



Brainy's Articles on BullCharts

Darvas Box and tools

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Introduction

Nicolas Darvas was a professional dancer who made more than \$2 million in the stock market over an 18 month period while he toured the world dancing in the late 1950s. He subsequently authored the best-selling book *"How I Made \$2,000,000 in the Stock Market"* which has been re-printed a number of times.

This Article in Brainy's series on BullCharts, BC-27-100, *"Darvas Boxes and tools"*, describes the various tools that are available in BullCharts that are attributable to Nicolas Darvas and his strategies and writings. These include a number of supplied scans as well as the Darvas Box indicator.

The reader is encouraged to also view other Articles in Brainy's series of Articles:

- **ST-6550, "Nicolas Darvas — \$2 million"**, which describes the experiences that Darvas had during his 5 year period of playing with the market, and his subsequent investing strategy conclusions. It describes his views of share brokers and other advisors, the various newsletter and advisory services, and the usefulness (or otherwise) of fundamental analysis.
- **TA-6300, "Darvas Box explained"**, which explains the technical analysis aspects of the Darvas Box, and includes a discussion of related technical analysis principles.

Of course, Darvas' book is also worth reading for a detailed look at his experiences.

Darvas Box

The most obvious and well known tool is the Darvas Box, as shown in the sample price chart of South Boulder Mines in Figure 1 below.

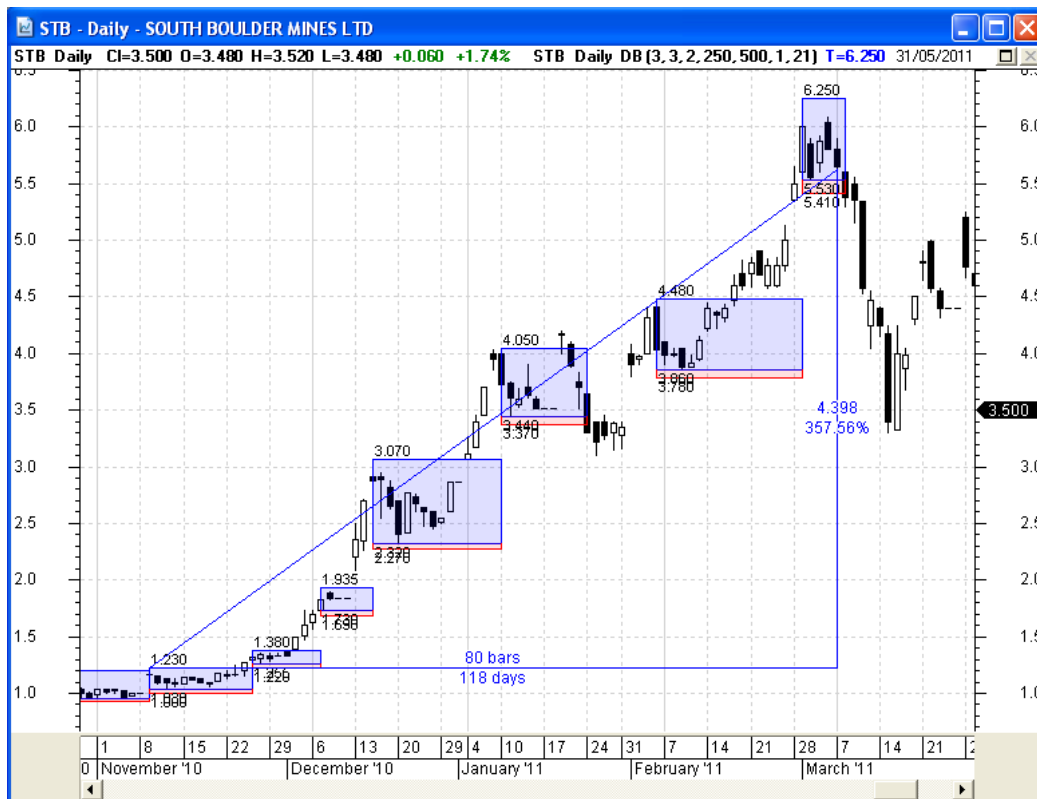


Figure 1: South Boulder Mines and Darvas Boxes.

1 Darvas, Nicolas; *"How I Made \$2,000,000 in the Stock Market"*; Lyle Stuart, 1994.

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