Inevitably, simplification is inevitable.

The meaning is stated in Chapter 5 of Part 1 of this book, "Trading patterns".

Ichimoku Sanjin

His real name is Hosoda Goichi, and he was born in 1898 in Nishiichi, Toyoda-cho, Yamaguchi Prefecture. 1924 (Taisho 13)

He joined the Tokyo Metropolitan Shimbun (now the Tokyo Shimbun) in 1949. He became active under the pseudonym "Sagami Taro" and was head of the business section. He left the paper in 1941.

After the war, he changed his pseudonym to "Ichimuzanjin" and published irregular articles in the Japan Securities Journal and other newspapers. In 1969, he became a member of the

『Immunity Equilibrium Table Vol.1』 was published and he published 7 books until 1981.

Died in 1982 (Showa 57).

Yamato's life can be divided into three major periods. His life can be divided into three main periods: the period when he was an apprentice before joining the Tokyo Shimbun, the period when he was a member of the Tokyo Shimbun, and the post-war period when he was a market commentator.

Yamato had been quoting since the age of 12 due to his father's work. He was a market trader from the age of 12 due to his father's work. At the Tokyo Shimbun, he played a pioneering role as a market commentator.

Nikkei Stock Average Daily Equilibrium (7/3/95 - 6/28/96)



Introduction: -----
 Vol. 1J Preface 3

Part 1: Basic Theory

1- Basic concept of the equilibrium table: -----

The concept of pushing back.....14
 You can't avoid the downside.....17
 Equilibrium suggests a release.....20

2 Kagi leg and equilibrium -----

-How to draw an equilibrium chart.....22
 Equilibrium positions.....24
 What is a key leg?.....25
 Conversion signs by waveform.....27
 The baronial line is inevitable.....30

3 Market volatility theory of equilibrium -----

Both up and down markets are three wave transitions.....31
 H Examples of wave configurations.....33
 Example of a down market.....38

4 The meaning of each line in the Equilibrium Table 41

Equilibrium as a guide for pushing back.....	41
Favourable market conditions and basic figures.....	44

5 Types of equilibrium-table----- 51

E 辨転 -.....	51
Entry point for buying and selling.....	53
Variations in Toyota Motor Corporation.....	54
Dealing with a moving market.....	57

6. -Measurements of Equilibrium (Hand bow) -61

How to receive an equilibrium chart.....	61
How to determine the date of change - what is the date of change?.....	62
-! Equilibrium Table® Wave Theory.....	64
N waves in both up and down markets.....	67
An example of how to determine the date of change and how to judge it..	72
Concept of calculated values.....	76
^tisb.....	77

7. Toyota Motor Equilibrium -----79

Market outlook (as at 30 August 2006).....	79
Market outlook (as at 8 September 2006).....	84
Market outlook (as at 15 September 2006).....	87
Market outlook (as at 22 September 2006).....	90

8 ■ Monthly changes in the Nikkei Stock Average 93

Fluctuations as a transition in the three-wave structure.....	96
On a struggle around a certain market level.....	109

This is the first time I've ever
used a flute.

1. -Essence of the equilibrium table-----122

Technical analysis.....	123
Difficulty.....	124
Equilibrium table definition.....	125
Generalisation.....	126
Misconceptions about entrances and exits.....	127
What are the basic figures?.....	128
-What is the significance of using an equilibrium chart?.....	129
Intuitive understanding.....	131
Intuitive and objective judgement.....	133
Push back.....	134

2 ■ About the original publication-----136

The aim of the original publication.....	137
Release at base: value.....	140
and a round.....	145

Part III: The Nikkei 225 thereafter

1. August 2007 – February-2008 ----- 150

From comments on 10 Aug 07.....	151
From comments on 18 Aug 07.....	152
From a comment on 5 Dec 07.....	154
From comments on 14 Dec 07.....	154
From comments on 27 Jan 08.....	156
From comments on 1 Feb 08.....	158

2. ----- -08 7months ~by 9 March (Rajo Nikk daily comment) ----- 159

7 Jul 08 comments.....	160
14 Jul 08 comments.....	163
28 Jul 08 comments.....	165
4 Aug 08 comments.....	167
11 Aug 08 comments.....	170
18 Aug '08 comments.....	172
25 Aug 08 comments.....	174
1 Sep 08 comments.....	176
8 Sep 08, Comment.....	178
22 Sep 08 comments.....	180
29 Sep 08 comments.....	181

----- -3.1 in 08

From an article on ~~5~~ October----- 184

Market comment, 3 October 2008

184

The meaning of the April 2003 low position.....	186
The transition process so far.....	189
Implications of the October 08 Change Month.....	196

4. From the article of 12 October 2008 ---- 200

Market commentary..... on 10 October 2008	200
Monthly change.....	202

5. From the article of 19 October 2008 ---- 204

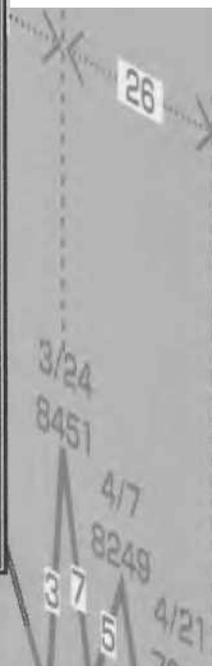
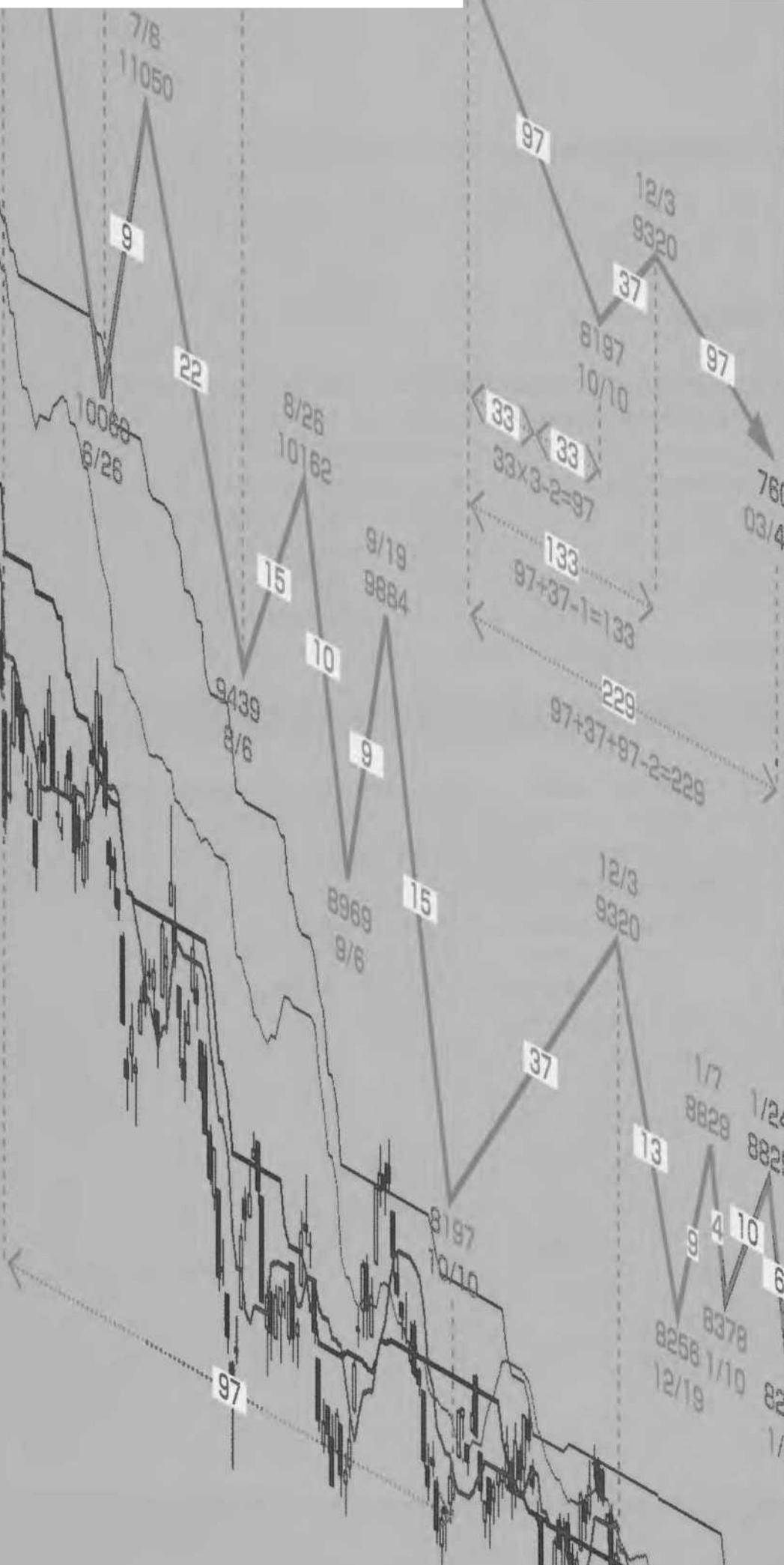
18 October Market Comment.....	204
Significance as a point.....	206

6. ----- 08 years
Changes since the low of 28 October ----- 209

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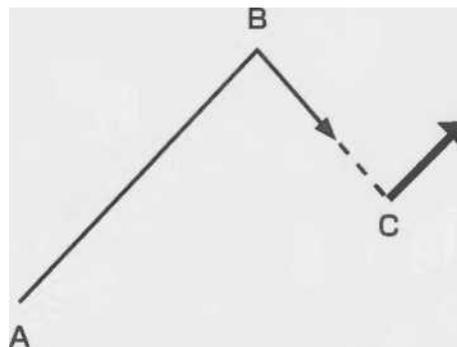
基礎理論編



1. The basic idea behind the Ichimoku Equilibrium chart

The concept of pushing back

Before we get into the specifics of how to use the Ichimoku Equilibrium chart, there is a concept that you need to understand. Take a look at the following chart of price movements.

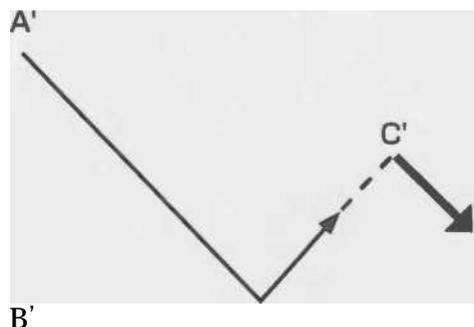


The price movement from **A** to **B** is judged to be a "temporary upmove", while the price movement from **B** is clearly a "decline". However, the question is whether the decline is a "downward move" with **B** as the immediate ceiling, or merely an adjustment (i.e., a "push") for a subsequent move above **B**.

is, of course, not known in the middle of it.

Therefore, we set a "limit of push **C**". If the price falls below this point, the downward movement from **B** is not a push but a downward movement. However, if the price does not fall below this point, but rebounds sharply, we assume that the market has adjusted at **BC** (and that there is a high possibility of a push) and consider the price to be rising.

The same applies to reverse price movements.



The first step is to determine whether 'AB' is a downtrend, and then to determine the "limit of return C", and whether C is an uptrend or a downtrend.

We use the term "push" to describe a small short-term fall and "return" to describe a rise, because we are forced to perceive the movement itself as a "direction". It is easy to make trading mistakes when we see price movements as a direction (more on this later).

Therefore, to avoid being misled by price movements, we create a "pending" situation of push or return.

Of course, these judgments must be subjective in general.

First of all, it depends on where you place the "starting point" of the market to judge whether it is an up market or a down market.

If we look at the tentative upturn diagram above, AB may actually be a return phase. In the case of the tentative upward move shown earlier, AB may actually be the return phase, given the volatility prior to A. Alternatively, if the market has been rising since before A, then the low before A

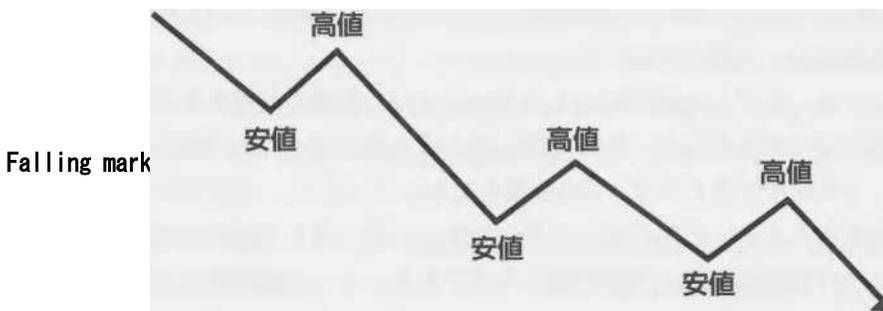
There will be cases where the starting point will be considered to be the

It is also difficult to maintain the objectivity of C and C', which are tentatively defined as criteria for pushing back.

Despite these problems, the past fluctuations themselves can be identified as objective facts. It is possible to argue about pushback ex post.

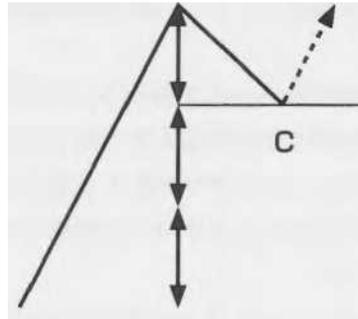
The following two phenomena have been developed and used as "rules of thumb" over the years.

An uptrend is a rise of a low and a high, while a fall is a fall of a high and a low.

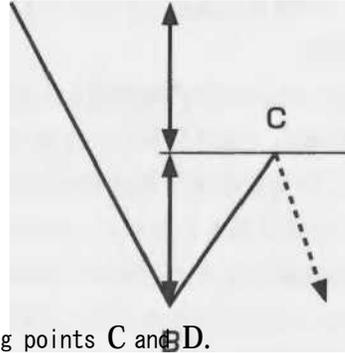


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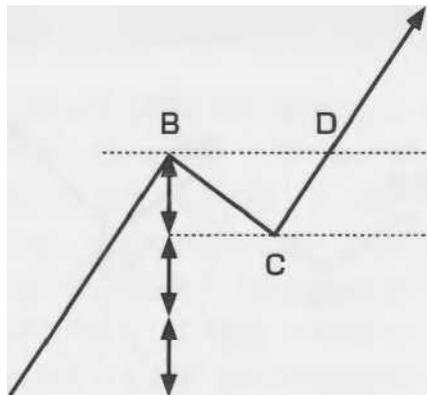
In this case, an uptrend is an upswing with a push and a downswing with a return. In this case, the upside is a push upwards and the downside is a push downwards. The push is often one-third of the upside from **A** to **B** and the return is often one-half of the downside from **A** to **B**.



BA



This rule of thumb would suggest two trading points **C** and **D**.



D...the point at which the market pushes back from **B** and overtakes the high day

C... the point at which the fall is one-third of the rise in **AB**

A

The point **D** is commonly known as the "breakout" in both the East and the West. It is a signal. It is not only a rule of thumb, but also an absolute concept, which has led to the development of a variety of ascending techniques and rules.

In contrast, **C** is not necessarily absolute. It depends on where you place the starting point **A** of the market.

This is because the position of **A** changes. Even if push **C** is one third of the rise from **A** to **B**, if the position of **A** changes, the position of **C** will also change. Nowadays we use the Fibonacci series

In any case, the rule of thumb is that an up market is a series of lows and highs.

You can't avoid the downside

Point **D** is based on the rule of thumb mentioned earlier. As long as the lows and highs continue to rise, we are in an uptrend. In other words, as long as the downside is a push, **BC is a push**.

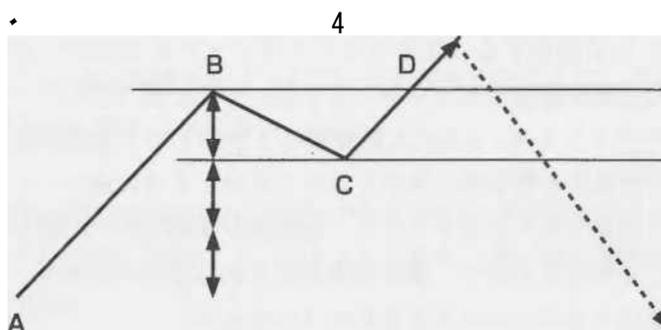
As long as the price is high, we can expect an upward trend.

The point **D** above **B** is the moment that proves that **BC was a push**. If a "sell point (profit-taking target)" can be found beyond that point, and if it can be sold, then the point at **D** is the point at which the price of the stock goes up.

It is a no-fail way to buy.

However, as shown in the following figure, there is always the possibility of a sharp drop below **C** or even **A**, generally after a very slight rise above **D** (point **E**).

Moreover, even if you do find a "selling point" - for example, if you anticipate a sharp drop from **E** - it is difficult to know whether you will be able to close before the drop.



This is because there is unlikely to be much buying during the fall.

The purpose of assuming a push back is to avoid being at the mercy of "mere price action": "buying" beyond **D** is the correct entry point to prove that **BC is a mere push**. However, in the case of a sharp fall from **E**, the result is that you are not at the mercy of a small price movement at **DE**.

It's not a good idea.

Therefore, the success or failure of a buy at highs or sell at lows trading strategy does not depend on the buy or sell signal itself, but on other essential issues.

This can be said to be the case. Naturally, if the price range and time from **D** is sufficiently long. This makes it easier to succeed. On the other hand, if the price range and time are both short, it is likely to lead to failure.

In general, it depends on how you perceive changes up to **B** or **C**, and how you react to changes after **D**. The assumptions to be made are completely different. So what is it that changes the decision in **D**? What is it that changes the decision in **D**?

For example For example

- If we believe that the rise to **B** has not yet reached the expected high, or that the push to **C** is too shallow in relation to the rise to **B**, then point **D** is a "buy".
- If you think that the rise to **B** is sufficient, or that the push to **C** is too deep, then point **D** is a "sell". In the event of a loss, we will sell the stock.

That is why we put the reason for our trading failures down to our own misjudgements of the market and call misjudgements of trading signals "damaashi".

Buying at **C** is also based on the premise that a rising market is a series of lower and higher prices.

In both cases, as long as the fall remains at the "limit of the push", the market is "up". In both cases,

as long as the decline remains at the "limit of the push", the market will continue to rise.

The basic idea is that if the "limit of return" cannot be crossed, then the "down market" will continue.

However, point **D** is the point at which we can decide regardless of our perceptions.

The difference is that the **C** point sets its own position. A third of the way up or down (We have already noted that in recent years many people have used Fibonacci and other techniques to determine where the market will stop going down or up.)

In this case, the point **C** refers to a fall of one-third of the upward price range of **AB**. The first rise

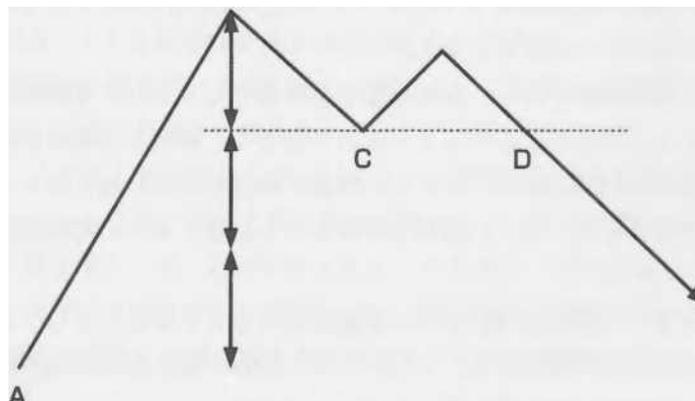
We have already mentioned the need to tentatively decide whether a market is a market or a down market.

The use of a rebound from **C** as a buy/sell signal is highly problematic. The reason for this is that it depends on which part of the uptrend you assume to be the limit of the push. In the first place, the market is not always two minutes long.

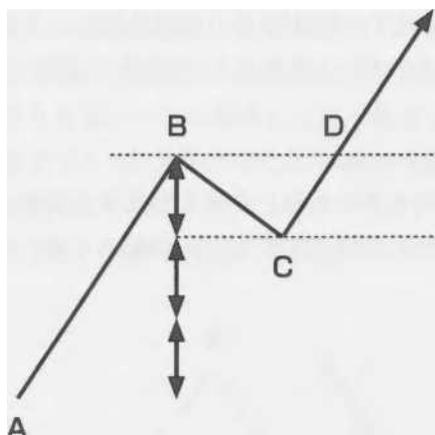
It does not stop exactly at one or a third of a percent.

Even if the price rebounded at **C** as expected, there is no absolute confirmation that the drop to **C** was a push until the price exceeds **B**. On the other hand, as shown in the following figure, if the price falls below **C** without going above the level of **B**, it will be a new low in a small wave transition, and the sell signal will be given at the point of **D**, which is the point where the price falls below **C** with the return from **C**.

B



Even at point **D**, the buy and sell signals do not stand alone and do not make sense.



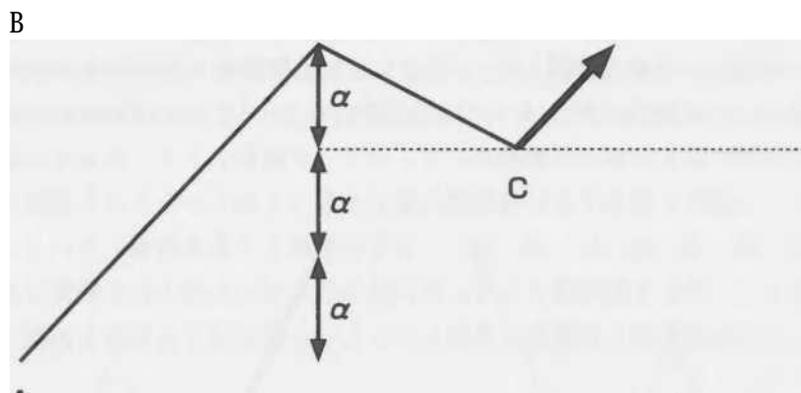
D... the point at which the price pushes from B and overtakes the high B

C... the point at which the fall is one-third of the rise in AB

Based on these problems, the order of thinking in the diagram is as follows

- (1) "An uptrend is a series of lower lows and higher highs" and up to **B** is considered an uptrend.
- (2) "Pushing up while pushing down", but "Pushing down is one-third of the upward movement" is used to define the pushpoint **C**.

Which of the two is more important is a case-by-case basis.



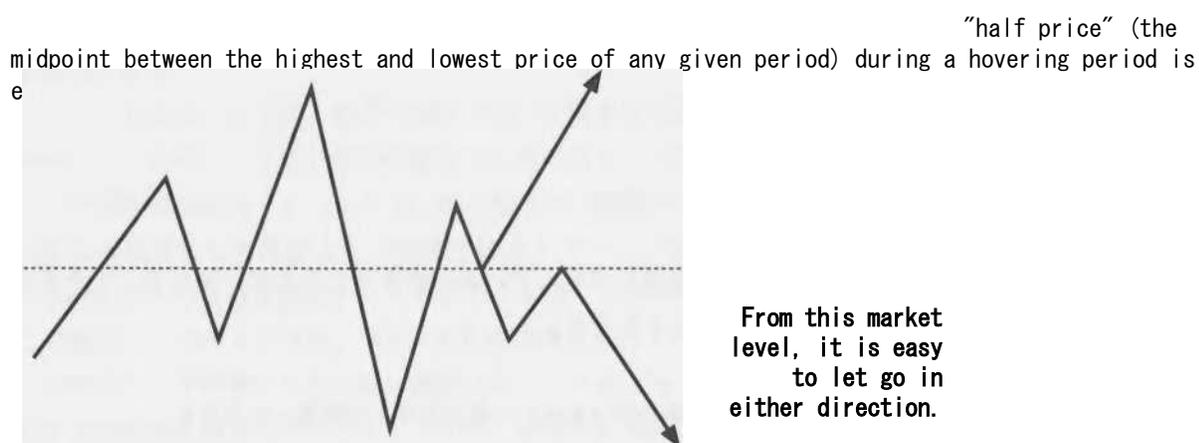
The explanation given so far is based on the concept of the "kagi-ashi", a typical Japanese rising line. The details of the kagi-ashi will be explained in the next chapter.

Equilibrium suggests a release

The equilibrium table was invented to compensate for the shortcomings of the key leg. The equilibrium chart can be understood more easily if it is viewed in this light, but this is not generally recognized. This is partly because people's perceptions of the Rikigeki have changed so much since then, but it is also because they lack an understanding of the "market's release".

Ichimoku Sanjin believed that pushes and comebacks were merely "faltering".

A fence can be said to be a fluctuation that forms a similar high and low at a certain price "market level". As it turns out, this level is very often the starting point for a market breakout.



It is the level itself. Therefore, by comparing the half-price relationship over a period of time with the actual price on a daily basis, we can get a good idea of the divergence.

In fact, there is no shortage of examples of how the various lines of the equilibrium chart act as "pushes" and "returns". It is also clear that they work better than the old rule of thumb of "a push is one third of a fall" and "a return is one half of a rise". It is much simpler than the Fibonacci series, but it still works well, not least because it incorporates the concept of time.

Numbers such as 9, 17, 26, 33, 42, 51, 65, 76..... are called "basic numbers". A basic number is a number obtained from the combination of the absolute numbers "9" and "26".

First of all, we want you to understand these basic figures empirically. The following figures should be familiar to you.

9	17 (=9X2 - 1)	26	
33 (=17X2 - 1)	6	42 (=26+17 -)	1
5 (=33x2 - 1)	97	76 (=26x3 - 2)	(=42X2 - 1) 129

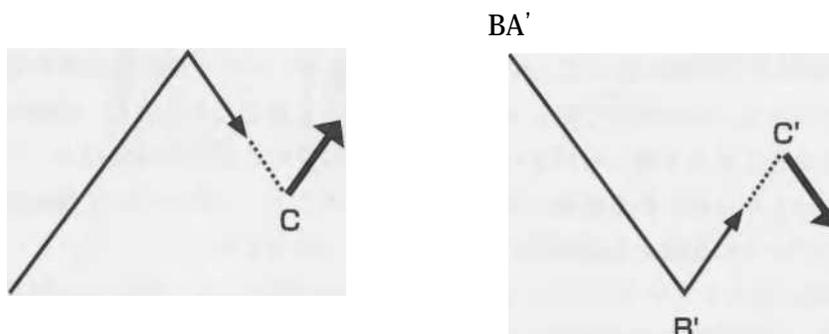
(=33X3 -2) 100+ 101 (=51X2 -)1 (=65x2 - 1)
base
Main figures

I also consider 47, 67 and others to be important. I will explain in detail in Chapter 6.

The equilibrium chart is based on the semi-major relationship between the different basic values for the small, medium and large periods. The intersection of these lines (including the real line) is the point at which the market breaks up. The intersection of these lines (including solid lines) can easily act as a starting point for a market breakout, up or down. The equilibrium table is a very purposeful chart.

In other words, the equilibrium table is essentially a table of semi-valued relationships at fundamental values. This is very important, and in fact one of the conclusions of this book (what is the essential meaning of an equilibrium table?).

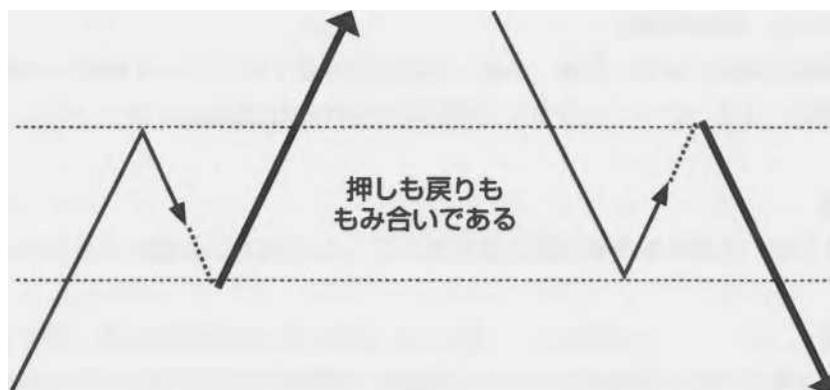
Anyway, in accordance with the diagram given at the beginning of this chapter, we have the following.



- (1) Look at how the equilibrium chart is performing and make a tentative decision to use **AB** for "up" or '**AB**' for "down".
- (2) One of the lines in the equilibrium chart is regarded as the point **C of the release**.

This is the most thorough use of the equilibrium chart for new investors. It is a tentative decision that should be made at a glance. Beginners, in particular, should think of them as "separate" from trading decisions.

(As for what it means to be different, you can imagine from the market comments in Part III.)



2 ■ Kagi leg and equilibrium chart

How to draw an equilibrium chart

In recent years, the use of computers has drastically reduced the number of people who draw charts by hand.

The significance of handwriting is twofold. Firstly, by filling in the chart on a daily basis, we can get an

empirical idea of what kind of "intuition" we get from the chart

(including its naivety).

The reason why we say "not good enough" can be clearly seen by changing the time scale of the chart displayed on the computer. It is often the case that over a certain period of time you can see that the price has risen considerably, but when you change the time scale, you cannot see any upward force at all. By continuing to write by hand, you will learn from experience how dangerous it is to make mechanical judgments based on your intuition from the chart.

Empirical knowledge" is extremely important for anyone who deals with market fluctuations. Many factors leading to a decision should be based on experience, even though many investors may come to conclusions without knowing the "true meaning" of the decision.

Empirical understanding is also subjective. There is a big difference between an intuitive understanding based only on sight and an experience based on thinking while writing and understanding the difficulty of making decisions. Even if the methodology and judgements are wrong, it is easier to live with them as a real experience for the person who is making the chart by hand.

Even if you think handwriting is useless, we recommend that you write by yourself for a period of time in order to understand the "uselessness" of it.

The equilibrium table is created in the following way

Mouth candlestick (solid line)

It is the symbolic representation of the change in a given period of time in terms of the opening price, closing price, high price and low price. It is commonly used for daily, weekly and monthly trading, but in recent years it has also been used for hourly and minute trading.

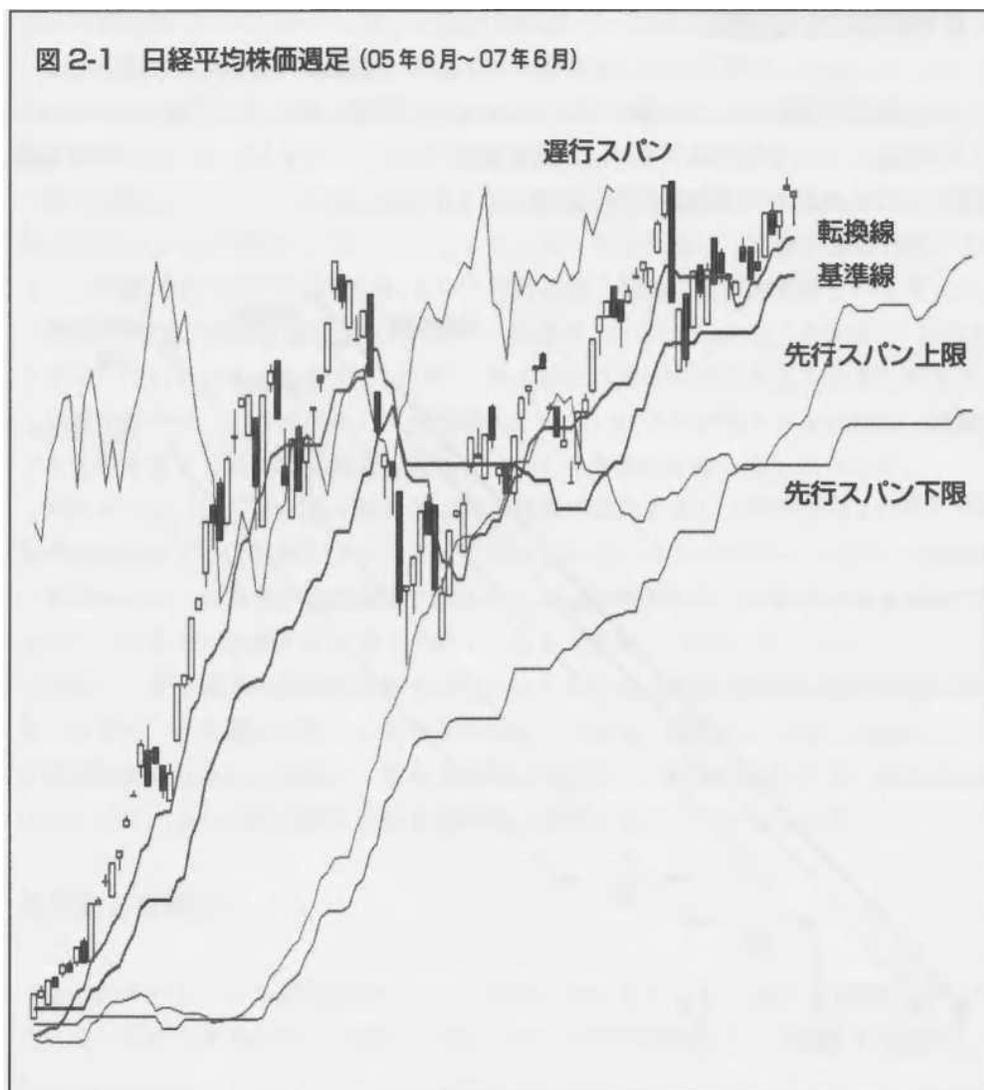
Conversion line

The half price of the past 9 days is entered daily as the turning point, and the line is connected

to it.

Reference line

The half price of the last 26 days is entered daily as the base price, and the line is connected to it.



Upper limit of leading span

A line connecting the base price and the half of the conversion price with a 26-day advance.

Lower limit of leading span

A line connecting the halves of the last 52 days with a 26-day advance.

Lagging Span

A line connecting the closing price with a 26-day lag (backwards)

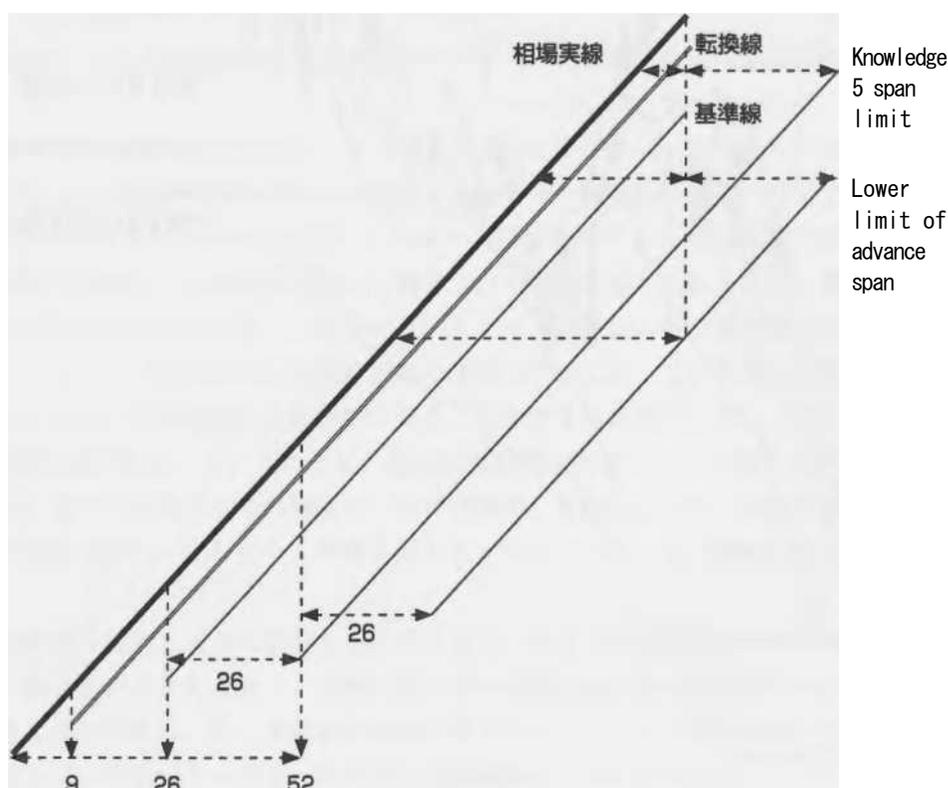
Before explaining the meaning and intention of each line, please look at Figure 2-1. It should be intuitively understood that the equilibrium table can be used.

Equilibrium positions

If the equilibrium is working as a push, the market is going up, if it is working as a return, the market is going up.

In the case of a downtrend, the market is expected to fall. If we deform the market fluctuations, we get the following positional diagram, and the position of each line gives us an intuition.

This diagram assumes a constant rise in price over a period of time, with no pushes.



(It should be stressed that this is a deflationary figure and that such fluctuations are unlikely to continue).

This excludes the lagging span. The lagging span is used in the same way as the other lines, but has a different meaning. We will discuss it in more detail later.

The diagram shows the conversion line below the solid line, the base line further below, the upper end of the leading span (in this case, 26 days ahead of the half of the base price and conversion price) and the lower end of the leading span (in this case, 26 days ahead of the half of the previous 52 days).

The two leading spans are commonly referred to as "1" and "2" or "A" and "B". However In the original publication (Ichimoku Yamato Tome Kinko Tekiyo, Economic Change Research Institute), they are referred to as "upper limit" and "lower limit". In this book, I use the terms "upper limit" and "lower limit" as they are unique to Yamato.

As long as the market continues to move up, the span that precedes the half-way point of the last 52 days will be the "lower limit" for a push (whereas in a down market, the position is exactly the opposite: the last 52 days

(The leading span of the half price between the two will be marked as "upper limit").

The two leading spans are referred to as "resistance zones" and are the limits of a push in the majority view. However, if you are familiar with the graph, you will see that all the lines in the chart act as a kind of resistance zone.

Although the fluctuations shown in the figure are too extreme, it should be understood that this position is basically maintained in both up and down markets. This is the same kind of intuitive judgement that one gets from saying that a high and a low are up and a low is down.

There is a common view of equilibrium chart that says "up" when "base line < conversion line" and "down" when "base line > conversion line". However, the basic idea is as follows.

A market turn is a change from up to down or from down to up. In other words, a change in the position of each line is an indication of such a change.

In the equilibrium chart, the position of the base line and the conversion line changes first, and this change in the position of the two leading spans can only occur after the market has risen or fallen sufficiently. This explains why the term "equilibrium turnaround" is used when the conversion line crosses above the base line (the term "reversal" or "deterioration" is used when the conversion line crosses below the base line).

However, it would be a mistake to assume that changes in the equilibrium chart positions, such as reversals and reversals of the base line and the conversion line, are "fixed" signs of a decision to buy or sell. In fact, judgments based on the positional relationships described above are nothing more than intuition. Most of the signs of change in the Yeast curve are not in themselves a logical explanation of market movements.

What is a key leg?

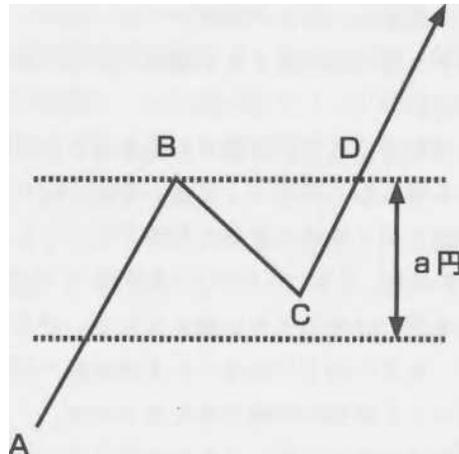
Rather than fixating on a turn signal as a buy/sell decision sign, I believe it is better to see it as a sign of a breakout. This is where the key leg comes in. Let me explain the idea.

The kagi-ashi is a baronet's line which has become less common with the spread of candlesticks. In Yamato's time, however, they were far more common than candlesticks. The reason for their popularity was that they were extremely easy to create, and also that they were very symmetrical. In recent years, we have seen less and less of them because, in my opinion, too much emphasis has been placed on Western technical analysis and pattern analysis, which emphasise objectivity.

There are many explanations for the key leg. However, for the purposes of this book, it should be understood that it is a rising line that eliminates "pushes" and "returns" as much as possible.

Market fluctuations always play out as a series of ups and downs, with the direction of the ups and downs becoming clearer. As mentioned before, it is easy to make trading mistakes by judging a fall (push) during an upward movement as a downward movement and a rise (return) during a downward movement as an upward movement. Therefore, we define a certain range of prices (nowadays, we often use a fixed rate) as the limit of pushes and comebacks, and ignore fluctuations within this range to determine the direction of the market. This is the significance and meaning of the bar line.

Market fluctuations



Hooked feet

As shown in the diagram above, in the case of a key leg, where the price range of **a** circle is the limit of push-back, when the downward movement of **BC** is within the range of **a**

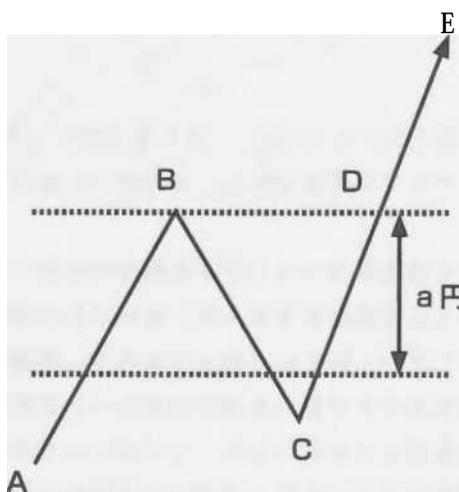
circle

ie, the fluctuation is ignored. If the price is higher than **B**, the price will continue to rise.

A new line is added. Therefore, there is no waveform on the key leg of this price movement, but a straight line. The upward price movement is determined by the addition of a new line (**D**).

On the other hand, as shown in the figure below, when **BC**'s decline is not contained within circle **a**, a waveform appears on the key leg.

Market fluctuations



Hooked feet

B

a
Circle

C

A

In the case of a key leg, writing itself is a process of deciding whether to go up or down. In this case, **B**'s

Note that it is not possible to determine the direction at the moment of **c**...

In both cases, the price rises at **AB**, pushes up to **C** and breaks above **B**. In both cases, the keystroke starts at **A**, and each time the price makes a new high, it is added to the top.

However, in the former case, the downward movement is less than or equal to **a** yen, so the keystone does not enter the downward movement, whereas in the latter case, the downward movement is greater than **a** yen, so the keystone

changes the line to indicate the downward movement.

to the top of the page and then added more lines to the top of the page.

It is particularly noteworthy here that it is only when the market has bottomed at **C** and reversed above $\forall a$ that we can actually change the line and enter the upward direction. Again, when you enter a Kagi leg, you are determining the direction of the market.

Nevertheless, we will use a single price range (circle **a**) as a keystroke turn signal for our trading decisions.

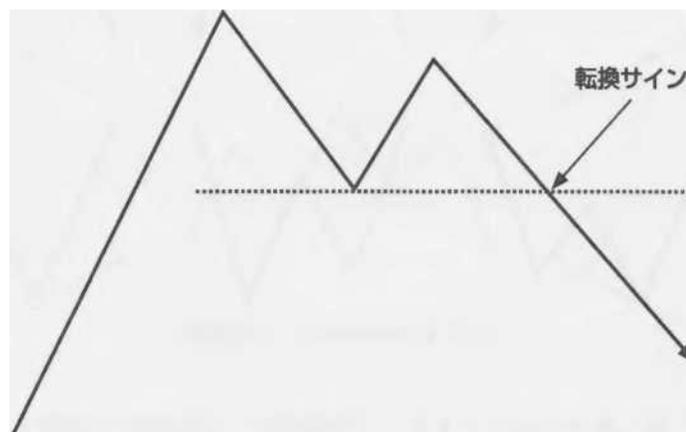
It is easy to see why it does not make sense to use a "0". The larger the price range, the more likely it is that you will not be able to fill it in. On the other hand, the smaller the price range, the more likely it is that a very small rise or fall will change the direction of the key leg.

Therefore, it is unlikely that our ancestors used only one price range to make their trading decisions. It is more likely that they used a number of different price ranges in conjunction with each other to define their trading points.

The smaller the price range, the more "waveforms" will appear. Therefore, the appearance of waveforms is a kind of turning point, but memorising the pattern is of little use. However, memorising the pattern is of little use, as the waveform itself is not a logical explanation for market movements.

Conversion signs by waveform

My take on this is as follows. In simplistic terms, what emerges at the turn can be summarised in the following diagram.

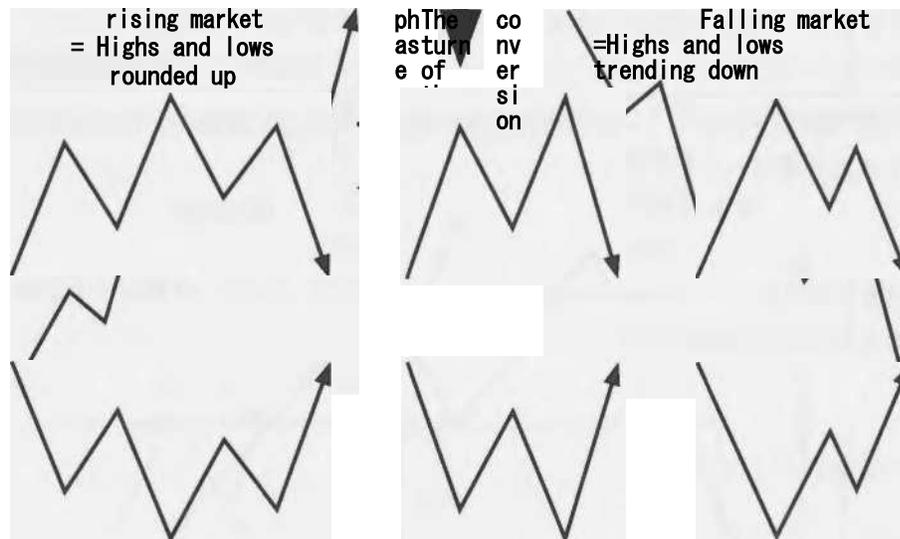


We have already said that an upward price rise is a rise of a low and a high, and a downward price fall is a fall of a high and a low. A market turn is a change from an upwards to a downwards or a downwards to an upwards movement.

Therefore, as shown in the diagram above, the very form that denies the continuity of the "wave transition" always appears at the time of a turn.

The six waveforms can be summarised as follows. It is not necessary to

reiterate that the triad and inverse triad are well known turnaround signs.



The waveform that always appears (or should appear) during a transition

In Chapter 1, we discussed the empirically known "one-third of the upside and one-half of the downside" points of a pushback. In this chapter, which is also an explanation of the key leg, the appearance of the waveform in the figure at the point of push-back is considered as a market breakout. But again, this is all just empirical intuition.

The first thing to do is to create a key leg with an appropriate price range and make a tentative judgment as to whether the price is going up or down (if the key leg has a large price range, the entry itself is a directional judgment. If the waveform is to be detailed, a rising high and a falling low indicate an up move, while a falling high and a falling low indicate a down move.

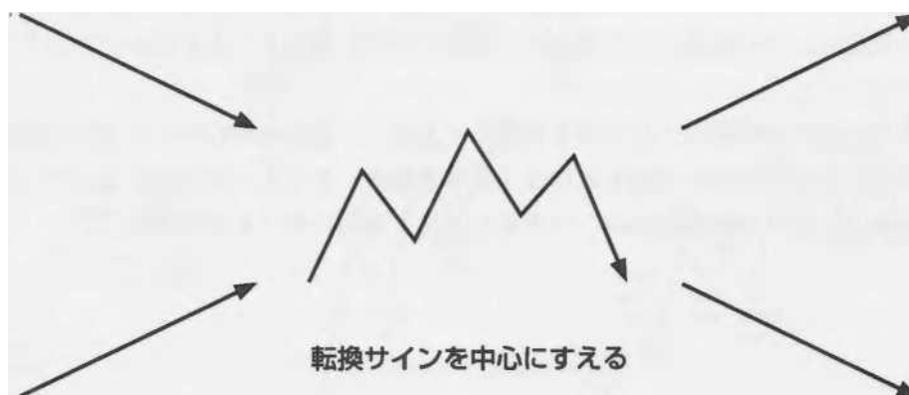
(The “rFge” is judged by the number of)

- (2) Assuming the point of push-back (Only after the decision of ①, the assumption of push-back becomes possible. In this assumption, the half price relationship is important.)
- (3) A turn signal at a pushback point is a “market release” and confirms the direction of the market.

We have spoken of empirical intuition, but it is important to understand that all of this depends on market sentiment. I don't know if there is any old market maker who traded only on the foot of the key. However, common sense dictates that they would have been looking for other participants' movements and real demand in the market.

In fact, we believe that he would have checked the accuracy of his decision by looking at the appearance of the turn signal and the momentum of the rise and fall. He would have checked the execution of the order with a trial run because he knew that his decision was based on nothing more than intuition.

If we consider each of these turnover signs as a separate entity and place them at the centre of the market's evolution, it is easy to see that it is impossible to avoid being caught out by turnover signs. The figure below illustrates the state of the market with the turning signs at the centre.



There are only four ways in which a market that has been moving up can show a turnaround sign and either (1) move down or (2) move up, **and a** market that has been moving down can show a turnaround sign and either (3) move up or (4) move down. However, it is important to understand that (1) (D) is an affirmation of a market turn, and (2)[®] is not a turn but a mid-stage struggle.

The central waveform here is a triangle, but this waveform itself is alive in (1), which affirms the turnaround, and in (3), the two lows in this waveform

form a two-point bottom.

The Shokusen can't avoid the Damashii

As the market sets its own limits, it is only natural that there will be a lot of false positives. The success or failure of a turn signal depends on how the market develops after the signal is given. The waveform itself does not explain the market transition.

This "line" is consequently best used by those who have the right view of the market. There is no point in trying to mechanically define buy and sell signals to identify ups and downs.

Some people often call it "keystroke verification" and report the results of trading with that signal. However, the conclusion should not be that the signals are usable because they perform well or that they are useless because they do not perform well. The results obtained from the verification are only a tendency to show how the trading signal works in any given fluctuation. (Of course, it is important to identify trends, as a clear indication of non-functionality can lead to a successful or unsuccessful subsequent trade).

This is a dull and obvious statement. However, many investors tend to try to link the Yeast curve (or rather their intuitive judgement) directly to their trading decisions. It is easy to divide market movements into ups and downs, and to imagine that the market cycle can always determine the direction. Again, however, the idea of a "tug-of-war" is missing.

It is said that the direction of the market is important. Market fluctuations are always accompanied by momentary ups and downs, with upward price movements being accompanied by pushes and downward price movements being accompanied by returns. However, the question of the Yeast curve's turning point is whether or not the rise or fall from its appearance should be regarded as the direction of the market.

Wavy lines, such as the Kagi leg, do not make this point clear. The only way to make this clear is to have a market view. In order to form this view, a theory of market fluctuation is necessary. The equilibrium chart and its theory of market fluctuations are the appropriate complement to the lack of the key leg.

3.-Market volatility theory of equilibrium

Both up and down markets are three wave transitions

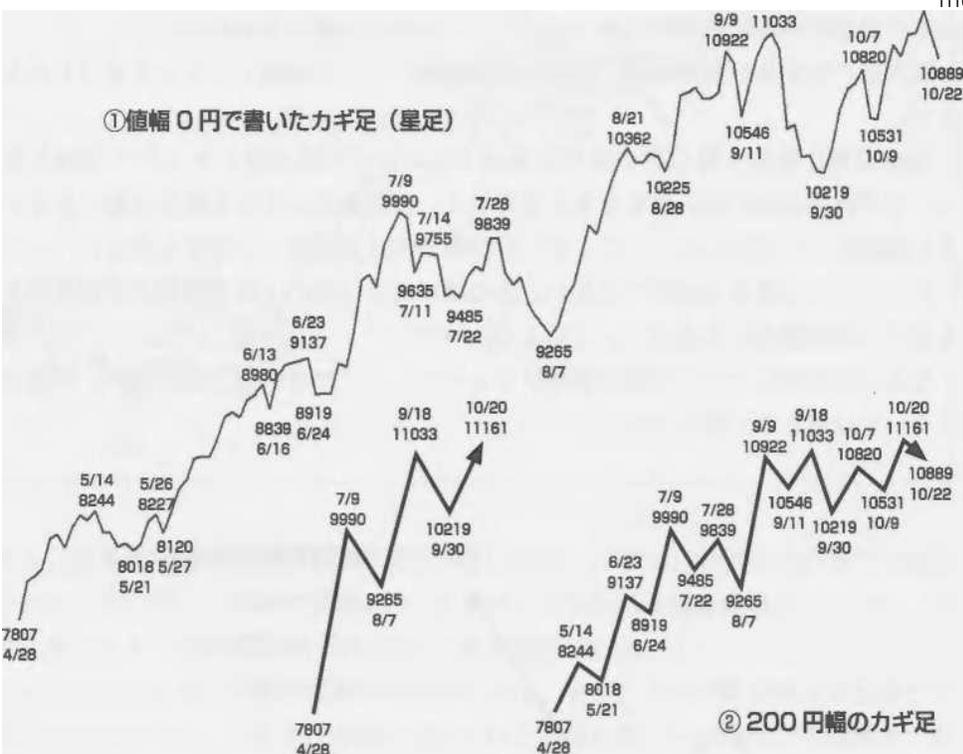
The following chart (1) shows the closing prices of the Nikkei Stock Average (April 28 to October 22, 2003) since the bottom in April 2003. The graphs (2) and (3) show the changes in the Nikkei Stock Average in 500-yen and 200-yen ranges, respectively (without horizontal lines). It can be seen that the smaller the limit of the push-back, the more waveforms can be seen.

The waveform is formed by the ups and downs, and the highs and lows are clearly identified.

9/18

10/20

11161



(3) 500 yen wide
keystroke

But it is only perceived as a result. However, it is only perceived as a consequence, not as a clear indication at the time.

For example, in the 500 yen range, the high point was reached on 9 July. However, it is not until 22 July, when the price has fallen by more than 500 yen from the close on 9 July, that it becomes a high point.

But they do not appear on the keystone.

However, as you can see from the star chart, it has actually been playing a comeback since 22 July. In other words, the 500 yen kagisoku has actually been rising since the moment it entered the downward direction (i.e. when it confirmed the decline).

How about the range of the price rise or fall of a key leg (the range of prices that can actually be regarded as a single rise or fall of a key leg. For example, the straight line from 28 April to 9 July in the star chart). Is half or even a third of that range a fixed point of pushback? This rule of thumb also does not work very well.

This is where the equilibrium table comes in handy. The equilibrium chart's theory of market volatility is based on when and how high a price should go.

(It also makes it clear when a move is inevitable (or should be inevitable). The equilibrium lines also work very well as pushback points. Together, they provide a good explanation for key leg changes.

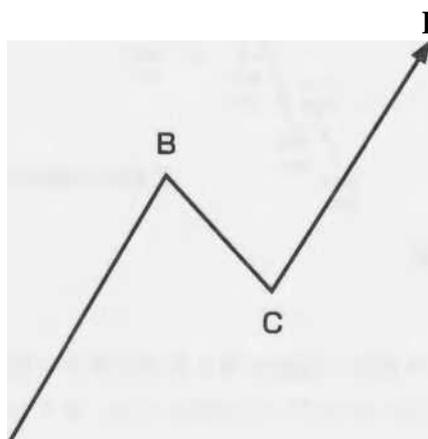
For this alone, I believe that the work of an individual should be greatly appreciated. It also confirms how revolutionary the idea of Ichimoku Sanjin was.

Yamato believed that the wave transitions of the kagi leg (the wave transitions of the market) should be seen as "three waves".

Market movements form a waveform, with ups and downs playing out. An upward move is a push to a new high, while a downward move is a pullback to a new low. These are simple waves like the three waves, or a series of them. This is the essence of the "wave theory" of the equilibrium table.

This is not just a waveform. It is based on a three-wave structure with time and price relationships, as shown in the following diagram.

We will not discuss the calculated values here, as it would be too complicated. The calculation method will be introduced in chapter 6.



(1) By equal figures

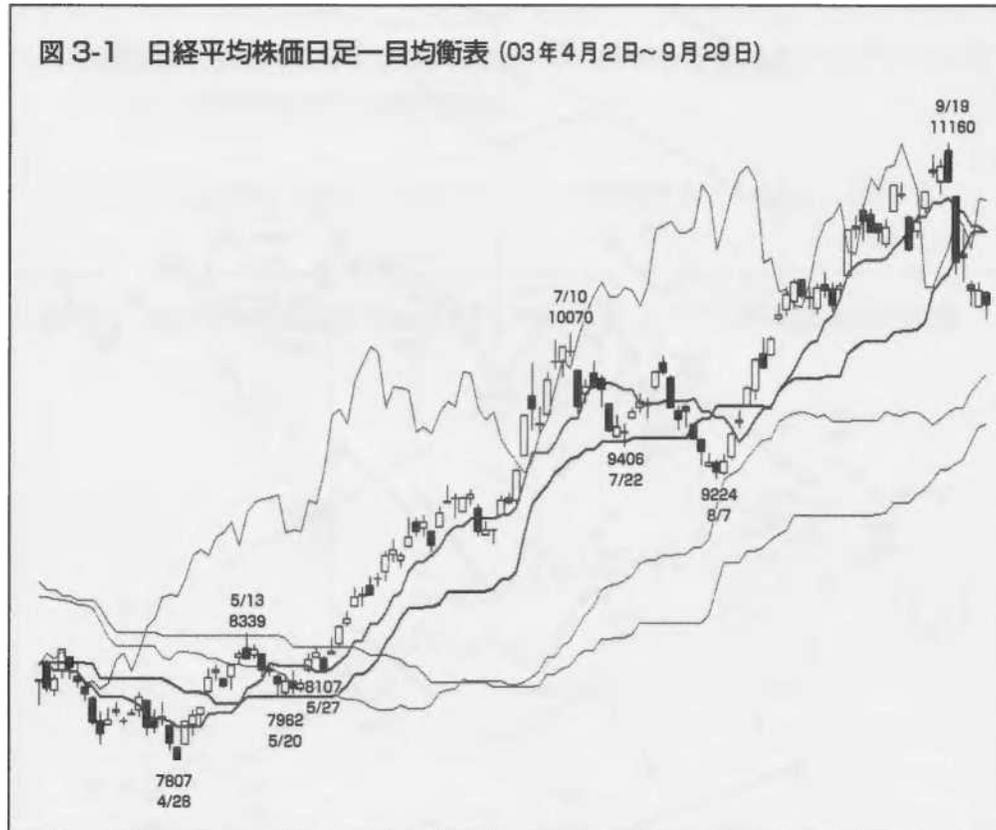
$$\begin{aligned} AB &= BD \\ AB &= CD \\ AC &= C \\ D \end{aligned}$$

Basic values from A to D

(8) Achieve the calculated value of the price of D

Practical examples of three-wave configurations

Let's look again at the equilibrium chart in candlesticks and see how the three waves are structured and the equilibrium chart at the push-back point (Figure 3-1).



The high of 13 May was capped by the upper limit of the leading span and the low of 20 May was capped by the base line. The low of May 27 was supported by the conversion line, and the price continued to rise without breaking the base line until July 10.

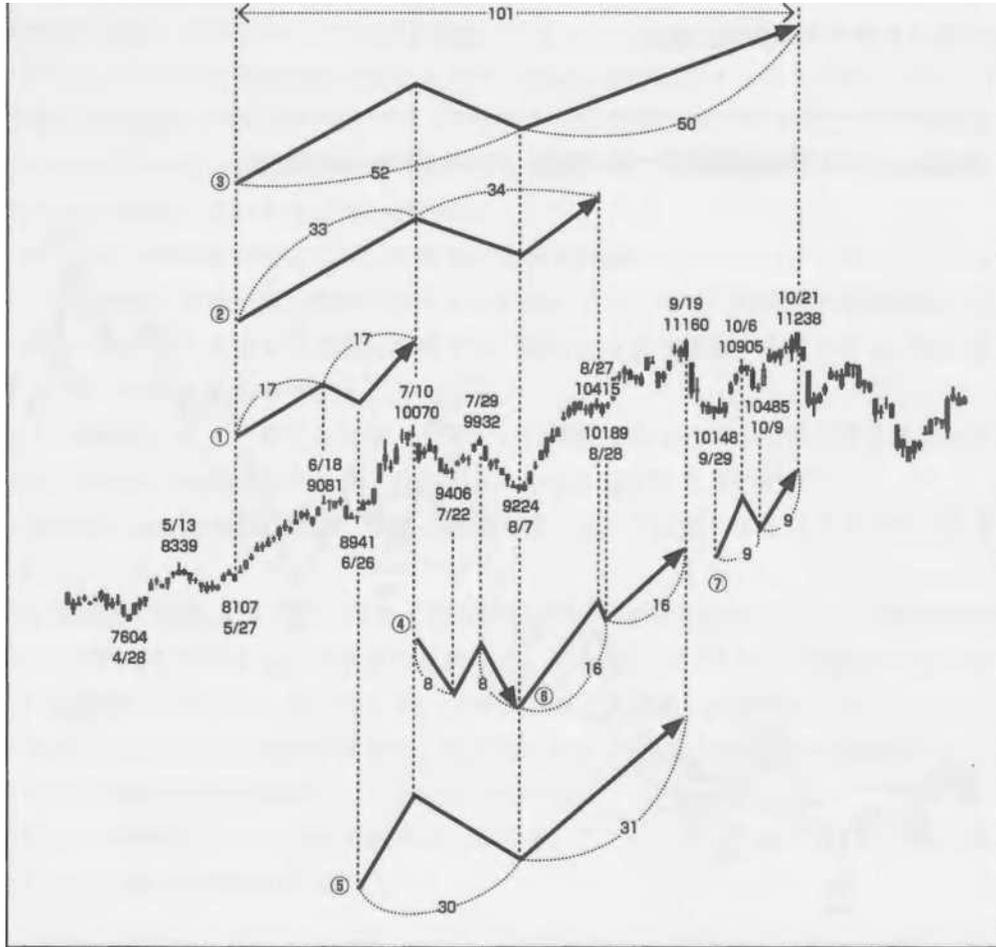
Let's look at the decline from 10 July to 7 August. First, the low of 22 July was halted at the base line, and the low of 7 August did not break the upper limit of the leading span. The August 7 low was not below the upper limit of the leading span, and the August 7 lagging span was at the edge of deterioration.

The change from 7 August to 19 September also shows that the conversion line is a pushover.

As can be seen, each line in the equilibrium chart tends to act as a push back. However, it is not possible to know from this graph alone which lines will work in such cases and what it means when they do not.

The equilibrium table places particular emphasis on the time theory because it allows us to see the time relationship of the market in its wave transitions. Figure 3-2 shows the structure of the next three waves.

Fig. 3-2 Daily Average Stock Price (2 Apr. to 4 Dec. 2003) and Three Waves



The 17-day period from the 27 May low to 18 June (including the starting date) and the 17-day period from 18 June to 10 July form a three-wave AB = BD time relationship. In addition, the period from 27 May to 10 July is a three-wave period with a basic value of 33 days.

The 33 days from the May 2 low to July 10 and the 34 days from July 10 to August 27 form a three-wave pattern with AB = BD.

The 52 days from the low of 27 May to the low of 7 August and the 50 days from the low of 7 August to the high of 21 October correspond to the AC = CD time relationship. Moreover, the period from 27 May to 21 October is also a three-wave period with a basic value of 101 days.

The decline from 10 July to 7 August was also marked by an AB = 8 days down - 6 days back - 8 days down.

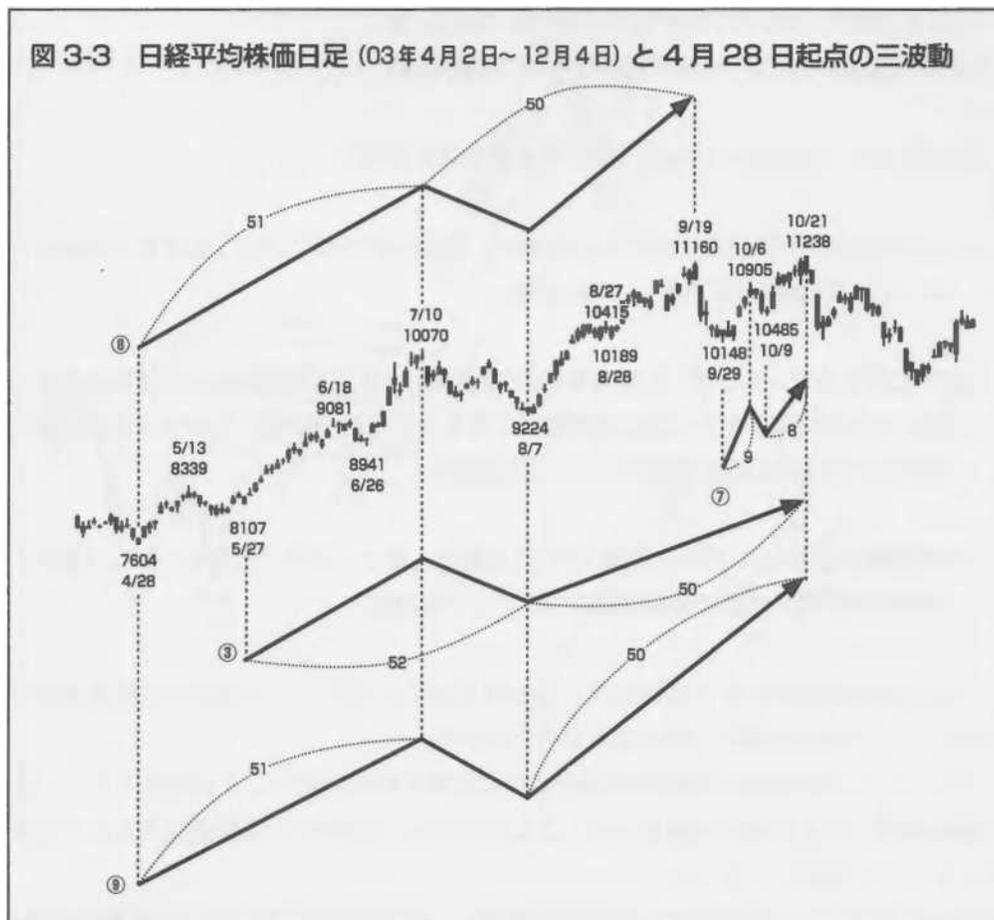
The time relationship of the CD constitutes the three waves of the downward movement.

(5) The 30 days from 26 June to 7 August and the 31 days from 7 August to 19 September form a three-wave pattern with the time relationship AC = CD.

The 16 days from 7 August to the low of 28 August and the 16 days from 28 August to 19 September form a three-wave pattern with AC = CD time relationship.

(7) AC = 9 days from 29 September to 9 October and 8 days from 9 October to 21 October.
The time relationship of the CD constitutes three waves.

If we take the date 28 April as the starting point, we find two time relationships (Figure 3-3).



A 51-day rise from 28 April to 10 July, and a 50-day rise from 10 July to 19 September, were followed by an AB

BD's time relationship constitutes a three-wave system.

A 51-day rise from 28 April to 10 July and a 50-day rise from 7 August to 21 October were the most significant increases in the AB

The time relationship of the CD constitutes three waves.

In this way, when we consider a three-wave structure, the starting point (A) and the "centre point (B or C)" are defined as

Although it changes from time to time, the result is some kind of three-wave structure. It is the understanding of this three-wave structure itself that determines the market outlook.

For example, look at the high of 21 October. Two lines before this negative line (including the 21st) The two candles finally broke above the high of 19 September.

Will the "buy at the highs" trading pattern hold? The time frame gives us an idea of the likelihood.

If you are buying at a new high, you are forming some sort of three-wave pattern, so there is nothing else you can assume at this new high other than the next 3one.

Konica Minolta (HK) Manufacturing (HK) Manufacturing (HK) Manufacturing (HK) Manufacturing (HK)
Manufacturing (HK) Manufacturing (HK) Manufacturing (HK) Manufacturing (HK) Manufacturing (HK)
Manufacturing (HK)

(b) The fall from 19 September to 29 September is placed as the second wave.

(c) The decline from 10 July to 7 August is

considered to be the second wave. In this case, it

is as follows (see Figure 3-2 and Figure 3-3).

Konica Minolta Manufacturing (HK) Ltd. will be manufacturing $AC = CD$ s for 9 days from 29 September to 9 October and for 8 days from 9 October to 21 October.

Time relationship (-7 wave).

(b) The 52-day period from the low of 27 May to the low of 7 August and the 50-day period from the low of 7 August to the high of 21 October have an $AC = CD$ time relationship (the period from 27 May to 21 October is the base value)].0

(also three waves in one day) (-③ wave).

(c) The 51-day rise from 28 April to 10 July and the 50-day rise from 7 August to 21 October are in the $AB = CD$ time relationship (wave (⑨)).

These time relationships show that "there is very little time left. At this point, it is not easy to buy just because the price is high.

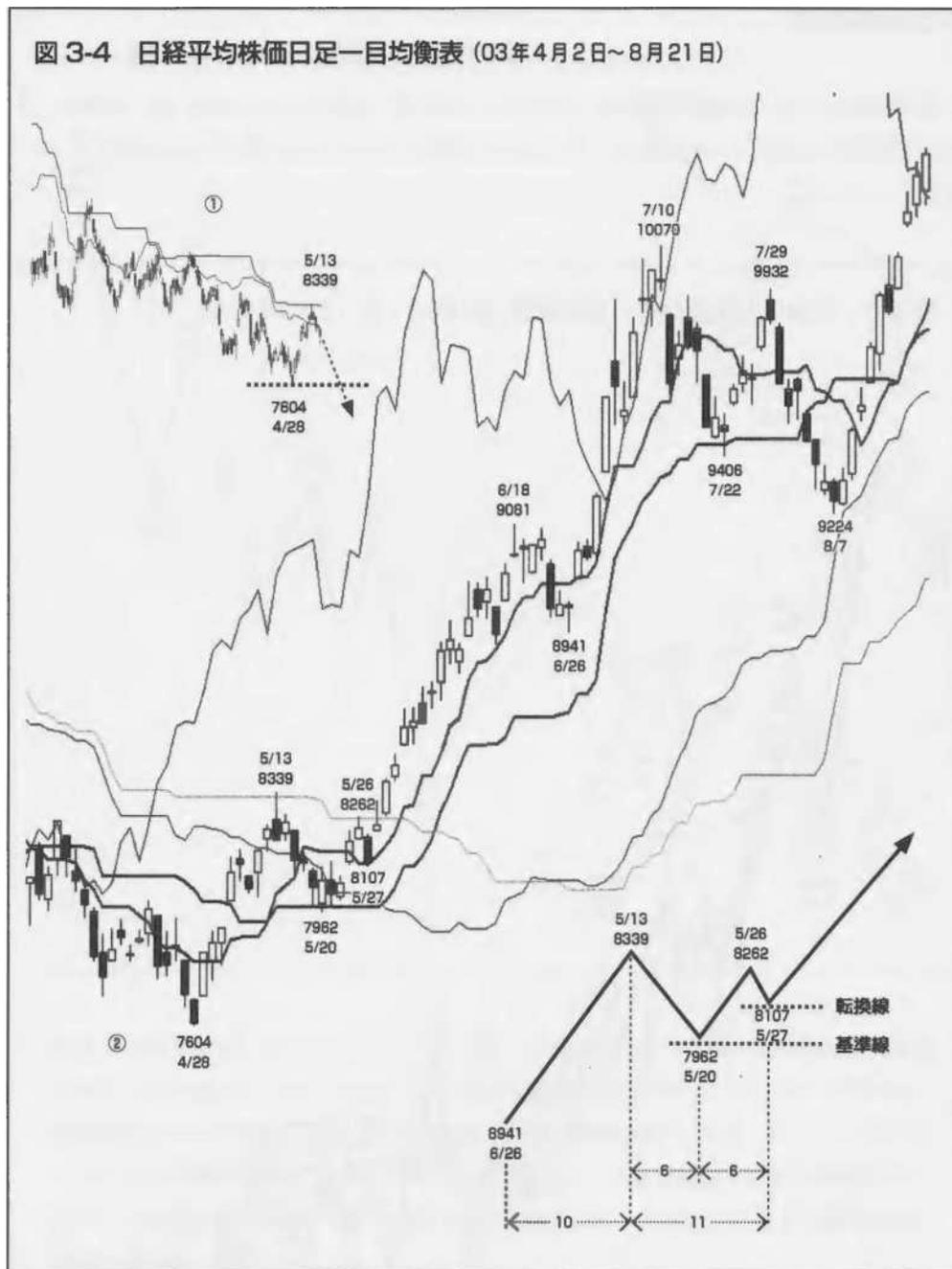
Now, it is obvious that the April 28 low is an important starting point, but it is important to note that the May 27 low, rather than the April 28 low, is the starting point of the three waves.

This suggests that the volatility here is not just a change from a downward move (three down waves or a series of three down waves) to an upward move (three up waves or a series of three up waves).

In fact, at the same time, it is possible to recognize a "faltering market" at the bottom until the middle of it. For example

In the process of falling, there is still a possibility of a series of three downward waves (Figure 3-4①).0

In the end, the six-day drop from 13 May did not break the base line, and the six days of decline were followed by a further six days of declines.



The market formed a matching 6-day “intermediate wave” (more on intermediate waves later) and reached a low on 27 May. This low was a springboard for a turnaround line and the upward momentum that followed.

(Figure 3-4②).

This means that we can be sure that the market is going to break out of the fence and that it is going to form a three-wave uptrend at the same time.

Moreover, the 27th of May is the 11th day after the 13th of May, compared to the 10 days of gains from the 28th of April to the 13th of May.

This makes it a very important starting point for the market.

It is.

Example of a down market

Figure 3-5 shows the daily equilibrium (excluding the slow span) leading up to the April 2003 low. Note that although the price has momentarily exceeded each line, it has not been a push.

I want to.

On this basis, the three-wave structure of the downward movement can be confirmed as follows (Figure 3-6).

Figure 3-5 Daily Equilibrium Chart of Nikkei Stock Average (1 May 2002 - 30 May 2003)

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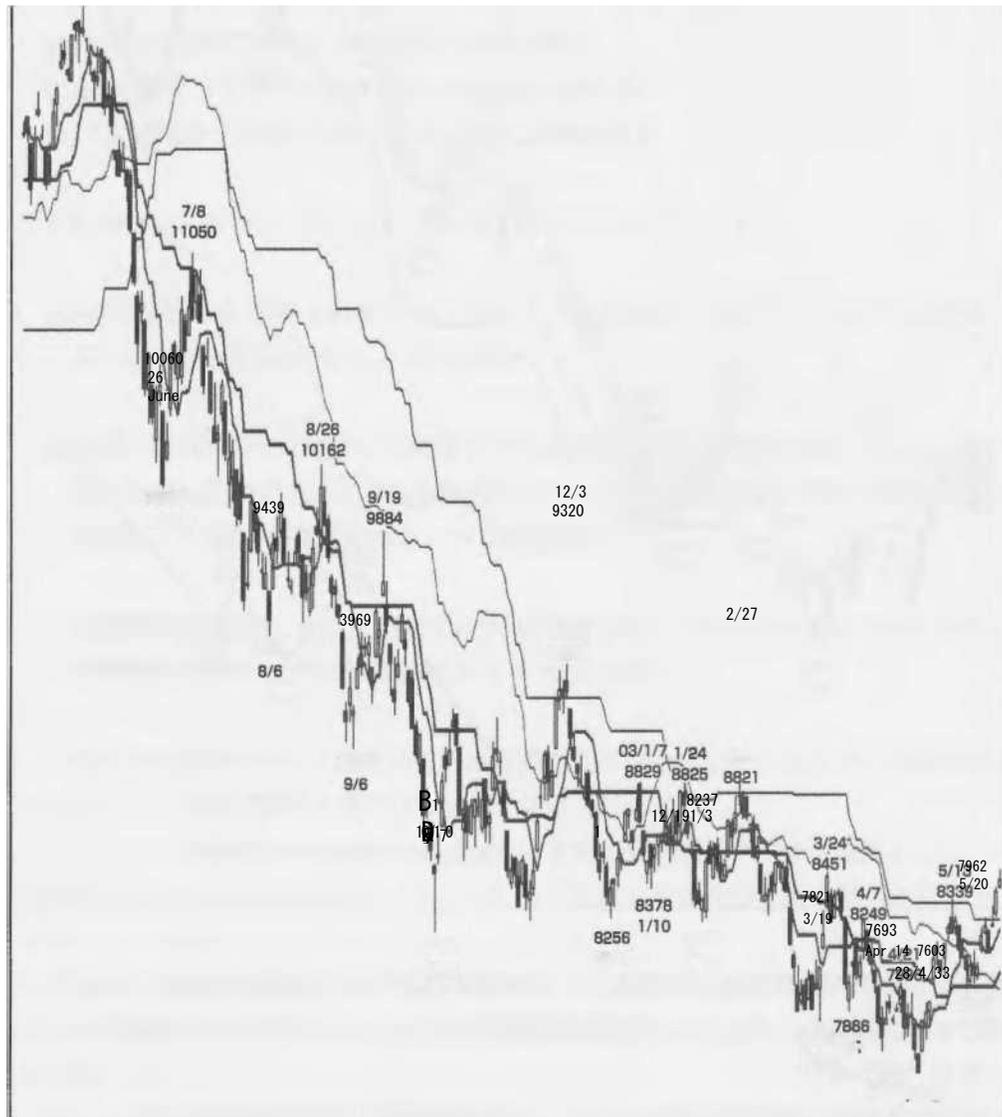
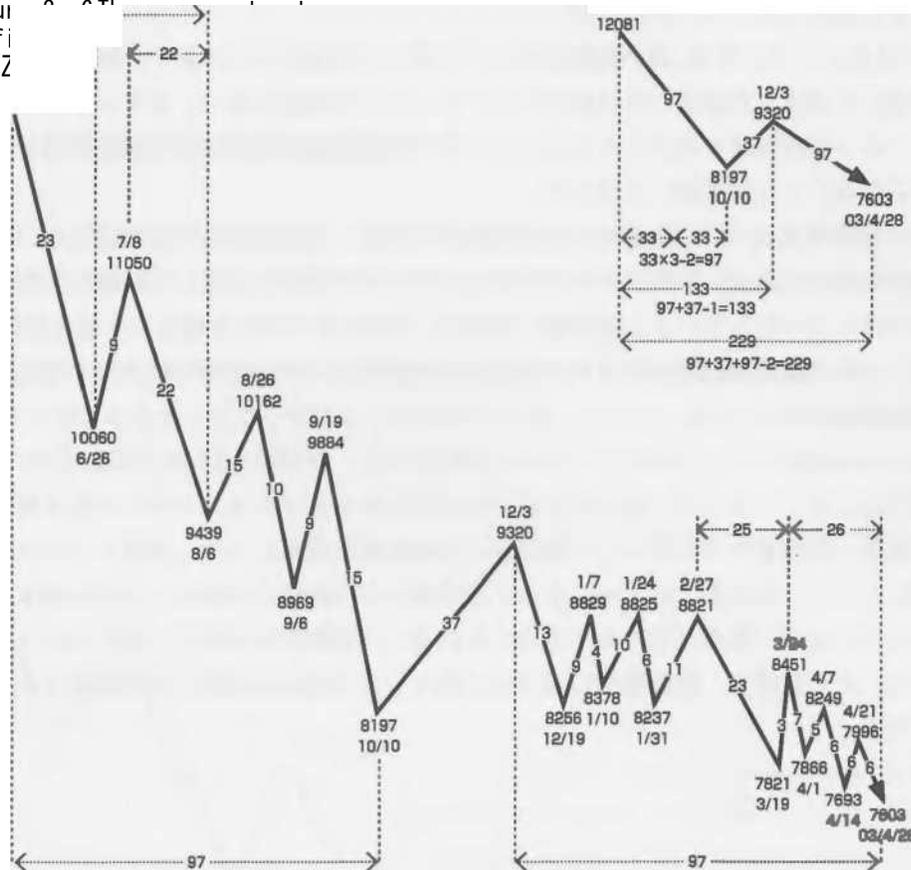


Figure 1
Confidence
A/Z



(1) The big drop is the 97-day drop from 27 May to 10 October 2002 and the 97-day drop from 3 December to 28 April 2003, where $AB = CD$. This big drop consists of "97 days down - 3 days up - 97 days down", where 97 is the basic number "33x3 12 =97". 133 (=97+37- 1) is also a basic number, so 229 (Since 133 (=97+37- 1) is also a basic value, 229 (=97+37+97-2) is also a basic value, and is also a variation in the time relationship of the "basic values from A to D".

25 days from 27 February to 24 March 2003 and 26 days from 24 March to 28 April 2003.
= Three waves in CD time relationship.

The decline from 24 March to 28 April is important for the basic figures 26 alone. The decline from 24 March to 28 April is important only because it is a basic figure. However, the rise and fall during this period was a five-wave pattern: seven days down - five days back - six days down - *six days back - six days down. The five waves are a series of three waves. This small wave is also a good example of the time relationship.

(1) From the point of view of (1) and (2), the low of April 28 is important as a stop point. This is because the three-wave structure from several important highs indicates that the market may be "amortizing" to the downside.

I won't mention "amortisation" as it would complicate things. For the same reason, we will not discuss the three waves when the "calculated value" is achieved. First of all, you should be aware of the fact that, as explained in this chapter, knowing the time relationship makes a big difference to the accuracy of the high and low positions of the key leg.

-The time relationship between wave transitions is often neglected in comparison to the more common equilibrium table. It is not enough to intuit an upturn or downturn in the equilibrium table itself and then leave it until the equilibrium table turns. As soon as we have a hunch about whether a market is going to go up or down, we need to work out when and how much it should go up (or down).

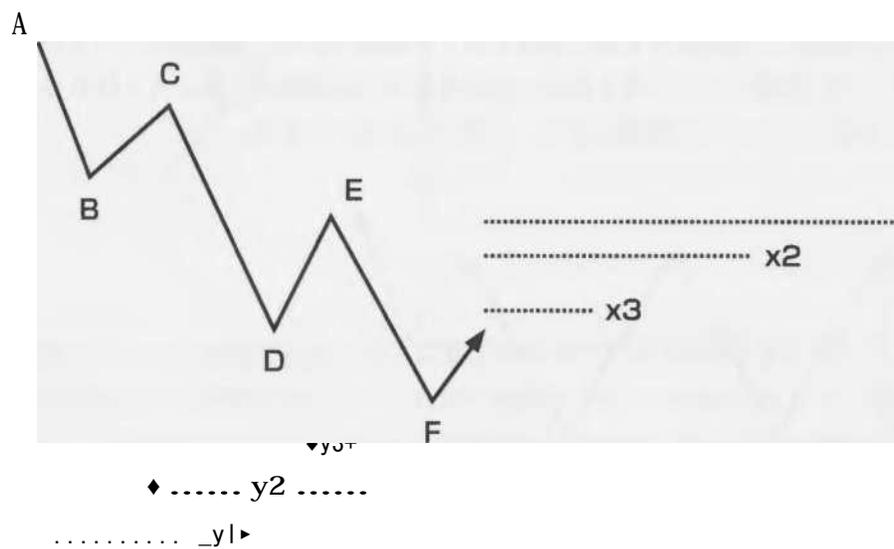
This can be a very confusing thing to do. This is because it is difficult for a beginner to grasp where the starting point and the centre point should be. However, in any case, the direction of the equilibrium chart can be judged from where the basic wave is (if the starting point and the centre point are clear, the third wave will be clear). In this sense, the understanding and effective use of the equilibrium table is impossible without an understanding of wave transitions.

4 ■ Meaning of each line of Ichimoku Kinko Hyo

Equilibrium as a guide for pushing back

In the previous chapter, I mentioned that without an understanding of wave transitions, there is no way to understand and make effective use of the equilibrium table. Nevertheless, if we know the essential meaning of each equilibrium line, and if our perception of market movements is in line with the purpose of these lines, we will naturally benefit in many ways.

In this chapter, we would like to explain the meaning and purpose of each line in the equilibrium chart. The understanding of wave transitions requires a certain degree of familiarity and practice, and it takes time to master. It will take time to learn, but it will be a problem if you cannot use the equilibrium chart until then.



The chart above shows a downward trend with highs and lows trending down from A to F. For the sake of completeness, BC represents the return of half of the decline in AB and DE represents the return of half of the decline in CD.

If the market moves consistently like this, then it is easier to deal with it: a rebound at F above half the EF is an up move, and a close at half the EF is a down move.

You can do that.

It is not clear whether we should focus on A, C or E. If we think of it as a single decline, in this case it would be EF, CF and AF. Therefore, in the case of this chart, if the limit of return is the half-way point, then we should focus on the half-way point of EF (x3), CF (x2) and AF (x1).

Now, if the low price of **F** is never broken, the half price relationship is the price from **A** to **F**. But there is no guarantee that it will stop at **F**. However, there is no guarantee that the decline will stop at **F**. So

we look at the half price of the fall itself.

Rather, the equilibrium chart – in particular, the conversion line, the base line and the leading span (which is 26 days ahead of the half price of the previous 52 days) – is designed to estimate the likelihood of a return by examining the daily relationship between the half prices of a given period.

In the figure, **x1**, **x2** and **x3** are the half-values of the respective price ranges, while the periods **y1**, **y2** and **y3**

It is also a relationship of halves between the two.

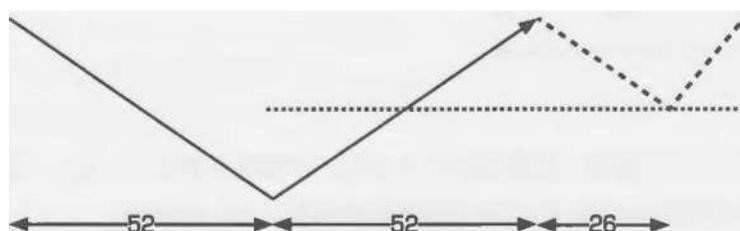
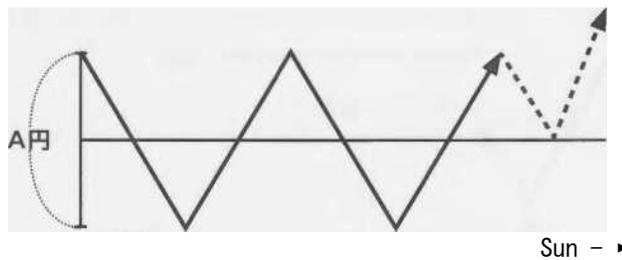
As mentioned earlier, the conversion line and the base line show the basic 9-day and 26-day half price relationships, respectively, and the leading span shows the 52-day half price with a 26-day advance, which should be understood as showing the 76-day half price relationship. The 26 3 sequences of 9 (technically $25 = 9 + 9 + 9 - 2$) and the 3 sequences of 26 are 76.

The three waves are the basis for both upswings and downswings, and the time relationship between basic and equal values is easy to work with.

It is therefore important to understand that the equilibrium table is not out of place as an attempt to see the limits of the short-, medium- and long-term pushback.

Now, we mentioned that the leading span looks at the half-way point of a 76-day period.

A fence market is a market that moves up and down around a market level. If we take the market level itself out of the equation, then a downward movement of **A** yen for **B** days becomes an upward movement of **A** yen for **B** days. This kind of fluctuation is also a kind of struggle.

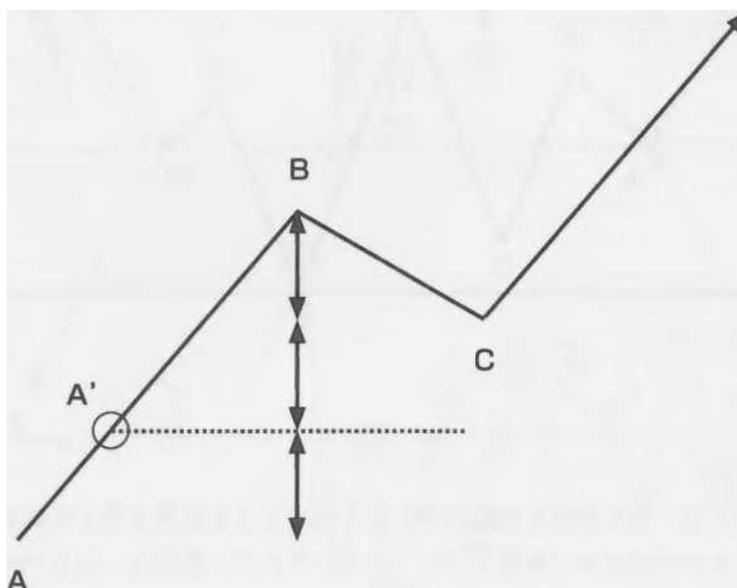


When this regular fluctuation is released, the market level (half price) is likely to be the starting point. This

If we consider the fluctuation of a 52-day decline followed by a 52-day rise as a regular pattern of a haggle, then the half-way point becomes the position of the leading span.

For Ichimoku Sanjin, an equilibrium table is a table that “shows the relationship between the half-values of the basic values”. Strictly speaking, the 76 half-values mentioned here mean “with the market in a haggling mood”.

Let’s look briefly at the upside. In Chapter 1 we noted that the rule of thumb in an uptrend is to consider one third of the way up as the limit of a push. However, as shown in the following figure, it is clear that the halfway point can be reached by changing the starting point.



This is still a question of “where should the market start?”

An up market is generally slower than a down market (except when it turns into a big one). As Ichimoku Sanjin says: “A rising market is an effort, a build-up, while a falling market is a breakdown”. This is proof of the fundamentally different nature of the number of days the market rises and falls.

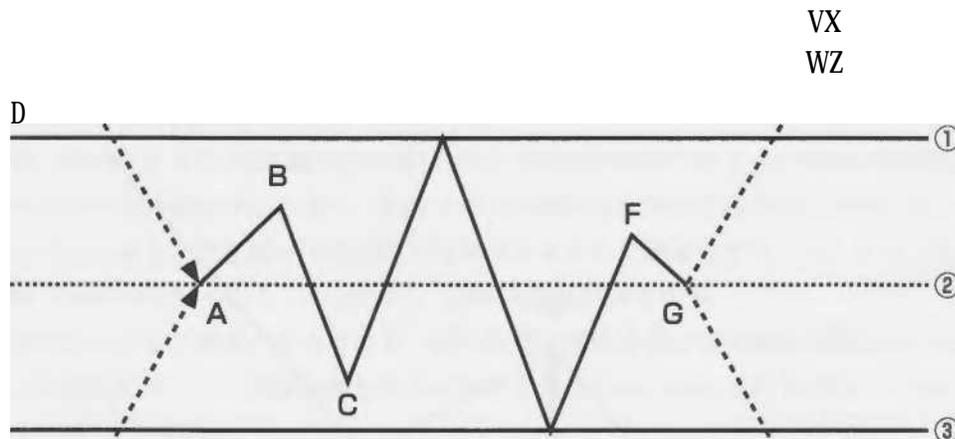
The fact that the equilibrium table works properly in both up and down markets is important. We simply wanted you to understand that one of the aims of the Equilibrium is to provide a daily estimate of the limits of the short-, medium- and long-term pushback.

This emphasis on the equilibrium chart as a pushback shows that it is not the relationship between the equilibrium charts, but the relationship between the market lines and the charts themselves that is important. What does it mean to be pushed at a turning point? What does it mean to be pushed at the base line? These are simply indications as to which fluctuation is the fundamental wave.

However, the semi-majority relationship in the equilibrium chart has a more important meaning. Earlier, we mentioned that the Baron-sen turn signal should be taken as an indication of a breakout. A breakout is, in essence, a “tug-of-war”. Once we have sorted out the tug-of-war, our perception of the equilibrium table itself will change.

Favourable market conditions and basic figures

The following diagram shows a "pattern" of a faltering market.



A tussle is a fluctuation where the price is at a certain level and the price rises and falls as shown in the diagram.

It can be an upward move and then a downward move. Either the upside will play out a struggle and then break either up or down, or the downside will play out a struggle and then break either up or down.

This is the only way to go if the focus is on a struggle. However, when the time relationship is examined with this picture in mind, the basic figures of the equilibrium table (as well as the equal figures) show a very striking feature.

As shown in the previous figure, the market fluctuates in the range of (1) to (3). At the same time this can be described as a "market level" rise or fall. The basic figures from A, the first time the price was set at this market level (2), show the following characteristics.

- With A as the base value, B, D and F are likely to be highs in a struggle and C and E are likely to be lows in a struggle.

(10) A position at the same level as A (e.g. G) is likely to be a basic value starting from A.
9 17 26 33 42 47 51 65 67 76 83 97 101 etc.)

Now, let's take a look at the faltering market and the basic figures, using the daily chart of the Nikkei Stock Average as an example. Figure '5' shows a selection of candlesticks from December 7th 2006 to June 5th of the following year.

There is.



The struggle here can be described as the movement between the high of 18,300 yen on 26 February and the low of 16,532 yen on 5 March. Therefore, if we take the half price of 17,416 yen as the market level, the starting point A would be January 22. And the 9th day, 42nd day, 51st day and 65th day are at the same level as 22nd January.

You can see the

Also of note are Day 26 (26 February) and Day 83 (23 May). These are the highs of the rally and should be recognised as such.

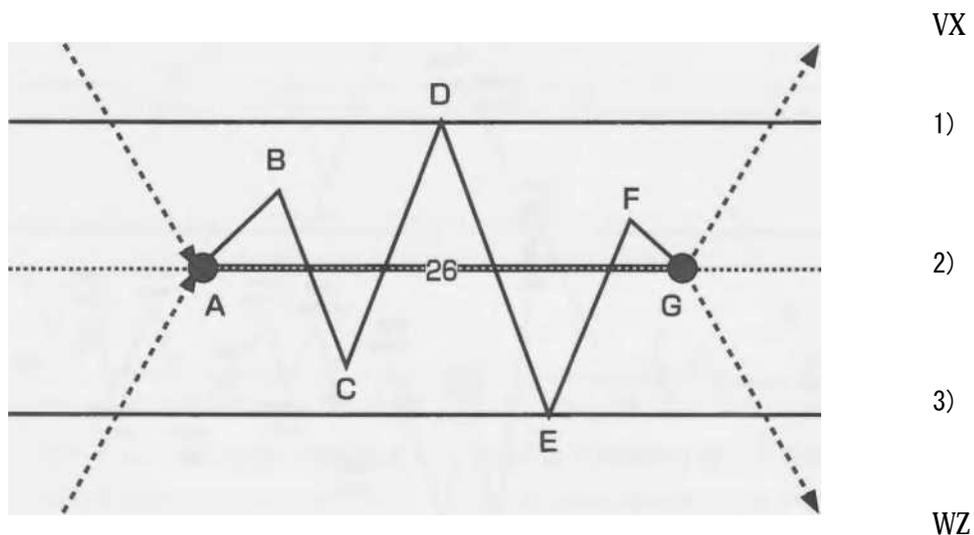
- The price level is set at 1,416 yen on 22 January.

- Day 19, 2/1 closing price 16,519 yen (the day before 2/2 closing price 17,633 yen) - same level
- 26th day 2/27 high 18,272 yen (next shade after 2/26) - high position in a trough
- 42nd day 3/22 high 17,489 yen (3 bars before 3/26) - same level
- 51st day (given 52nd day) 4/5 low 17,491 yen (4 bars after 4/2) - same level
- The same level The 65th day 4/24 high 17,500 yen (before 5 runs of 5/2) - the same level
- The 83rd day 5/23 high 17,802 yen - the high position in the struggle

In Chapter 1, we mentioned that the Ichimoku Equilibrium Table is a table that shows the relationship between the half prices of the basic values. If the number of days between **A** and **G** tends to be the fundamental value in a struggle, as shown in the previous figure, then it would be possible to calculate the equilibrium value between the market and the real line at the point of the breakout of **G** by noting the half-price relationship over the fundamental value period on a daily basis.

The tables will match.

Ichimoku Sanjin saw in this basic figure, and in particular in the number 26, the epitome of a market breakout. At the same time, as shown in the following diagram, he emphasised the importance of this level as a starting point for the market.



If we take **A** to **G** as the base value of 26, it will be understood that the divergence from **G** is from the base line; the divergence from **EFG** to **X** is a typical example. This is

is not surprising, as the base line and the conversion line act as a push back.

There are, of course, some cases where this pattern cannot be confirmed. For example, a change from **FG** to **B**. In such cases, we cannot confirm the appearance of equilibrium as a springboard.

You're less likely to actually function as a stepping stone than you are to compensate for this. This is why we focus on the relationship between the lagging span and the real line, and between the base line and the conversion line. This is why we focus on the relationship between the lagging span and the real line, and the relationship between the base line and the conversion line.

A lagging Suban is a line where the daily closing price is entered 26 days backwards. For example, **A** to **G**

is a 26-day variation, the solid line is entered at position **A** when **G** is.

Therefore, **G** can be confirmed more effectively than the previous reference line as a springboard.

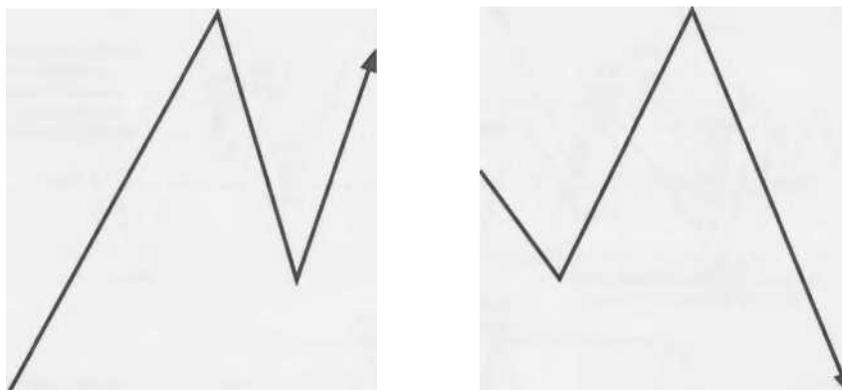
The change in the position of the base line and the conversion line is also a sign of a breakout in the 26-day span.

When the relationship between the base line and the reversal line changes, the real line and the lagging span touch or intersect once before that. Therefore, even if we only follow the lagging span, we should be aware of the positional relationship between the base line and the conversion line. Ichimoku Sanjin says: "It is the entry of the lagging span.

It is for this reason that he says in his original book, "You must not be lazy. But it is a natural thing to do when you are actually writing by hand."

I would like to reiterate the change in the relationship between the base line and the conversion line. I have already mentioned in Chapter 2 that in an uptrend the relationship between the real line and the conversion line is "real line > conversion line > base line", while in a downtrend the relationship is "real line < conversion line < base line". When the conversion line crosses above the base line, it is an "upturn" and when it crosses below, it is a "downturn".

The intersection of the two lines means that the 9-day half price and the 26-day half price coincide at that point. In extreme cases, this means that the short-term (9-day) price level and the medium-term (26-day) price level coincide, and that the market is playing out a struggle, as shown in the following diagram.



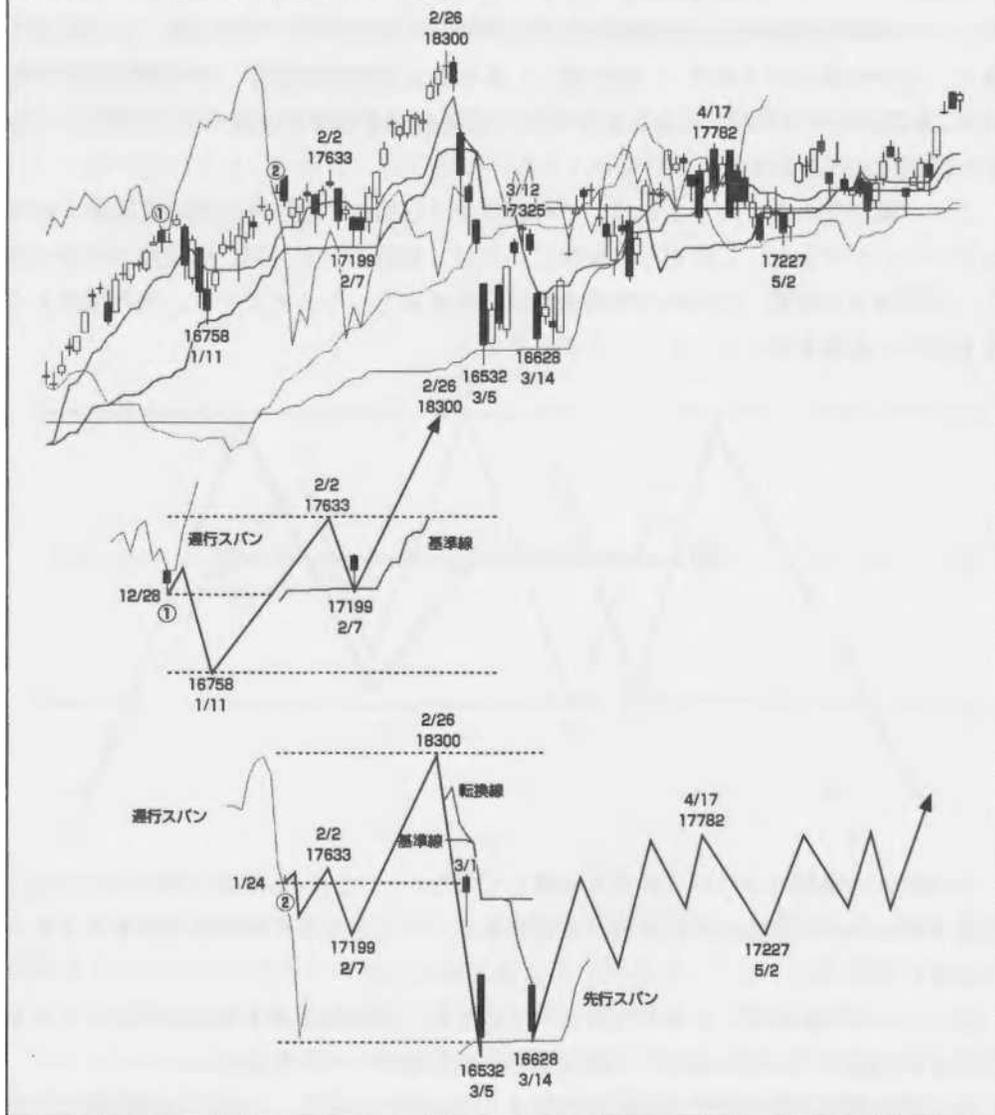
In other words, the intersection of the equilibrium lines is a confirmation of the price level at which the previous fluctuation has intersected. In other words, the intersection of the equilibrium lines is an indication that the market may be struggling at the price level at which the previous fluctuations intersected.

In the same way, the intersection of the two leading spans is important as a market level. It should not be fixed as a day of change, as is commonly believed.

A rise or fall during this period can be regarded as a change in the price level at this intersection. This is especially important when it coincides with a change in the three-wave structure. In other cases, it is just a cheque box.

Let's now look at the price movements in Figure 4>1 on an equilibrium chart (next page).

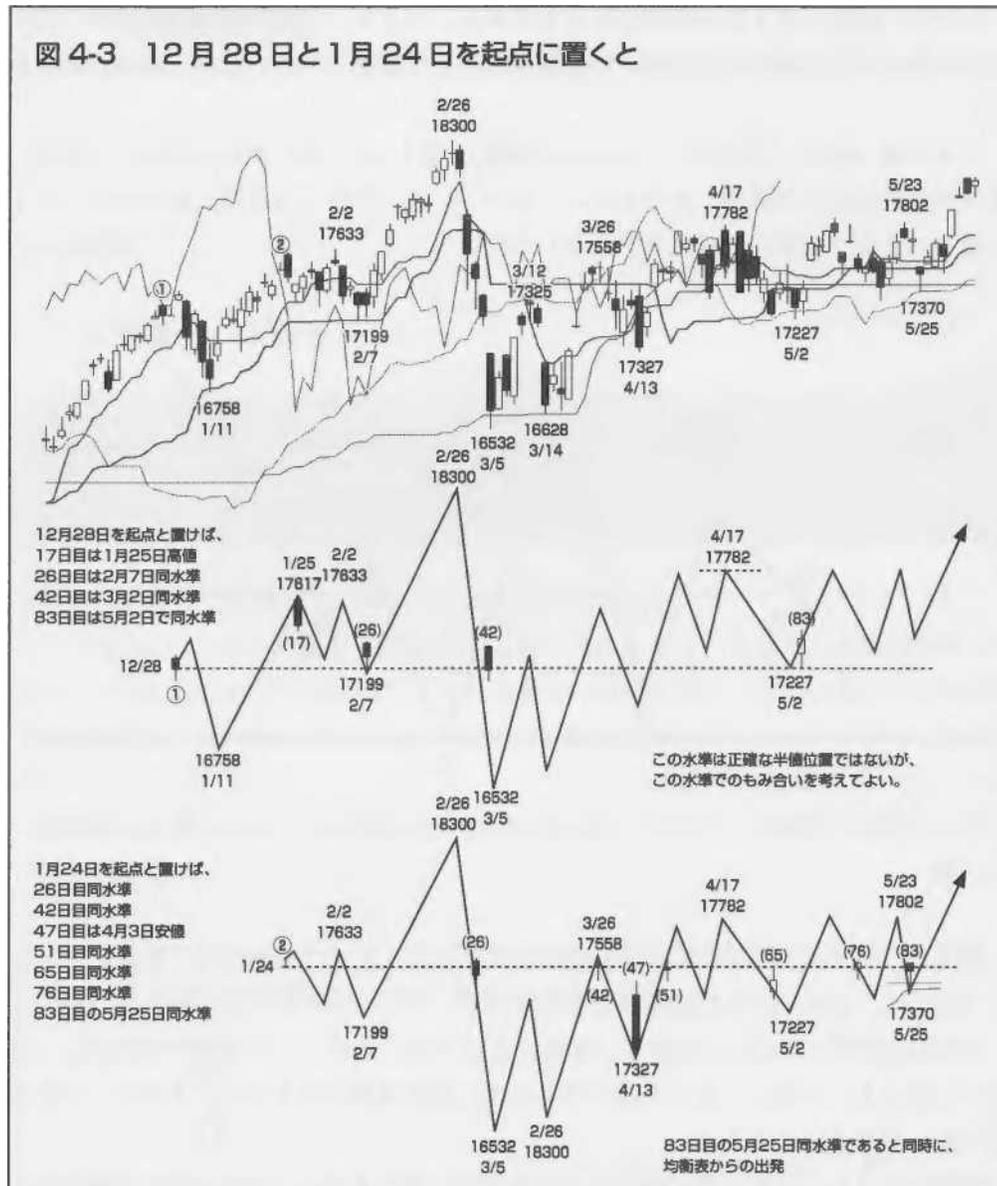
図 4-2 日経平均株価日足一目均衡表 (06年12月7日~07年6月5日)



In the uptrend to the high of 26 February, the base line acted as a push. In the plunge to 5 March, the lower limit of the leading span was the limit of the lows, which formed a fine upward three-wave pattern.

The first thing to note in this fluctuation is the candle of 28 December (Figure 4*2①). The candlestick and the lagging span are just touching. At this point, we can see that on February 7, 26 days after December 28, the base line pushed up (became a stepping stone) to February 26.

Also, in the course of the sharp decline from 26 February, the lagging snowball broke below the candle of 24 January (Figure D-2②). The equilibrium actually deteriorated on 1 March. It should also be noted that the position of the base line and the conversion line occurred after the change in the relationship between the lagging span and the real line.



With this fluctuation, 28 December and 24 January were extremely important as starting points for the market.

If we take 28 December (Figure 4-3 (1)) as the starting point, the high was reached on 25 January, the 17th day, the same level on 7 February, the 26th day, and the same level on 2 March, the 42nd day. Even though this level is not exactly the halfway point, the way the basic figures appear, we can assume that the market is struggling at this level.

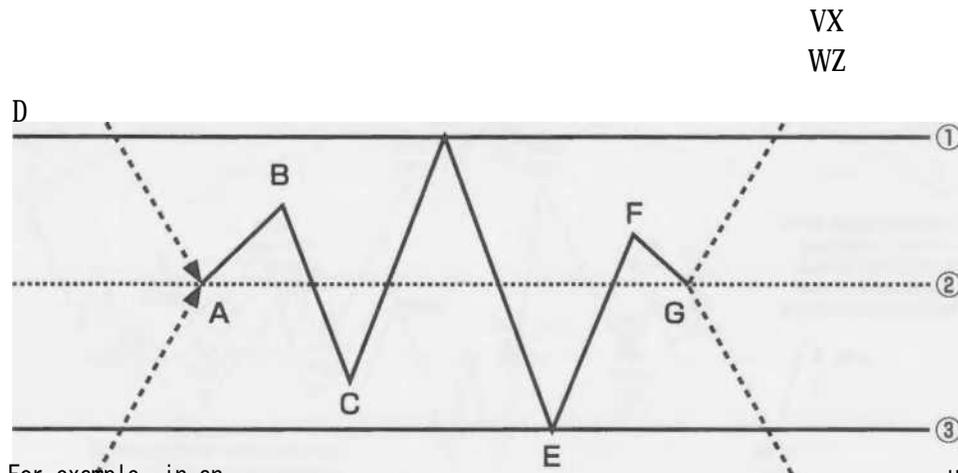
The 24th of January (Figure 4-3 (2)) is almost the same level as the 22nd of January, the 26th and 42nd are the same level, the 47th is the low of the 2nd of April, the 51st, 65th and 76th are all the same level, and the 83rd day, the 25th of May, is the same level as well as a breakout from the equilibrium table.

In addition, if the base line or the leading span crosses between the price on 28 December and the price on 24 January, the price on 28 December will be the same as the price on 24 January.

In other words, when the equilibrium lines do not function as a push-back, they tend to function as a price level. In other words, when the equilibrium lines do not act as a push back, they tend to act as a price level for the market to hover around.

Let's go over this again. You call it a "faltering market J" and you say it's a "faltering market J".

This can only be explained on a case-by-case basis. In practice, there is no certainty as to which level (1), (2) or (3) in the diagram should be considered the point of release.



For example, in an uptrend from W to AG and then to X,

of release

(3), (2) or (1)?

If the price is above (1), the price will make a new high. If the price goes above (1), it will be a new high, which will also be a release.

It's a good thing we're not the only ones.

In practice, which of these points should be the release point depends on how the market has fluctuated up to that point, and on the kind of trading one wants to do. In short, each person comes to his own conclusion and it depends on the market. It is for this reason that I am critical of systematic trading.

However, criticism means that we should not use other people's systems without being aware of it. I don't think there is anything wrong with creating your own pattern.

When you buy and sell, you have to follow a pattern. As our understanding of the market changes, so should the pattern.

5. -Equilibrium Types

a turnaround in the three roles

What is the “triadic upturn” in equilibrium?

(1) The conversion line overtakes the base line (a breakaway in the span of 26

◎1行スパンが実線を上抜く (26というスパンでのみみ合い放れ)

(3) The solid line crosses the dislike band of the preceding span (the influence of a downward trend is not

This means that all the conversion signs have been met on the equilibrium chart.

Neither the term “sanyaku kaiten” nor the phrase “sanyaku kaiten ni okeru shite” appears on the front cover of the first edition of the original balance sheet, without any specific explanation. Therefore, although the phrase is widely known, its meaning is not taken seriously.

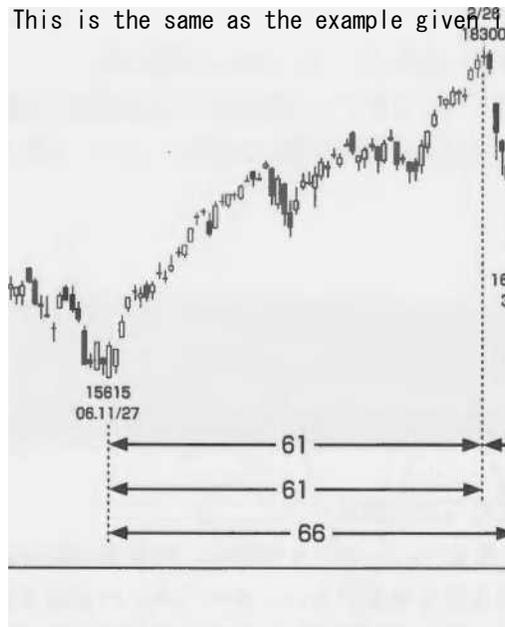
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Please look at Figure 5-1. Should we buy or not on the positive line of May 29 (marked with ①), which was a turnaround of three roles?

Fig. 5-1 Daily average of Nikkei Stock Average (31 Jan. 2007 – 21 Jun. 2007)



This is the same as the example given in Chapter 3, "Buy when the price exceeds 2003? 6



or not?" In the end, the question is the same as "whether or not?"

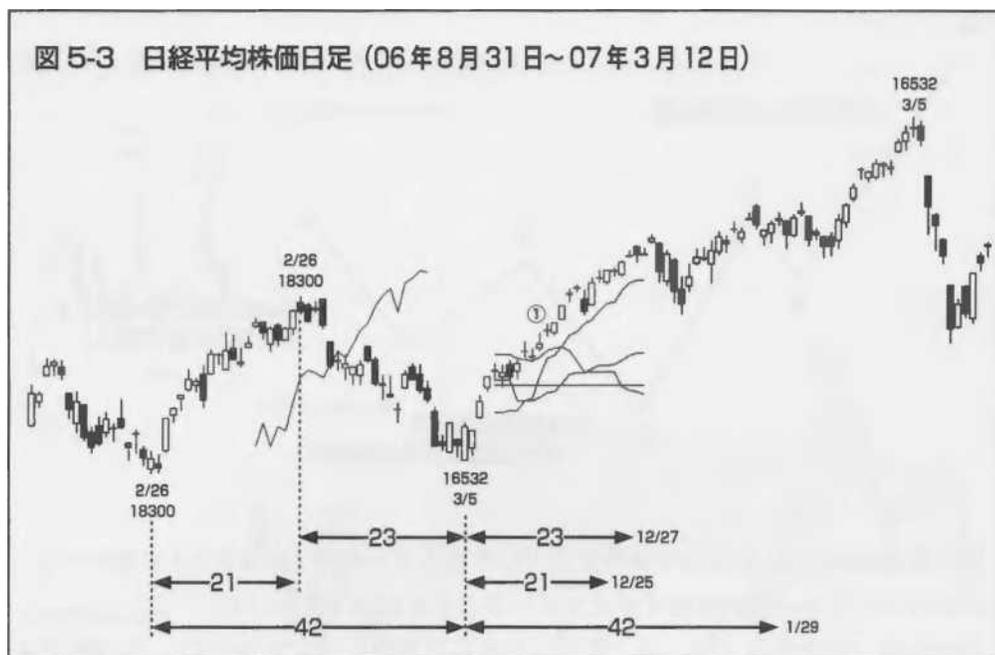
The daily fluctuation of the Nikkei Stock Average can be placed at the low on November 27, 2006 as a starting point (Figure 5-2). If we consider the period up to 5 March as the second wave, the important points for the third wave would be 25 May, 61 days after 26 February; 1 June, 61 days after 5 March; and 68 Monday, 66 days (61+6 -1) after 5 March.

Although the price has risen since 5 March, it has not surpassed the high of 26 February, so it cannot be regarded as a three-wave uptrend. However, the Ichimoku Equilibrium Table considers such fluctuations as a kind of "intermediate wave" and emphasizes the same time relationship as the three waves. This means that the price will play out a struggle for a period of time, either rising or falling, and then break out either up or down from that point. On this basis, sharp falls from 25 May, 1 June and 8 June must be considered as a possibility.

Furthermore, if we take 5 March as the starting point, we can see that there has been a series of three minor upswings, with a very large number of changeover days in between. Therefore, the upturn in the three roles on 29 May should not confirm a full-scale market upturn, even if it is expected in the near term. The point is that it depends on the previous changes.

The upturn in the three roles on 11 December 2006 (marked with (1)), unlike 28 May 2007, is buyable. It is only the 11th day since 27 November and there are at least 10 days left. Most importantly, the upward break above the upper limit of the leading span and the complete turnaround of the lagging span have been fully completed.

The reason for this is that this small two-day push is likely to act as a second wave.



I recently met with a man who is a “heavyweight in technical analysis”. He told me that for his book he had examined the various technical analysis turnover signs on the Nikkei 225 over the past decades. He also mentioned the equilibrium chart, and said that he had bought the upturn in the three roles and sold the downturn in the three roles, and found that it was much better than the others.

It is doubtful whether this would be a worthwhile topic for a book, let alone for a personal hobby. This is the extent to which even experts who have been in the industry for many years are able to do so. In order not to mislead the reader into thinking that he or she understands, we would like to repeat some of the most important points.

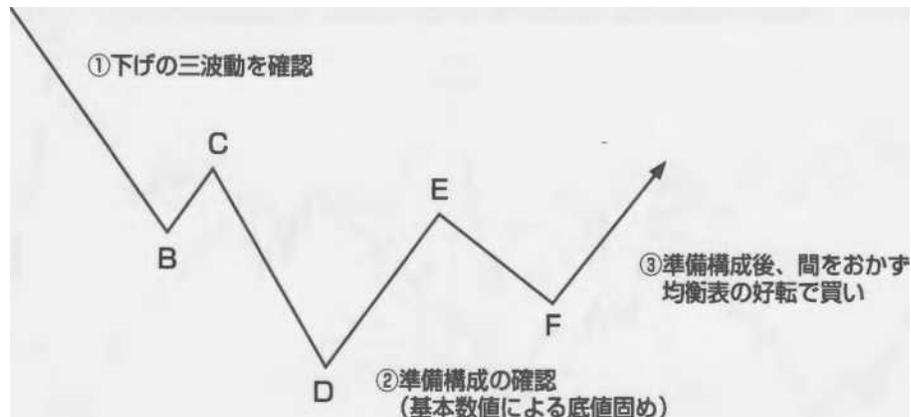
Entry point for buying and selling

I mentioned earlier that there is no specific mention of the triadic turnaround in the original book. In fact, there is a “pattern” of the same thing. In fact, there is a “pattern” of “buying” equilibrium after a “reserve structure”.

I have arranged and explained it as follows.

- (1) Confirmation of the three waves of downward movement
- (2) Confirmation of the preparation structure afterwards (bottoming out with basic figures)
- (3) Buy on the upturn of the equilibrium without delay after the preparation structure.

The idea is to consider the possibility of a stop at **D** according to the downward three-wave structure shown in the following diagram (three-wave structure in terms of time relationship and calculated values).



The preparatory structure of (2) means that the basic value from **D** does not break **D** (consolidating the bottom). This confirms that the market is forming an intermediate wave from **D**.

At the time of the rise from **D**, we cannot deny the possibility that it is just a return. Thereafter, there is a possibility that **CD** will be the first wave down and **AD** will be the first wave up. If this is not the case

The basic figures are used to confirm the firming of the bottom until the price is fixed.

This is a kind of intermediate wave, which is more expected if the **DF** forms at the base value. It is important to understand that this is the same as evaluating a lagging span.

In addition, if the emphasis is placed on the three waves in (1), the time of **DF** is not restricted to

the basic figures, but the time of **CD** and **AD**

In any case, the possibility of a series of three waves down is no longer taken into account by the rise from **F**. In any case, the possibility of a series of three down waves is no longer taken into account by the rise from **F**.

The upturn in the equilibrium table in (3) means the upward movement after the formation of the intermediate wave. If we understand the equilibrium chart in this way, we can see that the direction of the market in the equilibrium chart refers to the third wave in principle. Therefore, if the entrance to buy is defined in this way, the exit point for selling should be the end point of the third wave.

The same is essentially true for the upturn in the three roles mentioned in the original book. Therefore, there is no reason to wait until the deterioration of the three roles to sell, if one is buying on the upturn in the three roles.

Variations in Toyota Motor Corporation

Let us examine the changes in Toyota Motor Corporation (Figure 5-4) in accordance with this pattern. We will discuss Toyota's fluctuations in a separate chapter later, but first we would like to review the points we have just made.

(1) Confirmation of three waves of lowering

The fall from the high of 21 April began in earnest on 8 May and worsened

everything in the equilibrium table. This decline was followed by a second wave from the low of 23 May to the high of 29 May and a third wave from 14 June to 15 June.



The three waves were formed at the lows (Fig. 5*40)>, against a 12-day drop from 8 May to 23 May. There is a time relation of 13 days from 29 May to 14 June.

Incidentally, the low of 5430 yen on 14 June is equal to the NT calculated value of 5470 yen on 29 May (starting from 21 April, the NT calculated value is explained in Chapter 6), so either 21 April or 8 May is a good starting point. It can be seen as a three-wave structure.

(2) Confirmation of the preparatory structure (bottoming out with basic figures)

In the case of changes since 14 June, we can only assume that the market will be ready for a break above the base line and the conversion line. If the price plays out such a fall and then is immediately held high by the conversion line and the base line, we should consider a downward move.

This change pushed the price up to the point where the lagging span was about to turn around and pushed it to 18 July. In principle, the basic values 26, 33, 42, etc. are important in the preparation structure, but here

This is confirmed by the equal figures in

The fifth positive line counting from the low candle of 18 July was 28 days from 14 June and 8 May.

This is in line with the 28 days to 14 June. The base line, the conversion line and the lower limit of the leading span (26 days ahead of the half of the base line and the conversion line) coincide, while the lagging span also improves.

(3) Buying on the upturn of the equilibrium without delay after the composition of reserves

The near-term upturn is confirmed by (2). Moreover, the upturn in equilibrium can be confirmed afterwards.

If we look at the three roles favorably, this change has not yet surpassed the leading span. As a result, it can be said that the upward movement of Toyota Motor Corporation started in earnest after the April high was surpassed. In other words, until the April high is surpassed, the market will remain in the range of a major struggle.

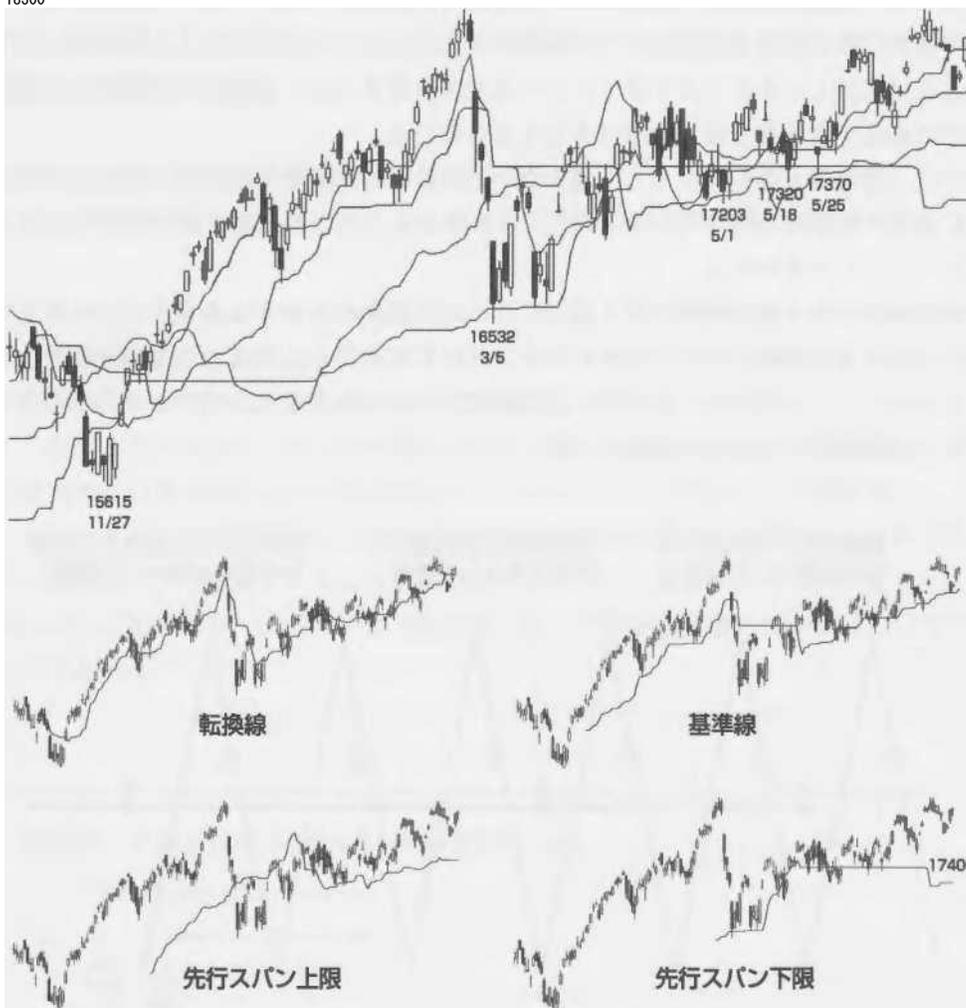
Therefore, a fall from 17 August, for example, must always be accompanied by a fall in the number of days from 21 April to 21 June 36 or a fall in the number of days from 8 May 28 (Figure 5-5).

If we take the low of 14 June as our starting point, we will see a three-wave pattern of 24 days to 18 July and 23 days from 18 July to 17 August. It is important to bear in mind that the market is about to break loose and when it does, when and to what extent it will rise or fall.



Fig. 5-6 Daily average of Nikkei Stock Average (31 Oct. 2006 - 2 Jul. 2007) and each equilibrium chart

2/26
18300



If the market continues to oscillate between the high of 26 February and the low of 5 March, then all the lines will converge on the market level. However, experience has shown that equilibrium does not work forever as a pushback. Therefore, the point at which all the lines are converging and just barely breaking free is important, regardless of the time frame.

In this graph, the price first broke below the conversion line, the base line, the upper limit of the leading span and stayed at the lower limit of the leading span in the period up to 5 March. After that, the price level was set at 17,400 yen, where the base line and the leading span were unchanged, and at the same time, each line of the equilibrium chart was functioning as the limit of the push. You can see here that many lines, including candlesticks, converged at the May 1, May 18 and May 25 lows.

The moment when a market that is not moving (a fluctuation that does not change the market level) starts to move, the equilibrium table is shown in this way

This is often expressed in a nutshell. However, these points are only indicative of a near-term breakout. Experience has shown that when all the lines converge and a "large price range" can be identified from that point, it is easier to sustain the direction of the market, even though the process of change is still very different.

The market will eventually move either up or down. And both up and down markets always reach a ceiling or a bottom. This is an absolute truth, even if the expression is abstract. The reason for the abstraction is the problem of the words themselves. In the first place, the words "up", "down" and "struggle" are ambivalent.

directional < moving market } 3 unmoving phase, depending on the
way it fluctuates, forming a tug-of-war

Place:

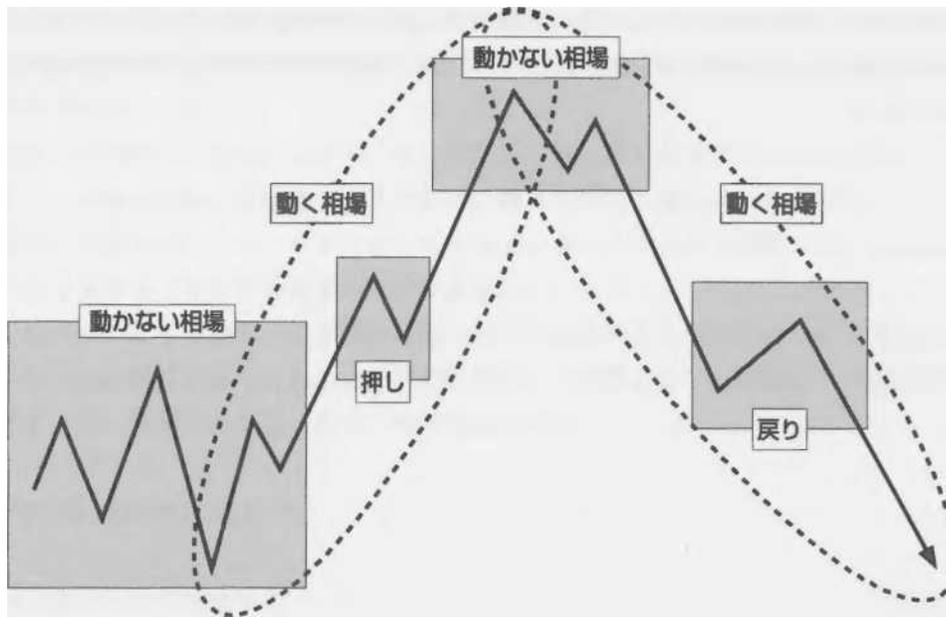
... "It is made up of ups and
downs."

rais A rise in the market should be taken as
 it is "up J" A rise that suggests a
ing future fall in the market = "back J" A
 fall in the market should be taken as
and it is
 "Lowering" suggests a future increase in
lowe rрге J=.

ring

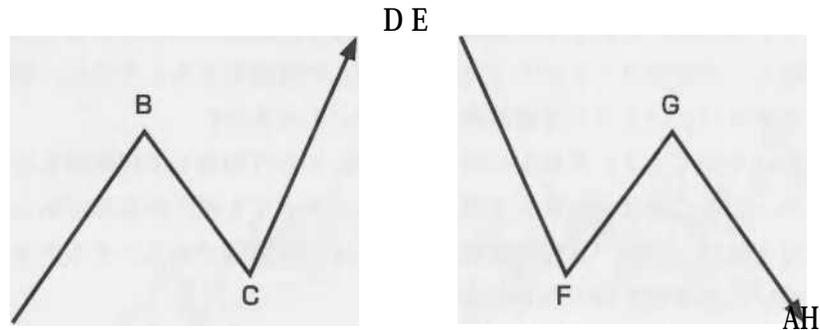
Push"

When we judge a market to be on the move we ask how long it
will go up or down When we judge a market not to be on the move
..... we ask when it will break up



The

The Ichimoku Kinko Hyo (Equilibrium Chart) is a chart that clearly indicates2 (1) the direction of the market, (2) when to buy or sell, and at what price. The purpose of the Ichimoku Equilibrium chart is simply to determine whether a market is moving up or down, whether it is moving up or down, whether it is moving back up or down, whether it is moving down or down, whether it is moving up or down, or whether it is moving up or down.



A wave of "up" and "down" is a wave of "ri".

AB, CD and FG are up I, EF, GH and BC are down I

A to D can be regarded as I for up, E to H as I for down (see Chapter 6).

There is always the possibility that what is seen as an uptrend will play out as a tug-of-war, and that what is seen as a downtrend will play out as a tug-of-war as well. In the midst of a tug-of-war, there is a moment when we can recognize the direction of the market. This is one of the reasons why the equilibrium chart is so important. If ceilings and bottoms are the poles of the market, then the point of release is also a pole.

The most likely place for a breakout is where all the market levels coincide. This is another example of a pattern that needs to be understood. In a market wave transition, several starting points and central points overlap, sometimes simultaneously. This is also the case in a faltering market, where a number of market levels work together in the right way.

6 -- Guide to Equilibrium

In a typical manual, a general idea and an explanation of basic terms are given at the beginning. In this book, however, I have deliberately avoided writing in a textbook style. The reason for this is my own experience.

The Institute for Research on Economic Change has been organising regular study groups for readers of the original publications since 1995. At the beginning of the study group, we prepared a textbook for the readers of the original book and distributed some graphs with basic and equal figures. We found that the more inexperienced the readers, the more pronounced the "harm".

First of all, there was a tendency to fix market movements and equilibria. For example, it was not possible to move away from the use of turnover signs as decision signs. Another characteristic was the inability to solve some of the problems that we all face on our own.

It may be argued, then, that it would be better to explain in detail. However, it is often the case that these people are not able to apply and adapt to the situation, even if specific examples are given.

If you explain a hundred or a thousand things in order to make one thing known, it is more likely that people will not be aware of the most important essence. It is also difficult to motivate people to read the original work again, except to experience the joy of discovery for themselves. It seems to me that the original work was written in such a way that the reader could follow the thinking process of the Mokuzan people and establish for himself the textbook and the methodology.

I understand the excitement. However, I have spent a lot of time and effort before I can say with certainty that each of these things is true.

What we struggled with in the beginning is still with us today. It is this realisation that compels me to write in this way.

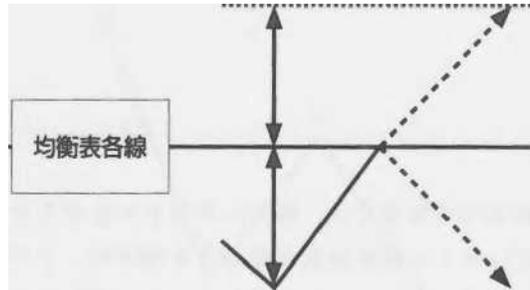
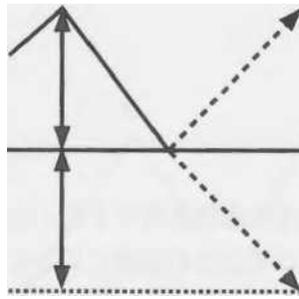
I've tried to explain as much as possible so that the reader doesn't stop to think. I have. However, there are a few points that are not fully explained. I will try to explain them again. I will not explain how to draw an equilibrium table, but I think I have summarised most of the important points.

-How to receive an equilibrium chart

·Acts as a push back

Each line in the equilibrium chart tends to act as a push back. Therefore, it is worthwhile to use them as a basis for intuitive judgment. When the market is

in a definite uptrend or downtrend, each line will clearly indicate a point to buy or sell.



·Acts as a market level

Each line of the equilibrium table is a market level itself. If the market does not act as a push-back, we can first estimate the extent of the fall or rise by placing the intersection of the real line and the equilibrium chart as the market level. However, which equilibrium line is important at that time, whether it acts as a market level or not, and whether it acts as a pushback or not, depends on what the market is doing at that time.0

Basic view of consultation

The following views are fundamental to both intuitive judgement and concrete trading decisions.

Conversion line $>$ base line is up market, conversion line $<$ base line is down market

If the base line is upward, the market will go up; if it is downward, the market will go down.

(3) If the delayed span $>$ the real line, the market will go up, if the delayed span $<$ the real line, the market will go down.

If it is a leading span, the market will go up, if it is a leading span, the market will go down.

This should be understood in the same way as the truism that a higher price means a higher market and a lower price means a lower market.

How to determine the date of change – what is the date of change?

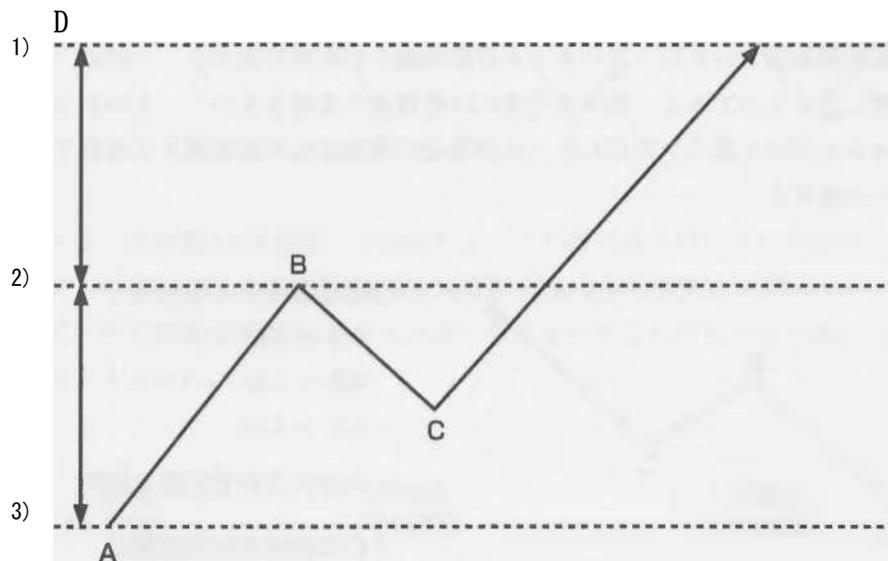
Market movements reveal their direction by making highs and lows (playing up and down). It is the consequent recognition of market direction that raises the question of ceilings and bottoms, and these ceilings and bottoms can be seen as points of change in direction.

The day of a ceiling or a bottom is the “turning point” of the market. However, this is always only known as a result.

This is why the Ichimoku-Sanjin avoided the term “turning point” and used the term “change date” to describe market fluctuations. In other words, although he was convinced that market movements could be predicted or assumed, he did not want to confuse the objective fact of a turning point with his own assumptions. In his original work, the dates of change are divided into three categories

Date of change = Conversion
 Date of change = acceleration
 Change of spoon date (extension)

This is, in fact, the kind of expression which, if divided in this way, would apply to everything. It is not concrete enough as it is, so it should be understood as follows.



The diagram above shows the “E calculation” which achieves **CD** in the time taken for **AC** and is the maximum calculation value in **D**.

This is the third wave where the “price” has been achieved. Regardless of where to start buying, the selling point **D can be** decided at the stage **C**.

If the downward movement from **D** breaks the equilibrium as a push, there is a high possibility that **D will be** a turning point.

If **D** is a ceiling, this is a day of change. Consequently, if **D** is a ceiling, this is a day of change = a turn.

All other changes are either an acceleration of the market or a change in the day itself. We have to see it as a good thing.

The achievement of the calculated value of **E can be regarded as the formation of a standstill with B as the** market level in itself. Since the model of the maximum time relationship of the three wave structure is used, the overtaking of **D** itself is considered to be the release of the tug-of-war with the market level of ② and the independence of **CD**.

< Identify the first possibility. In the case of a breakaway, the momentum often starts from the point of breakaway (acceleration)0

In addition, if it is a continuation rather than a reaction in **D, it will mean** a change of date in itself.

Without an understanding of wave theory, there is no point in discussing the date of change. The date of change is something that we assume for ourselves

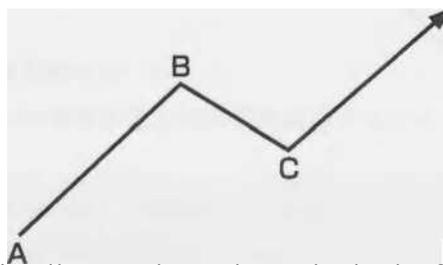
using time relations.

Wave Theory of Equilibrium

I have already briefly discussed this in Chapter 3, but I would like to add some further commentary. However, as I am not yet fully organised, the explanations given here should be taken as provisional.

First of all, the wave theory is "a logic that is organized by looking at market fluctuations in terms of wave transitions". It is a theory that sees the rise and fall of a market as a single wave, and regards market fluctuations as wave transitions.

The Elliott Wave Theory is probably the most famous wave theory in general. The Elliott Wave Theory is probably the most famous wave theory in general, and is used to estimate the direction of the market. Like the equilibrium chart, the Elliott Wave Theory emphasises the relationship between time and market conditions, so there are some similarities in this respect. However, the wave theory of the equilibrium table begins with the three waves of market changes.



D (1) By equal figures

$$AB = BD \quad AB$$

$$= CD \quad AC = C D$$

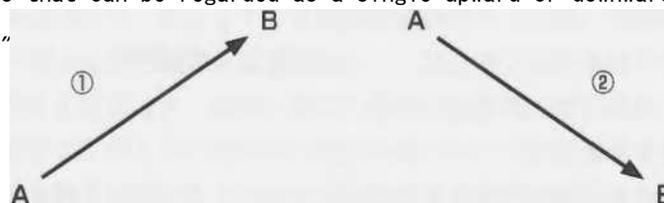
Basic values from A to D

The price of the **D** is the calculated value.

The diagram above shows the basic form of the three-wave structure described in Chapter 3. It is always important to look at the evolution of these three waves. First of all, it is clear that the waveforms **A to D** are the simplest waveforms for discussing the direction of the market.

Fluctuations that can be regarded as a single upward or downward movement, as in the case of the ISM,

are called "



(i) Waves".

In fact, this **I is the** simplest of all the waveforms. However, is it appropriate to view the market transition as a series of alternating up **I's** and down **I's**?

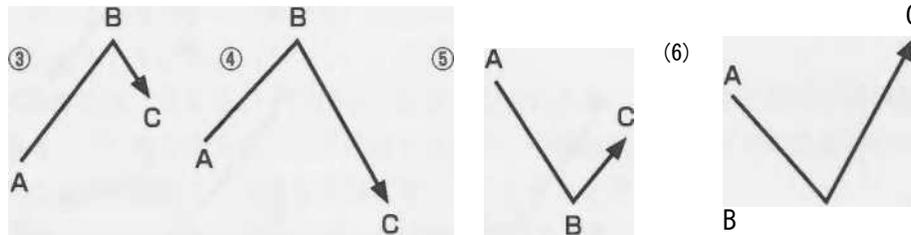
As discussed in Chapter 2, in a view of alternating ups and downs, a rising turn signal is always taken as confirming the direction of the market. Such a view is not appropriate as it does not allow for a pending decision to be made.

In other words

In order to determine the direction of the market, it is necessary to clarify whether the market is going up or down.

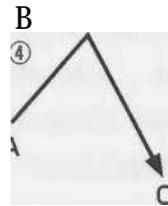
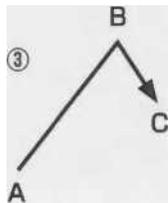
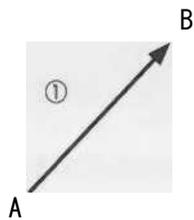
The next rise or fall after **AB** may be made in a smaller or larger range than **AB**. It can be divided into cases (3) to (6).

These are known as "two waves" or "V waves". In this form, the upside is the downside and the downside is the downside.

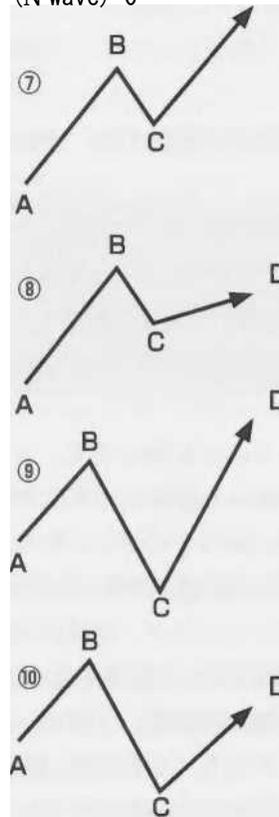


This is only the middle course of a variation in which the transition of **I** alternates with the raising of **I**.

Furthermore, if we divide the waveform into two groups, one with a next price range greater than **BC** and one with a next price range less than **BC**, the waveform is ⑦ to ⑧. It will look like this

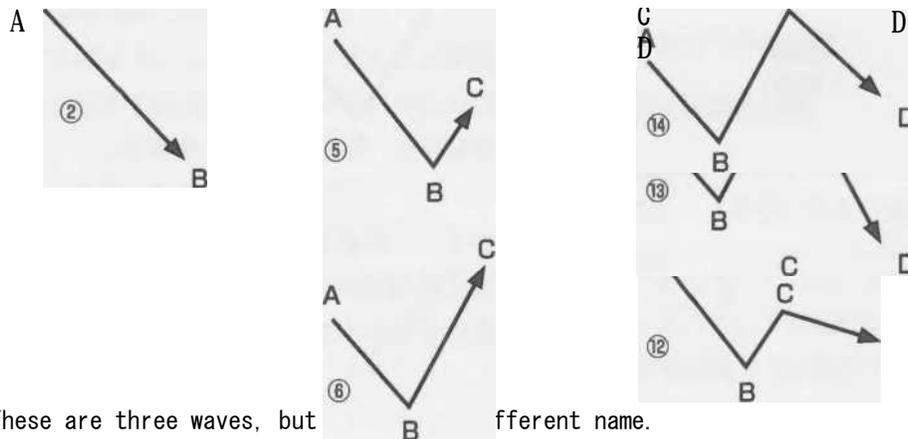


Three waves
(N wave) 0



(

I-wave) (V-wave)



Waveform like (7) or (11) - "N-wave".

(8) or (13) - "P-wave"

(ix) or (xiii) - "Y-wave".

(10) or (14) - rS wave

Of these three waves, the **N** waveform will consequently be recognisable in any case from **A** to **D** as either up **tft** or down. The fact that the lows and highs continue to rise indicates that the market is going up.

This is the simplest form of the truth that a devaluation is a downward trend.

In addition, as mentioned earlier, when determining the direction of the market, it is the determination of a rise or fall as a "push" or "return" that determines the direction of the market. This is why the **N** wave is called the "fundamental wave" (for determining the direction).

The other **P**, **Y** and **S** waves are all waveforms whose direction cannot be determined and are referred to as "intermediate waves" to the fundamental wave.

In principle, all intermediate waves are fluctuations that should be perceived as a struggle (i.e.

This is also indicative of a turn.) When used in conjunction with the basic wave, they have enormous advantages. However, we will not explain them in this book, but will only explain the basic idea.

First of all, the **N** wave is the simplest form of fluctuation, where a push is followed by a rise and a return is followed by a fall. This will allow us to understand the market fluctuations. Following a direction is actually a process of establishing the third wave, and identifying the starting point and the central point is directly linked to establishing the direction. It is important to note, however, that these waveforms are not fixed.

The waveform of **N**

can "I from A to D", so the fundamental wave can intermediate wave

In addition, since the direction is determined by the breakout, there will be cases where what was seen as an intermediate wave will have to be regarded as a fundamental wave. In addition, because the direction of the wave is determined by the release, there will be cases where what was seen as an intermediate wave will have to be seen as a fundamental wave because of the way it appears.

It may be difficult to understand, but as mentioned in Chapter 5, the terms "up" and "down" have ambivalence. The fact that there is no fixed distinction between faltering markets, rising markets and falling markets can in fact be simplified by using waveforms.

By using time and price, we can limit our assumptions. It should be no surprise that the date of change is based on the nature of the wave transition.

In both up and down markets, **N** waves are used.

The date of change is to be assumed using two values: a basic value and an equal value.

As a general rule, when **C is the** limit of a push (which the equilibrium chart clearly suggests), the three waves up to **D should be** constructed with a time relationship of basic or equal values.

It is also possible to

If the decline from **D** is only a push, we can expect to see a number of changeover days as the market forms three waves, with **C as the** starting point or **AD as the** first wave.

We have a lot of work to do.

Basic figures

The basic numbers are numbers made up of combinations of these numbers, with 9 and 26 as absolute numbers. 9, 17, 26, 33, 42, 51, 65, 76, 83, 97, 101, 129..... As you can see, any number of combinations are possible, but it is important to understand the following points

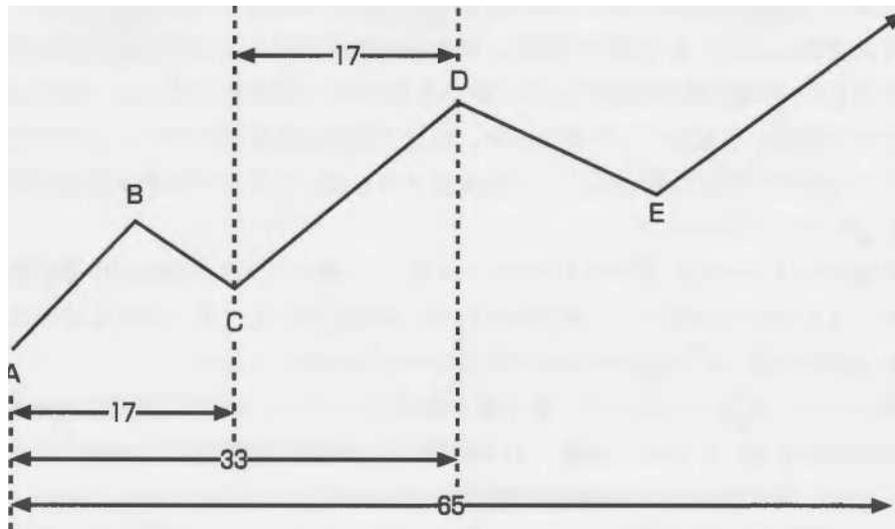
The number of days of return is easily disciplined by the basic figures. Low to Low, Low to High,

High to Low

A closer examination of the values and the number of days between highs shows that in a large number of cases the basic number is true. There are many interpretations of this, but I believe that combinations of natural numbers (integers) tend to converge to this number.

Set a starting point at random and count. You are bound to hit some important point with some basic number. It may be the same as the fact that the Fibonacci sequence lives on in certain situations. However, the basic numbers have a very objective aim, which is typical of the Mukuzan people.

Firstly, there is a deeper significance in using basic figures to understand wave transitions.



For example, as shown in the above figure, let's assume that the number of days from **A** to **C** is the basic value of 17 days. If these fluctuations form three waves, then

The 17th day after **C** is also an important day of change: the 17th day after **C** is the 33rd day after **A**.
The 33rd day

from **D** is the base value of the 65th day from **A**. The 33rd day from **D** is the base value of the 65th day from **A**.

In many cases it is easy to identify the date of change by writing down the base value from the low or high in advance. The combination of base values is itself a relationship of equal values.⁰

The reason for subtracting 1 or 2 for this combination is to avoid duplication. For example, if the number of days in **AB** is 26 and the number of days in **BC** is 17, then the number of days in **AC** is "26 + 17 = 43" ⁰ If we do not subtract 1, we end up counting the points in **B** twice.

The basic figures as a point of release have already been given, and will not be discussed here.

As for the use of the basic figures, it would be useful to know how to use them as follows. Figure 6-1 shows the daily chart of the Nikkei Stock Average, which hit a high of 18,300 yen on February 26, 072006.

The number of days leading up to this high on 26 February is as follows

-06th1024 day from83 the high 16,901circle

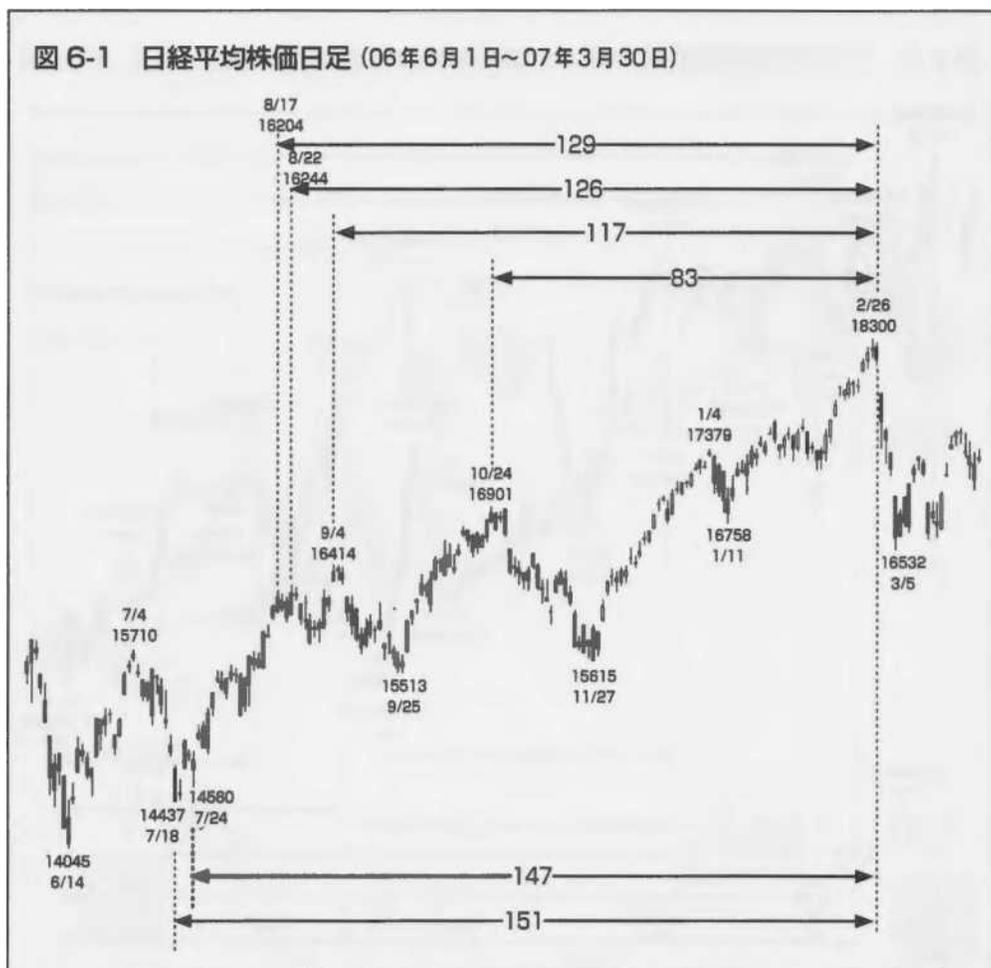
◆ 9Day from117 Month 4Day High 16,414Yen

· 8Month 22Day High 16,244Yen5126 or Day _8

Day from129 Month 17Day High 16,204Yen

· 7147 (base value 47+100) days from month24 low 14.560yen

◆ 7(base value 51+100) days from151 month18 day low 14,437yen



You can see that the base values are from points that should be considered as highs or lows in the previous evolution. Thus, when there is an overlap of fundamental values from a number of important starting points, the rise or fall from that point (in this case 26 February 2007) is often very important.

It is advisable to note the basic figures from the various starting points on the graph and to make a habit of re-examining the time relationship if you see a rise or fall that differs in any way from the previous fluctuations.

Equal figures

The equalities figures are basically used to understand the equalities around the high and low prices.

If the market went up by 50 yen in 10 days, and then went down by 1W in 10 days, it would a fall in itself

If a market goes up ¥100 for 10 days, then goes down ¥50 for 10 days, and then rebounds, this suggests a rising market. To see this in a nutshell, we look at the equilibrium around a low or high point. If you do this, you will find that

the numbers sometimes work quite well.

Fig. 6-2 Weekly Dollar-Yen Trend (Nov. 02-1 Jan. 05-3)

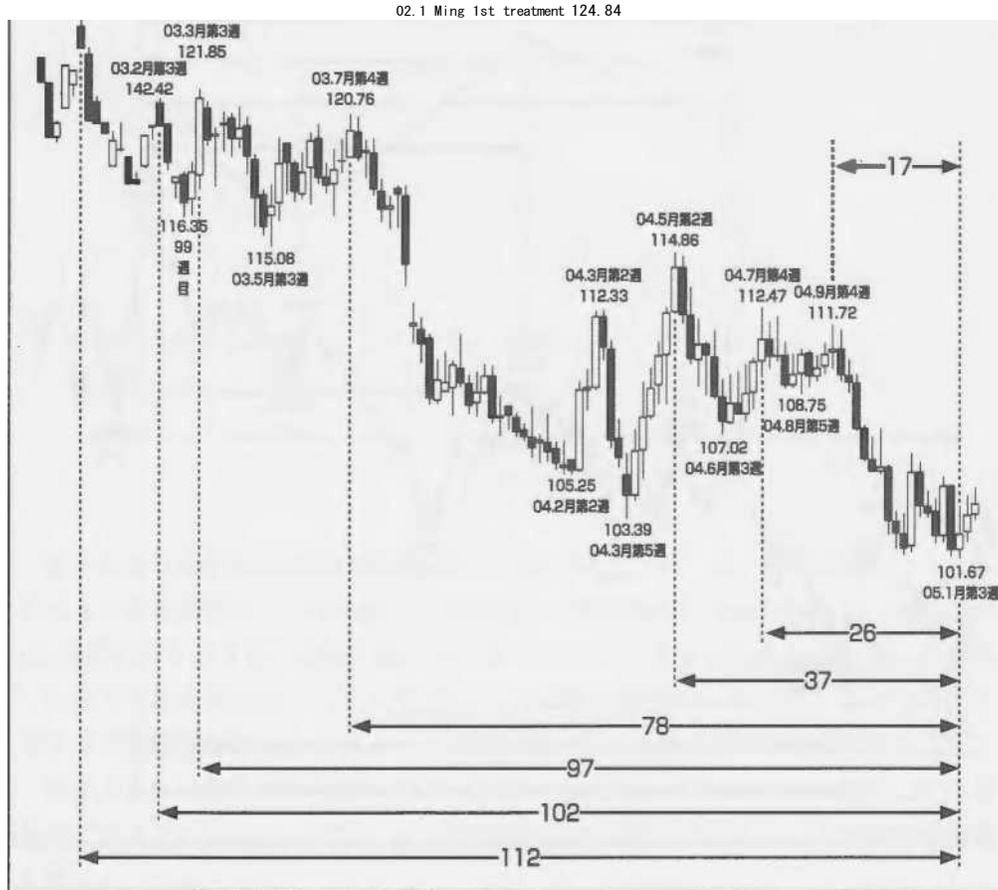
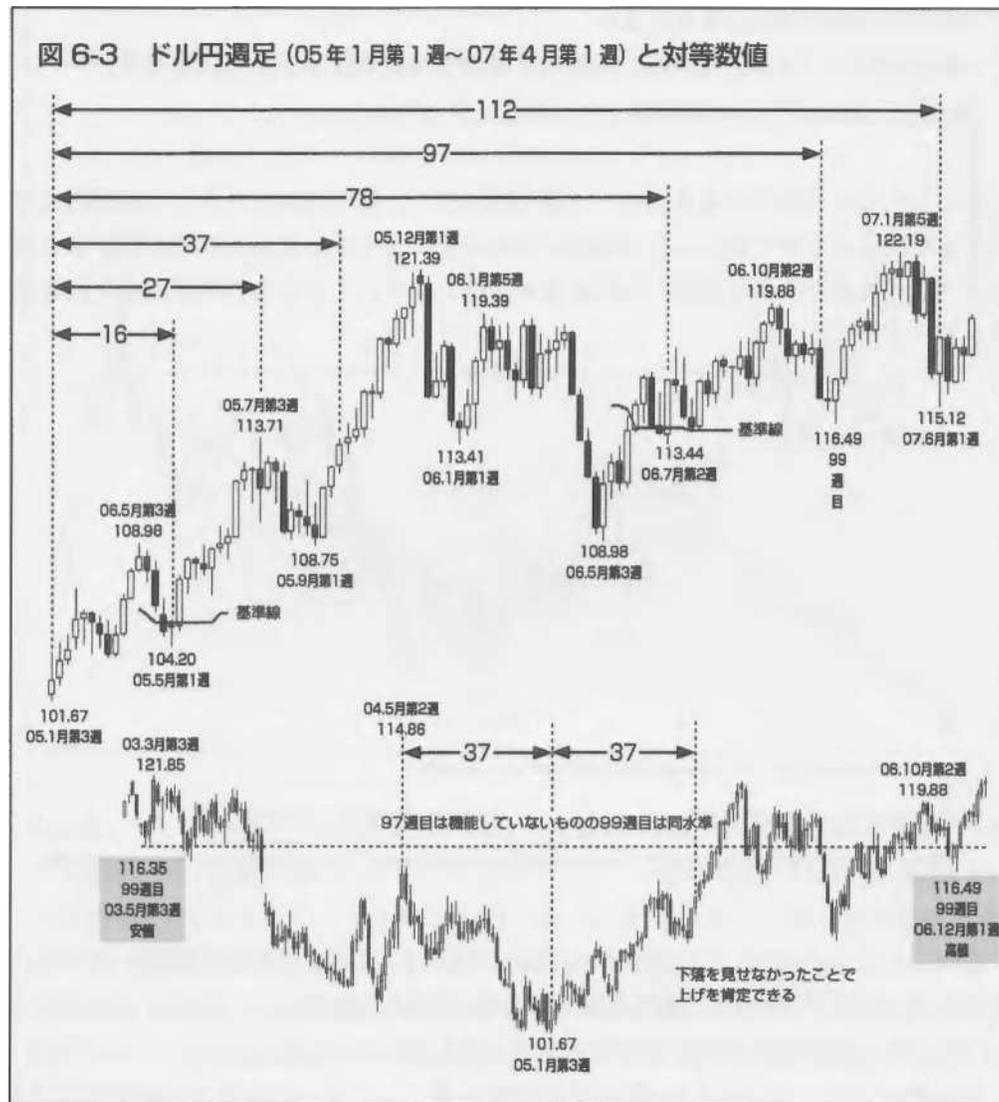


Figure 6-2 shows a weekly graph of the dollar-yen pair with its bottom in January 2005. Please check the number of weeks of decline from the high to this bottom.

- Resounding 112 weeks (1st week of Dec. 2002: 124.84 yen - 3rd week of Jan. 2005: 101.67 yen)
- 102 weeks (3rd week Feb 03 124.42 yen - 3rd week Jan 05 101.67 yen)
- Reference 97 weeks (3rd week Mar 03 121.85 yen - 3rd week Jan 05 101.67 yen)
- 78 weeks (4th week of July 2003: 120.76 yen, 3rd week of January 2005: 101.67 yen)
- 37 weeks (2nd week of May 2004: 114.86 yen, 3rd week of January 2005: 101.67 yen)
- 26 weeks (4th week of July 2004, 112.47 yen - 3rd week of January 2005, 101.67 yen)
- 17 weeks (4th week of September 2004: 111.72 yen - 3rd week of January 2005: 101.67 yen)

Of these numbers, 97, 26 and 17 are the base figures respectively. It can also be seen that the overlapping point of the basic numbers mentioned above is the January 2005 low.

The numbers counted from the January 2005 low are 17, 26, 37, 78, 97, 102 and 112.



This is an equal value for the two groups. Let's look at the actual changes since January 2005 (Figure 6-3).

The 16th week from the starting point (104.20 yen in the first week of May 2005) is one week short of the 17th week, but we can see that the base line was pressed at this low point. We can see that the base line was pressed at this low point, and we can take this as a 16-week adjustment to the 17-week decline.

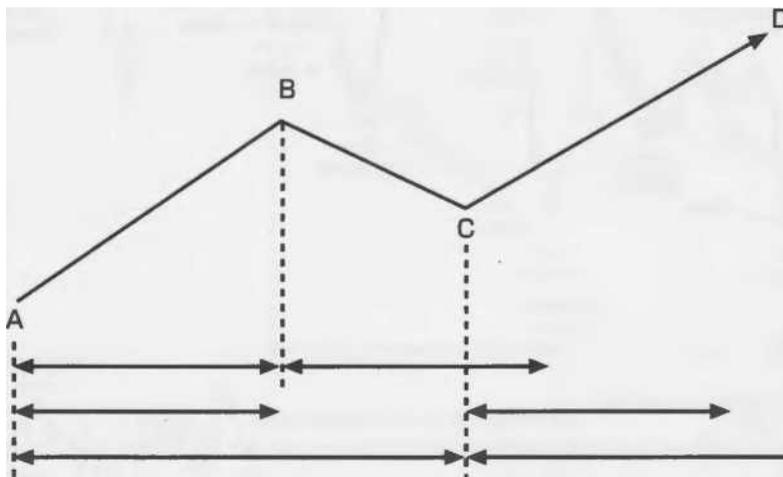
The next high is 27 weeks from the starting point (113.71 yen in the third week of July 2005). This is just one week after the start (the third week of July 2005, 113.71 yen). This is also a clear indication of a rising market.

What about the next 37 weeks? Although there was no reaction on this equation, the price exceeded the July high of 113.71 yen in the 38th week (113.67 yen, 4th week of September 2005) and the 2004 high of 114.86 yen in the 39th week. The fact that the price did not fall in this equal relationship confirms the upward movement. We will explain why later.

The 78th week can be considered the same as the 17th week.

It is important to note that although the 97-week is not functioning, it is at the same level as its 99-week counterpart. The 112 week can also be considered as an intermediate wave relationship to the decline.

In this way, the concept of equal value is a straightforward way of estimating the direction of the market by measuring the time of the rise against the time of the fall, and the time of the fall against the time of the rise. As shown in this example, equal figures are particularly useful at major bottoms and ceilings. The reader is encouraged to examine these time relationships for himself.



In principle, such an equilibrium relationship is examined using the high and low as the central points, as shown in the diagram above. As already mentioned, the three-wave structure of **N** is almost always formed by a relationship of equal numbers. Therefore, we will always estimate the following equality relationship.

At **B**, the time from **B** to **AB** is placed as the counterpart; at the rebound from **C**, the time from **C** to **AB** or the time from **C** to **AC** is placed as the counterpart. In this way, a number of equalities can be found, and

The date of change will be determined using the basic figures mentioned above

and these equal figures. An example of how the date of change is determined and

judged

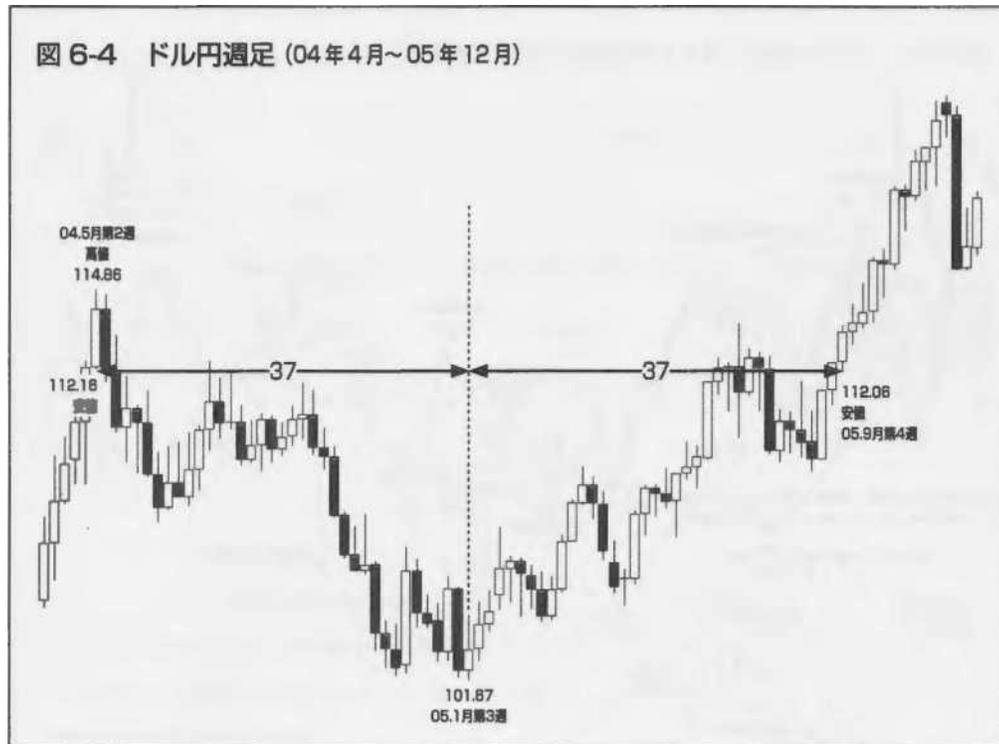
The date of change is determined by using a combination of basic and equal figures. This will be explained later.

We would like to refer to Toyota Motor Corporation and the Nikkei Stock Average.

The reader is probably confused when he tries to determine the date of change

for himself. You will understand that the point of overlap between the base and equal values, counted from some starting point, is important. However, it is difficult for the beginner to understand the significance of these points.

Therefore, when you first examine the time relationship yourself, you should ask yourself, "What kind of three waves is the variation?"



Does it form part of the It is better to focus on the “poles” of these wave transitions. If you look at the relationship between the equilibrium chart and the real line at the poles of these wave transitions (the highs and lows are all poles), you will naturally be able to sort out what is important. The date of change (and especially the reaction to it) is very important.

For example, we have just looked at the weekly equal value of the dollar-yen pair, and the 37th week of change from the low is extremely important: if we place the January 2005 low of 101.67 yen at the centre point, we can say that the 37th week of equal value is the same level.

(Figure 6-4).

If the market's real line had broken below the conversion line and the base line from the 37-week equilibrium low of 112.08 yen in the fourth week of September 2005, which was centered at the January 2005 low of 101.67 yen, the July 2005 high of 113.71 yen would not have exceeded the May 2004 high of 144.86 yen. If the price had broken below the base line, the July 2004 high of 113.71 yen would not have exceeded the May 2004 high of 144.86 yen.

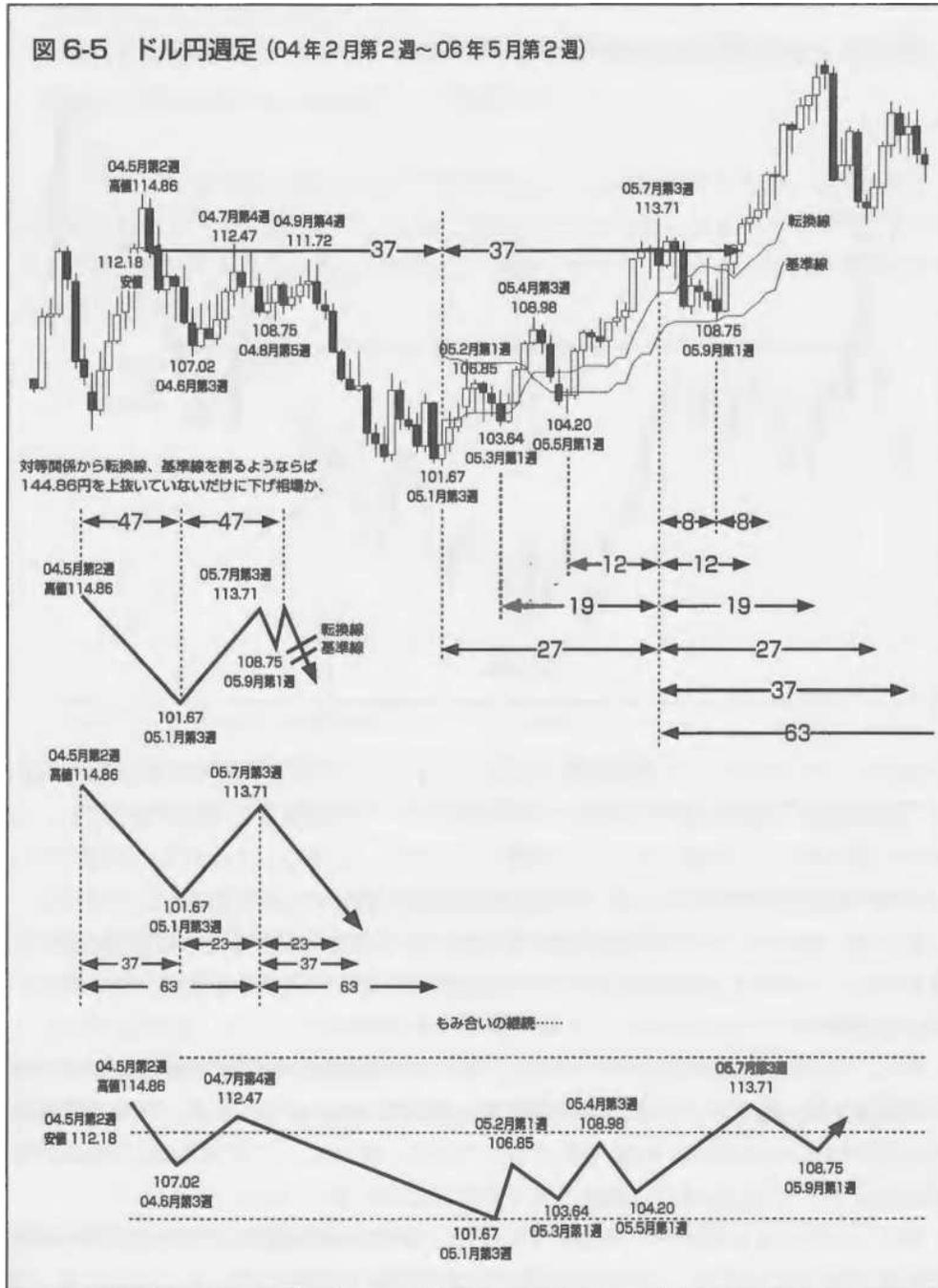
In addition, if we consider the change from the January 2005 low, we can see that a three-wave transition was completed while the low and high were being rounded up, so we can simultaneously consider the time relationship in this upward process (Figure 6-5). z

The second wave should be the following three 0

-106.85 yen, the high for the first week of February 2005 -103.64 yen, the low for the first week of March 2005 -05

July 3rd week high 108.98 yen - 104.20 yen May 2005 1st week low decline - July 2005 1st
3-week high 113.71 yen - 108.75 yen, down from the first week low in September 2005

図 6-5 ドル円週足 (04年2月第2週~06年5月第2週)



Therefore, the starting point can be one of the following

- 101.67 yen Jan 05 low reference 103.64 yen
- Mar 05 1st week low -104.20 yen May 05 1st
- week low -108.75 yen Sep 05 1st week low



As time has passed since the fourth week of September 2005 (low 112.08 yen), only the high of 113.71 yen in the third week of July 2005 and the low of 108.75 yen in the first week of September 2005 should be considered as the second wave (Figure 6-6).

There was a 12-week rise from a low of 104.20 yen in the first week of May 2005 to a high of 113.71 yen in the third week of July 2005. Therefore, the twelfth week after the high of 113.71 yen in the third week of July 2005 is the earliest week of change.

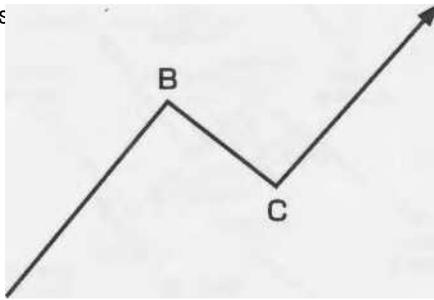
The 4th week of September 2005 (low 112.08 yen) was the 11th week since the 3rd week of July 2005 (high 113.71 yen). In the following week, the price did not fall again, and in the following week it exceeded the high of 114.86 yen in the fourth week of May 2004, which means that we can evaluate the active power of the rise itself (the passive and active aspects of the market are not discussed in this book).

In this way, we hope that readers will train themselves to make appropriate judgments based on whether or not there will be a reaction in the expected change week (change day). In order to do this, it is important to understand the

If you are satisfied with the agreement between the basic figures and the equal figures and think you have guessed the turn of the market, you will never be sure. Nor will experience. Write down the dates of these changes in your graphs and check their appearance whenever they arrive. If you don't, the date of change will not be a trigger point.

Concept of calculated values

In this book, the calculated values will be kept very simple. This is partly because it would complicate things, but first and foremost because there is little point in doing so unless you have mastered the time-related wave trans



D

$$D = B + (B-A) \quad \begin{array}{l} E \\ \text{Calculated} \\ \text{value} \end{array}$$

$$D = C + (B-A) \quad \begin{array}{l} N \\ \text{calculated} \\ \text{value} \end{array}$$

$$D = B + (B-C) \quad \begin{array}{l} V \\ \text{calculated} \\ \text{value} \end{array}$$

$$D = C + (C-A) \quad \begin{array}{l} VT \\ \text{calculated} \\ \text{value} \end{array}$$

A

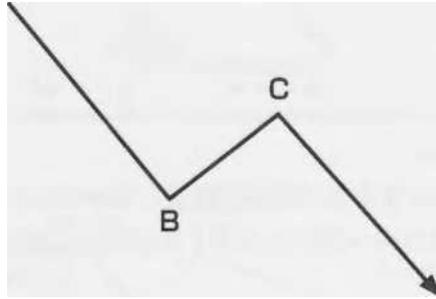
A

$$D = B - (A-B) \quad \begin{array}{l} E \\ \text{Calculated} \\ \text{value} \end{array}$$

$$D = C - (A-B) \quad \begin{array}{l} N \\ \text{calculated} \\ \text{value} \end{array}$$

$$D = B - (C-B) \quad \begin{array}{l} V \end{array}$$

.
D = C- (A-C) calculated
value
VT
calculated
value



D

The terms “E calculated value”, “N calculated value” and “NT calculated value” refer to the time relationship in terms of equal numbers, respectively, replaced by a value range.

In any case, the idea is that the range of past gains and losses will be influenced by a central point at **B** or **C**.

There is.

It is not clear whether or not these calculated values will be achieved in practice. We can see how they appear in the date of change, because time always passes. However, calculated values can only be achieved if they are achieved.

And there is no guarantee that they will be achieved.

Therefore, the beginner should only use it as a supplement when the time relationship of the three wave structure cannot be confirmed.

to be used to check whether the calculated value has been achieved.

As a general rule, market direction is more likely to be sustained when the E-calculator is reached, and a fall in the N- and V-calculators is often cause for alarm.

When a large number of origin and centre points are found, as with the date of change, a large number of calculated values are produced. When a match is found between these calculated values, it is often a very important price as well as a date of change. These calculated values, once known, are very important and can be used in many situations. We will discuss wave theory again when the time comes.

Summary

We have said all that needs to be said in this book. One last thing. What is important about the equilibrium table? This is a question that is often asked.

The two main points of the equilibrium table are as follows

- (1) Both ups and downs form a three-wave structure.
- (2) Equilibrium tends to work as a push back.

Recently, an increasing number of people have been making the argument that the equilibrium table is based on a comprehensive view of time, level and wave theory. That is all very well. But what is time theory? What is the theory of levels? What is wave theory? They should be able to explain logically the path leading to a comprehensive judgment. However, I have never heard an explanation that I could agree with.

The term "time theory" refers to the mechanical combination of basic and equal values in a "cycle theory". The term "level theory" refers to a calculated view of value. The "wave theory" is often too abstract to be logical.

It is not just a wave. Wave theory connects time and level theory organically. It is a wave theory based on time and price relationships.

This book is obsessed from beginning to end with the concept of push-back. This is what is most different between the time of the Mukuzan and the present day.

Ichimoku Sanjin went to the trouble of explaining that the change sign of the Yeast curve was a sign of a break.

There was no need for clarification. There was no need for clarification, as the common understanding of the key-foot remained.

The key leg is described by Ichimoku Sanjin as "a small wave theory". It is time and price that determine this wave transition. The theory of time is not a cycle theory.

Therefore, the primary purpose of using the Ichimoku Equilibrium Table is to intuit the direction of the market and, on the basis of this intuition, to anticipate the points of divergence. If these assumptions turn out to be correct, then actual market movements will be more pronounced. There is no uptrend that does not involve a push at the base line or the conversion line.

The converse is also true. Convergence of the real line and the equilibrium line (I don't know if this expression is appropriate)

The main reason for this is to be able to take advantage of the convergence of the equilibrium lines. Needless to say, this is to take advantage of the moment when the market moves. As a matter of fact, if what you bought does not move, or what you sold does not move, it is easy to get lost, even if you have not lost money at the time.0

Some people say that equilibrium tables are difficult and complicated. But things are simple and straightforward when you know them all. Perhaps those who bemoan this are not aware of true simplification and synthesis. Above all, I believe that the objective is not simple.

Both equilibrium and markets will remain difficult unless one learns to ask questions and devise solutions to them. And if you don't do this, you will be making a big mistake.

Without your own motivation, there is no starting point. There is no such thing as making you rich or making you happy. Investing is all about personal responsibility. Needless to say, it is a heavy responsibility.

This book has nothing to do with the many books on the market which tell you that you will make money if you do this, or that you will not fail if you do that. This is because we want you to do it yourself.

There are many people who say that the purpose of the market is to make money. That's fine. However, few people start to think and learn for themselves what they need to do to make money in the market, or what the market is all about.

I believe that the use of bar lines is problematic without resolving some questions. This is because the question of how to deal with *damashi*, which is a problem that we all face, is closely related to the question of what we should do to make money and what is market volatility.

It is.

This book should at least give you some idea of the way forward. We hope that you will read it repeatedly, as you did the original *Equilibrium Tables*, to deepen your own understanding.

Conviction can only come from experience or thorough examination. And only what you are sure of should form the core of your thinking. It is our sincere hope that you will verify and confirm everything in this book for yourself.

7. Toyota Motor Equilibrium

In this chapter, we present a chronological example of how to think about the presentness of the market, with reference to graphs.

Market outlook (as at 30 Aug 06)

First of all, please look at the daily chart and the equilibrium chart of Toyota's share price from 1 December 2005 to 30 August 2006 (Figure 7-1).

Looking at the time relationship, the two-wave

structure from the low of 5600 yen on January 18, 2006 to the low of 6040 yen on March 6, 2006

lasted 34 days, while the two-wave

structure from the low of 6040 yen on March 6 to the high of 6950 yen on April 21 also lasted 34 days.

This is the third wave. In terms of the price relationship, the calculated N value for this third wave is 7,000 yen ($= \frac{6560 + 6950}{2} - 5600 + 6040$), and the high of ¥6950 on 21 April is considered to be in line with this.

図 7-1 トヨタ一目均衡表日足 (05年12月1日~06年8月30日)

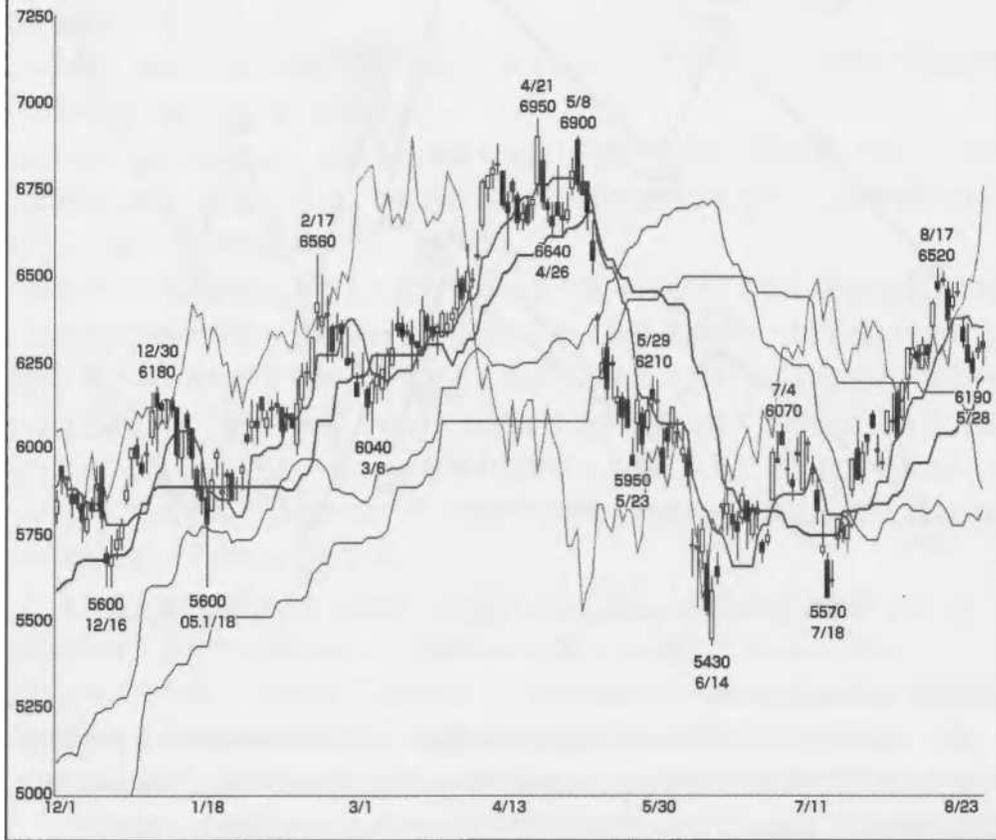
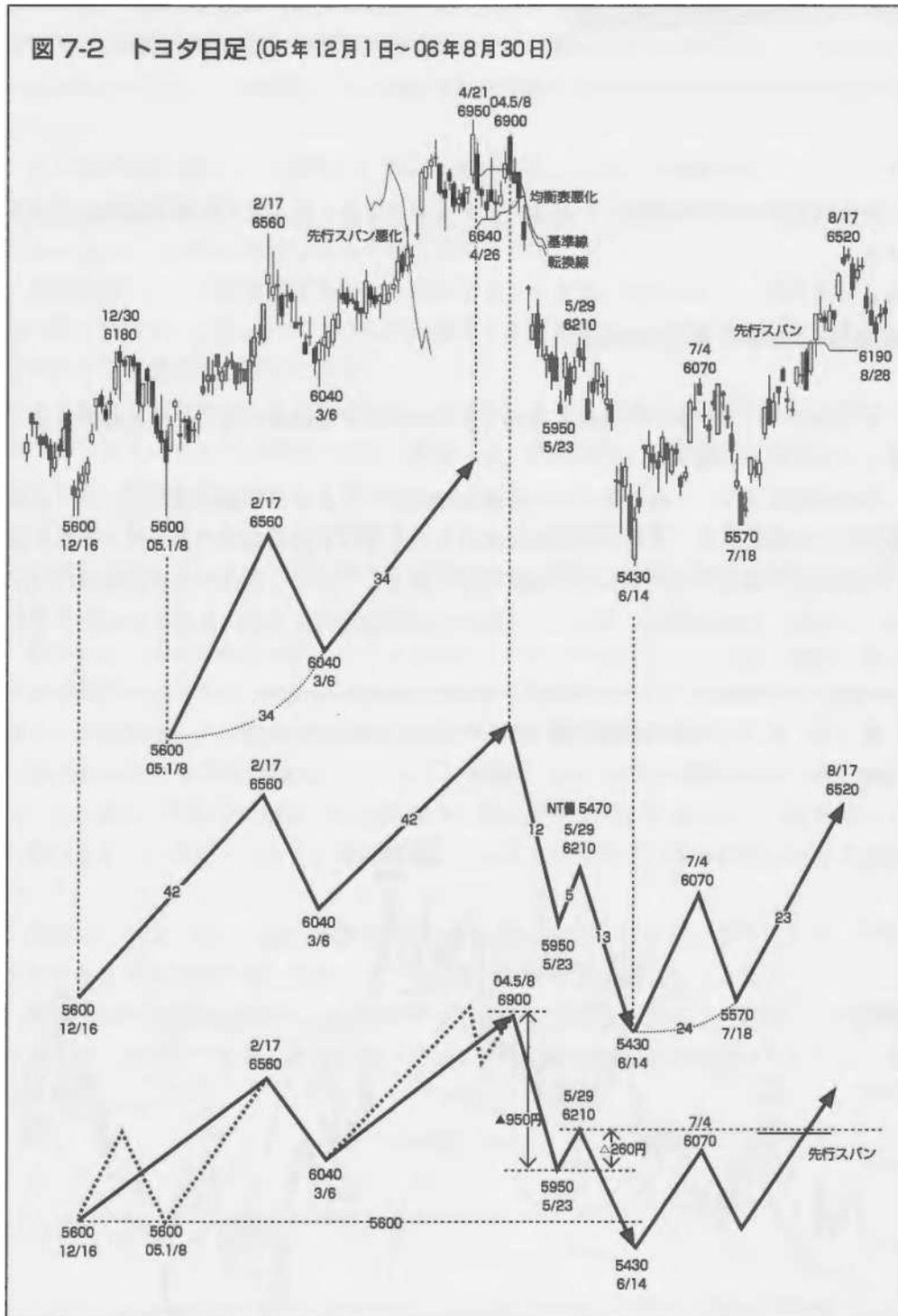


図 7-2 トヨタ日足 (05年12月1日~06年8月30日)



It is a good idea to have a list of all the people who are involved.

If we take the low price of 5600 yen on 16 December 2005 as the starting point, we can see that there was a 42-day rise to the high of 6560 yen on 17 February. If we take the number of days from the March 6 low of 6040 yen, the change in position would be at the May 8 return high of 6900 yen. It is not surprising that the equilibrium table deteriorated from here (Figure 7-2).



From the high of 6900 yen on 8 May to the low of 5430 yen on 14 June, there was a three-wave structure with a 12-day drop, a 5-day rebound and a 13-day drop. 5470 yen (=6210 x2-6950), the NT calculated value from the high of 6950 yen on 21 April to the high of 6210 yen on 29 May, matched the low of 5430 yen on 14 June. This is in line with the low of 5430 yen set on 14 June.

The price then surpassed the high of 6210 yen on 29 May. This confirms that this price is a very important market level.

Since June 14, the Nikkei 225, like the Nikkei Stock Average, has gone through two waves of 24 days until July 18, when it reached a low of 5,570 yen, followed by 23 days of upward movement from July 18 to a high of 6,520 yen on August 17, and then to the present (August 30) (Figure 7-3).

If we consider only this graph, we can see that the low of 5430 yen on 14 June was below the lows of 5600 yen on 18 January and 5600 yen on 16 December, and that the return of the two waves from 5950 yen on 23 May to 29 May is too small in the three-wave structure up to the low. We do not think it will be so easy. However, since the price exceeded the upper limit of the preceding span on August 9 and the price exceeded 6210 yen on May 29, we can consider the possibility of an uptrend.

However, this is a market view limited to the period shown in this graph. It can vary greatly depending on the weekly or monthly time frame.

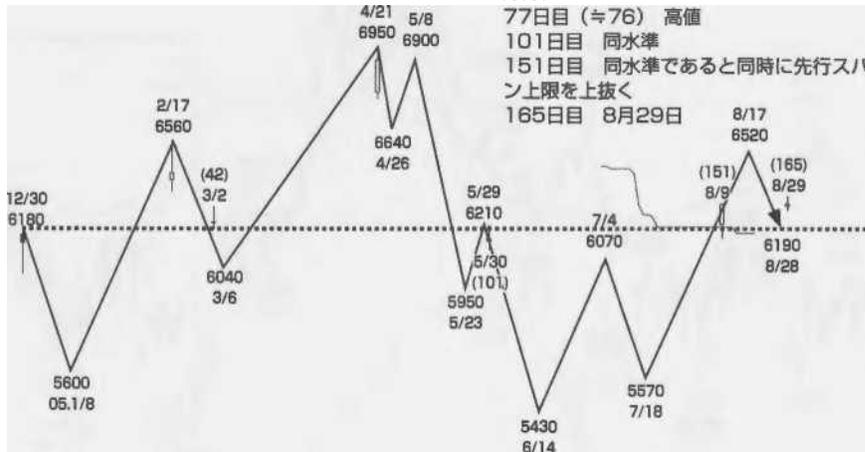
The rise from the June 14 low of 5430 yen has passed its maximum time relationship so far. We cannot determine the date of change from this aspect because the price has fallen below the conversion line. However, if we place the market level at two points and look at it from the perspective of a faltering market or intermediate wave, we can see that 29 August, the day after 28 August, is an important date for change.

If we take the high of 6,180 yen on 30 December 2009 as the market level and

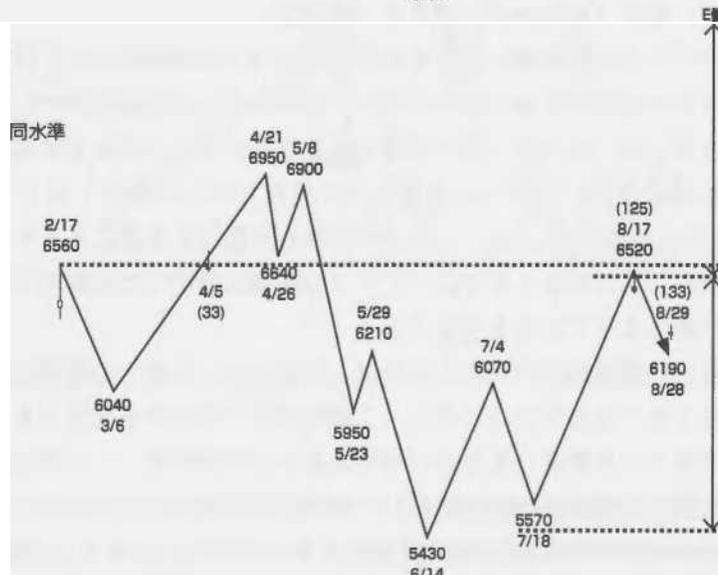
check the basic figures from this date, the 165th day will be 29 August. If this date is the starting point for a fresh start, we can expect a positive upward trend.

Figure 7"4
Market level

Market level (1)
6,180 yen Dec. 30
high Dec. 33 high
Dec. 42 same
level



Market price:
Dr. eye: 6560yen 17
Feb.
Day high 33 days
same level 125 days
(Yos 126) 133
Day 29 August



It is possible to think in terms of (Figure 74①).

We use the high of 6560 yen on 17 February as a starting point for the basic figures, with the 133rd day being 29 August (Figure 7"4@).

Strictly speaking, the high of 17 February is not a market level, as the market level itself must be placed at half the level of the low of 14 June and the high of April, having fallen so far below the March low.

A break above ¥6560 would make this clearer, but if it works as a market level, 29 August will be a faltering low and an important guide.

There is a possibility that 17 August is the high point of the market with (1) as the market level, and whether the high of 17 August will be exceeded.

In the case of a breakout, we can expect at least the NT of 28 August. If it does, we can expect to see at least an NT calculation of 28 August because "the price level in (1) is the starting point and the decline from 17 August can be regarded as a second wave".

Also, since 17 August is commensurate with the level in (2), if we ignore the influence from the level in (1), we can expect the maximum value of E calculation on 17 August.

With this assumption in mind, let's look at the position on 29 August (Fig. 7-5).

The near-term question is quite simple: which line will the market break away from? If the price breaks above the conversion line, it will break above the high of 17 August, and the price level of 2.

Fig. 7-5 Toyota Daily Performance (1 Feb. to 30 Aug. 2006)



A break below the base line would strongly suggest that (1) is still in play. A break below the base line would strongly suggest that the price level in (1) is still in play.

At this stage, the 28 August low of 6190 yen is important by one day. If this is breached, it will be

ne
cessary to reassess the assumptions about the cancellation of the decline from 21 April.

I could go on at great length to explain in more detail, but this is just a gut feeling.

Market outlook (as of 8 September 2006)

How should we view the high of 21 April? Let's take a look at the weekly chart (Figure 7-6).

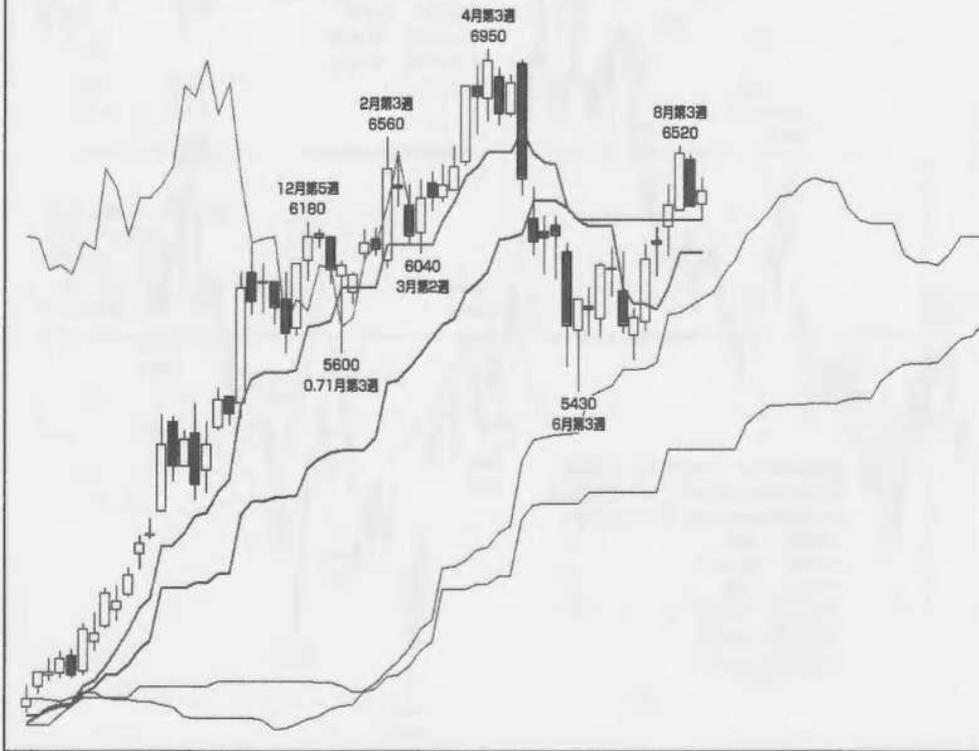
It reached a high of 6180 yen in the fifth week of December 2005, a high of 6950 yen in the third week of April (17th week) and a high above the base line in the second week of August (33rd week) (Figure 7-7[Ⓢ]).

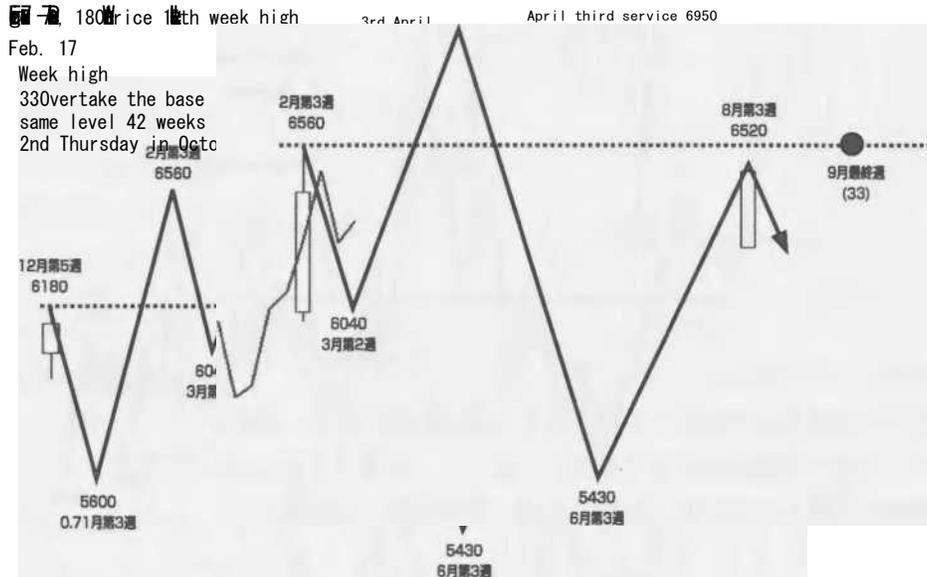
The 42nd week of the year is the second week of October. The position of the base line is expected to remain unchanged for the foreseeable future, and it is important to note that a break from this position always indicates near-term direction.

Next, let's look at the case where the high in the third week of February is set at 6560 yen, and the same level is reached in the third week of August, the 27th week. We can see that the lagging span is still important (Figure 7-7[Ⓢ]).

The 33rd week is the last week of September. 0 Even with July's upward momentum, the lagging span is still

図 7-6 トヨタ週足 (05年7月第2週~06年9月第1週)





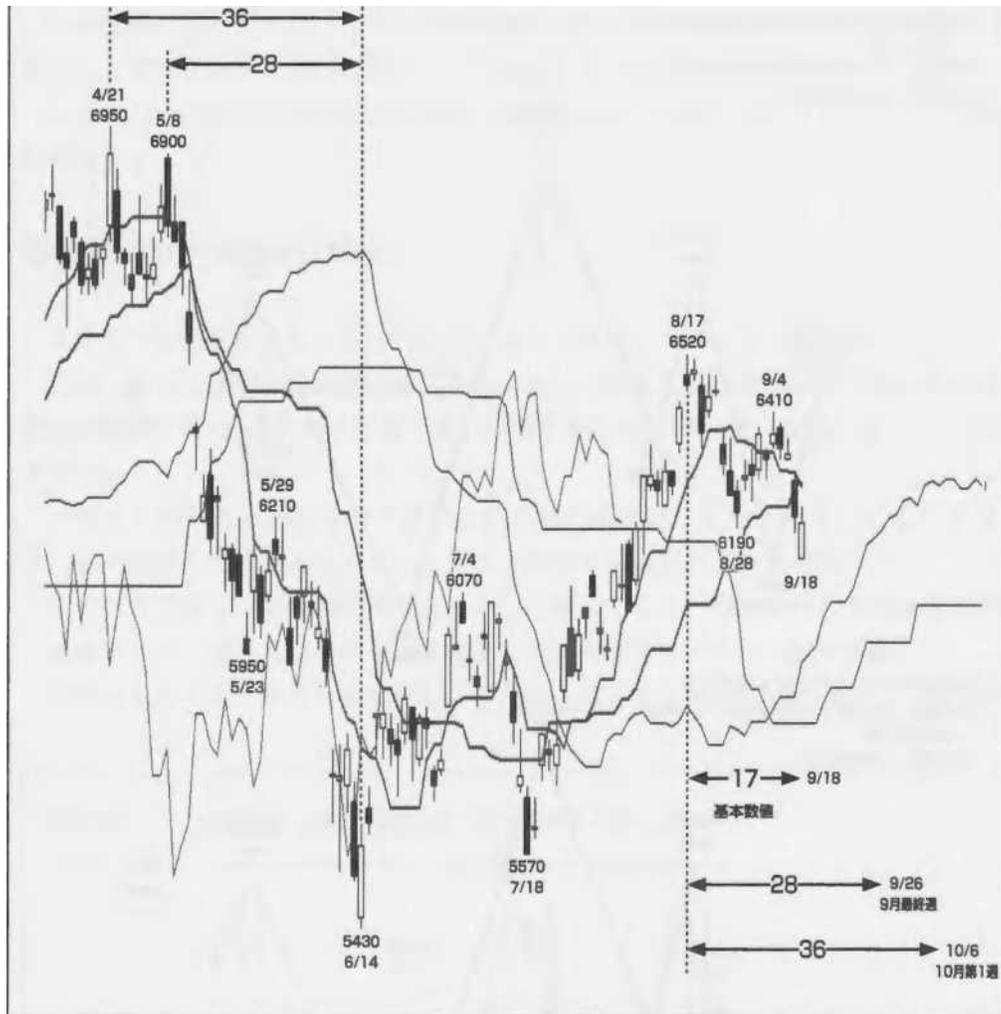
The price level of ¥6,560 was the high of the third February trading session, and it can be understood as the high of the same level in the second week and the high of the trading session in the last week of September in the 33rd trading session.

We are still in a state of flux. If the importance of the 28 August low of 6190 yen, mentioned earlier, turns out to be important on a weekly basis as well, then we can take the daily assumptions in stride.

How about on a daily basis (Figure 7-8 on the next page)?

On 8 September, the price fell below the 28 August low of 6190 yen and the real line was below the base line and the conversion line. The position of the base line and the conversion line has also reversed, and the market is expected to go up in the near future.

Fig. 7-8 Toyota's Daily Performance (10 Apr. 2006 - 8 Sep. 2006)



is not possible at the moment.

This is the 17th day of decline since the high on 17 August, which is the base figure. This is the 17th day of decline from the high of 17 August and the base value. The slow moving span has also escaped deterioration and the possibility of a rebound cannot be ruled out. However, if we do not see a simple rise above the base line and the conversion line from the following week (11 September), the slow moving span will deteriorate and the possibility of a fresh start will have been ruled out. Therefore, we will reconfirm the time depreciation from 21 April.

The key dates are the 28 days down since 8 May and the 36 days down since 21 April; the immediate dates of change are 26 September, 28 days after 17 August, and 6 October, 36 days after 17 August, but 26 September is the last week of September and 6 October the first week of October, so there is little inconsistency with the weekly chart.

In the near term, if there is no resilience, we will see an adjustment decline towards the date of change, and if there is no resilience, we will see a definite downtrend. In any case, the opportunity to depart has been missed.

It will be possible to judge.
Market outlook (as of 15 September 2006)

Let's trace and organise the evolution of the market over a large span of time on a monthly basis. The graph shows the monthly trend since July 1993. What can we learn from these changes (Figure 7-9)?

Firstly, we can see that, except for the period around the April 2003 low of 2,455 yen, each line in the equilibrium table continues to function as a “push”.

If we consider the three waves of upward movement, we should place the second wave as the decline from the April 2000 high of 5800 yen to the April 2003 low of 2455 yen, or the decline from the July 2004 high of 4520 yen to the December 2004 low of 3780 yen (the May 2005 low is almost the same, so either is acceptable), and consider the nature of the adjustment. We will consider how to adjust.

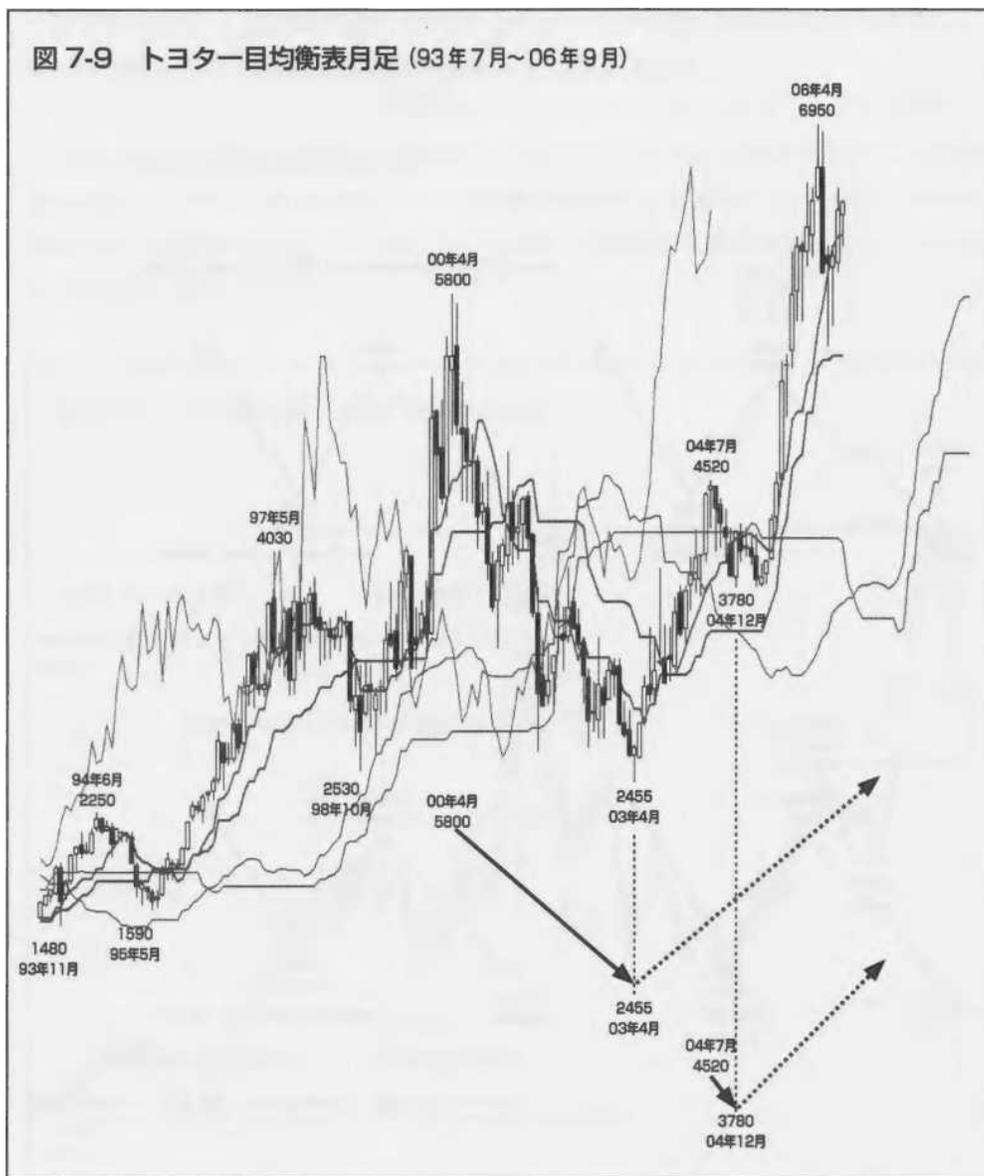
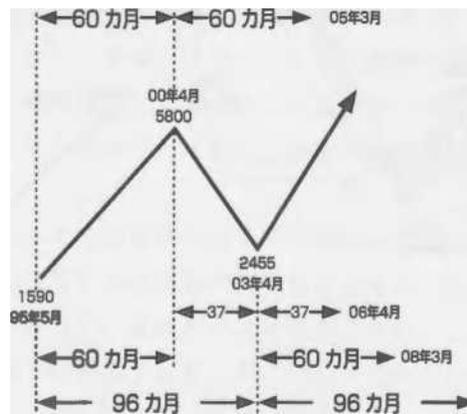
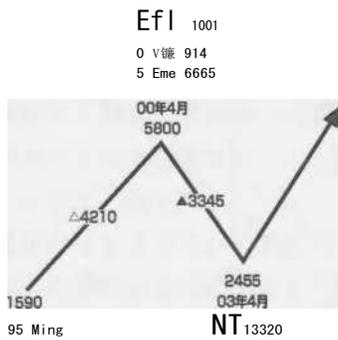
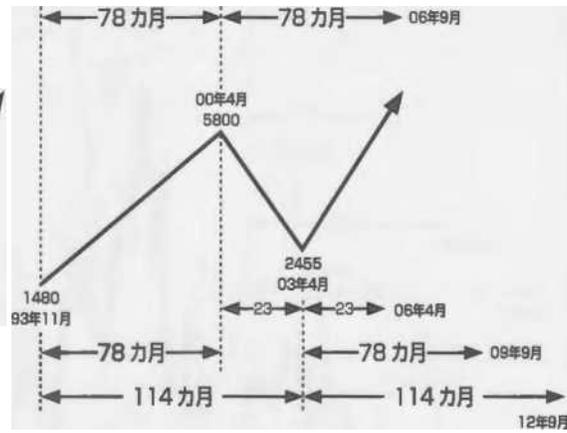
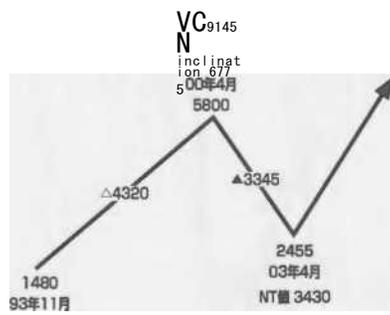
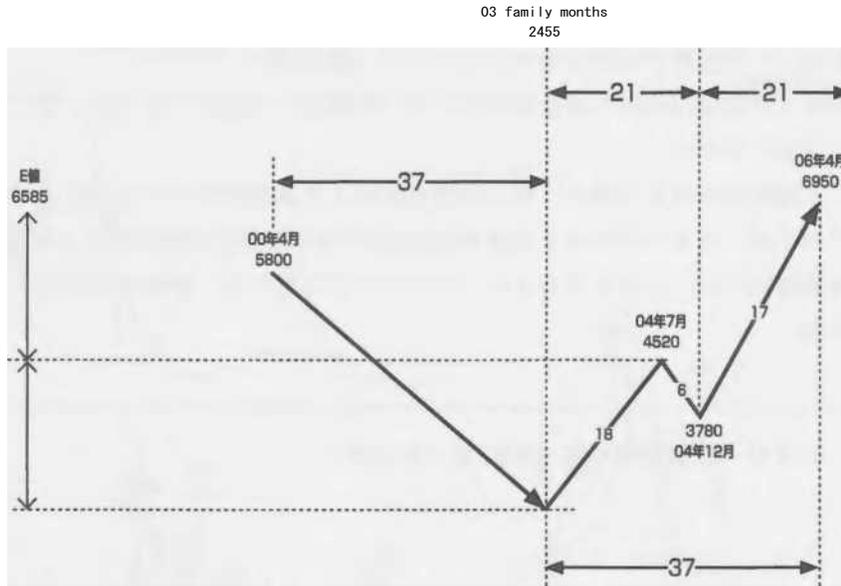


Figure7-Market10 levels



The rise from April 2003 to April 2006 was 37 force months, corresponding to the fall of 37 force months from April 2000 to April 2003. At the same time, this rise consisted of three waves: a 16-month rise, a 6-month fall and a 17-month rise (Figure 7-10①).

As this is the 16th month since the December 2004 low and the first time since March that the price has not fallen, it is at least 0

The 21 force months from April 2003 to December 2004 can be expected as the time for the three-wave structure. As the other major three waves do not suggest an April change month, we can say that there is still time for a three-wave structure. Until the equilibrium deteriorates completely, we should always consider this possibility.

With more than 6585 yen of **E** calculated value left to go, depending on how the adjustments are made, we may have to re-launch.

It can be said that there should be

In addition, if the November 1993 low of 1480 yen and the May 1995 low of 1590 yen are used as starting points, the April 2006 high is not a reasonable position in terms of both time and calculations. If I had to pick one, I would say that the N-calculated value in April 2003

The price of 6665 yen ($=58002455 + -1590$) is equal to the closing price of 6660 yen in April 2006, suggesting that the upward trend has stopped (Figure 7-10 (2)).

The daily price level of 6560 yen (February 17, 2006) can also be assumed from the monthly fluctuation. 6580 yen ($= 4030 \times -14802$), the **E** value calculated at the May 1997 high of 4030 yen, and 6585 yen ($= 4520 \times -2\ 2455$), the **E value calculated** at the July 2004 high, can be regarded as a high disturbance after being achieved. possible. (Figure 7-11).

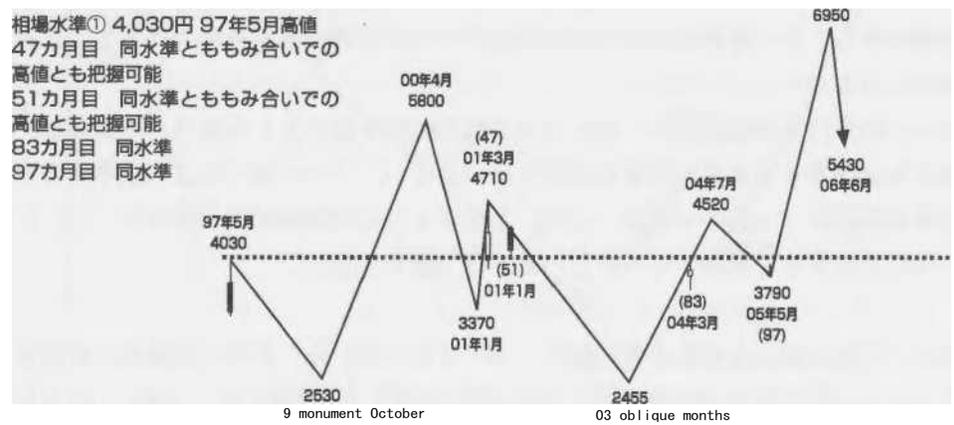
図 7-11 トヨタ月足 (93年7月~06年9月)



Market view (as of 22 September 2006)

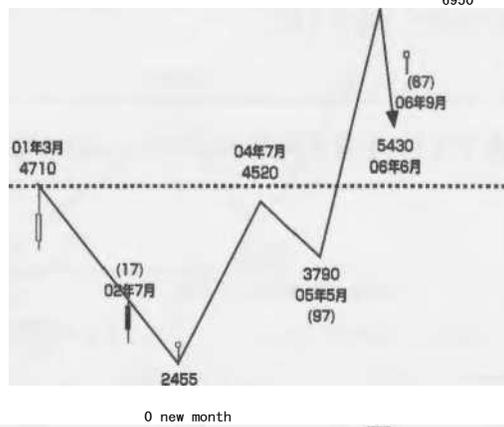
Let's consider market levels 1) and 2).

Figure7-Market12 levels

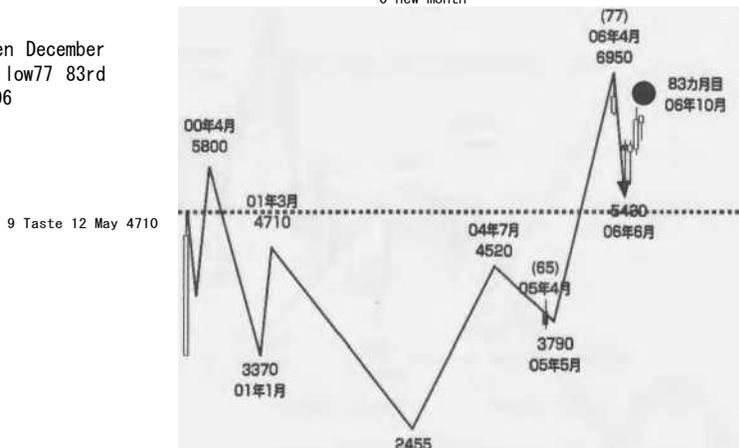


April 06
 6950

Market level (2) ¥4,710 High in
 March 2001 17th month low in
 26March 2001 83rd month low in
 September 2006



Market level 4.710 yen December
 1999 high 65th month low 77 83rd
 month high October 2006



Month

The price level (1) is based on the May 1997 high of 4030 yen as the starting point for a struggle.

Although the April 2006 high was beyond the range of the price level of 1), if the decline until June 2006 cannot be regarded as a second wave, 1) may continue to be the price level (Figure 7-120).)).

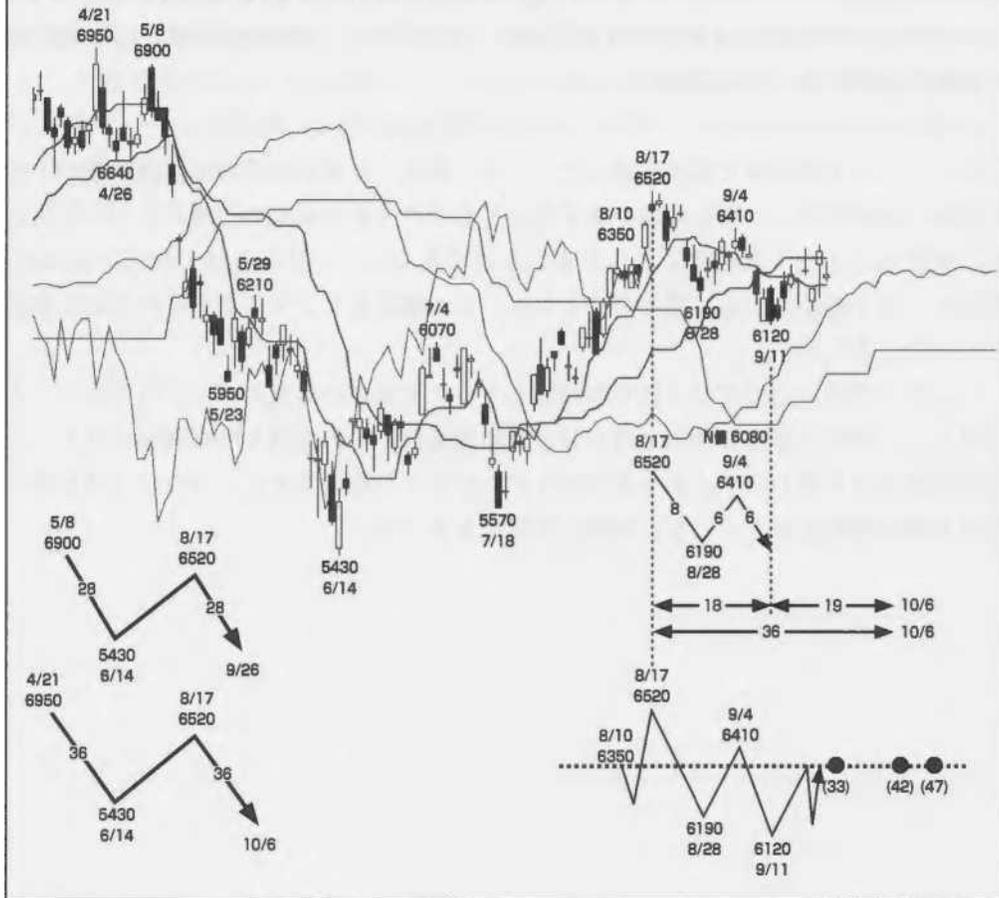
If the market level is set at the March 2001 high of 4710 yen.

The 67th month was September 2006, and a high would be important. This is
 be
 cause it is the basic
 va
 lue from the starting point of the market level
 (F
 igure 7-12②).

The 83rd month is October 2006, and it is important to note that determining the month of change is not an affirmation of the upward movement (Causes 7-12®).

In view of the above, we believe that
 the April 2006 high should be regarded as a reasonable high, and
 that attention should be paid to the breakout of the high rather than to an easy
 rally. Monthly basis

図 7-13 トヨタ日足 (06年4月10日~9月22日)



The quasi-line will not change its position for some time to come, unless it breaks above the April high, and it can be compared with the Nikkei 225 only because the independence of the rise since April 2005 is not easily broken. Therefore, we have to pay attention to the adjustment from the highs.

Now, as to the way in which the adjustment was made, both weekly and daily change dates were mentioned in the September 15 market report. The two daily change dates were 26 September and 6 October. They are

- 28 days of decline from 8 May to 14 June
- The 36-day period of decline from 21 April to 14 June is counted from the high of 17 August (Figure 7-13).

In this case, it is a low and can be seen as a point of upward movement when the starting point is one of the equilibria.

In the past, we thought that a correction below the prior span would be inevitable, but the actual change played out in small movements and once the price broke above the base line.

If we consider that the decline in the first half of the year was due to a three-wave structure with an approximate N value calculated over 18 days, we can consider that the decline has stopped. Given a further 18 days of downside erosion, if the 19th day after 11 September falls on 6 October and the upper limit of the leading span is not breached, a fresh start is likely.

If the price falls below the ¥6,300 level, we believe that the adjustment will be prolonged. At the moment, the basic figures from August 10 are important, and it is possible to regard the market as being in a struggle with the price level at 6,300 yen.

Now, we have tried to explain the situation with Toyota Motor Corporation. Although it is tedious to study the monthly, weekly and daily timeframes in detail, it is not possible to pinpoint the important points without first drawing some conclusions and then tracing the actual changes. Ichimoku Sanjin recommends having a "familiar brand". We hope you will use this guide to help you organise your own stocks.

And we invite you to compare the daily graphs of the Nikkei Stock Average and Toyota Motor. In particular, we expect more upside for Toyota between 8 May and 17 August, even though the waveforms and time relationships are almost identical. This is because of the long term changes to the April highs.

You don't need to see the movement to assume it clearly.

7. Changes in the Nikkei Stock Average on a monthly basis

Let's take a bird's-eye view of the Nikkei Stock Average in terms of

monthly changes using what we have explained so far (Figure 8-1 on the next page).

We will look at this from two main perspectives. This article was written up to December 2006.

- Fluctuations as a transition in the three-wave structure

·On a struggle around a certain market level

As Ichimoku Sanjin has said, the first question should be whether the market will move or not. If it moves, it can only go up or down.

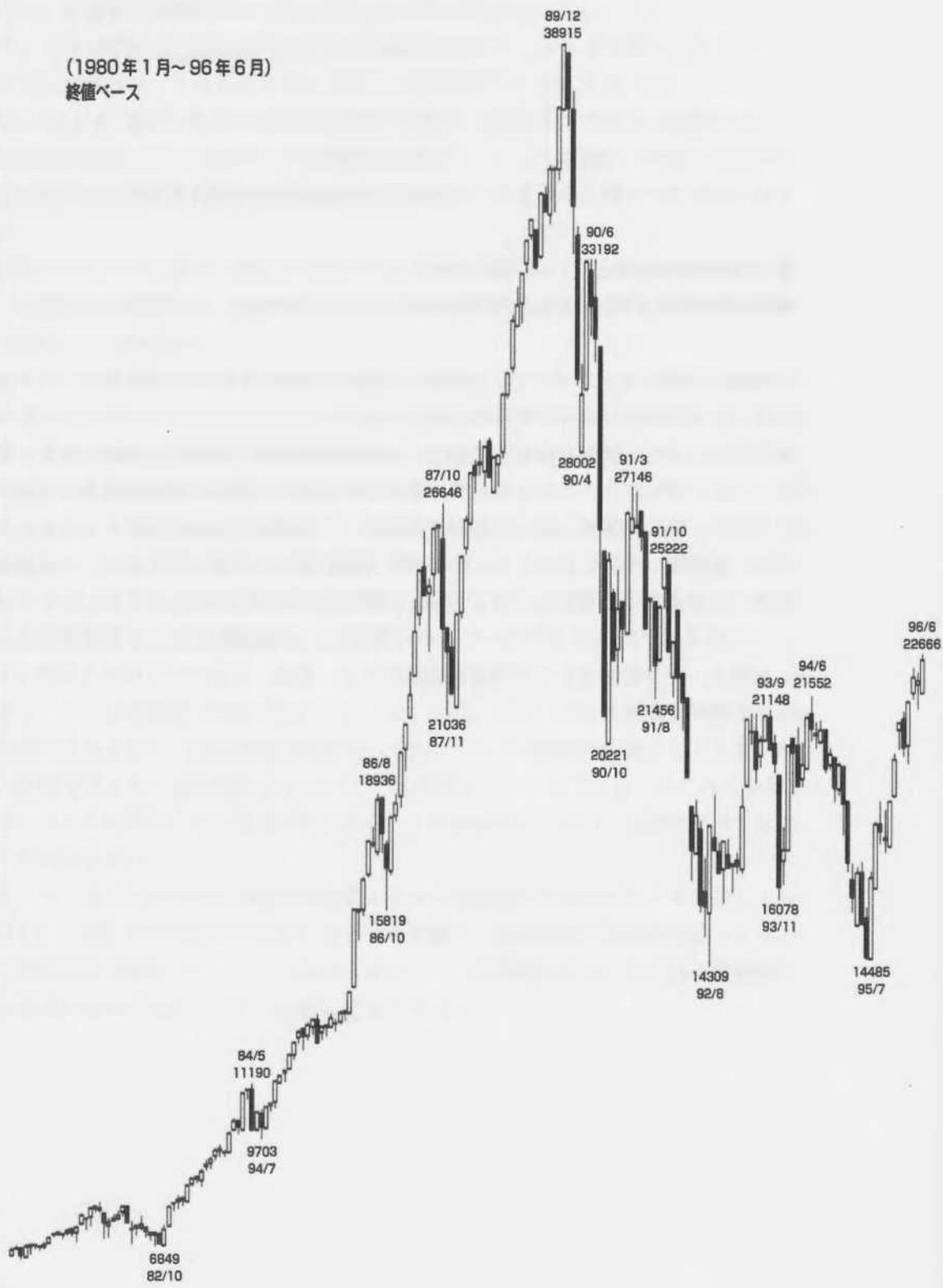
A moving market is one that plays out a three-wave pattern. A moving market is one that plays out in three waves, a series of transitions, and ultimately, the rise and fall of the market level itself as a "push-back" suggests a series of three waves. This is why we sometimes consider the direction of the base line to be important.

On the other hand, there is generally little awareness of markets that do not move. The focus is often only on the position of the release, with little discussion of the relationship with moving markets.

In this article, we will use the monthly chart of the Nikkei 225 to deepen our understanding of market movements from both sides. At the same time, we would like you to understand that the equilibrium table and the theory of market volatility can be used for daily, weekly and monthly periods.

図 8-1 日経平均株価月足

(1980年1月~96年6月)
終値ベース



(June '96 - October '07)



Fluctuations as a transition in the three-wave structure

Figure 8-2 shows the monthly Nikkei Stock Average from January 1987 to October 1990.

The five-month decline from the December 1989 ceiling to April 1990 is the same as the 14-month rise from November 1988 in the upward trend leading up to the 1989 ceiling. This shows the extreme collapse of a prolonged, upwardly mobile market.

However, it is not appropriate in this position to assume that the market will bottom out in April 1990 and turn upwards.

In fact, looking at the fluctuations from December 1989 to October 1990, three waves were formed: a five-month drop, a three-month return, and a five-month drop (Figure 8-3).

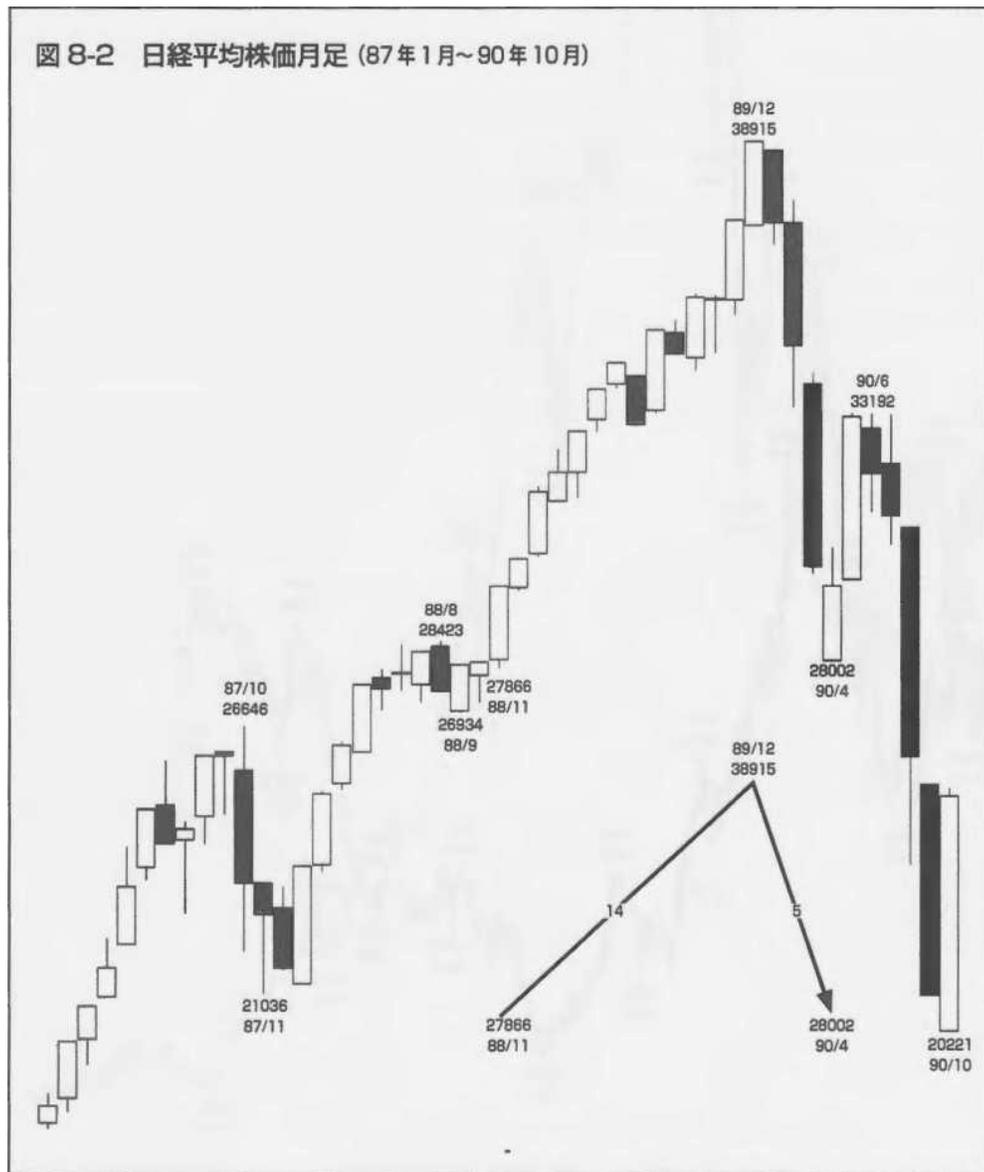
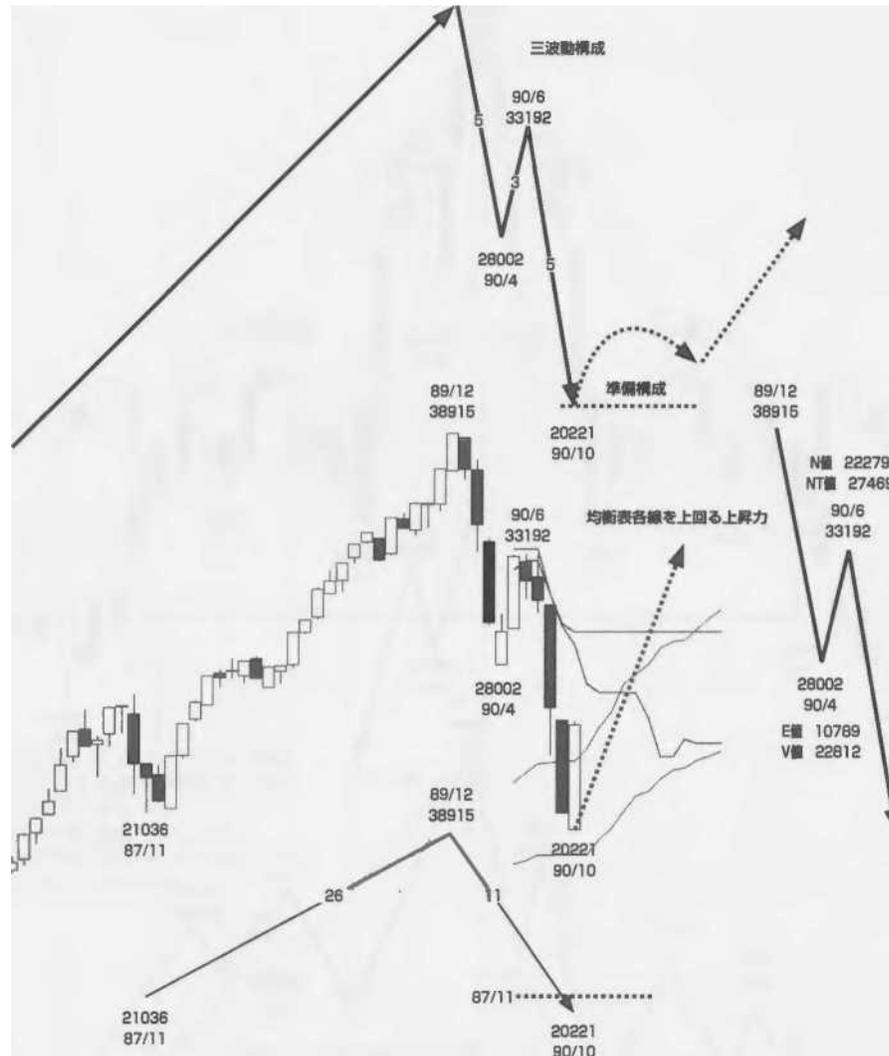


Fig. 8-3 Three waves and Nikkei Stock Average Equilibrium Monthly (Jan. 1987 - Oct. 1990)

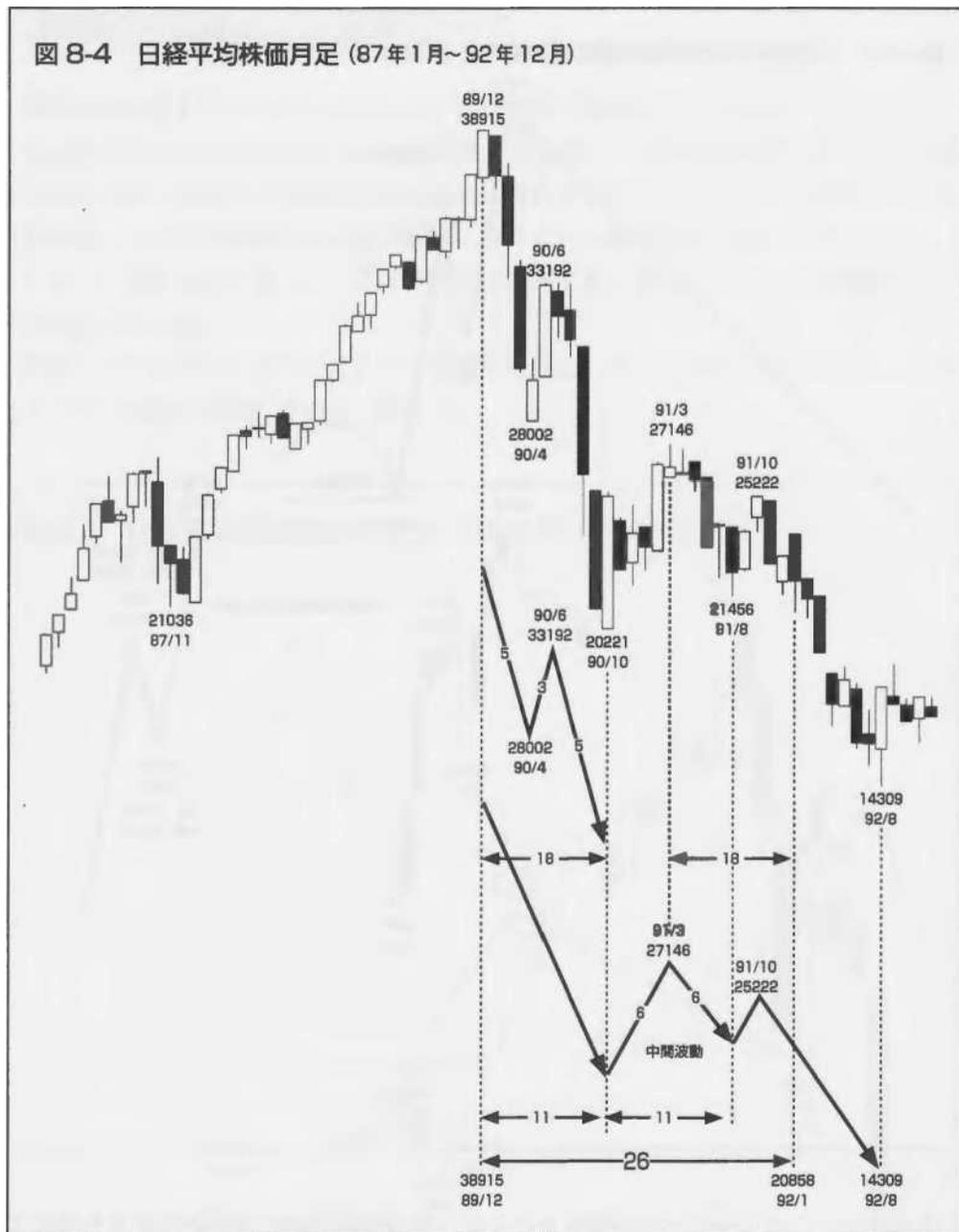


Basically, we should not expect a market upturn until we have such a three-wave structure, or until we have confirmed the firmness of the lows through a preparatory structure.

The October 1990 low is the point of the three-wave structure. The October 1990 low was a point in the three-wave structure, and as the price had not broken below the lower limit of the monthly advance span at this point, it was a position where there was hope for a subsequent rebound. However, this low was below the November 1987 low (it took 11 months to fall against 26 months to rise from this low to December 1989), and the value calculated from the April 1990 low is not appropriate.

Therefore, in order to expect an upward move after the October 1990 low, it is necessary to confirm whether the actual fluctuation will show an upward force that easily exceeds each line of the equilibrium table, or whether it will show a preparatory structure that does not break this low over time.

図 8-4 日経平均株価月足 (87年1月~92年12月)



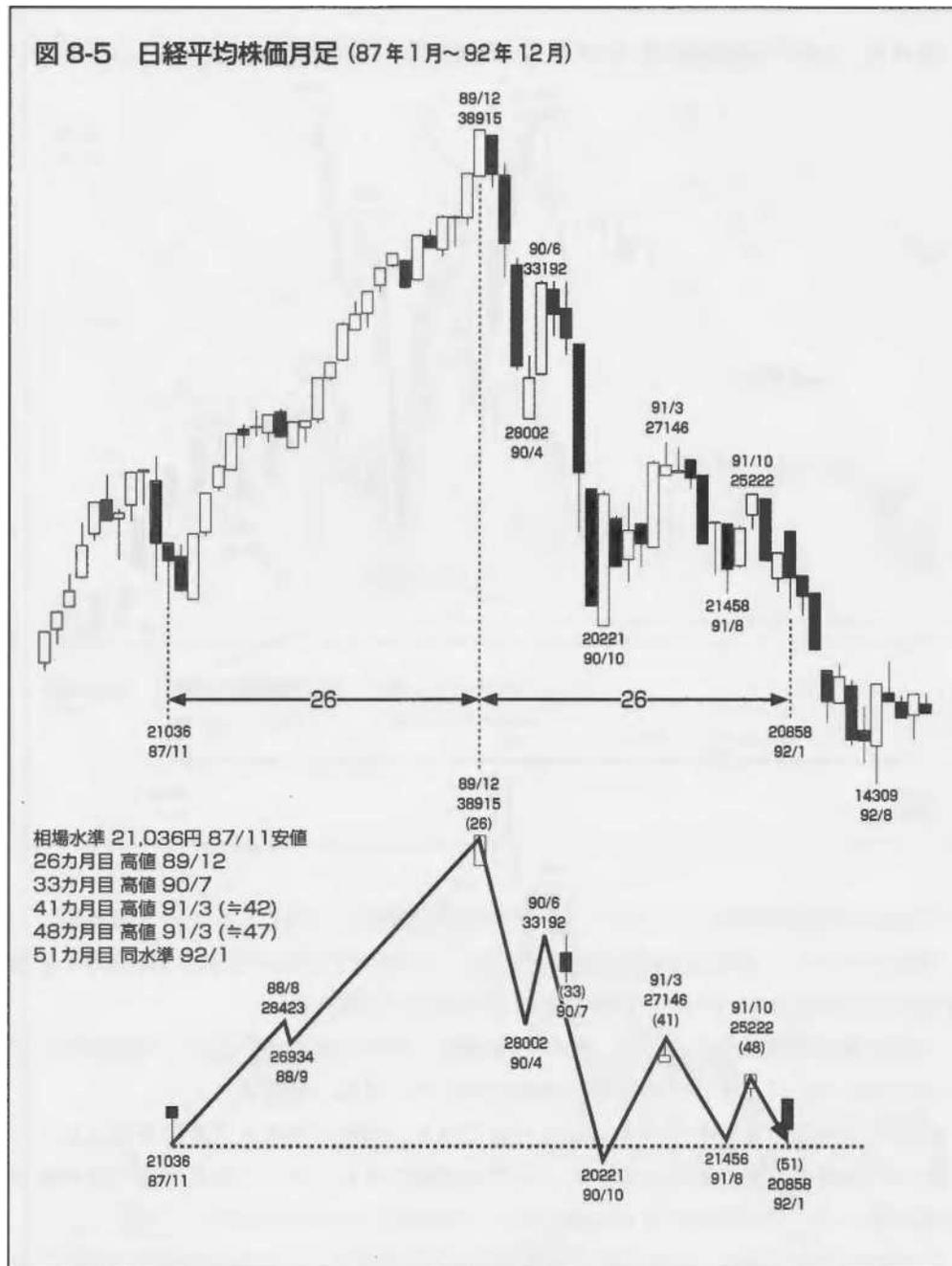
The result is shown in Figure 8-4, which shows that the price rose for six months until March 1991, then fell for six months to a low in August 1991, recovered slightly until October 1991, and then fell to the 14,000-yen level in 1992.

From the October '90 low to the October '90 low, the fluctuation is a kind of intermediate wave. 91

The 11 force months to the August 1989 low corresponds to the time of decline from the high of 1989 to the low of October 1990.

The 11th month after the March 1991 high is January 1992, which is not only an important milestone in the fluctuations since March 1991, but also the 26th month after the December 1989 high. This is not only an important milestone for

changes since March 1991, but also the 26th power month after the December 1989 high. 26 is an important basic number in the equilibrium table. In fact, the December 1989 ceiling was the centre of the

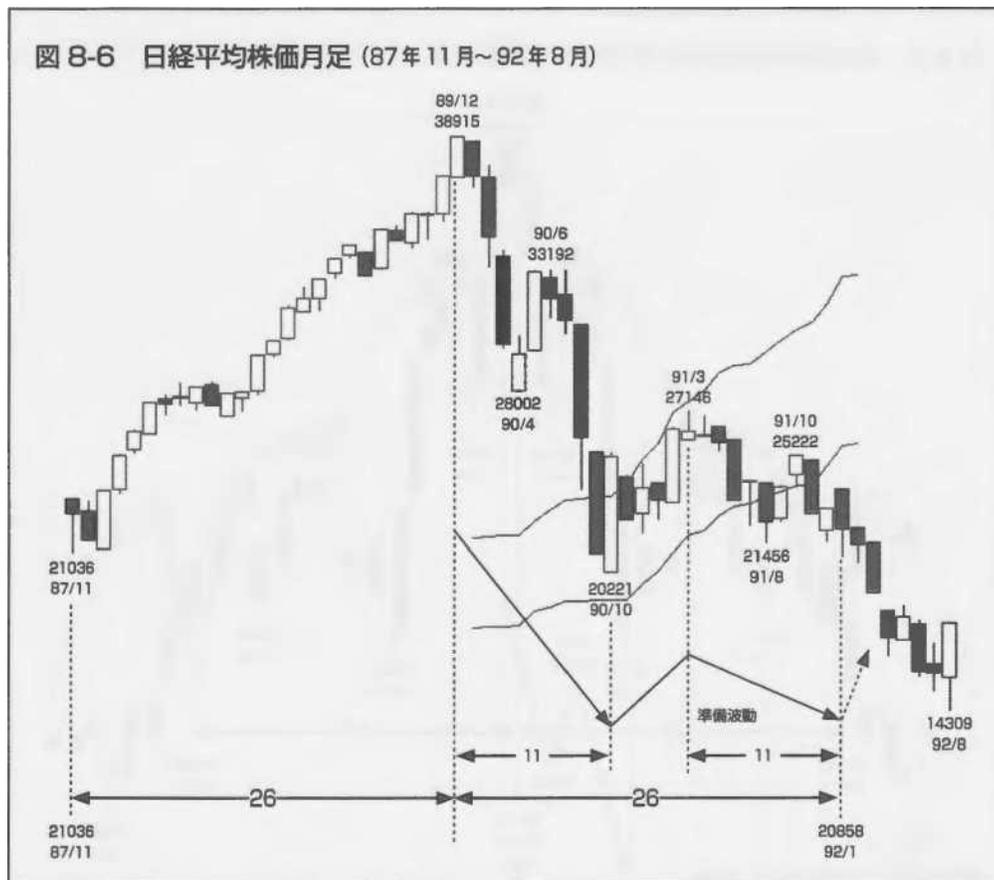


It is also an equal number (Figure 8-5).

The rise from the November 1987 low to the ceiling was 26 strength months, and although the October 1990 low was once below the November 1987 low, the market is still struggling at this level.

In fact, there was no rebound in January 1992 (¥20,858), which was such an important month for change. Thus, there may be a change in judgement in considering a change that was seen as a preparation for an upward move as a preparation for a downward move.

However, looking at the equilibrium table, the March 1991 high was capped by the upper limit of the leading span, and the 1991



The August low was below the lower limit. The August low was below the lower limit and can be regarded as a preparatory move to the downside (Figure 8-6).

In February 1992, the price fell below the January low of 20,858 yen, and in March it fell below the October 1990 low of 20,221 yen. This was a clear sign of a downward market.

As the downward trend has become clear, we can assume three waves of downward movement starting from either the December 1989 high, the June 1990 high, or the March 1991 high (Figure 8-7).

The August 1992 low was 33 months after the 1989 ceiling. At the same time, the June 1990 high was the starting point for the 1991

This is equivalent to the N value calculated for March. It is clear that the changes to date are sufficiently large to be rationalised using our previous explanations of equilibrium.

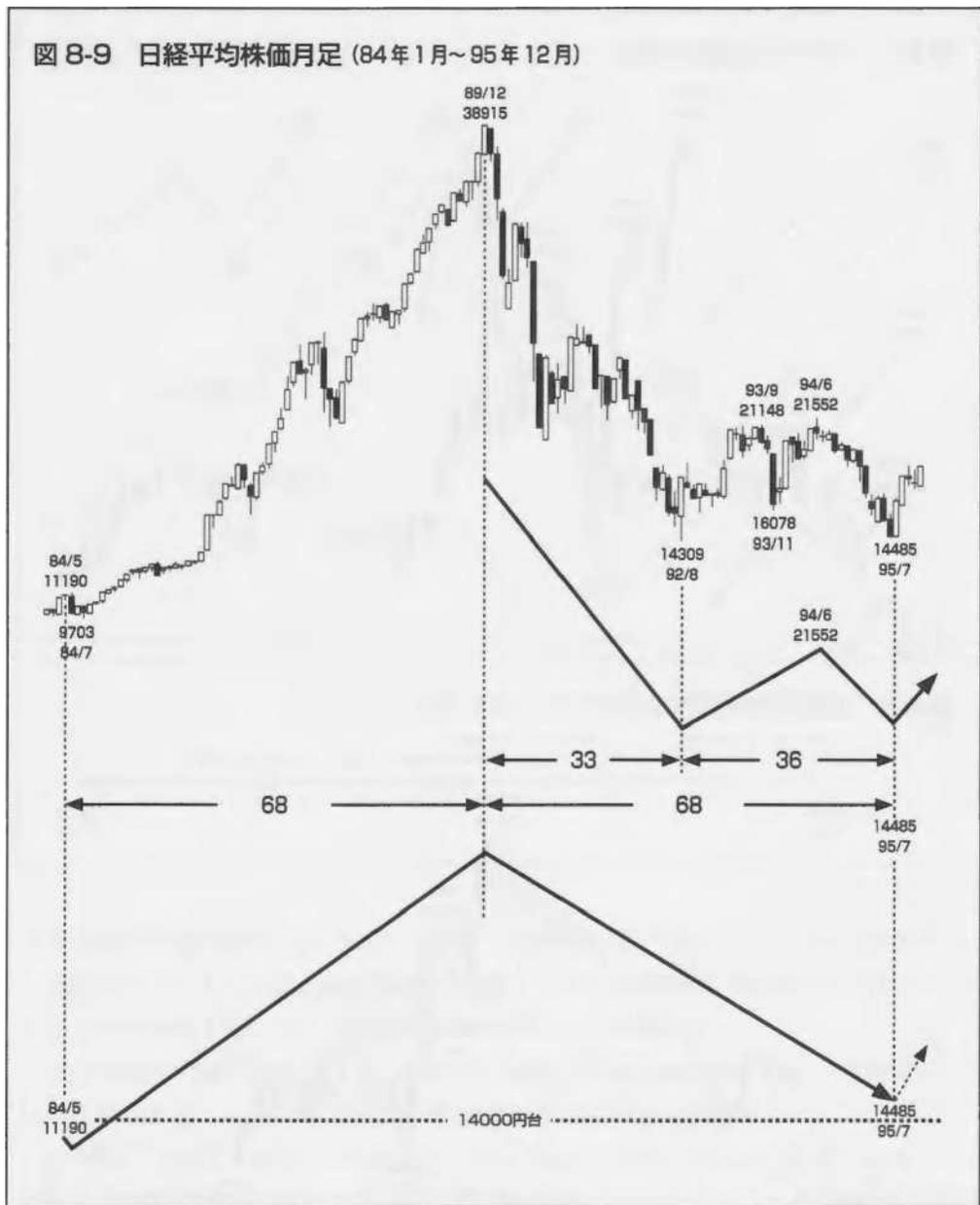
Note that the August 1992 low was also below the October 1986 low, symbolising the volatility that followed (Figure 8-8).

The month of change in January 1992 is probably the most difficult to notice (marked with # in Figure 8-8). The month of January 1992 is the most difficult to be aware of. Only those who have been aware of them can get them. The graph should be made by oneself, and at least the date of change should be entered.

The equilibrium chart in Figure 8-8 shows that the high of the negative line in January 1992 was squeezed by the conversion line. In other words, the same year

It was a clear starting point for a downward move through August.

Since August 1992, the market has been in a prolonged struggle. However, this was not the case on a monthly basis.

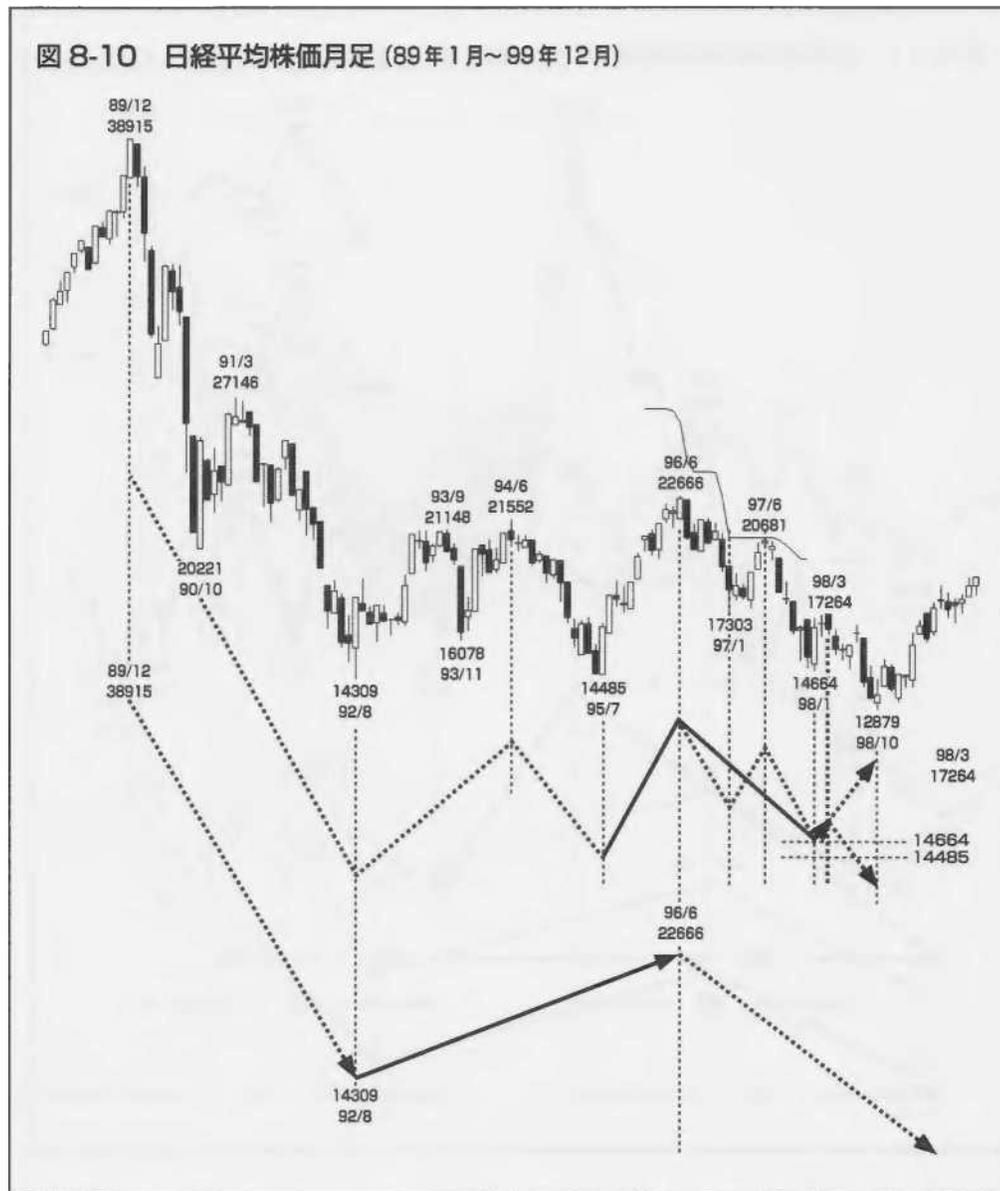


This is a very important point. The weekly and daily transitions should allow us to recognise upswings and downswings.

In July 1995, the price reached a low of 14,1000 yen for the first time since August 1992 (Figure 8-9).

The decline from December 1989 to the August 1992 low was 33 months and the decline from August 1992 to July 1995 was 36 months, which can be taken as a consolidation, if not a match.

However, the period from the December 1989 high to July 1995 was 68 Rikyu months, and the equal 68 Rikyu months around December 1989 was the May 1984 high of 11,190 yen. This price is not very appropriate. If the May '84 high had been around 14,000 yen, it would have been a more important position.



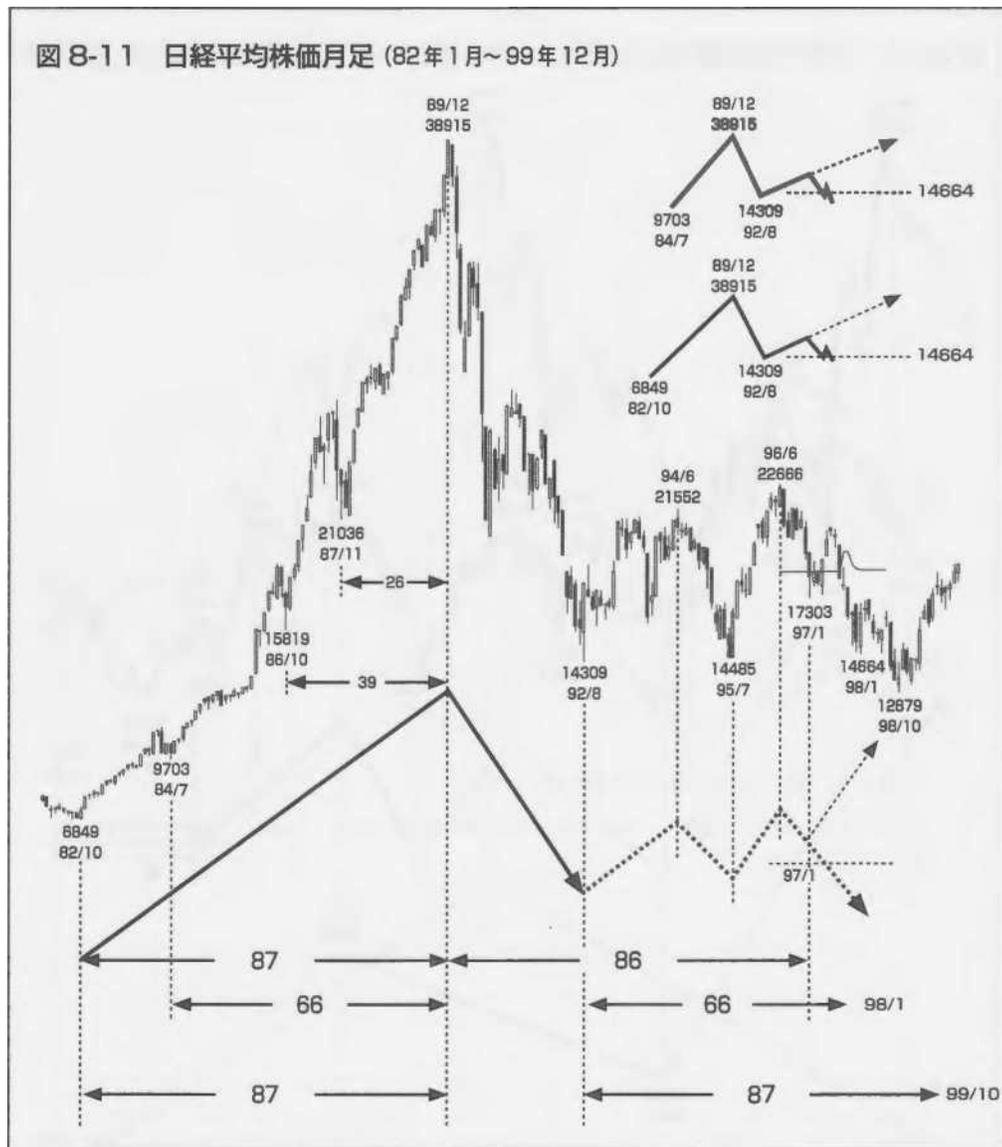
In the end, the rise from July 1995 was short-lived, reaching a high in June 1996. In the Equilibrium Table, the price did not reach the upper limit of the preceding span and reached a low in January 1998. The price then fell below this low to a low of 12,879 yen in October 1998 (Figure 8-10).

This means that the period from the August 1992 low to the June 1996 high will have to be regarded as the second wave of a three-wave downward movement.

Especially if you failed in the IT bubble of 2000, you should be aware of the following: October 1998 low

There were two things to be aware of. The first is that, having broken below the January 1998 low, there is no need to consider the influence of the pre-1989 rally for the time being, and the second is to check the three-wave structure to see whether October 1998 is a reasonable low and whether the downside process is over.

図 8-11 日経平均株価月足 (82年1月~99年12月)



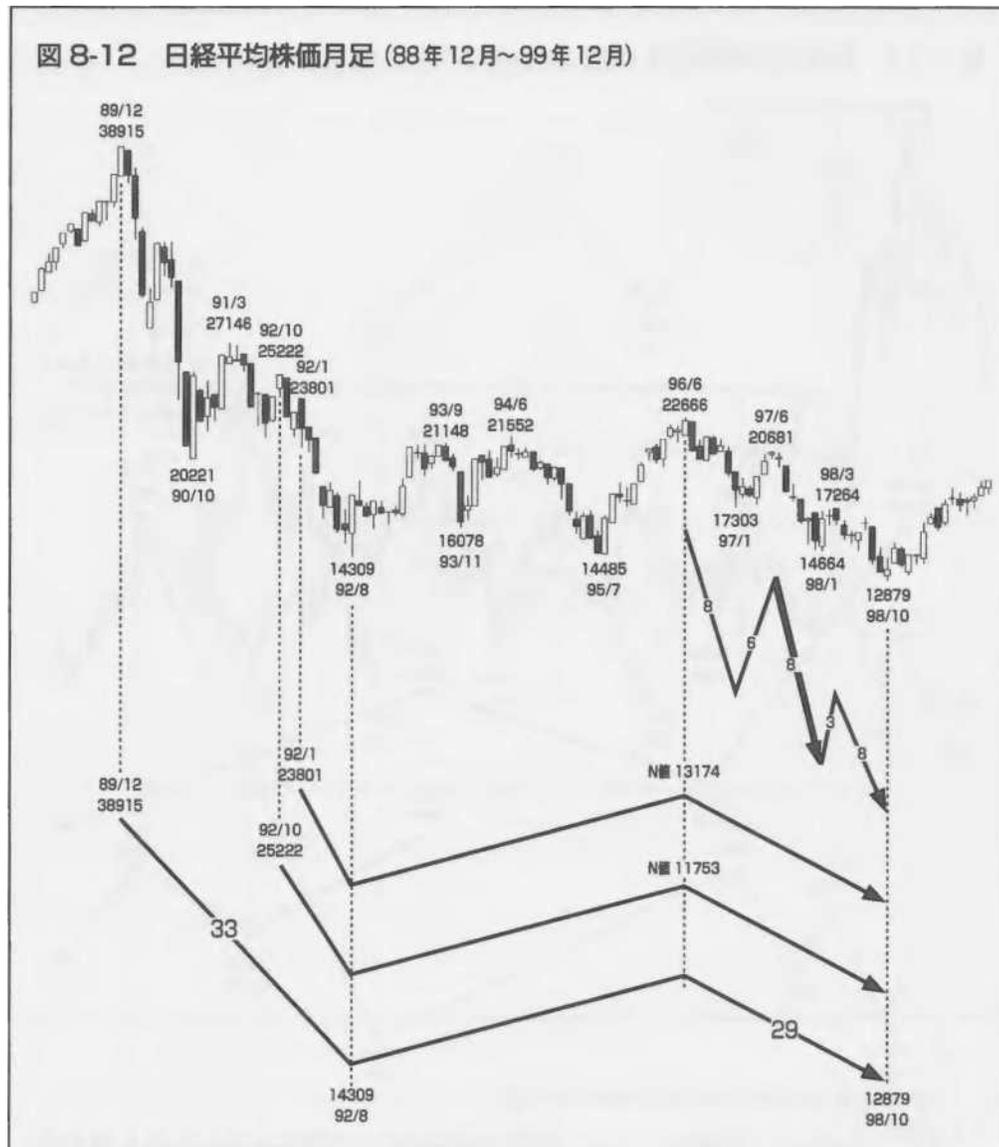
(1) The January 1998 low has been broken, so for the time being there is no need to consider the influence of the pre-1989 rally.

The equal figures that should be produced around the 1989 ceiling are, from smallest to largest, 26, 39, 66 and 87. This is the rise time from the low to the ceiling (Figure 8-11).

The 86th month after the 1989 ceiling is the January 1997 low. The 86th month from the '89 ceiling is the January '97 low, and it is also the position of the monthly equilibrium chart base line. If the price does not break below the August '92 low, the 66th and 87th month from the August '92 low should be watched as the date of change.

However, in January 1998, the 66th month, the price hit a low and then fell below the 14,000 level, so there was no need to consider the 87th month. This is because it is clear that we are in the process of a major three-wave downtrend. Therefore, at the time of the October 1998 low, there was no need to

think about changes prior to 1989, but only about the influence of the downward movement from the 1989 ceiling.



The three wave structure will confirm whether October 1998 is a reasonable low or whether the downward process is over.

The 29-month period from the high of June 1996 to the low of October 1998 was a period of 8 strength months down - 6 strength months up - 8 strength months down - 3 strength months up - 8 strength months down. and

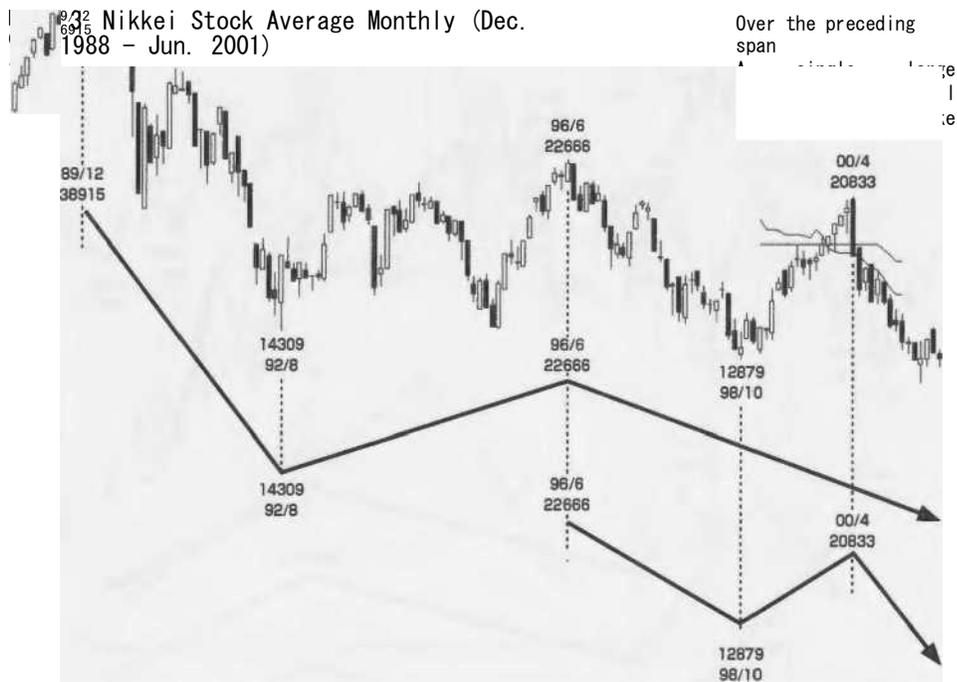
This is the fifth wave in a row. **If we** look at this alone, we can see that there has been no depreciation in the rise from October 1998.

It is also possible to accept the possibility that the number of people who have been killed in the past has increased (Figure 8-12).

However, the August 1992 low to June 1996 high must also be regarded as a second wave. The October 1998 low of 12,879 yen is insufficient as a three-wave structure from the pre-92 highs.

It may be said that 29 Rikagetsu is the third wave in time compared with 33 Rikagetsu in the first wave. However, from the point of view of the calculated value, the N-calculated value starting from March 1991 left the sea at 11,753 yen.

The calculated value of N starting from January 1992 is 13,174 yen.



In the first half of the year, the market was down 0.5%, which is too low by comparison.

If one is aware that the rally from the October 1998 low is only a return, one should be alert at least before the April 2000 high and beyond the prior span (Figure 8-13).

Even if the upward momentum of the market up to April 2000 had changed our view, there is no reason to think that the market will be in full swing at this high point, since it is the third wave that should be taken as the direction of the market.

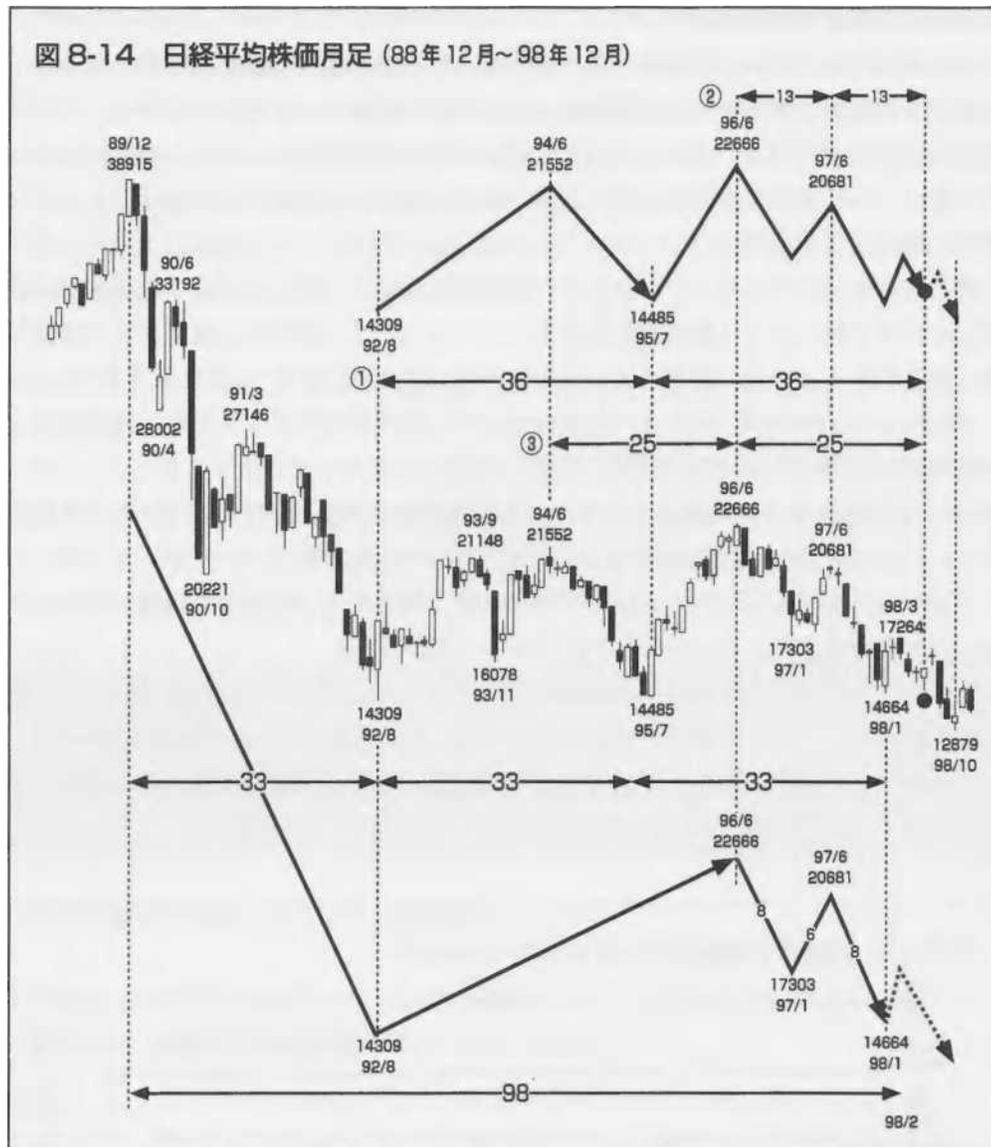
It is inevitable that judgments will change according to circumstances. The reason for this is that it is not only the third wave of the downward movement, the second wave of which was the high of June 1996, but also the third wave of the downward movement, which did not break above the high of 1996 and broke below the leading span as a push. This time, the '96

This is because we must also take into account the three waves down from the June high.

I would like to explain here that there is an important month of change, just as in January 1992, which I mentioned earlier

(F

igure 8-14).



June 1998 was a positive month, with a low of 14,715 yen (0 mark).

August saw not only the June low, but also the 14,040 level that had been hit three times before in August 1992, July 1995 and January 1998.

The price fell below the 00 yen level to the low of October 1998.

As of June 1998, the following time relationships may be identified.

- (1) The 36th month from the August '92 low to the July '95 low
- (2) The 36th month from July '95
- (2) 25 months from the high of June 1994 to the high of June 1996 = 25 months from June 1996
- (3) 13 months from the high of June 1996 to the high of June 1997 = 13 months from June 1997

Here, (2) is not particularly important, but the time relationship between (1) and (3) may be important.

The reason why (ii) is not important is that it is not strictly a three wave structure of N. It is simply one of equal numbers

We must not turn a match into a conviction.

It is also important to note that the June 1998 low is barely below the January 1998 low.

The time relationship between the January 1998 low and the January 1998 low is a three-wave structure of eight, six and eight power months from the June 1996 high, and the 98th power month from the 1989 ceiling.

If we take this number of months as a fixed form, $33 \times -3 = 297$ power months is a kind of section. The eyes.

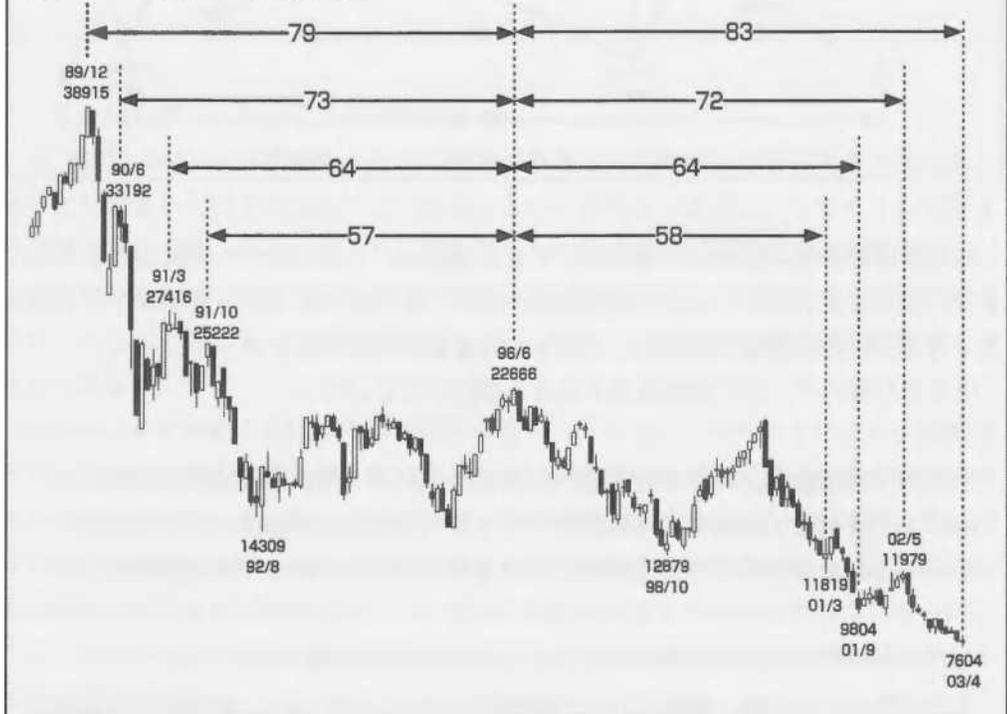
The January 1998 low showed the possibility of a bottoming out, and a further bottoming out until June 1998, when it was finally broken. This emphasises the fact that the volatility up to the June '96 high was a second wave.

Therefore, from 2000 onwards, the equal number around the high of June 1996 has been alive, and the low was set in a downward three-wave structure.

The time from the June 1996 high to the June 1996 high was 57 (from the October 1991 high), 64 (from the March 1991 high), 73 (from the June 1990 high), and 79 (from the December 1989 high). The 58th force month from the June 1996 high was the March 2001 low, the 64th force month from the September 2001 low, the 72nd force month from the May 2002 high, and the 79th force month from the December 2002 high (8-15).

The most important point in the time relationship between the three major waves was the 79th power month. In fact, the market has fallen further from this point, partly because there has been no return since 2000, but also because most individual stocks bottomed in December 2002. If you are interested, you can check it out.

図 8-15 日経平均株価月足 (88年12月~03年4月)



The April 2003 low was 83 strength months from the June 1996 high, which was also a fundamental figure. There were those who thought that the January 1998 low was a good one and claimed that the market had reached a major bottom in the equilibrium table at every low, even after it had fallen below the 14,000 level. However, if one follows the way of thinking of the Ichimoku-Sanjin properly and gains experience in a very normal way, such a judgment is impossible and should not be made.

If the release of the market is the extreme of the market, then the ceiling and the bottom are also the extreme. These are sometimes directly related to buying and selling, and should be considered carefully.

On a struggle around a certain market level

Next, we will look at the fluctuations of the Nikkei 225 in terms of market levels. Inexperienced traders may find it difficult to find a starting point. It is better to count the graphs from various points and try to figure it out.

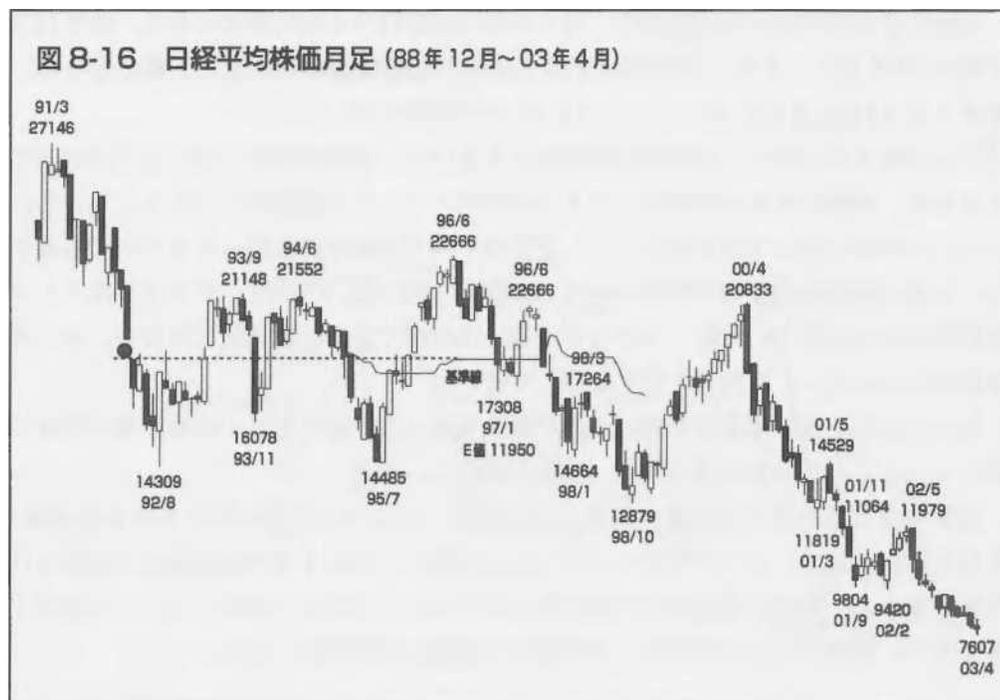
To give you a rough idea, here's what you need to know

(1) The position where there was no reaction on the change date and calculated value of the three-wave structure is likely to be the starting point.

The price is likely to be the market level if the base line and the leading span of the equilibrium table (the 52-day half price preceded by 26 days) play sideways.

(3) The point where the lagging span and the solid line intersect is

likely to be the starting point and the market level. Let's check the



An example of this is the rise from July 1995 to June 1996 and the fall from there. During this period, the base line continued to move sideways, indicating that it was not functioning as a push back.

The first time the price reached this level was in April 1992, when the price reached the negative line (marked with a 參 in Figure 8-16). If we count April 1992 as the starting point, the 18th month was the high in September 1993 and the 27th month was the high in 1994. Although these are slightly above the base value, the 42nd month was the same level in September 1995, the 51st month was the high in June 1993 and the 65th month was the low in August 1997. In addition, the 97th month is a large negative line of the April 2000 high, which can be regarded as the same level as the high in the struggle.

In Figure 8-17 (1), the half price of the April 1992 negative line is used as the market level, and it can be seen that the January 1997 low stopped falling at this level and was broken in October 1997, the 67th month.

The calculated value of **E** in January 1997 was 10,000 1950
The price was at 1 yen. The decline up to this point was in the range of a huddle. As a result, the volatility up to January 1997 can be regarded as a tug-of-war with the April 1992 shadow line as the market level, and it is no wonder that the basic figures starting from April 1992 have been particularly effective.

Here we would like to consider two further market levels.

Fluctuations with the August 1992 low of 14,309 yen as the market level

The August 1992 low of 14,309 yen is the end point of the three-wave structure and the month of change. Therefore, strictly speaking, the position that did not react on the day of change or calculated value of the three-wave structure is not the starting point (Figure 8-17②).

The 47th high of June 1996 and the 51st high of October 1996 should also be considered as highs.

The same level can be said for December 1997, the 65th power month, and November 1998, the 76th power month.

The line is the 101st power month, and the market fell below the basic value until April 2003. April 2003 was the 129th month of the year, which is also the basic value.

If we assume that the August 1992 low of 14,309 yen is the market level, the high was 22,666 yen in June 1996, so the approximate low is 5,952 yen ($=14,309 \text{ yen} \times 2 - 22,666 \text{ yen}$). However, since the price once reached a high in April 2000 and then fell below the market level, the near-term price would be calculated to be ¥7,785 ($= ¥14,309 \times 2 - ¥20,833$). In fact, the low in April 2003 was 7,607 yen. Since this is in line with our calculations and is a basic figure, we can assume that the price will fall in the month of change and the month of

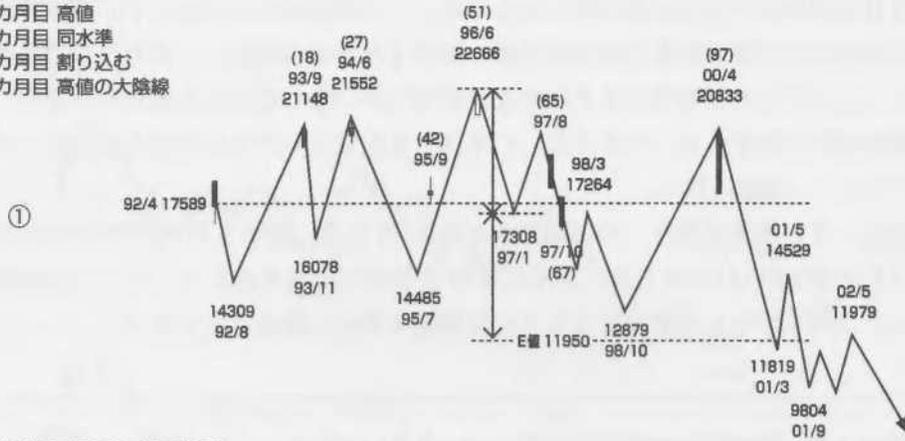
You can be aware of this.

It can be seen that the market level of April 1992 also retained its potential at the same time as the market level of August 1992 (Figure 8-17 (3)).

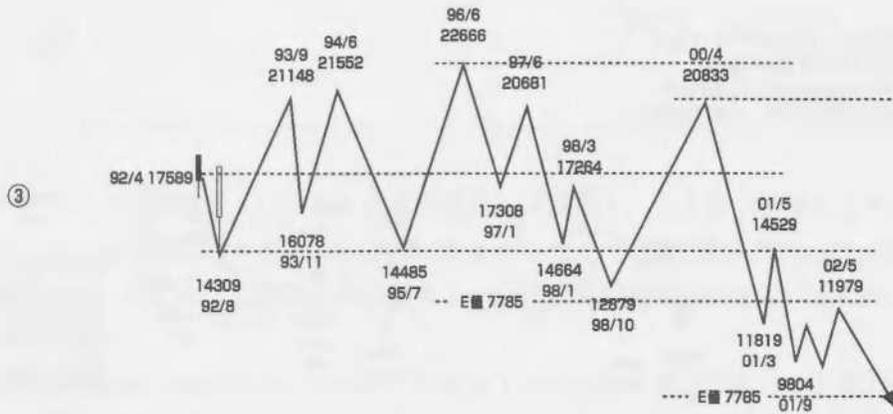
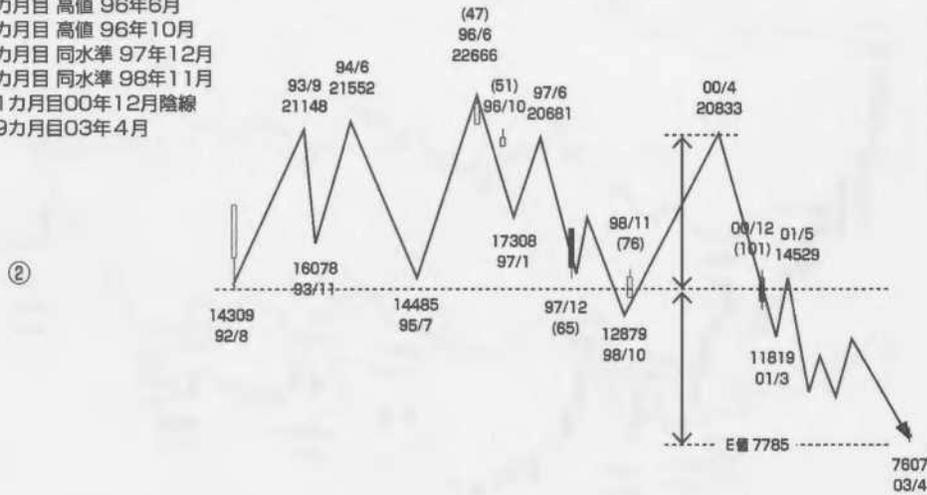
The price is below 11,950 yen, which is the limit of the low price at the level of the market in April 1992 (in this case, the price calculated by **E in** January 1997). In fact, it is the fact that the price level has fallen from the April 1992 level to the August 1992 level that is the most important factor in the decision. In fact, this in itself emphasises the decline and is sometimes a very important factor in the decision.

図 8-17 日経平均株価月足 (91年1月~03年4月)

相場水準 17,589円 92年4月
 18カ月目(≒17) 高値
 27カ月目(≒26) 高値
 42カ月目 同水準
 51カ月目 高値
 65カ月目 同水準
 67カ月目 割り込む
 97カ月目 高値の大陰線



相場水準 14,309円 92年8月
 47カ月目 高値 96年6月
 51カ月目 高値 96年10月
 65カ月目 同水準 97年12月
 76カ月目 同水準 98年11月
 101カ月目 00年12月陰線
 129カ月目 03年4月



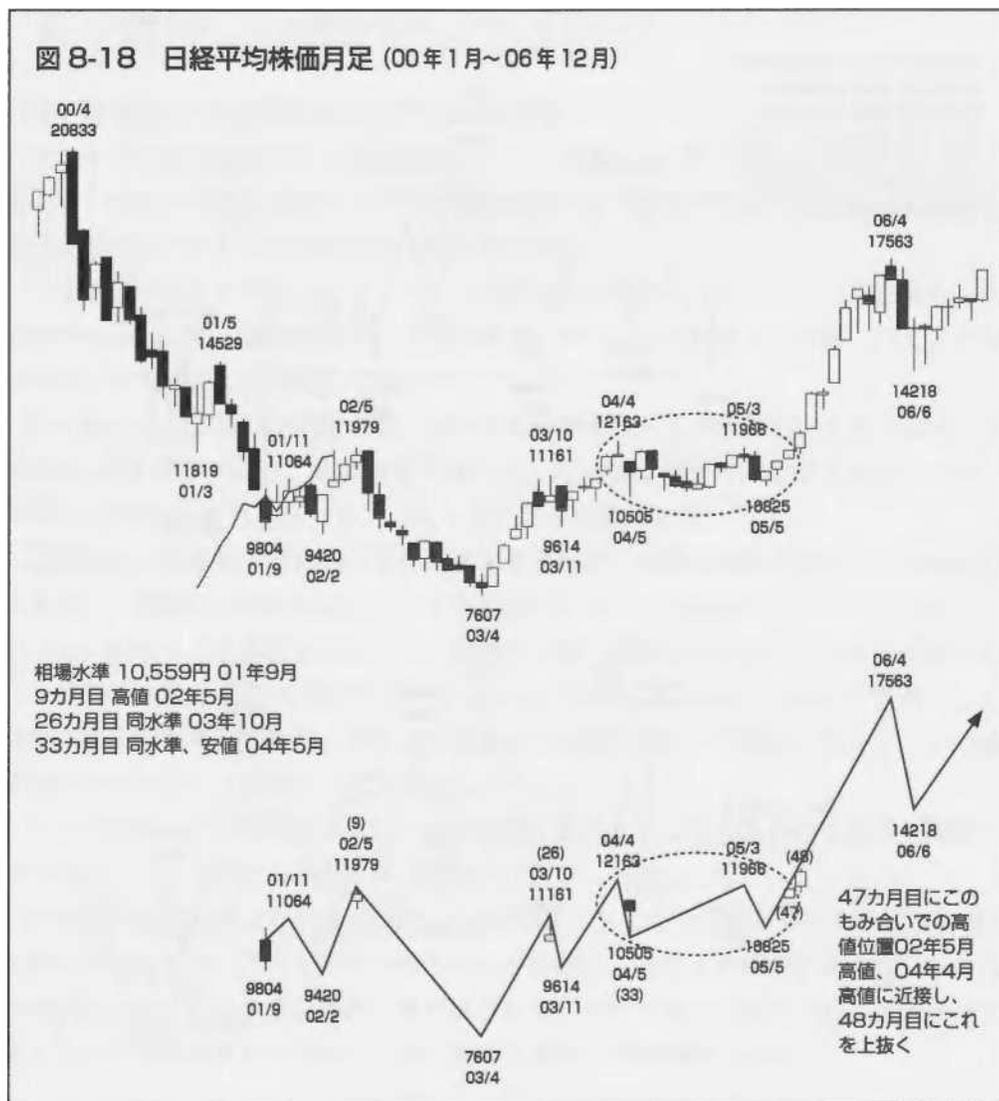
Fluctuations using the September '01 shadow line as the market level

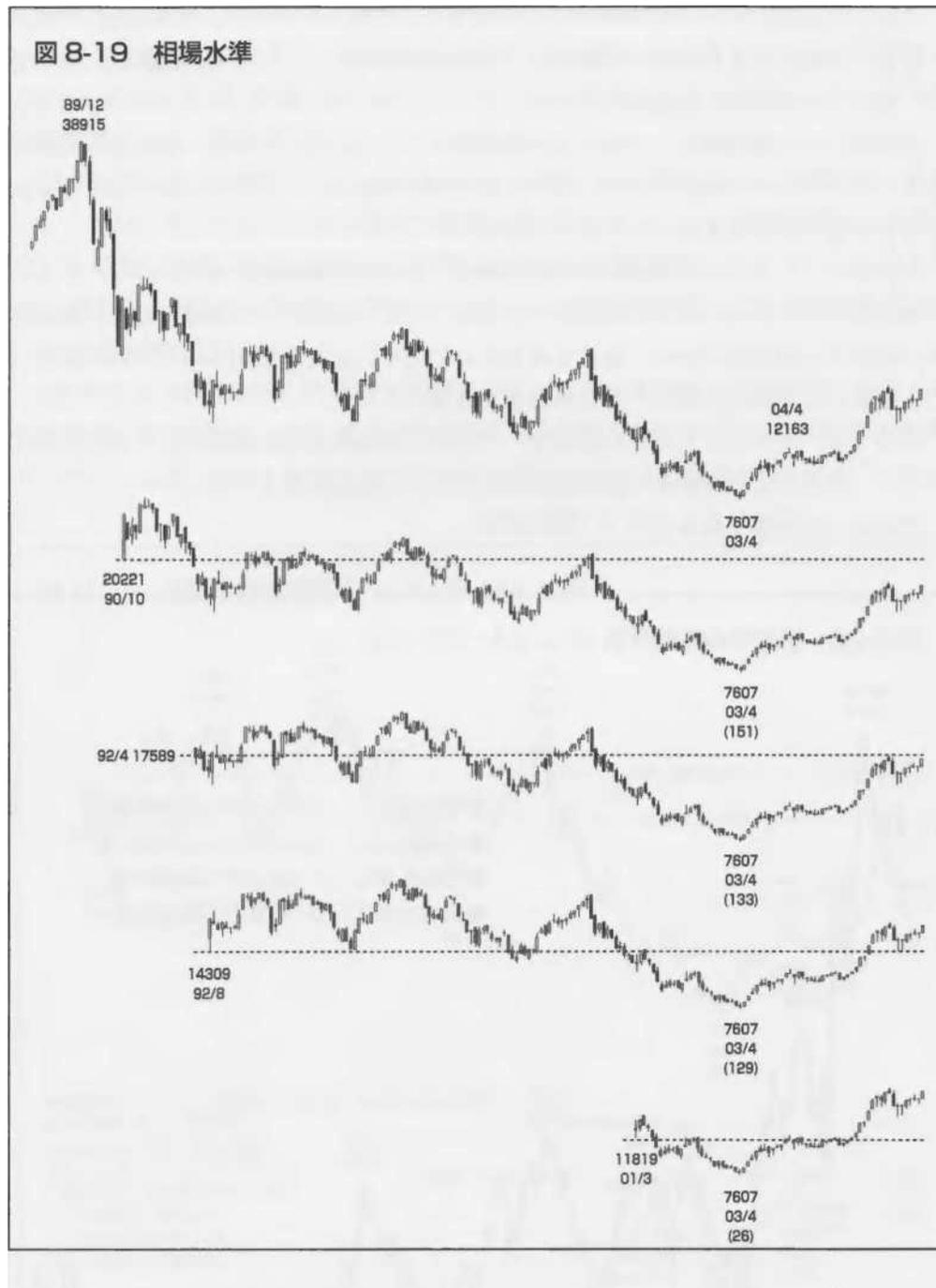
Now let's look at the September 2001 shadow line (Figure 8-18).

This is where the lagging span crosses. The 9th month high in May 2002, the 26th month high in October 2003, and the 33rd month low in May 2004 are also considered to be at the same level. In the 47th month, the price did not break below this level, and in the 48th month, it exceeded the highs of May 2002 and April 2004. In the 48th month, the price exceeded these highs.

Please check how it appears when the starting points are October 1990, April 1992, August 1992 and March 2001 (Figure 8-19).

The position of the April 2003 low is the 151st power month from October 1990, the 133rd power month from April 1992, the 129th power month from the 19928 low, and the 26th power month from March 2001, all basic figures. In this respect, it is possible to assume the possibility of a bottom in the near future.





In this way, we can confirm the three-wave structure of both up and down markets, and also confirm the appearance of faltering markets in terms of the basic figures. once the market bottomed out in April 2003 and turned upwards, we can expect to see the same rise in the market level and the three-wave structure of upward movement in the subsequent upward process.

Many beginners who have started to participate in the market in recent years are only aware of the upward movement since the market crossed 12,000 yen in 2005. The result has not been a prolonged slump or a major decline, but in fact there have been many dangerous moments. We would like to reconfirm this with our own hands and eyes.

I hope you will do the same.

In practice, it is not possible to make judgments based on monthly data alone. It is important to emphasise that this is only one example.

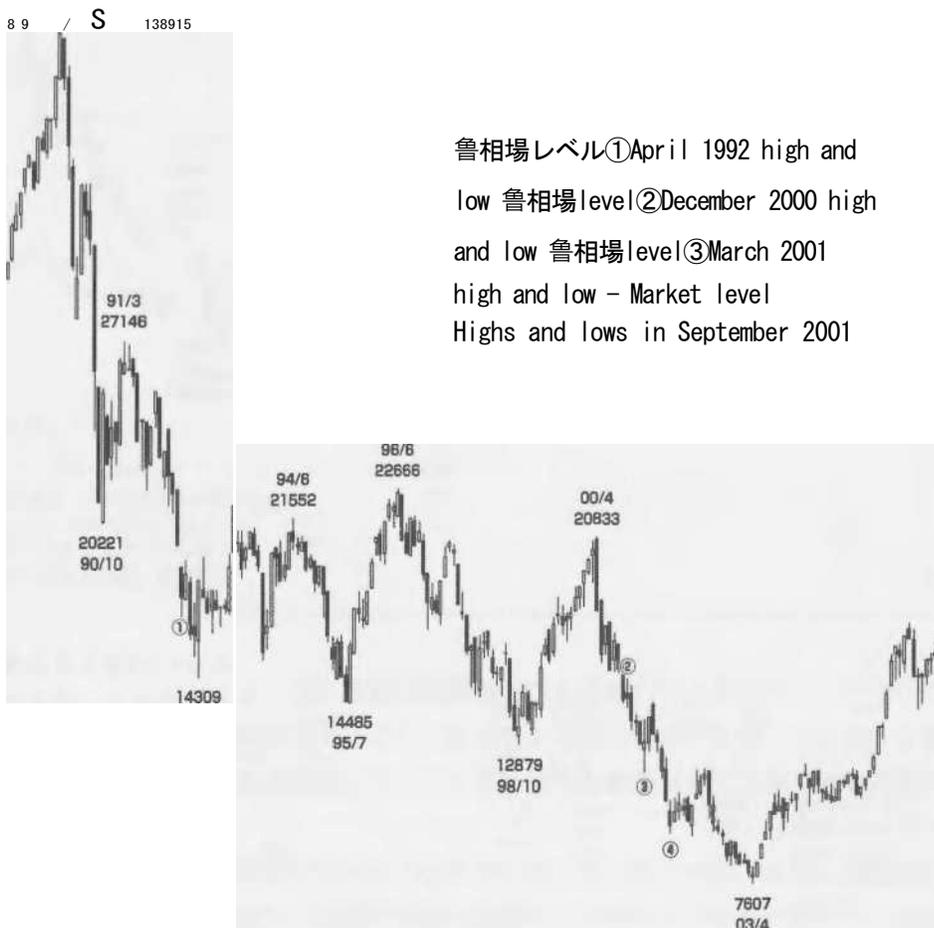
In principle, the month of change in the three-wave structure should be considered important. In principle, the month of change in the three-wave structure should be considered important. However, it was a downward movement from 1989 to April 2003, and even if we consider it as a decline from April 2000, the month of change was finally reached in April 2006.

Therefore, it is more appropriate at this point to look at changes in the market level rather than to follow the time relationship between the three waves of the downward movement and the upward movement. At this point, the month of the change in the three-wave structure is so far in the future that it is difficult to find it in the near future, and the decline from 2000 is so large that it can only be treated as an intermediate wave.

Let's take a look at the monthly changes in market levels at the end of December 2006. Let's take a look at some of the key market levels and their starting points, based on long-term monthly changes.

The following four will be considered (Figure 8-20).

Fig. 8-20 Nikkei Stock Average Monthly (Dec. 1988-Dec. 2006)



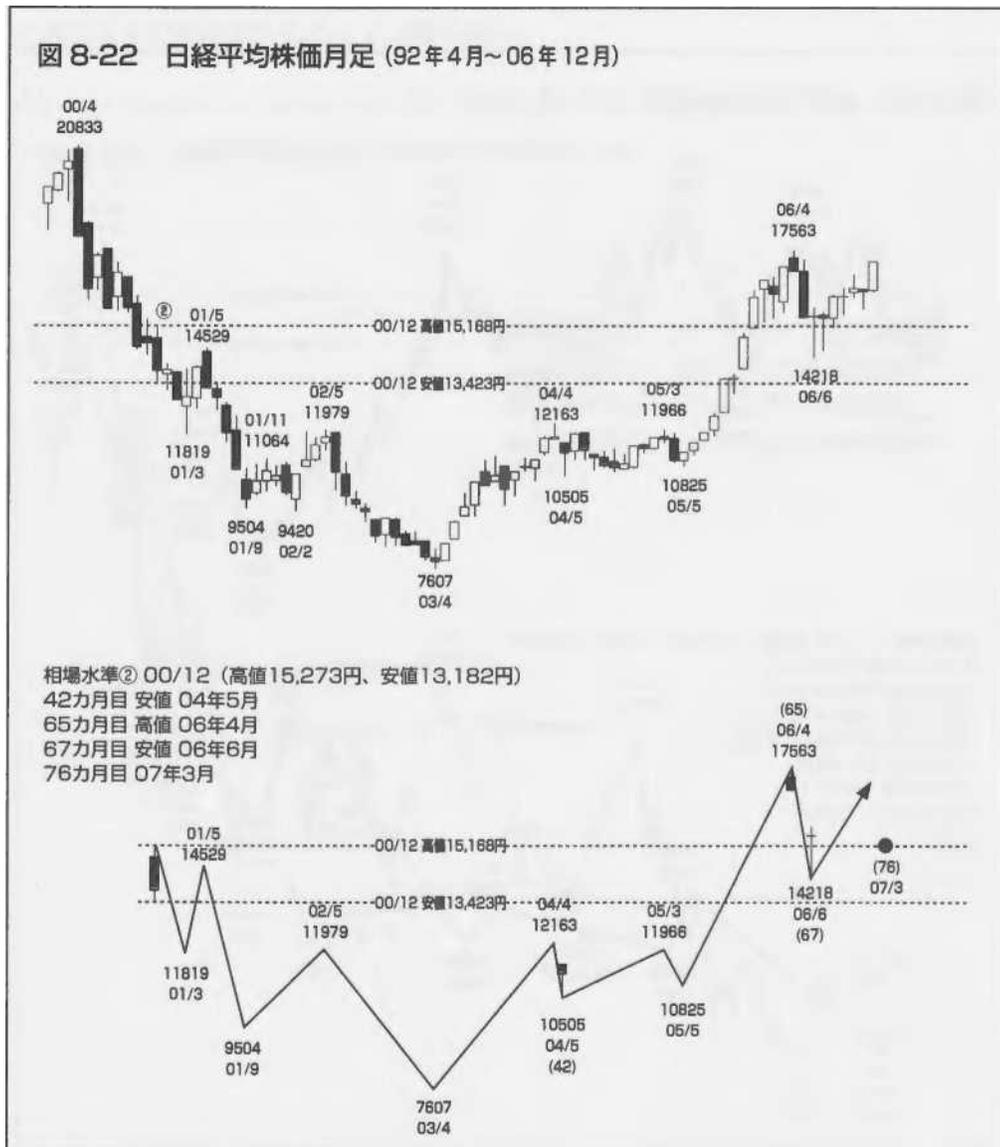
It should be possible to judge that the fall should act as a second wave.

The problem is that the April 1992 candlestick has a range of 16,598 yen to 18,581 yen. If the 176th month is November 2006, and this is the low, we can assume a rise to (a) or a break above this level.

Let us assume that June 2007, the 183rd power month, is the month of change.

(2) Fluctuations based on December 2000 (high: 15,168 yen, low: 13,423 yen) as the market level

As can be seen from Figure 8-22, in fact, it is not significant to keep the market level from December 2000 to the 65th month high in April 2006 and the 67th month low in June 2006 (the 42nd month low was in May 2004). However, it is important to note that the June 2006 low was the base value for this level.



The 76th month was in March 2007. The 76th month is March 2007.

(3)Fluctuations based on the market level of March 2001 (high of 13,862 yen, low of 11,819 yen)

Starting from March 2001, the 26th power month was the April 2003 low, the 33rd the November 2003 low, the 42nd the August 042003 low, the 51st the May 2005 low, the 65th the July 2006 low, and the 67th the September 2006 low. months (Figure 8-23).

If the market price is set at the low of 11,819 yen, the upper limit of the haggling range is "11,819 yen x -27607 yen = 16,031 yen". If the market price level is set at the high of 13,862 yen, the upper limit of the huddle is 20,117 yen.

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Fig.8-23 Nikkei Stock Average Monthly (Jan. 00 - Dec. 06)



Market level (3)

- 01/3 (High: 13,862 yen, Low: 11,819 yen)
- 26 force month low Apr 03
- 33 force month low Nov 03
- 42 force month low Aug 04
- 51 Force month low May 2005
- 65 force month low July 2006
- 67th power month, September 2006
- 76th power month, June 2007

You will also receive

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It also implies a fall to at least the market level (c) in July 2006 or September 2006. However, this was not determined as a month of change. This suggests that the market level (b) rather than (c) is at work.

It can be judged that the way the candlesticks appeared in September 2006 and November 2006 is a clear indication of the rising market level. From this point of view, it would be possible to judge that "we do not consider a decline from the current position".

September 2006 is the 42nd base month since the April 2003 low, counting from the market base (a). If we consider that the September 2006 high of 16,385 yen is equivalent to the April 1992 low of 16,598 yen, then we cannot expect a market rally if the price falls from September. The significance of the subsequent rejection of such an important September high is very significant.

The 76th power month is June 2007. The 76th power month is June 2007, and we can assume that March and June are important months of change in 2007. In the future, we will be able to estimate these months of change and how the actual changes appear.

(4) Fluctuations based on the market level of September 2001 (high: 18,212 yen, low: 9,382 yen)

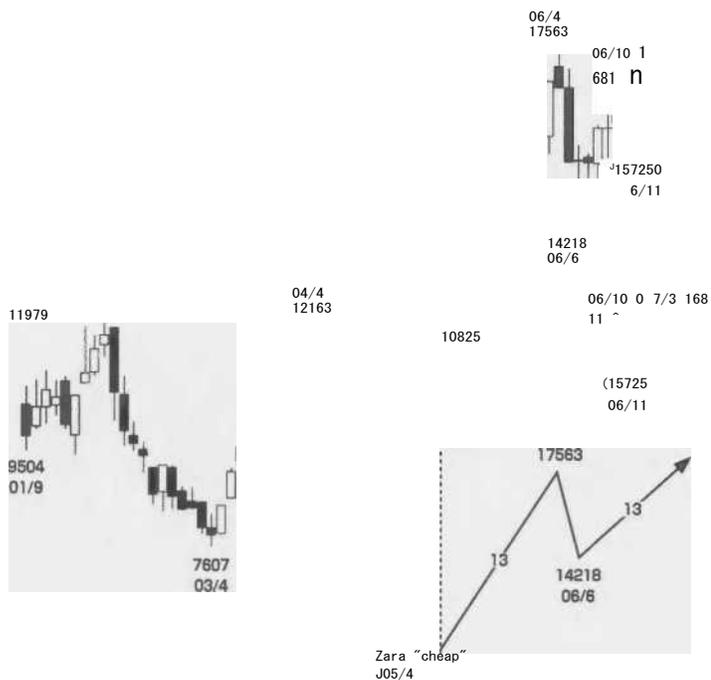
The reader should check it for himself. This is the monthly data until the end of December 2006 (Figure 8-24).

If the market adjusts to March 2007, we will look for a rise to June 2007, as the rise from the April 2005 low to the April 2006 high will be 13 months and the 13th month from the June 2006 low will be June 2007.

However, the fifth month after the November low is March 2007, compared with the fifth month from June 2006 to the October high. Therefore, if the price rises until March 2007, we will be able to estimate the nature of the subsequent adjustment.

It is a question of whether the market has enough strength to continue the upward movement, as it did in 2000, or whether it will be enough in 2003. This is what we are trying to determine from these market levels.

Fig. 8-24 Nikkei Stock Average Monthly (Jan 01 - Dec 06)



June 007
Market Level 1) 92/4 (High: 18,581 yen, Low: 16,598 yen)
183rd month Market Level (D0) 1/3 (High: 13,862 yen, Low:
11,819 yen) 76th month

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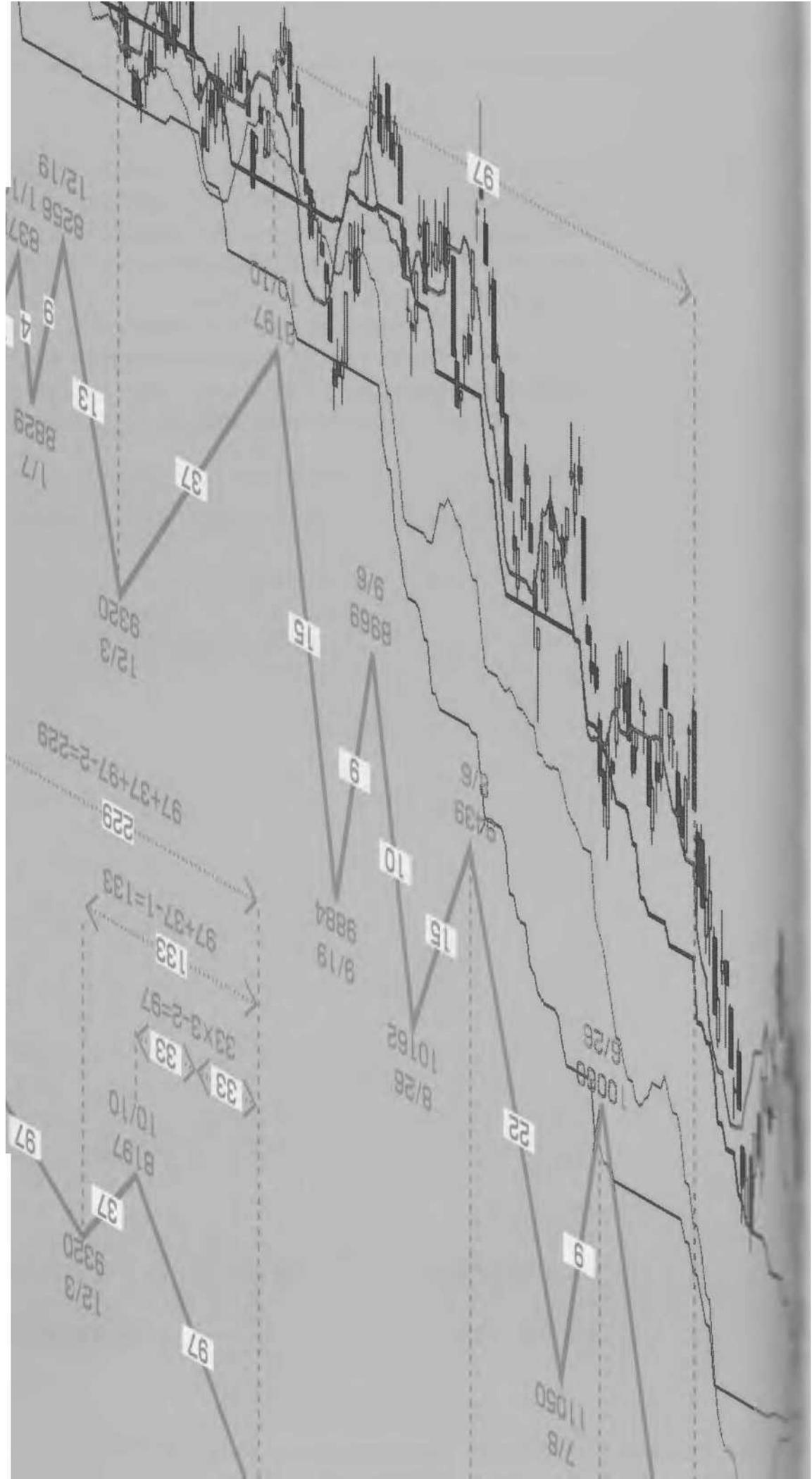
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1. The essence of _Equilibrium

It is almost 40 years since

Ichimoku Sanjin published

Volume I "J". The Ichimoku Equilibrium Table

has become well known to many people.

However, this is only a facade, and it is questionable whether there is any real understanding. One of the reasons for writing this book was that we felt that there was a lack of understanding and use of the concept of the 'human rights'. One of the reasons for writing this book was that it is not only that, but it is also that it is being understood and used in ways that are harmful. Most of the material in Part I was compiled in June 2006.

When we approached a number of publishers, most of them said that this was not what their readers wanted. They wanted us to write something that was easy to understand, something that was not difficult, something that the average person would find easy to use, but they wanted it to be easy to understand as "technical analysis".

This means that the equilibrium table will never be evaluated at a proper level.

After 40 years of being read (and perhaps not even read) by people whose profession is technical analysis itself, it has not been properly understood. This book has been buried, without any intention of pandering to such a soil, where there is no common understanding of Yamato's methodology to look at, or even to accept his words.

The equilibrium table, reduced to a technical analysis, is not able to achieve the essence of equilibrium, which is "to get the maximum price range in the shortest distance with the greatest safety". It is also difficult to sort out the various problems that a person facing the market will inevitably encounter.

I think the main problem lies in the concept of "technical analysis" as most of the public perceive it.

Many people treat the equilibrium table as a type of technical analysis, sometimes equating it with moving averages and thinking they understand it. The fact that many people use equilibrium tables, moving averages, Fibonacci series and Bollinger bands in an uncontrolled and confusing way, and do not see any

contradiction, is a problem of technical analysis itself.

If this is the only thing that can be used to rationalise failures and successes, then we will forever be failing at the fringes. There is no point in "analysis" if it is sometimes correct and sometimes not. No experience will be accumulated.

The reason why I am reluctant to use the terms "technical analysis" and "chart analysis" is that many technical analyses do not even have a clear path to conceptualisation. Of course, many of them are clear, but I do not believe that there is a generalised path to synthesise the many baronial techniques.

Technical analysis

When looking up the definition of a technical term, the general public is likely to search the internet in particular. Wikipedia, a free online encyclopaedia, explains "technical analysis" as follows (as of June 2010)

Technical analysis is a method of forecasting and analysing future changes in trading prices, mainly in the equity, commodity and currency markets, based on time series patterns of past price and volume performance. It is a method of forecasting and analysing future price changes based on supply and demand, profitability assessments and the background to these assessments.

This concept is in contrast to fundamental analysis, which is based on the analysis of economic conditions.

Overview

There are a number of specific techniques of technical analysis, which can be broadly divided into the following two categories

1. How to spot uptrends and downtrends in trading prices.
2. A method of calculating the affordability and

volatility of the price of a transaction. The methods

of performing these include

Illustrative method with reference chart analysis

Meaningful judgement method, used in visual judgement by humans – Numerical calculation method by computer

Used for automatic execution of analysis and drawing of analysis charts

and are interrelated. Usually, for clarity, the results of the analysis are presented in a chart. We are

The most common method is to use a chart (graph-table).

This is a very clear and coherent explanation. However, with such an understanding, does it really make the significance of the use of line charts clearer?

The term "technical analysis" first appeared in Japan in 1962 in the translation of J. E. Granville's Rules of Investment. The term "technical analysis" first appeared in Japan in 1962 in the translation of J. E. Granville's Investment Rules (Diamond Inc.).

The book does not clearly define technical analysis, and Granville is not necessarily responsible for all the problems. However, one cannot help but feel

that the logic presented by Granville is not the thinking of the trading decision maker himself, as there is no logical hypothesis or counter-evidence as to what the conclusions of a careful analysis might mean in cases where actual fluctuations differ from the conclusions.

This was also true of Charles Dow. This is also true of Charles Dow, who was a major influence on Granville.

Trends. Is. . hour . Friends”.

Of course, it is important to know when the market turns and what direction it is going. But what is always, and most importantly, for the trader? Is it time to act? Is it possible to make a clear decision about whether to go up or down? and “Can I clearly judge the ups and downs now?”

Knowing the direction means, for example, deciding that the Nikkei 225, which closed at ¥10,751 on 12 March 2010, will aim for ¥11,000 in the future. However, there is a crucial difference between reaching the 10,000 level after falling below it or after a small push before reaching it from 10,751 to 11,000.

What we need to be clear about is not a vague sense of direction. What we should be looking for is not the vagueness of a direction, but the direction of an upward or downward movement. However, as we are forced to recognise the movement itself as the direction, it is sometimes easy to mistake a mere price movement for the direction of the market. In order to compensate for this, the ancients defined “pushes” and “comebacks”, which they regarded as a kind of “tug-of-war”. The act of buying on a new high, or buying on a rebound from a push, is both a state of pending judgment, and a period of confidence in the direction of the market.

If we do not know what is going on, it is important to know when and how it will become clear. But how many technical analysts are there who can state what we don’t know and suggest a way forward to the moment when we do know?

Granville’s book is still a textbook of technical analysis. It is a thorough attempt to analyse timing and direction in terms of the way in which market movements themselves appear.

Nevertheless, in the process of introducing the concept of technical analysis to Japan, I have come to feel more and more strongly in recent years that the traditional Japanese concept of the Yase line has been largely replaced. I think that my thoughts are more accurately conveyed by using the term “Yase curve” as a simple “tool” for exploring the direction of the market and for making trading decisions.

We would like you to reconsider the equilibrium chart as a “tool”, an extension of the Japanese “kagi-oku”, “shin-oku” and “candlesticks”. In the second part of this book, we would like you to make this point thoroughly once again.

Baronial analysis

The main focus of the study of the Japanese curve is on the direction of the market and the timing of the turnaround. This can be imagined in terms of kagi-ashi, shin-ashi or a combination of candlesticks.

The Japanese method has always been a “personal” study. As the saying goes, “the market is not something to talk about”, and it is no different today than it was in the past.

Because it is a personal study, the notion of direction and transition can be vaguely defined and must be perceived according to the researcher’s experience.

The study of yasemi-kaisoku is fraught with such problems in the first place. In other words, even if we use the same key leg and the same new price leg, we can use them in any way and make any decision. In the past, this was accepted as a natural state of affairs.

However, after the 1960s, the common understanding that had existed up to that time was rapidly lost. This coincides with the period when the concept of "technical analysis" was generalised. This is a great pity, even if what is required in each era is generalised.

There should be a systematic research process in personal research. However, either this systematic process is not communicated to others, or the process is ignored and new conceptualisations are developed on an individual basis.

It can be said that most of the ascending line research is not "organised" in the sense that it is carried out.

Thoroughness of "common understanding" is essential for systematic research. However, it seems to me that the generalisation of technical analysis places the common understanding that should be ensured elsewhere, rather than in the direction and transformation of the market.

Some textbooks of technical analysis provide an "objective" view of the winning rate of the Nikkei 225 since its listing, based on the decision signs of a number of corrections. The thorough conceptualisation of directions and turns based on the statistical theory of certainty emphasises the automatic execution of the analysis and the mechanical trading.

It is also true that this emphasis on objective facts has led to a rapid loss of the essential meaning of the key, new price and candlestick.

At least in the case of trading decisions based on probability statistics, there is no such thing as "resting on your laurels". The reason is that if we do not take action when a turning point appears, we will not be able to get close to the figures in the statistics. It is therefore also a problem that we are forced to dismiss as meaningless the false moves of the curve.

Equilibrium table definition

In order to make people aware of the difference between technical analysis and equilibrium at first sight, we can explain it in the following way, following the Wikipedia explanation.

The equilibrium table is a method of estimating future changes in trading prices, mainly in the stock, commodity and currency markets, based on the present nature of the market. The presentness of the market is based on the way in which prices and volumes have changed in the past, and not on the time series patterns of the past.

It is not incompatible with fundamental analysis itself, as long as it does not deny that the presentness of the market is to be found in the price of the market itself.

The 'equilibrium' table establishes the direction of the market, which is determined by two main processes.

1- The release itself (the intersection of the equilibrium and solid lines, highs and lows, etc., as indicated by the chart)

How to check the transition process from

2. The method of searching for the basic wave by comparing the date of change and the calculated value with the actual transition process.

The two must always be verified without contradiction, and the method of verification is

· Confirmation of the appearance of the basic figures by setting the market level - Confirmation of the possibility of a three-wave structure by the appearance of the market

It becomes.

-Equilibrium graphs provide an intuitive view of these, and in some cases suggest typical trading points.

We do not want the results of our analysis to remain intuitive. However, it is only natural that technical analysis should be criticised if it is so concerned with objectivity that it loses sight of its important objectives.

Unless there is a "synthesisable axis", be it graphical or numerical, and unless it can be logically linked, the understanding is unlikely to be meaningful.

Generalisation

The equilibrium table is a comprehensive method of analysing the future of stock prices based on time, wave and range observations. I have seen and heard this explanation from so many places and people. However, I have never seen any commentary or person who actually shows the "path to synthesis". In many cases, the judgments that are made after the time, wave and calculated values are not beyond the scope of "wild guesses".

Synthesis requires an "axis". If the equilibrium table is made up of time, waves and price ranges, then it is impossible to resolve the contradictions without using waves as the axis. Wave theory is not only very important, but I personally believe that it is the foundation of the equilibrium table. There will always be contradictions. This is not only a matter of understanding the market.

Most of the signs that are used by the Yeaside Line to make a decision to buy or sell are attempts to appropriately capture the breakout of a tug-of-war, but they do not necessarily determine the breakout. It is possible, for example, for a price to fall sharply immediately after a new high, or for a price to fall sharply after a slight rebound from a point defined as a push. Even if you set a

pending decision and try not to be misled by price movements, you will not be able to eliminate "deception".

If, when confronted with such an obvious contradiction, the attitude is to solve the problem not by a logical path but only by changing the problem, then what is the purpose of analysis? What is the purpose of analysis if the only way to solve the problem is to replace it with a new one?

For example, when using the equilibrium chart as a push, the price falls below the conversion line by 2 yen. This

It is a very important question whether or not to judge a fall to the base line at the 2 yen level at which the price fell.

The same mistake may be repeated over and over again, unless we devise ways of judging such things as "If this 2 yen is a stranglehold, the price must be at least 2 yen above the turnover line" and "If the low made is decisive in terms of time, the continuation of the fall is clearly regarded as a fall" in a way that is consistent with the core wave theory. The same mistake may be repeated again and again.

Misconceptions about entrances and exits

One of the basic forms of trading decisions on the chart of equilibrium is the "triadic upturn".

- (1) The equilibrium chart turns favorable (the conversion line overtakes the base line)
- (2) The line span upturn (the late line span overtakes the market solid line)
- (3) The market price is above the upper limit of the leading span

On the back cover of the first edition of Volume J, Volume 1, **the importance of taking advantage of** the triadic virtues was clearly stated.⁰ However, in the current edition of the original work, the expression "triadic virtues" is absent. Nevertheless, this basic form has been generalised.

The reason for this is that it was spread in Kabutocho through the readers of the first edition (probably the secretaries of the coterie).

There is nothing wrong with buying on the upturn of these three roles. The problem, however, is that so many people see the exit (i.e. the sale) as a deterioration of the three roles.

The opposite of a buy is a sell, the opposite of a rise is a fall: That's right. But it completely misses the point of view of pausing and holding.

There is not much of a time lag between (1) and (2) for the upturn and downturn in the three roles. However, there is a possibility that (3) may be far off. This is why many people say that we should focus only on the leading span in the equilibrium chart, because they think that (3) will occur last. However, it is not possible to focus only on the leading span in the equilibrium chart, even if one only considers why the three roles are important.

The leading span suggests a semi-major relationship in a large span (up to 76). It is not easy to move above or below it after a large decline or a large rise. In the case of a buy on the upturn in the three roles and an exit on the downturn in the three roles, we can see that unless there is a very large margin of profit, there could be a loss.

If you are buying on a three-way upturn, the exit point should be the

completion point of the three waves. Whether or not to accelerate the profit-taking depends on subsequent fluctuations.

People who think that the equilibrium table mechanically determines buy and sell signs are often mistaken about such entry and exit points. What will be the result of mechanically repeating the cycle of buying on an upturn and selling on a downturn? Or, to put it another way, what happens if we buy on a positive upturn in the slow moving span and sell on a negative one? Or what happens if we repeatedly buy on an upturn and sell on a downturn? In either case, if the market continues to struggle, there will be no result.

In principle, the equilibrium table should be used as a guide to market movements.

If the market falls below the equilibrium as a push, the first thing to consider is a struggle or a market turn. In Chapter 5 of Part I, we discuss the possible buyable and unbuyable phases of a triangular upturn.

If there is no margin of safety in terms of the price range and time that can be expected after the upturn, it is not a good idea to buy easily. Wave transitions are sometimes complex and can be troubling. But you can find out how to deal with them in the market commentary in this book.

It is also important to be familiar with the meaning of each equilibrium line in this type.

A change in the position of the base line and the conversion line means that the

arket level" of the past 9 days' change and the past 26 days' change have coincided at that position.

e change over the past 26 days is indicated by a "Y" or a

This means that it is possible to capture a "P" waveform.

The turnover line is the most sensitive to near-term rallies and falls, and the most recent upward movement in the direction **Y line is** the

If this is the case, then a coincidence between the base line and the conversion line will always lead to an upturn. But whether the market direction will be sustained is another matter.

It is worth considering the significance of the three roles as an entry point for a positive change as follows.

(1) and (2) mean that the market has let go after 26 days of a tug-of-war.

(3) means that the influence of the downward trend has been overcome.

This is either the initial move up from the bottom or a further move up after the bottom. In other words, the further upward movement after the bottoming out is very likely to be the third wave of the upward movement.

This is directly in line with the "Equilibrium table upturn after the preparatory structure" in Volume 1, which is, I repeat, explained in Chapter 5.

This is explained in Chapter 5.

What are the basic figures?

The basic figures are defined by me as follows.

9 and 26 as absolute numbers, the numbers derived by this combination

In the absence of a clear definition in Volume I, it is difficult to understand why these numbers are so important and how they are to be used (one has only to look at Yamato's own market commentary for this).

In the first volume of his book, Sanjin refers to 26 as "the number of working days in a force month". This is

This is probably the only description in the original book that is not typical of a mountain man. This is because, if you look at the way 26 appears on the weekly, 26 on the monthly and 26 on the half-day, it cannot be explained by a mere business day. Considering the personality of the man who always speaks in expectation of the reader's rebuttal, the above

The explanation gives a strong impression of being "uncharacteristic".

Some have argued that 21 should be used as the base figure, as the market is now closed on Saturdays as well as Sundays, giving a total of 21 or 22 working days per force month. It is true that 21 is also

It can be taken as belonging to the basic number. The number of days is half of the basic number of 42, which is empirically the most common.

But I think the bottom line is that it is important to know what you want to know clearly.

In the first place, the equilibrium table is a table showing the semi-major relationship of the basic figures. Yamato was

not only conscious of 9 and 26.

He would also have been aware of 5, 7, 13 or 21, depending on the market.

Original publication

In "Volume 4: Our Finest Form", we also make use of the large lagging spans 42 and 65.

If we consider that Yamato considered the relationship between 9 and 26 as the most important one, as the "absolute" one, as the one "formula", as the one which, if suppressed, would make the relationships between the other basic values obvious, I cannot easily change the basic values. I can only follow his thinking, believing that it can only be applied if the essence is thoroughly understood.

In fact, having learnt and continued to be thorough in my market commentary, I do not recall making any major mistakes until the lows of 2008. Indeed, I don't even know of anyone who has changed the basic figures simply by analogy. But at least I don't see the necessity to change them anywhere!

Many people value the Fibonacci series in relation to time in the market. They suggest that the Fibonacci series embodies the way things appear in nature, such as the number of veins in a leaf or the pattern of a snail. Personally, however, I would not bet on it as being "therefore rational".

Whether it is a fundamental number in an equilibrium chart or a Fibonacci series, we need to experience the absoluteness of the number empirically. We do not think that scientific or rational explanations of the numbers are necessarily important.

Personally, I feel that mathematics can provide some rational explanation of basic numbers. However, this is probably not something I should be focusing on at the moment.

Beginners often find it difficult to rationalise basic figures, as opposed to equal figures, which are consequently easier to experience. In fact, that was the case with me.

The clue is in the original book. The clue is in the original book, "How to get a range" in "The Conclusion". Simply put, "draw a number of lagging spans".

The experience of drawing graphs and counting, especially counting, should not be a half experience. At the beginning, it is necessary to count all the days of the rise and fall in order to be able to bet on the three-wave structure and the market level.

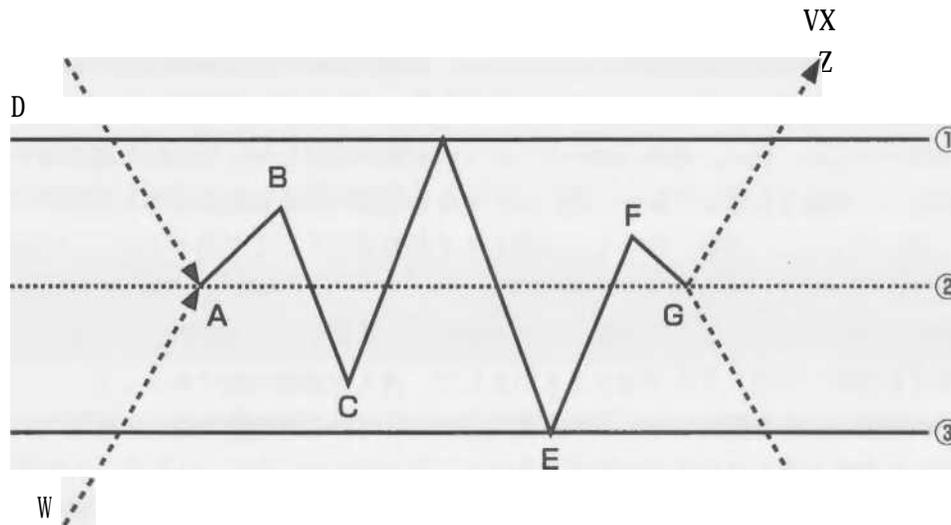
Why use an equilibrium chart?

There are many people who call themselves Ichimoku Sanjin's "first disciples". **The** definition of "master and disciple" is also a difficult one. For the rest of us, we can only look at his "footprints".

There was once a man who claimed that he was the best speaker on equilibrium tables (I don't know where he got this notion from:). (I don't know where he got this idea.) He never said, "The original book is important for equilibrium tables. He never said, "Read the original book. He just said "write the lagging span in front, that is the secret".

By writing the lagging span in front (if you write it in front, the namelagging span is wrong), perhaps valuing the fact that it functions as a push-back like any other line. But it is the same whether it is written forwards or backwards.

The "width method J" mentioned earlier is simply a method of writing a lagging span with some basic values.
The idea is to try.



The diagram above is a schematic representation of a tug-of-war, which was also used in Part 1. We defined a tug-of-war as (2) as a fluctuation that repeatedly rises and falls to the same market level. If we take a tug-of-war market as the axis, there can be no other way than for the upward movement to act as a tug-of-war and either go up or down, or for the downward movement to act as a tug-of-war and either go up or down.

It is possible for a market that is perceived to have broken out to end up in the range of a tug-of-war. However, it is clear that G in the diagram is a very important point for assessing the market.

In the basic figures from **A with** a level of (2), the following two trends are noticeable.

-Often the same price as A in basic figures – Often the same price as A in basic figures – Often the same price as A in basic figures – Often the same price as A in basic figures

The first is extremely important. If we assume that the period from A to G is 9 or 26 days, then at G the turning line or the base line should always touch the

solid line. The **E - F - *G - X** variation in the diagram

is exactly how the market's real line pushes up against the equilibrium line.

However, the breakout is not always at the half-way point, it can be from **F** to **X** without pushing to **G**. **This is** when the lagging span comes into play.

In other words, the lagging span and the equilibrium chart are complementary to each other. In fact, the upturn in the three roles is not just a bounce, it is also a breakout of Span 26 after the long-term transition has broken out (above the leading span). It is not a mere bounce.

There is no explanation of the market level in the original book. However, it is clear to me that Yamato has sorted this out. The term "absolute" in the original can be easily derived by using the market level perspective at the same time. There is much more to be done before we can write about lagging spans in front of them, and I hope we are not aiming at the wrong level.

Unfortunately, very few people actually follow the methodology of the original book, Ichimoku Sanjin. The reason why people say that the equilibrium table is a wonderful thing, but fail to make the most of it at the crucial moment, is that they have not been trained to do so.

There are two main reasons for using an equilibrium chart.

Spring intuitively determine the direction of the market 豊specifically grasp the market trading point

Many people easily confuse the two. However, if this is not sorted out, a simple problem can become complicated. The end result is that equilibrium tables are difficult to understand.

Intuitive understanding

The "Foreword" to Volume **J** is **one of** those simple sentences which, with greater understanding and experience, becomes more profound.

As mentioned in the foreword to this book, Yamato initially used the terms equilibrium and span separately. Equilibrium refers to the base line and the transition line, while span refers to the lagging span and the leading span.

For the Ichimoku-Sanjin, the equilibrium table was originally a "table" showing "the half-value relationship at the basic values". This was clear from his personal notes before the original publication. In fact, there are still tables showing the semi-major relationships for the basic values 9, 17, 26, 33, 42, 65 and 76.

Therefore, we would like you to consider the equilibrium table from two perspectives, focusing first on what the half price in the basic figures means. One is the idea of market levels and the other is the idea of the half price relationship as the limit of pushback. As you get to know them, you will see

that they are the same.

First of all, let's briefly consider the half price relationship as the limit of the push back. The half price return, the

The term "half-price push" is an old piece of empirical knowledge known to market participants. It is rarely used correctly, as its starting point is usually a fixed high or low.

There are 0

In other countries, ratios such as the Fibonacci series are often used as a limit to push back. However, this is difficult to simplify.

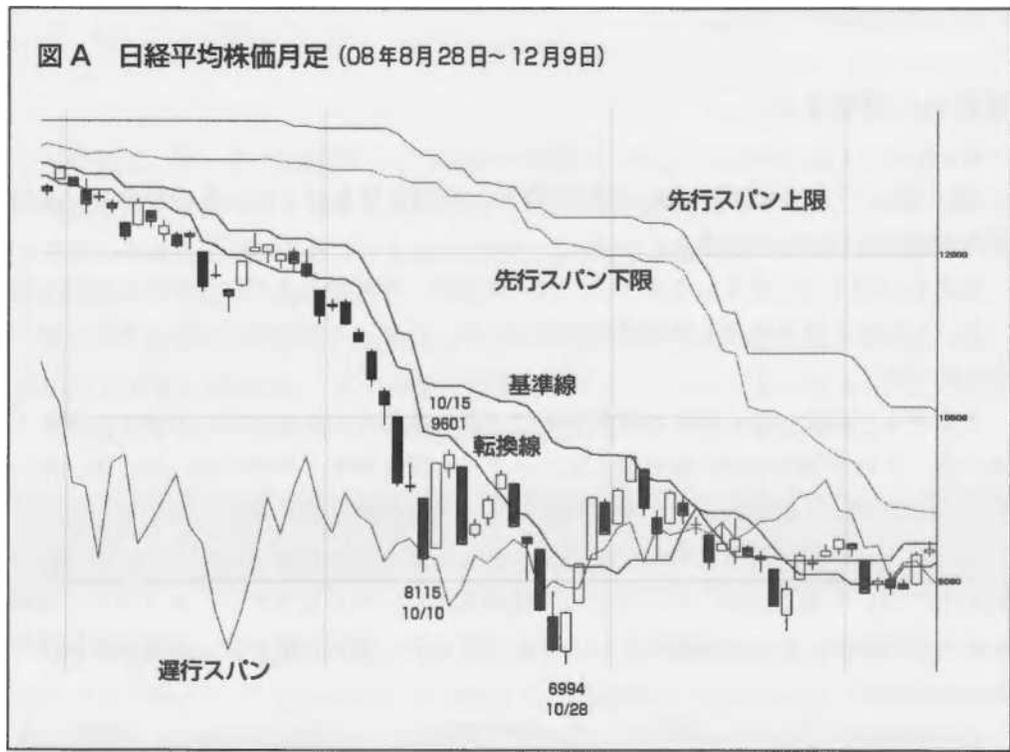
The half price relationship of the equilibrium chart is easier to understand if we are consistent with the half price and at the same time do not stick only to the highs and lows of the volatility process. In other words, instead of focusing on the price range, the half price over time (a certain period of time) is taken as the limit of the pushback.

In the first place, it is logically difficult to determine where the starting point of market fluctuations should be. If the market is trading only at bottoms and ceilings, then there will always be participants in the market as long as there is a price. Therefore, it is important to understand that it is not unreasonable to assume that the long, medium and short term half-price relationships are the "tentative" limits of a pushback.

We want you to understand that the equilibrium chart can be used as a push or as a return. If the equilibrium is working as a push, the market will go up. It would then be "intuitive" to say that the equilibrium is "up" when it is acting as a push and "down" when it is acting as a pullback.

In fact, it is often beneficial just to keep this point in mind.

For example, all fundamental analysis predicts a rise in the market. Of course, it does not have to be a fundamental analysis, but let's say that a certain go-line method predicts a rise in the market. If, at the time of the forecast, the market's real line is below all of the equilibrium lines, is there a need to buy?



As the upward trend is always a push on the equilibrium chart, we only need to consider the certainty of the upward trend after it crosses the conversion line and the base line, and there is no definitive reason why we should rush to buy.

This should not be the case in particular.

In many cases, the market's actual line is sandwiched between the reference line and the conversion line, and as time passes, both the reference line and the conversion line are bound to move.

Specifically, the Nikkei 225 on 10 October 2008 may be fresh in your mind (Figure A). After hitting a low of ¥8115 on 10 October 2008, the Nikkei Stock Average rose sharply in the three days to ¥9601 on 15 October. Many of the public bought in at this time due to a sense of affordability and a significant rebound.

However, on the equilibrium chart, even the conversion line has not been able to push the price down to 6994 yen on 28 October.

The weekly equilibrium chart also shows that the equilibrium chart has not been pushed since the March 2009 low. But even if this is the only thing that matters, we should be able to avoid unnecessary losses.

Intuitive and objective judgement

The opposite of intuitive judgement is "objective judgement". However, I do not refer to the objectivity of technical analysis in general.

In recent years, many people have come to believe that it is possible to determine the "direction of the market" objectively by statistically processing a set of data. Not only that, some people believe that it is always possible. This is not what I mean by an objective judgment.

The terms "intuition" and "objectivity" should be replaced by "tentative judgment" and "decisive judgment" to make it easier to understand. It is especially difficult for beginners to distinguish between tentative decisions (intuition) and trading decisions (observation).

It is necessary to organise them.

What is the essential significance of the frieze line? I would answer that it is to compensate for our human cognitive abilities. We instinctively perceive short-term price movements as the direction of the market. Of course, if we were to make trading decisions based on this perception, we would be swayed by the market and make mistakes. To avoid this, we use the concept of "push" and "return".

For example, if a rise or fall is

We do not judge a downtrend as a downtrend because we see it as a reference 5 – We do not judge an uptrend as an uptrend because we see it as a return

It is the

It is meaningless to question the success rate of a "turn signal" for a "line" like a key leg, where the limits of a "push" or "return" are set in

advance. This is because the "push

This is because the decision to “return” cannot be objectively correct until enough time has elapsed for the form to be represented on the barony.

In this sense, too, the equilibrium table cannot be described as an objective judgment if one focuses only on its chart.

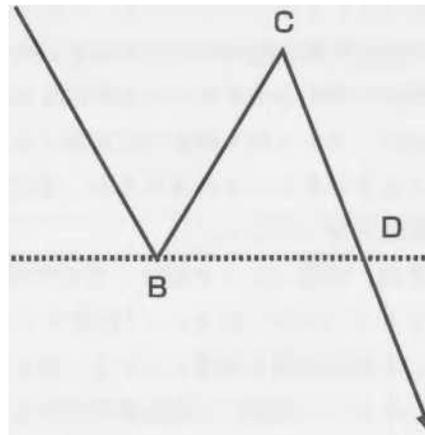
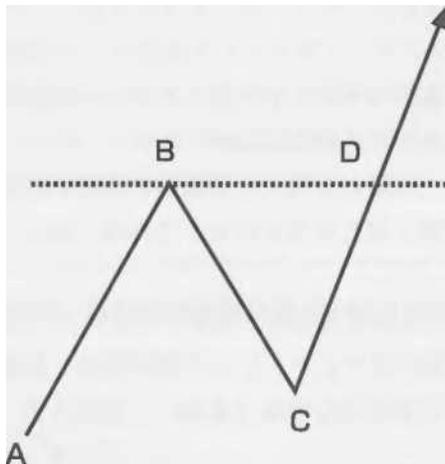
When it comes down to it, equilibrium decisions are the result of a series of tentative decisions. Ideally, one’s intuition should always be correct in the end. However, in order to achieve this, it is essential to be thorough in the process of determining how to arrive at a decision that is ultimately correct. The tools we use to achieve this (such as the ascending line) must be well understood.

Push back

A downward movement in an upward market is called a “push”, and a downward movement in a downward market is called a “return”. This is the part marked **BC** in the diagram below.

In fact, we can only conclude that **BC** is a pushback
has been

when **D** has passed and **B**
overtaken



Therefore, a high is a buy and a low is a sell. Therefore, the Yeast curve’s turnaround sign, “buy” at a new high and “sell” at a new low, is a moment of confirmation that **BC** is a push or a pullback. At least for those who use the notion of a push or a pullback to determine direction, it is a “purposeful” decision. Can be cut.

In this sense, the method of using candlestick combinations as turnaround signs and the use of key pairs and new price pairs as turnaround signs are all valid. In this sense, it is only natural that the decision to buy at a new high and sell at a new low has become a formula in the world of markets, but the only thing that makes a difference is the market outlook. At the very least, it is necessary to understand the theory of market volatility.

Now, we see the drop from **B** as a push, and **D** confirms that **BC** was a push, and we go up.

This means that at least during the period from **B** to **D**, the market direction has not yet been determined, and the market is in a state of pending determination.

It will be understood that the most important feature of the Japanese method is that it determines the direction after a period of pending judgment. We hope that the Ichimoku Kinko Hyo will be used as a tool to see the release of the market.

2. About the original publication

-The following seven books were written by Meishanjin.

The Equilibrium Table (Volume 1)

How to create and think about the equilibrium chart. Special conditions for a positive equilibrium.

The Complete Equilibrium Table (Volume 2)

..... How to determine the date of change. Market predictions and more.

rThe Weekly Equilibrium Table (Volume 3)

..... A method of deciding which stocks to buy and sell using the weekly chart.

rMy Most Excellent Typography (Volume 4)

..... How to make trading decisions using daily yin and yang sequences. The most concrete and practical.

Equilibrium at a Glance, Comprehensive Edition, Part 1 (Volume 5)

The Second Part of the Comprehensive Catalogue of Equilibrium Tables (Volume 6)

r"Equilibrium at a Glance: True Skills" (Volume 7)

The Institute for Research on Economic Change, which holds the copyright, has published the fourth volume of the series. Since many people may be interested in the original work, we would like to introduce it here.

Ichimoku Sanjin did not intend to publish the book as a series. The second volume, "The Conclusion", was all he had in mind.

The first volume was intended to familiarise the reader with the Ichimoku Kouryu Chart itself, and the second volume, "The Conclusion", was intended to be a complete account of my life in the market.

Yamato was conscious that his later publications were merely a natural outgrowth of The Complete Works. But it was done in response to the demands of many readers, right up to the time of his death.

As the successor to the Ichimoku Equilibrium Table at the Economic Change Research Institute, I would like to emphasize the importance of the "Conclusion" and hope that many users of the table will study it thoroughly. In the past 20 years, I have witnessed many market participants who have not thoroughly studied the "Conclusion", but have simply taken the best of what has come since.

Of course, all of Sanjin's works are good books by any measure. I am sure that reading them will give you some inspiration. However, there is an order to things.

This article focuses on the "Commentary on the Equilibrium Table of Bells" published in "The

Complete Book". All of this book is
Please note that this is in the 'r Conclusion' section.

Figure B-2: The process leading up to the low of December 4, 1969

The aim of the original publication

Figure B-1 is a scaled-down reproduction of the graph in the "Conclusion" section in its original form.

This is the daily change of Kaneka from December 1, 1969 to June 19, 1970. Incidentally, Kaneka is now Kaneka Corporation (4118), formerly known as Kaneka Chemical Industry Co.

In the graphs, symbols such as zeros and crosses indicate basic values. E, V, N, NT In addition to calculated values such as S, the reserve structure and the key lines of interest are shown. However, for the purposes of this paper, the quasi Only the most important lines will be discussed. The details will be thoroughly discussed in the final part of the original book.

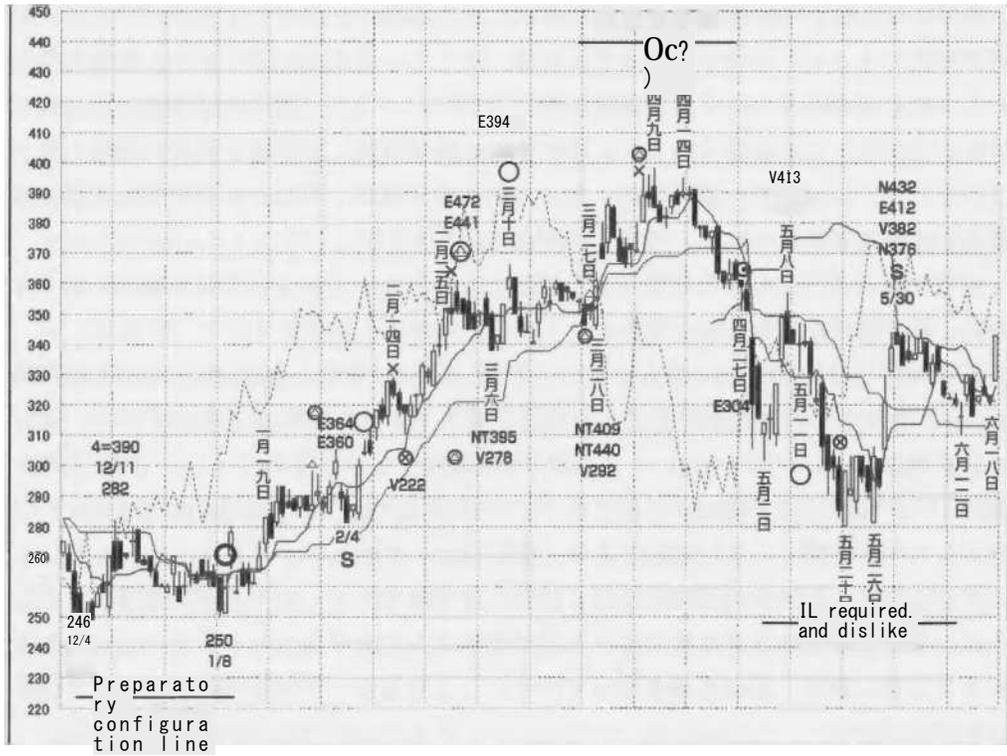
The intention of this concluding commentary on bellringing was twofold.

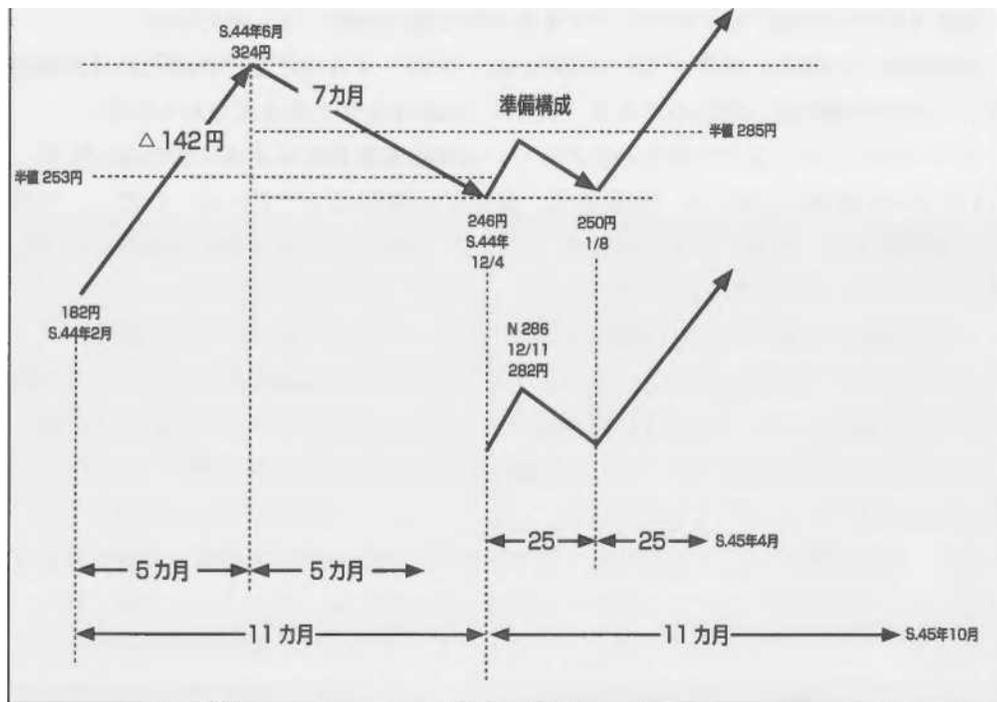
The first is to explain again, for those who have not read the first volume, which was out of print at the time of publication, how the equilibrium table is constructed and how it is viewed, and the typical upturn in the equilibrium table. The second is to make the reader aware of the fundamental values themselves, as these fluctuations were also governed by them.

In fact, the Nikkei 225 (or TSE Dow as it is known on the Tokyo Stock Exchange), which is used as a counterpart to the Bell Equilibrium Table, is mainly based on equal figures.

Please refer to Figure 1. z The 25-day period from 4 December to 8 January saw a firming of the bottom, followed by the first sunny 8day on 8 January, when the solid line crossed above the base line and the conversion line, and the equilibrium chart turned around (the conversion line became the base line).

Fig. B-1 Belling (1 December 1969 - 19 June 1970)





We can see that the market is moving higher from the break above the level line (which actually happened two days after 8 January).

How much upward movement can we really expect in a market where a release has occurred after the 26 days of the base value preparation structure? In the original book, the sequence of thought was to start with a quadruple value, then a round (76 days) as a single market, and then modify it according to the nature of the ups and downs along the way. However, there is a danger that the basic, equal and calculated values work so well that the initial formula of a quadruple and a round (see below) is taken as if it were a definitive law.

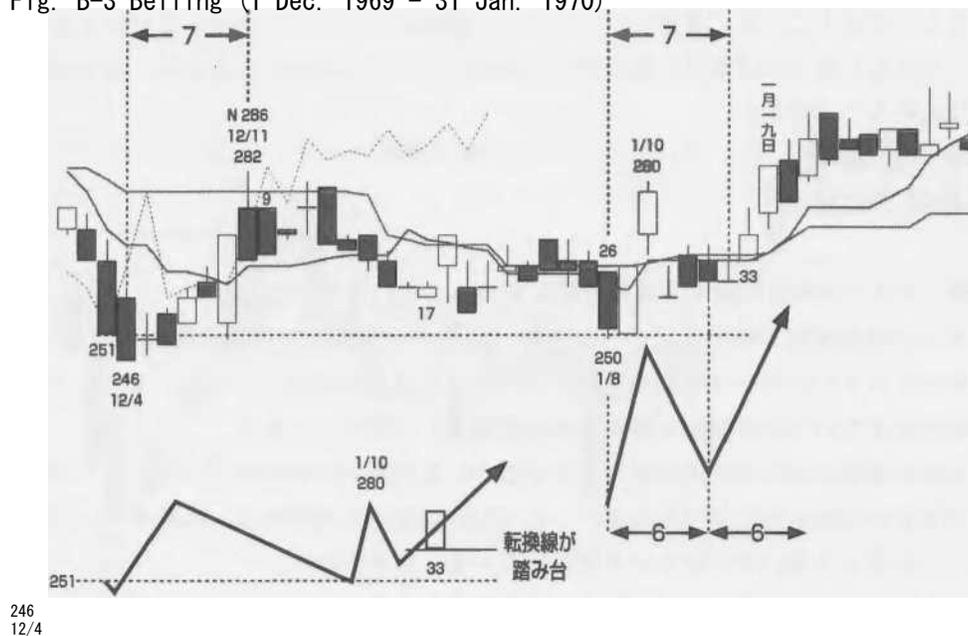
I will leave the discussion of the original commentary for another time, but here I will try to use the whole of the book to explain the bells.

The low of ¥246 on December 4, 1969 can be considered to be equivalent to $(182 + 324) + = 2¥253$. The $(324 + 246) + = 2285$ yen is half of the decline, which is naturally important as a return target in the case of a rally from the December low.

(Figure B-2).

Now, if we assume that the market has released from December 4 after a preparatory structure, we should first consider April, 5 months after the December low, and October, 11 months after the December low ($= 5 + 7-1$), as the months of change on the monthly chart.

Figure B-2: The process leading up to the low of December 4, 1969
 Fig. B-3 Belling (1 Dec. 1969 - 31 Jan. 1970)



From a low of 246 yen on 4 December, a high of 282 yen on 11 December, and a low of 250 yen on 8 January, several change dates and calculated values have emerged, with the sixth day from 8 January and the N calculated value of 287 yen being particularly important. It must be established in advance that a fall from the spoon date and the calculated value implies a failure of the reserve structure.

The N-calculated value of 287 yen is equivalent to half of the decline mentioned earlier of 285 yen. This level is a good way up. If it does not, the market will continue to struggle, possibly even further downwards.

In fact, although there have been two positive lines since 8 January, the four negative lines have been capped by the base line and the conversion line (Figure B-3).

It is important to note that the next yang line (the day before 19 January) came after a 7-day time correction from 8 January. This is the 33rd day since the day before 4 December, and it is also a classic example of a struggle breaking out at its base value.

I would think that a positive line on 19 January would be a good time to buy. This is because in a small three-wave structure from the 8 January low, the third wave should be at least a six-day rise. Of course, in practice this would have to be cross-checked with the days of change on the way to the 4 December low. Please note that we are discussing this graph only.

An equilibrium turnaround after a preparatory structure is naturally important. But it is only a pattern to be used in trading.

Rather, such considerations should always be taken into account.

It is important to understand that the premise of the explanation of the release can be stated in a limited way in both large and small spans. Knowing that if the premise is this, then it must be this, and if it is not this, then the premise itself is wrong, will often save you from critical failure.

Release in basic figures

In Figure B-1, three important lines of interest have been set.

The first is 26 days from 4 December 1969 (25 days from low to low), the second is 26 days centred on 9 April 1970, and the third is 34 days of decline from 9 April to 20 May, starting on 2 May.

Whether or not these important lines of interest will become preparations, and at what point they should be confirmed, will depend on the market's evolution, but it is clear that all three are important for a breakout at the bottom, the top and the middle of the market.

In general, we do not recognise sharp ceilings or bottoms as a tug-of-war. However, no matter how sharp the angle, if we assume a market level and the highs and lows around that level, we should be able to regard it as a tug-of-war.

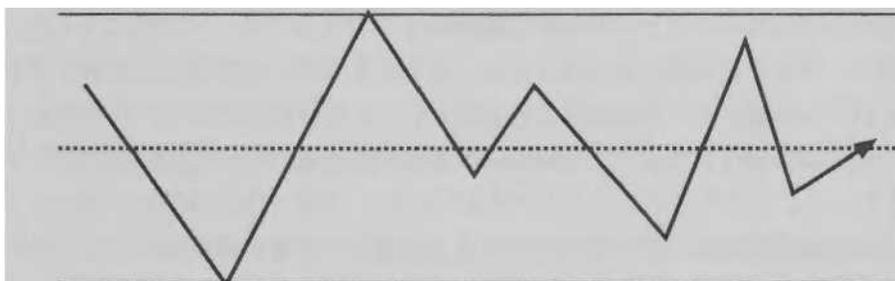
Please see the diagram.

A fence market can be defined as a series of highs and lows with the market level at position 3 in the diagram. The following is a check of its manifestation.

(1) Basic value from low to low (if from high to high, prepare for reduction)

In the case of the bell-shaped commentary, the high of April 9 is the centre of the 13-day and 14-day focus lines.

(iii) Basic figures from market levels, which have always been an issue in this book.



In the case of bell-shaped fluctuations, it is difficult to understand the

significance of (2). For example, it is the same as assuming that a fluctuation that has continued to rise has played out a high price disturbance, and that the limit of the continuation of the intermediate wave is the equal value centered on the high price. Taking the Nikkei 225 as an example, the period from the February 2007 high to the June 2007 high is the same as the period from the February 2007 high to the June 2007 high.

The number can be increased in this way as much as you like. The significance of counting these basic numbers is twofold.

- (1) Both rising and falling markets have a three-wave structure, and a rise or fall in the basic value is likely to indicate a stop in the upward or downward movement because it suggests the end of the wave formation.
- (2) The release of the intermediate wave has the following characteristics. The basic value from the day when the market level of the intermediate wave is reached tends to be the high, low, or the same level as the market level of the intermediate wave.

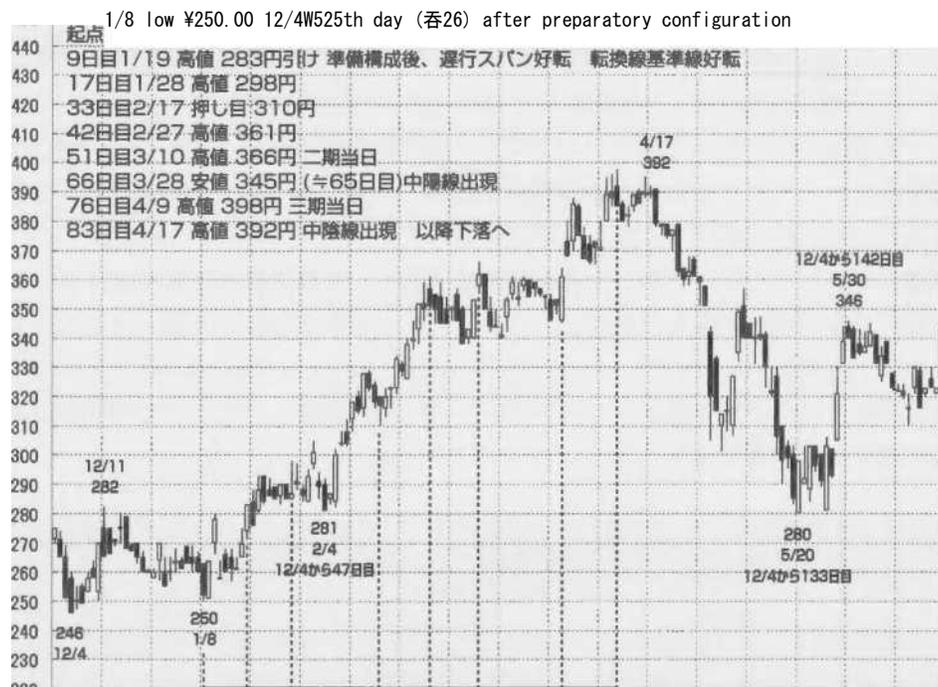
We have already explained that each line of the equilibrium chart is based on the characteristic that "basic values tend to be the same".

Let's check (1) in the bellwether variation.

The graphs for the period starting on 8 January, 4 February and 17 February are shown in Figures B-5 to B-7).

The basic figures from 4 December are not so clear. However, we are 133 days from the 20 May low. It is worth noting that the basic figure of 142 days to the high of 30 May is noteworthy. The reserve structure to 8 January is essentially a downward depreciation to 4 December. The upward movement from the second bottom was first capped by the change from the second bottom, and then by the change from the first bottom.

Figure B - Starting point on 8 May



91733 4251

Figure B-6 Starting point on 4 February

Relationship between the starting point 2/4 low of 281 yen 12/11 and the S point for 42 days Day 9 1

2/1:4 High Yen 329 : : : , . .

26 day low 3/6 ¥338

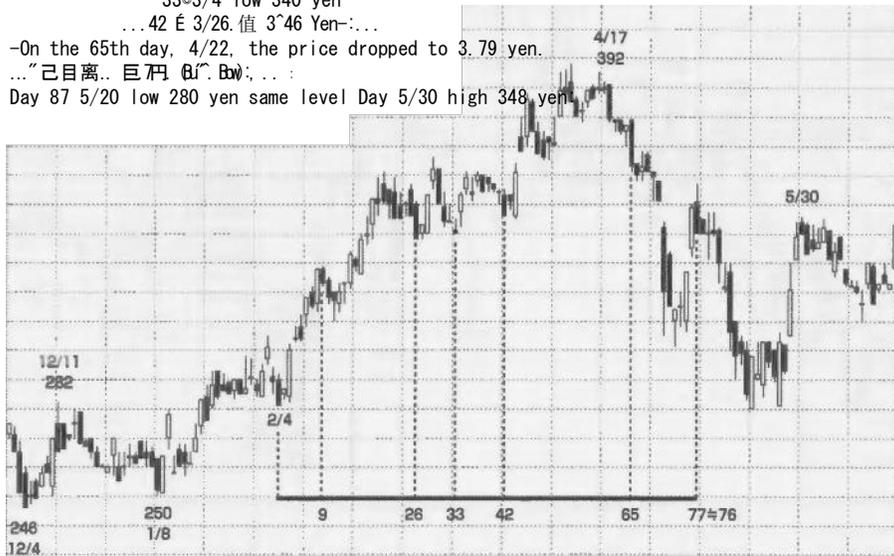
33 3/4 low 340 yen

... 42 3/26 值 3^46 Yen-:...

-On the 65th day, 4/22, the price dropped to 3.79 yen.

... "己目离.. 巨円 (G. Bw); . . .

Day 87 5/20 low 280 yen same level Day 5/30 high 348 yen



The number of days from the low to the high, 离锤 or 离锤 to the 5H price is sometimes; easily determined by the base value.

Figure B-7: Starting point on 17 February

Starting point 2ha7 low within 310 9th day 2/27 high

359 yen _Y7白目3か' low 338 yen_

1,330 Giant 3/27' low at ¥8 _ _

... 42 whites 4/7 low .3915 yen.

-5X day 4/fX7 ma value 391da

1p yen. Trading

levels^ 77th day 5/20 low

280 yen (Y76) 8Public day

5/26 low EH yen: (Y83)

97b 6/2 low 310a: same level



The number of days from the low to the high, from the low to the high, from the low to the low, from the low to the low, from the high to the low, from the high to the low, and from the high to the low are sometimes better determined by the basic values.



The relationship between them often lives on later.

47 days from the low of 4 December to the low of 4 February, 133 days to 20 May, 30 days to 14 30 May 1969. 33 days from the low of 8 January to the low of 17 February, 42 days to the high of 27 February. 26 days from the low of 4 February to the low of 6 March, 33 days to 14 March. 26 days from the high of 10 March to the high of 9 April. 26 days from the high of 31 March to the high of 9 April, 9 days from the high of 31 March to the high of 9 April.

Thus the number of days from low to low, low to high, high to low and high to high. In particular, the point at which the fundamental values from several highs and lows overlap, such as the high of 9 April, can be extremely important as the point at which the price stops rising or falling. In particular, the point at which the fundamental values from several highs and lows overlap, such as the high of 9 April, is likely to be extremely important as the point at which the price stops rising or falling.

We now need to confirm the basic figures with 350 yen as the market level. The starting point is the positive line two lines before the high on 27 February. This is just where the price reached 350 yen (Figure B-8).

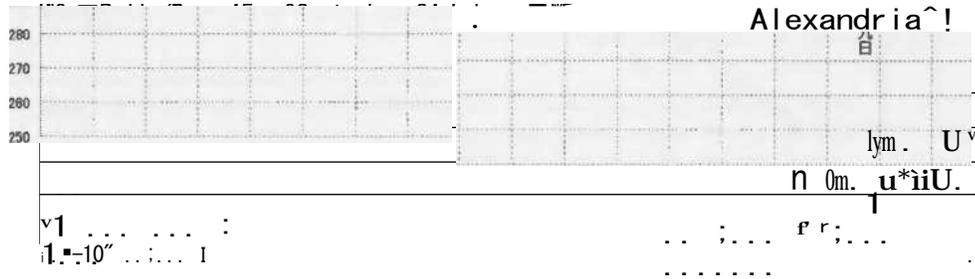
The 9th day is the low of 6 March, the 17th day is the same level, the 26th day is the same level (the original emphasises the nature of the lagging span at this position), the 42nd day is the high of 15 April and the 51st day is the 10th negative line from the high of 15 April, which is a small return position from the fall from the high of 9 April.

As the price has fallen below 350 yen since that day, we should consider either a three-wave formation with this small return as the second wave, or a fall to $350 \times 2 - 398 = 302$. The low on 2 May was 301 yen, which means that the

price has once stopped at the limit of the low with 350 yen as the market level. The low on 2 May was 301 yen, which means that the price has stopped at the limit of the 350 yen low.

Since then, day 76 has been the seventh low since the low of 20 May and day 101 the high of 25 June.

The 25 June high was above 350 yen and the subsequent push back down to the 16 July low of 338 yen was a fresh start. Therefore, a rally up to $350 \times 2 = 280420$ yen should be possible this time.



It can be done.

All of these factors depend on the time relationship of the wave pattern and the momentum of the rise and fall. It is important to remember that sometimes it is necessary to take the \bar{E} value or the \bar{NT} value as the limit.

This change eventually pushed the price from a position matching 420 yen to a high of 433 yen and then to the downside.

It is also important to note that the basic value is 226 days. It is also important to note that the basic figure of 226 days is the point at which the price falls below 350 yen (Figure B-9).

If we take 30 April, two days before 2 May, as the starting point, we can see that the 17th day is the low of 20 May, the 26th day is the high of 30 May and the 42nd day is the 6th positive line from 12 June, which is the point at which the struggle starts.

Quadruple value and a round

The general framework discussed in the original book may be summarised as follows.

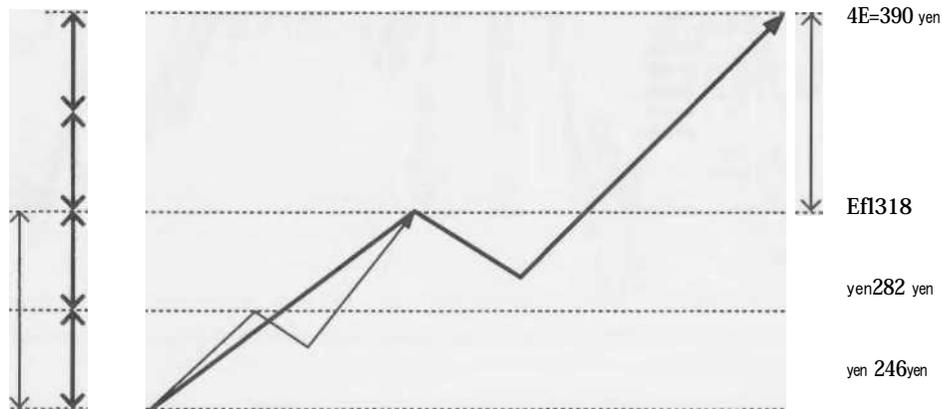
In the departure from the 4 December low of 246 yen to the 9 January low of 250 yen, the 76 days from the 4 December low are assumed.

(2) Explain the release of the mid-range tachi-ai during that period, especially using the slow moving span.

(3) Confirmation of the April 9 high position is explained by (1) and the important lines of interest around the April 9 high.

Let's put into perspective what quadruple values and 76 days mean.

First of all, the quadruple value here is given in the original as "(282 - 246) \times 4 = 246 = 390, **4E**", but I think it is more correct to say "**3E**", because the **E** value is also known as the "double layer", and **3E is the "quadruple layer"**, so we could say quadruple value.



Thinki
ng as a
model

If this is the case, three waves will be formed until the initial **E** value is reached, and these three waves will be the first three waves.

The maximum **E** calculation value in a dynamic configuration is a quadruple layer.

If this 51-day rise is the first wave, we can expect a major rise of 101 days from the lowest price and 76 days from the end of the preparatory phase.

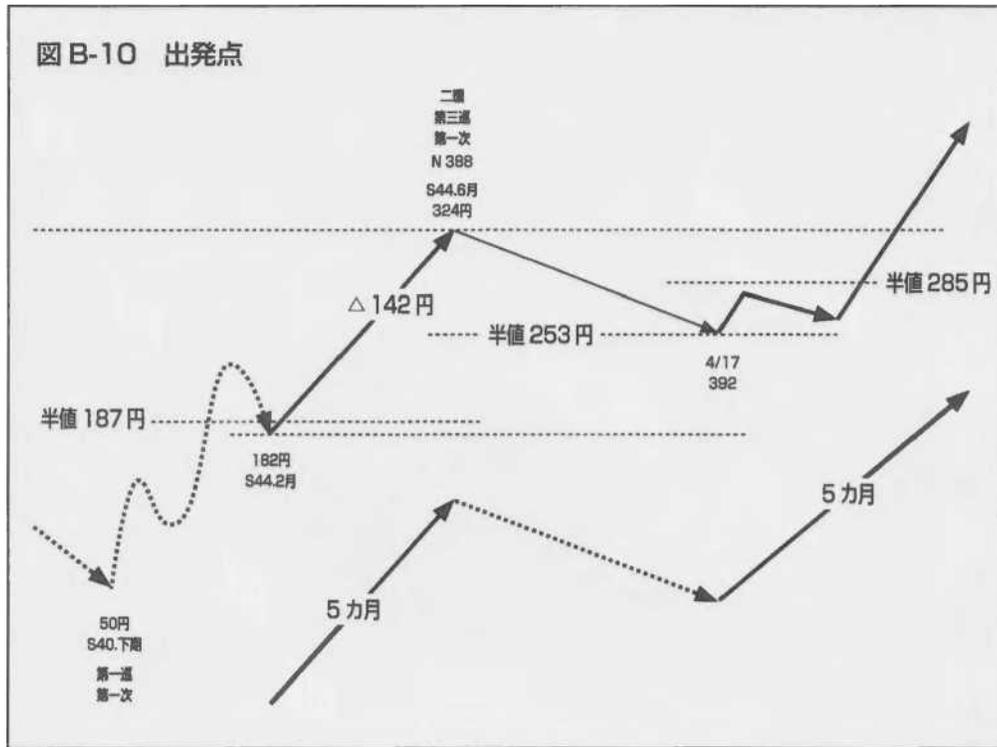
As Yamahito noted in his original paper, this variation in belling was also one that was almost entirely dominated by fundamental values, making it difficult to make people aware of deviations from the routine (e.g. whether calculated values were achieved on the date of change, or whether there was a reaction).

Ichimoku Sanjin is a very careful person and has a habit of stating important conclusions at the beginning. In his bellwether commentary, he first describes the transition to the 4 December low, which is very important.

In the second half of 1965, the price of 50 yen was the starting point for the growth of Bell China as we know it today. If the second half of 1965 is taken as the first stage of the first cycle, the first stage of the second and third cycles has already been completed, from 182 yen in 442 to 324 yen in June of the same year, with a price range of 142 yen.

The half price between 50 yen and 324 yen is 187 yen, and the price in February 1969, which should be regarded as the starting point of the market, is 182 yen, indicating that the market level is regarded as the starting point. And the half price of 182 yen and 324 yen is

図 B-10 出発点



It should also be understood that the reserve structure since then has been a struggle with the upper limit of ¥285, halfway between ¥324 and ¥246, at the same level as the low of ¥253 on 4 December (Figure B-10).

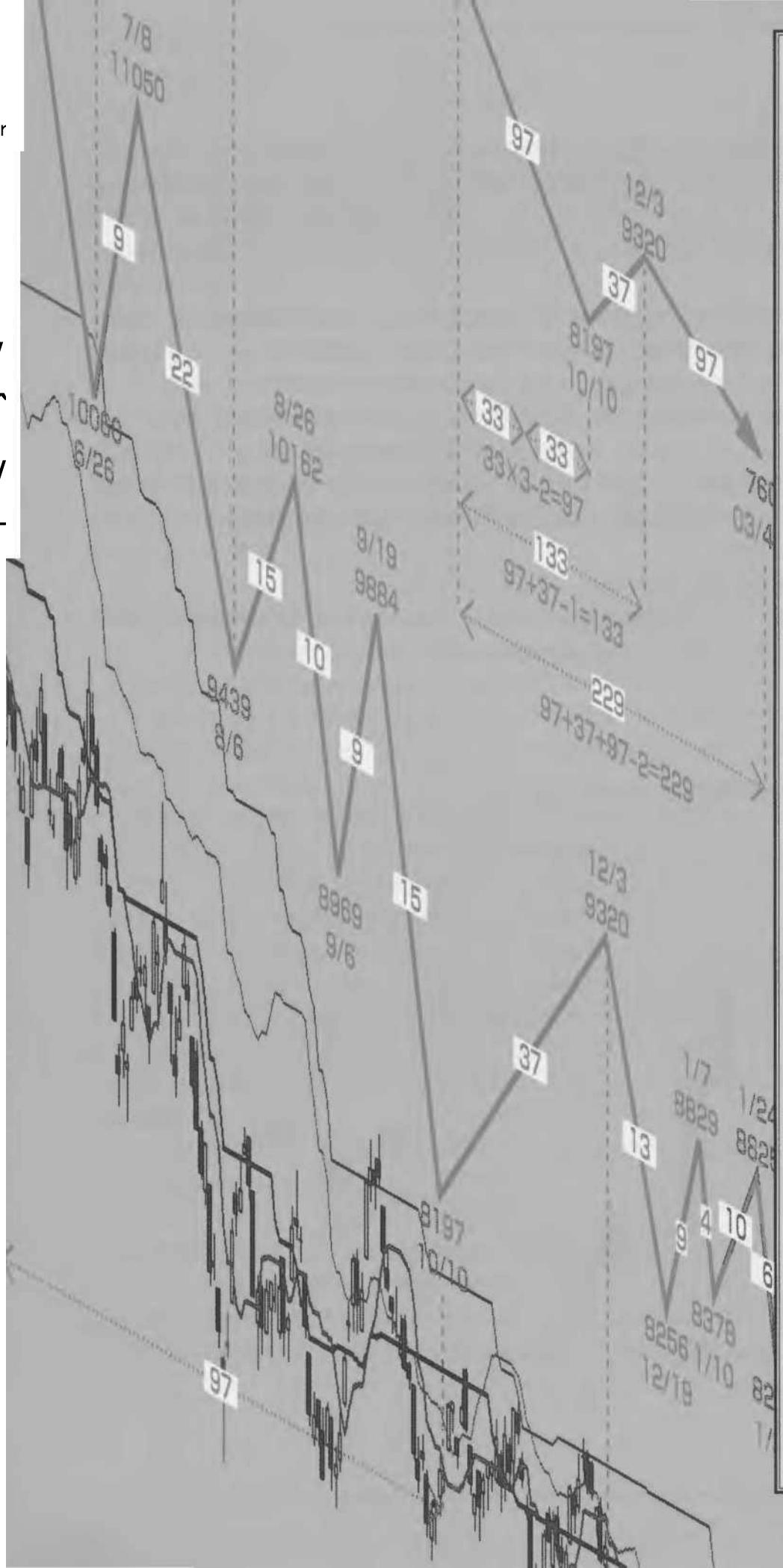
Furthermore, if we consider the three-wave structure with lows and highs of 182 yen, 324 yen and 246 yen,

we can see that the April change month, N total

The calculated value of 388 yen can be assumed in advance. On this basis, we have the intuition and the pattern that a quadruple price and a cycle should be achieved.

I have found the thoroughness of the explanation of the bell ringing in the "Conclusion" to be extremely useful and effective, and I would urge readers of this book to study the original "Conclusion" thoroughly, as the crash of 2008 (see Part III) was such a change that it should have been obvious to anyone who followed the bell ringing thoroughly.

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1. August 2007 – February 2008

The changes in the Nikkei 225 from 2007 to the October 2008 low were very conventional: not only the functioning of each equilibrium table, but also the dates of change, the way the calculated values were determined, and the meaning of the market represented by the cases where the equilibrium table did not function.

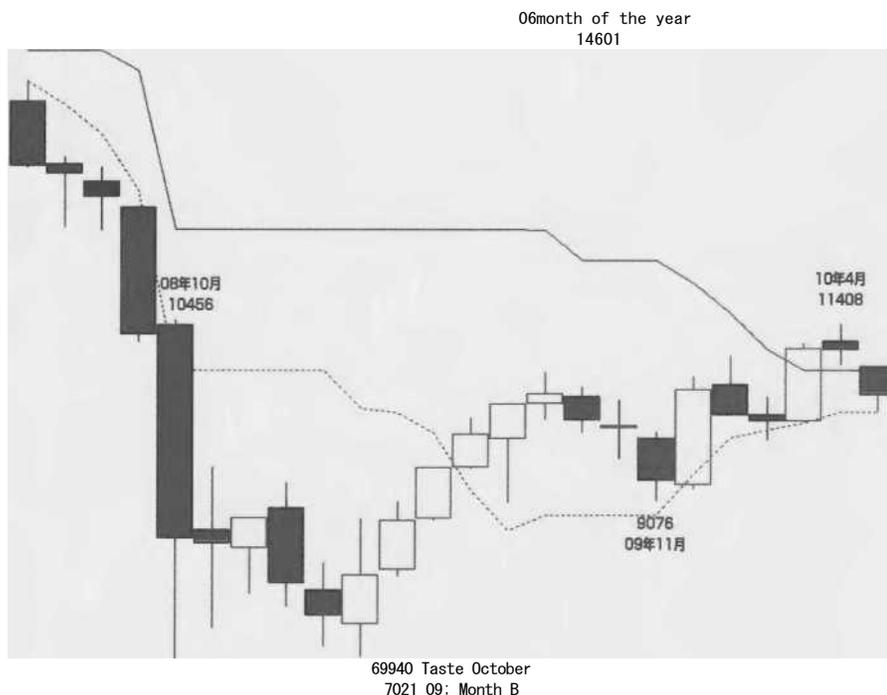
Those of us who have been able to stay in direct contact with the market during this period should not let the experience go to waste, and those of us who have suffered a decisive blow should reflect thoroughly.

The crash of 2008 is generally remembered as a “once in a millennium” event. I suppose. However, I fear that those who are facing the market for the first time since 2009 It is a market perception.

Please see the monthly evolution.

For example, the October 2008 shadow line had a high of 11456 yen and a low of 6994 yen. It can be seen that the changes since then (June 2010) have only been contained in this single negative line.

Nikkei Stock Average Monthly (May 2008 – May 2010)



In the case of individual stocks in 2009, the return from March was significant, and not all stocks were marketable. However, in 2010, there were no stocks that had the strength to lead the market to the present day.

The market environment is extremely unfavourable and, because of the faltering nature of the market, it is difficult to find a formula for equilibrium.

Of course, the market will not remain in a quarrel forever, and will eventually break out in one direction or the other. However, it is difficult for those who are only familiar with such markets, or who have become accustomed to them, to cope with a break in the direction of the market.

In this book, therefore, I would like to give you a hint of the changes that took place up to 28 October 2008, through my comments on several aspects of the market.

In this chapter, we begin with a selection of comments on the monthly changes up to February 2008. We have not included a detailed chart, but only a simple monthly equilibrium chart. We hope that the reader will be able to see it for himself.

From comments on 10 Aug 07

In our comments at the beginning of 2007, we assumed that March and June would be the key months of change.

If the market rallied until March, we were looking for an adjustment until June, and if it rallied until June, we were looking for a market rally until June, but in any case, we saw the April 2006 high as a change that needed to be surpassed.

After a sharp fall from a high of 18,300 yen in February to 5 March, the price rose gradually to 20 June, but failed to break above the February high, and then fell sharply to 2 August. Despite a slight rebound, the low on 10 August was below the low on 2 August.

If the rise up to June had been substantial, we would not have been so pessimistic. However, the failure to break above the February high as well as the calculated high is problematic. This raises the possibility that the March month of change will be rejected as the starting point, and that the June month of change will be the month of higher prices. For the time being, we need to be aware of the fact that this is a change that requires great caution.

In this article, I would like to consider the next month of change in the monthly transition and to summarise some of the current situation in this regard.

First of all, as we have already mentioned, we attach great importance to October 2007. The time relationship is as follows.

- (1) Equal value 55 centered on the April 2003 low (55th power month from April 2003 is October 2007)
- (2) Basic figures 183rd month from August 1992 to October 2007
- (iii) 19 months from the October 2004 low to April 2006 vs. 19 months from April 2006 to the end of the year.

In contrast to the nine-month rally from the June 2006 low to February 2007, the nine-month rally from February 2007 to

First of all, an equal number, such as the April 2003 low, which is centred on a major bottom, is not only convenient for estimating the upside potential of a fall, but also for the number itself to work.

The number of falls leading up to April 2003 was, from smallest to largest, 12, 24, 37 and 83.

The 13th month from April 2003 was the high in April 2004, the 24th month the high in March 2005 and the 37th month the high in April 2006, all with little upward momentum.

In spite of this low upside potential, the reason why the market has been able to move upwards so far is that the decline has not exceeded the limits of the push, which in turn has pushed the market level upwards.

The 55 months in (1) is the number of months between the October 1998 low of 12787 yen and the April 2003 low. The price of 12787 yen is a good price to be aware of as a market level. 17971 yen (= $12787 \times 2 - 7603$) is the limit of the high price.

If the price starts to fall at or below this price, it will indicate a downward trend.

Even if the price stops in the second week of August and starts to rise, please understand that if the price does not reach the upper level by October, the time relationship from (2) to (4) will indicate a downward movement.

The same is true for October 2007, which is the 183rd month. The same is true if we take the August 92 low as a starting point, as December 00 is the 101st month, and October 07 is the 183rd month, so a high would suggest a downward move, while a low above June 06 would suggest a rebound from this month of change.

If both (3) and (4) are months of high price change, they suggest a downward movement. However, in the case of a low, what is the acceptable range? In the case of (4), since the price has fallen for 9 months against the rise for 9 months, the price should not fall below the low of June 2006. However, at this level, the third wave will be too large because the second wave will be from March to June 2007. In this regard, the March 5 low should not be broken. From this point of view, the March 5 low should not be breached, and the April 2006 high should be considered as the market level.

but 16826 yen (= $17563 - 218300$) is the limit.

In this way, we can see that the current position is not good at all, and that if the price breaks below the low of 5 March 2007, it will have to be seen as a down market for the time being.

If we look only at the interruptions in the equilibrium table that we commented on in the last issue, both the weekly and monthly changes are not good at all. In the next article, we will continue to discuss the monthly changes, but for now, let's look at the time relationship above.

From comments on 18 Aug 07

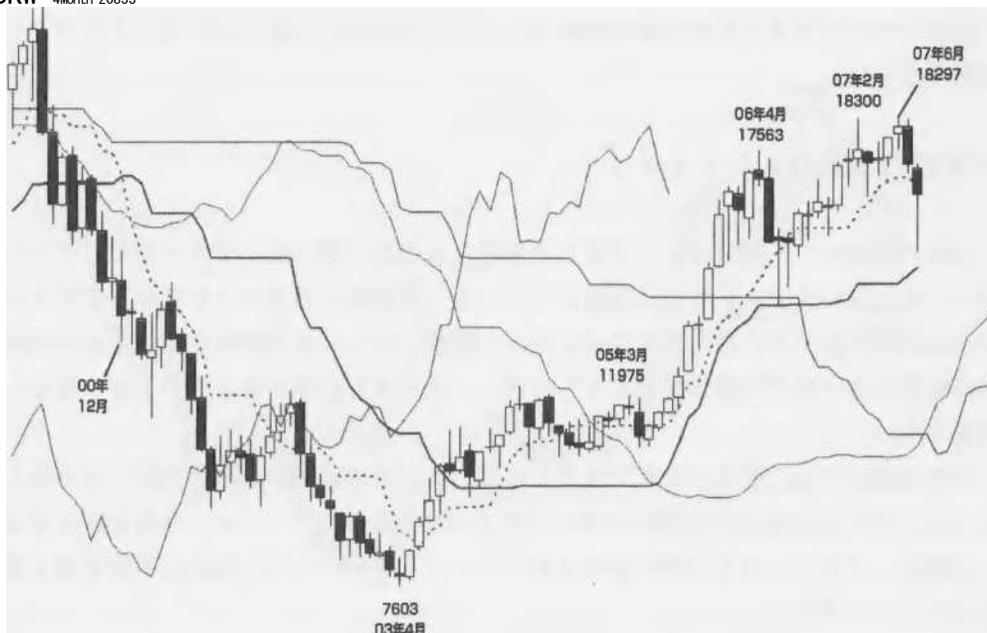
Previously, we discussed the importance of the October 2007 month of change. This change was followed by highs in February 2007 (47th month from the 2003 low) and June 2007 (51st month from the 2003 low). However, the June 2007 high is only slightly below the February high. The 2000 high has also not been reached.

I'm sorry.

On an equal footing, it will be important to see if the fall from February or June is a push.

Nikkei Stock Average Monthly (00 Jan-07 Aug)

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In this sense, October 2007 (vs. In this sense, October 2007 (equal number 55), centered on April 2003, is important.

The fact that the February 2007 high was followed by a higher high in June, but the February high was not broken, raises some concerns.

The first time relationship to consider in this major monthly transition is from the April 2000 high.00 The 37 down months from April 2003 to April 2003 are counted from April 2003 and from the highs since April 2003.

The 37th month from the April 2003 high is the April 2006 high; the 37th month from the February 2007 high or June 2007 high is still some way off, but the 83rd and 87th month from the April 2003 low are the time relationships.

These 83 and 87 are the basic figures. They are also important in the process of transition, with 83 being the month from the June 1996 high to the 4March 2003 low, and 87 being the month of the single rise to the 1989 ceiling.

These two would suggest an upturn until the month of change or a breakout from the month of change. In any case, the market is breaking down on a monthly basis as a result of the changes since June. The reason why we said that a deterioration from the October month of change would suggest a prolonged slump is because of the way we envisaged the influence of the 37th month of change working. We have commented twice on the conditions for departure from October because we thought it would be best to make some assumptions.

If the February or June prices had been well above 18500 yen, it would have been easier for the market level to act as a push and we could have expected some upside independence. However, the way in which the June high was set was ultimately very poor.

Please note that the previous and current comments will be reflected in future market comments.

Please remember

From a comment on 5 Dec 07

07In general, the volatility of 2012 was such that it was easy to lose your hard-earned money in a heartbeat: a six-day drop from the high of 26 February to the low of 5 March was followed by a six-day drop from 5 March to 20 June.

In addition to the fluctuations that could not be reversed in the 74 days to the 20th of June, the P-wave has been holding high for a small range since the 20th of June. It is a fluctuation that formed a movement and showed a fall to the low of 17 August at once.

In 2007, the first months of change were March and June, and from June onwards, October was given renewed importance. However, after the March lows were rejected, both June and October showed very poor performances, leaving us with concerns about the future of the market.

In particular, the importance of October should be underlined by the fact that it was a month of highs and lows, with June failing to break above the February highs, but the fall from the October highs to below the August lows was the worst we could have hoped for and should be remembered as such.

In the next article we will discuss the monthly evolution of the market, but this time we would like to make some remarks.

First of all, in my comments on the market in 2007, I assumed that the market should break above the highs of 2006, and I regret very much that I did not pay attention in February.

February was the 47th month since the low and a very alarming weekly position. I must admit that I was very confused about the six-day decline from the February high.

And while we have not misjudged the volatility since the June highs, we regret that we have not been more emphatic about the fears of a fall.

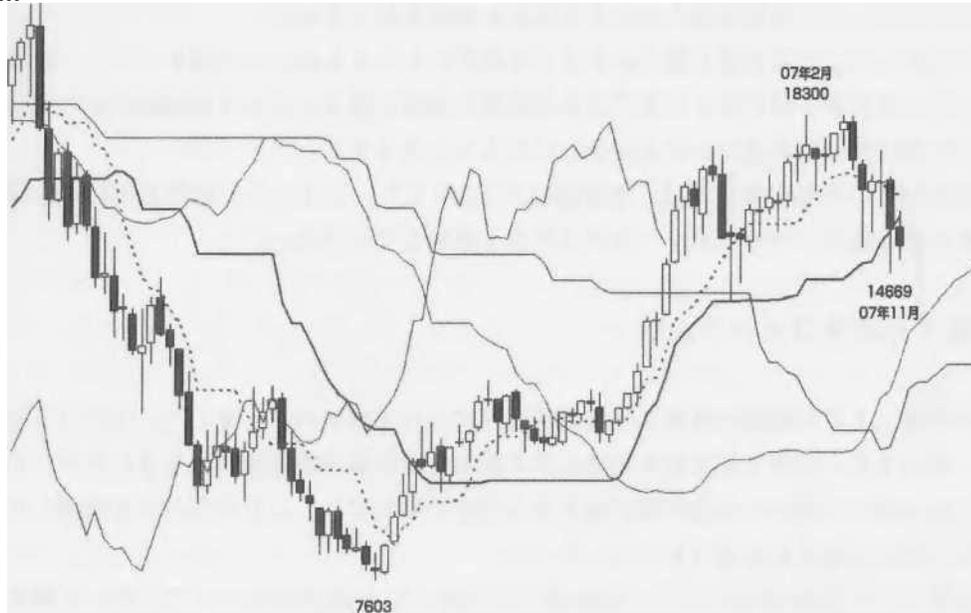
Even in 2007, there were still points where it was possible to clearly identify the direction of change: the fall from 9 8October 2007 and the deterioration from the positive line on 18 October. These were two points that could be identified if the market changes were properly organised.

From comments on 14 Dec 07

The monthly transition shows March, June and October 2007 as months of change, rejecting the March low.

The fluctuation from the high in February to the lower highs in June and October is a shadow of the fall from the high in June 1996.

Nikkei Stock Average Monthly (00 Jan-07 Dec)

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20833

We have already commented on the implications for the impact of the fall from the 2000 highs.

These months of change are based on the October 1990 low, the April 1992 shadow line, and the August 1992 low as the starting point and the market level, respectively. These are the months when the lows changed. These months are only meaningful if they are the months of low change.

From April 1992, the 17th power month was August 2008 and the 201st power month was December 2008. Also, from August 1992 to 1

The 87th power month is February 2008 and the 197th power month is December 2008, meaning that these are the months of high price changes.

In 2007, the time relationship of the second wave from the October 1998 low to April 2000 was hardly a problem. However, the 97th power month from the April 2000 high came in April 2008, the 101st power month in August 2008, the 103rd power month in October 2008, and so on.

We believe that the direction of the market will not be determined until the November 2007 low is broken. The reasons are as follows.

The November 2007 low corresponds to the 92nd power month after the April 2000 high, the 92nd power month after the March 1991 high to October 1998, and the 93rd power month after the August 1992 low to April 2000. Although neither wave transitions nor market levels are appropriate, intuitively it is possible to grasp the possibility of a month of change.

The first.

The weekly and daily time relationships are also appropriate, if not sufficient.

In the monthly equilibrium chart, the base line and the conversion line often remain unchanged, and the lagging span is embedded in the real line, but it does not show a complete deterioration unless it breaks below the November low.

Therefore, as long as the price does not break below the 11monthly low, we believe that the market will remain in a prolonged hovering pattern, and when it does, we will have no choice but to follow the three waves of decline from the highs of February 2007 onwards, bearing in mind that the market will remain in a prolonged slump until February 2010.

In the monthly equilibrium chart of December 2007, the base line is 15953 yen. If the price does not break above this level, the November low will be in jeopardy.

From comments on 27 Jan 08

At the end of 2007, I reviewed the year's changes and commented on the months of change to come.⁹ In April 2002, we set the market level at the low of August 1992, and presented the basic figures, but we could not say that it would be a struggle if it was good, or that the future was uncertain if it was bad.

At the beginning of the year, the price fell below the upper limit of the monthly advance span, confirming the breakout and forcing us to re-consider the March 2001 and September 2001 lows, which we had not covered since then.

In this article, we will review these levels, the wave history of the market decline, where the market has stopped, and what we expect to happen next.

If we take the March '01 low of 11433 yen as the market level, then 11433×-27603 (April '03 low)
= 15263 yen

This was the upper limit of the struggle, and the fluctuations since December 2005, when the price was exceeded, have highlighted the upward three-wave structure and have not been a problem since then.

If we look at it again, the 26th month from March 2001 was the low in April 2003, the 33rd month, the 42nd month and the 51st month in May 2005, which you may remember as the starting point of the subsequent rise. It was the 58th month of the decline from the high in 2005 to March 2001.

Therefore, the fact that there was no sharp fall from 15263 yen in December 2005 was in itself a clear indication of the three-wave structure of the upward movement, and this level has not been a problem since then. However, the low of 7603 yen and the half of the high of 18300 yen, 12951 yen, are not only included in the candle of March 2001, but also match the opening price of 12811 yen. We regret that we did not take this into account.

Although the 65th and 67th month were not clear, the 76th month is at the June 2007 high and the 83rd month is this month (January 2008).

The January 2008 low is currently 12572 yen on January 22, 2008, and the 83rd month of the year is likely to be the same level or a month of change in the low. However, from this point of view, it is possible that the low of 12024 yen in the lower limit of the monthly advance span and the low of 11433 yen in March 2001 will also be reached.

Nikkei Stock Average Monthly (00 Jan-08 Jan)



03 family months

This is why we have the ability to do so.

On the other hand, as for the month of change, February 2008 is more important, because it is the 13th month from the February high, the 9th month from the June high, and the 5-5 time relationship from the June high, and not only is the rebound from February more appropriate than the rebound from January, but also the 187th month from August 1992 and the 209th month from October 1990. We have already mentioned that the 187th month since August 1992 and the 209th month since October 1990 are more important if they are low positions.

Therefore, even if the market rebounds from January, there is still a concern that February will be a return high. In any case, the lower limit of the leading span in the monthly equilibrium chart will be raised in the future, so if there is no rebound from January and February, we will have to be aware of the market level of September 2001.

With the above in mind, let's look again at long-term fluctuations.

The October 2007 change month has already been mentioned many times, and the deterioration from October is still indicative of a market downturn in February or June 2007.07

This market has not yet broken through the Konica Minolta manufacturing facility, so any downturn in the market must be based on a 37 month decline from the 2000 high, and the depreciation of that decline. 37 months from the February 2007 high is equal to 10 February, and 83 months from April 2003, which is also equal to the number of months of decline from the 2000 high. This is also commensurate with the number of declines from the % annual high.

The 37th month from the June high was June 2010, and the 87th month from April

2003, matching the number of rallies that led to the 1989 ceiling. 37 is also $13 \times 3 - 2$, and given that February was 13 months from the February 2007 high, one ideal scenario would be a 13 month rally from February to 13

Please understand that after the adjustment of the force month, we will finally see the bottom of the market.0

If we look at the monthly equilibrium chart, the upper limit of the leading Subang, the intersection of the base line and the conversion line, or the intersection of the real line and the lagging Subang always tend to put pressure on the high price even if the market returns from January or February.

The declines since February and June have been only one monthly decline, and we can intuitively see that it will be difficult to stay at the lower limit of the leading span unless we show a lot of upward strength in the formation of an intermediate wave.

If the downward trend does not stop in January and February, it will lead to a break below the lower limit of the leading span, which will not only imply that the price will fall below 12,000 yen, but will also lead to a situation where the major bottom at the April 2003 low has to be questioned.

It is for these reasons that the bottom is still not in sight at the 22 January low. To be continued next time.

From comments on 1 Feb 08

See the monthly equilibrium chart.

The low of January was 12572 yen on the 22nd, and the 1 close was 13592 yen, which managed to exceed the upper limit of the leading span, leaving the possibility that the bearded part was a twirl. Given the importance of the 1st of February change date, a rise or fall from this position would still be extremely important.

A downward move would indicate a fall to the lower limit of the leading span, while an upward move would require a break above 14200 yen.

In this context, ¥14200 is the advance span of ¥14218, which remained unchanged until August 2006, and in that sense, ¥13306 (the base line in January 2006) and ¥13771 (the conversion line in January 2006) are also milestones in the case of a downward movement.

The current (1 February) daily conversion line of 13110 yen has been rising since the beginning of the week and it is now a question of whether the price will continue to pressurise the low. Therefore, considering the daily time relationship, we believe that a decline from February 1 should be very wary of a break below the January 22 low and a fall to the lower limit of the monthly leading span.

The reason for the lengthy preamble is that what was intended to be a two-part series collapsed after a week of volatility: there was no other way to break the low of 22 January than on 1 February.

In the meantime, we will wait to see what the upside is from here before making any new comments.

2. July – September 2008 (Radio NIKK Nichi Comment)

After hitting a low in January 2008, the market fluctuated between a 26-day rise in the base figure to a high in February, before falling back again.

The rise from the March low to the June high was only the upper limit of the leading span and led to the October plunge without ever breaking above the June high.

After June 2008, the majority of investors thought that the price would not fall below 10,000 yen. In particular, from a country:line perspective, the low prices in the faltering market since October 2001 and the faltering market until May 2005 were considered to be firm, and the term “empirically” was often used.

The following is the manuscript for Radio NIKKEI comments (7 July – 22 September 2008).

I don't think it is possible to accurately predict a market crash in June 2008 (not that being able to do so is the most important thing). However, I think we have to know that a break down at the end of September 2008 will lead directly to a break below the 2003 low.

We would like you to research this issue, including how you perceive the day-to-day and the problems you face.

Nikkei Stock Average Monthly (00 Jan-08 Jun)

0061ue

20833

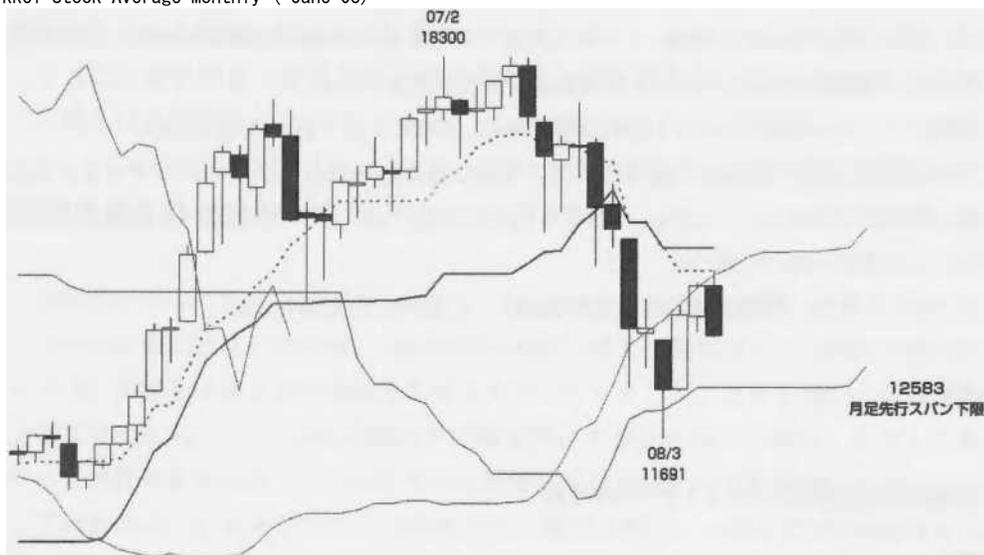


0 leg month

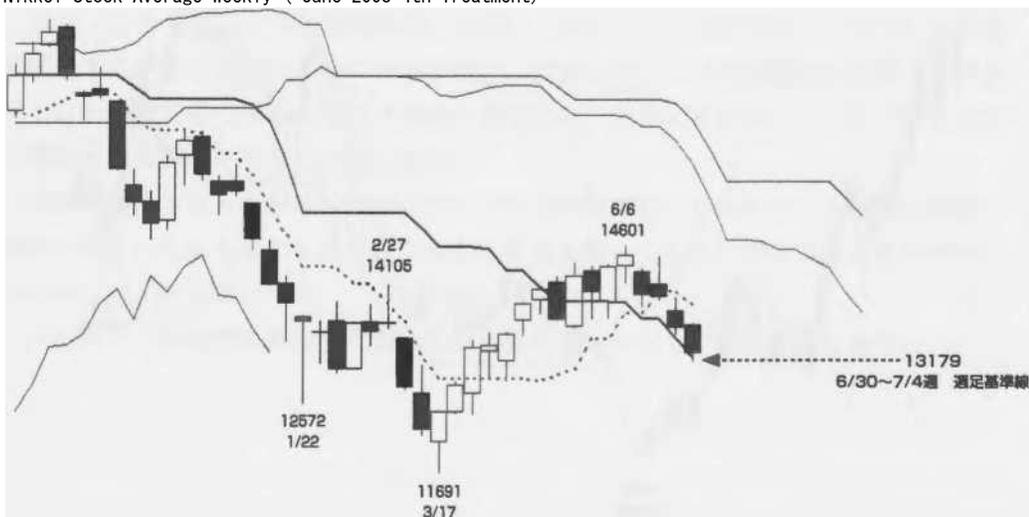
7 Jul 08 comments

In the previous article, we mentioned that the way down to the lower limit of the daily forecaster span is important, and if the daily forecaster span is reached without a rebound from the weekly base line, which is a milestone along the way, the expectation of a rebound will be diminished, and rather, we will be conscious of the lower limit of the monthly forecaster span of 12583 yen and the low of March 17.

Nikkei Stock Average Monthly (~June 08)



Nikkei Stock Average Weekly (~June 2008 4th Treatment)

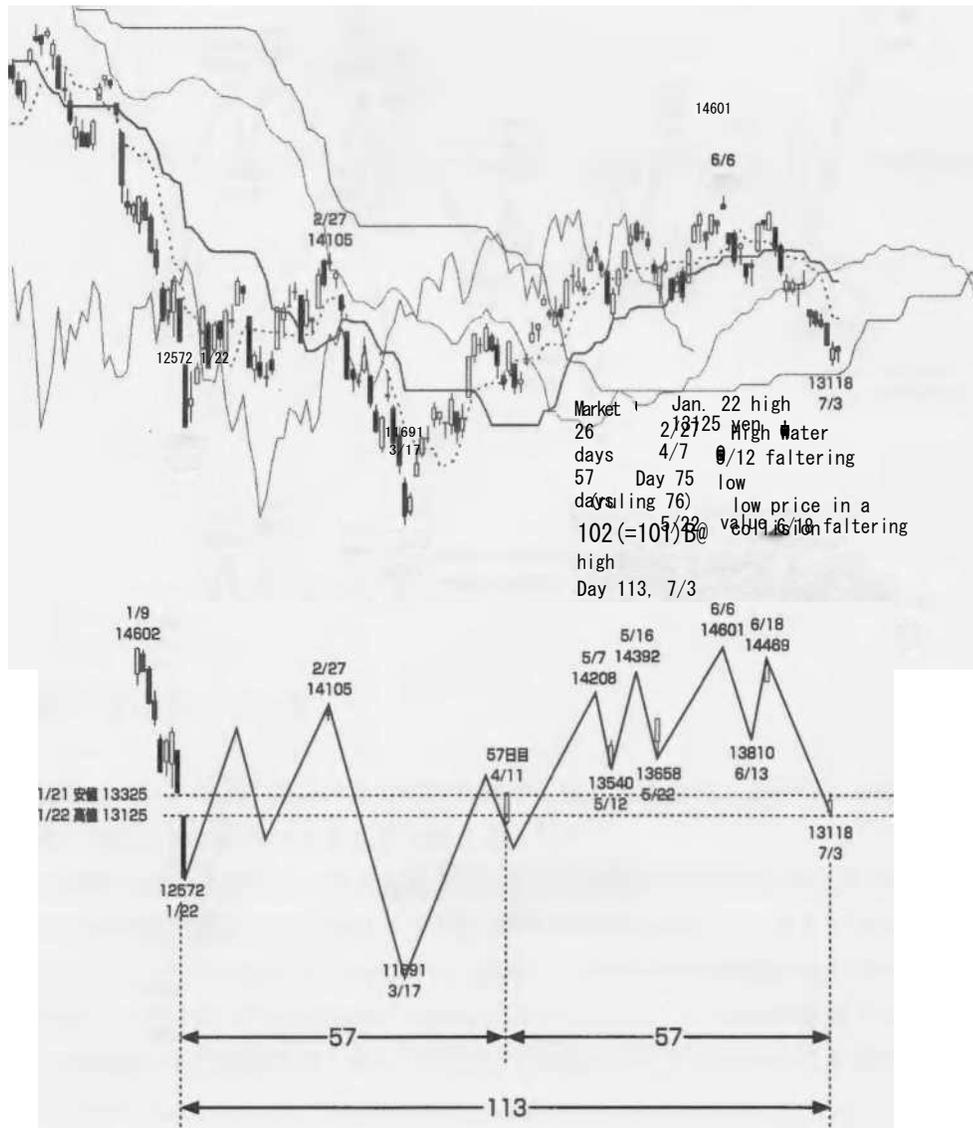


Although the July 3 low of 13118 yen was slightly below the weekly base line, it was equal to the January 22 negative high of 13125 yen and can be regarded as the same level.

However, note that there was a window on the 21st and 22nd of January. This should be seen as a rebound from the same level, although window-filling seems to be in vogue these days. This should be seen as a rebound from the same level, and the extent to which that level has been reached will have a significant bearing on whether a rebound is possible.

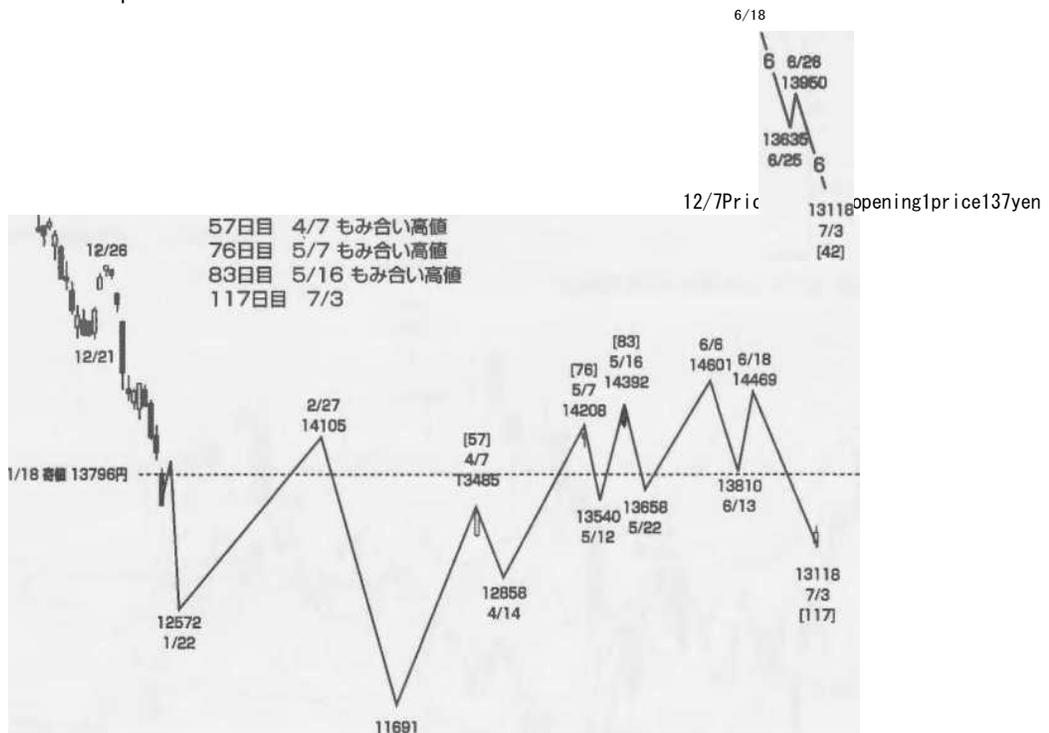
July 3 is the 113th day since January 22, and is in a 57-57 equilibrium with the April 11 yang line in the middle[^]:

Nikkei Stock Average Daily (Dec. 3, 2007 - Jul. 4, 2008)



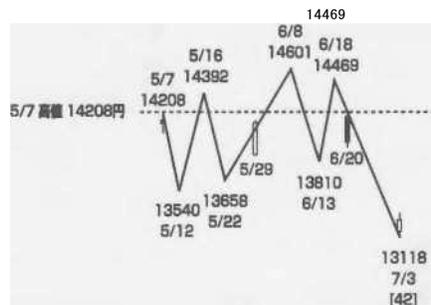
July 3 was also the 117th day since January 16, the 42nd day since May 7, and the 18th day of June.

We can see a three-wave structure with a six-day drop, a two-day return and a six-day drop. In combination, it is important to note that closing the window leads to expectations of a rebound.



3/17

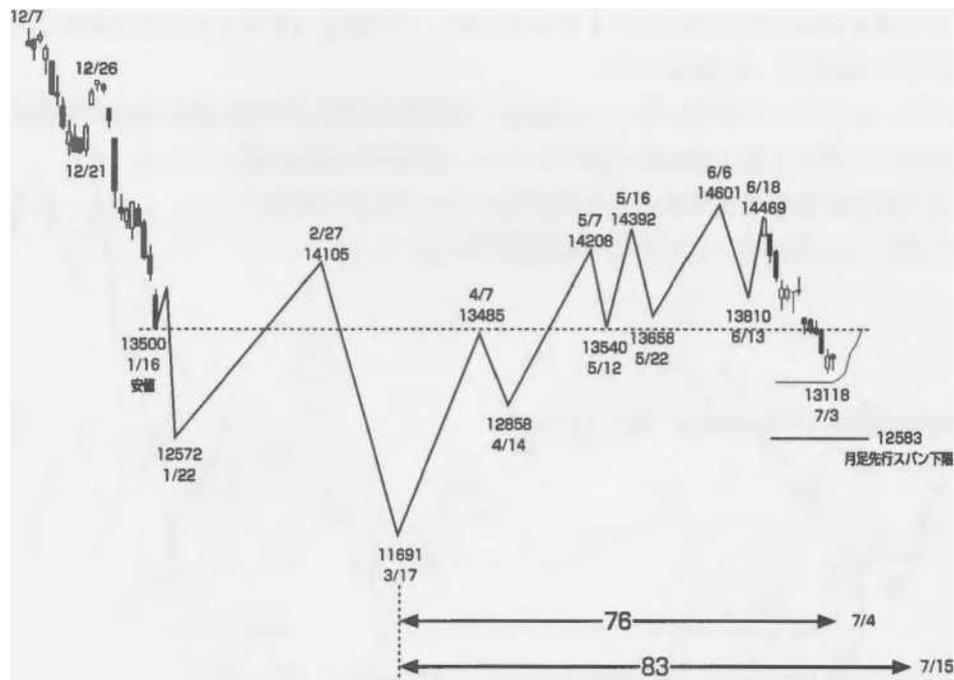
Market level 5/7 high 14208 yen
 17 days 5/29 same level
 33 days 6/20 same level
 42 days 7/3



Starting point 6/18 14469 yen centre 6/25 13675 yen down three waves 6/26 to 6 days 7/3

Here we can see in advance that the daily leading span will increase in the future. And Considering that 76 days from 17 March will pass on 4 July, it is not possible to see a definite halt to the decline unless the price rebounds above 13,500 yen by 15 July, the 83rd day, or does not break below 3 July until this day.

If the price falls early, the way down to the lower limit of the monthly advance span will be important, and we will see how it goes and whether it leads to a change that breaks the March low.



14 Jul 08 comments

In my previous comment, I mentioned the importance of 3 July, and that if the price returned, I would judge whether it had stopped falling in relation to the lower limit of the upward-looking advance span.

In the end, the market fluctuated at the low of 13118 yen on July 3, and the leading SPA We are relieved to see that the decline has not been abrupt, despite the fact that the price has broken below the lower limit of the US dollar. Nevertheless, the fact that the price has fallen below the 3 July level does not give us renewed confidence that the decline will stop.

Last week, 11 July, was the 26th day since the high of 6 June, which is a basic figure. It should be noted, however, that empirically, a single fall in a downtrend is rarely determined by 26 days.

The next date of change is July 15. 83 days after the March low, 9 days after July 3, and 14 days after June 6, if we consider June 25 and 26, when the upper limit of the forward span was broken, to be important. 25 and 26 June are the same level as January 16. It is important to note that

E The calculated value of 12669 yen is unlikely to meet the low of 22 January or the lower limit of the monthly advance span (12583 yen).

It's important.

I had feared that a sharp move to the lower limit of the daily advance span would make it difficult to stay at the lower limit of the monthly advance span, and that this would threaten the March low. However.

If the price rebounds from above the ¥12,500 level on the July 15 change date, we think it is safe to say that the downward trend has stopped for the time being.

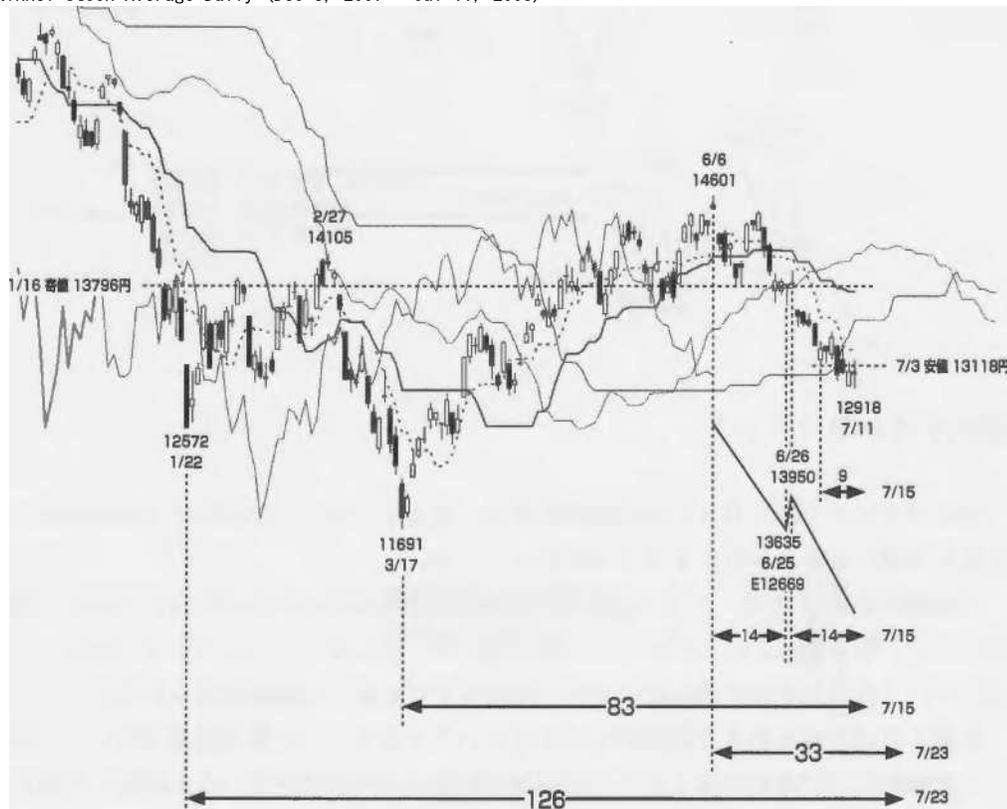
I cannot comment on 21 July because it is a holiday, but I can comment on 23 July (33 days from 6 June, 22 January to 1

We also want to be aware of (day 26).

If we do not see a rebound from the 15th and 23rd, and especially if we break below the 12500 yen level, we may be looking at a definite decline until the August change date. Nervous volatility is likely to continue.

We are at a point where we no longer need to think about upside for the time being. However, whether or not the March lows will be threatened is not certain at this stage.

Nikkei Stock Average Daily (Dec 3, 2007 – Jul 11, 2008)

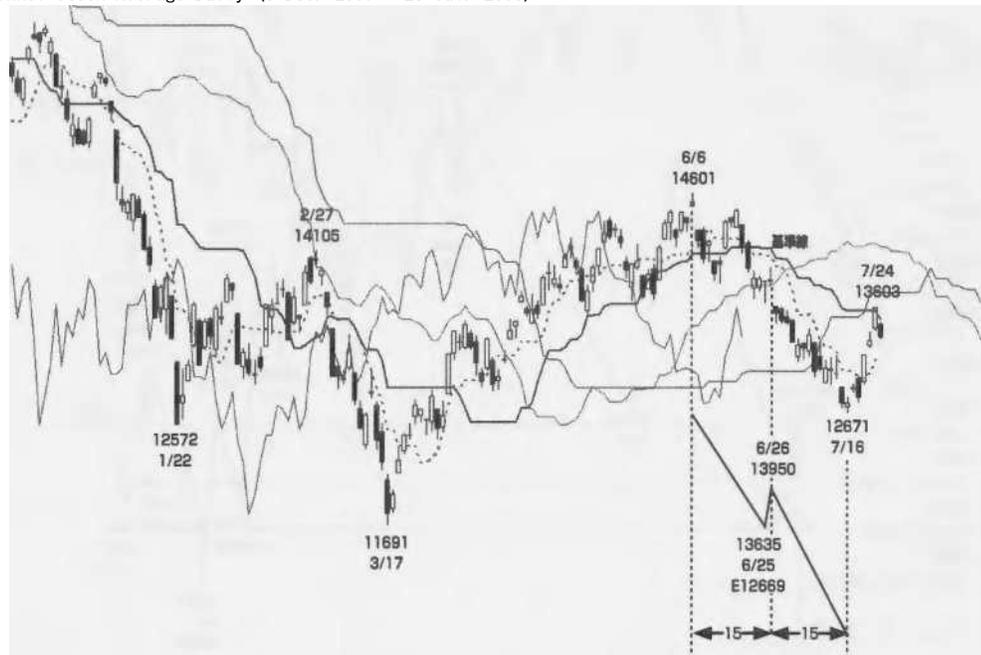


28 Jul 08 comments

In my commentary of the week before last, I set the dates of change as 15 and 23 July, and defined the small return to 26 June as the second wave.

The low of 12671 yen on the 16th was a difference of 2 yen, and if we place the 26th of June as the centre, the three wave structure matched the calculated value on the 15th and 15th. We were concerned about the lack of resilience of the market, but the rise from the 22nd was not bad, and the market reached the 24-day base line.

Nikkei Stock Average Daily (3 Dec. 2007 – 25 Jul. 2008)



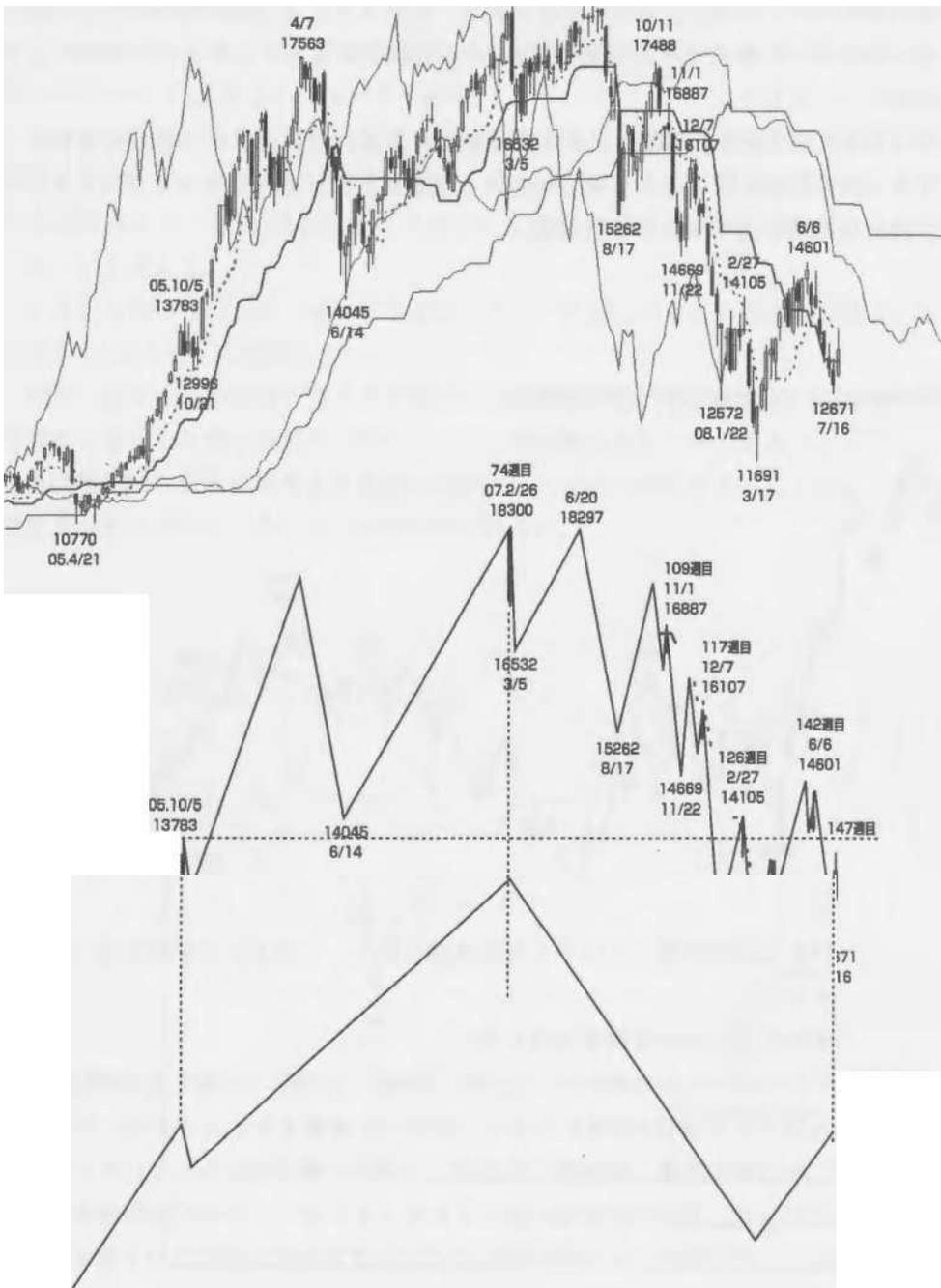
It will be interesting to see how the market reacts this week to a falling base line and a rising conversion line.

But first we need to look at last week's weekly position.

Since the October 2005 high, which has been a problem, we have seen appropriate reactions at the base values of 126, 129, 133 and 142 weeks. Last week was the 147th week, and if we take the February 2007 high as the centre, we can see a 74-74 equality, a base value and the same level, which is a kind of triad. Therefore, if the price falls below the low of 16 July, we will have to consider a downward three-wave structure. In such a case, we believe that the market will be forced to fall until the third week of August or, if worse comes to worst, the third week of September.

Nikkei Stock Average (December 2005 – July 2008)

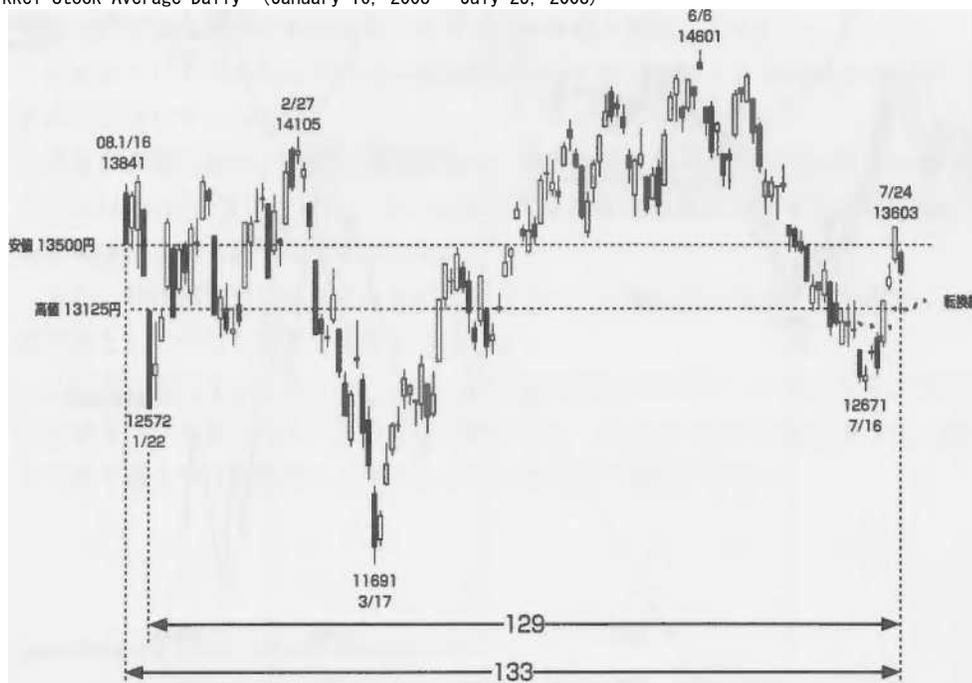
market level
 05.10/5
 High 1378
 3 yen 74
 treatment
 Eye
 07.2/26
 Combined
 highs 109
 treatment
 07.11/1
 jostle
 High 117th
 treatment
 12/26
 jostle
 High 126
 Treatment
 08.27
 February
 also
 exchange
 rates
 Value 129
 Treatment
 08.3/17
 also
 unfavour
 able
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 Value 133
 Week 08.
 14 Apr.
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 Value 142
 Treatment
 Eye
 08.6/18
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If it continues to grow, the struggle will continue. In the near term, the appearance of the 28th will be important. If the market can break above the 24-day high without breaking the daily turnover line, the 16 July low may be confirmed. If the market breaks the 1624-day low, it is unlikely to fall sharply.

28 July was the 129th day since 22 January and the 133rd day since 16 January, and we believe that the market levels that have been important so far will remain important for the foreseeable future.

Nikkei Stock Average Daily (January 16, 2008 - July 25, 2008)



4 Aug 08 comments

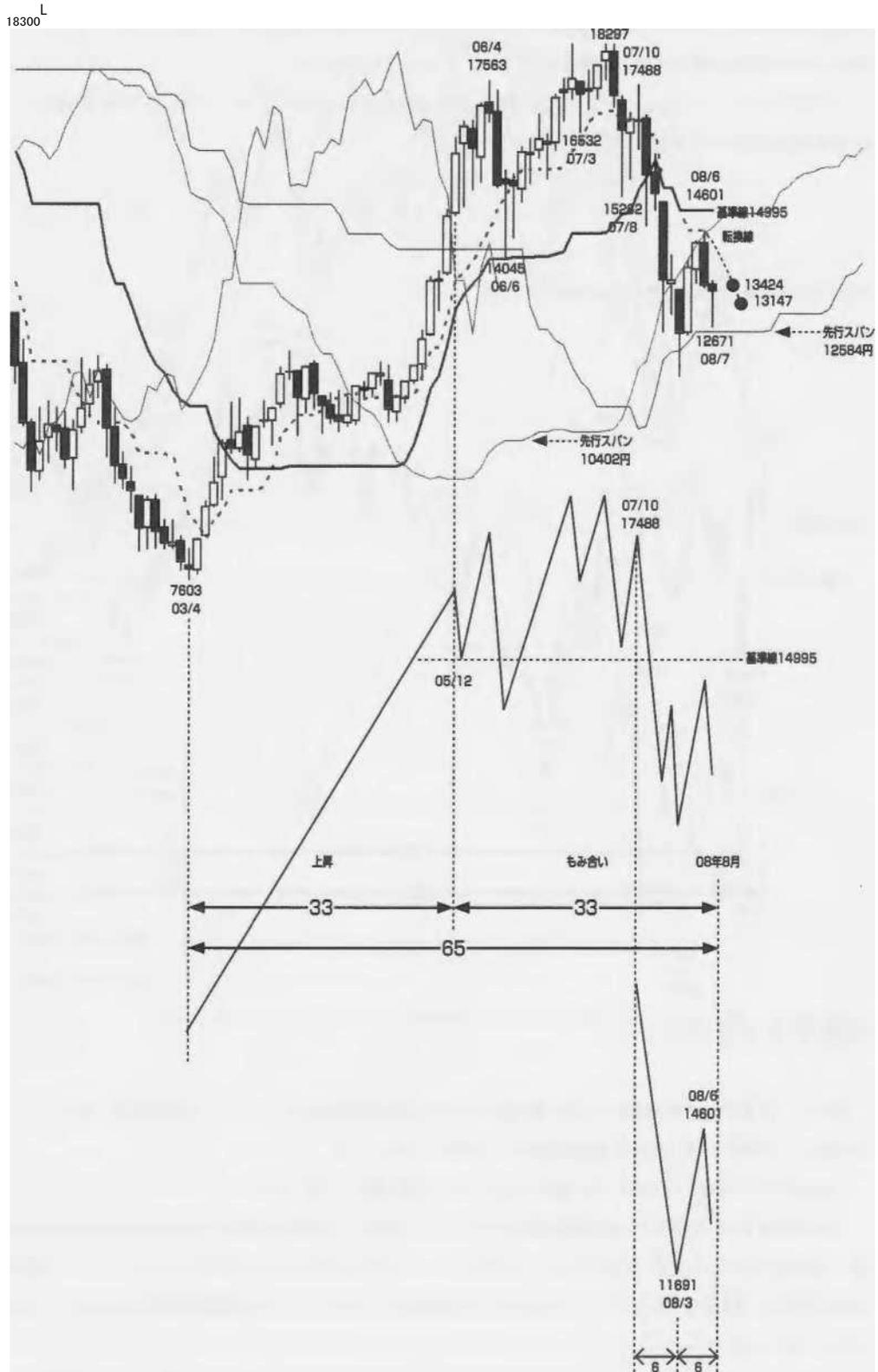
Previously, we mentioned that the weekly level was important because it was 147 weeks from the October 2005 high and the same level. From now on, the 151st week, the third week of August, will be extremely important.

As this is the first of the month, we would like to summarise the change month of August 2008.

This is the 65th month since the April 2003 low. This is easy to understand in the light of the idea that the market rose for 33 months until December 2005, and then continued to hover for 33 months from December 2005. It is possible that the market will reach a new low in August at the base line of 14995 yen.

Secondly, the fall from the October 2007 high to the March 2007 low is six months long, and the sixth month from March 2008 is August. This could form a kind of reserve structure.

Nikkei Stock Average Monthly Equilibrium (January 1999 – July 31, 2008)



The preparatory structure is essentially a consolidation of the bottom line at the basic figures.

For example, when the market showed a rebound from the low of 12572 yen on 22 January 2008, we should immediately know the basic figures from this January 22 day. You may remember that the 26th day was the high of 27 February, and we can see that the 33rd day, 7 March, was barely below 22 January. We can see that the 33rd day, 7 March, was barely below 22 January, and the break below the January low, 10 March, was a failure of preparation and a clear indication of three waves down.

If the market shows a rebound from the March 7 low and the equilibrium table turns around after the rebound, the market should show at least an upward three-wave structure, which is called a preparatory structure.

In this monthly chart, we have used equal values rather than basic values. There is a great deal of volatility after the bottom has been reached that corresponds to the time of the fall, so please check the time relationship for yourself.

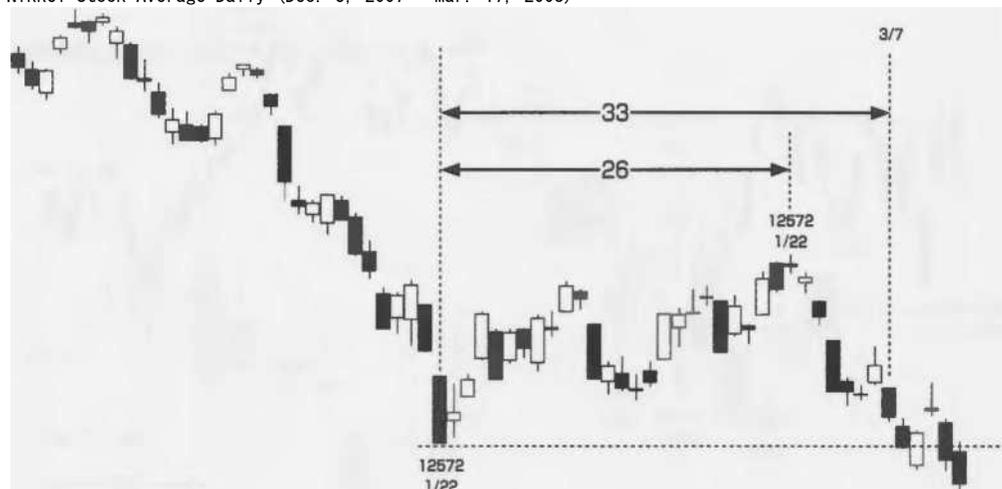
August is expected to be important in a number of other ways. Above all, look at the equilibrium chart itself.

This is the first time we have seen the price rise to a new high.

In addition, only the lower limit of the leading span supports the current market price. Therefore, it is important to consider it as a release position.

The month of change in August also shows that it is better to have a low in the second half of August than a high in the second half of August after an early month rise. As we have discussed, the direction of the market will probably not be clear until the third week of August.

Nikkei Stock Average Daily (Dec. 3, 2007 – Mar. 17, 2008)



11 Aug 08 comments

In my previous comment, I mentioned the importance of the month of change in August and the possibility of a sharp fall to the lower limit of the leading span of ¥10,400, which is a concern given the shape of the monthly equilibrium chart.

Personally, we are expecting an adjustment until the second half of August and then a change starting at 12500 yen. However, we have to be nervous because of the poor process of the fall from 2007 and the low position of the June return high.

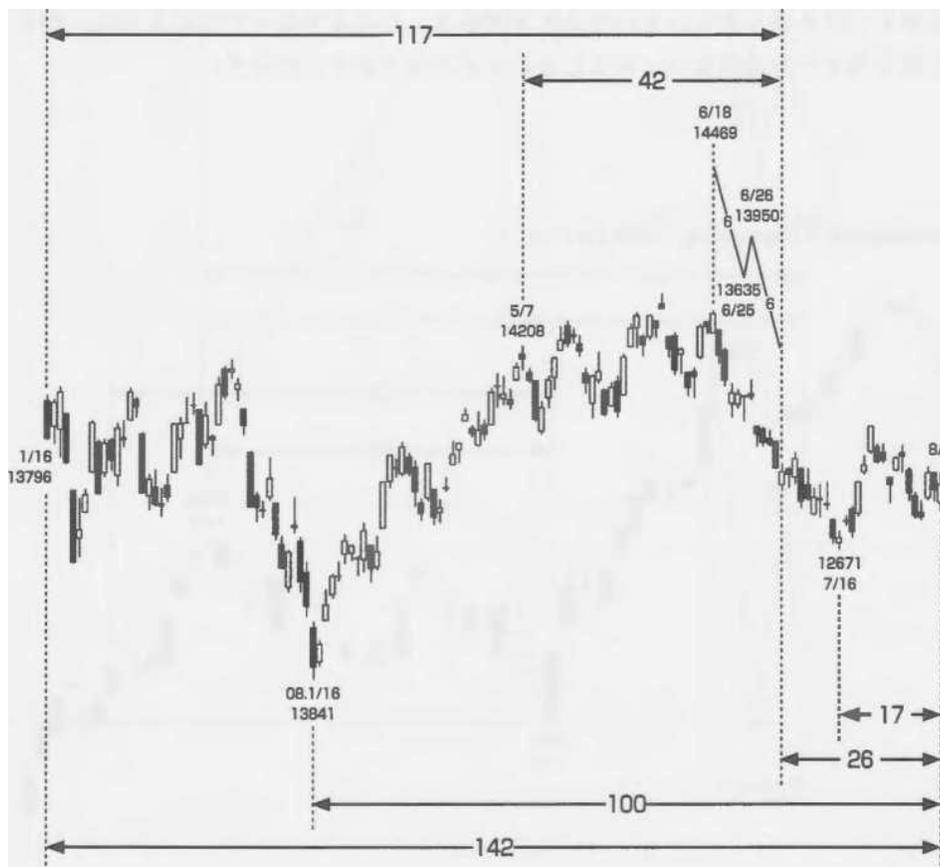
If the August month of change is important, it is better to make a low in August. A half-hearted return (with the highs under pressure from the equilibrium table) would be a sign of a poor market.

A departure from the second half of August is desirable. Nevertheless, a fall from the beginning of August would be immediately followed by a deterioration in the market.

^: to suggest that this was a previous comment.

Let's start with the important change on 8 August, 17 days after the 16 July low, 26 days after the important 3 July low, 100 days after the March low and 142 days after 16 January, the starting point of the important market level.

Nikkei Stock Average Daily (January 16, 2008 - August 8, 2008)

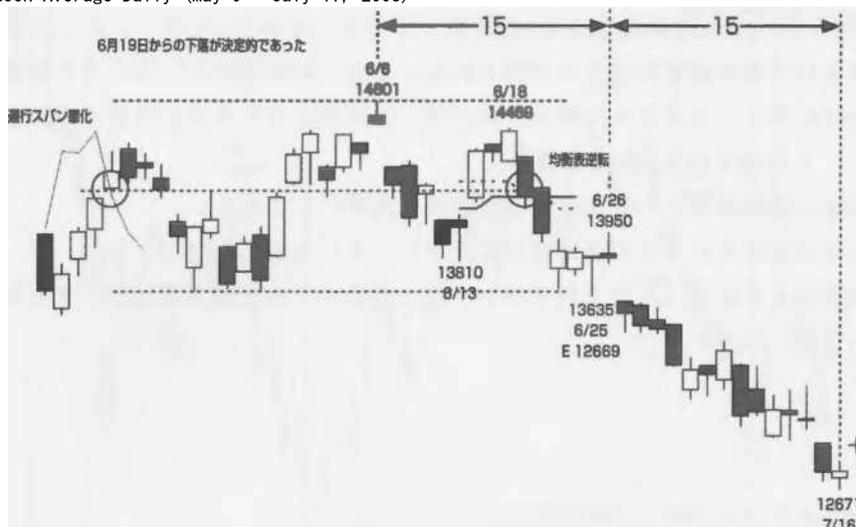


Above all, we should be aware of the fact that the 3rd of July and the 8th of August are at the same level. If we assume that this period is a trough, the price level will be right at the base line and the conversion line of August 8, and the delayed span will be in a state of improvement or not.

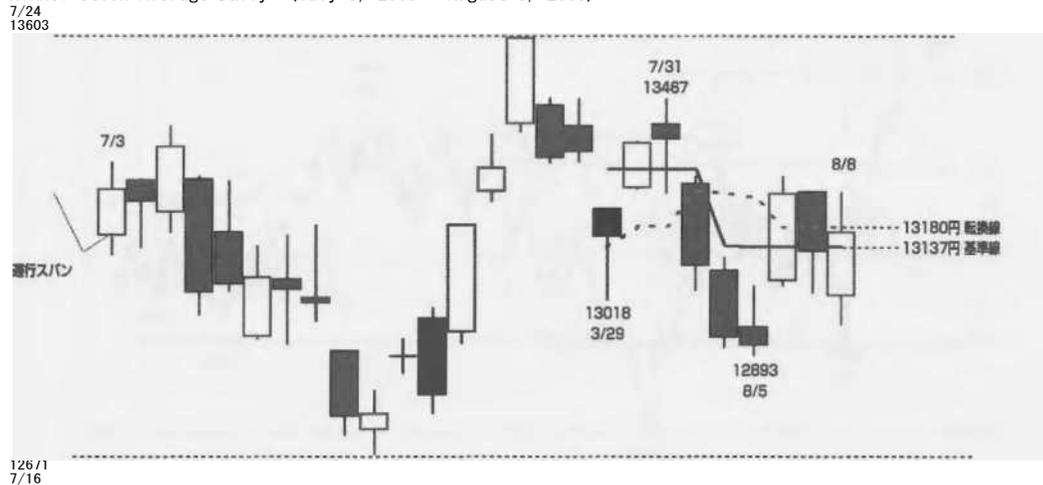
This is one of the classic signs of a market pullback, and is similar in form to the decisive fall that began on 19 June.

A rise from the 11th does not mean that the situation will improve immediately. Therefore, we think it is better to mess around for a while longer. It would be better to announce the date of change next time.

Nikkei Stock Average Daily (May 9 - July 17, 2008)



Nikkei Stock Average Daily (July 3, 2008 - August 8, 2008)



18 Aug '08 comments

In our previous report, we said that the rally since the changeover on 8 August was typical of a breakout, but that we could not conclude that it was an uptrend given the evolution of the market so far.

This week will be the 151st week of change from the October 2005 high, which has been important so far. This week is the 151st week of change since the October 2005 high, which we have been watching closely.

Given the importance of the month of change in August and the time relationship of the daily changes, this week and next week's August 27day are likely to be the starting point for any upward or downward movement in the market. Therefore, if we can confirm the firmness of the market by this week or next week's change date, we can conclude that the crisis situation is far from over, even if it is not an uptrend.

There are a number of dates of change, but next week we will focus particularly on 21 August, where we see an overlap in the basic figures of 109 days since the 17 March low, 147 days since the 22 January low, 151 days since the 16 January low and 26 days since the 16 July low. It is also 54 days from the 6 June high compared with 53 days from the 26 December to the March low, and 21 days from the 24 July compared with 20 days from the 26 June to the 24 July low.

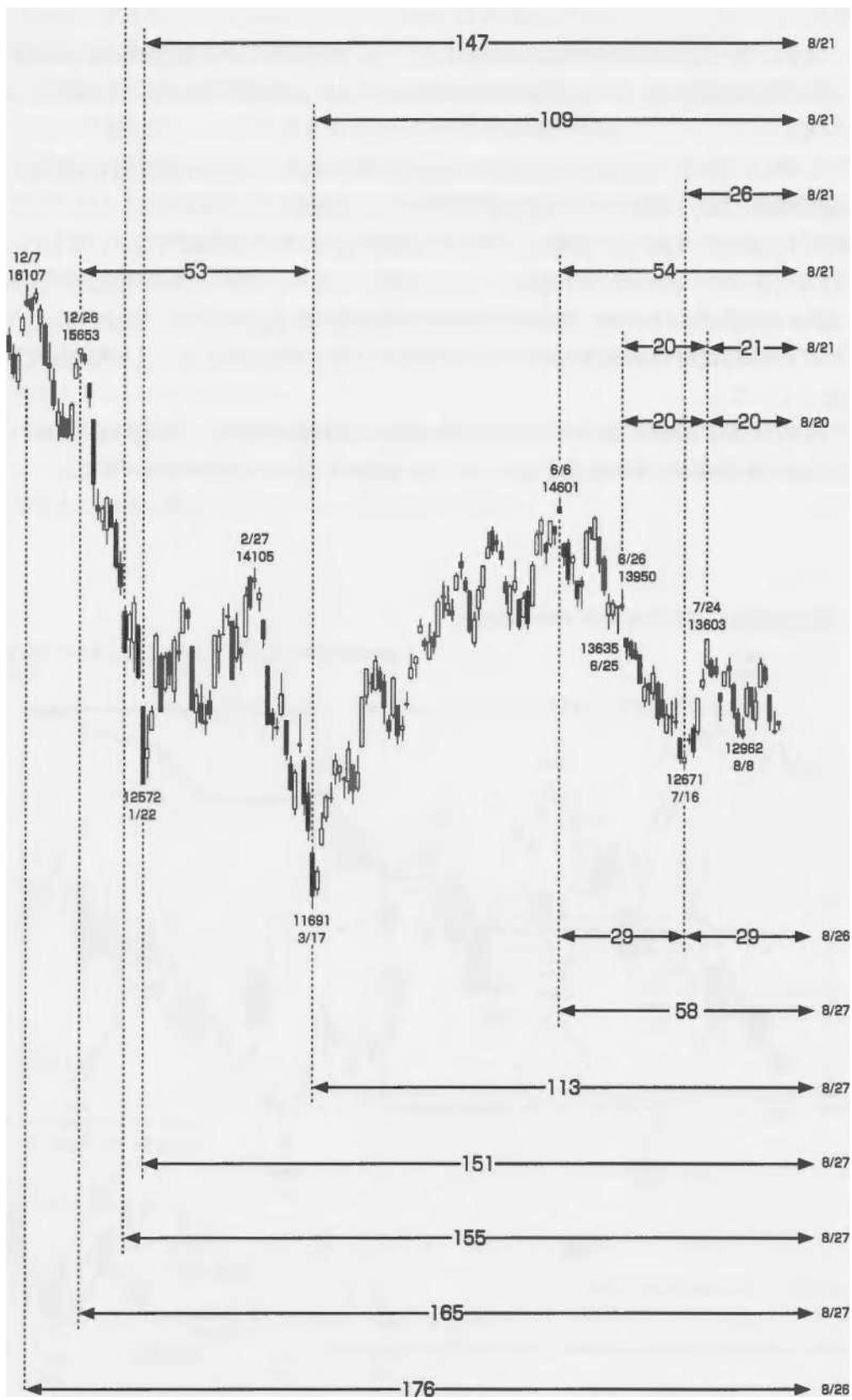
In terms of downward time depreciation, the 20th of August can be cherished.

We will be watching this change and the change on 27th August to see if the downward trend stops.

The acceptable range is the January low and the lower limit of the monthly advance span. A break below this point would be a completely different story.

Nikkei Stock Average Daily (December 3, 2007 - August 15, 2008)





25 Aug 08 comments

The last time we looked at the date of change was 20 or 21 August. If the rebound from the date of change is strong, we expect that the weekly importance of the market will indicate that the crisis is far from over.

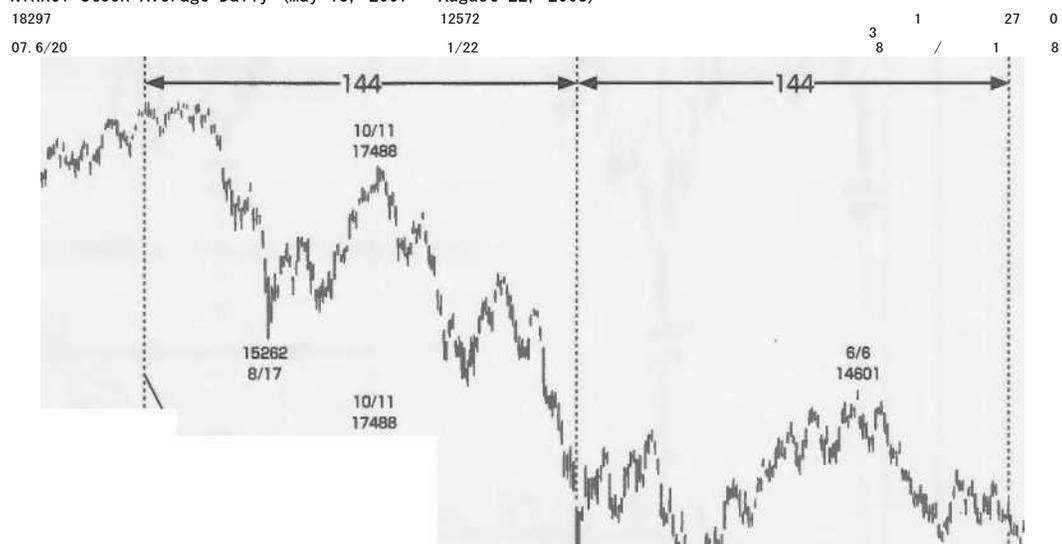
I was there.

However, not only did the pair fail to rebound on the 20th and 21st, but on the 22nd August it fell below the 16th July level and the delayed span deteriorated without improving.

The fact that the market rebounded from 16 July to 24 July and then rallied for a sufficient amount of time is not in itself a major problem. However, the lack of a rebound on the 20th and 21st, the fact that the price fell below the key lows from the day of change, and the fact that the fall to the 22nd was from the return high on the 18th of August, are factors of concern when considering the current situation.

August 18th was the 144th day since the negative line of January 22nd, and the same 144 days since the high of June 20th 2007 and January 22nd. We can see that the market has been struggling through the downturn to reach August 18.

Nikkei Stock Average Daily (May 13, 2007 - August 22, 2008)



On the 19th, the conversion line fell below the base line, and on the 18th, the price was squeezed to the upside by the conversion line, and then fell.

The V-calculated value on August 14 was 12582 yen. This is in line with the lower limit of the monthly advance span and the low of 22 January. If it falls below this level, we should be wary.

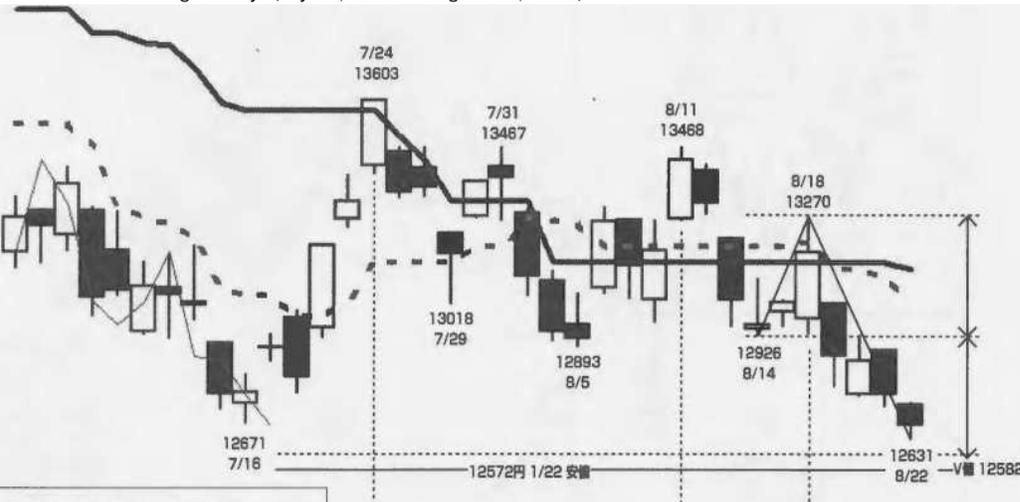
This week we will focus on 27 August (see diagram in previous comment), the 30th day after 16 July compared to 29 days from 6 June to 16 July, the 13th day after 11 August compared to 13 days from 24 July to 11 August, and the 7th day after 18 August compared to 6 days from 11 August to 18 August, the overlapping point of the three-wave structure. This is the point of overlap.

In addition, there is an overlap of the base values from the starting point of the key market levels, including the 151st day since 22 January. This means that we are now approaching the 27th day of the month with the possibility of an end to the adjustment from June somehow remaining.

The 18th is important in terms of time and position in the equilibrium table, so we can expect a return to the market.

A break above the September monthly equilibrium conversion line should ease fears of a selloff until October.

Nikkei Stock Average Daily (May 13, 2007 - August 22, 2008)



Monthly (Jan 08 - Aug 22)



1 Sep 08 comments

I explained the implications of the previous change on 18 August and 27 August, and suggested that a rise from 27 August above 18 August would ease the crisis and that the August low could be regarded as a bottom for the time being. As a result, the high of the 29th was above the base line, with the low on the 26th a day different.

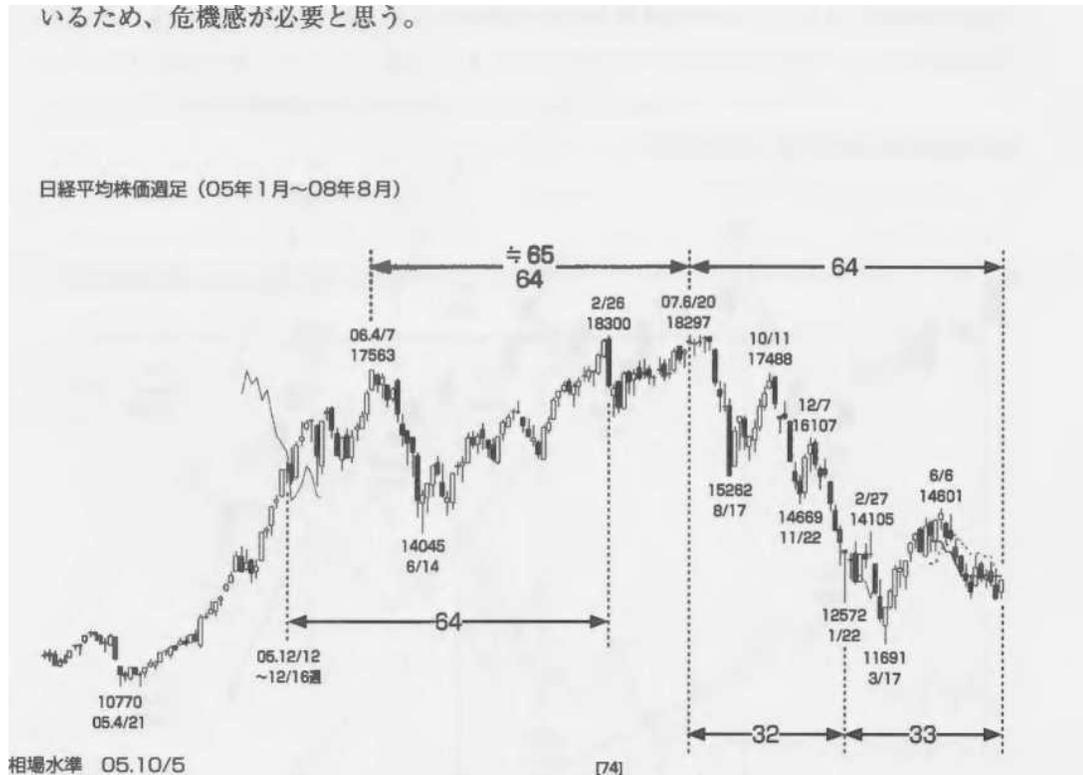
If the market pushes back from 29 August, it will not break the conversion line, and if it continues to fall after 3 September, we should have a renewed sense of urgency.

The period from 6 June to 16 July is 29 days, and the period from 24 July to 2 September is 29 days; a fall after 2 September would imply that the 34 days between 6 June and 24 July would act as a downward influence. This would imply a fall from 24 July to 9 September, the 34th day of the month.

Nikkei Stock Average Daily (Dec. 3, 2007 – Aug. 29, 2008)



いるため、危機感が必要と思う。



This week also confirms another important time relationship on the weekly chart, which we want to check.

It has been 64 weeks since the high in June 2007 to this week. This is not the base figure, but the April 2006 high

In addition, the period from the December 2005 shadow line (the crossing of this shadow line with the lagging span is also important as a market level) to the February 2007 high is 64 weeks. In addition, it is 64 weeks from the December 2005 shadow line (the fact that the shadow line intersects the lagging span is also important as a market level) to the February 2008 high. It is also 33 weeks from the January 2008 low to this week, compared to 32 weeks from the June 2007 high to the January 2008 low.

Last week, the slow moving span also touched the solid line on the weekly chart and the conversion line was almost at the same level as the base line. It is possible that some of the previously unclear changes will become clearer.

However, given the shape of the fluctuations so far, it is difficult to clarify the upward trend. One

On the other hand, in the case of a downward trend, both the week of change and the day of change so far have been positive for a downward trend.

- High 13783 yen 74 week
- 07. 2/26 Chimise High
- 109 treatment
- 07. 11/1 firmer high
- 11 7 treatment
- 07. 12/26 firmer high
- 126 treatment
- 08. 2/27 firmer high
- 129 treatment
- 08. 3/17 firmer low
- 133 treatment
- 08. 4/14 firmer low
- 142 treatment
- 08. 6/18 firmer high
- week147 08. 7/2 4
- Same level



E
11992
4401
2183

E
11794
N

12242
V₁
2283

At the time of our last comment, the 22 August low was still a potential downside stop. However, given the time relationship of the three-wave structure since 6 June, a continuation of the decline on 3 September is not acceptable, nor is a break below the conversion line.

E
12384
5821
2728

Eventually, on September

E
11659
1071
2283

September 3, the price fell below not only the August 22 low but also the January 22 low and the lower limit of the monthly advance span.

Moreover, the negative line continued, and the low on 5 September was 12163 yen, one line completely down.

The result of this was that the number of people who were not able to find a job was very low.

12,300 yen, although some calculated values are available for the transition since 24 July.

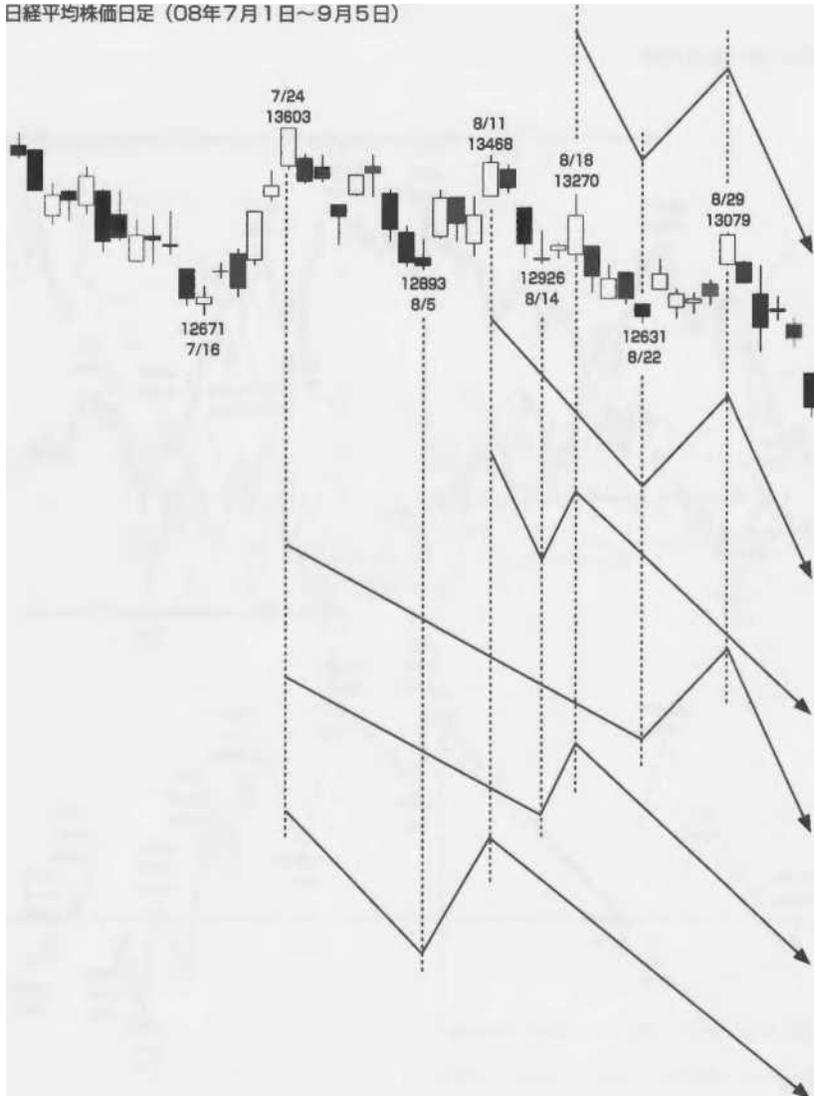
There are a large number in the range of No reaction at this level.

E
12249
N
12593

The fact that the price was lower than the previous day emphasises the downward trend.

E
12183
2758
N
V
12318

日経平均株価日足 (08年7月1日~9月5日)



The question now is whether it will break below the low of 17 March.

Here we focus on the change from 18 August, which is the 144th day after the January low compared to the 144th day after the June 2007 high and the 106th day after the March low compared to the 105th day after the October 2007 high and the March low.

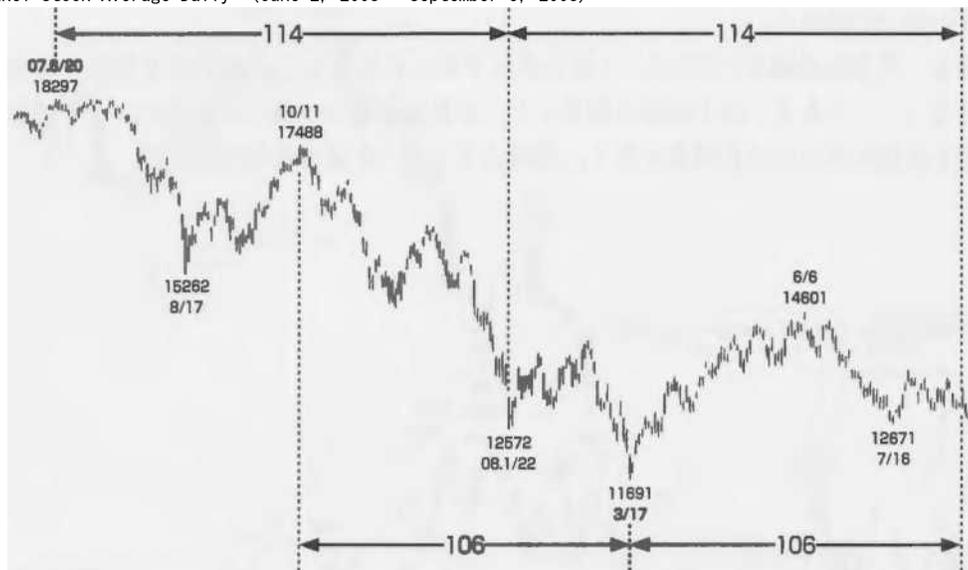
On a weekly basis, the week of the August 18 high was the 151st week since the October 2005 high, an important position from which a downside move could be triggered. We can only confirm that the breakout of the trough began on 18 August. 8

It is only after confirming the independence of the changes since 18 August that we will be able to break the Et figure of 11992 yen as of 22 August.

In the event of a downturn, the downward trend will become more pronounced.

There is a calculated value close to the March 17th low. However, given the fact that a significant date of change has already passed and the significance of the change from 18 August, it is unlikely that the price will stop falling near the 17 March low. Even if it does, we believe that a fall to the ¥10,400 level, which we have previously commented on, is now a realistic possibility.

Nikkei Stock Average Daily (June 2, 2008 – September 5, 2008)



日経平均株価日足 (06年1月~8月)



22 Sep 08 comments

The last time we commented on the market was on 8 September, when we said that the price had risen to the conversion line, but that we should be wary of a fall if it did not continue to rise. In the end, the price did not react at the calculated price, which was the guideline, and reached the low of 11301 yen on September 18. We believe that the market will return to its previous level after the Chicago market, but we are not optimistic that it will remain so for the time being.

Firstly, let's look at the position of the 18 September low, which, apart from being 65 days from the 18 June high and 9 days from the 5 September low, is unremarkable and not properly calculated.

Far more important is the 19 September change date, which was 167 days after the January low. It is 129 days since the March low, 74 days since the June high and 9 days since the September 8 low.

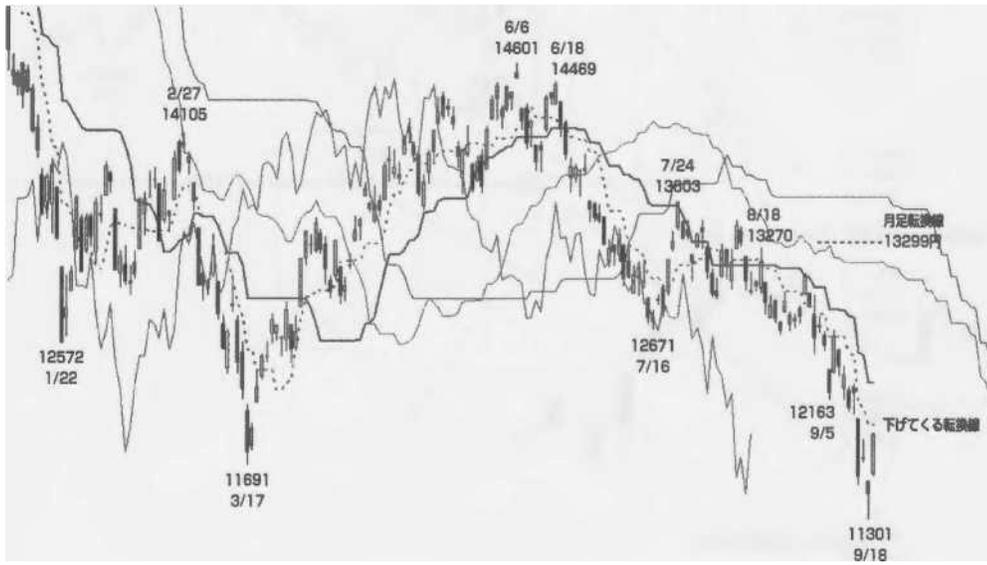
In addition, the price is at a high point where it is likely to be held up by the turning line, which has come down, and if it falls on the 22nd, there are high concerns about a further collapse.

Fears of a crash have been allayed by the fact that the Chicago market has returned above 12,400 yen. However

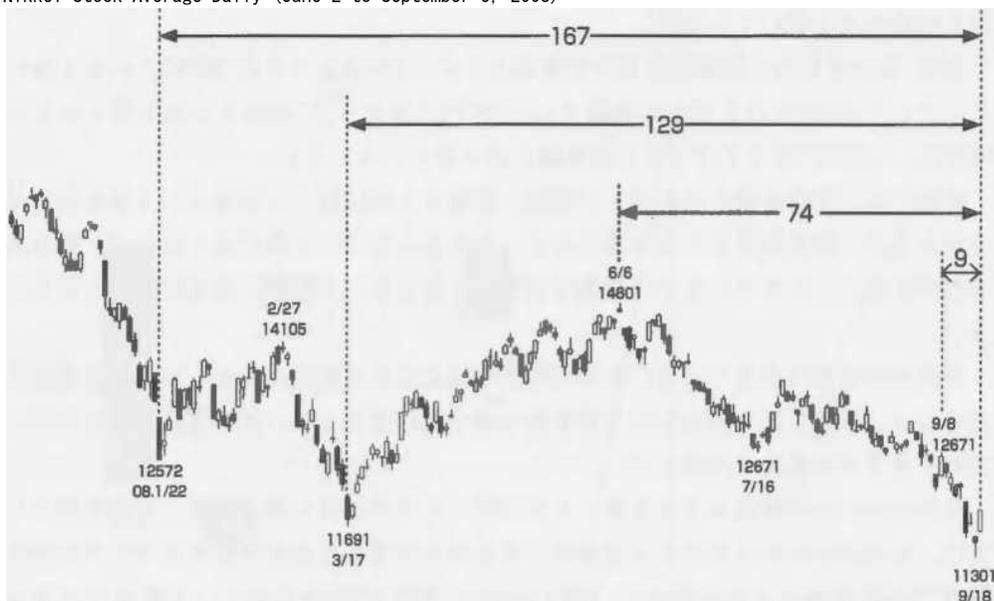
In addition, the current position is still a return to the January low and the lower limit of the monthly advance span, so there is still a good chance that this return will be short term.

In the near term, the focus is on 24 September, 76 days from 6 June, as September is not an appropriate month for change and October is more important, so if the key change date is in October with little scope for a return, fears of another fall will increase.

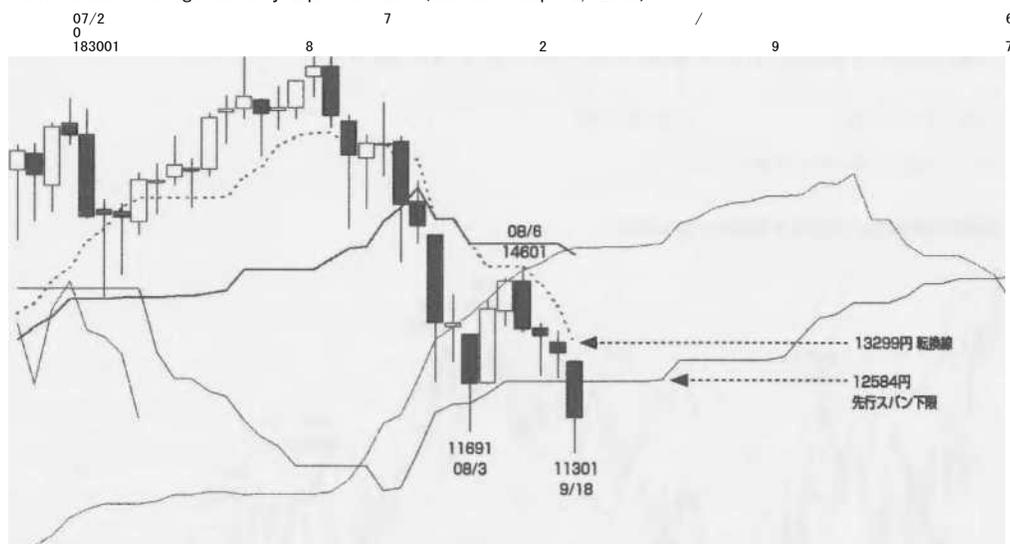
Currently, the monthly conversion line is at 13299 yen, which is in line with the August 18 high, which is an important starting point for a pullback. There are many doubts about the September 18 low as a bottom and we do not consider it to be a bottom at this time.



Nikkei Stock Average Daily (June 2 to September 5, 2008)



Nikkei Stock Average Monthly Equilibrium (Jan 06 - Sep 19, 2008)



29 Sep 08 comments

In my previous comment, I stated that the low of 18 September was not a reasonable position for a bottom in terms of time and calculations. z I considered 24 September (76 days from the high of 6 June) to be important and a fall from this date would not be acceptable, but as 26 September was also important, I would like to confirm this position first.

September 26 is the 133rd day after the March 17 low, so let's take the March 17 negative close of 11787 yen as the market level.

On the 126th day, 16 September, the price fell below the 17th day of March, and on the 129th day, 19 September, the price exceeded it. On the 133rd day, 26 September, the price fell to 11788 yen, which is equivalent to 11787 yen, and at the same time is the same level as the conversion line, which fell to 11789 yen.

In the case of the Yease Line, there is a basic view that a market is down when the price breaks below the low and up when the price breaks above the high. However, if the low is taken as the market level and there is an upturn, the market is not necessarily in a downtrend.

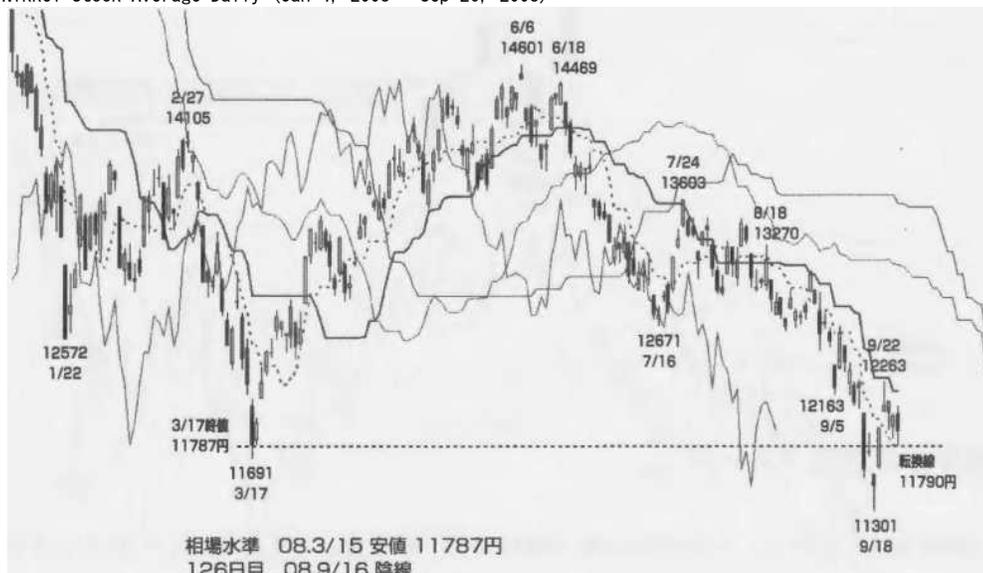
In order to make a judgement that the 18 September low is not reasonable but may be a bottom in the near term, we need to see a rally from at least 26 September. We will be watching the volatility through to 1 October for confirmation of this.

The change from 18 September was a 3-day rise and a 4-day push to a low on 26 September. The equivalent figures are

As of 26 September, the calculated values were 13255 yen for E, 12738 yen for V, and 12750 yen for N. **If the price is to rise**, it must rise by at least 12700 yen by 30 September, or it will not be able to rise in the future.

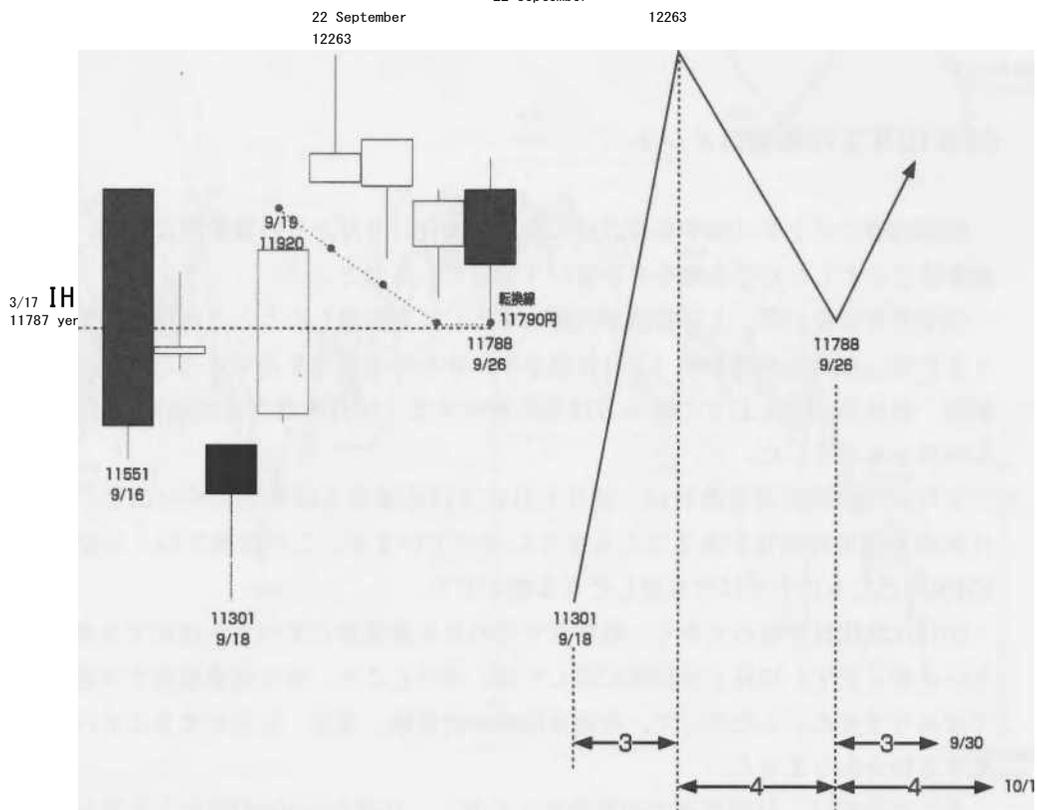
This is exactly the same approach we took in our radio commentary at the beginning of April, when we used the January lows as the market level and estimated the likelihood of a return from the March lows.

Nikkei Stock Average Daily (Jan 4, 2008 - Sep 26, 2008)



129th day 08.9 pa 9 sunny 133rd day 08.9/26 11788 yen low 142nd day 08.10/9

E
13255
12736
N 12750
22 September



3. From the article of 5 October 2008

Market comment, 3 October 2008

In my last market commentary (27 September 2008), I noted the importance of the changeover date of 26 September, and made some assumptions about what should happen if the market were to move back.

However, this time, the market did not show any resilience from the March low and continued to fall, reaching a low of 10938 yen on 3 October.

We have already mentioned that if the price continues to fall after 26 September, it is unlikely that it will stop falling on 1 October and that there is a possibility that it will break below the low of 18 September. With this volatility, the 10,400-yen target is likely to be reached soon.

There are so many days of change in October that we are not in a position at the moment to establish which days are the most important. For the period after 1 October, it is not clear at the moment what the most important dates will be, so we will have to look at the bigger spans of equilibrium charts, calculations, weeks and months.

In this article, I would like to explain that we can consider the possibility of a halt to the downtrend at 10,400 yen in the month of change. In the next article, I will use the weekly chart to explain the significance of the month of change in August.

Before concluding this article, let's put the calculated values in perspective.

In terms of calculated daily fluctuations since 6 June, the calculated **E** value of 10741 yen (①) on 16 July, the calculated **N** value of 10485 yen (②) when the second wave starts on 29 August and ends on 18-22 September. Please pay attention to the large **P** value of 10136 yen (③) from the high of 2000.

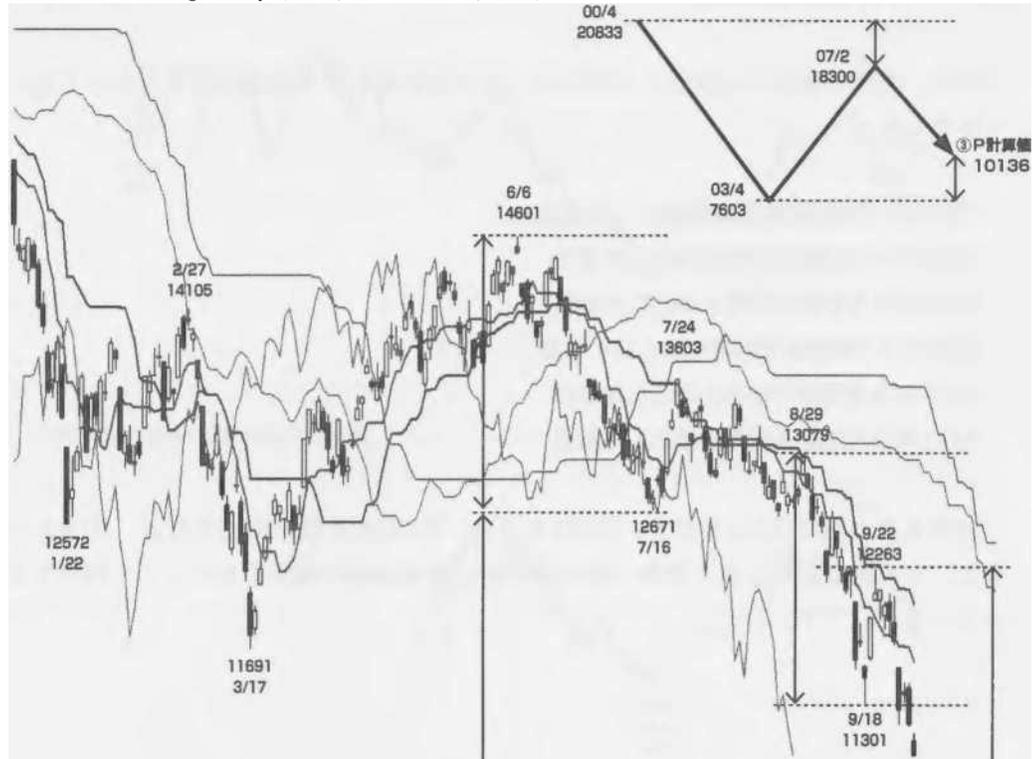
The first one (2) is the lower limit of the leading span of 10463 yen as a possibility to support the lagging span, which has been emphasized in the monthly equilibrium chart for a long time. The monthly lagging span is indicated by the monthly closing price. Therefore, we have to take into account the possibility that the price will break below 10463 yen and form a downtrend.

In that case, there is a large P-calculated value of 10136 yen in the monthly transition. In that case, there is a large P
The first thing to understand is that the significance of a low price in a market is diminished, and it is more likely to emphasise the downside.

If we replace (2) with the lower limit of the monthly advance span of 10463 yen, and place this 10463 yen itself as the market level, we get $10463 \times -101362 = 10790$, which means that this price is in line with (1).

In other words, at worst, the market will be at the level of (2), and the bottom will be in the range of (1) to (3).

Nikkei Stock Average Daily (Jan 4, 2008 - Oct 3, 2008)



E:EWB
10741
N Totaltra
10485

If there is no change in the market, the possibility of a halt to the downward movement in October will fade, and a breakout from (2) is likely to reinforce the downward movement. It is important to recognise this at this stage.

The base value from the negative line of January 22, when the price hit 12671 yen on July 16, will be the first checkpoint.

The 176th day is 3 October and the 183rd day is 15 October, but at the moment the daily conversion line may act as a near-term price level (this is the March low, and the 142nd day from 17 March is 9 October, the 147th day is 17 October and the 151st day is 23 October. It will be interesting to see if there is a rebound from 6 October (13 days from 16 September to 3 October, 17 days to 9 October and 26 days to 23 October).

If the market rebounds without breaking below ¥10741 and breaks below the near-term turning point and the upward move to October 9, we will continue to watch the market for a week with the expectation of a fall to at least level (2).

We would just like to stress that it is important to remember that it is difficult to find a good position to start from in October.

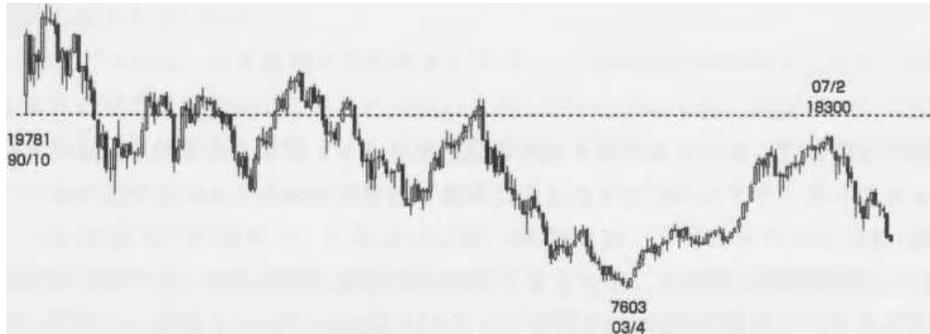
The meaning of the April 2003 low position

In 2007 and 2008, our commentary on the month of change was based primarily on market levels rather than on the three-wave structure.

- (1) If the October 1990 low is taken as the market level
 - (2) If the April 1992 shadow line is taken as the market level
 - (3) If the August 1992 low is taken as the market level
- If the October 1998 low is taken as the market level
- (5) Assuming that the market level is the positive line in March 2001
 - (8) Assuming that the market level is the negative line in September 2001

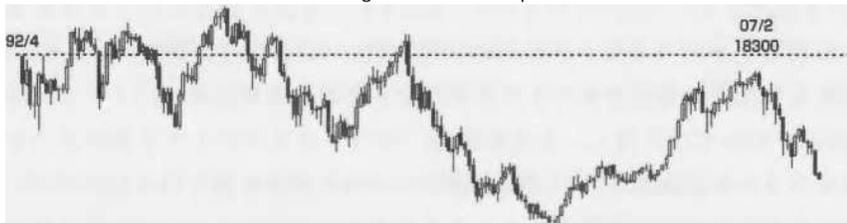
The April 2003 lows were (1) 151st, (2) 133rd, (3) 129th, (4) 55th, and (5) 26th, all of which are basic values (55 is empirically treated as a basic value).

- (1) If the October 1990 low is used as the market level



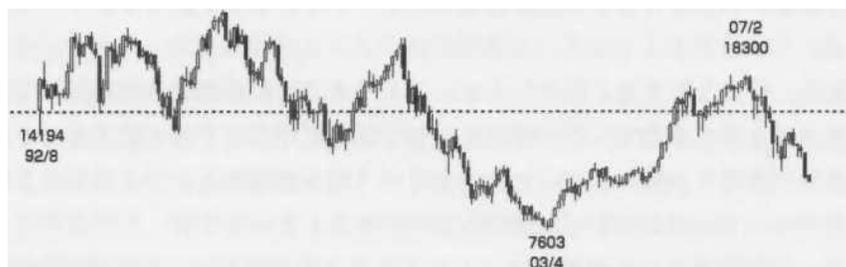
[155]

- In the case that the market level is the negative line in April 1992



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(3) If the August 1992 low is used as the market level

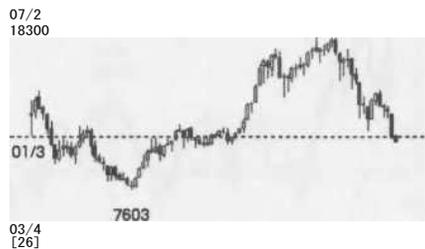


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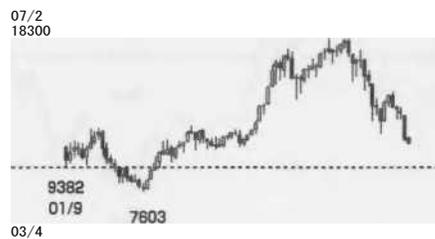
(4) If the October 1998 low is taken as the market level



(5) When the market level is set at the March 2011 sun ray.



(6) The market level is based on the negative line of September 2011.



Konica Minolta Manufacturing(HK) Ltd. Konica Minolta Manufacturing(HK) Ltd. has been manufacturing Konica Minolta products⁶ for more than 20 years.

The problem is that there is no reasonable calculation value to be found. The end of 2002 is far more important in terms of the time relationship between the three waves, and the April 2003 low was reached by falling below this month of change. Some of you may remember that Mr. Takeuchi, who was a lecturer of our study group at that time, said, "Even if it is a return market, we do not regard it as a big bottom.

In fact, the initial move from the 2003 lows was not a great one, and the market was

no

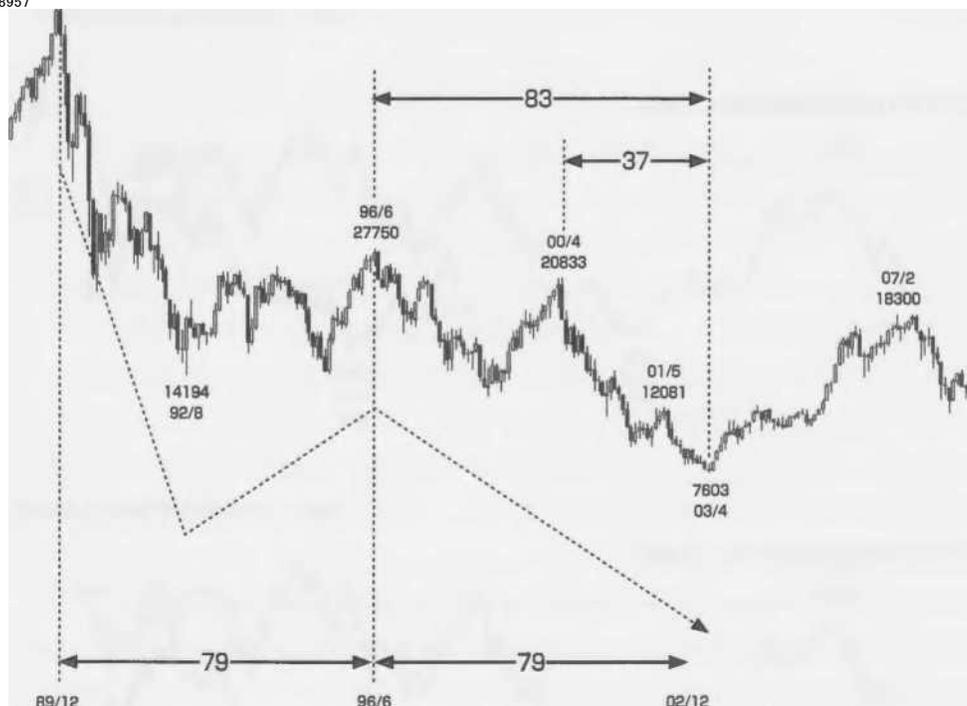
t solid until it broke above 12,000 yen in 2005.

As a result, the market rallied to a high of 18,300 yen in February 2007, but the subsequent decline has led to a situation where the April 2003 bottom must once again be questioned.

Once again, we are reminded of the importance of the end point of the market, which is the starting point, and the importance of such a point.

Nikkei Stock Average Monthly (Jan. 89 – Oct. 3, 2008)

89/12
38957



The transition process so far

The basic figures (1) to (6) from the starting point of the market level continue to function, sometimes independently and sometimes in parallel.

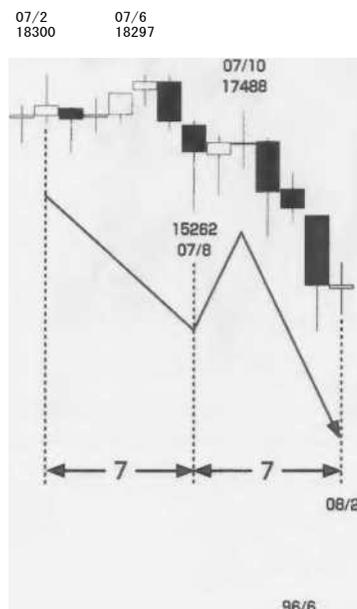
The month of change in February 2008 was the 209th power month since October 1990 and the 191st power month since April 1992.

This is the three-wave composition point from the February 2007 high.

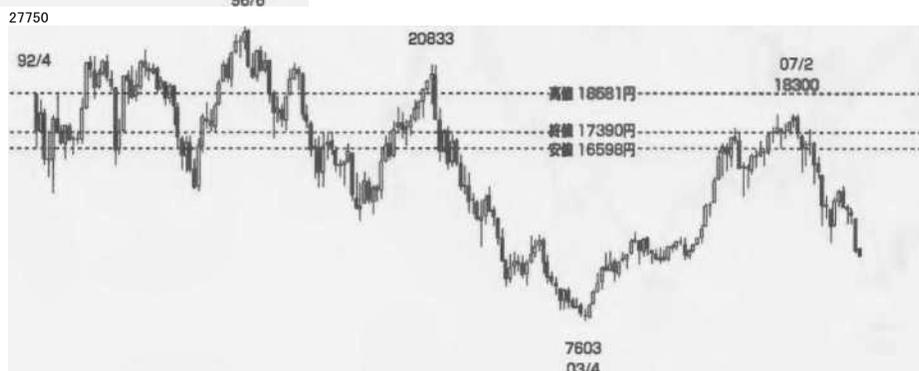
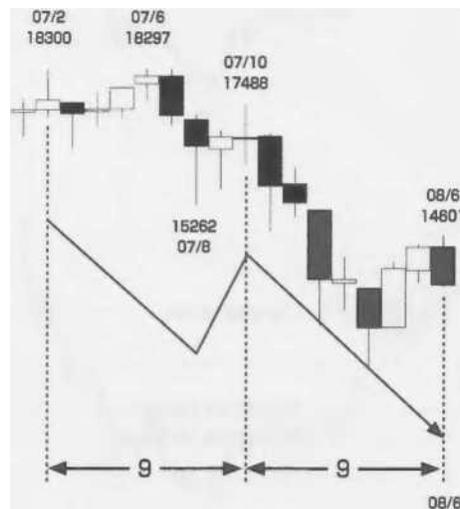
The month of change in June 2008 is the 116th power month since October 1998 and the 82nd power month since September 2001, and is likewise a point in the three-wave structure.

The month of change in August 2008 is the 197th power month since the April 1992 shadow line. The April '92 negative line is the starting point of the market level that we have been focusing on the most. This negative line itself has a large price range, with a low of 16598 yen, a close of 17390 yen and a high of 18581 yen, all of which can be regarded as market levels.

2007 - Jun. 2008



Nikkei Stock Average Monthly (Jan. 2007 - Feb. 2008)



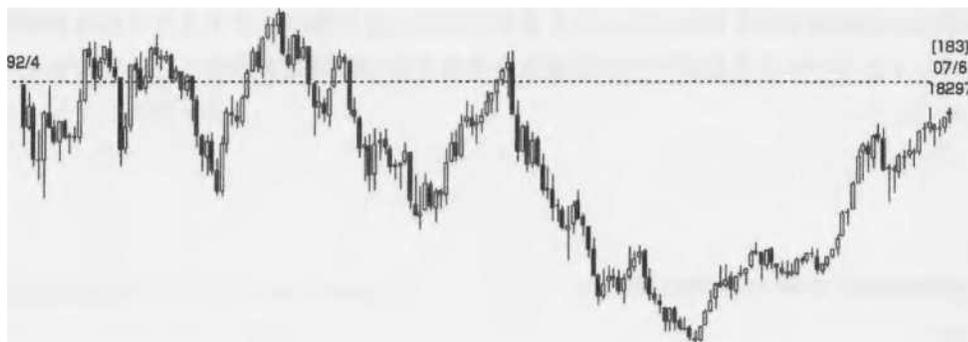
We can see that the highs of 2006 and 2007 have remained at this level after all. June 2007 was the 183rd month of the year, and it was mainly for this reason that at that time we said that we would not be able to affirm a rising market if we could not achieve the high 18,000s.

The October 2007 high was also important as a month of change, but you can see that it coincides with the 187th month since the April 1992 shadow line, the 183rd month since the August 1992 low and the 109th month since October 1998.

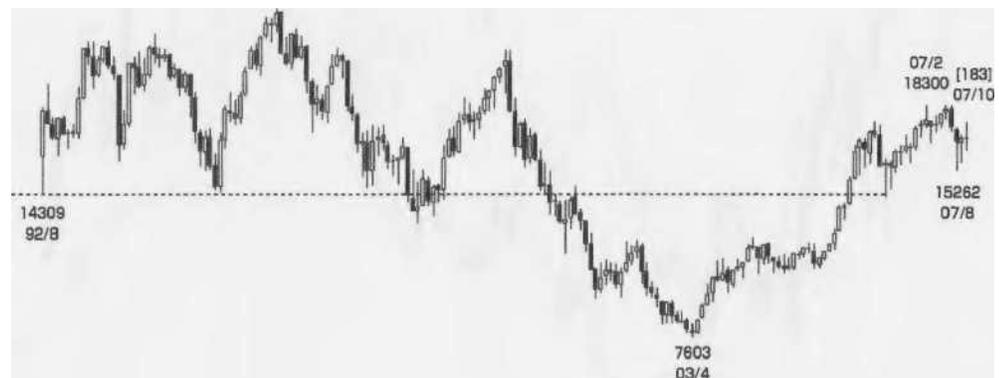
A high of 17488 yen in October, the 187th month of the year, is likely to encourage a decline after a return to the basic figures and market levels, and at the same time a decline to the August 1992 low of 14194 yen, where the basic figures are still valid, or to the October 981992 sun-sen level can be expected.

Nikkei Stock Average Monthly (Jan. 2003 - Oct. 2007)
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[133].



[129]

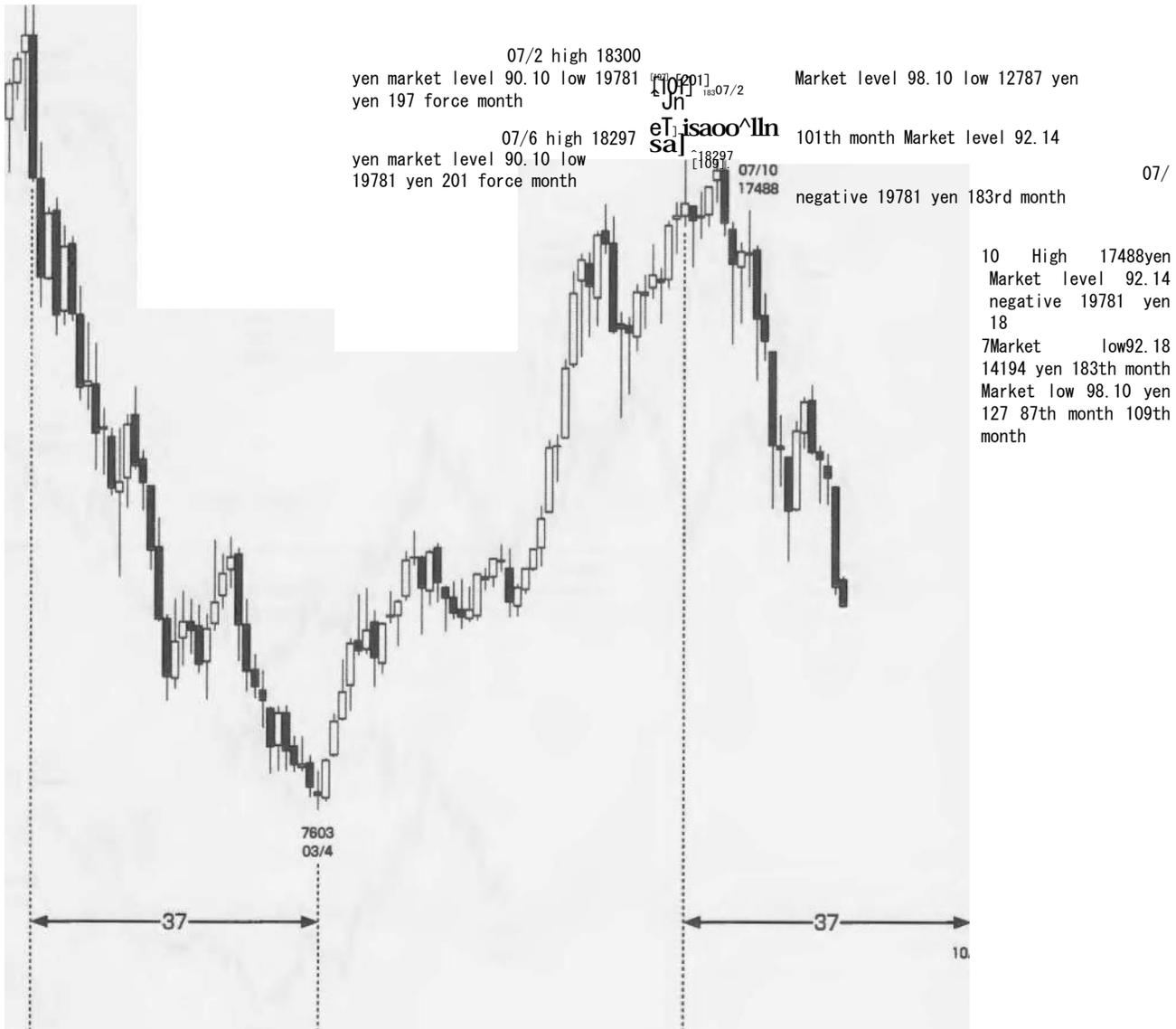


[56]

The reason for our concern about a prolonged slump in the second half of 2007 is that, at the same time, we will have to treat the rise to the February 2007 high as a second wave. In that case, we have already mentioned that we have to take into account the influence of at least 37 months of decline from the highs of 2000 to April 032007.

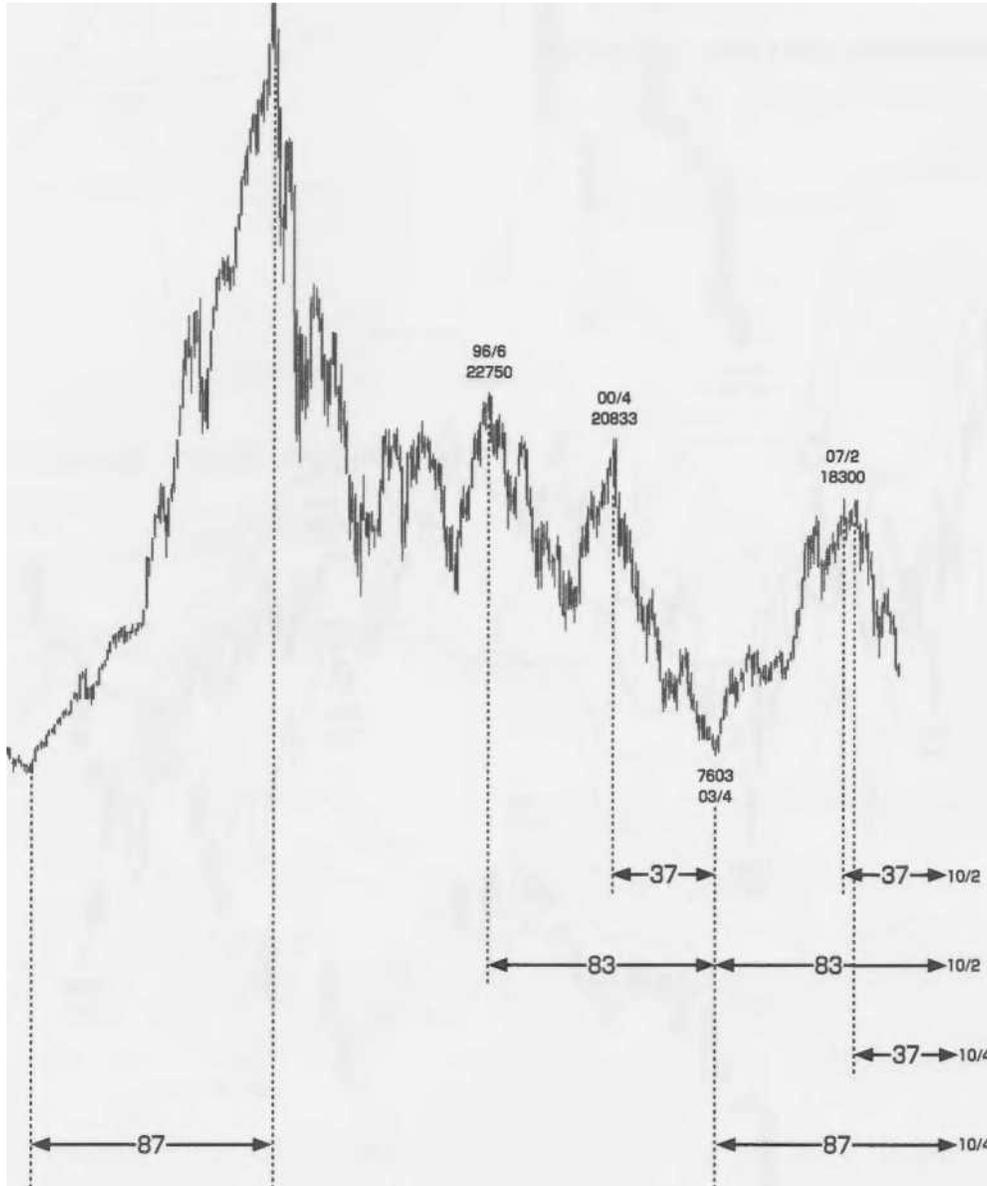
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Nikkei Stock Average Monthly (Jan. 00 – Oct. 3, 2008)



The 37th month from the February 2007 high is February 2010, 83 months from the 2003 low, and the 37th month from the June 2007 high is June 2010, 87 months from the low. The 37th month from the June 2007 high is 87 months from the June 2010 low. This is very important as it corresponds to the 83 month fall from the 1996 high to the 2003 low and the 87 month rise to the 1989 ceiling.

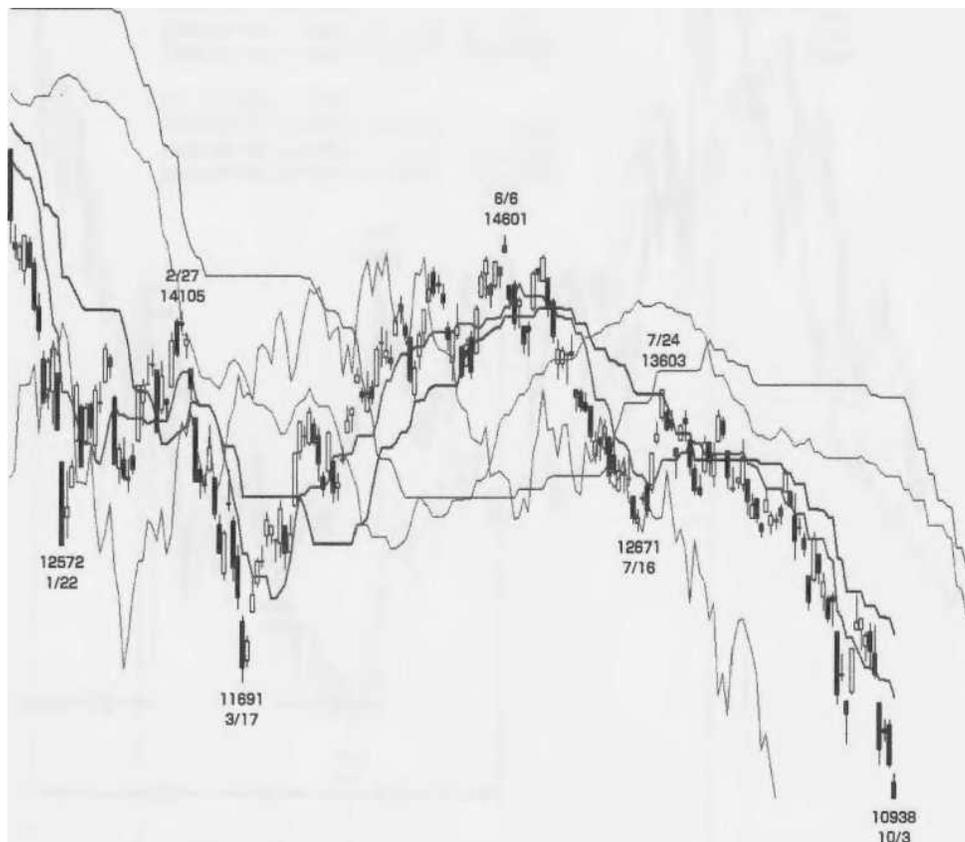
Nikkei Stock Average Monthly (Jan 82 - Oct 3, 2008)
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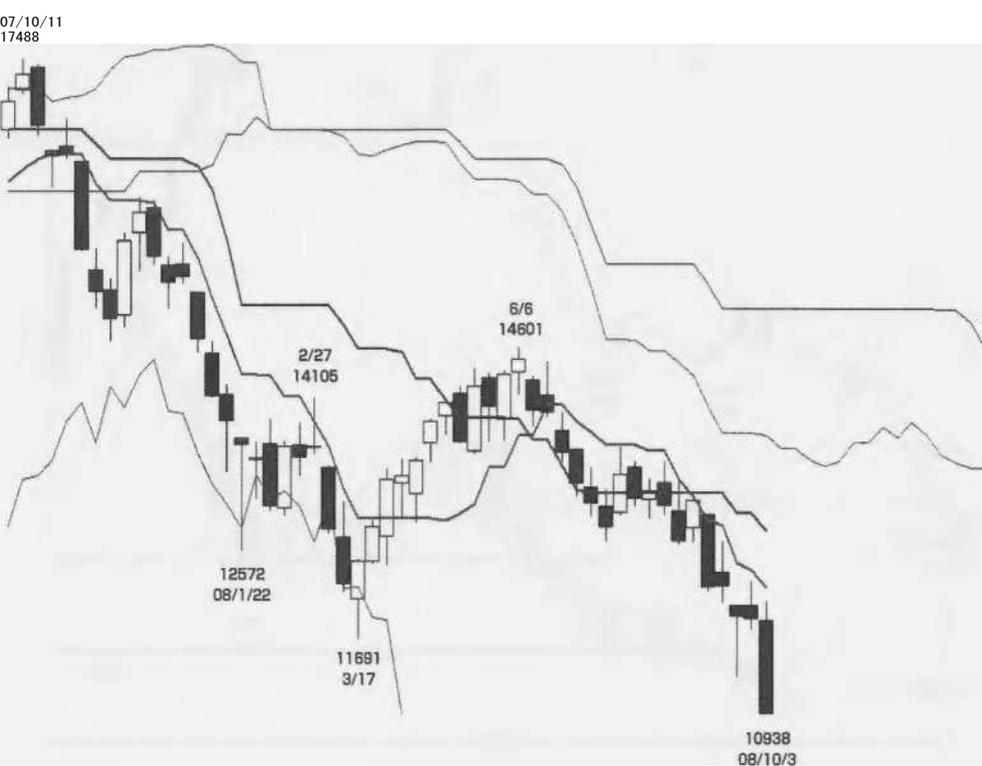
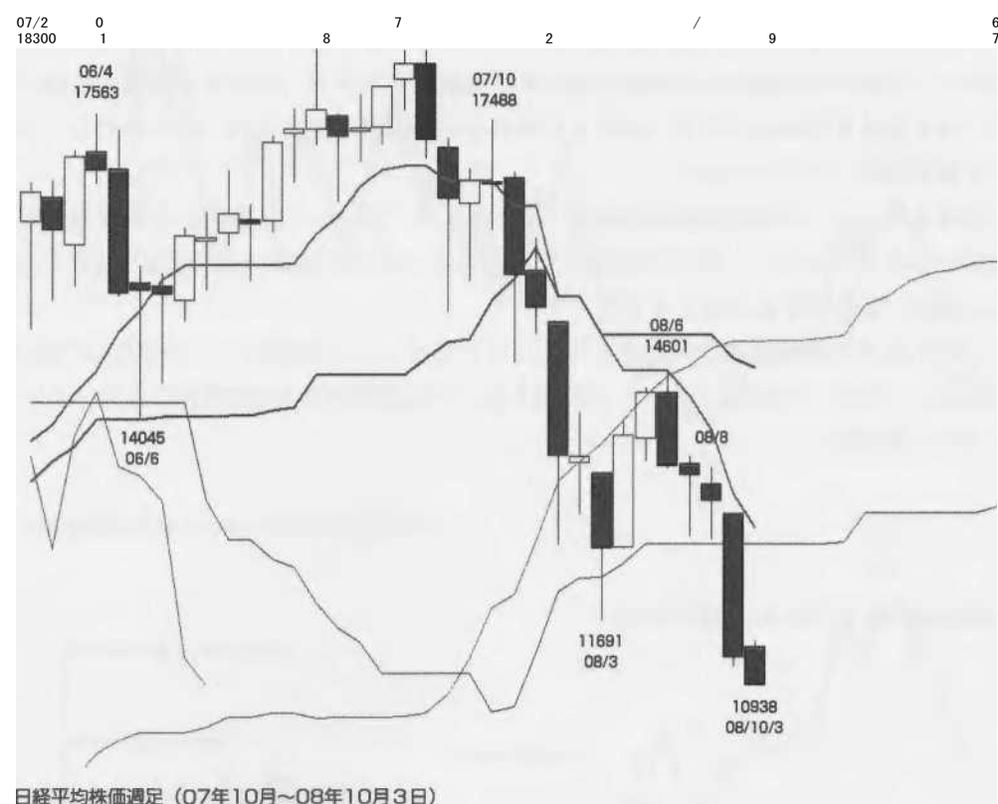
Of course, a prolonged slump cannot be ruled out in October 2007, and we should always take into account the possibility that the various lines of the equilibrium table will support the market until it is clear that the market has moved away from the April 1992 level. Also, if the downward process from the June 2007 high had been appropriate, a fresh start would have been possible within the scope of the adjustment.

Unfortunately, the decline in 2008 was too steep. February and June were also return highs. 0 August was just below the lower limit of the leading span of the Equilibrium Table, but failed to rebound, and the previous months of change have only affirmed the deterioration of the market.

Nikkei Stock Average Daily (January 4, 2008 – October 3, 2008)



Nikkei Stock Average Monthly (January 2006 - October 3, 2008)



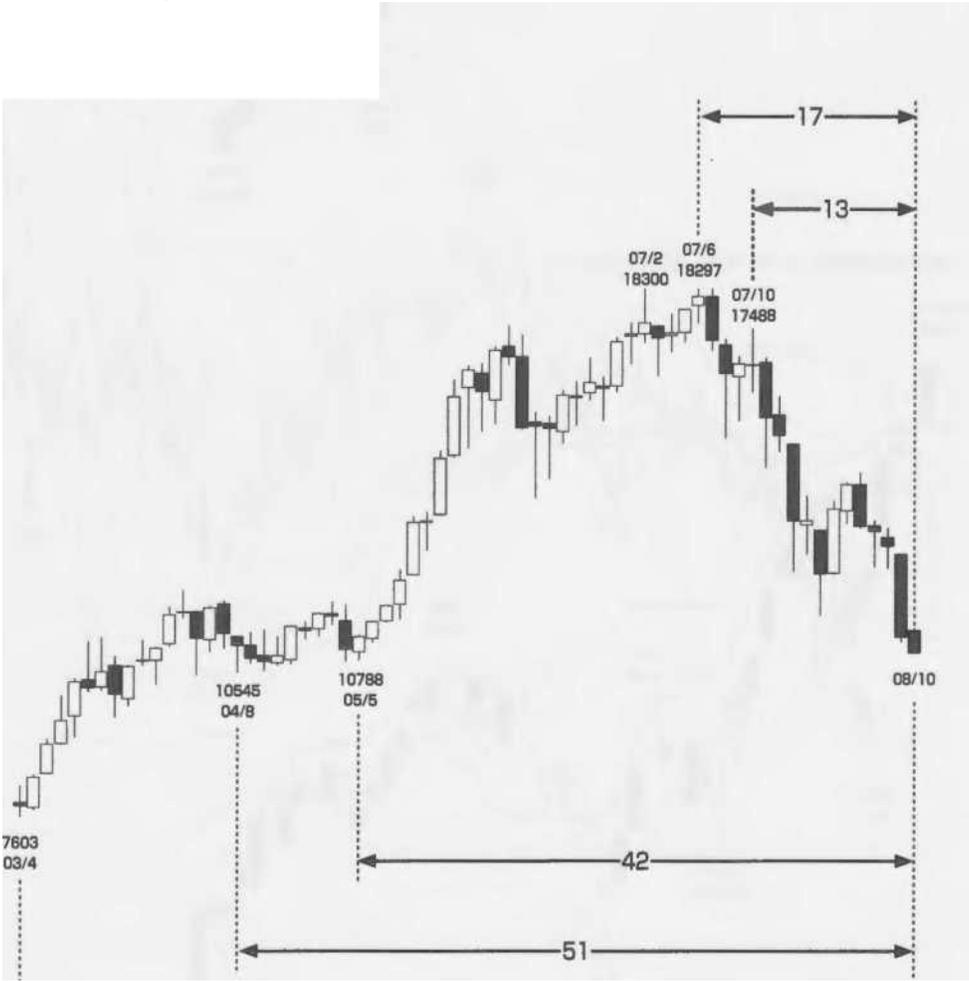
Implications of the October 08 Change Month

In the case of the October 2008 change month, we have to be aware of the fact that there is a very large overlap in the basic figures: 13 months from the October 2007 high, 17 months from the June 2007 high, 42 months from the May 2005 low, 04 51 months from the August 2005 low, and 67 months from the April 2003 low. This single point alone is of great importance.

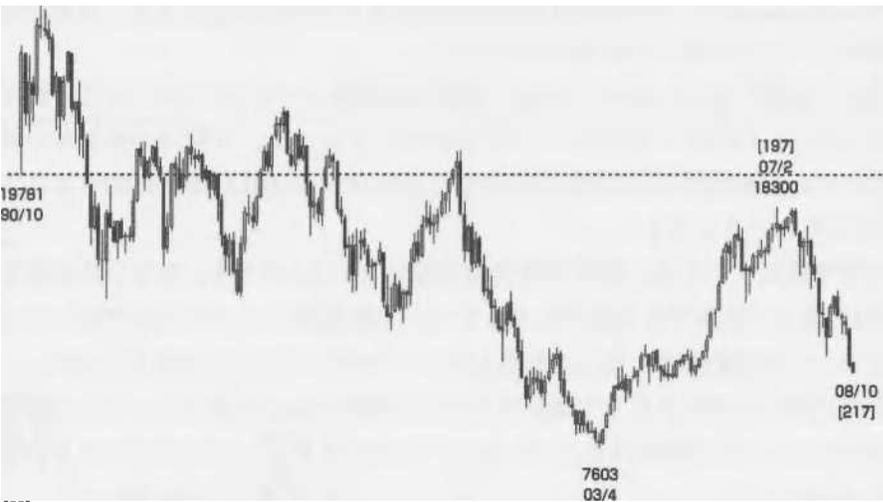
As for the market level, (1) the 217th month after the October 1990 low and (6) the 87th month after the September 2001 negative line are important. In the case of (1), when the price is low, and in the case of (6), when the price is below the negative high of 10812 yen, both highs and lows are important.

This September '01 shadow line intersects the slow moving span. The price of this lagging span is 10559 yen. This is important because it is in line with the price level of 10400 yen, which has been a problem in previous market comments.

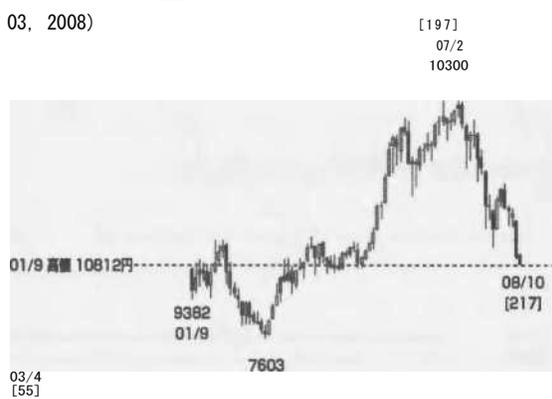
Nikkei Stock Average Monthly (Apr. 2003 – Oct. 3, 2008)



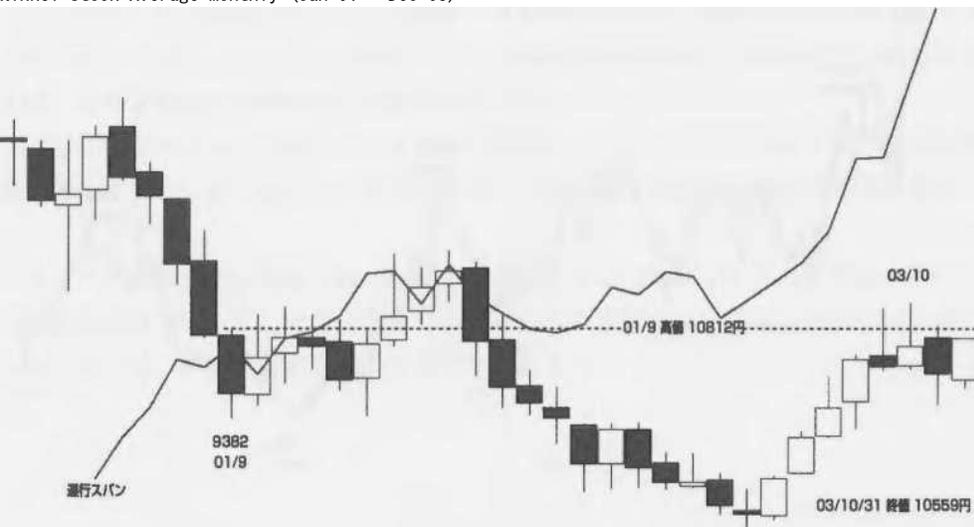
Nikkei Stock Average Monthly (Oct 90 - Oct 3, 2008)



[55] Nikkei Stock Average Monthly (Sep 01 - Oct 03, 2008)



Nikkei Stock Average Monthly (Jan 01 - Dec 03)



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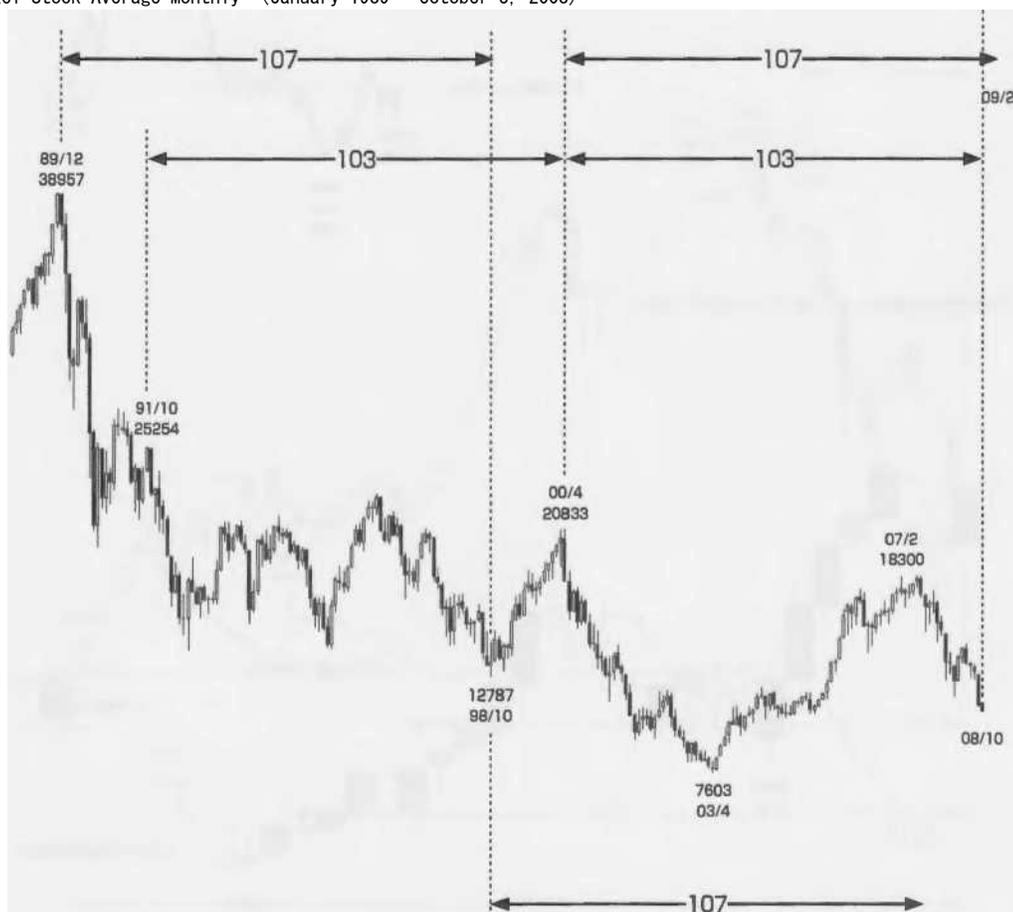
In the past, we have considered a major three-wave structure with the June 1996 high as the centre point, followed by 79 and 83 strength months, and have not considered a downward depreciation in a three-wave structure centered on the October 1998 or April 2000 highs.

If we look again, we can see that the 107th power month from the 1989 ceiling to the October 1998 low has already passed, whereas the power month from the October 1998 low was August 2007. The time since 2000 is now important and the October 2008 change month is the 103rd month, which corresponds to the 103rd month from the October 1991 high to the April 2000 high.

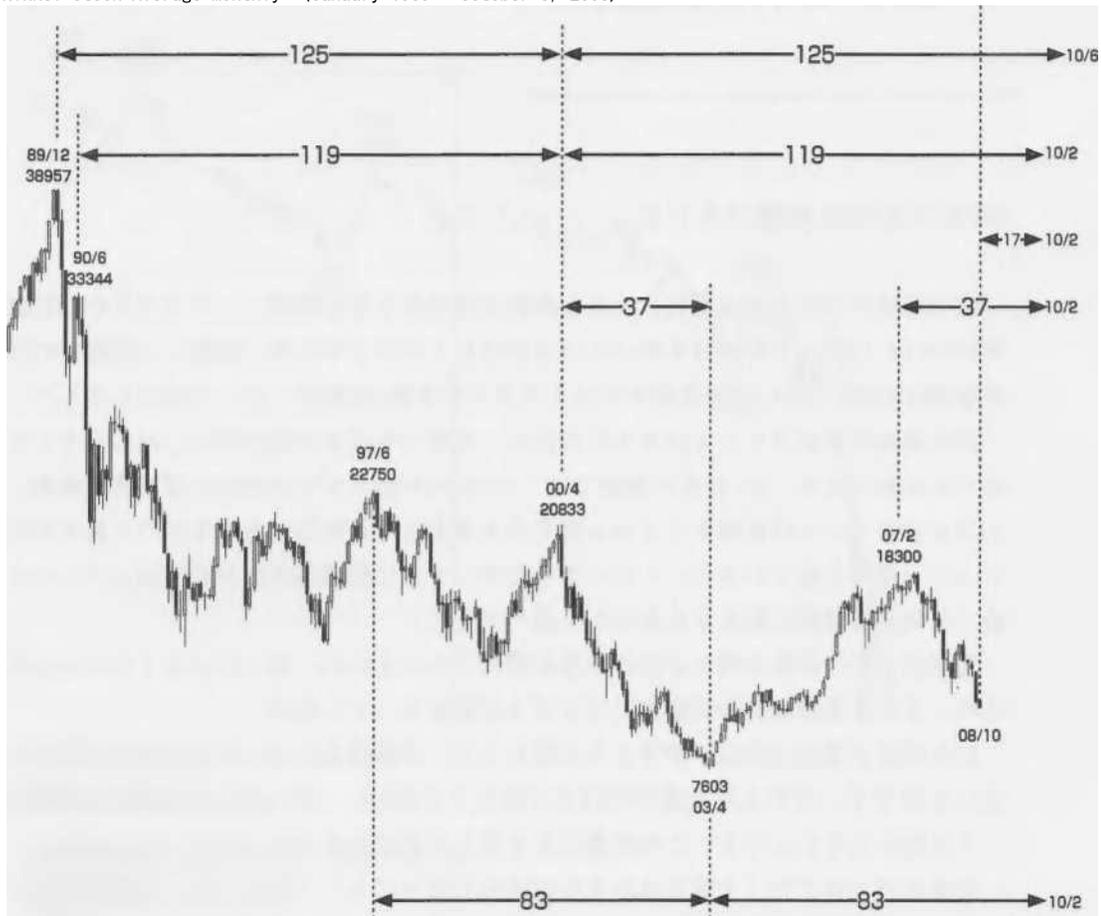
It is worth noting that the 119th month from the June 1990 high and the 125th month from the December 1989 high remain important, as the 119th month from the 2000 high is February 2010 and is expected to be a milestone in any change.

The period from October 2008 to February 2010 is also the base figure of the 17 month index. This is a month of such change that it is difficult to imagine any other month than October when the price would have fallen to a low of 10,500 yen.

Nikkei Stock Average Monthly (January 1989 - October 3, 2008)



Nikkei Stock Average Monthly (January 1989 – October 3, 2008)



This is only a general framework. We should be flexible enough to change the axis of our thinking if there are changes that deviate from this. However, the equilibrium table is also appropriate on a monthly basis: if the upward momentum is lost at the October high, the 2003 low will naturally be threatened.

It is already well known that this is a very bad market, but we believe that the month of change in October will have a decisive impact on whether the 2003 lows are threatened or not.

Monthly graphs are less complicated to draw by hand than daily or weekly graphs. You can also use candlesticks. It is much easier to make your own graphs and write the month of change in advance. We again recommend you to make a graph.

4. From the article of 12 October 2008 Market comment, 10 October 2008

In my last market comment, I emphasised the state of the market level rather than the date of change, and the **E** calculation on 16 July was 10741 yen.

(1), the calculated **N** value of 10485 yen (2) when the second wave starts on 29 August and ends on 18–22 September, and the large **P** value of 10136 yen (3) from the 0–year high.

In order to determine the month of the change of the October low, it is necessary to perform a struggle with the market level of (2) at the worst, and in the near term, "If the price rebounds without breaking 10741 yen, it will be the turning point in the near term. If the market rebounds without breaking 10741 yen, it will be at the turning point.

Although it managed to maintain the level of (2) at the end of the week on the 6th, it fell below 10,000 yen on the 7th, leading to a historic crash.

The low of 8115 yen on 10 October is close to the calculated **N** value of 7992 yen in the three-wave structure from the high in February 2007. The fact that we are now only 500 yen away from the April 2003 low of 7603, and only a matter of time before we fall below it, shows the enormity of this transition.

In my blog of 6 October, I wrote: "On Saturday, I was disgusted by how bad the situation was, and I was more scared than worried about this week's volatility, but is this a phase where we should be focusing on calculated values rather than change dates? If the market is set too early, we could be looking at a straight line to the 2003 lows", but the fluctuations surprised even me.

The New York market on 10 October was also bad, so we can expect the same situation on 14 October after the holidays. The value of **E** calculated on 18 September (starting on 6 June) is the value of **N** calculated in the three waves since the high of February 2007.

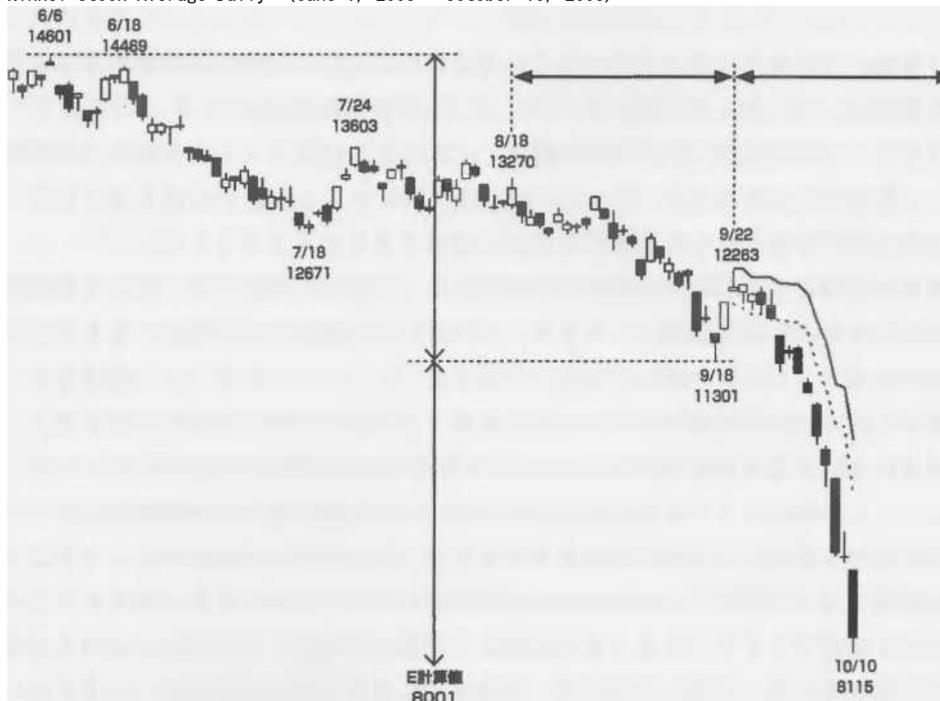
7,992 is equivalent to 0

The time relationship only confirms the three-wave structure from 29 August and will not settle down until the time relationship from 18 August is formed.

The fourth or last week of October is unlikely to see much downward movement at this point, and even if it does show resilience, it will not be easy to reach the turning point.

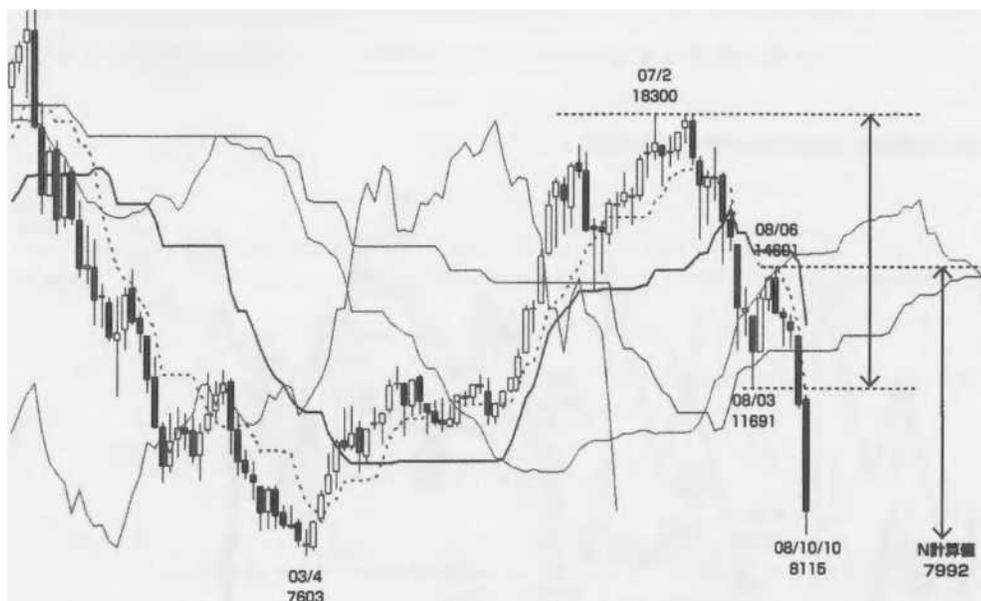
This week we will have to wait and see, as we have a 11-shade sequence to October 10th, and we are moving in the right direction.

Nikkei Stock Average Daily (June 1, 2008 – October 10, 2008)



Nikkei Stock Average Monthly (Jan. 4, 2000 – Oct. 10, 2008)

00/4



Monthly change

In fact, the last time I was writing about the month of change in October 2008, the September 2001 negative line was the basic figure 87

I thought it was the second month of the year. The correct figure is the August 2001 shadow line.

However, when I realised my mistake and rearranged the data, I found that the conclusions were largely unchanged, and rather emphasised the assumption that, at the very worst, the market would have to play out a struggle at the 10,400 yen level in the October change month to threaten the yearly03 low.

If the market level is set at the August 2001 negative low of 10684 yen, the 26th month is the same level and the 33rd month is the high.

If 13765 yen (= $\times 10684 - 27603$) was the limit of the high of the tug-of-war, the high of 13783 yen in October 2005 was one of the limits. The following November, the price went above this level.

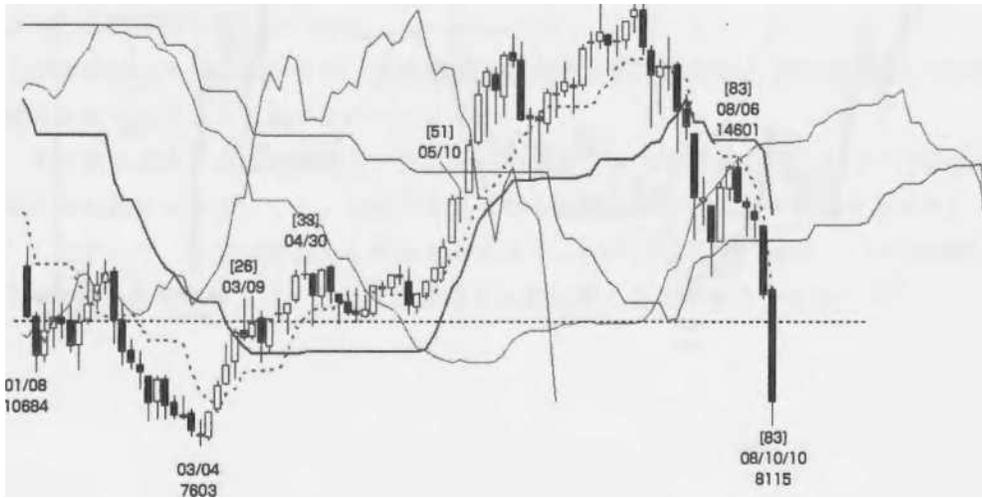
As soon as it does, it will be above the upper limit of the leading span and we can be sure of a breakout to the upside.

67The 83rd month is the high of February 2007, the 83rd month is the high of June 2008, and the 87th month is this month (October). At the time of my last comment, the low of 10938 yen on October 3 was exactly at the same level.

If we take the negative line of September 2001 as the market level again, we can confirm the upward movement by the same level in the 26th month, the low in May in the 33rd month, reaching nearly 12,000 yen in the 47th month, and continuing to grow in August in the 48th month. In November 2005, the 51st month of the month, the price was positive and exceeded the monthly prior span. Since then, the 74th month (= $3342 + - 1$) is the high of October 2007 and the 87th month is next month (November).

In other words, the August '01 negative low of 10684 yen, the September '01 high of 10812 yen, the late span of 10559 yen, and the low of 9382 yen can all be placed as market levels. It is also understood that these basic figures can be a big hint. Nikkei Stock Average Monthly (August 2001)

~(10/10/08)



The next month, November, will be an important month in terms of the three-wave structure, as it will be the sixth month since the October 2007 high, the fourth month since the June 2008 high, and the ninth month since the March low, compared to the ninth month since the July 2007 high.

The calculated values are 5082 yen for E, 5894 yen for N, 7992 yen for N, 8804 yen for N, 10902 yen for NT and 8781 yen for V.

As of 3 October, the price had reached a level commensurate with the value of 10902 yen.

We'll be back.

If October does not bring a halt to the downward movement, the price is expected to fall to at least ¥7992 in November based on the three-wave structure, which would be a significant drop from the low of ¥9382 in September 2001. In addition, we consider August 2008 to be an important month for change, and we can confirm its extremely important appearance in the weekly transition.

If we consider the change from the June transition, if August is the main month, then October is the month of change with 3 power months and 3 power months.

This is the E calculated value of 10661 yen at the August low. A break below this level would be seen as a clear indication of the independence of the decline since June.

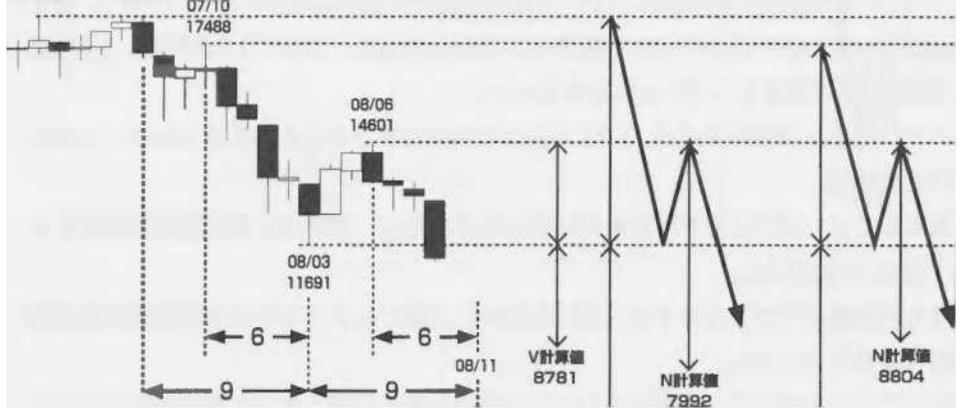
These, together with the equilibrium chart and the large P-calculations, lead us to our previous comments on the market.

In addition, the fact that the daily price level was not 10,400 yen emphasized the significance of the second wave of the return to 22 September. In addition, the fact that the daily price level could not be set at 10,400 yen emphasizes the significance of the second wave of the return to 22 September.

It is difficult to say at this early stage whether the October change will be an accelerated downward movement or a low. However, 8115 yen on 10 October is close to the large N-value of 7992 yen, and we will be looking for another break below this level.

If the price falls below this level, the 2003 low is within sight, and given the volatility since the 2000 high, it is possible to assume that the calculated price of 5000 yen will have to be taken.

There are still 17 months left until February 2010. It is important to emphasise that we are only now at the stage where we are trying to find a way out of the storm.



E
Calculation
mercant
file508
2

E
Calculation
389
4

5. From the article of 19 October 2008

18 October Market Comment

In the previous market comment after the crash, the 10 October low of 8115 yen was in line with the **N-accounted** value of 7992 yen from the February 2007 high, but the time relationship was not appropriate and it was not a safe low. It also implied that we should be patient for a week.

The market will not settle until it has established a time relationship with the high of 18 August, which we will discuss later.

The volatility since 10 October is also not something we see very often. A rise of more than 1000 yen on 14 October was not followed by a drop of more than 1000 yen on 16 October. However, the market did not continue to fall, and on the 17th of October it managed to make a positive trend, which is not easy for the general public to cope with, apart from those who can follow the market all day.

In a blog-only post earlier in the week (14 October Diary), I described the time relationship since 18 August as follows

The change from 18 August lasted 23 days until 18 September and 25 days until 22 September, with the date of the change being

The dates are: 18 September to 23 October, 22 September to 23 October, 24 September to 23 October and 28 October to 25 October.

In cases where the 10 October position is very appropriate as a low, these changeover dates may be regarded as a kind of preparatory structure, but in other cases, these changeover dates are very often the return highs.

If the base line on these change dates does not fall below the October 10 low, it will be 10189 yen, which is the lowest of the three lines we set as the level last time, and we will test the closing price in October and the change month in November again.

In any case, this return in two days from the lows is not too little, but it is not enough.

I cannot accept that the market will stop going down on 10 October and I am not optimistic about the continuation of the return at this point.

If the price does not break above it easily, it could test the lows again.

If it is 7,900 yen on the day of change and then a 1,000 yen rise, we

wi

I have high hopes

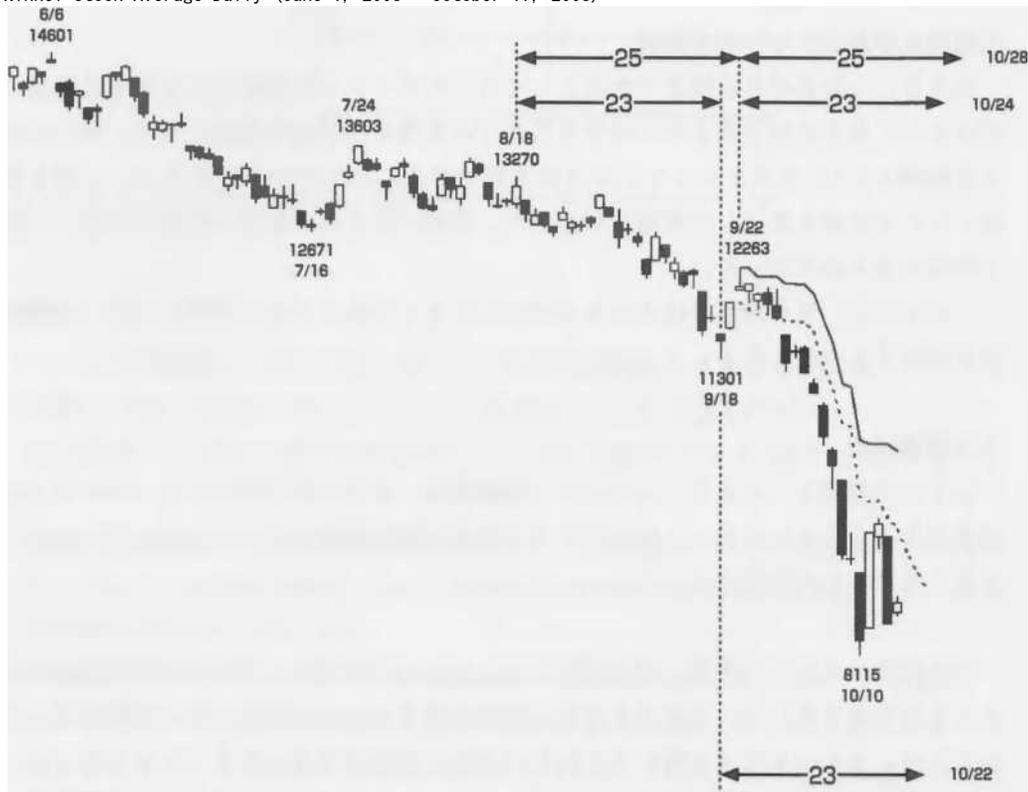
I think it is important not to be optimistic at the moment.

In the meantime, let's look at the 22nd and 24th of October in relation to the equilibrium table.

In the equilibrium chart, the price reached the low on 16 October, being held back by the falling conversion line. We should not consider a return to the market if the price does not break above the conversion line, and if the actual price line itself does not make a new high or low, the price will fall to 9239 yen on 20 October, 9063 yen on 21 October and 88 58 yen on 22 October.

Here, on the 22 October change date, the conversion line was at the large calculated value of 8804 yen (N calculated value from October 2007). It is also worth noting that the price of the stock is expected to match the price of the market. If next week's move takes the price above the turnover line, it will give some validity to the 10 October low as a possible bottom. The downside to the week's fall is a problem, and if the price falls below 7992 yen during October, we should be very concerned about further downside and a calculated price of 5000 yen.

Nikkei Stock Average Daily (June 1, 2008 – October 17, 2008)



Significance as a point

The month of change in August 2008 is a month of change that is not easily noticed by those who only look at the baronet's lines. This is because highs and lows are generally more easily recognised, but it is worth reiterating that we were on the edge of the equilibrium chart as to whether the market would hold or not.

We have looked at monthly changes in two articles, but this time we would like to draw your attention to their significance as points. This time we would like you to be aware of its significance as a point, because we believe that it will help us to understand the current situation and will give us a clue to future changes. In previous issues of the newsletter, we have summarised the time relationship for August 2008 as follows

Basic figures from the lowest price

It is the 65th month since the April 2003 low, and if the December 2005 sun-scene is taken as the centre of this period, we can confirm an equal relationship of 33 months to 33 months. The January 2008 low was too deep to be considered as a struggle, and the lower limit of the leading span of the equilibrium table was an important point that suggested that the price would break and go down.

Basic figures from market level starting point

In my monthly commentary of 5 October, I identified six points as starting points, and since the April 2003 low is already a fundamental figure, the change up to August 2008 is also a fundamental figure. In particular, it is important to note that it has been 197 strength months since the April '92 shadow line. This was the most important market level after the upper limit of the leading span in 2005, and a low would have strongly suggested a return to the market level.

Therefore, the continuation of the September decline emphasises the three-wave structure, with the return to June 2008 as the second wave.

3) Three-wave configuration

The three wave structure from the high in October 2008 to the low in November 2008 was not appropriate from August until November, and in this respect too, the market was in a position where it had to stop falling in order to expect a further rise.

The fall from the highs of October 2007, and especially from the beginning of

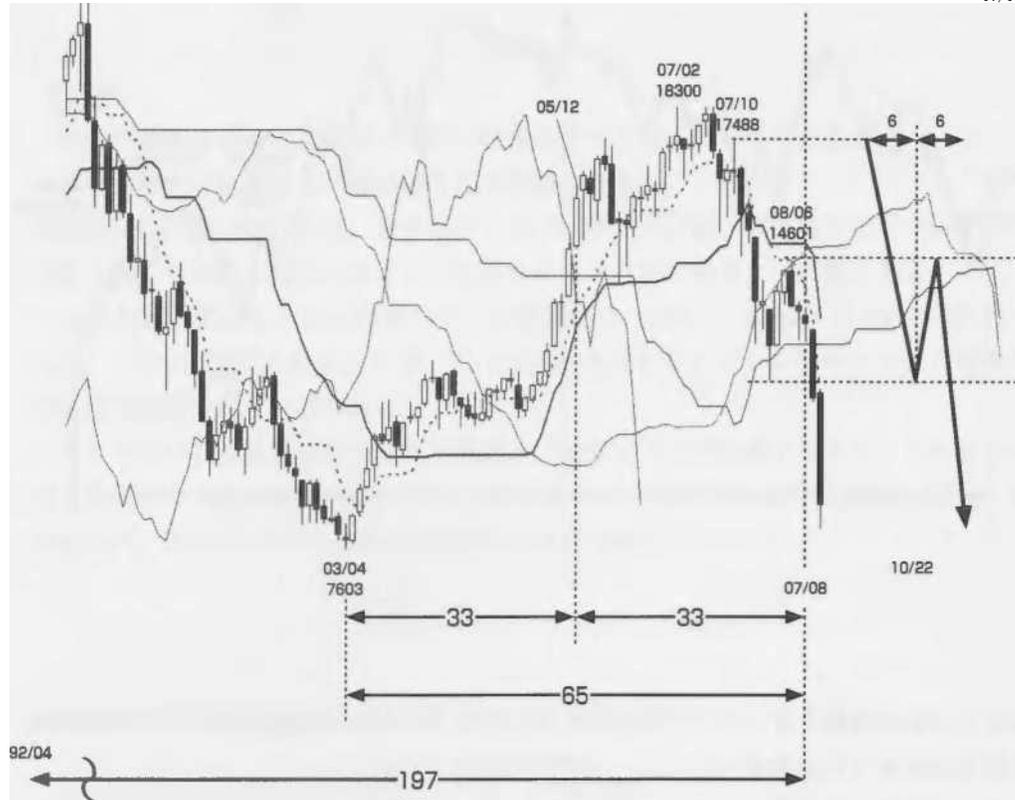
2008, was indicative of a prolonged slump in the market. Nevertheless, it was not certain whether a fresh start could be expected on the soil by February 2010 and whether the 2003 low would be threatened.

In order not to threaten the 2003 lows, it was important from March onwards to have at least a return to the preparatory structure from the March 2008 lows. This was the significance of the August 2008 change.

In addition, in our comments since the beginning of August, we have identified a key date of change in the second half of August, from which we have not seen a rebound and have continued to fall.

Nikkei Stock Average Monthly (Aug 01 – Oct 10, 2008)
00/04
20809

07/08



What could have been the beginning of a downtrend was immediately set up for a downtrend. Therefore, the August highs have a greater significance as a starting point and a central point for the market.

In terms of weekly changes, a very important week of change can be seen in August. Let's take a look at them.

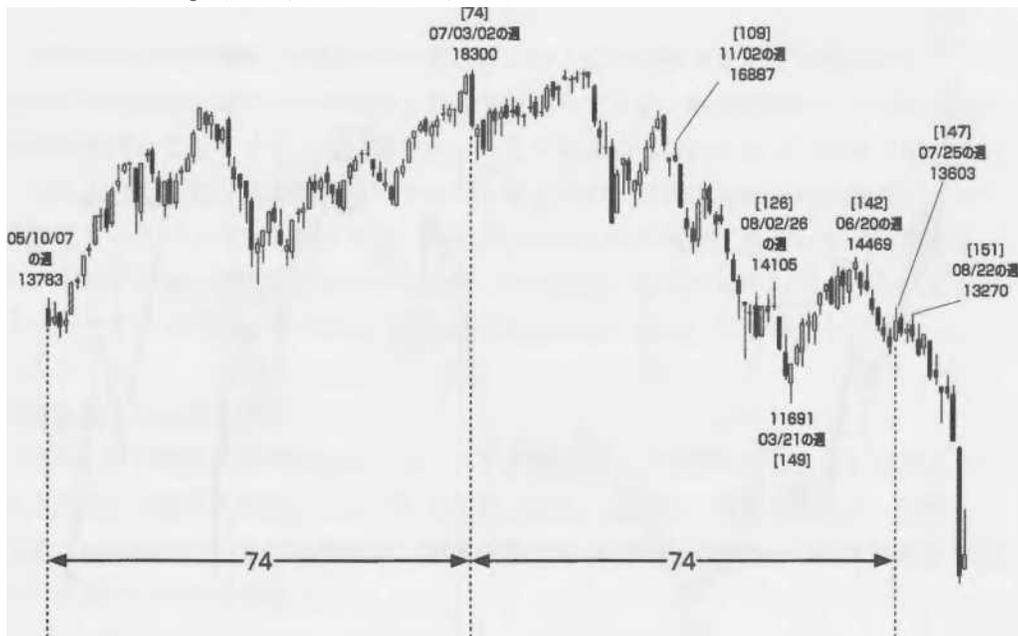
The starting point is October 2005, with a high of 13783 yen. The base figures from this week are quite appropriate: the high in February 2007 was 74 weeks, the high in November 2007 was 109 weeks, the last week of 2007 was 117 weeks and the high in February 2008 was 126 weeks.

The fact that the price has been held back by the base line or conversion line at the 109th, 117th and 126th week is also typical. This is especially important because the 126th week, the February negative, can be seen as the same level as the October 2005 positive. In the last three weeks, we have seen the market return to at least this small three-wave structure, with a 129-week low in March and a 133-week low at the same level.

The 142nd week was the high on 18 June, and the 147th and 151st weeks were naturally important.

The 147th week was the high week of 24 July (13603 yen) and the 151st week was the low week of 22 August, both

Nikkei Stock Average (Oct. 7, 2005 – Oct. 17, 2008)



This is just about the same level as the October 2005 divergence. If we look again, we can see that the high of 24 July is 74-74, with the high of February 2007 at the centre.

In order for this to be decided at the high, the independence of the third wave must be confirmed in the N configuration from 24 July.

If you look at the transition from the March low to the June low, the 151st week was a very important position.

My mistake at the time was to fail to recognise in advance the importance of the 18 August change date (which coincides with a very important equal value, see daily change). The August 18 high was also the 151st week of change.

This is the point at which the market is either going to go back up or it is going to go down. Normally, when time and price (in terms of market levels) overlap to such an extent, the significance of the starting point and the central point is extremely high.

Both the calculated value and the date of change on 18 August have to be considered as important. $13270 \times 2 - 17488$ (October 2007 high) = 9052 yen

$13270 \times 2 - 16107$ (Dec. 2007 high) = 10443 yen", which means that there was no reaction at the 10400 yen level, which is too

In the short term, the price has also fallen below 9052. Even if October is the month of the change of lows, we can see that it will take a lot of fluctuation to confirm it.

Therefore, please understand that the implications of the 10 month of change are not clear at this point in time, and the implications of the month of change in November are very significant, as the lows were not necessarily sufficient and the decline was too steep (the third reaction was significant).

6. 08Fluctuations since the low of 28 October 2009

There are two points to be aware of in the downward trend since 28 October 2008.

These are the negative line of 7 October 2008 and the negative line of 10 October 2008.

In terms of changes since the high of 2000, a 37 month fall brought a low in April 2003, a 47 month rise brought a high in February 2007, and by October 2008 we were only 21 months from the high.

If we consider this major transition as a **P** wave, the calculated **P** value is $(20833-18300) + 7603 = 10136$.

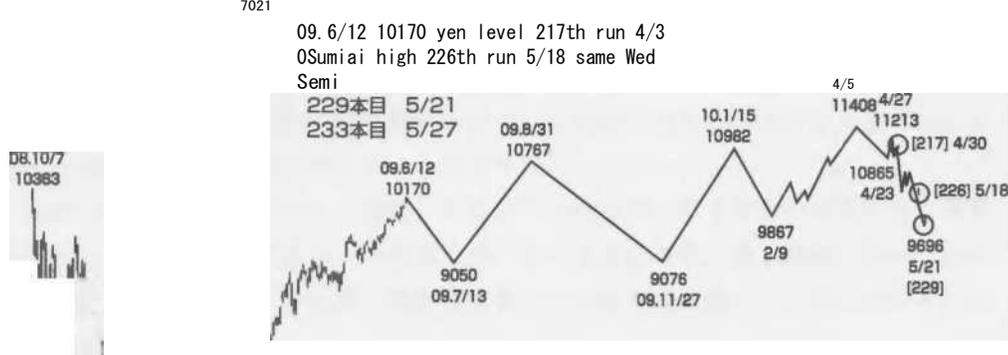
If the P-calculated value falls below this value, we will have to consider a downward three-wave structure.

They were welcomed with a motion.

In the second half of 2009, the market has been particularly strong, with a high of 10363 yen and a low of 9916 yen. In the second half of 2009, the high of this negative line was 10363 yen and the low was 9916 yen.

The price continues to fluctuate, forcing us to be aware of the yen and the half price of 10140 yen.

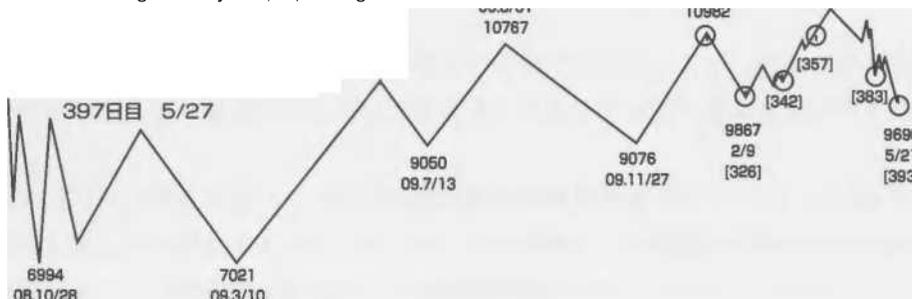
Nikkei Stock Average Daily (Oct 7, 2008 - May 21, 2010)



6994
08. 10/28

09. 3/10

08_10/7 low 99165 yen level 165th day 09.6/
 12 Same level 309th day 1/15 sagging high 32
 Day 6, 2/9 same level Day 342, 3/4
 faltering low Day 357, 3/26 high



Day 383 5/7 faltering low 10170 Day 393
5/21

It is also important to note that the price has hit the 9000 yen level twice, on 13 July 2009 and 27 November 2009.

9000 If we take $x - 2 = 700011000$ as a rough figure, the rise from the November 2009 low is naturally 1100. It suggested a rise to 0 yen.

The high of 11408 yen in April 2010 was above 11,000 yen, so it was expected that the market would break out of the faltering 9,000 yen level and move up around the 9,900 yen level. However, the price easily fell below the level of October 7, 2008.

Moreover, the denial of a departure from February 2010, a crucial month for change, makes it clear that the struggle will be prolonged. In some cases, the ¥9,000 level may live again. Time and price should always be considered in this context. (Written on 30 June)

Afterword

Most of this book was compiled in June 2007.

My first attempt at writing an equilibrium commentary was even earlier, around 1997. The repetition of several attempts to compile a book and then failing to do so was, in essence, a lack of substance.

The "substance" was not just a lack of understanding of the market. It was also a lack of commitment to the equilibrium table itself.

At the age of 25, I decided to make equilibrium tables my life's work. However, as I knew nothing about it, I had to rely on the help of Mr. Hajime Takeuchi, the secretary of the Ichimoku Equilibrium Society.

At the time, Mr Takeuchi was writing for Stock Price Forecast, published four times a year by Jitsugyo no Nihonsha (the magazine closed its 25-year history with the New Year issue of 2010, published in December 2009). As his life cycle consisted of two months of writing and one month of recharging, I asked him to be a lecturer at the "Ichimoku Kouryu Zenkyo Study Group" four times a year, in March, June, September and December, until June 2005.

The Equilibrium Study Group is for subscribers of the original books, and I started it because I felt that it would be a shame if the subscribers did not understand the original books that they had paid so much for. I have been able to master the equilibrium table by preparing for the annual meetings and usually answering enquiries and questions.

When I was asked what I did for a living, I answered "calligrapher", not because I was being disrespectful, but simply because that is what I did. It was a pleasure to be able to take the time to find out more about him, the times he lived in, his friendships, and the Buddhism and philosophy to which he was most devoted.

Of course, this in itself was only the satisfaction of an uneducated intellectual curiosity, not the level of a public statement of the results. However, it was very useful to be allowed to do what I wanted to do to my own satisfaction.

At the workshop, I prepared a textbook and distributed it to the attendees. Looking back, the text was the starting point for my commentary on the balances tables.

Looking back on it now, it is a shameful piece of work. However, I think it was significant that we were able to emphasise the importance of the three-wave structure to the general public, whose attention tends to be focused on the charts themselves.

Since December 2003 I have been writing a course on equilibrium tables for the Stock Price Forecast, and I have also been speaking at some of the workshops. It was in April 2003 that I started to teach the course. However, at the time, I was not able to express my views on the market with confidence.

Confidence is not the confidence that things will turn out as they should.

I am confident that my thinking and methodology are correct and that my point of view is not wrong. It was only in December 2003 that I began to be able to write and say such market comments.

In 2003 I got married and gave birth to my first son, which made me very impatient, as I had been a calligrapher until then.

It means that we have been exposed to a reality of scarce substance and have been forced to take it seriously. But all the work we have done up to that point has not been in vain.

In 2005, he started his blog, "Ichimoku Koukyo Diary".

After a year of writing about what he wanted to write and gaining confirmation of his writing and expressive skills, in February 2006 he started to distribute information by e-mail magazine.

This book is the result of a year of market commentary, which has convinced me that my understanding of the equilibrium table is correct.

It is a milestone for me, and in this book I nominally call myself "Sansei Ichimoku Sanjin". The reason for this is, unfortunately, the same as the reason why my father, Hosoda Tatsuo, took the name of the second generation (see the original book on Ichimoku Equilibrium). With the main family still active, the selfish use of the equilibrium table will be restricted to some extent.

My understanding of the market and the equilibrium table is the result of the support of many people.

As well as his grandfather, Goichi Hosoda, his father, Ryusei Hosoda, a second generation Ikkusanjin, also taught him much.

From Takeuchi-sensei, I was able to learn from him what to prioritise in the actual market, and how to reflect on the severity of the market. I owe much of what I am today to Takeuchi-sensei.

There was much to be gained from the letters from those who attended the workshop and from readers who were unable to attend. The casual questions and intuitions of ordinary people often provide unexpected hints. Above all, the economic foundation of the Institute for Research on Economic Change is based on the readers of the original publications. We should not forget to express our gratitude to them, and this book is one of the ways in which we have done so.

I am also grateful for the people in the market whom I have met through the Equilibrium Table. It has been necessary for me to relive their experiences in order to improve my understanding of the market. It is with gratitude that I present this book, but my wish is the same as that of all the people at
Ichimoku.

At the Economic Change Research Institute, we have the following principles, which are my current aspirations.

(1) To improve the quality of the general investor base by communicating the equilibrium table widely and correctly.

and

(2) To help readers of the original book to master the equilibrium table and develop into investors who can think and make decisions for themselves.

3. "I'm going to make a fortune and make it at least middle class," he said.
To continue and further expand the readership of original authors

This book, unfortunately, has not been able to convey the thick appeal of the original work and of Mukuzanjin. However, we believe that it is a significant first step.

The figures in this book were prepared by Kazuhiko Aizawa of Himawari Securities and organized in an easy-to-understand manner by Takaaki Sera of Pan-Rolling. This book would not have been possible without Mr. Aizawa's help, and I can only imagine the difficulties Mr. Sera faced. I would like to take this opportunity to thank them both.

Lastly, I would like to thank my mother for her constant care and attention to me after my father's death. I just want to thank her.

June 2010 – Sansei Ichimyuzanjin
Tetsuo Hosoda

About the author

Sansei Ichimoku-Sanjin, whose real name is Hosoda Tetsusei, was born in Tokyo, Japan. After leaving the Faculty of Science and Engineering at Nihon University, he joined the Institute for Research on Economic Change. After leaving the Faculty of Engineering at Nihon University, he joined the Institute of Economic Fluctuations, where he has been involved in promoting the correct use of the Ichimoku Equilibrium Table. He is currently a regular commentator on the Nikkei 225 at QUICK and on foreign exchange at Forex.com. He is also a regular commentator on the Nikkei 225 at QUICK and foreign exchange at Forex.com. He is also a regular commentator on Radio NIKKEI. He is also a regular contributor to the "Ichimoku Kouryu-teki Club" (Equilibrium at a Glance Club) organized by the Institute of Economic Change.

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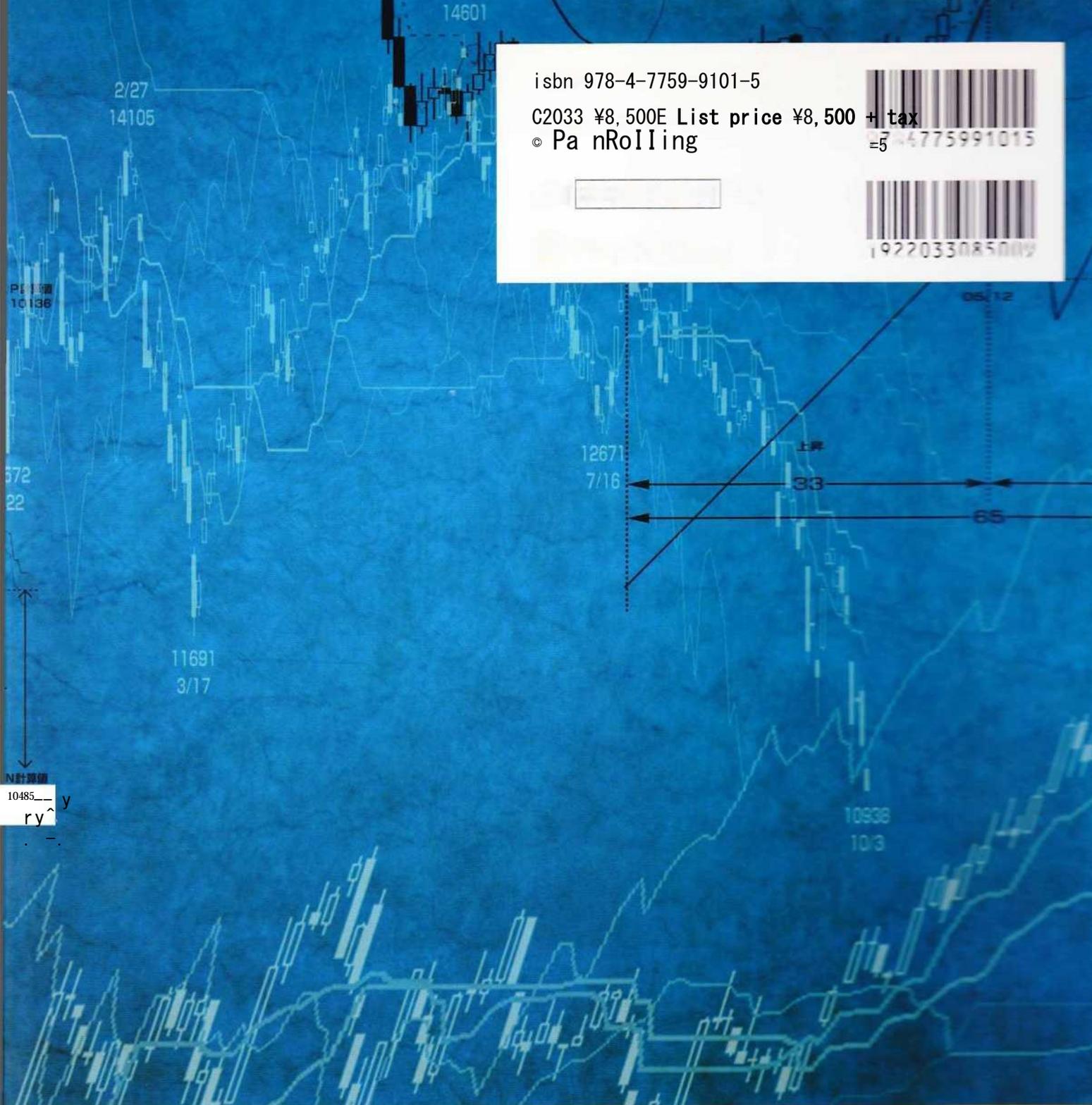
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The "Ichimoku Kouzou Chart" suggests the direction of the market and the points to be considered when buying or selling.

*In general, the philosophy of the developer "Ichimoku Sanjin" is quite different from the theory of the past: the reality is that it is used in different ways.