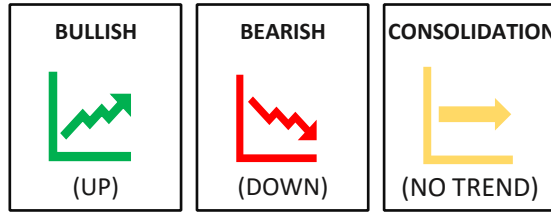# HOW TO IDENTIFY PROFITABLE AND ROBUST TRENDS?

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WSC TREND RESEARCH

1. TREND

*Use **Trend Indicators** to identify the current price trend of the relevant market*

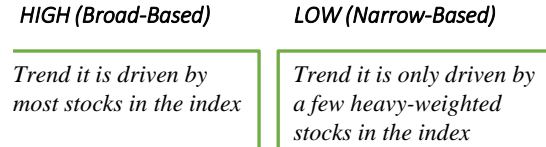| BULLISH	BEARISH	CONSOLIDATION
(UP)	(DOWN)	(NO TREND)

DETERMINE THE CURRNT TREND STATUS

To measure if it the trend is robust further analysis is needed

2. TREND QUALITY

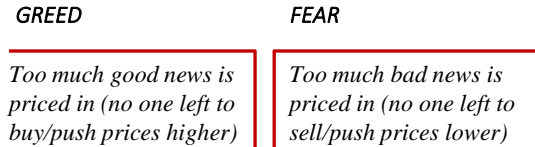*Use **Trend Quality Indicators** to measure how many stocks are participating in the trend*

HIGH (Broad-Based) | LOW (Narrow-Based)

Trend it is driven by most stocks in the index | *Trend it is only driven by a few heavy-weighted stocks in the index*

STRONG TREND | **WEAK TREND**

Any consolidation is just a breather in an existing trend | *Consolidations are tipping points for stronger trend reversals*

3. SENTIMENT

*Use **Sentiment Indicators** to identify greed & fear (among Dumb and Smart Money)*

GREED | FEAR

Too much good news is priced in (no one left to buy/push prices higher) | *Too much bad news is priced in (no one left to sell/push prices lower)*

BURDEN FOR POSITIVE TRENDS | **BURDEN FOR NEGATIVE TRENDS**

Any consolidation is just a breather in an existing trend | *Consolidations are tipping points for stronger trend reversals*

4. MARKET HEALTH (SIGNAL AGGREGATION)

Aggregate signals of trend, trend quality and sentiment into Market Health Indicators to measure the underlying trend strength

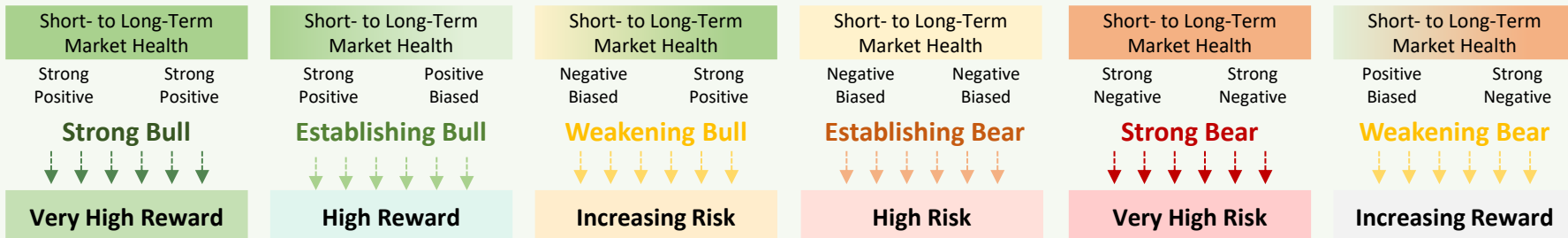| **Short-Term Market Health**	**Mid-Term Market Health**	**Long-Term Market Health**
% of positive signals from short-term trend, trend quality and sentiment indicators	*% of positive signals from mid-term trend, trend quality and sentiment indicators*	*% of positive signals from long-term trend, trend quality and sentiment indicators*

5. CLASSIFYING TRENDS INTO MARKET REGIMES

Classifying signal strength of Short- to Long-Term Market Health Indicators into pre-defined Market Regimes

Short- to Long-Term Market Health	Short- to Long-Term Market Health	Short- to Long-Term Market Health	Short- to Long-Term Market Health	Short- to Long-Term Market Health	Short- to Long-Term Market Health
Strong Positive — Strong Positive	Strong Positive — Positive Biased	Negative Biased — Strong Positive	Negative Biased — Negative Biased	Strong Negative — Strong Negative	Positive Biased — Strong Negative
Strong Bull	**Establishing Bull**	**Weakening Bull**	**Establishing Bear**	**Strong Bear**	**Weakening Bear**
Very High Reward	**High Reward**	**Increasing Risk**	**High Risk**	**Very High Risk**	**Increasing Reward**

Market Indicators
- Predictive and proprietary indicators for 28 markets and sectors
- Covering Trend, Trend Quality and Sentiment (including the famous Smart Money Flow Index)
- Interactive charts for detailed track record analysis

Market Health Analysis
- Interactive Short-, Mid- and Long-Term Market Health Indicators for 28 markets and sectors
- Indicator Dashboard
- Interactive Indicator Signal Flowchart
- Detailed Market Health Breakdowns

Market Regime Identification
- Market Regime Gauges for 28 markets and sectors
- Market Regime Weather Map

Market Regime Research
- Weekly Trend Reports for 28 markets and sectors
- Top-Down Market Regime Analysis

Market Regime Statistics
- Detailed Risk-/Reward Statistics including Win-Ratios, Up/Down Days etc. for all markets and sectors