

[RISEPRECISION]

T R A D I N G S Y S T E M S

THE WYCKOFF METHOD

— Free Market Structure Guide —

Understand institutional order flow.
Read the market the way professionals do.

01

Composite Man

Identify the operator

02

Schematics

Map accumulation & distribution

03

Advanced Edge

Springs, tests & 9 buying tests

CH 01 THE COMPOSITE MAN

The Composite Man is a conceptual framework developed by Richard Wyckoff to describe the collective behavior of large institutional operators — banks, hedge funds, and market makers — who move price with purpose.

Rather than reacting to news or indicators, the Composite Man plans campaigns in advance: accumulate at low prices, mark up, distribute at high prices, mark down. Your edge is learning to read his footprints.

PROFILE

ATTRIBUTE	INSIGHT
IDENTITY	The collective of all large institutional operators acting as one unified force
MOTIVE	Buy low in silence, sell high to the public — repeat the cycle at scale
WEAPON	Volume, spread, and time — the only tools that reveal true intent
YOUR EDGE	Stop trading against him. Learn his patterns and trade alongside him

CH 02 THE THREE LAWS

Wyckoff built his method on three fundamental laws that govern all market behavior. These are not indicators — they are the physics of price. Master them and everything else becomes clear.

I SUPPLY & DEMAND

Price rises when demand exceeds supply, and falls when supply exceeds demand. The Composite Man exploits this imbalance deliberately — creating apparent strength to distribute, and apparent weakness to accumulate.

II CAUSE & EFFECT

Every move in price requires a cause built during a range. The duration and depth of accumulation determines the magnitude of the subsequent markup. Larger cause = larger effect.

III EFFORT VS. RESULT

Volume is effort. Price movement is result. When effort and result are in harmony, the trend is healthy. When they diverge — high volume with little price movement — the Composite Man is absorbing or distributing.

CH 03 THE FOUR PHASES

Markets move in four distinct phases. The Composite Man orchestrates each phase to maximize profit. Identifying which phase the market is in determines your strategy, bias, and risk parameters.

ACCUMULATION	MARKUP	DISTRIBUTION	MARKDOWN
Institutions quietly absorb supply. Range-bound. Public bearish.	Price advances. Public FOMO begins. Demand dominates.	Institutions quietly offload. Range-bound. Public bullish.	Price declines. Public panic. Supply dominates.

PHASE	WHAT TO DO
Accumulation	Look for Spring/LPS setups. Bias long. Tight risk.
Markup	Ride the trend. Trail stops. Add on pullbacks to support.
Distribution	Reduce longs. Look for UTAD/LPSY. Prepare short bias.
Markdown	Short continuation. Look for rallies into resistance to fade.

CH 04 THE SCHEMATICS

Wyckoff schematics map the sequence of events within accumulation and distribution ranges. Each event code marks a critical structural point where the Composite Man leaves his signature.

ACCUMULATION SCHEMATIC

CODE	EVENT	DESCRIPTION
PS	Preliminary Support	First sign of buying after a decline. Volume increases, spread widens.
SC	Selling Climax	Panic selling exhaustion. Huge volume, wide spread. Marks the low.
AR	Automatic Rally	Demand rush after SC. Defines the top of the trading range.
ST	Secondary Test	Price retests SC area on lower volume — confirms support.
Spring	Spring	False break below range support. Shakes out weak hands. Final trap.
LPS	Last Point of Support	Final pullback before breakout. Low volume = no supply remaining.
SOS	Sign of Strength	Strong advance on high volume. Confirms institutional buying.

DISTRIBUTION SCHEMATIC

CODE	EVENT	DESCRIPTION
PSY	Preliminary Supply	First sign of selling after an advance. Volume and spread increase.
BC	Buying Climax	Public buying frenzy. Institutions unload. Marks the high.
AR	Automatic Reaction	Demand collapses after BC. Defines bottom of the trading range.
ST	Secondary Test	Price retests BC area on lower volume — confirms resistance.
UTAD	Upthrust After Dist.	False break above range resistance. Final trap for longs.
LPSY	Last Point of Supply	Failed rally attempt. High effort, low result. Final warning.
SOW	Sign of Weakness	Strong decline on high volume. Confirms institutional selling.

CH 05 **ADVANCED CONCEPTS**

Once you understand the core schematics, these advanced concepts allow you to read more complex market structures — re-entries, multi-timeframe context, and high-probability confirmation tools.

01 — REACCUMULATION

After a markup, price consolidates before continuing higher. The structure mirrors accumulation but appears mid-trend. Key tell: low-volume contraction with a successful test of support.

02 — NESTED SCHEMATICS

Large schematics contain smaller ones within each phase. A weekly accumulation may have daily springs and tests within it. Trade the timeframe that fits your risk — but always know the higher timeframe context.

03 — SPRING TEST

A Spring is only confirmed by the Test. The Test must occur on materially lower volume than the Spring — proving supply has been absorbed. A failed test invalidates the setup.

04 — REDISTRIBUTION

What looks like accumulation mid-markdown is often redistribution. The Composite Man uses rallies to unload more. Low-volume rallies that fail to break structure are the tell.

05 — NINE BUYING TESTS

Wyckoff's nine tests confirm readiness for markup: downside objectives met, preliminary support and selling climax present, activity bullish on rallies, higher lows forming, and volume expansion on advances. The more tests passed, the higher the probability.

YOUR NEXT STEP

Ready to Trade with Precision?

This guide is just the beginning.

01 JOIN THE FREE TELEGRAM CHANNEL

Daily Wyckoff analysis, live structure breakdowns, and real market reads.

t.me/riseprecision

02 APPLY FOR 1-ON-1 MENTORSHIP

6-week intensive program. Build a complete Wyckoff trading system tailored to your style, schedule, and markets.

riseprecision.com/mentorship

RISEPRECISION TRADING SYSTEMS

Professional Wyckoff Education & Mentorship