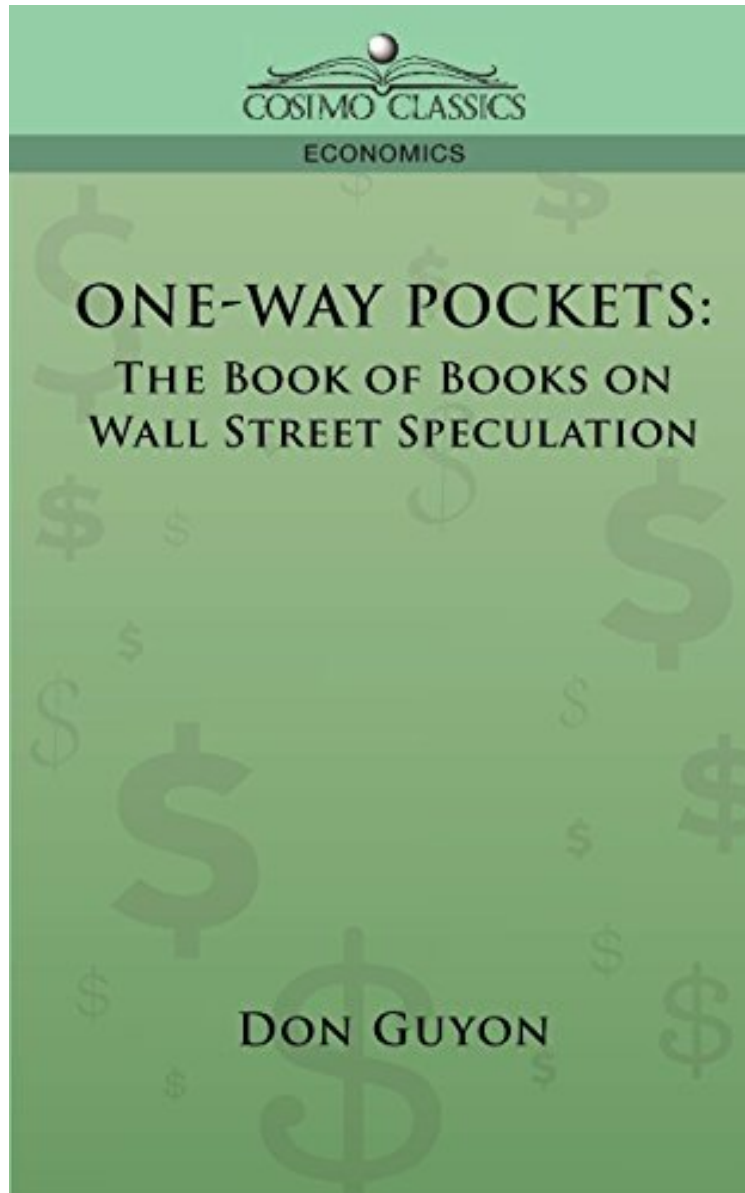


(Download ebook) ONE-WAY POCKETS: The Book of Books on Wall Street Speculation

## ONE-WAY POCKETS: The Book of Books on Wall Street Speculation

*"Don Guyon"*

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**"Don Guyon" : ONE-WAY POCKETS: The Book of Books on Wall Street Speculation** before purchasing it in order to gauge whether or not it would be worth my time, and all praised ONE-WAY POCKETS: The Book of Books on Wall Street Speculation:

4 of 4 people found the following review helpful. THIS BOOK IS GREAT AND HIGHLY RECOMMENDED TO

ALL STOCK MARKET INVESTOR/TRADERS! By Bob Karr One Way Pockets was written in 1917 and was an old lost book until it was reprinted in 2005. I didn't discover it until Jeff Saut (Investment Strategist at Raymond James) mentioned it in one of his stock market missives in 2008. Buying this book was among the best book purchases I've ever made. One Way Pockets is very concise and written from the perspective of a principal at a 1917 trading firm. The author studied the mistakes made by most of the customers and the techniques used by the most successful traders. His name is a pseudonym. The following are NOTES I made from the book and will give you an idea of this book's value.

**ONE WAY POCKET** THE START OF A BULL MARKET BEGINS IN 2 WAYS BUY after a protracted period of dullness and narrow fluctuations, the market breaks through the trading area with increased volume on the advance. The reverse is true for shorting. BUY after a period of declining prices or dullness, or the market advances or refuses to go down following BAD NEWS. The market should absorb the news for an entire day and should be bought only after the market advances above the point where the news was received.

**WHAT TO BUY** Two or three active stocks is recommended but don't pick the ones that have shown the greatest weakness. The issues to select are the active ones that have declined the least.

**NEWS** Stocks sold on news will bring the lowest prices of the day because each seller is competing with other sellers who have learned the news at the same time.

**STOP ORDERS** Place your stop order one point below the low that occurred at the bottom of the latest range and the reverse is true for shorts. A stop order will prevent a poor guess from turning into a serious loss.

**FIRST CORRECTION** Don't make the mistake of trying to anticipate the top no matter how firmly you believe that the advance has gone "too fast" or "too far". It's at this stage of a bull market that those who have guessed right on the trend try to trade the secondary reaction. Don't short sell at this stage of the advance and don't sell long stock. This correction is not likely to wipe out more than half of the previous advance. Your position should be strong enough to increase your commitment when the market shows the first sign of resistance on the downside. The correction may catch the stop loss orders placed by traders a few points under the top. Having done this, it usually rallies so quickly that the traders have no opportunity to buy back in except at higher prices.

**THE FIRST SELLING POINT** Because it's impossible to determine whether the market is going higher, you should sell on the recovery to the former high. The stock should be bought on the correction and kept until the trend is clear. The process of increasing your position on the corrections and decreasing it on the recoveries should be repeated as long as the market continues to advance into new high territory.

**THE GREAT DISTRIBUTION** The time will come when instead of resuming the advance stocks will mark time in the vicinity of the previous top. The old leaders will be replaced and give the unwary speculator the impression that the bull-move has resumed. Stocks that are being distributed will have sharp but short-lived advances followed by a gradual decline. The entire market will have a highly irregular appearance. Before this stage is reached the market usually has several successive days in which the volume is very high with intense speculative excitement. The topping action is similar to that displayed on several other occasions but the public is now a large buyer. Their orders are placed in active stocks several points below the top and the demand moves the market back and forth within a trading range. This is the great distribution stage. Its duration depends upon the extent of the previous advance, the volume being offered for sale and the buying capacity of the public. When these symptoms are observed and the market fails to advance to new ground, sell all stocks. Not only is this the time to sell long stock but it is also the time to open a position in shorts.

**COVERING SHORTS TOO SOON** Shorts that are placed early in a bear market are invariably covered too soon and resold at lower prices. It's the same as long stock bought at the start of a rising market that is quickly sold and later repurchased at higher prices. Cover your shorts when the market no longer goes down on bad news or when it moves up through a trading area as described in the start of a bull movement.

11/9/15 (Edit) I forgot to mention that I began reading technical analysis books when I was 16 years old. This book could have started me on the right path at a very early age, but there were 2 problems at that time; (1) it wasn't in print when I was a teenager, and (2) I could never see the value of an old book written in 1917. For the next 18 years I would think there is nothing "One Way Pockets" could have in common with today's stock market. The preceding sentence shows how poorly my self-taught technical analysis was progressing (most people make the same mistakes going up the same blind alleys). The truth is that the stock market always remains the same because PEOPLE NEVER CHANGE. Today, people worry and react about fear and greed in exactly the same manner as they did 100 hundred years ago, and they will react the same 100 years in the future. Successful trading/investing in the stock market has always been the same because people never change, only the faces change. It's for this simple reason that "One Way Pockets" will always remain relevant.

ALSO, learning stock market psychology at an early age puts you on the road to success faster than any other idea. Read Edson Gould's article, "My Most Important Discovery" for the best explanation of stock market psychology and why the stock market reacts in seemingly strange ways (Google - Edson Gould "My Most Important Discovery"). 3 of 3 people found the following review helpful. Simple but competent trading advice based on real experience.

By Customer **ONE-WAY POCKETS: The Book of Books on Wall Street Speculation** This is a short but useful little book from the WWI era (1917). The trading advice is based on an analysis of trading operations from real customer accounts of the day. The main thesis of the book is that if you can do the opposite of what the 95% losing customer accounts were doing, you could become one of the profitable 5%. Having read 100 or more books on trading and financial markets, I would say that the advice in this little book is still very

relevant to the markets of today, and well worth the few dollars that it costs. Recommended. 0 of 0 people found the following review helpful. Three Stars By andyboy Short and common sense

The circulation of a mere rumor that the Morgan interests are accumulating Steel or that the Standard Oil crowd is getting out of St. Paul is sure at any time to create a market following. Most of the tips that are hawked about the Street are based on the supposition that somebody-or-other of consequence is buying or selling certain stocks. I do not know of a single case where anyone has been able to make money consistently by following information of this character, even when the information comes to him first hand.-from "A Speculative Decision" In 1917, an insider at a Wall Street brokerage firm took a close look at his company's most active traders and analyzed their trades to glean the secrets of their success... and what he found is still applicable today. Writing pseudonymously, he here offers a wide range of sage advice about: buying on the way down. determining trends. how a bull market starts. the correct use of stop orders. when and what to sell short. and more.

From the Publisher From the Back Cover In 1917, an insider at a Wall Street brokerage firm took a close look at his company's most active traders and analyzed their trades to glean the secrets of their success... and what he found is still applicable today. Writing pseudonymously, he here offers a wide range of sage advice about: \* buying on the way down \* determining trends \* how a bull market starts \* the correct use of stop orders \* when and what to sell short \* and more...