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| **Principles Of W D Gann Law Of Vibration** |
| Exert from our Book On Gann Angle Theory |
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| Gann in his work has explicitly proved that all Stocks and Commodities vibrate. He has devised a mathematical formula for calculating the rate of vibration which is called “ Gann Angle Theory” |
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 Technical Analysis

**2.10 : W. D. Gann’s Techniques of Analysis and Trading**

**2.10.2 : General Principle Of Gann’s Law Of Vibration**

The Principles of Gann’s Law of Vibration, as discerned from his interview of December 1909 to the “Ticker And Investment Digest”, are as follows:

1. Stocks and commodities (and everything else on earth) vibrate. Moreover, vibration provides a comprehensive explanation of price movements in financial markets. “Vibration is fundamental; nothing is exempt from this law; it is universal, therefore applicable to every class of phenomena on the globe….After years of patient study I have proven to my entire satisfaction, as well as demonstrated to others, that vibration explains every possible phase and condition of the market”(Ticker interview).
2. Stocks and commodities vibrate in accordance with both their own individual energy/ vibration (i.e. internal vibration) and also in accordance with energy/ vibration transmitted through space (i.e. external vibration). “From my extensive investigations, studies and applied tests, I find that not only do the various stocks vibrate, but that the driving forces controlling the stocks are also in a state of vibration”(Ticker interview).
3. The overall energy/ vibration of a stock or commodity is reflected in its price. “These vibratory forces can only be known by the movements they generate on the stocks and their values in the market”(Ticker interview).
4. Financial markets essentially comprise a series of impulse that produce price movements with specific rates of vibration.“Science teaches that an original impulse of any kind finally resolves itself into periodic or rhythmical motion” (Ticker interview).
5. The price movement of a stock or commodity unfolds in a coherent way. This is because stocks and commodities are essentially centers of energies and these energies (or vibrations) are controlled mathematically.“Stocks, like atoms, are really centers of energies. Therefore they are controlled mathematically….There is no chance in nature because mathematical principles of the highest order lie at the foundation of all things” (Ticker interview).

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 Technical Analysis

**2.10 : W. D. Gann’s Techniques of Analysis and Trading**

**2.10.2 : General Principle Of Gann’s Law Of Vibration**

1. When the overall vibration of a stock or commodity is in balance its price will maintain a constant rate of vibration (i.e.prices will form a trend). Consequently this overall rate of

vibration (or trend line) can be precisely measured and future prices forecast by means of the so-called Gann angles or Gann fan lines (i.e. 1 x 1, 1 x 2, 1 x 4, 1 x 8 angles and their subdivisions).“The power to determine the trend of the market is due to my knowledge of the characteristics of each individual stock and a certain grouping of different stocks under their proper rates of vibration. Stocks are like electrons, atoms and molecules, which hold persistently to their own individuality in response to the fundamental Law Of Vibration….After exhaustive researches and investigations of the known sciences, I discovered that the Law Of Vibration enabled me to accurately determine the exact points to which stocks or commodities should rise and fall within a given time. The working out of this law determines the cause and predicts the effect long

before the Street is aware of either”(Ticker interview).

1. These principles can be applied to forecast the trend of stocks or commodities over multiple time frames. For example, a minor impulse may produce a price movement with a specific rate of vibration that lasts only a few hours. Alternatively, a major impulse may produce a price movement with a specific rate of vibration that lasts for a number of years (e.g. the rise in the Dow Jones Industrial Average from 1921 to 1929). “The law which I have applied will not only give these long cycles or swings, but the daily and even hourly movements of stocks”(Ticker interview).
2. It is thought that Gann believed the external energy/vibration acting on a stock or commodity is subject to astrological influences (although he does not explicitly state this in his Ticker interview).Rediscovering Gann’s Law of Vibration By James Smithson16 MARKET TECHNICIAN Issue 60 – December 2007.
3. It could be these astrological influences to which Gann was referring when he described market trends as acting in a way that is analogous to radio waves; i.e. they have a specific Wave length, they travel through space and they are received by and influence those stocks and commodities that vibrate with a resonant frequency. “It is impossible here to give an adequate idea of the Law of Vibration as I apply it to the markets. However, the layman may be able to grasp some of the principles when I state that the Law of Vibration is the fundamental law upon which wireless telegraphy, wireless telephones and phonographs are based”(Ticker interview).

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 Technical Analysis

**2.10 : W. D. Gann’s Techniques of Analysis and Trading**

* + 1. **: General Principle Of Gann’s Law Of Vibration**

1. From time to time a stock or commodity will lose its sensitivity (or receptivity) to certain influences (astrological or otherwise). As a consequence it will become inert (i.e. its rate of vibration will fall) and its price will typically enter a downtrend.“Stocks create their own field of action and power; power to attract and repel, which principle explains why certain stocks at times lead the market and ‘turn dead’ at other times”(Ticker interview).Thus, if the assumption that astrology plays an important role in Gann’s method of forecasting markets is correct, the key technique in applying the Law of Vibration is to accurately identify the major astrological influence driving a particular stock or commodity. It is then necessary to identify the resultant rate of vibration and to forecast how future astrological influences will impact this rate of vibration.“By my method I can determine the vibration of each stock and by also taking certain time values into consideration I can in the majority of cases tell exactly what the stock will do under given conditions” (Ticker interview).

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