10 January 2008-Inside The Danielcode

The Danielcode is created from the historic and mystic numbers in the book of Daniel. For the original article on the creation of the Danielcode see my article at: http://www.thedanielcode.com/index.php?nav=about.article&article_id=1&popup=1

The Danielcode takes the literal words of the Prophet Daniel and by a proprietary algorithm converts "time" into "price". The actual "time" component relates to something too mysterious to discuss here but it does not give us timing indicators for trading. The Danielcode says nothing about time.

- Dan 12:7 And I heard the man clothed in linen, which was upon the waters of the river, when he held up his right hand and his left hand unto heaven, and swore by him that liveth forever that *it shall* be for a time, times, and a half; and when he shall have accomplished to scatter the power of the holy people, all these *things* shall be finished.
- Dan 12:8 And I heard, but I understood not: then said I, O my Lord, what *shall be* the end of these *things*?
- Dan 12:9 And he said, Go thy way, Daniel: for the words *are* closed up and sealed till the time of the end.
- Dan 12:10 Many shall be purified, and made white, and tried; but the wicked shall do wickedly: and none of the wicked shall understand; but the wise shall understand.
- Dan 12:11 And from the time *that* the daily *sacrifice* shall be taken away, and the abomination that maketh desolate set up, *there shall be* a thousand two hundred and ninety days.
- Dan 12:12 Blessed is he that waiteth, and cometh to the thousand three hundred and five and thirty days.
- Dan 12:13 But go thou thy way till the end be: for thou shalt rest, and stand in thy lot at the end of the days.

In Daniel 12:11 we have the time to the abomination. We don't want that; we have enough troubles already!

In 12:12 however we have "blessed" time of **1335** days. This is where we live. Within this mystic number are 19 ratios that govern market behaviour.

The simplest are created by observing the ratios 1:3:3:5 which gives us the common ratios 1:3, 3:3 and 3:5. For traders the 3:3 ratio is telling us that equality in ranges is important and should always be on your charts. The 1/3 ratio was important in Gann's work and is a common retracement and extension in Stocks.

The next sequences are functions of 8 made by adding the last two digits together. We get **3:8** and **5:8**. These ratios are important in all markets as they convert to **37.5%** and **62.5%**. Sound familiar? They should. The most common extension and retracements in equity markets are **1/3**, **3/8** and **5/8**.

These ratios are not as you might suppose recent inventions or near relatives of fib numbers. They are part of the Danielcode written 24 Centuries ago!

In Daniel 12:7 we get "it shall be for a time, times, and a half". This is telling us to always pay attention to "time" being 1 or equal ranges; "times" being 2, 3, 4 or multiples of the ranges and "a half" being 50% extensions and retracements of the ranges.