

Notes 6/22/10

Weekly high and low price turns ...

Daily (close prices)

4 hour for pockets of supply and demand
(and corrective wave counting)

Mark origination areas
and clusters

We are grasshoppers for life, and grasshoppers know things too ...

Elliot liked 1 hour charts for wave principle structure analysis.

Search for our clear motive waves ... our smaller time frames are where we find the set ups ... 1 minute candles for intraday ... MBO ...

After an MBO level is broken, we must really have clearance and confirmation in 5 minute and 1 min EMAs ... remember that our larger time frames are more significant. Do we have good pathways of least resistance in front of price with prevailing trend, are we near previous support/resistance ...?

remember that a previous resistance area broken through can become strong support, however, what wave principle structure is going on in the 1 hour chart, and how is this unfolding in the 1 minute chart ...? Breakouts may not be so good if it's a correction phase in 1 hour so we must be patient ...

which is clearer for this currency pair 15 min, 5 min or 1 min for structures?

Sometimes a measured move can become another measured move ... how that we have wave principle ... what is the structure? and has the 2nd wave or 4th wave divided the motive wave "golden ratio" relationship? If 1st motive wave is extension then 2nd wave will, if 4th tends to create the "division" of "golden section" relationship.

As we are practicing ... we must be in a rational "risk management" mindset in order to conquer emotions ... only strategy is occurring ...

We are on a journey, enjoy the discovery ...

3 or less candles is speed bump, short many candle clusters is supply/demand "work it out" area to be careful of.

Are we near (price that is) any strong price turn areas _____?

Let supply and demand work it out - -

Breaks from cluster levels tell us of the imbalance sentiment - -

And retests to an area show us "bounce back" strength, however, again, previous resistance can become strong support - - Are the impulses strong sell or buy - - ?

Find double tops / bottoms (reversal patterns) and count motive waves from there. Consult Daily FX.

When wave counting dry searching for:

Trend motive waves: 9, 13, 17

Corrective waves: 7, 11, 15
(counter-trend)

We should know a correction is finished before planning an MBO.

Diagonals are hybrids of motive waves and correction, which is why they occur in wave 1 and wave 5 - - workin' it out - -

After motive waves, search for continuation patterns, good recent moves away from dense candle clusters - -

parabolics (should be clear pathway)
(what goes up, goes down)
mark origination

* Also levels upon levels
// Show us sentiment

2 currencies each

Crosspair examples

EURUSD USDJPY EURJPY
EURGBP GBPUSD EURUSD
USD CAD GBPUSD GBPCHF
USD CHF EURCHF EURUSD

CHF high correlation w/ Gold
GBP CAD have own sources of oil
USD JPY not so good sources of oil