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9:30 AM

Professor Theron Vale (Helmsman)

Sharing Topics:

- 1. Index hits new highs while flashing sell signals: how to prepare defensively in advance?**
- 2. How to identify bottom reversal candlestick signals through trading volume?**
- 3. Latest crypto market trading strategies: how to seize the next opportunity?**

Good morning, my friends!

I'm Theron Vale, your old friend. It's the weekend again, and it's truly remarkable how time flies. This week has passed in the blink of an eye. When we were young, we rarely felt that time moved so quickly, but when you realize how fast it goes, the years have quietly left their mark on us. It reminds us to cherish every moment and to engage in what truly matters.



Having fulfilled my dreams in the first half of my life, I will wholeheartedly dedicate the coming years to IAT community, until my body no longer allows it. This is not just my mission but also the core goal of IAT community — to help those who wish to change their destiny through investment succeed in the market. We are not only focused on wealth growth but also committed to injecting more positive energy into society. For this reason, we plan to establish a community charitable fund in March next year to attract more like-minded individuals to join the philanthropic cause.

Currently, our community's trading training camp has officially launched, and in the upcoming period, we will provide in-depth sharing on various aspects, including technical explanations, trading training, investment philosophy, and mindset management. More importantly, in November, the global internal testing of AlphaStream 5.0 is about to commence! This is a quantitative trading system we have developed with an investment of hundreds of millions, aimed at helping everyone improve their trading performance in actual operations. If the testing goes smoothly, this system will provide strong support for every community member.



The testing plan for AlphaStream 5.0 is being prepared in full swing, so please add my assistant on Telegram to get the latest updates. Stay tuned to our group messages for registration details. Friends, opportunities are right in front of us, and I hope everyone can seize them as we move forward together on this investment journey!

Recent economic data shows that U.S. economy remains in a state of sustained prosperity, with Wall Street stock prices lingering near historical highs. The Dow Jones index has once again set a new record, and the S&P 500 index has also reached intraday highs before slightly pulling back. Notably, a strong retail sales report has led traders to reduce bets on the Fed cutting interest rates this year, which has also impacted the global bond market.

U.S. retail sales in September exceeded expectations, indicating that consumer spending remains robust and continues to fuel the economy. Meanwhile, the number of people applying for unemployment benefits decreased last week, further confirming that the wave of layoffs nationwide has not significantly impacted the job market. This data has given the market more confidence, especially for those investors who have been concerned about an impending recession. Wall Street is thus filled with hope, as the U.S. might escape the worst



inflation in decades without plunging into the nearly inevitable recession many feared.

As Federal Reserve keeps the economy vibrant through interest rate cuts, market optimism is indeed on the rise. These strong data points provide bullish investors with more reasons to believe that there's further room for the stock market to rise. However, while current market sentiment seems positive, I must remind everyone that this optimism is more typical of retail thinking. In reality, the flow of funds is not very active, and the overall trading sentiment is relatively muted. Most speculative funds are currently focused on the upcoming third-quarter reports, and the Magnificent Seven of U.S. stocks are almost all in a high-level consolidation state without undergoing a decent correction, leaving limited room for profit.

Even if the overall stock market is overvalued, it might not immediately see a significant drop in the short term, as the market is still hopeful for many companies to deliver favorable news in their third-quarter reports. However, this also means that the market's upward momentum is limited. As I shared previously, having a higher vantage point allows for a clearer view; using "institutional thinking" to analyze the market will provide us with deeper



insights. Just like the "Oracle" Warren Buffett, who has been significantly selling stocks at high levels and adopting defensive strategies in preparation for potential market risks.

So, the quality stock portfolio we recently recommended focuses on defensive quality stocks at low levels, strategically preparing for possible market adjustments. These defensive strategies will not only protect our capital during market turbulence but also build momentum for the next wave of increases. Remember, standing on the shoulders of giants allows you to see a farther future.

But recently, Bank of America released a striking report indicating that the stock market has flashed its first "sell" signal since February 2021. This signal is crucial as it relates to changes in cash allocation ratios — falling from 4.2% to 3.9%, reaching its lowest level since February 2021.

Why is this indicator so important? The report points out that when the cash allocation ratio drops below 4%, it is often seen as a contrarian signal, also known as a "sell" signal. This means that when investors pour a significant amount of cash into the stock market, the short-term returns may actually



weaken. Historical data shows that since 2011, every time this signal triggers, global stock markets average a return of -2.5% in the following month and -0.8% over three months.

The sell signal reflects an overly optimistic sentiment among investors. Typically, this signal appears frequently when the stock market approaches historical highs. When a large number of investors convert cash into stock assets, it indicates that the available funds in the market are gradually decreasing, and the market may face short-term adjustment pressure.

As investors, we cannot let short-term market fluctuations sway our emotions. As I've shared before, "institutional thinking" requires us to remain calm during periods of overwhelming optimism, timely identify potential market risks, and prepare defensive strategies. When the market is overly optimistic, we should be more cautious because the potential for correction is often present at this time.

Having prepared defensively for a potential market downturn, our current quality strategy portfolio focuses on stocks that are stabilizing in the bottom regions. So, how can we use changes in trading volume to identify these bottom stocks'

bearish reversal patterns? This morning, I will guide you through an in-depth analysis of several stocks in our current portfolio, emphasizing the characteristics of bottom reversal patterns and how to use changes in trading volume to identify bearish reversal signals.



As one of the super quality stocks of 2024, SMCI's strong rise this year has indeed brought us substantial returns. In the last training camp, we successfully guided our participants to precisely capture this wave of market movement. Looking back at January 19, SMCI released massive trading volume that day,



accompanied by a strong price surge, culminating in a large bullish candlestick, officially kicking off the upward trend.

We chose to buy decisively during the pullback the next day, this embodies the core of stable trading: confirming bottom signals and then following the upward trend. This trading model not only reduced risk but also increased the success rate. By seizing such opportunities, we once again validated the power of patience and strategy.

As this round of adjustment approaches its end, we quickly identified new buying opportunities. As illustrated, the drop on August 28 was accompanied by massive trading volume, clearly releasing market panic. By September 26, despite another surge in trading volume, selling pressure significantly weakened, and bearish sentiment eased. After consecutive days of high-volume declines, the stock price finally stabilized near the lower Bollinger Band and began to rebound. We decisively adopted a bullish buying strategy around \$42, and when the stock price stabilized above the middle Bollinger Band, \$46-\$47 became our ideal second buying zone, with a target around \$60.

Observant investors may have noticed that in recent days, SMCI's daily highs have been continuously rising, indicating that bullish momentum is building. What's missing is a large bullish candlestick with increased volume to confirm the strong momentum of the rebound. So, we need to patiently wait for this signal to arrive, as the market bulls could ignite a larger rebound at any time.



CELH is also a typical example. After a significant downturn, the bottom on October 10 saw massive trading volume, and within two days, the stock price soared by 20%. It then began a healthy pullback, retracing to the middle Bollinger Band, which is indicative of the market completing a short-term turnover of shares. Following this adjustment, CELH has further potential for a

rally. As a consumer stock benefiting from the Fed's interest rate cuts, its fundamentals remain solid, and the candlestick pattern clearly shows that the bulls are accumulating strength.

My advice is to continue holding according to our original plan and not to be impatient. Patiently wait for the market rebound, as this pullback is merely a preparation for the next round of increases.





This afternoon, we will continue this topic and further discuss the bullish reversal patterns at the peak stages of individual stocks, focusing on how to identify signals of large-volume selling at the top.

Stocks differ from options and crypto in that they emphasize long-term holding. Only by becoming friends with time can you achieve steady returns in this market. Do not waver due to short-term fluctuations, it is the power of long-term persistence that will allow you to go further and earn more in this market.

Based on our strategy portfolio, the bearish reversal pattern at the bottom can be effectively confirmed through changes in trading volume, but the subsequent rebound or rally will require strong fundamental catalysts. Stocks that double in the short term, like DJT, are rare. More stocks will exhibit slow upward trends, requiring investors to possess more patience and confidence.

However, we must also recognize that to see a significant rebound in SIRI, we may need some news-driven momentum. Regardless, the technical bottom has been confirmed, and now the key is to be patient and wait. Following our plan and believing that opportunities will undoubtedly arise is essential.



As we previously analyzed, SIRI saw massive trading volume on October 14, breaking above the downward trend line and confirming a bottom reversal pattern. The pullback to the \$25-\$26 gap area represents an excellent buying opportunity. What's more, the Oracle Buffett has once again increased his holdings, undoubtedly bolstering market confidence.

The crypto market has been exceptionally active recently, with the volatility of major cryptocurrencies like Bitcoin attracting significant attention. Using the AlphaStream 5.0 system, we successfully captured the uptrend that began at \$61,400, fully capitalizing on the bullish profits with impressive gains. This week, Bitcoin surged over \$6,200, repeatedly testing and breaking through the \$68,000 level, and is currently consolidating around that range.

Meanwhile, former U.S. President and Republican candidate Donald Trump's crypto project, World Liberty Financial, is publicly selling WLFI tokens. There are market rumors suggesting that if Trump wins the election in November, he will break the current regulatory deadlock on cryptocurrencies. Even more noteworthy is the fact that, although billionaire Elon Musk and two early Bitcoin whales have begun selling Bitcoin, this hasn't halted the trend of Wall Street



capital flowing back into Bitcoin spot ETFs. New financial forces, or “new whales,” are quietly reshaping the structure of Bitcoin holdings.

This drama is just beginning, and the battle between market sentiment and capital forces continues. We are right in the midst of it, using the AlphaStream 5.0 system to stay closely aligned with market dynamics and precisely capture every profit opportunity. If you haven’t participated yet, remember that opportunities won’t wait forever. The next wave is already brewing, and seizing it will be the best investment you can make in yourself.



The daily candlestick chart for BTC shows that there is still resistance from the downward trend line stemming from the \$73,800 high. At this key level, although the bulls are strong, the pressure should not be overlooked. We need to be cautious today, as we might see the price pull back to around \$66,500. However,



the area near \$66,000 remains an excellent opportunity to buy on dips, as the overall daily pattern is still dominated by the bulls.

The market's movements are dynamic, and to get more precise trading strategies in real time, you can add my assistant on Telegram for updates. That concludes our morning session—see you this afternoon!

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Eastern Time, October 18, 2024

3:00 PM

Professor Theron Vale (Helmsman)

Sharing Topics:

- 1. The Value of the Trading Bootcamp: Helping You Redefine Investing**
- 2. Technical Section: How to Determine Bullish Reversals Through Volume**

Good afternoon, my friends!

I'm Theron Vale your old friend. As someone who's worked hard in the investment market for many years, I know that true success in this field relies not just on knowledge but on organically combining action and thought. The market is full of uncertainties, and our ability to handle these changes depends on how we establish our own trading systems and investment philosophies. Today, I want to discuss how the Trading Bootcamp can help you redefine your investment mindset and create your own investment strategy.



Trading is Not Just Knowledge, But the Combination of Action and Thought

Success in investing isn't simply about learning techniques or theoretical knowledge; it's about how you translate what you've learned into effective actions and continuously adjust your mindset along the way. The market changes every day, influenced by economic data, policy shifts, and market sentiment. Relying solely on past experiences or mechanical technical indicators can often lead to missed opportunities. The investment philosophy advocated by our community combines emotional insight with institutional thinking, helping you find a steady decision-making path amidst the market's ups and downs.

Market Sentiment: An Amplifier of Investor Emotions

In our bootcamp, you'll learn how to interpret market sentiment. Behind every transaction in the market lies the emotions of countless investors: fear, greed, hesitation, and conviction. Using professional market sentiment analysis tools, we help you see through the emotional fluctuations behind price movements, allowing you to avoid selling in a panic during market downturns or blindly chasing prices during market euphoria. Mastering market sentiment



means you're in tune with the pulse of the market; your every action will be based on reason and insight rather than just intuition.

Institutional Thinking: Mastering the Big Picture of Investment

In our community, we emphasize “institutional thinking.” Most retail investors tend to focus only on the short-term ups and downs of individual stocks, overlooking the overall market trends and the bigger picture. Here, you'll learn how to adopt a higher perspective, much like institutions do, to understand the flow of mainstream capital. Every move made by institutional investors is backed by rigorous strategies and in-depth research. By learning institutional thinking, you'll discover how to position yourself in advance, optimize your portfolio management, and make decisive entries and exits at critical moments.

Investment Philosophy: Investing Is Not a One-Day Affair, But a Lifetime Pursuit

Every successful investor has their own unique investment philosophy. This is a framework developed through long-term market practice that not only influences our investment decisions but also shapes our mindset. Whether facing the market's highs and lows or dealing with psychological challenges during uncertain times, an investment philosophy can help you stay calm and



steadfast, preventing short-term fluctuations from derailing your long-term goals. In our community, we'll guide you to discover your own investment philosophy, helping you maintain your direction amidst the complexities of the market.

Practical Trading Training: Sharpening Your Skills Through Real Experience

In our IAT community, we don't just provide training in trading techniques. We're dedicated to creating an open, inclusive, and supportive environment for every participant. Here, you'll not only gain access to cutting-edge market analysis but also have the opportunity to share experiences and insights with like-minded investors. Through mutual learning and encouragement, we all grow together, moving towards the goal of financial freedom. Additionally, our AlphaStream 5.0 quantitative trading system will bring the latest market insights to every participant in future global tests, helping you further optimize your trading strategies and maximize your returns.

Redefine Your Investment and Open a New Chapter of Wealth

The investment market is always filled with opportunities and challenges, but only by having the right investment philosophy, a solid trading system, and continuously optimizing your strategies through practice can you remain



undefeated in this market. Our IAT community is here to help you redefine your success on this investment journey. Through market sentiment analysis, institutional thinking training, investment philosophy development, and practical trading, we'll help you move more steadily and further.

I look forward to joining you in this opportunity-filled market to redefine your investments and together stride towards an even brighter future!

Today is Friday, and I believe, like me, many of you might not need to focus too much on news affecting the market. This morning, we thoroughly analyzed how to determine bearish reversal signals through bottom volume using our quality stock strategy portfolio, which helped us accurately identify when to buy stocks. Now, the focus for the afternoon is to continue with the topic we didn't finish this morning: how to determine bullish reversals through high volume.

If bottom reversals tell us when to buy, then high reversals are more about a crucial question: when to sell. This is essential for our trading training. In fact, many friends often find that the hardest part of investing isn't buying, but knowing when to sell. Too many people miss opportunities to lock in profits due to greed, or continue to hold on at high levels, ultimately leading to losses.



Selling is an art, and the increase in high volume often serves as an important signal from the market. It indicates the exhaustion of bullish momentum and a shift in market sentiment, which is a warning we must heed. This is why, when we see a surge in high volume, we need to start assessing whether we should gradually sell off part of our positions to lock in profits and avoid being caught off guard by a market reversal.

This afternoon, we'll dive deep into these bullish reversal signals, using examples to further help everyone understand how to lock in your gains when the market is at a high. This isn't just a technical improvement; it's also a mindset advancement. As a mature investor, knowing when to let go and when to take profits is essential for long-term survival and success in the market.

So, are you ready? Let's master this crucial selling strategy together!



As shown in the chart, LAC experienced a significant drop on April 18 with a massive volume, indicating that this decline had officially begun. This was followed by a prolonged period of slow decline, dropping about 58% from the high of 4.84. When you see such a pattern, it's crucial to either stop loss or significantly reduce your position; otherwise, you risk being deeply trapped, which severely wastes the time cost and turnover of your capital. This is especially true for stocks that are underperforming. Whenever you see a large bearish candle at a high level, accompanied by a sudden increase in volume, it's a sign of spreading bearish sentiment. Timely profit-taking becomes very necessary.



As shown in the chart, CELH experienced a significant drop on May 28 at a high level, accompanied by a surge in volume, resulting in a large bearish candle. This is a classic signal of substantial selling pressure. When you see this signal, it's crucial to act decisively and sell promptly. If you miss this signal, the stock could drop from an opening price of \$81 the next day all the way down to a low of \$28, representing a decline of about 65%.

Such situations require extra caution, especially when stock prices are at high levels. Failing to lock in profits in a timely manner can lead to not just evaporating gains but even being deeply trapped. The market is signaling that a correction is inevitable. As investors, we must always pay attention to these key

signals and act promptly to prevent giving back profits and ensure our capital isn't locked in at high levels. This is precisely the critical reminder that comes from a large bearish candle at high volume: when a topping signal appears, you must immediately take action to preserve your gains.



The recently popular stock DJT illustrates this point as well. Even though we successfully locked in 70% of our profits within six trading days after buying, this stock shows no mercy once it starts to decline. Looking at historical trends,



on March 26, there was a sharp increase in volume at a high level, accompanied by a large bearish candle, causing the price to drop from a high of \$79 directly down to \$22, only beginning to rebound afterward. A similar situation occurred again on July 15, when the stock price fell from around \$45 to \$11, accompanied by a large bearish candle and massive volume. Such a drop is frightening, and without taking action, your capital could easily become completely trapped.

It's precisely because history teaches us these lessons that on October 15, after DJT reached a high, we quickly advised everyone to sell at that peak to lock in profits. Even if you couldn't sell everything due to the pullback at that time, the subsequent corrective surge on October 16 provided an excellent selling opportunity. As for whether it will reach new highs again, that's now irrelevant because at its current position, DJT no longer offers attractive value. In investing, the most important thing is to capture the profits you can secure, rather than trying to guess the future. Whether DJT will repeat its historical downtrend remains to be seen, but the key point is that we've already gained the upper hand.



Through today's technical lesson—"How to Use Volume to Identify Bullish and Bearish Reversal Signals"—I believe everyone has gained a solid understanding of this key market analysis tool. If you have any questions about the stocks you hold, feel free to add my assistant's Telegram account to receive the most timely and accurate trading strategies provided by AlphaStream 5.0.

We'll continue to focus on the crypto market, with the strategy still centered on buying the dips.

Today is Friday, and after trading, I hope everyone can relax and enjoy the weekend! Thank you for your participation this week. Wishing all friends a great weekend, and we'll see you next week!