

APPLIED
ASTRO-GEOMETRY

THE
SECRET SCIENCE
OF
SQUARING

W. D. GANN'S
LOST SYSTEM OF
MARKET FORECASTING

BY
JOHANNES SUNDBERG

COSMOLOGICAL ECONOMICS

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DESCRIPTIVE CONTENTS

Foreword – My Background and Journey

This is an introduction to Gann analysis as viewed from my horizon. You will follow my journey from my first high school attempts with technical analysis to where I am today. I go through the fallacies of modern academic finance theory which claims that the markets are a random walk. As you shall soon discover, they are certainly not.

1 – Important Geometrical Angles

This is very basic stuff. If you are not previously familiar with Gann and his methods this is a must-read chapter which lays the foundation of the whole book.

2 – How Our Truths Are Formed

Learning Gann is not overly complicated, quite the opposite, it is quite easy once you understand it. The challenge we have is to return to the perspective of an innocent child and view the world with novel eyes. In order to fully understand Gann, you will have to get rid of any preconceptions you may have.

If you have read finance at a university level, this might be even harder, since the students are told that it is impossible to forecast the market. This concept of “random walk” also supports the investment bank and mutual fund industry quite well, which has created a strong “thoughtform” in society. The challenge is to get rid of past convictions that stand in the way and prevent you from seeing clearly.

In order to better understand Gann, we will take help from one of the other great minds of that time: Carl Gustaf Jung. C.G. Jung introduced a couple of concepts that will be extremely useful and helpful when we try to decipher the mysteries of W.D. Gann: “The Collective Unconscious mind” and “Synchronicity”.

It is impossible to explain why Gann’s methods actually work through traditional scientific reasoning. No matter if we try to explain it with “energy waves” in the “ether” or something else, we will be stuck with the feeling of a weak understanding which is not beneficial for us.

C.G. Jung, however, gives us the right tools to build a solid and understandable model. With this foundation in place, it is so much easier for your subconscious mind to start to accept the truths that will be presented and not just reject them.

3 - Forecasting by Time Cycles

In this chapter we will go through how the heavenly bodies correlate with the movement of the markets. I will show you evidence of the influence of the heavenly bodies but will also prove why these methods could not have been the real cutting-edge tools of W.D. Gann since they produce quite inconsistent results. These kind of theories and teachings are quite common in the Gann and astrofinance community. I want to show you where the weaknesses are in order to get you back on the right path.

4 - The Origin of Cycles – The Birth Chart

Where do cycles come from? Where do they start? Here I will show you how to find the starting points of cycles and how they set the tone for a lifetime for the financial assets you are following. I will once again show you that this could not have been the real method of W.D. Gann even if some practitioners claim so.

5 - The Origin of Religion

In this odd chapter I will show you how the teachings of time cycles were incorporated into the holy texts of the ancients. W.D. Gann often claimed that he found his secrets in the Holy Bible. While this may be perfectly true, it is not the only source of this knowledge. Even the “primitive Vikings” of Iceland incorporated cycles into their sagas and myths.

6 – Astrology or Natural Law?

Did Gann use astrology? It is difficult to give a straight answer to that question. It is beyond doubt clear that he used the planets for timing purposes, but not in the way that a traditional astrologer does. Gann found another connection between price levels and the position of the stars.

7 - Square the High, Low, Range and Time

Now it is time roll up our sleeves and start to get to the core of Gann. In this chapter I present some of his simpler but very powerful and robust methods. Many Gann followers have heard about “square the top, low and range” but now you will finally see how it was really done and the difference between this and the usual hit or miss approach is incredible!

8 - Support and Resistance

At first glance this might not look like the most exciting chapter, but I urge you to study it and contemplate it carefully. It will help you a lot with integrating the ideas presented in this book. There is a very good reason why certain price levels will act as support and resistance levels, and these are predetermined since the start of time. I will show you how to create a “Permanent Support and Resistance Chart” that can be used for both trading purposes but also for fine tuning your analysis. It is not Fibonacci or the Square of Nine.

9 - Currencies

Currencies can be a bit special since their prices can be something like 1.1026. How do we treat these decimal numbers? There are some very simple and elegant solutions to this, and I will show you how to do it.

10 - Masonic Mathematics

Gann was a Freemason. I will walk you through some of the symbolism found in the Masonic Lodge and you will be surprised to see how many of Gann’s secrets can be found in this room. I do not think many, if any, of today’s Masonic brothers are aware of this and reading this chapter would certainly enrich their journey as a Mason. It is, of course, impossible to tell to what extent Gann derived his insights from Freemasonry, but the symbolism must certainly have inspired him and strengthened his conviction.

11 - What Did He Mean with Squares Anyway?

This is probably the chapter you have been searching for your whole life in the hunt for Gann’s secrets. This was the idea that came to me out of “heavenly inspiration” many years ago and that I have guarded carefully until now.

When you read this chapter, the missing pieces will finally fall into place, and you will feel a great relief. Finally, you will understand how cleverly Gann was able to code his real secrets into his texts in a way that no one could find.

The next time you read a text written by W.D. Gann, everything will be much clearer. This chapter alone is worth many times the price of this book!

12 - Squaring Angles into Price

In this chapter we expand the concept of the “Permanent Support and Resistance Chart” with our latest findings. The text is not so “fancy,” but extremely important in order to give you an understanding about how time and price align with each other in various ways.

13 - Geometrical Angles

So called “Gann Angles” are quite popular but mostly misunderstood. There is no need to “square your chart” if you learn the proper way to draw them. I will show you how this principle is the origin of all technical trend lines. Instead of connecting tops and bottoms with a straight line these geometrical trend lines can be projected years into the future even before the second top or bottom is formed. I will show you how you can choose the right set of angles from just looking at the date and price of a major high or low. No need for guesswork anymore.

14 - Putting it All Together

The insights presented in this chapter are some of the most powerful in the book. For some of you this will give you the “Eureka moment” you have long searched for. Most Gann analysts focus on the time component since W.D. Gann stated that time is more important than price. Others focus on price, like divisions of 8 or different master grids. The truth is they are both interdependent and need each other.

The real power lies in combining these two, and we will walk through how that is done. This is how we can sort out the good trades from the mediocre ones. This is how we can get rid of the “orb of influence”, or any other guess work needed. This is the method that gives us the opportunity to enter trades with extremely tight stops which will vastly improve our win/loss ratios.

This where you will learn how Gann could make such bold calls as: “I am sure xxx will not reach zzz before it has a good break”. **This is the chapter that will let you take high-reward low-risk trades that will pay you back many times the cost of this book.**

15 - Follow His Track Backwards

One of Gann’s most famous quotes is, *“The ancient hunters had a rule when they were searching to locate an animal in his den, they always followed it tracks backward, figuring that it was the shortest route to his lair. The quickest way for you to learn how to determine future market movements is to study the past”*.

In this chapter I will show you how to follow the track of an animal back to its den. It will also clarify the use of Gann angles and sort out some things that could otherwise become a trap for you.

16 - The Square of Nine

There are many books written about the Square of Nine and although it is not my “Go to-method” I will show you some applications that I have found useful.

17 - Triangles

So far in the book I have shown that “squares” are extremely powerful, and it is now time to expand the concept to other geometrical figures like the triangle. The good thing about triangles is that they follow certain laws like “if you know two pieces you can calculate the third”. Since we always have a time and a price, we can use them to calculate a third product. **I bet you have never read anything like this before!** No, it is not what people know as a price-time vector.

18 - The Circle

Since we are now diving into geometrical shapes, we can't ignore the circle that will be shown to be very powerful when it comes to forecasting the markets too.

19 – The Means

Means are another fundamental part of geometry, and I will show you how the markets obey these too.

20 – The Tunnel thru the Air

In this chapter we will touch upon Gann's famous book *The Tunnel thru the Air* and analyze Robert Gordon's campaign in “Major Motors” with the methods we have learned so far in this book. When we apply the methods we have learned so far, we are able to “decode” the swings of Major Motors and Mr. Gordon's campaign.

21 - Fine Tuning to Make It Even More Precise

This chapter might seem a bit unnecessary since the methods you have learned so far are probably the most accurate you have ever seen. However, since I have always strived for perfection when it comes to Gann, I could not stop the quest until every fine little detail was in place. I have refused to believe in “orbs of influence” or any other excuses. Gann was able to pinpoint the highs and lows with astonishing accuracy, so must we if we claim to have uncovered his secrets.

I finally found a way to fine tune things even further to ultimate perfection. If you have wondered what we should do with the permanent support and resistance charts, it is now time to wipe off the dust and put them to use. Gann stressed the importance of finding “the right starting point” and in this chapter I will show you how that is done.

22 - Time Tells the Price

This chapter presents some mind-blowing ideas. Even the novice Gann analyst pretty soon discovers that price creates time cycles. Now we will flip that concept around and I will show you how time cycles project support and resistance points. This kind of flip flopping between time and price is a major Key to really understanding Gann, and when you think about the connection to the work of C.G. Jung, you will understand why this actually works.

23 - Getting Organized

There is a lot of information to take in from this book. In order to put it into practical use and not just enjoy the feeling of being an armchair trader, I strongly encourage you to start to work in a well-organized and prepared way. I want to show you a few helpful tips about how to accomplish this.

24 - Postlude and Final Words

Some final words and conclusion from this exciting and wonderful journey that I am glad you wanted to share with me.

Appendix 1 - Ticker and Investment Digest, Volume 5, Number 2, December 1909

Appendix 2 - The Basis of My Forecasting Method – Geometric Angles by W. D. Gann

AUTHOR'S BIOGRAPHY

Ola Sundberg came into contact with technical analysis as a teenager in the late 1980's and immediately became utterly fascinated with the subject. At University some years later, he wrote his graduation thesis about a trading range breakout system that was actually able to beat a simple buy-and-hold strategy. These findings went in the complete opposite direction of the prevailing academic view. After graduation, he managed to secure a job as a professional technical analyst at a firm in Stockholm.

In those days, technical analysis was considered a bit odd compared to fundamental analysis. In some finer circles of finance, technical analysis was considered to be some kind of witchcraft. "It was not easy to find such a job at that time, but I had some '*law of attraction*' methods that really can produce wonders."

At that time, Sundberg came in touch with the teachings of W.D. Gann for the first time, through the leading Swedish technical analyst, Mr. Ingmar Carlsson. "Mr. Carlsson arranged a course on Gann which I attended, and I immediately was hooked. Shortly after that, I was able to forecast the mini-crash of 1997, both the top around 666 and the low at 555 in October. My clients were ecstatic, and it felt really good to have saved them a decline of 17%. After a while, I quit my job but continued to cooperate with Mr. Carlsson for many years. We became friends, and I became a co-writer of his market letters."

"My success in the markets continued, and I made a small fortune trading options in the stock market crash of 1998, just to lose it all when the market turned around. I had to realize that there was something more to Gann than just picking tops and bottoms 30- and 60-days apart. That was quite a bad experience. I was devastated. But I am thankful for that experience today as it gave me the motivation and driving force to find out the real truth behind Gann's methods."

Sundberg continued his career in the investment field at a bank. There was not much room for technical analysis in that occupation at that time, but he continued to write in Mr. Carlsson's market letter during evenings and nights, which financed his expanding library of Gann books and courses. He was assigned the task to build an asset allocation model for a balanced mutual fund that the bank managed and took the opportunity to incorporate some of his technical rules into the model. That fund won a 5-star Morningstar rating. The key success factors were loading up stocks in March 2003 and avoiding the big waterfall decline during the financial panic in 2007-2009.

At the same time as he was at his day job, Sundberg continued his Gann studies. He came to a point when he decided to stop reading other author's work and to stop spending time hanging out on Internet forums. He realized that if he was going to be able to find Gann's secrets, he had to search somewhere else, inside himself.

"I remember that day very clearly. I had been practicing meditation, affirmations and prayers for a year or so. **I was standing in the shower in the morning when the light suddenly went on. I got this crystal-clear idea in my mind: 'This must have been what Gann did!'** When I started to test my new ideas that same evening, I realized it was actually true! That was one of the most revolutionary moments in my life!"

Apart from his investment skills, Ola is also a spiritually gifted person and has been professionally coached and educated in that field. For a couple of years, he had a client base which he helped with readings, healing and magical manifestations. According to him that spiritual gift has made a crucial difference, and he would not have been able to crack the Gann codes without that talent.

Today, Sundberg works as a portfolio manager for an institutional investor and trades for his own account. He has also been involved in the management of a pension fund in which the returns were the best in his country compared to other pension funds on a 10-, 5- and 1-years basis.

Technical analysis and Gann methods have their share in these successes. While the job as an institutional portfolio manager has its benefits, it involves a lot more than just technical analysis.

"Gann has been a lifelong passion for me and I am glad that I finally found the opportunity to focus on what really makes me tick, writing this book. I know how hard, frustrating and expensive it can be to try to understand Gann. I really want to help people around those areas to give them that 'Eureka moment'" and those wonderful feelings of enlightenment that come with it."

AUTHOR'S FOREWORD

To make success investing in stocks or speculating in commodities you must have a well-defined plan and must know the rules that have stood the test of time for 50 years or more. After you learn the rules you must eliminate guess work, hope and fear and follow rule and you will make profits.

W. D. Gann, Why Money is Lost on Commodities and Stocks and How to Make Profits, 1954

The above quote of W. D. Gann's summarizes the ambition of this book very well. I've been a Gann researcher since the late 90's and I am pretty sure that I've cracked some of his secrets. I do not claim to know it all, far from it, but I believe that what you will learn from this book is the true foundation of Gann's method as described in his course *The Basis of My Forecasting Method – Geometric Angles*, and in other papers written by him.

We will develop strict rules about when and at what prices the turning points in the markets will occur that can be calculated years in advance, just as W. D. Gann did. These rules will be proven to have stood the test of time. They work as well today as they did in W.D. Gann's time. This is quite remarkable since many other rules of technical analysis have failed to stand this test.

The largest hedgefunds in the world today employ 100's of PhDs in mathematics, statistics, AI, quant physics and other sciences, and it would be a bit naïve to believe that a simple indicator like a moving average or relative strength index would work in this highly competitive environment. The reason why the methods of W. D. Gann have not been exploited in this way is probably due to the fact that they require a new way of thinking, and that view of the world contradicts what most people have learned to be true according to the scientific view of the academic institution of today. It is not good for your professional career in the investment banking world to openly explain that you use astrology and other esoteric techniques to make your investments.

In this work, we will focus on position trading, meaning taking positions in the market based upon our projections and capturing a move that will last from a few of days to several months. If this book is appreciated by its public, another volume that focuses on intraday trading might also be published later on. The clever student will find a way to apply the material in this book to intraday trading too as the principles are universal and not dependent on the timeframe.

Those of you who have struggled with Gann for some years will get the most out of this book, though I have written it in a way that a novice could work with it too. If you veterans think "same, same" when you start to read the book, please have some patience. I will show you methods that

I've never seen anywhere else a bit later on in the book (Chapters 7-11), after we have laid the necessary foundations.

I do not intend to repeat the history of W. D. Gann and his remarkable achievements since most of you are quite familiar with it. If not please read the *Ticker Interview* in the Appendix or the Marketing Brochure that was quoted in the introduction to this text.

Some basic knowledge about astrology and the markets would benefit you, but I have written a short description of the basics that you need in order to understand the rest of this book, sufficient to allow anybody to easily apply these techniques. I want to point out that this book is not about astrology as it is understood by the general public and by most astrologers today. It is about mathematical relationships between the markets and the planets and how they affect the collective unconsciousness of humankind.



AUTHOR'S INTRODUCTION - MY BACKGROUND AND JOURNEY

At the age of 15, I started becoming interested in equities and investments. The movie *Wall Street* was running at the cinemas and greed was good. Life was good as well. A couple of classmates and I decided to start an investment company called “Dementia Cogitationes” meaning “Insane Investments” in Latin. Little did I, at that time, respect the power and vibration of words, but with hindsight it is obvious that we could have chosen the name more wisely...

The stock market crash of 1987 struck and we made losses on our holdings. The good thing that came out of this history was that a friend showed me a series of books about technical analysis. The first one consisted of basic chart patterns like head-and-shoulders, double-bottoms and simple indicators like moving averages. The second book was a description of the Elliott Wave theory and the third and last one was an obscure writing about time cycles. I was very fascinated with that last subject.

It was not, however, the easiest thing to be a technical analysis aficionado at that time. Some other classmates had heard that technical analysis “did not work” and the only worthwhile thing to do was fundamental analysis. They made me look like a fool and I did not have the courage to stand up for myself at that time. That might be a reason why I have intended to disclose the findings in this book for a long time.

Some years later, I started my university studies in business and economics. The courses on finance and investments were devastating. I could, at a theoretical level, understand the reasoning behind “efficient markets” and the “Capital Asset Pricing Model,” but at the same time I could feel in my heart that there was something so utterly wrong with it all.

For those of you not familiar with these academic subjects, they can be summarized as: “Nobody can make money in the market since so many smart brains try to outsmart each other there is no (legal) information advantage. The only clever thing to do is to buy index products (ETF, index funds) and hold since, in the long run, stocks will always outperform due to the high cost of actively managed funds.”

Yes, it is true that most actively managed funds underperform. But we have to remember that they have a lot of restrictions, and the goal of most managers is not super performance, but not losing your face. Risk is most often defined as “deviation from the benchmark index”, which means that a manager that deviates a lot from an index takes a lot of “risk”. It has nothing to do with how much money can be lost and these guys admit they do not have a clue about it.

I remember the late 90's, the heyday of overpriced IT-stocks, where one portfolio manager claimed to be taking a lot of risk by "only" allocating 30% to the (hugely overvalued) L.M. Ericsson stock that made up close to 50% of the Swedish OMX-index at that time. The risk he took was not the risk of a correction in an overpriced stock, but instead the risk of missing the performance of the benchmark by underweighting this bubble stock. Do not underestimate the "Cover-Your-Ass" principle among the members of the field of investment professionals. The problem for me is that you can't pay your bills with "standard deviation" and "tracking error". There is no substitute for good absolute returns.

Sadly, these academic theories dominate the investment community today and it has become the core of the business model of most banks and financial advisors, and it serves them very well. "Do not try to judge the market, just buy and hold and think long term while we earn our provisions steadily each month on your capital."

It is amazing to see what salaries and bonuses are paid to certain "investment professionals" in this business, even if they have not the slightest idea how to judge the market, nor do they dare guess in which direction it may be going. A nice smile and good work ethics are good enough. The academics and investment banks have really discovered the foundations of a mutually strong alliance.

As a portfolio manager at an institutional investor, I have participated in many conferences about "portfolio management" and "asset allocation". These people admit that they do not have any idea about how to time the market, they believe it is impossible. Instead, they try to "diversify" to reduce the risk, which is a safe way to make sure you never make a lot of money because some part of the portfolio is always dragging. The classic allocation trick was to own both equities and bonds but after the financial crisis in 2007-2009, the bond market became more and more manipulated, and this free lunch diminished. Some recent academic studies prove that while bonds can be a good hedge when the stock market tanks, equities are not a good protection when the bond market implodes. Correlations are not statical.

Instead, the investment community invented new tools like "factor investing", "smart beta ETFs", and "tail risk hedges" which they evaluate in terms of variance, volatility, beta, covariance and other difficult words that make the general public actually believe these people are smart enough to take care of their savings. While they think no one can time the stock market, they believe that their measurements of "covariance" and such are stable. They are not! They are just guesstimates based on historical data, which the same people believe have no predictive value. Rather contradictory.

I refused to believe in that crap! You all know that if you bought stocks at the top of 1929 you had to wait until 1954, 25 years later, before the price levels had recovered. An investment made at

the top of the bull run in 1966 needed some 20 years before it could give a decent return. Those who bought the high-flying Cisco stock in March 2000 are still deep in the red 21 years later.

It can be frustrating to see that the whole world seemed to have bought into the lies of academia and how condescending these “scientists” can be towards the subject of technical analysis. But that is how life is. Humans are a social animal and you do not get promoted or popular by being the little boy that declares that “the emperor is naked”. It is better to run with the herd and try to fit in as smoothly as possible and learn the game.

To make a long story short, I refused to believe in these lies and wrote an academic thesis about how a simple trading range break out system could beat the market at the Helsinki Stock Exchange. It did! After graduation, I had an opportunity to work as a technical analyst in Stockholm and during that period stumbled upon W. D. Gann, which changed my view of the markets forever.

While I was in Stockholm, Mr. Ingmar Carlsson, who wrote a weekly technical analysis column in the business newspaper, “Dagens Industri”, arranged a course about Gann and time cycles. Mr. Carlsson showed several quotes of Gann’s and explained how tops and bottoms seems to occur on the same dates according to 30-, 45-, 60- and 90-day cycles in the market. He wove it together with Elliott Wave theory and it seemed to work quite well.

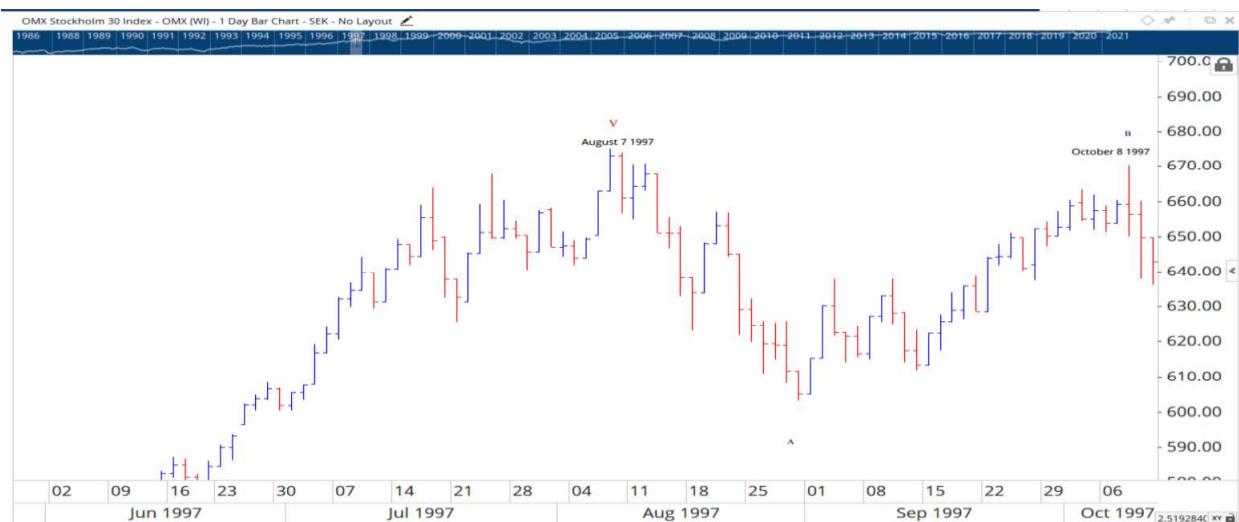
This was in the summer of 1997. The market had been in a strong bull run but we had discussed the possibility of a major top entering soon, as a clear five-wave pattern had developed. The supposed fourth wave had developed as a “wedge”, which was a schoolbook example of Elliott Wave Theory, as fourth waves are usually triangular in shape.



MY BACKGROUND AND JOURNEY

The market reached a top of August 27th, 1997, and corrected. I remember that I was alone at work one Friday evening somewhere in September during the pullback. I remember the radio suddenly playing “Sympathy for the Devil” by the Rolling Stones, which gave me a real chill. It stood out so clearly compared to the glam pop that station used to play. I had the feeling something was wrong.

Mr. Carlsson had told me that a lower high at 30, 60 or 90 days (+/- 1 day) later would be a sell signal according to Gann. The market was very strong on October 8th, but before the day was finished, it reversed abruptly and closed in the red (see chart below). All the conditions for a top and a decline was in place. I made sure to write a strong sell recommendation to the daily market letter that was sent out the following morning. My CIO was asking if I was sure about what I was doing, since the general sentiment was still quite optimistic. I explained the Gann theory and he accepted it and wanted to give us a try.



And the market tanked. Some Asian countries ran into trouble and their currencies imploded. The decline continued until the end of October.



A familiar pattern started to present itself. I wrote to my clients to be prepared to buy if the market finds support in the end of October since that would be a 60-day cycle from August 29th which was the last bottom. And the market strongly reversed on October 28th.

At that time, my CIO was really nervous because he had seen a chart with a comparison between the 1997 market and the 1987 stock market crash. If that pattern should continue, the decline would become much worse. But it did not. I advised my clients to buy carefully and add with a tight stop at the following test of the low. A lot of happy clients called me to thank me for saving their money. They actually followed the advice and dumped their stocks on October 9th. I felt fantastic! My ego was huge! I was the hero of the market! I remember thinking: "This is so easy! Why haven't more people thought about this?"

With hindsight, it was clear that I had stepped right into one of those traps that Mr. Gann presented in his text. He gives you something that works every now and then and it keeps you busy from searching for the real secret that was buried just underneath.

For some strange reason, this beginner's luck development is usually the case when you find a lifelong interest or passion. In the beginning, you ride a wave of beginner's luck, no matter if it is flyfishing, stock picking, picking up girls (or boys), or anything else. Enough luck to get you really hooked. Then reality emerges to the surface, and you realize that you need to put in a lot of work in order to succeed. But since you are already hooked, the work is more of a pleasurable passion than a burden.

After a while, I quit the analysis job in Stockholm and moved home to join a bank. It was a good job, but in that bank, "technical analysis" had the same reputation as witchcraft. Fundamental analysis was somewhat accepted but the "modern portfolio theory" was the real art which our CEO thought was similar to modern meteorology with all the supercomputer power compared to the "wise men" of the past who forecasted the weather on the basis of the look of Perch fins.

What kept me from going insane in this environment was that I had built a relationship with Mr. Ingmar Carlsson, and he invited me to write a weekly column in his technical analysis market letter. I felt that I was still connected to what was really important while the bank job gave me the bread and butter.

Following the same mix of Elliott waves and the 30-, 60- and 90-day cycle, a friend and I made a lot of money trading puts in the bear market of 1998. The bank made losses on its equity portfolio and the board decided to liquidate it right at the bottom of that decline. It was tragic, but I smiled inwardly, as I knew I possessed the real keys to the market. Then the market reversed strongly, a new "Gann date" was coming. I bought a new set of puts and lost it all. It was a hard but necessary experience that brought me back to reality.

I realized that there must be something more than Elliott waves and reoccurring Gann dates. I could really feel it, but I could not find it. I started to study every book that was written by W. D. Gann and about him. I read the books of so-called Gann experts, but most of them had some ideas that looked nice but were very hard to put into practical use. Too subjective, too many options and variables, too inconsistent. Too much after the fact analysis. I later realized that these authors are probably so called “armchair traders”. They love to read and write about it, but they do not use it in practice. There were some exceptions like Michael Jenkins in New York. He used a veiled language too, but it was at least obvious that he was a real trader.

Something that came back to me again and again were squares and square-roots. But I could not figure out: “How are you really supposed to use squares?” I tried to see if a stock that topped at say \$50 would turn around 50-days, 50-weeks and 50-months later. I even held courses down in Spain for the clients of Mr. Ingmar Carlsson at the “Gann Advanced Level” showing these tricks. But when I started to put it into practice using real money, I realized that I could not fool myself anymore. The hit rate of this method was far too inconsistent. Sure, I got a lot of nice examples that could fill a book or make a course attendee convinced that they had really learned something valuable. But I knew that there had to be something else behind Mr. Gann’s success. I just had to find it.

At that time, some experts dared to claim that Gann was actually an astrologer. I started to read about the subject, but it felt so weird, I could not accept it. I could not find any reliable astro based method that was ready to put into practical work either. I bought more courses and books and started to hang out on Internet forums and was frustratingly often met with the message: “I know the truth, but it is not my intention to do the work for you, I will just point you in the right direction”. If you pay several thousands of dollars for a course you expect to actually learn something and not just get a diffuse pointer from someone who claims, but cannot prove, to be a Gann expert.

I even started to read Gann’s religious book *The Magic Word* and I kind of liked it. Clearly Mr. Gann was a humble, spiritual man, despite his tremendous success in the mundane world. I noticed that the way to pray is to be thankful as if the desired result had already happened. Never doubt, always have faith. That reminded me of my adventures in affirmations and creative visualizations some years earlier. I realized that I had to quit hanging out on those Internet forums and buying all those expensive courses.

If the truth were to be found, I had to do it on my own. I started to visualize and make affirmations: “*I have cracked the Gann code, I’ve found the secret, I understand it all and I feel so great*”, “*It is really awesome to finally have cracked the code of W.D. Gann*”, with a feeling of genuine excitement.

I thought a lot about what I had read, but my intellectual reasoning did not bring me anywhere. One morning, I was standing in the shower, preparing to go to work, with a blank mind still not really awake. Suddenly, I just felt a sudden flash, an idea: “Why do you not try to apply the squares this way?” I felt overwhelmed, it was a powerful experience! I had to rush to work, but the first thing I did when I got home again was to turn on my computer and start my technical analysis and astro programs to try this new idea.

And it worked! Based on the price level of the Dow Jones Industrials and the positions of the stars, I was able to predict turning points in the future, years in advance, down to the exact day! I immediately knew that this must have been the real method that Gann had disguised so elegantly. And I had discovered it on my own (or with the help of some angel that whispered it into my ear that morning in the shower, I do not know for certain). That was one of my top-5 experiences in life! Now you might think that I have had an uninteresting life, but I can assure I have not.

I tried the method on other tops and bottoms as well and it still worked beautifully! It was not just the usual hit or miss kind of thing. Then I went into a state of shock! I simply could not handle it and the possible consequences. I got scared. When I look back, I see that I was not ready to handle it. There were things in my personal development that I still had to work on. I guess I did not feel worthy to possess such a treasure at that time.

After a couple of years, I started to do research again, continued for a couple of months, and then shut down the shop again. It continued this way for many years. I persuaded myself that I had more important things to take care of first... One reason for these gaps in the process may be that I needed time off to “unlearn” everything I’d previously learned.

If you really want to learn Gann, you have to have an extremely open mind. A couple of years ago, I realized that it was probably one of my life missions to explore this knowledge. I had, at that point in life, found the “true me”, “reconnected with my “soul”, and suddenly everything started to run more smoothly. That is why I am now ready to publish my work.

If you too have spent thousands of dollars on Gann books, software and courses, you might be suspicious and now expect me to write something like: “It is not my intention to reveal my secret and do the work for you.” However, that is precisely what I am going to do!

You have paid a substantial amount of money for this book, and you have the right to receive something valuable in return. Since that morning in the shower, I have refined and expanded the method into several different strategies that all are based upon “universal laws and the strict rules of mathematics”. But there is still a lot of work you need to do on your own before you become a money-making machine.

You have to backtest and prove everything to be working. There might be some “vibrations” of your favorite trading asset that you need to discover by yourself. We will discuss how to do it, but you have to develop a strategy, set up and follow a plan, and that requires a lot of patience and discipline. Even if you are soon able to forecast a turning point to the exact day, years into the future, there are still some open questions.

Where do I put my stop-loss? How much can I risk? What do I do after I have entered my position? When do I take the profits? Should I take some sure profits now or wait for more, risking to lose all the profits? What if I am wrong? Those questions might sound easy, but in my opinion, it is much easier to make an accurate forecast. I will share how I reason about these tactics, but you have to find your own style that you feel comfortable with. Make sure to “know thyself” before you start to trade.

Why do I choose to disclose these valuable secrets? Well, I do not give them away for free, there is, after all, a substantial price for this book. Even if you will soon learn the secrets of Gann, there is still a lot of work required of you in order to apply them to your actual trading. You need to copy what I have done and then apply it to those assets that you want to trade. You will have to work through a lot of historical data, and it all takes time and energy. You need both discipline and patience. You need to adapt it in a way that suits you.

Another factor that motivates me to write a book is the universal spiritual law that says, “In order to learn, you have to start teaching what you have already learnt”. If we keep everything to ourselves, we stop the natural flow of knowledge. This is a way for me to step up my personal journey in this fascinating realm.

I already have proof that this law is true. There are many pieces in the book that I did not intend to write when I began the project. Those are new discoveries that I made while writing this book and that would otherwise never have been discovered.

In the “Ticker interview” there is a section that says:

“Many ask the question, ‘If Mr. Gann can forecast the markets accurately, why does he sell his services or write market letters?’ He has answered the question before, that he finds pleasure in giving his knowledge to help others who need help:

“Money is not everything in life”.

That applies to me too...

Mr. Gann wrote that “the public” was not yet ready to know the truth. Is it now? I feel like the timing is better. During the last decennium, more and more books and software that incorporate astro have been developed, and people are more open minded.

I have passed 40 and do not care so much about what people think anymore, so I do not mind if someone sees me as a shaman of the markets.

Will a widespread use of the secret destroy the markets? I think it will take a long time before this teaching is generally accepted. The Governments and Central Banks have destroyed the free markets anyway by destroying the value of the dollar and by applying yield curve control.

I also feel that capitalism in its current form will not be the system of the future if we are going to survive. If the economic system does not change, there might not be any markets either in a couple of 100's of years since there will be no conditions for life. We need a system that builds on love, not fear, for each other. Then everything will be fine again.

As a part of this development, I think it is important that people realize that there are some forces in the Universe that are far more powerful than the chairman of the Federal Reserve or the CEO of J. P. Morgan when it comes to what really **causes** the markets to move. No wonder our ancestors associated the planets with gods, archangels and other powerful deities.

It is time for man to come out of his bubble of hubris and become humble again. Is the tale of Atlantis really a tale or a prophecy of a flooded Earth due to the melting of the ice at the poles? Man needs to understand that the system is perfect, let go of control, and know that he is loved by somebody up there.

Welcome on board, I hope you enjoy the journey!

Ola Sundberg

November 2021

Aland Islands, Scandinavia

"The conventional view serves to protect us from the painful job of thinking."

John Kenneth Galbraith



It would be frivolous of me to try to conceal from the reader that such reflections are not only exceedingly unpopular but even come perilously close to those turbid fantasies which becloud the minds of world-reformers and other interpreters of "signs and portends." But I must take this risk, even if it means putting my hard-won reputation for truthfulness, reliability, and capacity for scientific judgment in jeopardy. I can assure my readers that I do not do this with a light heart. I am, to be quite frank, concerned for all those who are caught unprepared by the events in question and disconcerted by their incomprehensible nature. Since, so far as I know, no one has yet felt moved to examine and set forth the possible psychic consequences of this foreseeable astrological change, I deem it my duty to do what I can in this respect.

Carl Gustav Jung, 1950