

January 06, 2016: Midweek Market Update – QQQ Chart With Island Reversal

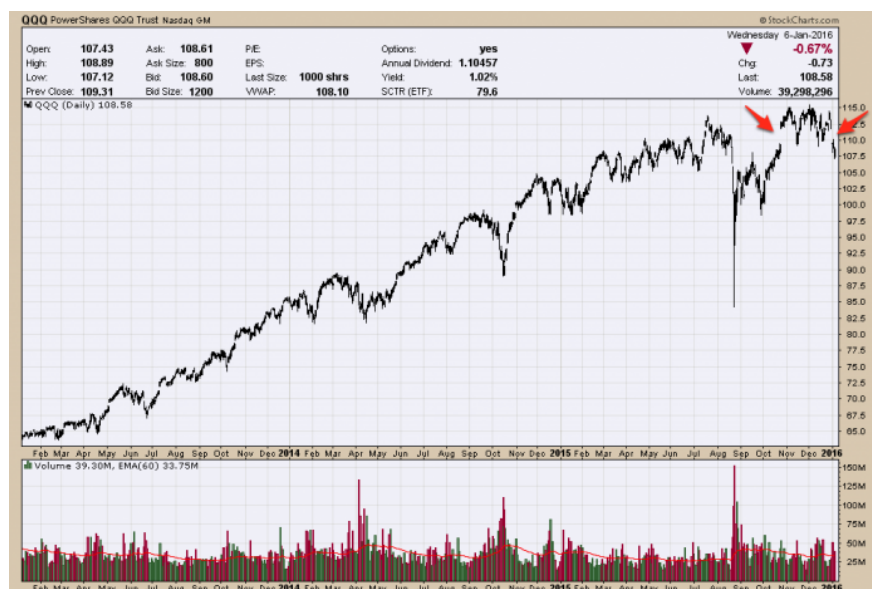
January 6, 2016

Hello members!

Here is what I recently posted in the **Tischendorf Letter Issue 3**:

Remember: Trading and speculating in the markets is a game of “**controlled aggression**”. As a trader you either increase or decrease your level of aggression and exposure to the market, depending on the information the market provides at any given point in time.

Although the market’s message should be obvious, I’ve learned that what’s obvious to me might not be obvious to everyone. Hence, my decision to send out a midweek market update to point out the fact that the **QQQ – Nasdaq 100 ETF** has formed a bearish ‘**Island Reversal**’ pattern. There are times to step on the gas and times where it is best to do nothing. Now is the time to do nothing.



TISCHENDORF LETTER PREMIUM

QQQ - ONE OF THE STRONGEST MARKET PROXIES HAS GONE FROM BAD TO WORSE VERY QUICKLY. THE TWO RED ARROWS POINT AT PRICE GAPS THAT HAVE CREATED A:

BEARISH "ISLAND REVERSAL"

TECHNICALLY SPEAKING THIS MARKET IS TO BE AVOIDED. ON MONDAY THE MARKET PROVIDED US WITH VALUABLE INFORMATION:

- NO FOLLOW THROUGH TO THE UPSIDE
- LEADERS NOT LEADING ANYMORE
- EXTREME WEAKNESS WITH INDIVIDUAL STOCKS
- GAP DOWN ACTION

CONCLUSION:

100% CASH AND STAYING ON THE SIDELINES WHILE PROTECTING BOTH FINANCIAL & MENTAL CAPITAL IS NOW KEY.

A quick reminder on proper timing:

It isn't as important to buy as cheap as possible as it is to buy at the right time. – Jesse Livermore

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