Hi All,

In the next few pages, I will be explaining you how to use Gann Calculator and how to do intraday trading based on this calculator.

I browsed through many forums for Gann Calculator and found many articles wrote on it. As a normal trader and reader, I was not able to understand any of them.

After browsing through more than 25 websites (where no one is sharing their way of trading with this method, they just give GANN formula/square/angles/etc/etc), I found the simple way to trade using Gann Square of 9.

**Gann Square of 9 - Introduction**

Gann relied heavily on geometrical and numerical relationships and created several tools to help with his work. Among these tools are the Square of Nine, Square of 144, and the Hexagon. The Square of Nine, or Square as we will refer to here, can be constructed in at least two ways. The static Square has the number 1 at the center and the dynamic Square has the historic low of the time series in the center.

The Square of 9 is basically a spiral of numbers. The initial value can be found in the center of the spiral. This value is then increased by moving in a spiral form. Normally the center value is 1 and the step is one creating the spiral shown below.

---

**Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)**

**Websites**

<table>
<thead>
<tr>
<th>Websites</th>
<th>Websites</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://livecharts.50webs.com">http://livecharts.50webs.com</a></td>
<td><a href="http://livecharts.awardspace.co.uk">http://livecharts.awardspace.co.uk</a></td>
</tr>
<tr>
<td><a href="http://trade2win.weebly.com">http://trade2win.weebly.com</a></td>
<td><a href="http://pivottrading.awardspace.co.uk">http://pivottrading.awardspace.co.uk</a></td>
</tr>
</tbody>
</table>
Gann Intraday Calculator – By Sourabh Gandhi

The numbers that represent a complete turn (0 or 360 degrees) are 2, 11, 28, 53.....
The numbers that represent 1/8 of a turn (45 degrees) are 3, 13, 31.....
The numbers that represent 1 quarter of a turn (90 degrees) are 4, 15, 34.....
The numbers that represent a half turn (180 degrees) are 6, 19, 40.....

The Square of Nine is essentially a time and price calculator, and calculates the square root of numbers, both odd and even numbers as well as their midpoints. It also looks for both time and price alignments from a specific starting point or price level.
We will however not work on the time alignment as we are trading for intraday only.

Some Interesting Facts about Gann Square

If you were to look at the numbers on the grid running down to the bottom left hand corner on the Square of Nine, you will find they are the square root of odd numbers E.g. 5x5 = 25.

If you were to look at the numbers running up to the top right hand corner on the Square of Nine you will find they are the square root of even numbers e.g. 4x4 = 16.

If you then look at the numbers running down to the bottom right hand corner on the Square of Nine you would find the midpoint between the squares of odd and even numbers. Using the numbers 16 and 25 as an example of our odd and even numbers you will find the number 21 representing their midpoint.

<table>
<thead>
<tr>
<th>57</th>
<th>58</th>
<th>59</th>
<th>60</th>
<th>61</th>
<th>62</th>
<th>63</th>
<th>64</th>
<th>65</th>
</tr>
</thead>
<tbody>
<tr>
<td>56</td>
<td>31</td>
<td>32</td>
<td>33</td>
<td>34</td>
<td>35</td>
<td>36</td>
<td>37</td>
<td>38</td>
</tr>
</tbody>
</table>

Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)

Websites

http://pivottrading.50webs.com
http://livecharts.50webs.com
http://trade2win.weebly.com
http://pivottrading.awardspace.co.uk
The numbers that fall on the blue lines form what’s known as the “Cardinal Cross” and the numbers that fall on the red lines running into the corners of the square, form what’s known as the “Ordinal Cross”.

Any numbers that fall on these lines are said to act as significant support and resistance levels.

So the Square of nine is an interesting arrangement of numbers that have a specific order and can be used in many different ways.

The red and blue lines intersect with other and divide the square in 8 equal parts.

The angle between each line is 45 degrees.

Websites

Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)
More Interesting Facts

THE GANN WHEEL IS A SQUARE ROOT CALCULATOR

The Gann Wheel, what most people probably think of as the Square of Nine, is sometimes called a "Square Root Calculator" or a device that "Squares the Circle." This simple illustration may explain how and why these terms came about. You probably recognize that the illustration is just the first few rings of a Gann Wheel with the numeral "1" at the center.

<table>
<thead>
<tr>
<th>31</th>
<th>32</th>
<th>33</th>
<th>34</th>
<th>35</th>
<th>36</th>
<th>37</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>16</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>29</td>
<td>12</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>18</td>
<td>39</td>
</tr>
<tr>
<td>28</td>
<td>11</td>
<td>2</td>
<td>1</td>
<td>6</td>
<td>19</td>
<td>40</td>
</tr>
<tr>
<td>27</td>
<td>10</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>20</td>
<td>41</td>
</tr>
<tr>
<td>26</td>
<td>25</td>
<td>24</td>
<td>23</td>
<td>22</td>
<td>21</td>
<td>42</td>
</tr>
<tr>
<td>49</td>
<td>48</td>
<td>47</td>
<td>46</td>
<td>45</td>
<td>44</td>
<td>43</td>
</tr>
</tbody>
</table>

In Square of Nine parlance we say things like 19 is 90 degrees from 15. That makes sense only if you can visualize that this rectangular table of numbers is enclosed in a circle (or series of circles) of 360 degrees. In this case, the number 19 is 1/4 the way around the circle from the number 15, or 90 degrees in circumference from 15. The number 34 is directly above the number 15 and positioned one circumference or one ring outside the circle that contains the number 15. In the same sense that we can say that 19 is 90 degrees from 15, we can say that 34 is 360 degrees from 15, or one complete rotation of the circle from 15. That explains where squaring the circle comes from. A more accurate expression would be that we're circling the square but that never did catch on.

HOW TO ROTATE AROUND THE GANN WHEEL

Here's where it gets fun. The square root of 15 is 3.87. Add two to the square root of 15 and we get 5.87. Square 5.87 and we get 34.49 which rounds to 34. Now we know that adding two to the square root of a number and squaring that sum is the same thing as a 360 degree rotation up on the Gann Wheel. If "2" represents a 360 degree rotation then "1" represents a 180 degree rotation, "0.5" a 90 degree rotation, and so on. W.D. Gann tells us that
90 degrees in very important in the stock market. What Gann is really saying is that adding and subtracting .5 (and exact multiples or proportions of .5) to the square root of a stock price and then squaring the result is very important! We acknowledge that there is another school of Gann thought that will say that Gann's reference to 90 degrees relates to the movement of celestial bodies. We've looked into that and they may be right, but for our purposes we've also learned that these schools of thought can peacefully exist alongside each other without contradiction.

But Note: For our Calculation we would consider 1 as 360 because we are trading intraday.

How to make Gann Square of 9 ?

You all must be interested in knowing how to generate Gann Square of Nine.

So lets begin....

To generate the square you need a reference point. For intraday, this reference will be the LTP of stock/index.

How to take LTP?? (Explanation in next few pages).

Lets say I get LTP as 5100.

Now I need to generate square based on this.

I will follow below steps to do this.
Step 1: Take SQRT(LTP) = SQRT(5100) = 71.41
Step 2: Take the 2 integers below SQRT(LTP) and 2 integers above SQRT(LTP). 2 integers below are 71 and 70. 2 integers above are 72 and 73.
Step 3: Now take SQR(70) = 70 * 70 = 4900. Place this in the center.
Step 4: Now increase the 70 by 0.125 (45 degrees) (as told in previous post 1 represents 360 degrees.)
So 45 degrees = 0.125.
Step 5: Take the square of 70.125. SQR(70.125) = 4917.51. Place this in left block adjacent to center block where u placed 4900.
Step 6: Increase the value further by 0.125. You get 70.25. Square it. SR(70.25) = 4935.06.
Step 7: Place this on the top block of the block where u placed...
Gann Intraday Calculator – By Sourabh Gandhi

4917.51.
Step 8: After generating 8 values, you will be complete one level of square.
Step 9: Repeat the steps with values SQR(71.125), SQR(71.25),....

So finally you get square similar to the one shown below.

**SQRT -> Square Root | SQR -> Square**

<table>
<thead>
<tr>
<th>Enter Current Market Price</th>
<th>5100</th>
<th>Calculate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gann Square of 9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5202.01</td>
<td>5058.76</td>
<td>4917.51</td>
</tr>
<tr>
<td>5076.56</td>
<td>5094.39</td>
<td>5100 LTP</td>
</tr>
<tr>
<td>4935.06</td>
<td>4952.64</td>
<td>4970.25</td>
</tr>
<tr>
<td>5256.25</td>
<td>5238.14</td>
<td>5210.06</td>
</tr>
</tbody>
</table>

**How to execute trade based on this system.**

To do intraday trading based on this system, you need to take the LTP of index or stock after 9:05 am in morning.

Ideally you should take the Weighted Average Price of any stock or scrip between 9:05 am - 9:15 am. (This timing is for Indian markets. If you are dealing in some other market the time range should be initial 15 minutes.)

However, after 9:30 am, you should only take LTP of stock or index.

**Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)**

Websites

- [http://pivottrading.50webs.com](http://pivottrading.50webs.com)
- [http://livecharts.50webs.com](http://livecharts.50webs.com)
- [http://trade2win.weebly.com](http://trade2win.weebly.com)
- [http://pivottrading.awardspace.co.uk](http://pivottrading.awardspace.co.uk)
- [http://www.pivottrading.net](http://www.pivottrading.net)
- [http://livecharts.awardspace.co.uk](http://livecharts.awardspace.co.uk)
The basic idea behind this is that during initial few minutes of market opening, there is lot of volatility, so to decide fair price we should take Weighted Average.

Many times it is not possible for many traders to start trading from 9:00 am. In that case, those who start trading after 9:30 am (half hour after market opens), can take LTP.

Now let's say you get the price as 5152.

You enter the price in Gann Calculator

You will get the square that looks like below

5152 falls between 5166 and 5148.

So we should buy above 5166 and sell below 5148.

Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)

Websites

- http://pivottrading.50webs.com
- http://pivottrading.net
- http://livecharts.50webs.com
- http://livecharts.awardspace.co.uk
- http://trade2win.weebly.com
- http://pivottrading.awardspace.co.uk
Gann Intraday Calculator – By Sourabh Gandhi

Targets are next levels in the calculator.

Hope this is clear.

Now lets say 1st target is achieved.(5181)
Then we we watch whether price is able to sustain above 5181 for more than 5 min.

If it sustains, we continue our long position. If not, we square off.

Let us do some practical trade based on Gann Calculator.

This trade is for HDFC on 26th Mar 2010.

During 9:05-9:15 am, the WAP (Weighted Average Price) of HDFC in NSE was 2607

After entering this value in Gann Calculator, we get the Gann square similar to below one.
As per this we should buy above 2613 and short below 2601.

If you look, the price didn’t fall below 2601 after 9:15 am.

But price rise above 2613. So we enter in long position at 2613.

Our Target 1 -> 2625 got achieved soon.
The price was not able to sustain above 2625 for more than 5 min.
Infact, the HDFC touched 2625 and started moving in range 2618-2623. This indicated that there is a possiblity for HDFC to move in downward direction.
So we square off at CMP ( 2620 )(approx price).
We ended up in profit of 2620 - 2613 = 7rs.

Now we take 2620 as our reference price. and put it in Gann Calculator.
We get the below recommendations

**Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)**

Websites

http://pivottrading.50webs.com  
http://pivottrading.net  
http://livecharts.50webs.com  
http://livecharts.awardspace.co.uk  
http://trade2win.weebly.com  
http://pivottrading.awardspace.co.uk
Gann Intraday Calculator – By Sourabh Gandhi

Recommendation:
Buy at / above: 2626.56 Targets: 2638.07 - 2650.92 - 2663.8 - 2676.72

Sell at / below: 2613.76 Targets: 2602.3 - 2589.55 - 2576.85 - 2564.17

So we buy only if price moves above 2627.

After 1-2 hrs, HDFC started moving up and it confirmed its uptrend by crossing the price 2627.

Again we entered long position at 2627.

Our target 2638 just got touched and again price started falling indicating selling pressure at 2638.

So we try to square off at price near to 2638.

And if look at the intraday graph of HDFC we see the HDFC was seeing resistance at 2625 and then at 2638. (see the image below)

How to find Targets for Buy and Sell,

Article By Sourabh Gandhi (sourabh_gandhi@yahoo.com)

Websites
http://livecharts.50webs.com  http://livecharts.awardspace.co.uk
http://trade2win.weebly.com  http://pivottrading.awardspace.co.uk
Once, we are done making our Gann Square, we know our buy and sell levels.

But how to find the targets.

For finding the targets for Buy, we go in clock wise direction.
For finding the targets for Sell, we go in anticlockwise direction.

Have a look at image below.

Yellow lines are resistances for Buy.
Blue lines are support for Sell.

Targets are 99.95% of resistance and 100.05% of support.

So Target for Buy = Res * 0.9995.
Target for Sell = Supp * 1.0005.

---

**Gann Intraday Calculator – By Sourabh Gandhi**

**Websites**

- http://pivottrading.50webs.com
- http://pivottrading.net
- http://livecharts.50webs.com
- http://livecharts.awardspace.co.uk
- http://trade2win.weebly.com
- http://pivottrading.awardspace.co.uk