

"1st wave n a pullback" (revised) #1

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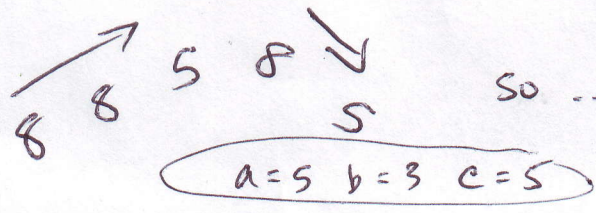
O.K. What is the prevailing trend? and check 4 hour EMA's.  
How far is the current price from the nearest reversal pattern?

How far has price moved from the nearest reversal? where are supply/demand imbalances?  
Measure the Fibonacci ratio from the 1st wave impulsion in the Daily chart. Mark the 161.8% line with a next page

~~Draw~~ horizontal line. (this is a common "exhaustion" point for price)  
(Mark other Fibs... any price turns there?)

Stay in Daily and mark past price turns and circle clusters with 3 or more candles... these areas will prove to be resistance... price has a memory... price is our objective indicator.

So, if we have room for price movement... what is the Elliot wave count in 4 hour / 1 hour... 1 2 3 4 5 a b c Find motive waves (easier to find)  
Sometimes the b wave makes us think the trend is re-engaged, but c has to happen too. Remember "for our market cycle" to find



So... mark all turning points (don't count vague price turns)

our rules for motive waves (easier to find)... "significant price turns"

Once we find the impulsions in our 15 min and 5 min with room for price to move, we can wait for a correction to make itself clear and prepare for an MBO off a double top or wave 3... keep on truckin'

- wave 2 may not retrace more than 100% of wave 1
- wave 3 is never the shortest
- wave 4 will never enter the territory of wave 1
- wave c will never retrace 100% of wave 1

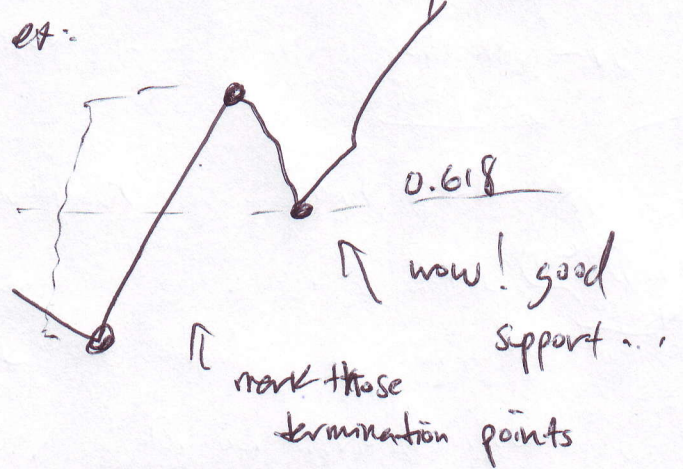
An expert likes to find 1st waves and 2nd wave pullback for MBO opportunity "1st wave and a pullback"

1<sup>st</sup> wave n a pullback (revised)

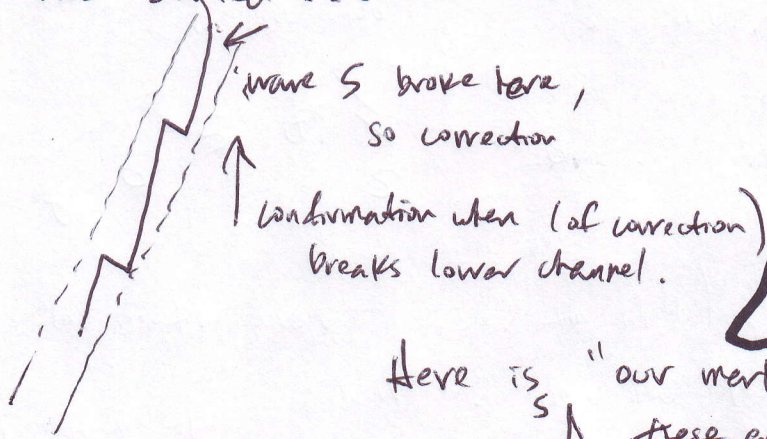
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So as far as our supply/demand imbalances ...

We can identify sentiment by how fast price moves away from 4 hour clusters (3 or more candles) ... lots of candles with a fast move away tells us a lot ... also how long was price in the cluster area ... also where are the areas of clear paths. "the paths of least resistance" check these areas with Fibonacci ratios ... any price turns complimented by Fibonacci ratios are even stronger ... et.

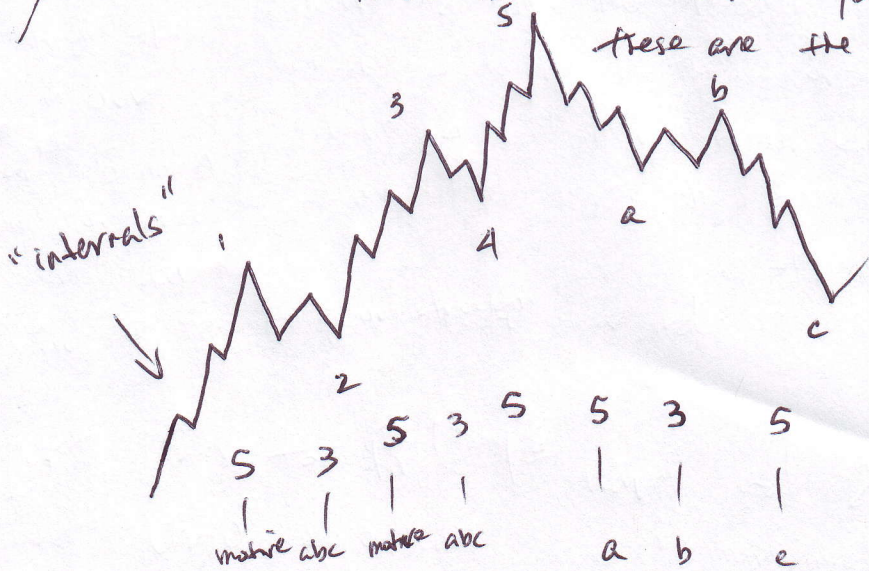


So draw a trend line when you find motive waves ... when 5<sup>th</sup> wave breaks, correction has started ...



Remember to always plan entry order placement MBO's with prevailing trend

Here is "our market cycle" (for any market cycle) these are the "internals" we are seeking ...



We have 3

"1<sup>st</sup> wave n a pullback MBO

opportunities here"

doo ... doo ... doo ...

Wow! here's a thought ... ☺

Eventually, when we do our swing trading ... when ... when it's comfortable ...

How about 1<sup>st</sup> wave and a pull back for 1 hour? ... whoa! ... ☺  
Far out ...

The question will be regarding what kind of risk is involved when placing the protective stop a bit beyond the pullback ...

ex = (in 1 hour for swing trading)

For now, only intraday trading is recommended

to be safe ...

"Risk management is the thing"

