

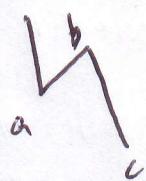
| 5th wave and a pullback (revised # 2) | ①

Here's some stuff on Elliott wave corrective etc... continued

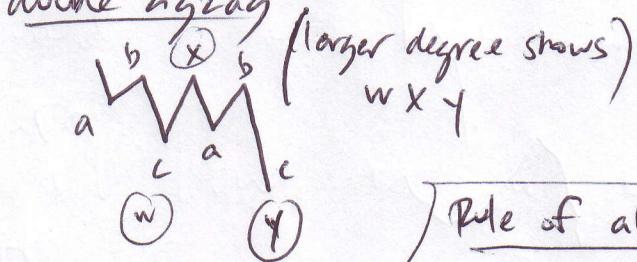
When we have the end of a correction pattern ... and an MBO with a 3rd wave or 5th wave to go ... often as beginners we don't trust the most recent pullbacks ... all in good time ... keep studying ... "

a "b" corrective wave may appear to be the trend re-engaging when we still have a "c" to go ... we have to have the "c" for the corrective wave to be finished.

Zigzag



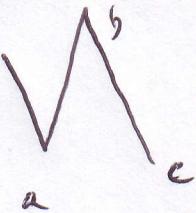
double zigzag



regular flat



Expanded flat



Rule of alteration is

ex: zigzag for wave 2
flat for wave 4

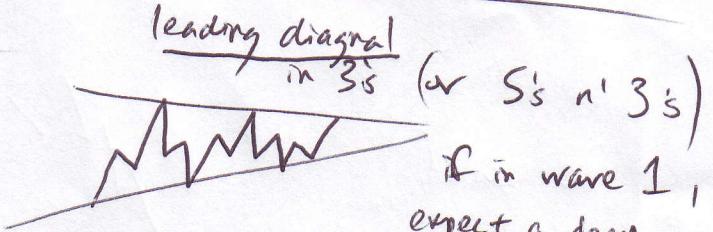
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Diagonals usually precede a change in direction, so do 5th wave extensions, truncated 5ths, and ending diagonals

A 3rd wave extension can be confused as a 5th wave so be careful.

For a 5th wave extension, we "remarkably" find support at wave 2. (9 waves)

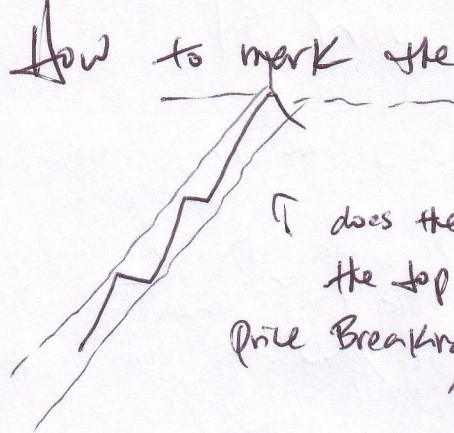
Check for strong retracement of "a" wave for support. (possibly to wave 2 to 5th wave extension)



1st wave and a pullback (#2 revised)

(2)

How to mark the chart for conformations?



Does the channel break anywhere?

The top side broken signals the trend is over...

Price Breaking bottom side is conformation."

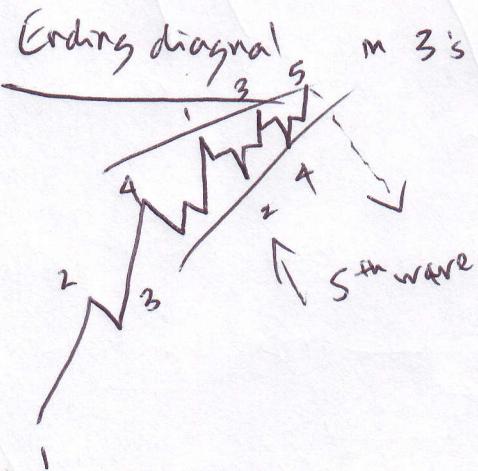
Remember w/ reversal patterns, price likes to return to the initial MBO "retest"

When price breaks "significant" MBO ... it's "significant"
ex: 1 hr (1 hour is even more significant)

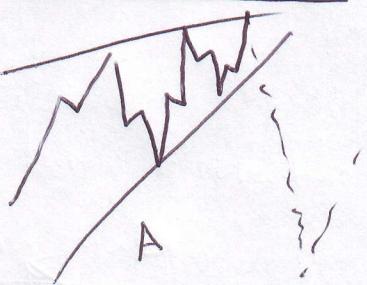
Diagonals are used by God to terminate waves (created by God is better !!)

Wave S termination is Expanding Diagonal

wave a, wave C, or wave 1 termination is leading diagonal.
termination of wave S is ending diagonal



Leading Diagonal in 3's (zigzags)



Remember the market shows us sentiment through price behavior.

Breaks of highs or lows.
We use entry orders for optimized entry points ..

Make little trades and build confidence. !!

Remember alteration rule for waves 2 and 4
 "sharp" and "sideways" corrective wave.

zigzag and flat - triangle and combinations thereof.

Triangles take their time and like to go sideways

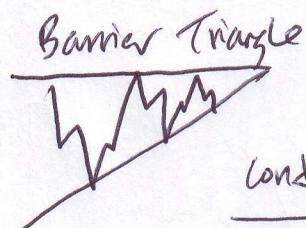
Triangles often occur before the last impulse wave
 in the next larger degree.

convergence points
 are key price turns.

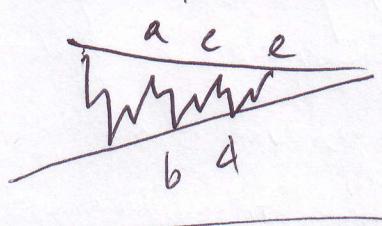
(wave 4 and wave b)
 are most common

A Triangle is usually the final component of a "double"
 or "triple three".

(double and triple usually have a corrective pattern
 in the middle going in the opposite direction)



Barrier Triangle



Contracting Triangle

when in our a-b-c correction,

"a" may make traders think it's the pullback,
 but b and c have to occur.

If we have 5 waves in "a", we might have
 a zigzag for "b".

We as traders should be proactively patient,
 and place our entry orders only after

3 confirmations
 (or 4 or 5 etc.)

etc: MBO

- ① levels upon levels
- ② EMA's and prevailing trend
- ③ Fibonacci and pullback coincide

⑤ 3rd wave pending and proven through significant MBO ("1st wave in a pullback")

⑥ Trendline intact

⑦ correction is clear and showing convergence with double top formation "pattern"

Impulse = 5 waves
 (w/ extensions
 9 or 13 waves)

Corrective = 3 waves
 (7 or 11)

wave 2 tends to correct sharply, (50% and 68%) and wave 4 tends to retrace

38.2%

Enjoy the discovery.

④



Corrective Channel

iv

If channel is broken, wait for double top to form and a break of MBO for "sentiment".

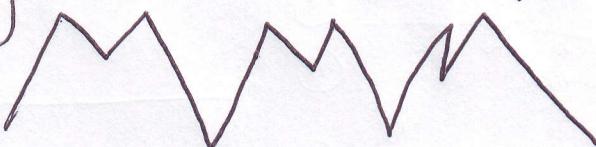
Patient analysis and entry orders placed strategically with highest probability, what kind of resistance is there in the next proposed "path of least resistance" price range? (clusters, level upon levels?) | use reasonable protective stop to avoid being stopped out, and humble limit order.

No emotion. Only strategy ... study to prepare which ~~random~~ helps us stack probabilities ...

Significant charts Weekly (for progression of long term "market cycle")

Daily, 4 hour, 1 hour

significant price turns

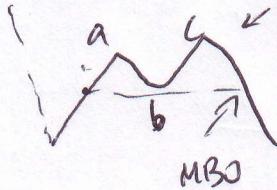


Then setups in smaller time frames

15 min, 5 min

be careful of 1 minute - check in here and there
1 minute effects emotion because of market movements

Trend
885 85
Counter-trend
885 85
Always MBO - "momentum breakout"



"OK --- corrective phase clearing up here"

"Let opportunity present itself"
"Hangin' around waitin' for double tops"
"