

-  [Nala66](#)
- Joined Mar 2016 | Status: Member | [4,444 Posts](#)

On the weekly chart we see the bulls are smack on the resistance level and have not yet FOUND support so we need to be on our guard against any potential traps.

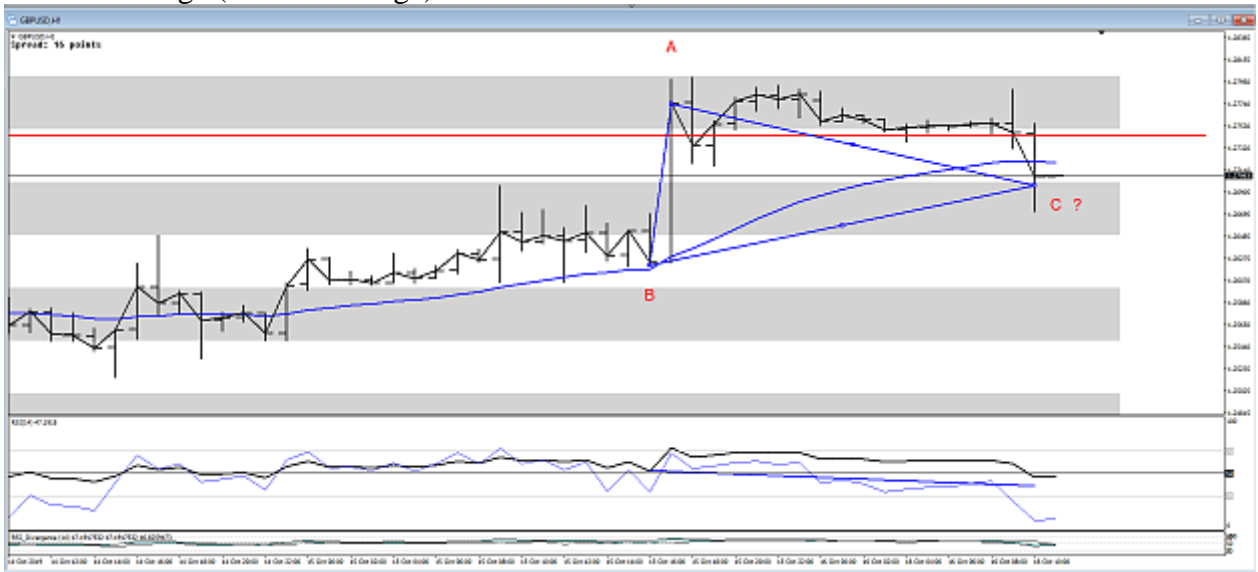
Attached Image (click to enlarge)



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Trust me that was just a guess.

Attached Image (click to enlarge)



- [Post 4,804](#)
- [Cleanup](#)

- [Quote](#)
- Oct 16, 2019 11:36am

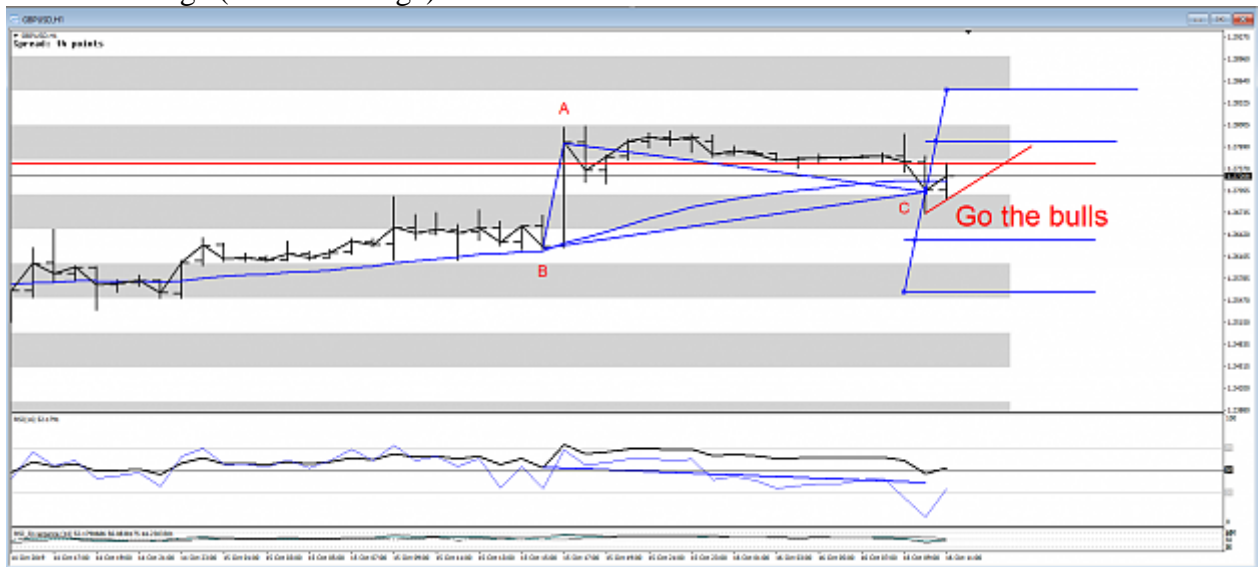


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I got the three trades on before the price made it back across the 1H EMA, now with all stops above the third...Go bulls go.

If they can find support I should be in for a good payday and may add even more to the winning trade.

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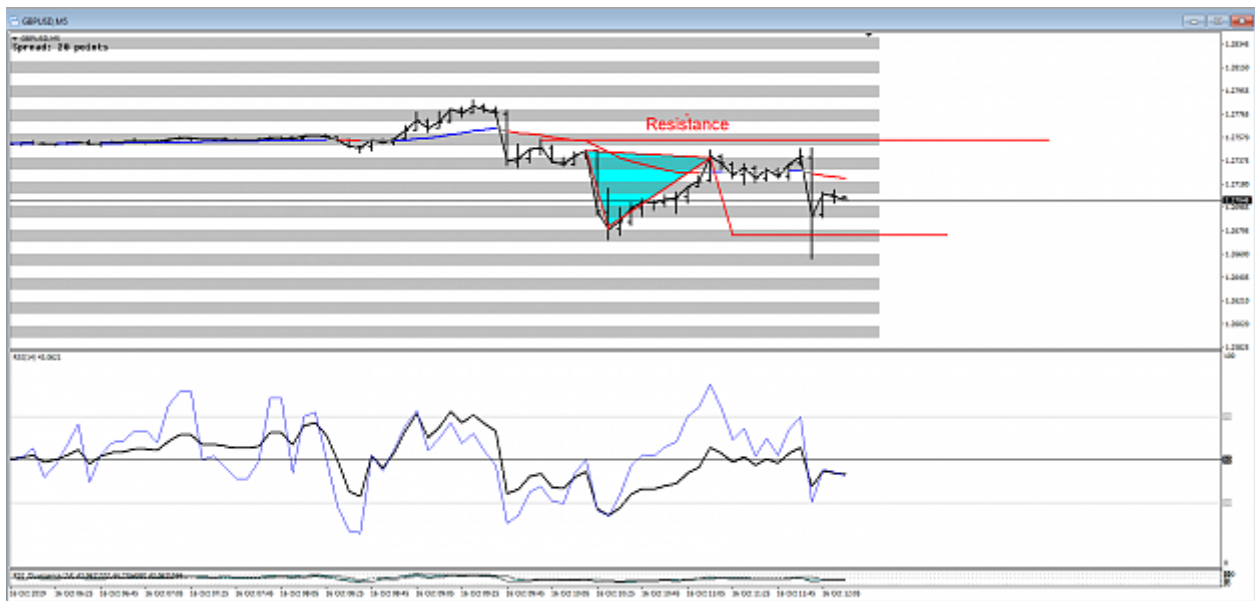


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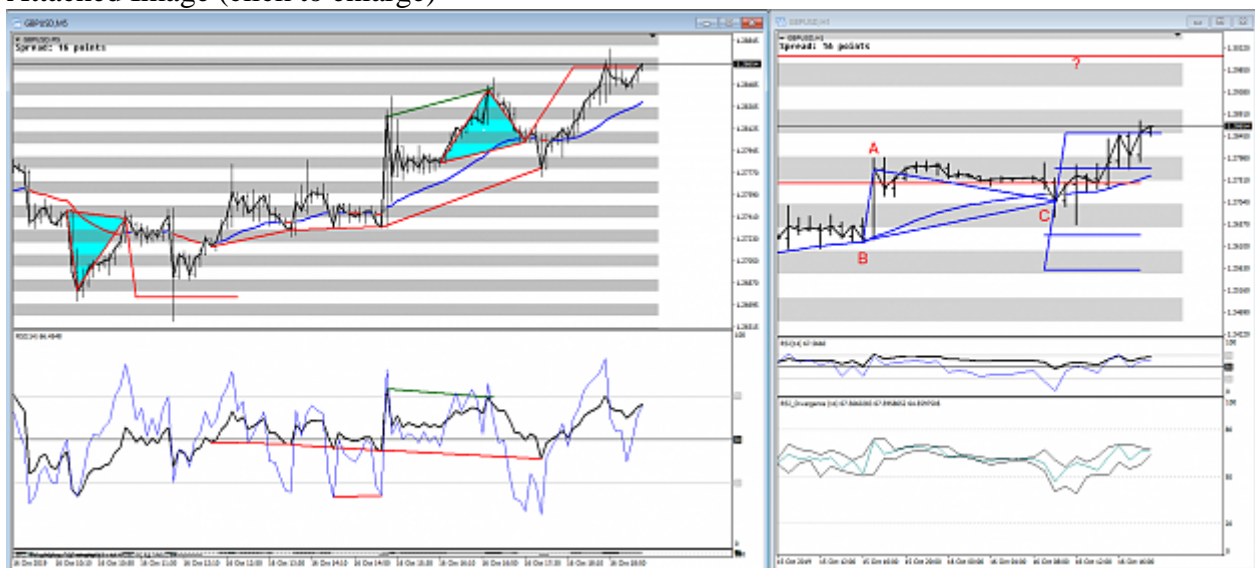
Well done. Did you target it like this...

I wasn't quick enough to short.

Attached Image (click to enlarge)



Today the market busied itself with the more regular bullish divs on the 5 min rather than the ABCD's but this gives us equally lots of ZOO points to trade
Attached Image (click to enlarge)



Take a look at these three ABCD's

Number 1 made its target eventually short.

Number 2 actually failed the short running into the RSI div. This sent it to the target on the opposite side long.

Number 3 made its target short prior to number 2.

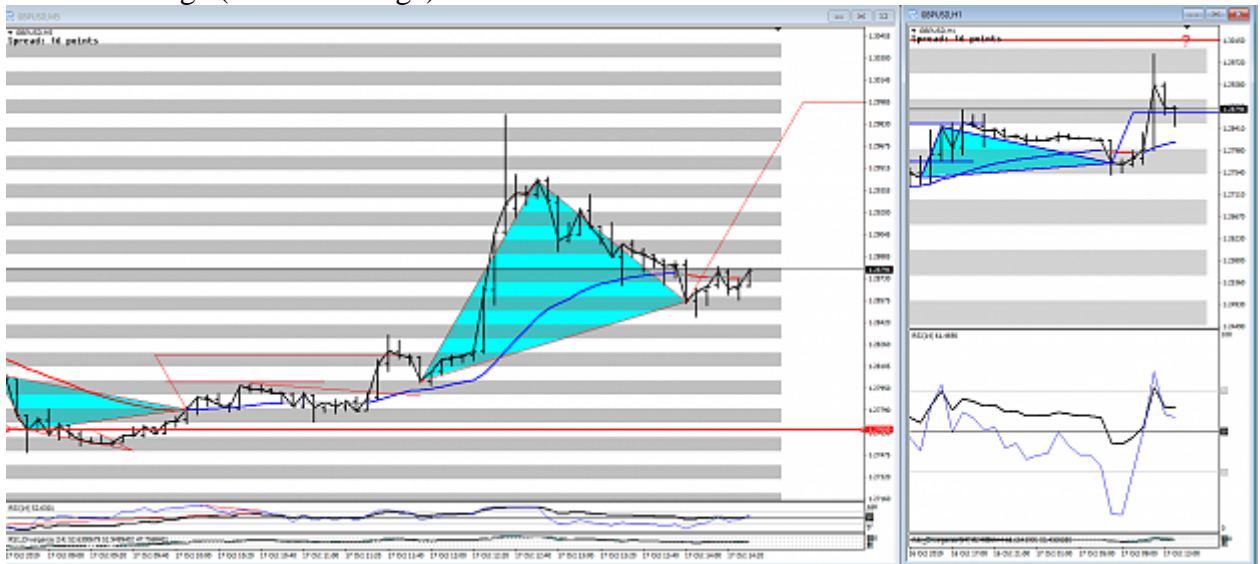
Of course these are small targets and not much worthy of our attention being also outside our trading period. I just thought it worthwhile showing this stuff and how the story works.

Attached Image (click to enlarge)



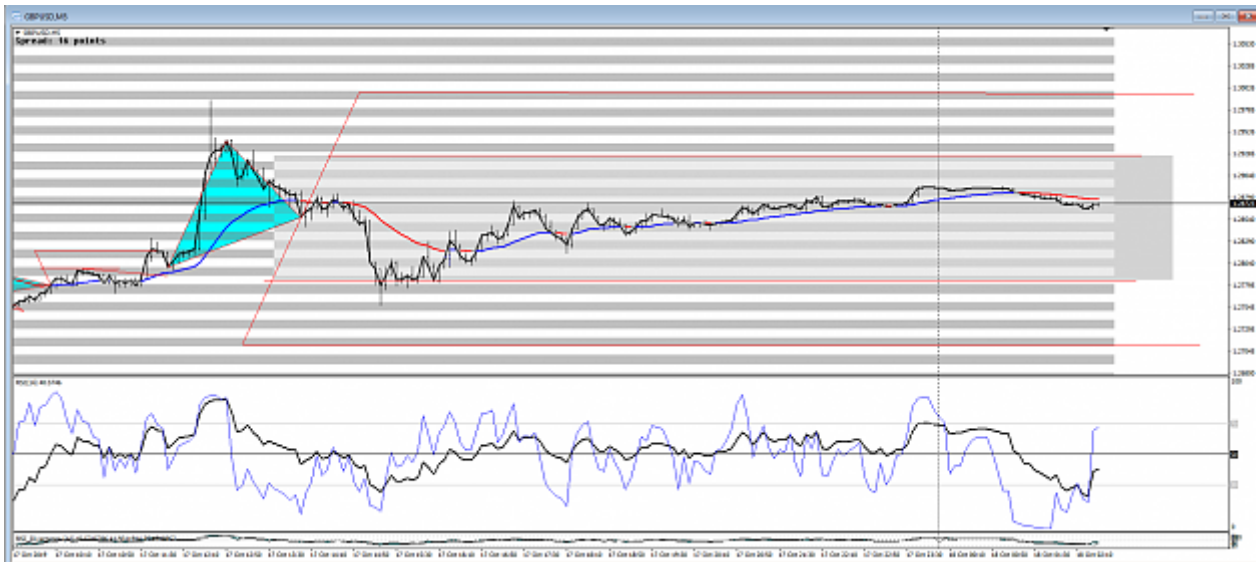
Check this out...

Attached Image (click to enlarge)



Well that run down to the 50% was OK following the bear support but when I checked in this morning I see we are still in the range on the 5 min chart.

Attached Image (click to enlarge)



[Quoting bridgstarr](#)

Hi Alan Would you mind commenting on the entries in the attached chart - whether I have drawn the ABCDs correctly, and whether my rationale for entry was OK. At point 1, price had reached the most recent (smaller) ABCD target and was in divergence, so long with a target at point 2 At point 2, price was at the ABCD target and was in divergence again - short back to EMA At point 3, I was presented with another target, and whilst there was divergence on M1 at the time, I was reluctant to get on that trade without some other factors from higher time...

The three triangles you have on the 5 min are drawn incorrectly... Should be like this below. The reason it did not make the lower D target was where you have (1) it ran into divergence and then made the opposite side.

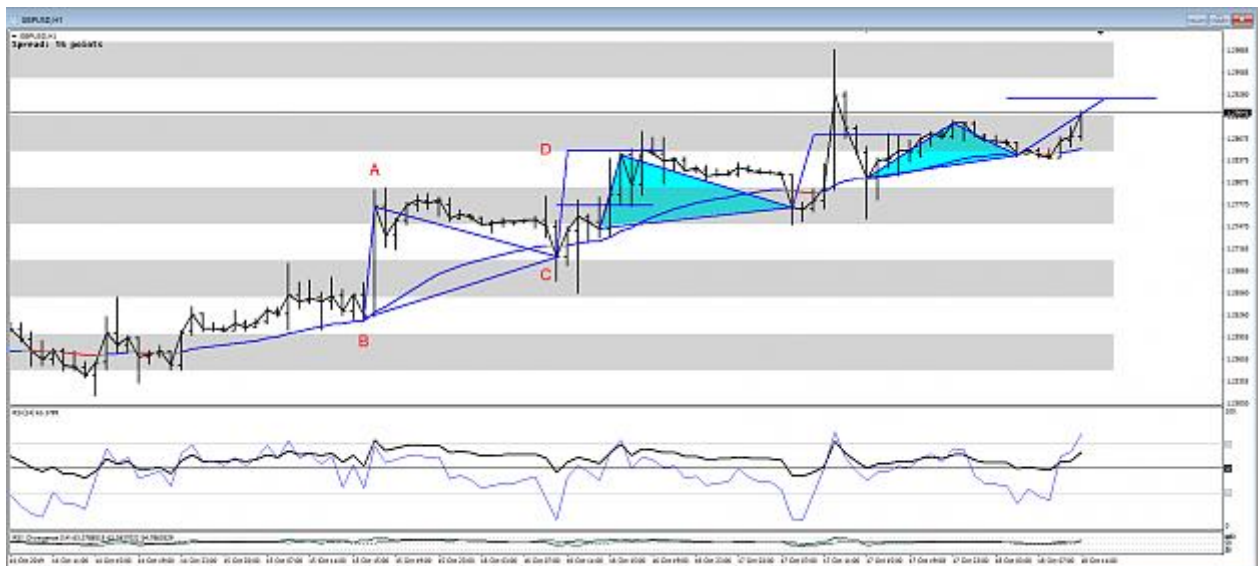
Notice how the div caused the return and cross of the EMA where upon the bulls found support.

Attached Image (click to enlarge)



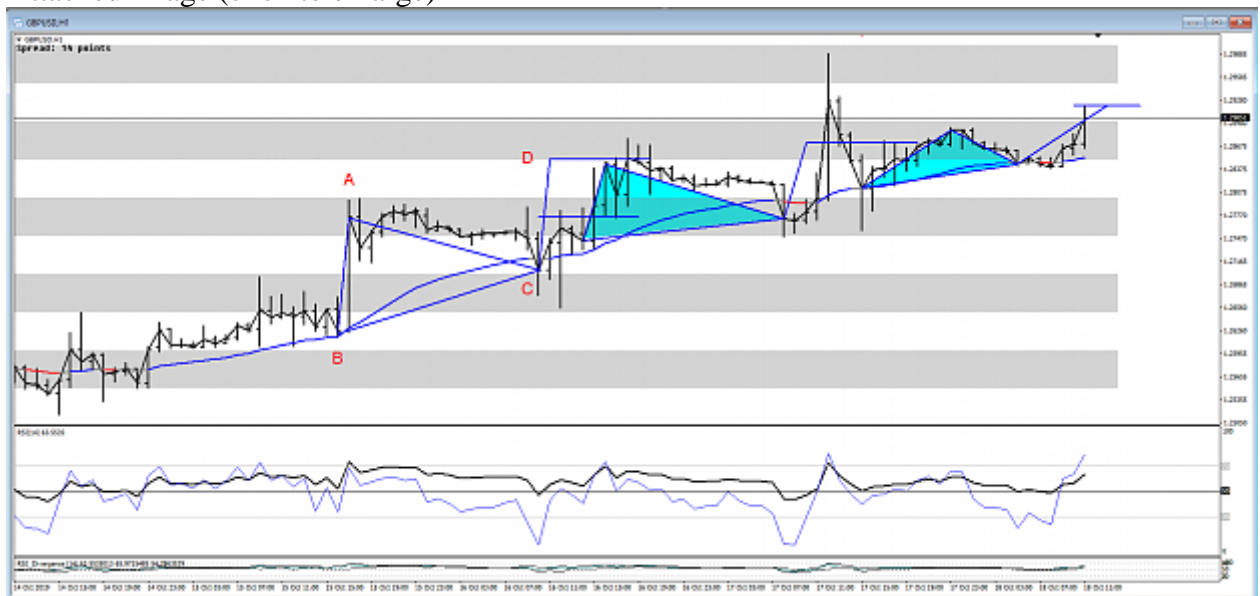
Look at this 1 hour, nearly there....

Attached Image (click to enlarge)



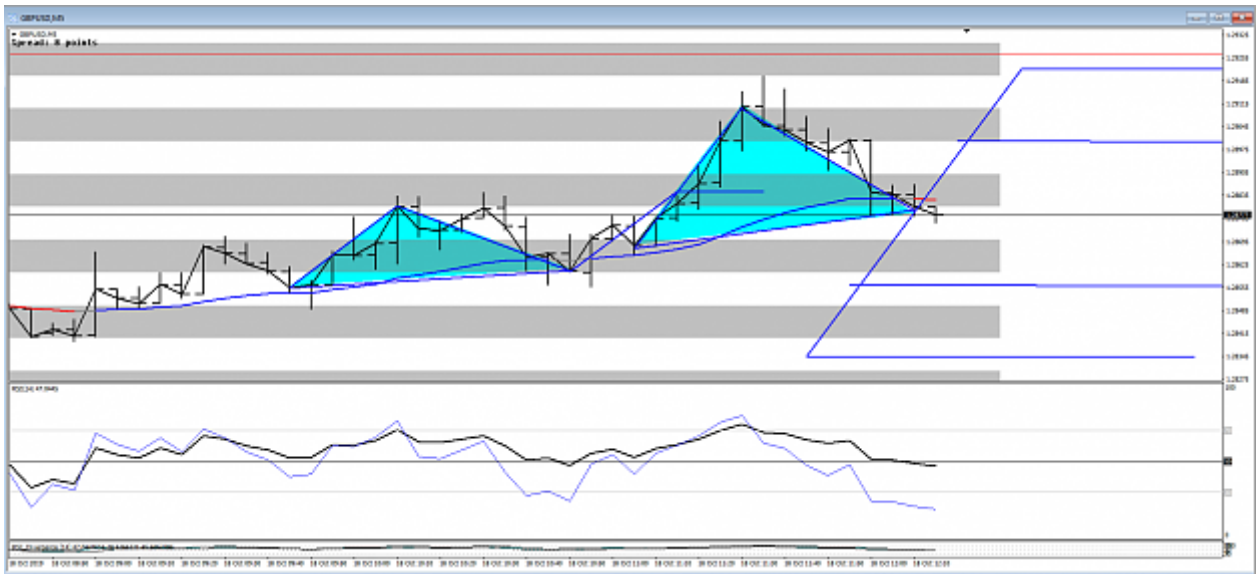
Howsat!!!!

Attached Image (click to enlarge)



New 5 min signal formed.....

Attached Image (click to enlarge)



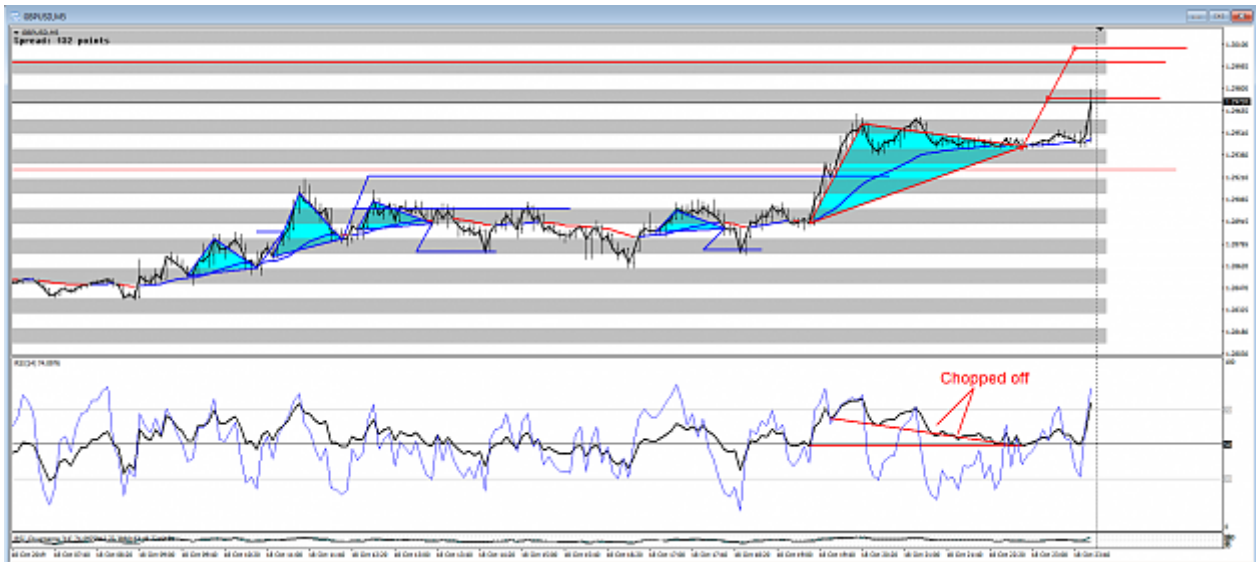
Here's the take on the 1 min chart
 Attached Image (click to enlarge)



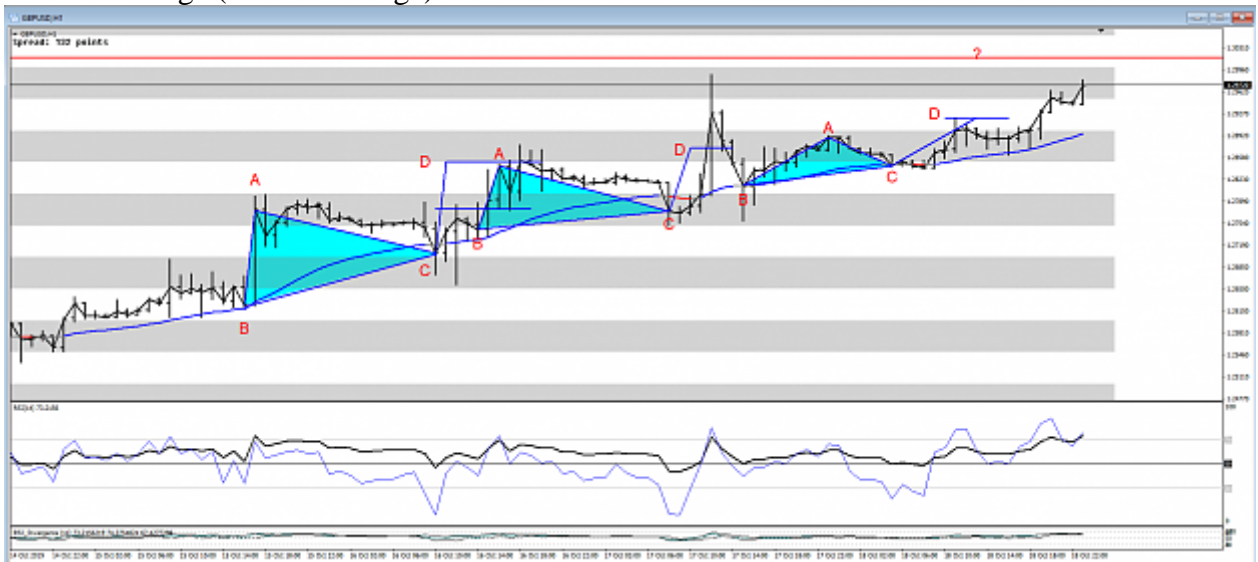
This last ABCD on the 5 min is a little different.

Note that the pivot under attack is blocked on the RSI causing us to chop though it but that is a no-no. So we look to the next pivot to see if we have a line of sight but still in div and yes we do. Currently we are at the 50% level to D and we are on course for that much larger 5 min signal set days ago.

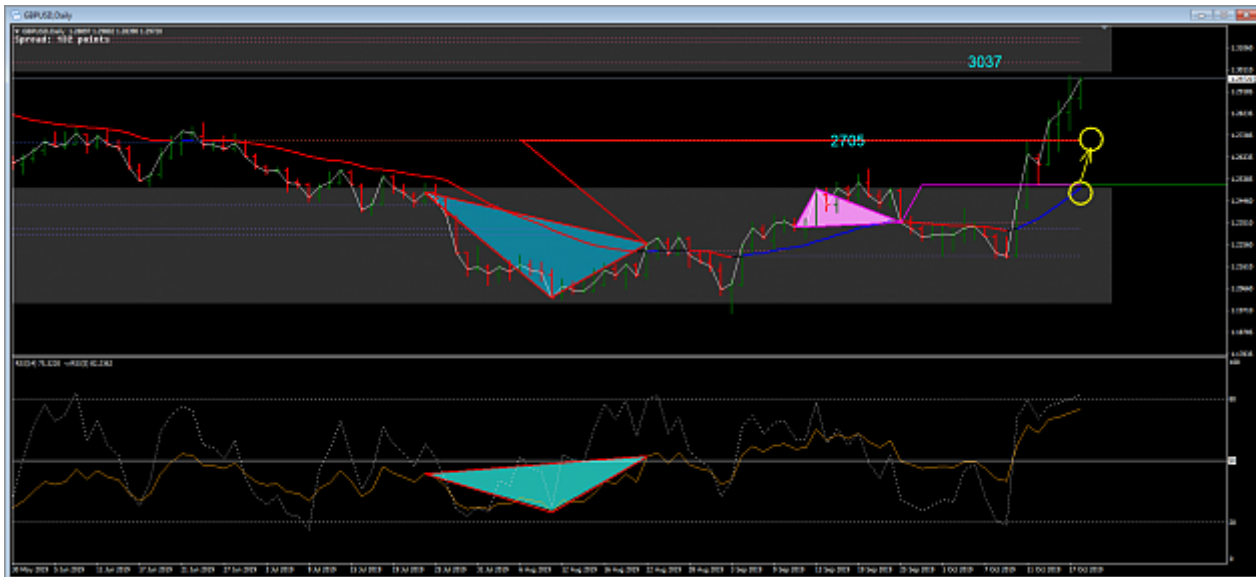
Then we can look at the other charts and see what we have there.
 Attached Image (click to enlarge)



The 1 hour is interesting as we also seem to be heading for an average swing high..
Attached Image (click to enlarge)



Looking at the daily. My thinking is the average here is also trying for a HH (yellow circles)
and this ties in nicely with an ABCD
Attached Image (click to enlarge)



On the weekly we are all but at the 50% level which is also an average swing high under attack.

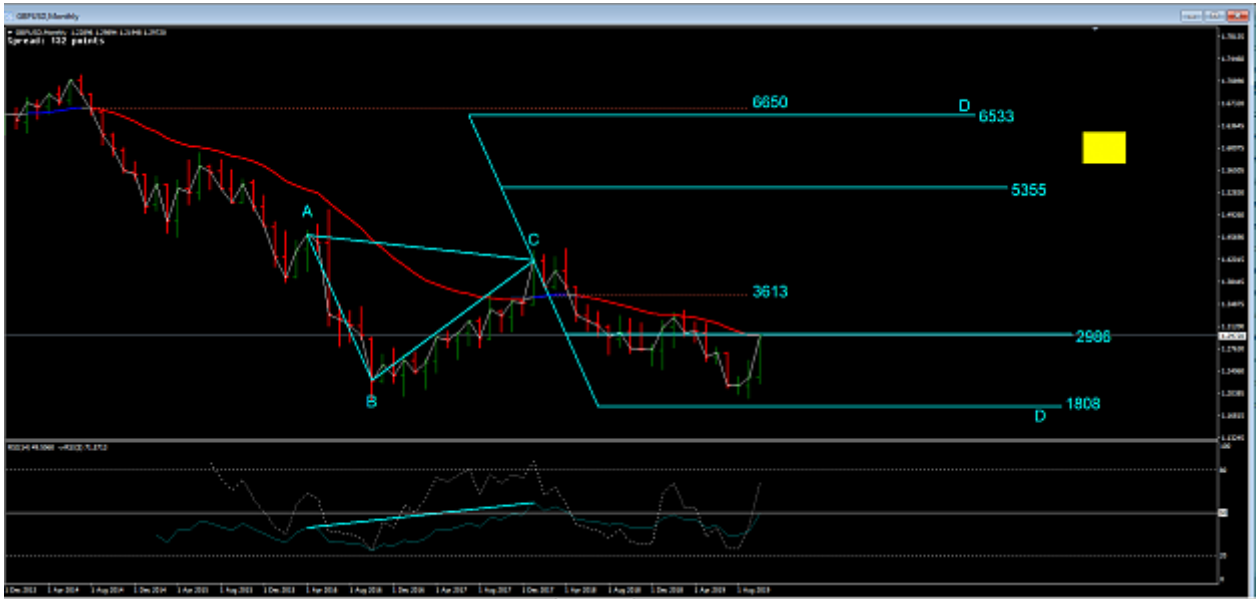
Attached Image (click to enlarge)



Finally we get to the monthly and this is sitting smack on the EMA. We have seen the bears fail on this chart and we are looking now into a very wide open space above unless they can arrest the bulls somewhat and retest that lower D.

From this we see huge moves are a foot so don't get caught on the wrong side of a move, make use of those stops even if they are a pain.

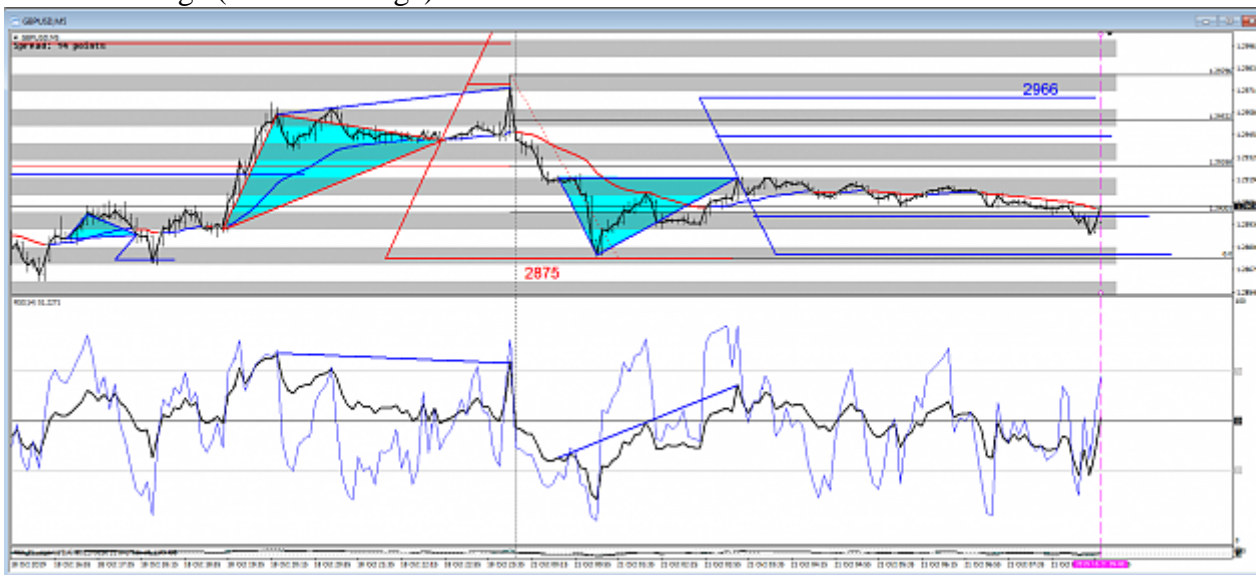
Attached Image (click to enlarge)



Looks like it hit that to the pip.

We have another signal on the 5m with the exact same target again.. If that fails it is back up to 2966

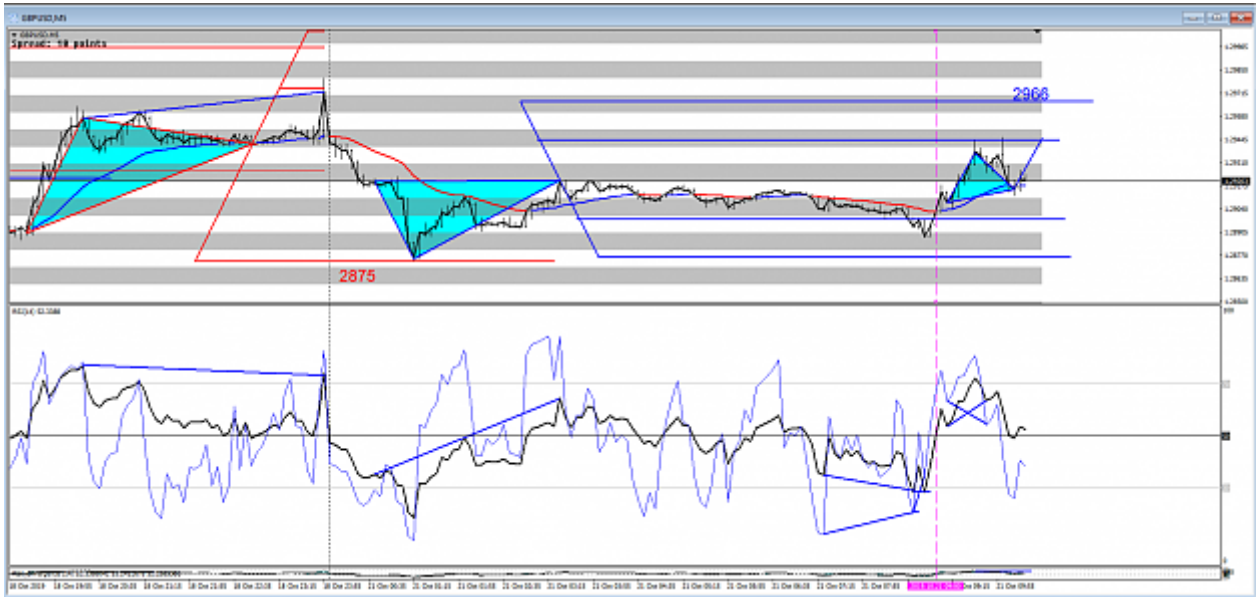
Attached Image (click to enlarge)



Another signal on the 5 taking it back to that long 50% level.

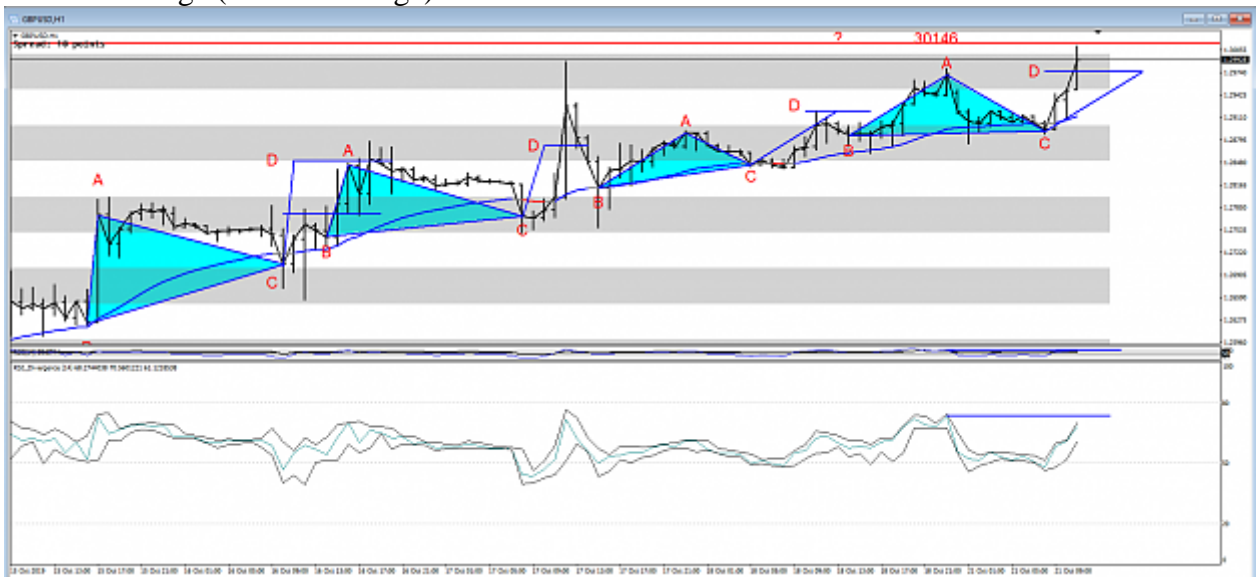
Bears failed to break bull support.

Attached Image (click to enlarge)



1H chart does not look good for the bulls. HD may halt the progress.

Attached Image (click to enlarge)



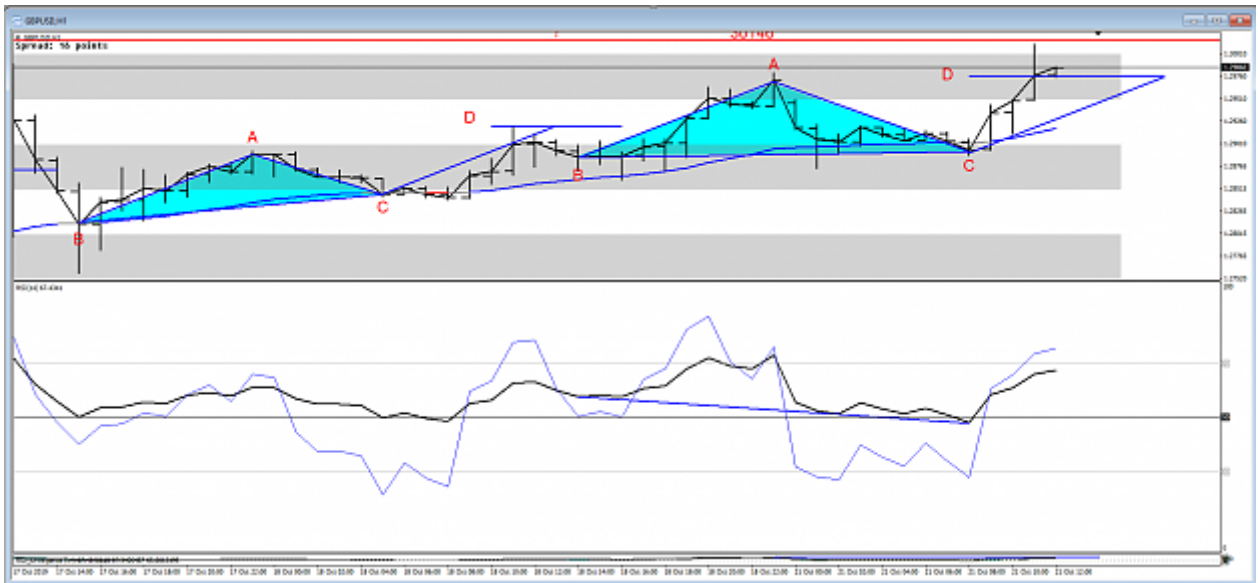
[Quoting huskyboy](#)

sorry to ask Alan and i am probably completely wrong but on that last ABCD i can get no connection on my RSI to draw that pivot B like you do.

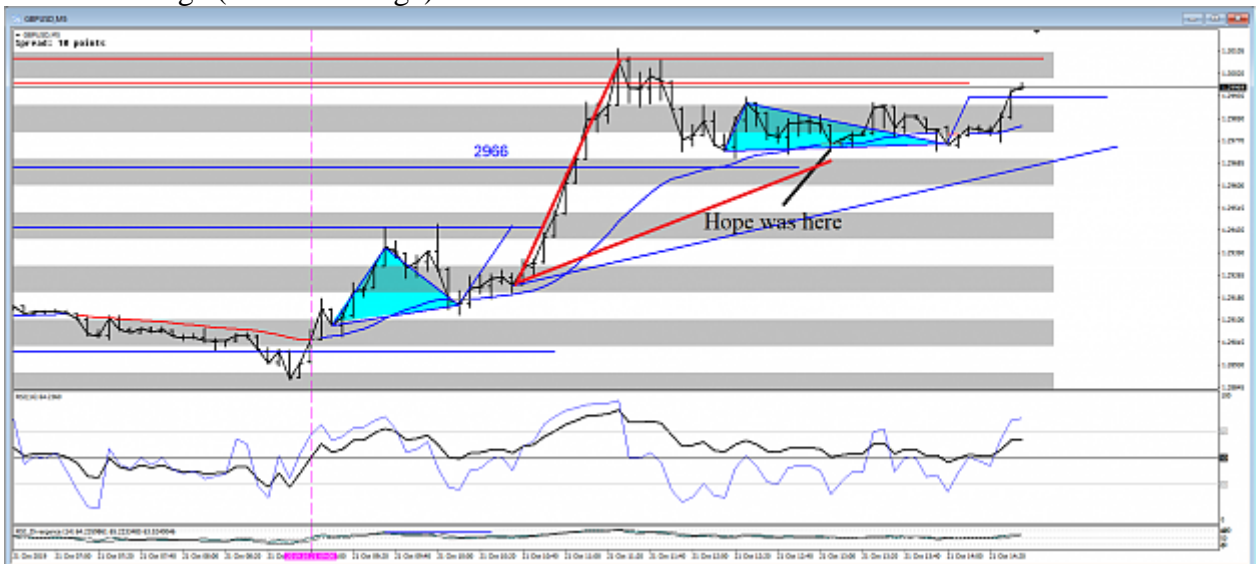
Definitely there

Some of these signals are as tight as a ducks bum so we have to watch carefully.

Attached Image (click to enlarge)



No the big signal did not happen it became a 17 pip signal instead
Attached Image (click to enlarge)

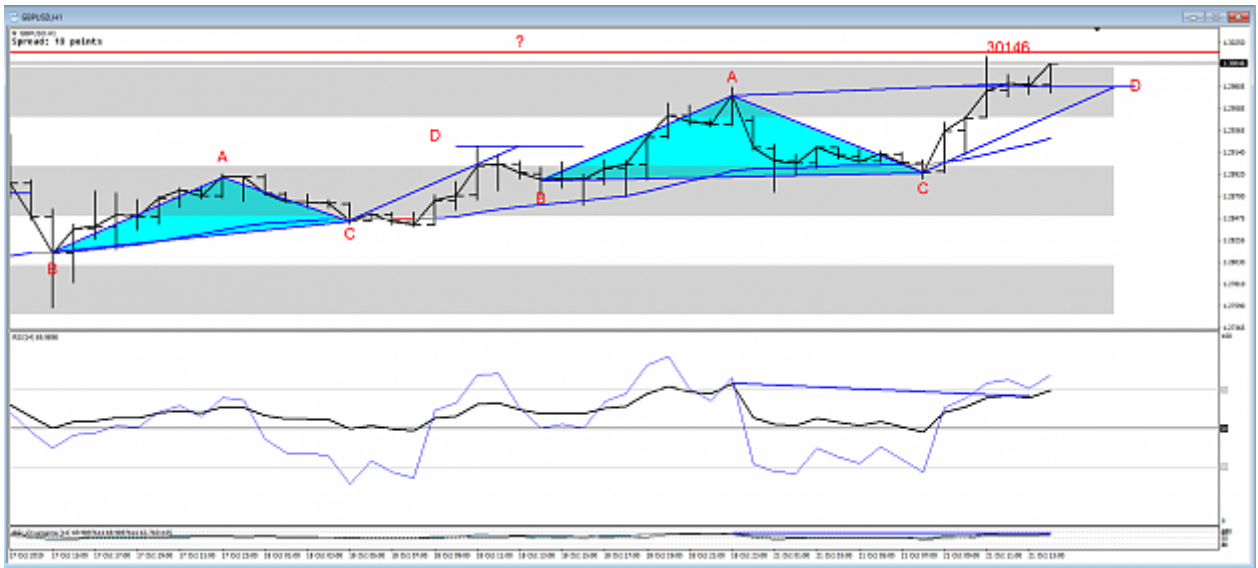


[Quoting huskyboy](#)

{quote} agree, confusing there, indeed the very low at 29233 wasn't under attack, looks like its now going to the ema swing

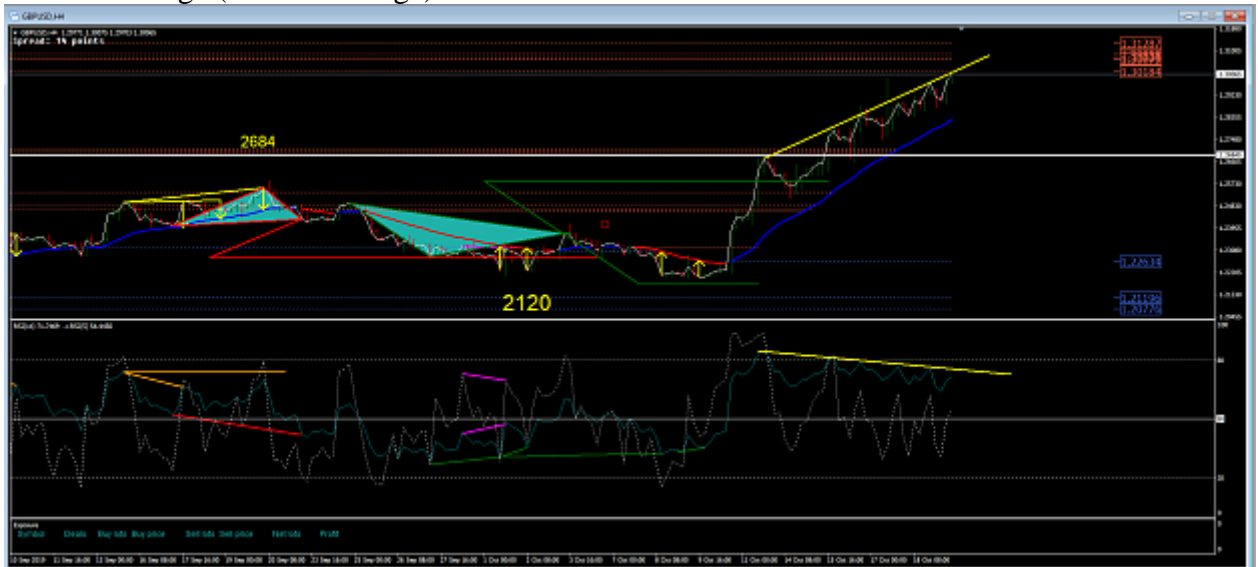
Yep the 1 hour EMA swing that is.

We see the bearish div did not go to the EMA so we expect a HH
Attached Image (click to enlarge)



Look at all the divs on the 4 hour failing to do anything. This tells us the price is heading somewhere

Attached Image (click to enlarge)



On the weekly we have reached the 50%

Attached Image (click to enlarge)



[Quoting huskyboy](#)

{ quote } suppose the C closed at 29700, which price pivot low would it be attacking?

Thanks for explaining this in my absence.

When we reach the level of being able to teach others then we are well on the road to having a complete comprehension of the processes involved.

By way of a little more explanation...

We never know where A and B are until C forms, which is the current price action point (CAP). With this in mind we can speculate an outcome if C makes a certain point. It may not happen but we prepare for it to do so.

We can always see which pivot price is currently attacking so this may cause us to shift our A and B so we are reading inferences into the chart all the time and adjusting accordingly.

Then we apply our money management to the process regarding the trend as our best bet and dropping to the lowest time frame to get an entry point in the desired direction. Our entries are staggered to allow for things going wrong and when they do **we NEVER add to a losing position**, far better to be stopped out and take a fresh look at the situation. When we are right we make a huge profit where we may double or treble our target depending on the speculated distance.

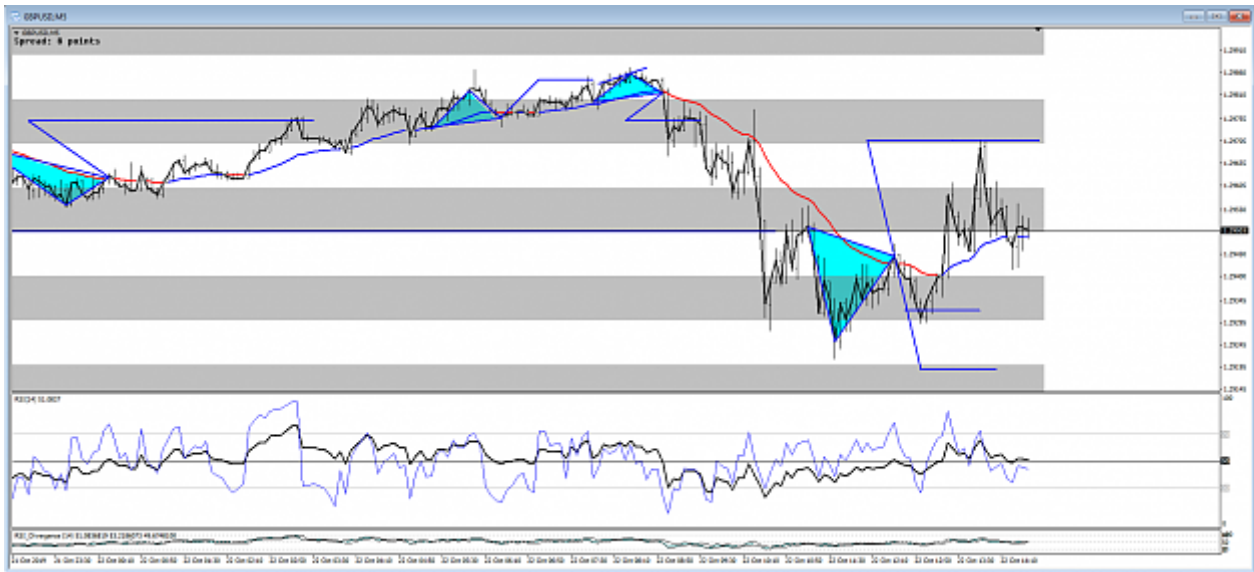
Sometimes we may just close our second and third trade taking the profit and letting the first trade run more. This means when a trend is proving to be strong we can take a new signal starting with the second entry under the protection of the first now many pips away

Look at this one on the 5 min.

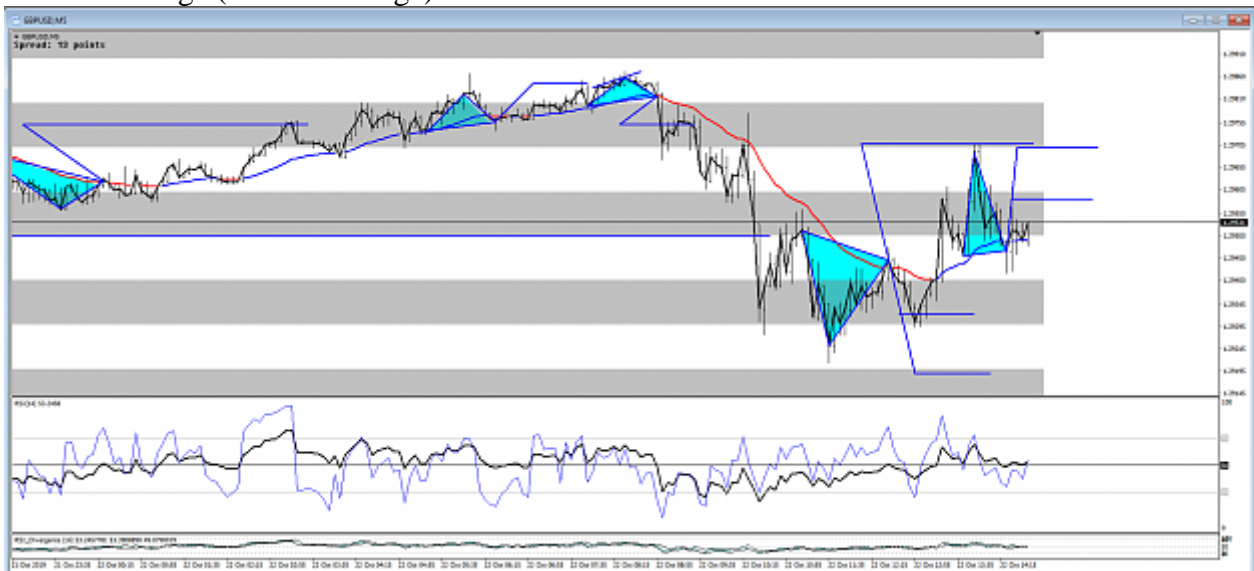
It is a classic failure and why we should move our stops to prevent any damage.

Look how quickly it crosses back to the upside target 40 pips away.

Attached Image (click to enlarge)



And now yes we have another...
Attached Image (click to enlarge)



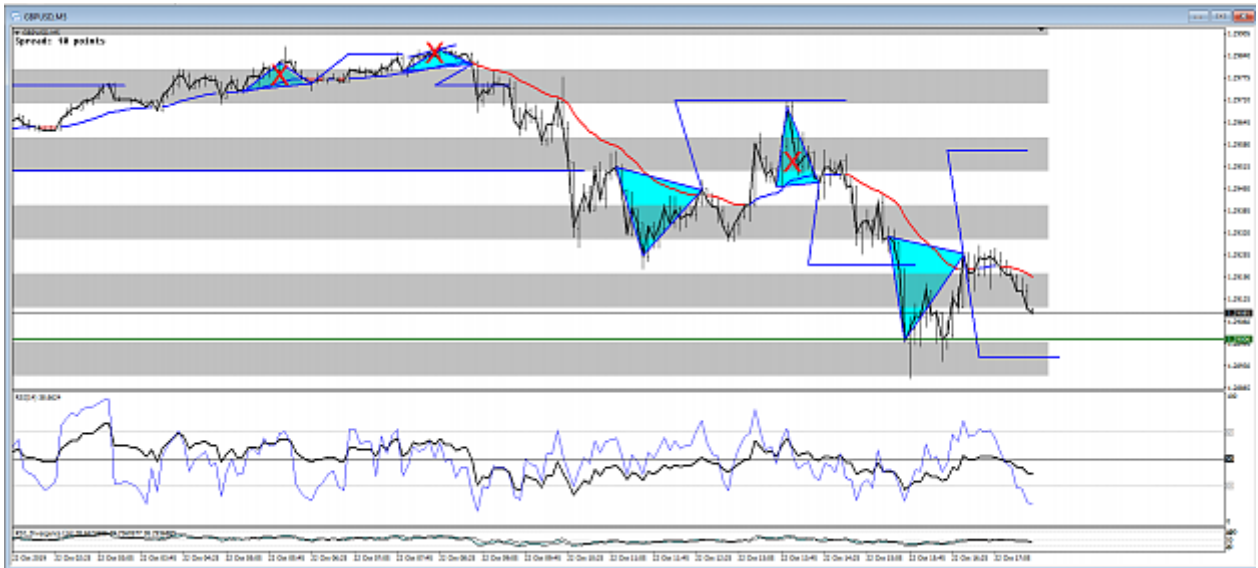
[Quoting huskyboy](#)

{quote} Well now we know, i was wrong. Thx Alan for explanation 👍 So for an ABCD it should be like this: - A is always higher than C - B is always lower than C - A and B should be on the same side of EMA - A and C should be on different side of EMA

B and C on different sides also as in the triangles marked with an X here.

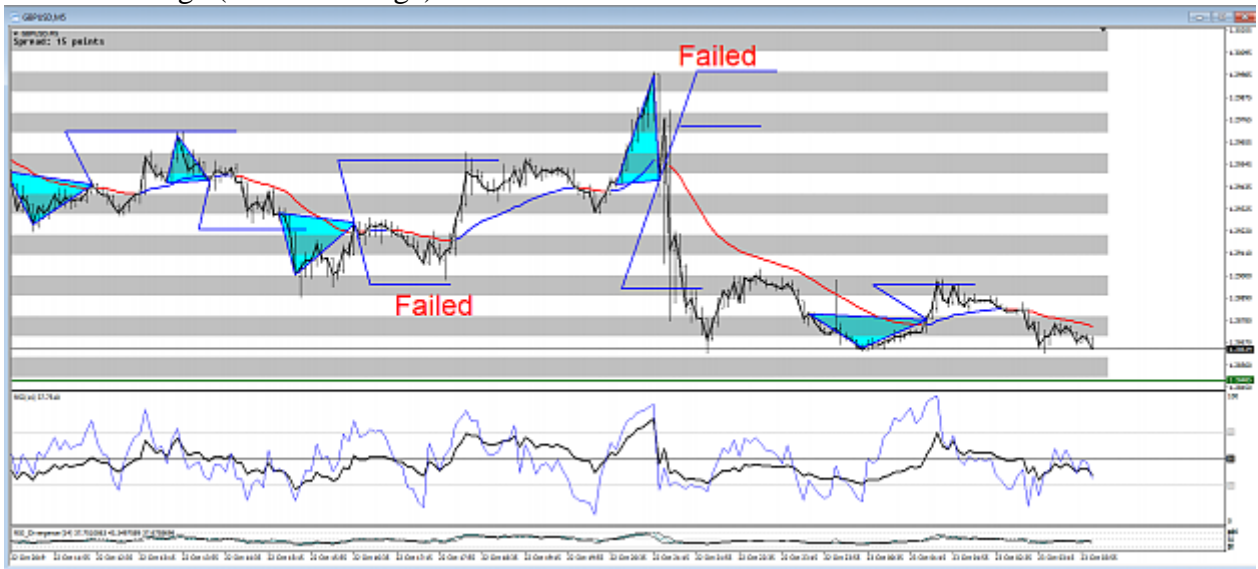
Remember that if they are on the same side they are still divergences but not of the ABCD type

Attached Image (click to enlarge)



After I shut down last night I see we had two more ABCD's that failed in their respective trending direction and rapidly shot to the opposite side of the ball park.

Fair warning to all not to become complacent and to manage those stops and quick reversals. Attached Image (click to enlarge)



[Quoting huskyboy](#)

{image} didn't completely reach D, HD on top

I don't see where the HD was?

Took a few hours but it finally made the D and the swing high average.

The red X I have on this chart shows we can't get a signal from this point...wrong side.

Attached Image (click to enlarge)



Bingo...Howsat!
Attached Image (click to enlarge)



And there we have three in a row from one side to the other...
Attached Image (click to enlarge)



With just a couple of days to go in the month the daily average looks on track to make the HH. We are just in a holding pattern at this time allowing the average to catch up. Attached Image (click to enlarge)



[Quoting Dubtrader](#)

H1 atm. Bearish divergences popping up all over place on the different time frames {image}

And that is what we look for. On the 1 hour we have the regular div and price had not made its target by a pip or two. So the bears are trying to stop the move sending price back to the EMA and indeed crossing it. But the bears could not find support so the bulls win the day taking it to the target at last.

When we get divs like this on the 1 hour a two bar test on the 5 min should get us going in the correct direction.

I didn't have the magenta signal you show because both pivots were on the same side of the EMA to be an ABCD although it was indeed a div.

By being flexible in our trading and recognising the power struggles we should be able to

change direction anytime we feel fit because we don't care which direction our pips come from as long as they end up in our account.

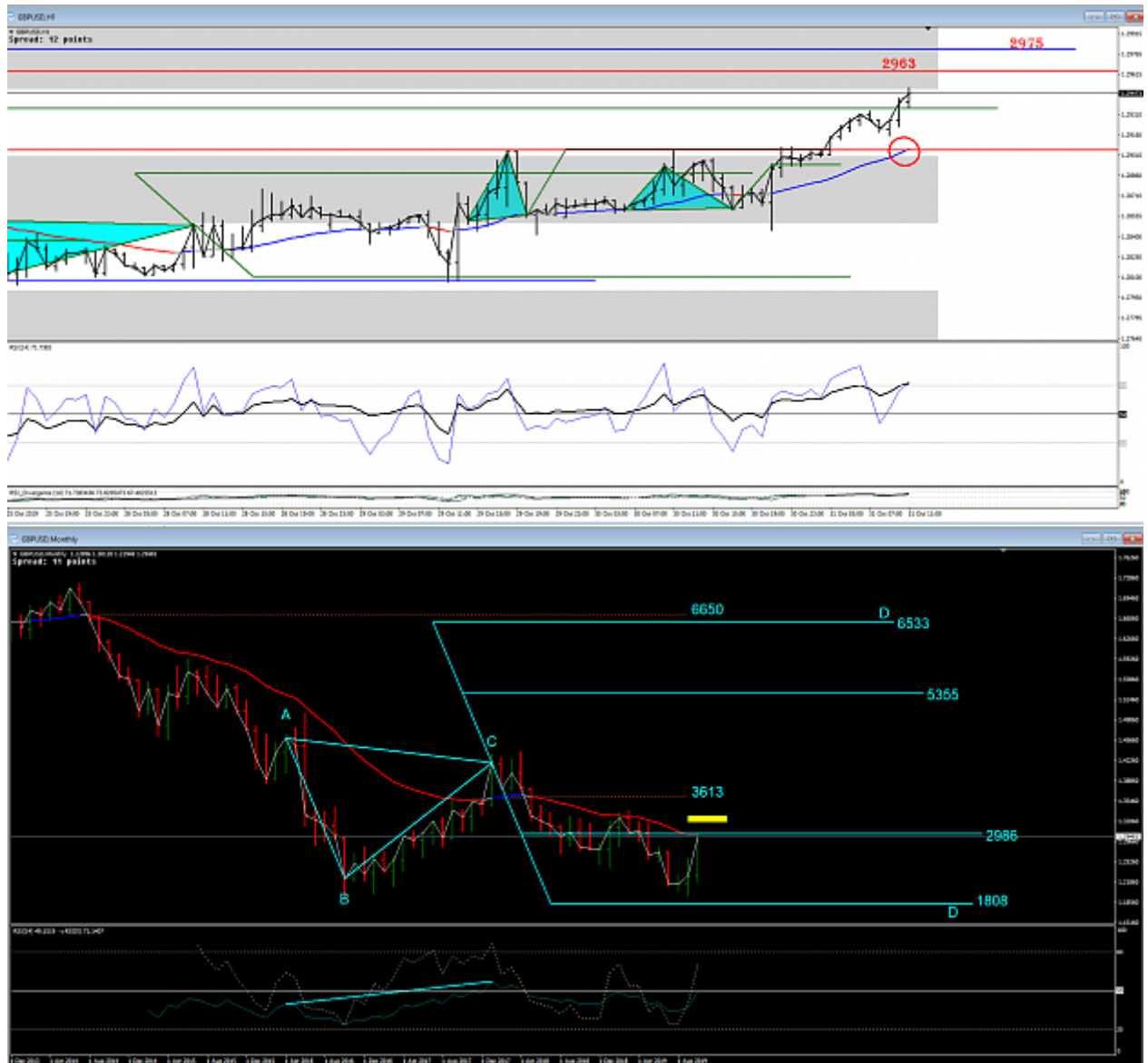
Attached Image (click to enlarge)



Well I am done now but assume the 1 hour is heading for the 2963 or even the 2975.

Remember that monthly chart, Price is poised to make the cross.

Attached Images (click to enlarge)



[Quoting huskyboy](#)

{quote} thx Alan, done already 🤔

Yep 30 pips

Attached Image (click to enlarge)



Target 2956

Attached Image (click to enlarge)

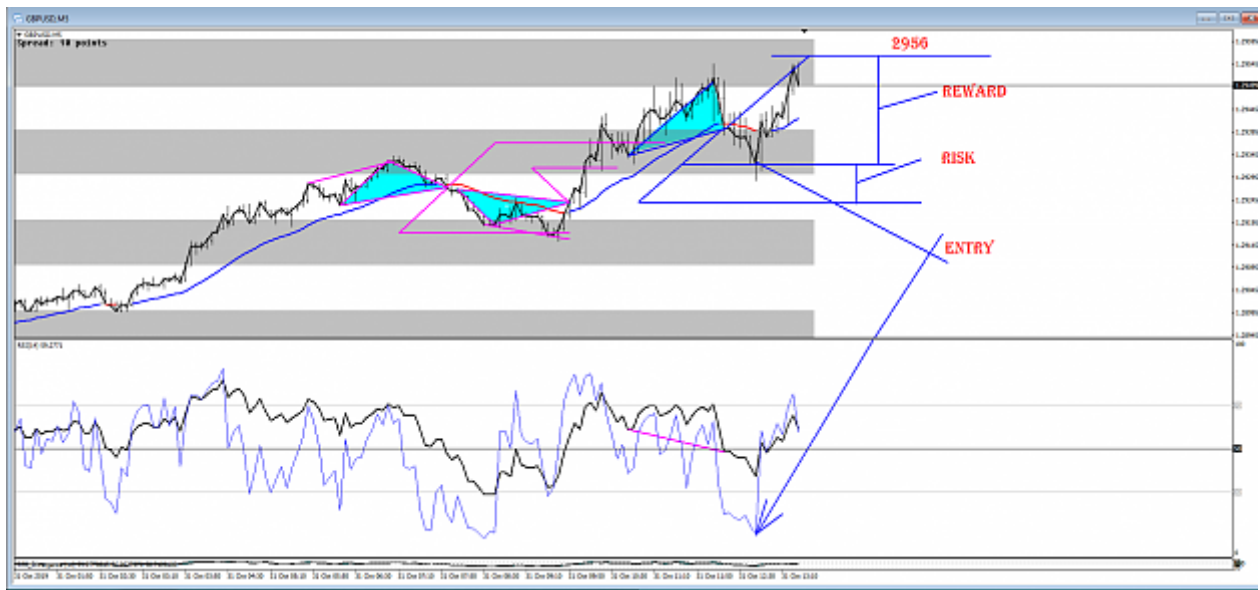


[Quoting huskyboy](#)

long from 434 and now stopped out for 10, did i do something wrong?

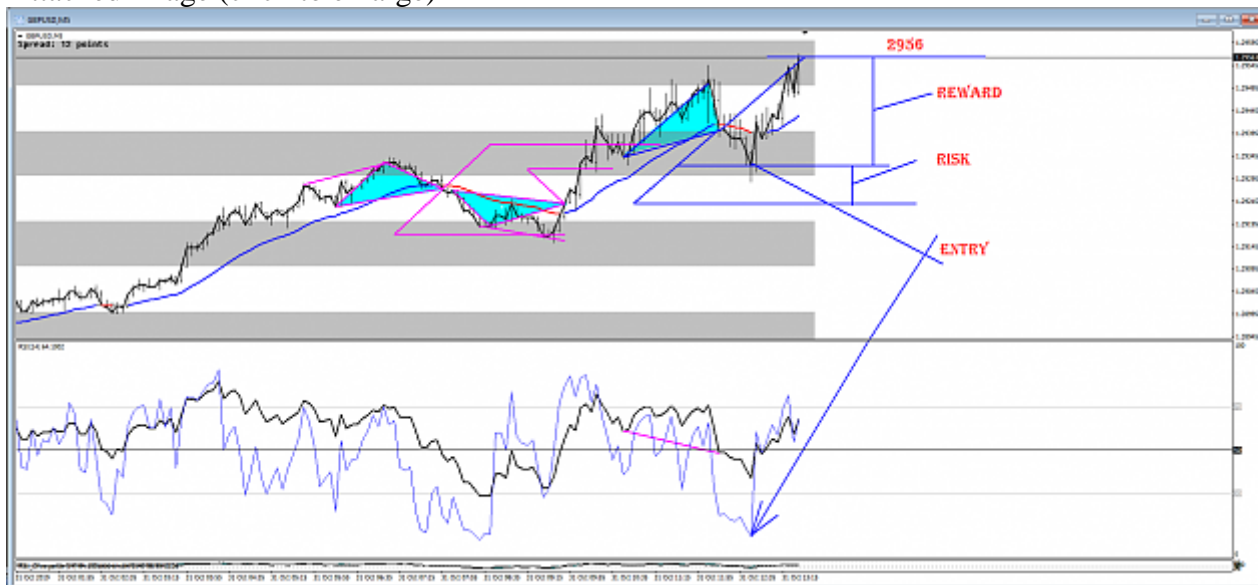
Probably you just jumped in too early

Attached Image (click to enlarge)



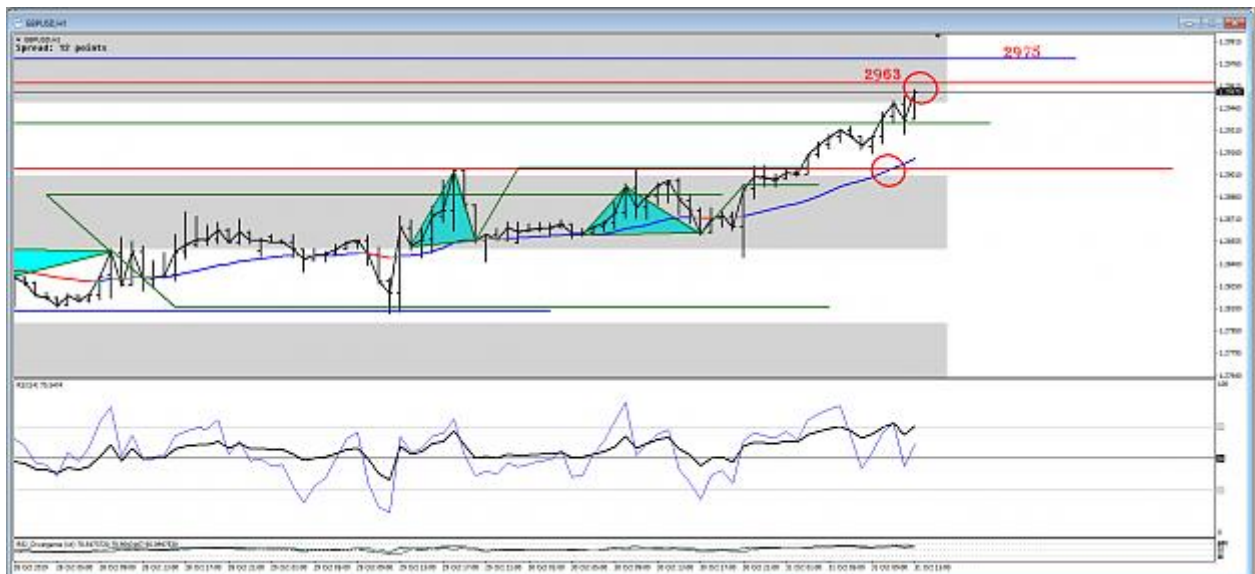
Bingo!!!

Attached Image (click to enlarge)

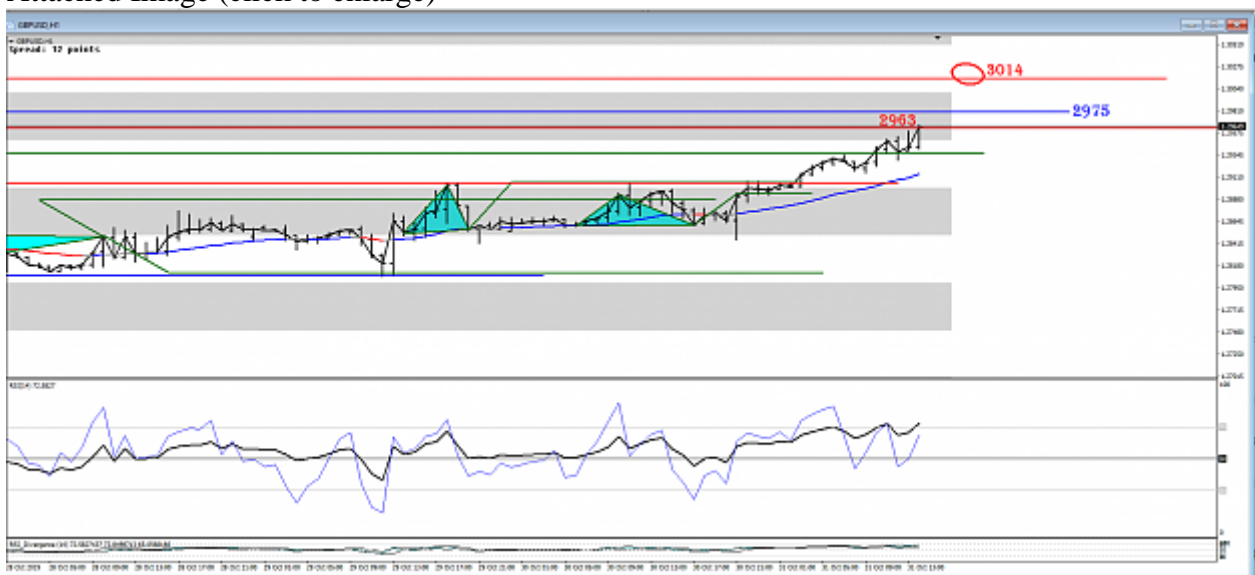


Nearly there now

Attached Image (click to enlarge)



The next level to address on the 1 hour is 3014 but it may not do this in 1 day. Who knows?
Attached Image (click to enlarge)



[Quoting 44johnw](#)

{quote} Hey Alan Was there anything special you have seen or reason for you to trade at this time of day, or is just a matter of cause I can Cheers John

I have nothing else to do today...

It just hit the target....

Attached Image (click to enlarge)



[Quoting k1w1](#)

{quote} Hi Alan, could you please show where you entered on the 5 min? Cheers

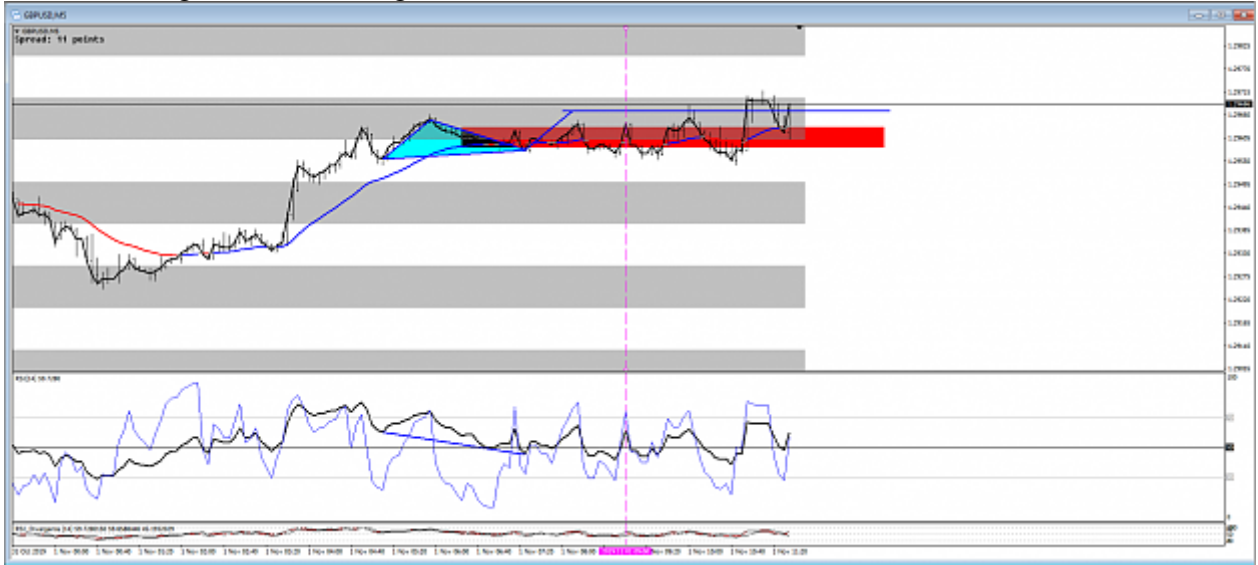
Sure it was about here...

Attached Image (click to enlarge)



The 5 min EMA is too flat, the market has to kick off soon.

Attached Image (click to enlarge)



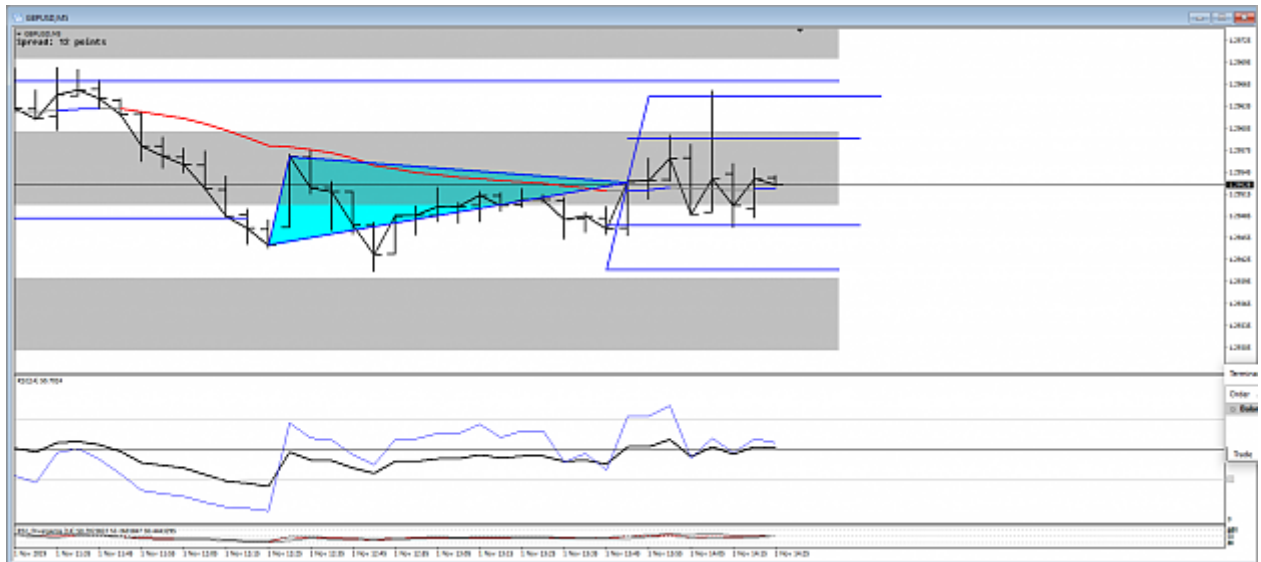
Trying to draw an imaginary future here. Just one scenario.

Attached Image (click to enlarge)



Bulls continue to hit the target this time on the small 5 min

Attached Image (click to enlarge)



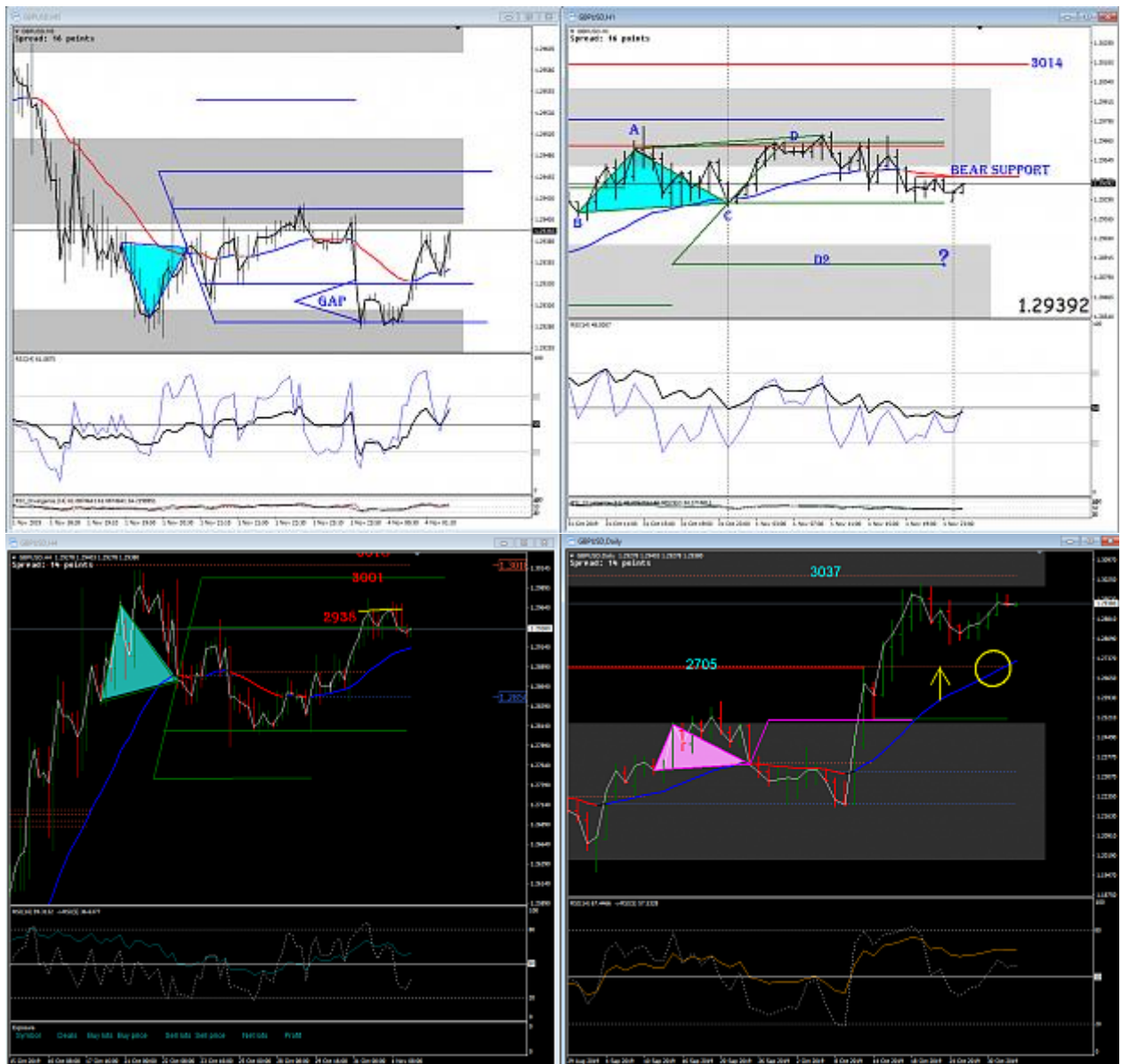
As usual we can look at the existing outstanding target for the weekends gap to complete, it did exactly that.

On the hour the bears are holding support and trading below the average causing us to question if D2 is in the line of fire today.

The 4 hour bear div suggests the EMA will be attempted.

All in all though things look to be pretty tight. The daily has now made that HH average we were expecting and the price still looks like a holding pattern with the next level at 3037.

For me I would like to see the 1H bear support fail and price push to the 3014 average. Attached Images (click to enlarge)



Quoting bridgstar

Hi I got it very wrong today and hoping you can help. On H1 in Asian session there was divergence, but price didn't make it across EMA, so I was expecting price to go down. On m5 I waited until EMA had moved out of the range, then took a short based on bearish support at point 1. After that it all went wrong. At point 2 I saw there was hidden divergence on M5, so could have hedged. However I still don't really have confidence with HD. But either way the points at 3, 4 and 5 would all have been places where I would have taken the hedge off (in reality...

Not sure what your thinking was all about here.

The 4 hour has a div so we expect to cross the EMA, not to bounce.

So we look for the short setups which you did correctly.

The 1 hour was trading below the EMA so pull backs are ZOO points to consider entries.

This was a bad market to trade because the 1 hour made so many big pull backs but eventually the 5 min hit its target.

Note the condition of the EMA... Each time the bulls tried for a HH they ran into div stopping them and the bulls made the LL.

We have to watch for these failures of the EMA they are of major importance to the whole process of price action.

Attached Image (click to enlarge)



Here is the 5 min drawn up.

When we placed our entry we also set our stop.

This entry was followed by two bear divs of no interest to us because had we taken them we would be adding to a losing trade.

Later we find our 2nd entry and we are slightly in profit. It is important to see that this 2nd one is a div stopping the EMA making the HH. It does and then the bulls find support for our 3rd short entry and price runs to the target making the average LL.

At the target D we get a bull div to take us back to the EMA but it failed to cross so expect a price LL. Which it did.

This LL was also a div and this time it made it across the EMA and is looking for bull support.

My chart looks like this now..

PS The target was just hit

Attached Image (click to enlarge)



[Quoting bridgstar](#)

{quote} Hi Alan I've been looking at the chart with the benefit of hindsight and I'm still struggling a bit. I can't convince myself that if the same thing happened again I wouldn't trade it something like the attached. At point 1 there is bearish divergence and everything else was pointing down, so i might short it there, getting stopped out before point 2 Re-enter at point 2 Add to the position at point 3 - my chart has the fast staying below the slow rsi. This entry will get stopped out Add to the position at point 4 due to RSI divergence. This...

This would be fine if we were to be trading the 5 min chart and making entries at the 1 min level. However this can lead to very quick trading with little profit.

Look here at the 1 hour chart for direction...

At upper target D there was a bearish div, a Zoo point to be traded at the 5 min level. This was followed by one heck of a battle common to the time of day. However our stop would have remained intact and we would have the 2nd entry at the bear support which then took us to the D2 target.

Just because the signal starts on a particular day it doesn't always follow that it will hit the target the same day.

What we have seen here is the AB sentiment swing to CD hit the div and the sentiment swung back to CD2.

I showed over last week how common it was for the market to do this.

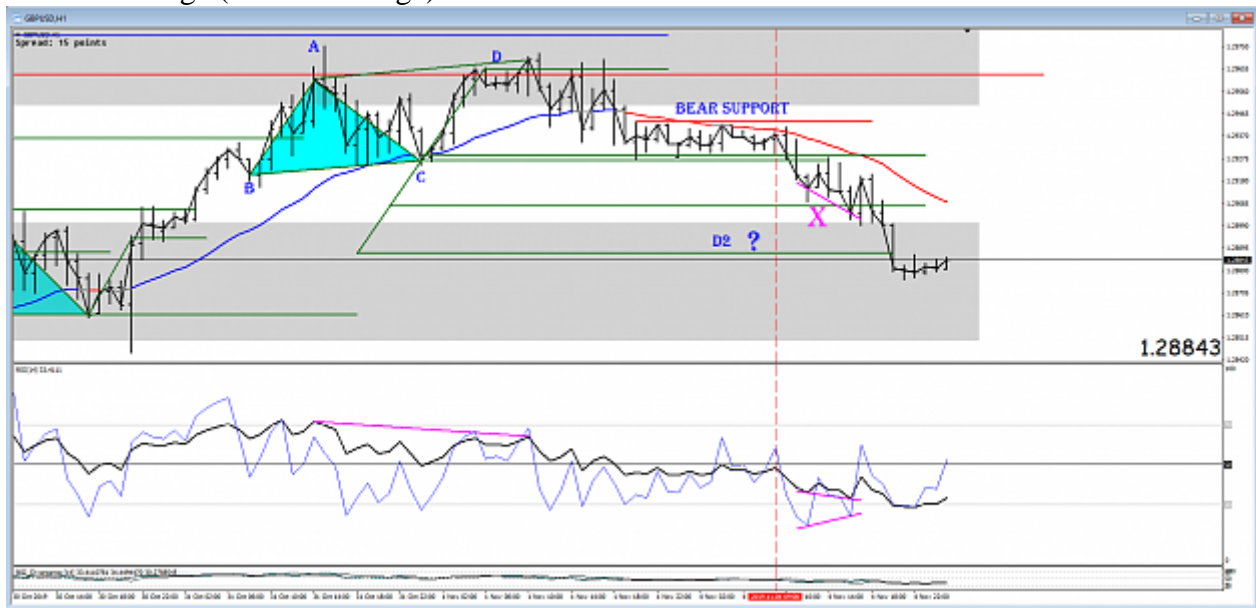
During our session time the price never got above the EMA so all our trades were short... **Any trade taken long would be a scalp or a hedge.** There was one major hedge here at X but it failed to make the EMA so would have been stopped out for BE+1.. We know this is now going to make the price LL so why not add another short aiming for D2?

The point is we have to watch the 1hour chart for our direction and trade the 5 min in that direction. If you cannot find a new ABCD use the opposite side of the last one. i.e. D2.

This was a slow trading day and we can tell this beforehand because the target is relatively

small. Big targets are better because the market has to get a wiggle on to make it. You have to ask is it worth your time or would it be better to sit it out and go for better days?

Attached Image (click to enlarge)



[Quoting Dubtrader](#)

Hourly Chart {image}

Not quite drawn correctly. What you have there is a regular div with both pivots on the same side of the EMA.

The ABCD came a tad later as below...

Attached Image (click to enlarge)



Notice on the 5 min chart there was a bullish ABCD to take the !hour up to its C point.

Also note how the 5 min turned from D down to D2

Attached Image (click to enlarge)



[Quoting bridgstarr](#)

Good evening/morning, Hopefully you can unpick some of my confusion from the day's events. Sorry its a bit long winded At point 1 there was HD on H1 and on m5, therefore long entry on 2 bar test, aiming for the target around point 2 from the asian ABCD on M5. {image}

1) You are correct here except for the target. We expect the div to return price to the EMA which it did but it failed to close above it so now we expect a LL.

We got this LL briefly but again it was a HD on the hour. So back to the EMA and this time it closed above to form our ABCD>

This was easy to predict because if price is to now go down it needs to setup the ABCD to do so. That means we should have expected this close above the EMA for it to form. At that same time we were travelling long on a target as you rightly pointed out on the 5 min so this was telling us about where point C will be on the 1 hour.

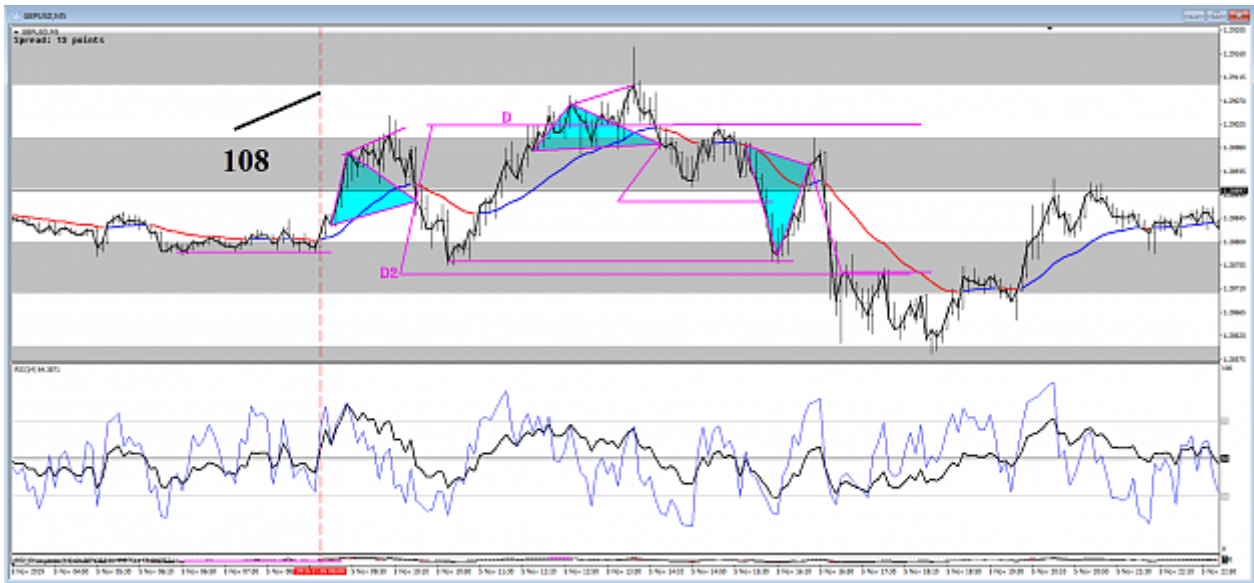
2) Not sure what the problem is here. The div on the 5 min was at the 1H ema, a ZOO point and this stopped the price crossing the 1H at this time. The 5M triangle was not yet formed so this 5 min div made it happen.

3) At point 3 we have the HD again on the H stopping price hitting the D2 of that Asian triangle and set the price on course for D the opposite side. This formed the C point of the 1H.

I refer to the upper target as D and the lower target as D2.

5) At 5 I can fully understand your problem and it is not uncommon. So simply follow the rules... We enter at the div with entry 1, it failed to cross the EMA so expect a HH so we get stopped out for little or nothing. Between 5 and 6 there was another div so we try again and this time get lucky. However our second entry at the bear support came under threat from the dreaded hook. (6) and (8). 7 was a bull div sending price back above the EMA so would we hedge 7 to 8.

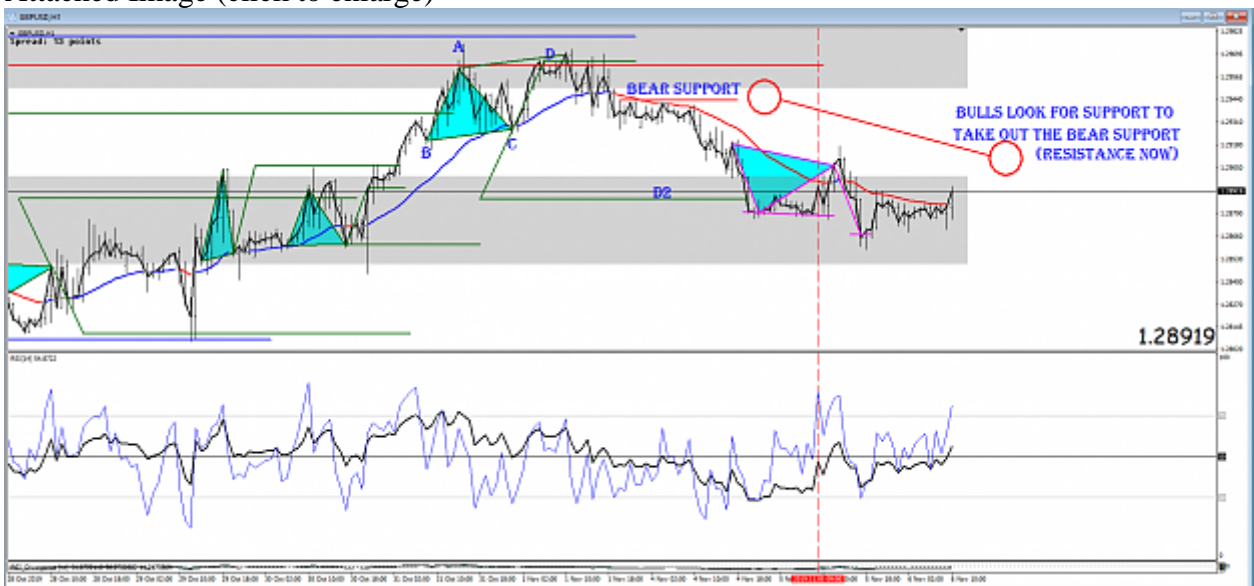
Missing from your chart are a couple more ABCD on the 5 min shown below...
Attached Image (click to enlarge)



Now we see that we cannot get an ABCD on the 1 hour because both prices are on the same side of the EMA.

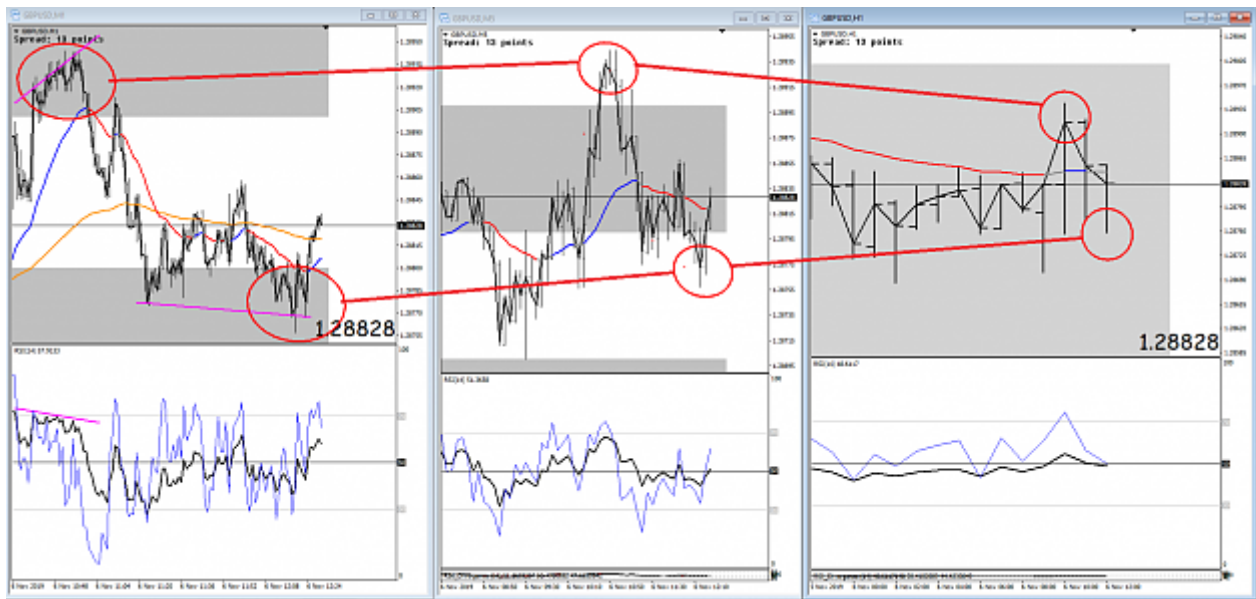
You should be getting an idea of how the sentiment is manipulated into positions to form a working structure of the price action.

Attached Image (click to enlarge)



See what we see...

Attached Image (click to enlarge)



Quoting Nala66

Now we see that we cannot get an ABCD on the 1 hour because both prices are on the same side of the EMA. You should be getting an idea of how the sentiment is manipulated into positions to form a working structure of the price action. {image}

How come no one told me of this other bear support I overlooked....

Attached Image (click to enlarge)



Well looking at the 4 hour it seems pretty clear price is heading for the lower D being only about 20 pips away now.

Attached Image (click to enlarge)

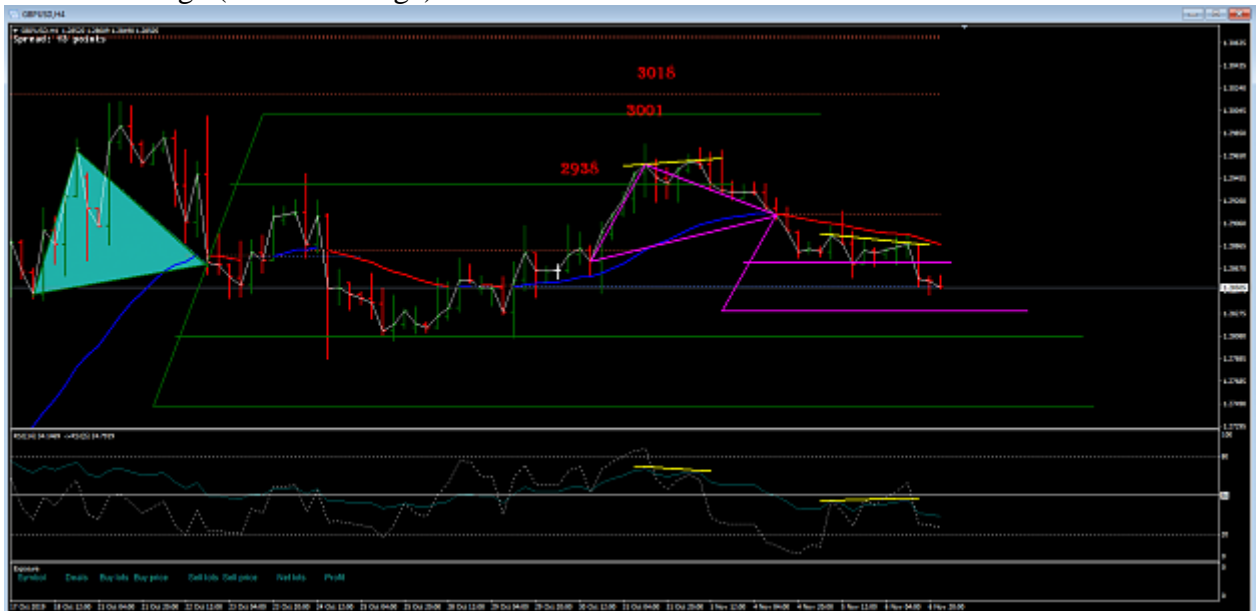


If we stay with the 4 hour and examine it a little further by zooming out we can see the blue triangle has not yet completed either side D targets.

If the average is indeed trying to make the lower low then we would envisage that price will make the lower D2.

These are very long term predictions and price could simply range between the two 50% for a considerable amount of time.

We need to be watchful of the Divs cropping up in time.
Attached Image (click to enlarge)



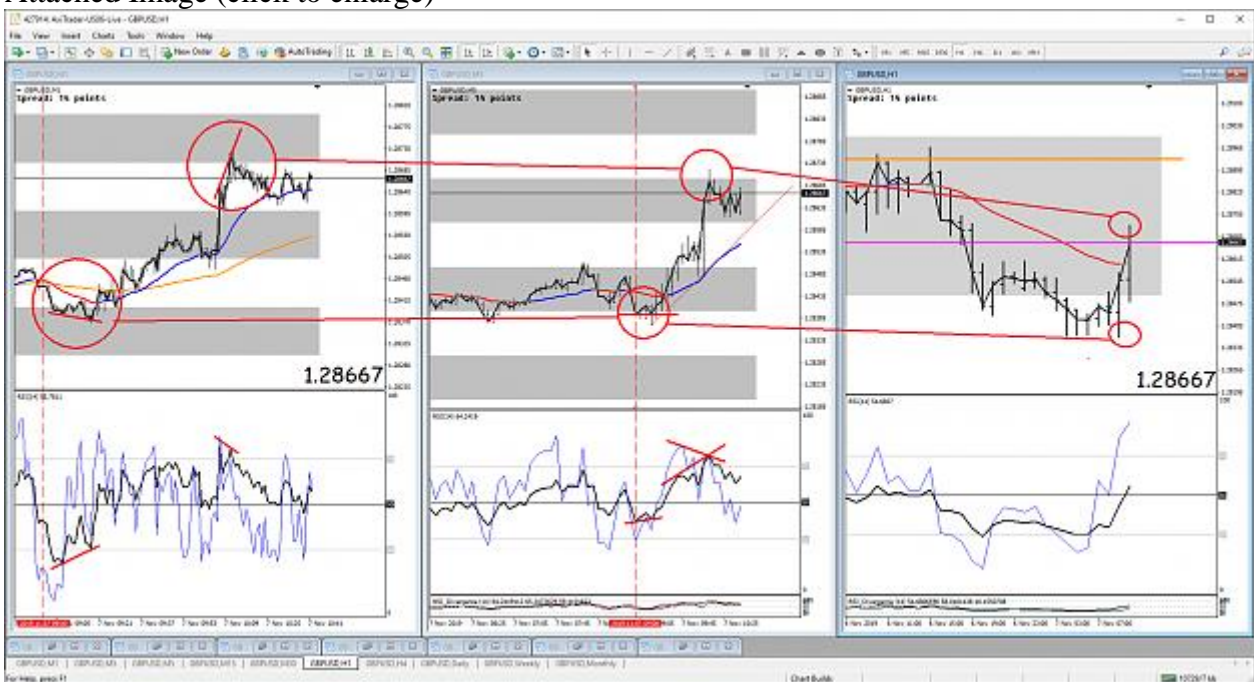
Again sticking to these longer views we see the daily has hit all the targets so may be in the process of setting up a new one as outlined by the yellow dotted lines below...

Attached Image (click to enlarge)



Well that was a nice 30 pip start and whether or not to hedge at the top was a question... I closed.

Attached Image (click to enlarge)

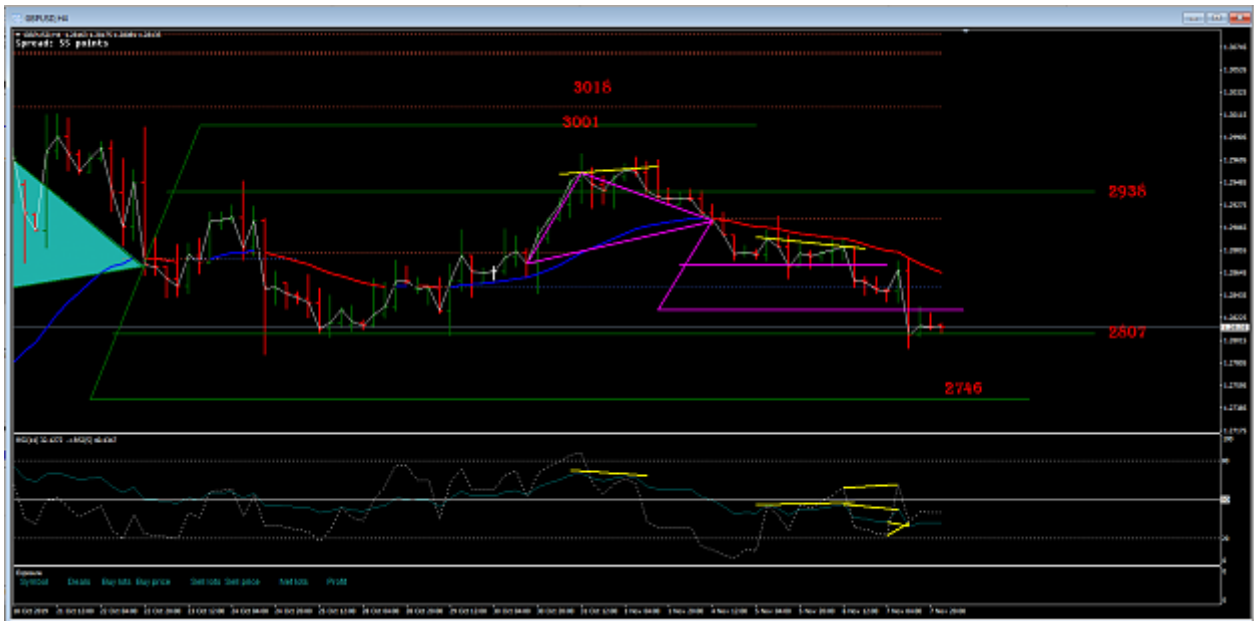


[Quoting Nala66](#)

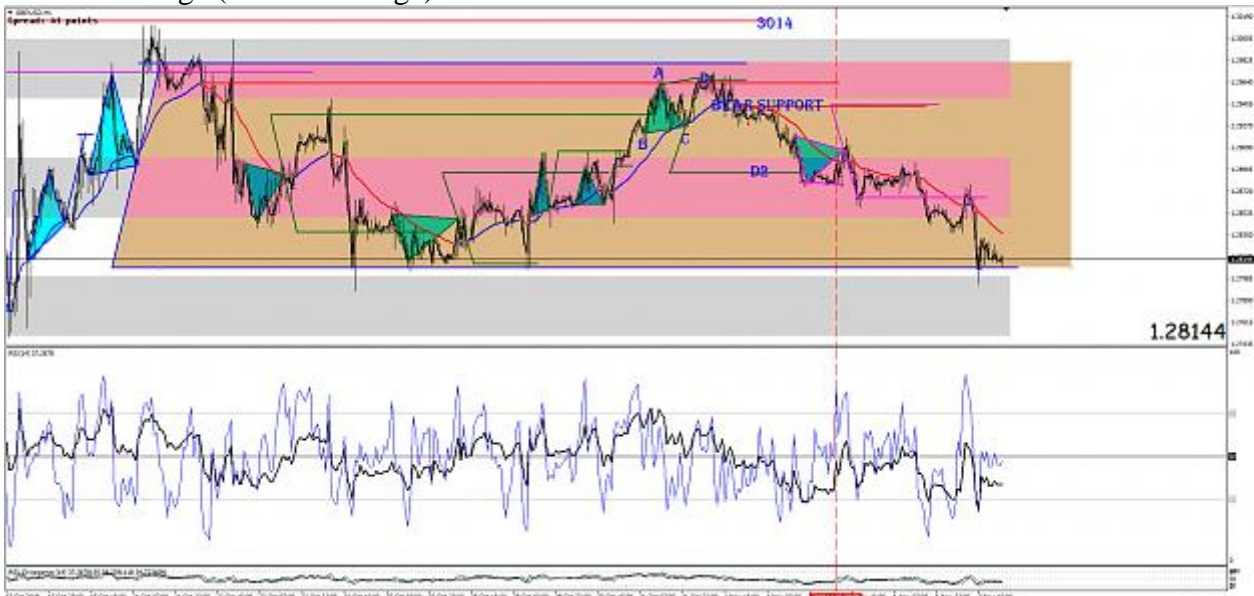
If we stay with the 4 hour and examine it a little further by zooming out we can see the blue triangle has not yet completed either side D targets. If the average is indeed trying to make the lower low then we would envisage that price will make the lower D2. These are very long term predictions and price could simply range between the two 50% for a considerable amount of time. We need to be watchful of the Dirs cropping up in time. { image }

And it came to pass, the 4 hour did stop within the range but for how long? That EMA is rocketing down to attempt a LL

Attached Image (click to enlarge)



We can also see this range on the 1 hour...
Attached Image (click to enlarge)



So being short of ABCD's on the 1 hour we have the alternatives of $AB = CD$.

Here are the two of them one red, one blue. I have taken off the quartile to make it easier to see (had too many lines)

I just edited the chart to show the + or - distances so you can see how accurate this is.
Attached Image (click to enlarge)



That was a long wait for the action to begin, way past my bedtime so not much use to me at all.

It kicked off with a regular div on the 1 hour and lasted just 4 hours heading for the lower D2 target set a while back now on the 4 hour. We could even see gappage down to this level over the weekend. (2746).

Attached Image (click to enlarge)



Well no short gappage over the weekend so price seems to be respecting the bullish div and the EMA on the daily chart. The div should make the HH with the fast RSI having plenty of room to do that.

Attached Image (click to enlarge)



[Quoting Dubtrader](#)

Alan when I get a pivot like this marked in yellow directly on the EMA line, can I use this for an ABCD target? or is it just regular bearish divergence. I think the same situation cropped up Thursday or Friday, I cant remember exactly and I wasn't sure if it could be counted legit or not. I suppose its a bit like tennis when the ball hits the line, in or out. {image}

Exactly is it in or out. I took it to be a regular divergence stopping the price crossing the EMA and thus making a LL than the bull div below it.

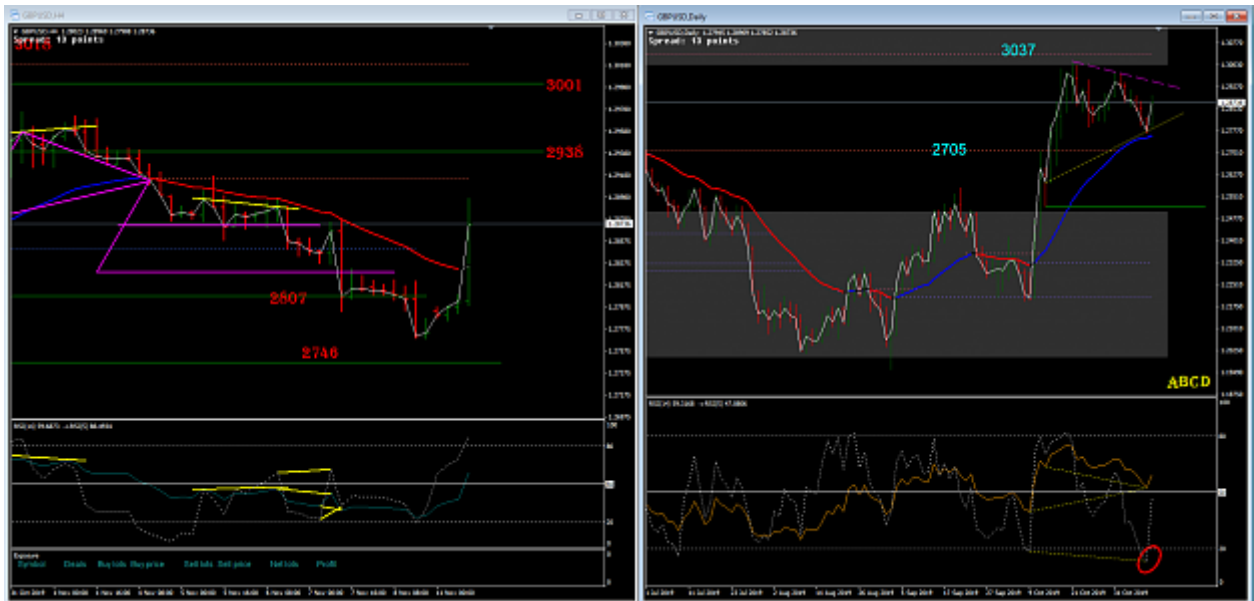
After this we got the ABCD and price shot up to a bear support (resistance). I scored very nicely on that move.

PS The next pivot after your arrow was this ABCD
Attached Image (click to enlarge)

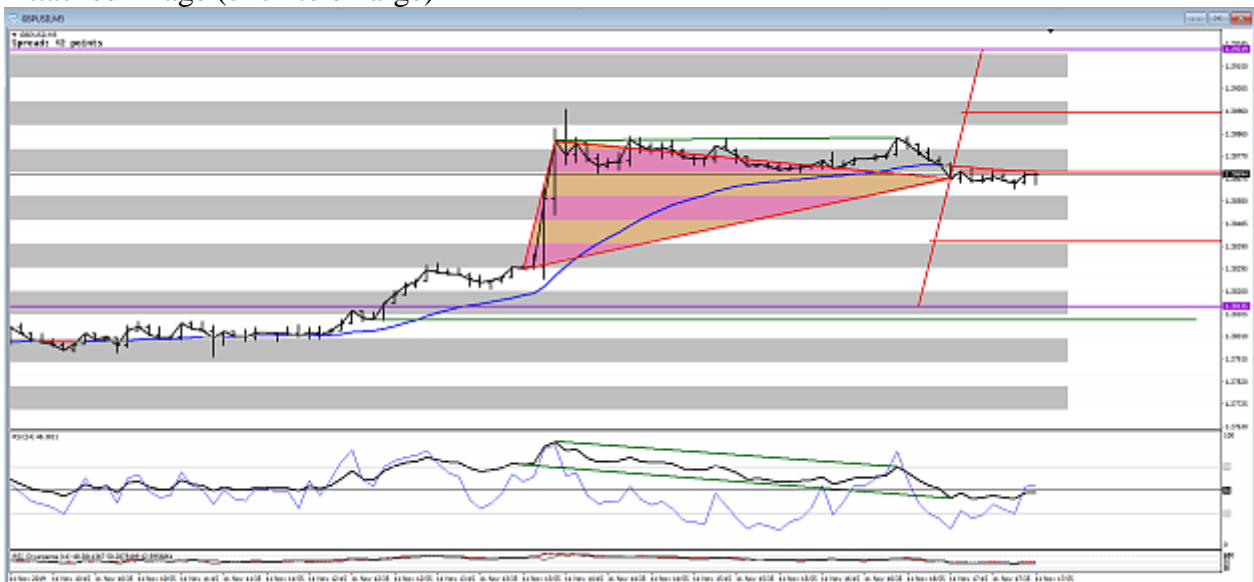


The bears failed to hit the 4H target so the bulls are jumping in on the fact. I posted this 12 hours ago.

Attached Image (click to enlarge)



Now we have this on the 5 min, my guess is long but I am off to bed now.
Attached Image (click to enlarge)



This is so difficult to explain in text and pictures, far easier if we chat on Shype.

Below is the 1 hour chart and I hope I have the area that troubles you in the blue inset I will expand on later.

I have tried to put as much detail here as required to get the job done. There is a lot going on so the details are important so lets recap a few rules.

- 1) Trades go with the trend... Scalps or hedges go against it.
- 2) If trading below the EMA we look for shorts
- 3) If trading above the EMA we look for longs.
- 4) We apply a 1, 2, 3 money management to restrict losses and compound profits.
- 5) We pay attention to our time line, mine is always 9am chart time.(Vertical dashed lines)
- 6) Look for those EMA swing levels, very important.

Ok on this 1 hour chart we see the last scalp made it across the EMA whereupon the bulls

found support. Look at the EMA target!!!! Price will go to the next level in order to drag the EMA to the EMA target. We had an ABCD to assist us with this.

The target was reached and a bear div formed. We have the choice of closing the trade or hedging short, or both if we exit and scalp short. Remember we are now on the opposite side of the EMA so shorts become scalps or hedges.

OK next I will zoom in on the inset and so how that works within our rules.

Whoops, I forgot to mention you should look at the difference between A and B, different setups entirely.

Attached Image (click to enlarge)



Ok better clear up a few more things here.

For me a scalp is just 1 pip of profit which I call break even.

A hedge is a trade placed equal to the sum total of all the lots I am hedging so it is normally of far greater size than a scalp.

All trades begin as scalps, it is the progression that makes the difference. A scalp may or may not turn into a trade. The money management takes care of this..

Let me assume here that everything is done wrong and the trader is trying to profit from the longs. i.e.. the Bull Divs below the EMA.

1) Is a bull div and a long is entered. The expectation is to cross the EMA and the bulls to find support. As price approaches the EMA we move our stop to BE + 1 and 4 hours later we are stopped out.

2) Again a bull div, same expectation, same result stopped out for BE + 1

3) Again a bull div and a complete and utter loss.

4) Again a bull div but we have no entry because we are still losing number 3. **Never add to losing trades.**

5) Again a bull div and it was threatened by the hook but we are ok so far. When price approaches the EMA about X we move our stop to BE + 1 The rest is history as the trade takes off.

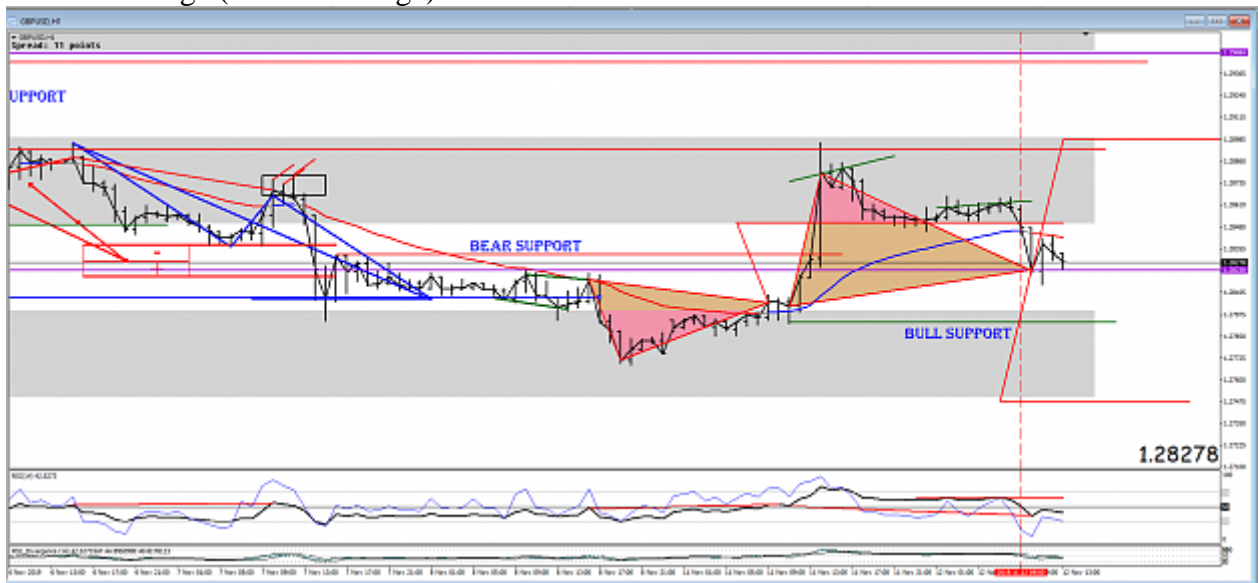
This is a winning situation even though we did everything arse up by not taking the shorts
This is why we have a money management plan in place.

Attached Image (click to enlarge)



Currently we are in limbo with the 1 hour. We have a signal but nothing happening just yet other than bouncing off the C point.

Attached Image (click to enlarge)



[Quoting bridgstarr](#)

Hi Alan If I show you my thought processes, perhaps you could let me know where I might make improvements. At position 1: M5 divergence at the right time, worth a punt. 2: Bull support? add to the position? 3: Bear RSI divergence M5, also divergence on H1. This caused

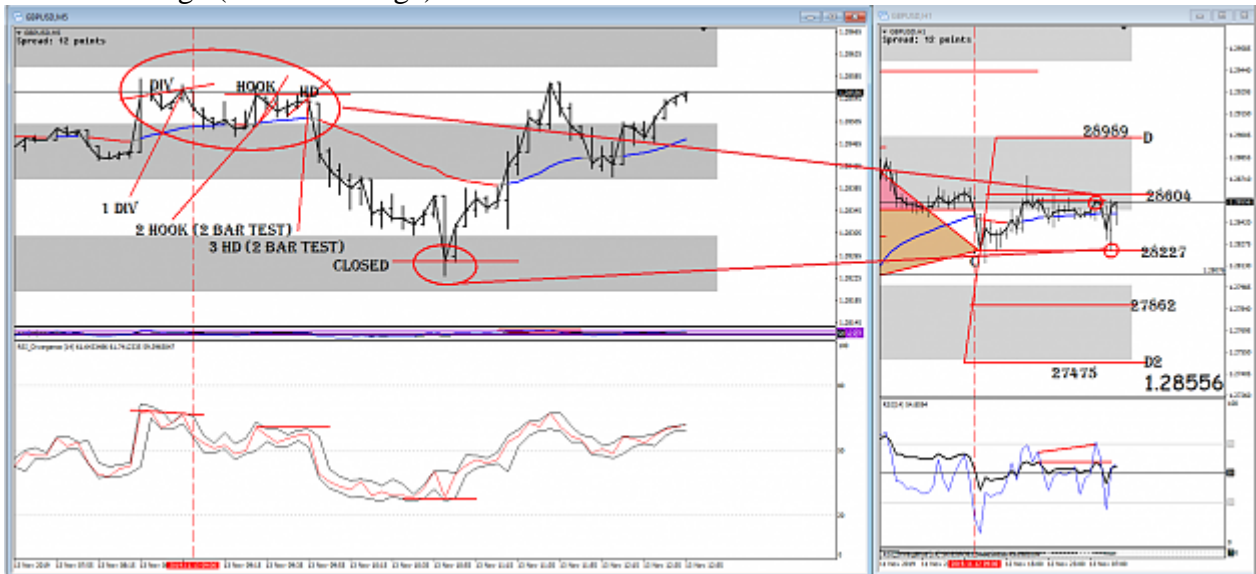
me some confusion - wasn't sure whether to hedge, or whether H1 divergence signalled the end of the trade. I lost a few pips on the following few bars while I made up (and changed) my mind 4: Price touched H1 EMA, but didn't go below, in my head I'm thinking maybe the H1 div...

Well I started a little later than you beginning by shorting from the tops as shown below.

If you look at that short (ending) relative to what was happening on the 1 hour you would or should have seen it was smack on the C point and in div on the 5 min.

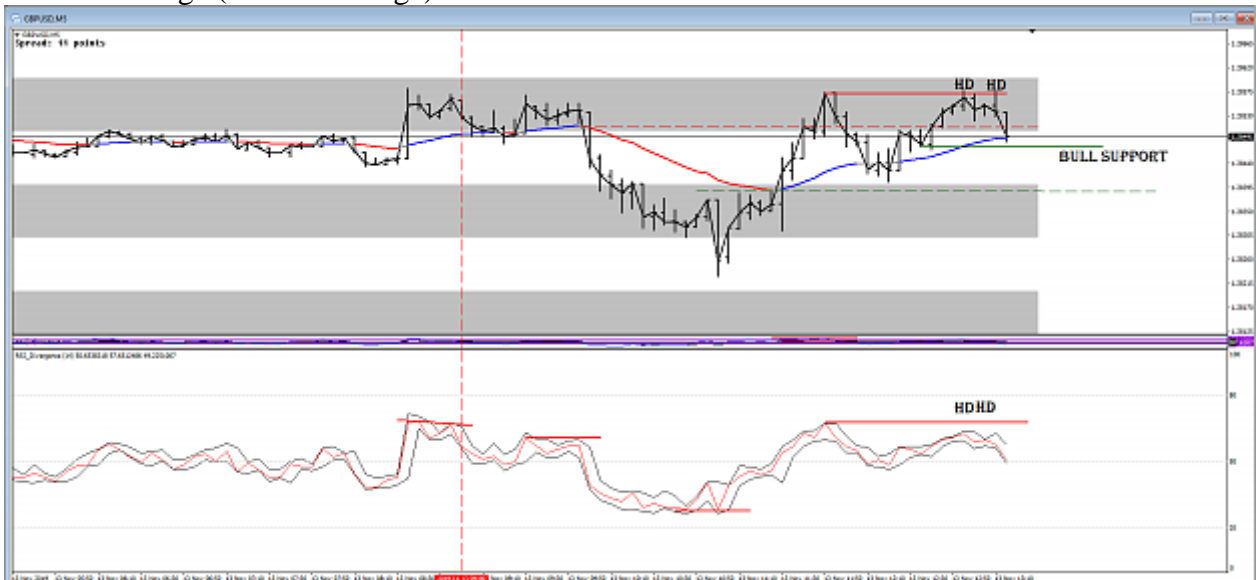
Now I closed and quit there but really I should have not quit but either hedged or reset to go long.

Attached Image (click to enlarge)



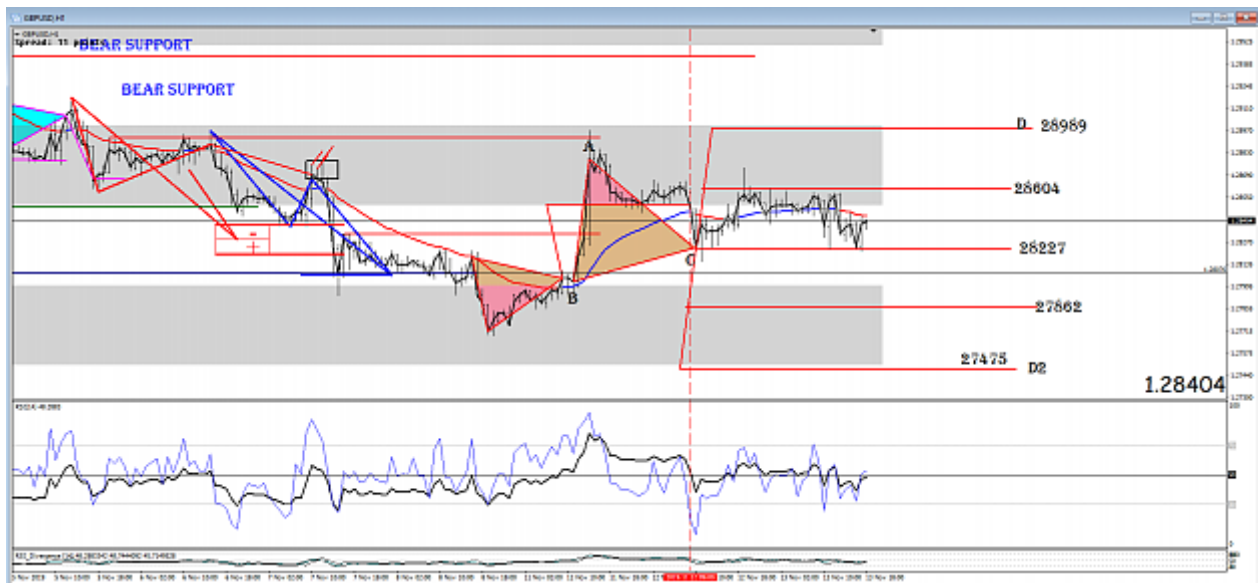
Here we go south again...like a YoYo

Attached Image (click to enlarge)



Still stuck in this 1H range as I head off to bed...

Attached Image (click to enlarge)



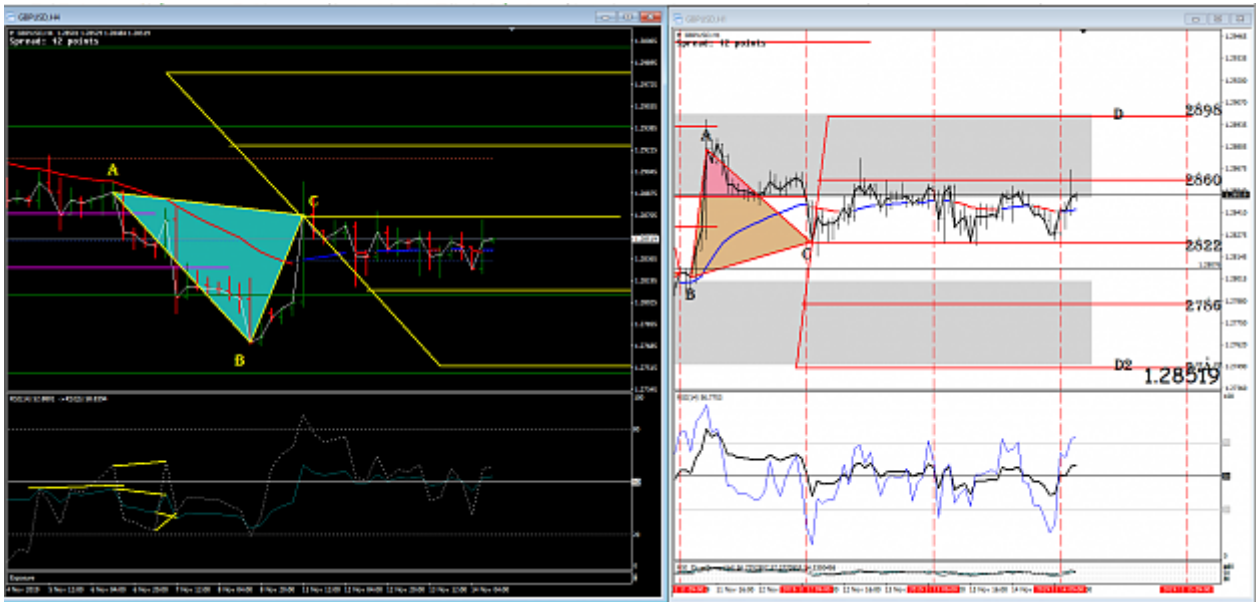
On the 1H I see we are still stuck in the range between C and the 50% levels. HOWEVER something has changed here in the past couple of hours.

The bulls have found support and survived a test by the bears indicating we have bullish strength for the time being at least. Need to watch the European open today for clues. Attached Image (click to enlarge)

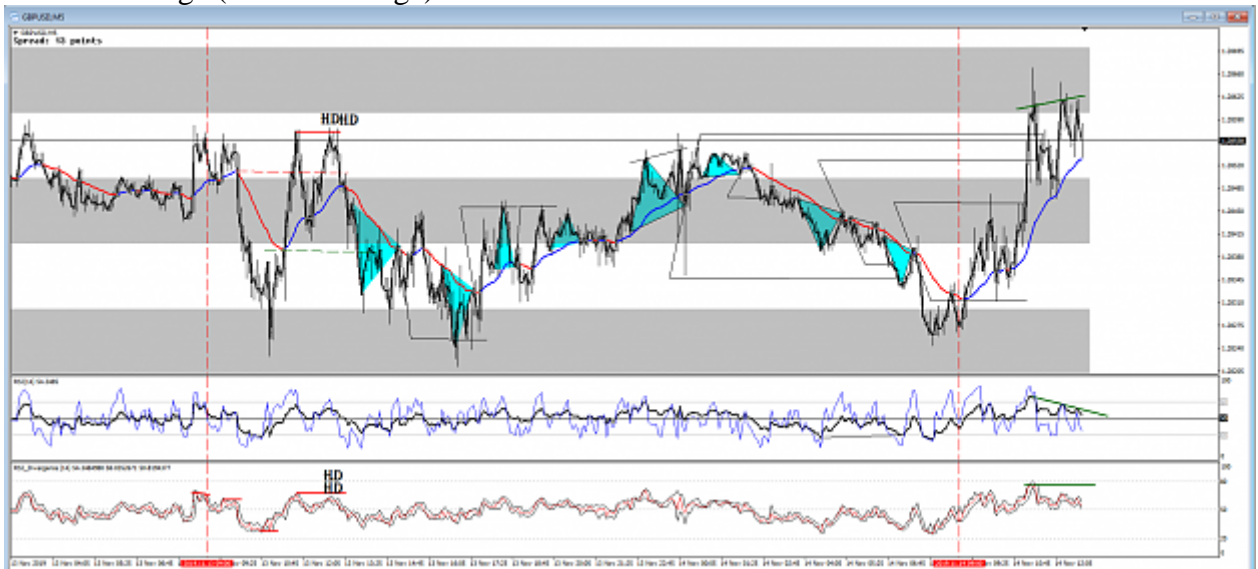


The problem I see here is that on the 4 hour price is trading below the C point but on the hour it is trading above the C point..

I am waiting for the situation to resolve itself. Attached Image (click to enlarge)



Look here at my 5 min chart... Heaps of targets but all so tiny
 Attached Image (click to enlarge)



Well I wasn't trading yesterday but this morning I see price on the 1 hour has finally reached its target after setting up on Monday and only completing on Friday.

This is a long time to execute a setup making one wonder if the market is in a slow down for the time of year.

We are now awaiting a new setup on the hour chart. Note how price closed for the week exactly on the target.

Attached Image (click to enlarge)

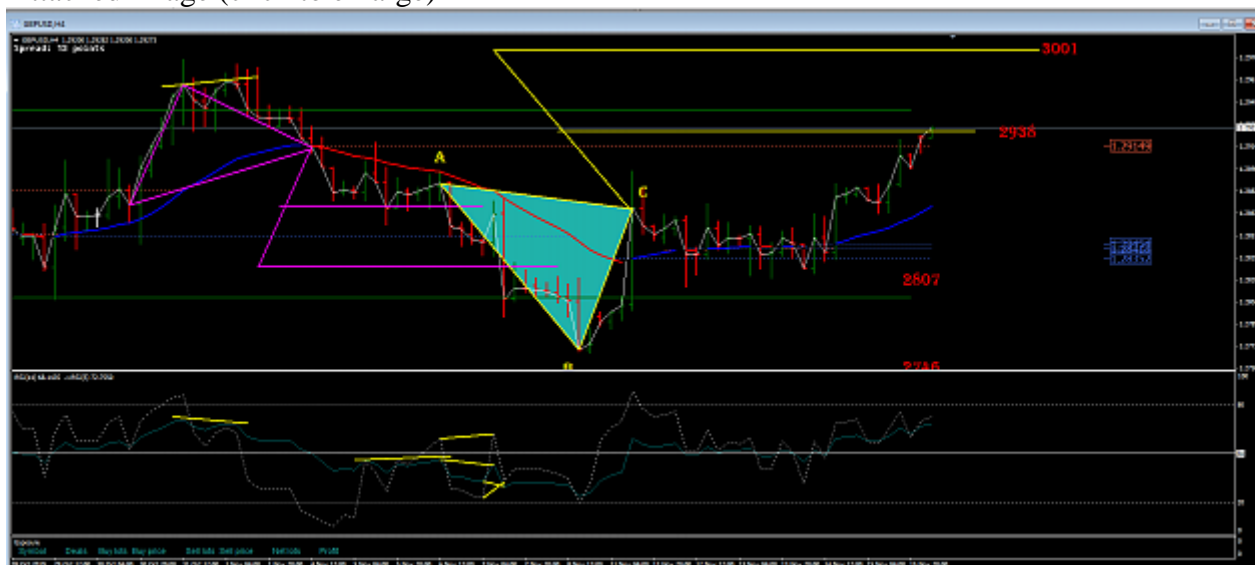


Price is now sitting exactly on the 4 hour 50% level to D.

Bit iffy to determine if it will push across or retrace back a little. Good ZOO point to keep an eye on.

On the 1 hour we see a rejection of the bear div so it looks like price is heading for the average swing high at 2947.. This would mean a cross on the 4 hour so maybe a push to the 3001 D target is on the cards.

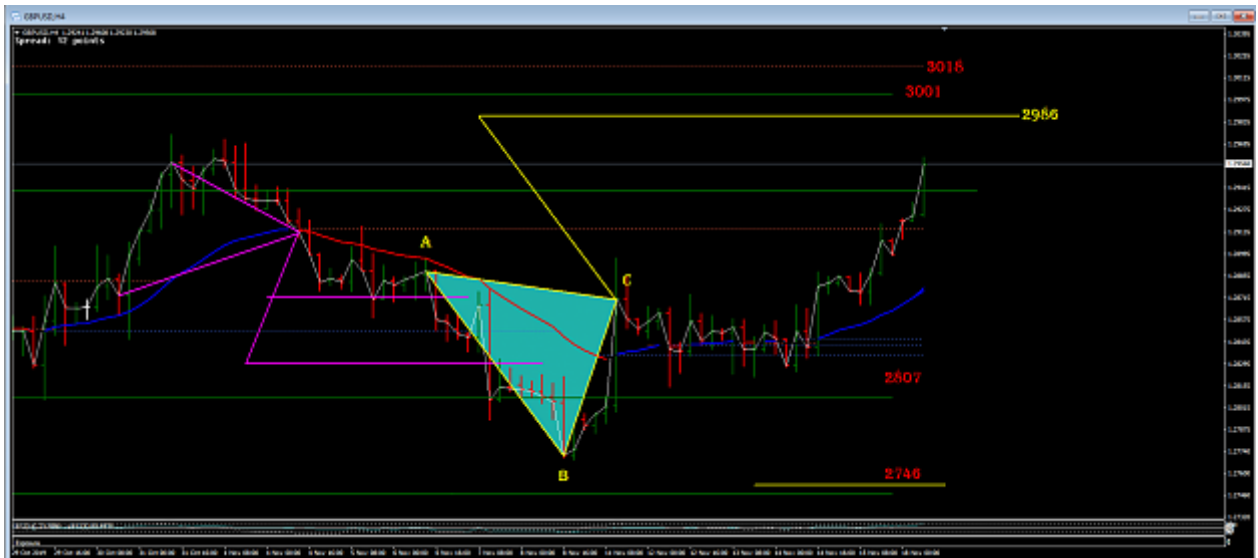
Attached Image (click to enlarge)



Sorry I have the wrong price on that 4 hour chart above.

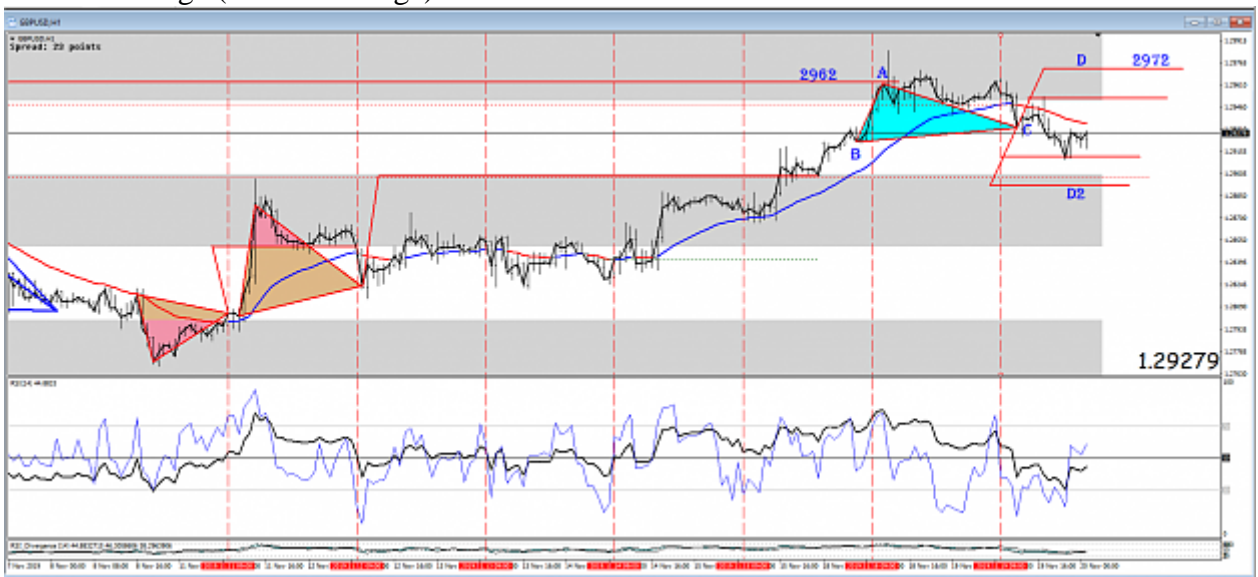
It should look like this below...

Attached Image (click to enlarge)



Well it's been a while since we had a signal on the 1 hour and look what happens... Price ranges between the two 50% levels.

The general trend is up so I would be looking to take the longs for a continuation
Attached Image (click to enlarge)



And for what is relatively a long time the D2 is hit...
Attached Image (click to enlarge)



It would appear now that the market has slowed to a crawl. Already 10 hours in and this move has only completed about 8 pips.

It is taking far too long to make targets for my liking indicating lack of market interest for the time of year...

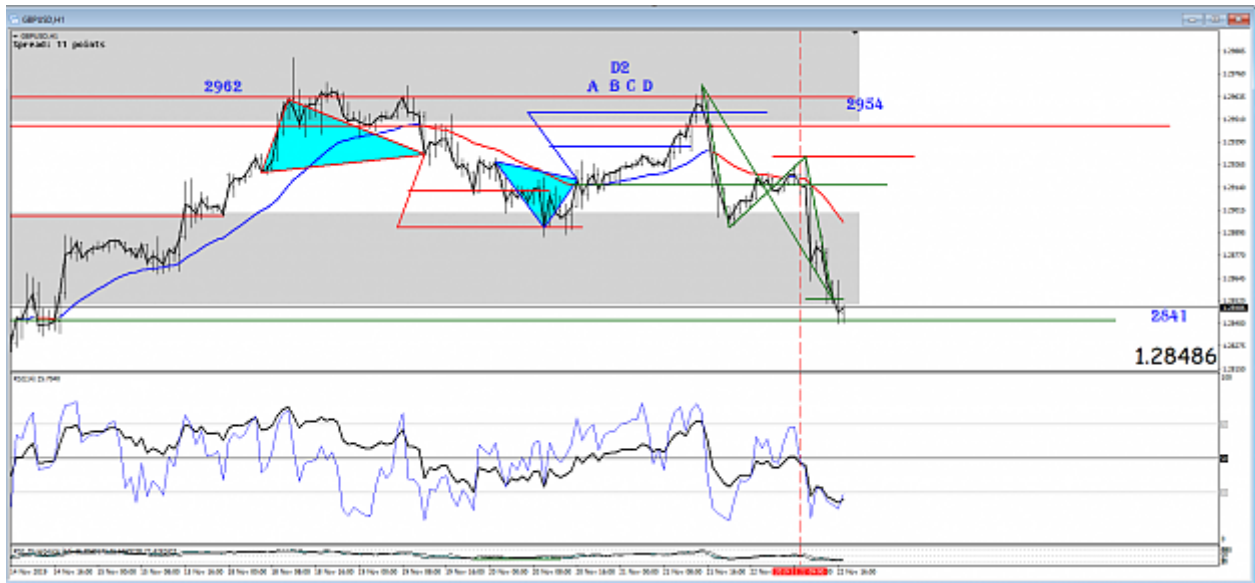
Much better when we are moving at a pip per minute rather than a pip per hour.

Attached Image (click to enlarge)



The $AB = CD$ took it to the average swing low which was also the daily R2 pivot...Nice trade..

Attached Image (click to enlarge)



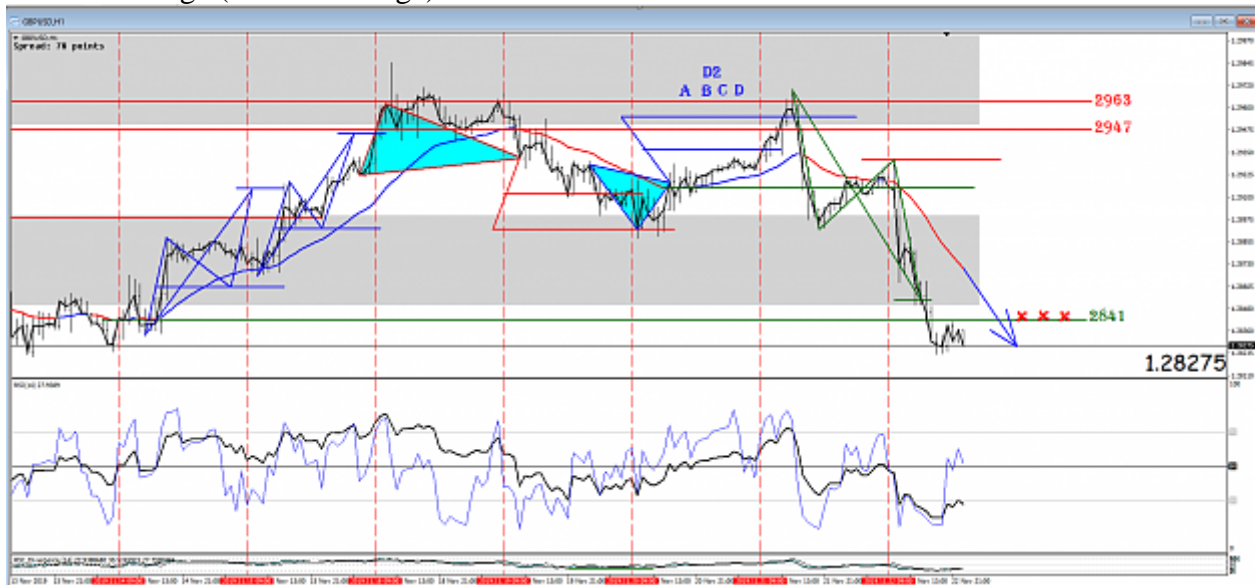
Phew! Glad I went to bed because I would have expected more of a pull back towards the EMA which didn't happen.

It now looks like a holding position as we wait for the EMA to catch up and make the LL..

The blue AB = CD's on the left are where I was explaining to someone how I spot and measure them, thought I would leave them on for you all.

These are very common swings of sentiment that balance equally and very nicely. They are so common that between the two triangle ABCD there are two more AB = CD's, see if you can spot them.

Attached Image (click to enlarge)



[Quoting MrMagnet](#)

Hi Alan, what is the criteria for making an A and B point with the AB+CD measurement? And at what point would you say the C point has retraced too far and has failed?

This is a good question for a change...

A and B are simple the swings we do not know yet if they are to be $AB = CD$.

So we watch for the pull back approaching but not crossing the 50 %.

We look for the entry there and our stop is the other side of the 50% i.e. very tight.

Here on this 1 hour chart there are two green ones with a possible magenta one setting up but now that has turned into an ABCD triangle

Attached Image (click to enlarge)



So now we are left with this...

Attached Image (click to enlarge)



See if I put in all the signals how complex it gets with all the lines.

What we have here is an ABCD and two $AB = CD$'s

I have moved the target lines a tad so you can see where the targets are hit from the 50%

I just go home so I have not traded today.

I see the market gave us another ABCD
Attached Image (click to enlarge)



I'm still not sure about this one because the A point was a Dodgy so I have two targets 2890 and 2894. I closed at the lesser one to be on the safe side.

Off to bed now so I will have to wait until morning to find out how this played out.
Attached Image (click to enlarge)



Well I still think it was the 2890 for this setup so I will make a note to include those Dodgy Doji's in future.

I was thinking this is strange because the bulls ran to the target without even finding support. So if this is the case there may be a higher target on the agenda. This would also be the case if the EMA is to make the HH.

Now if it going to make this HH then price should run to the next level 2947 and look what happened while I was asleep.

We also had an outstanding target at 2919 and price was so keen to get there it gapped to it.

Who said we can't plot where price is going without a crystal ball. Just going to polish mine....
Attached Image (click to enlarge)



Currently I see this as being a holding pattern while the EMA continues to rise heading for the HH.

This is often a dangerous place to trade because the bears may try to stop it.

It was in HD at the top so it may make the EMA and stop it.

Still we sit and wait for a proper signal.

Attached Image (click to enlarge)



There is still no sign of any bearish activity with this run now at about 38 days of daily climb.

People just don't seem to get that we have to have the odd pull back but these hardly causing

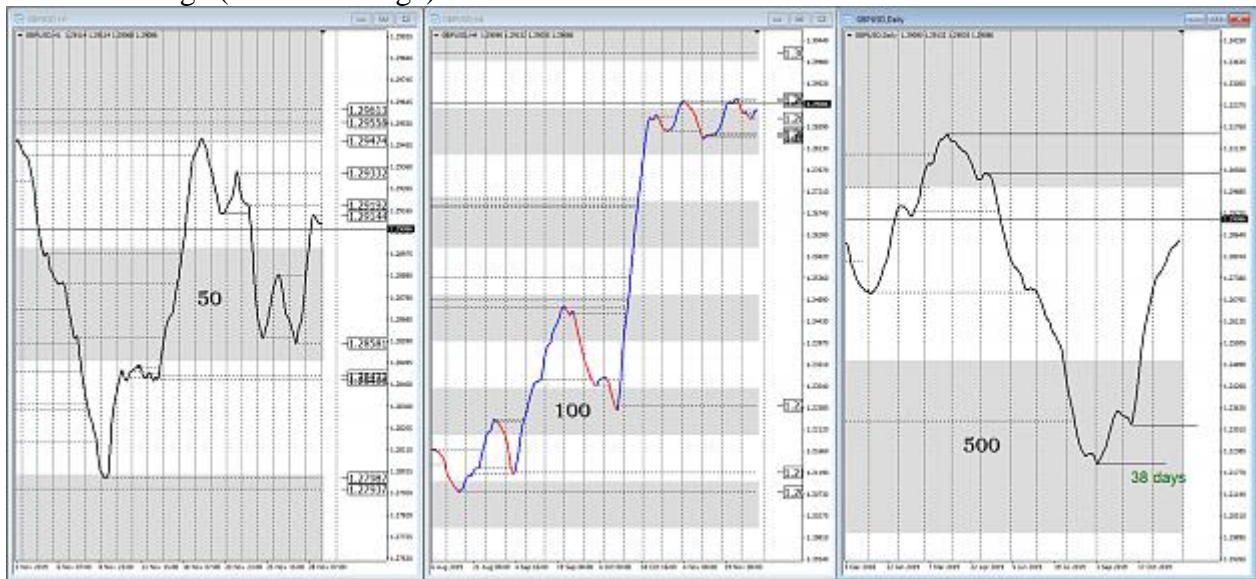
the collapse, just creating new opportunities.

See here below how the daily continues to climb but on the 1 hour and 4 hour there have been many opportunities to trade both ways. On the 5 min chart there has been millions of opportunities.

Looking at the markets this way we can readily determine the bias we wish to trade via the time we have available. Obviously the best bias for the past month or so has been bullish if we traded the daily chart however this does not mean that if we are trading the hourly chart we cannot get some nice shorts in..

Watch for those divs that try to stop the average and turn it.

Attached Image (click to enlarge)



[Quoting mayflower](#)

Did anyone not see this on the 60m? It couldn't have been more pip perfect. Price is still stuck in this Daily range since mid October. {image}

Here you go, corrected your chart

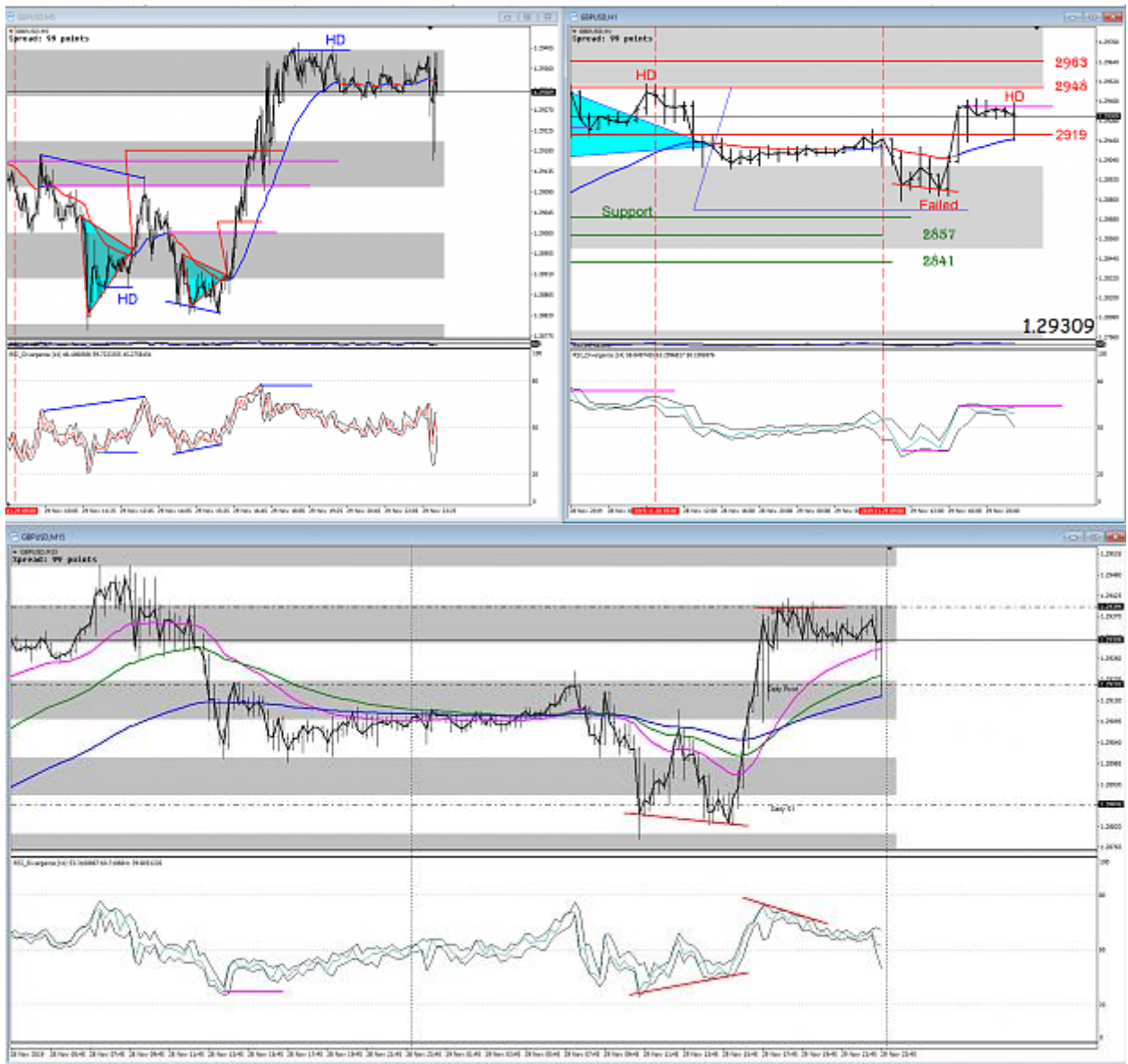
Attached Image (click to enlarge)



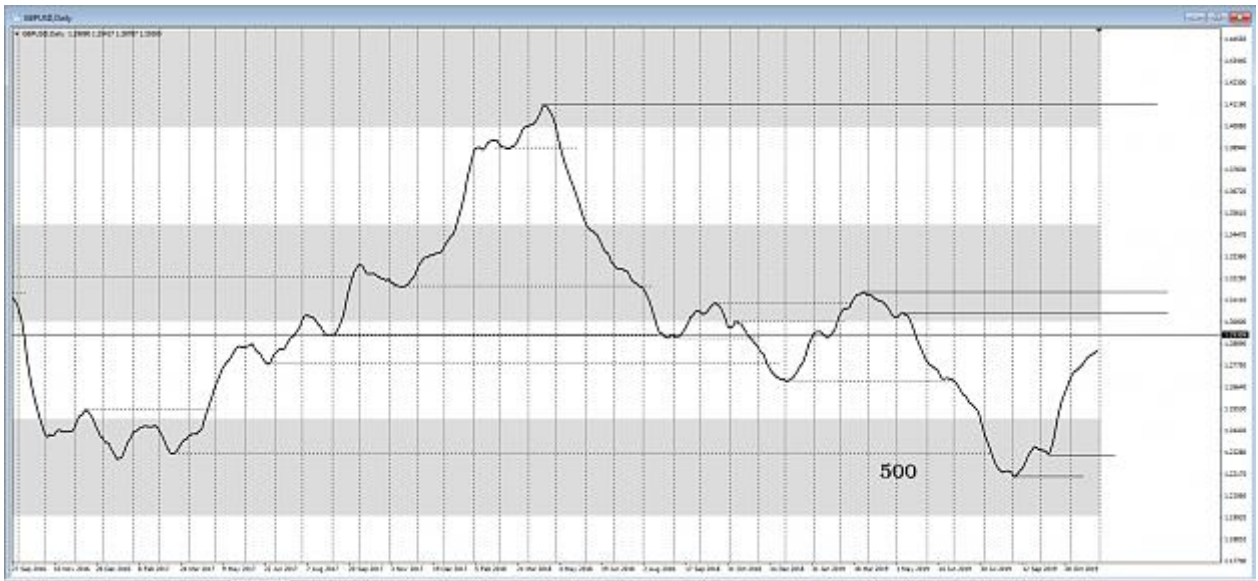
Talk about YoYo trading yesterday was a blast for profits but one had to be on the ball keeping a close eye on the moves.

Divergence kept stopping and reversing the action. I didn't hedge at all but just kept up with the changes until I reached my daily PT.

Below is the mess my charts made. What is missing is the 15 min chart where price shot from the Daily S! to the Daily R! where it again ran into div. I have included this below. Attached Images (click to enlarge)



So at the end of the month we see the daily average continues to rise and wonder if the monthly will actually break long for a change.
Attached Image (click to enlarge)



Finally after 3 days! the 1 hour makes the target.
Attached Image (click to enlarge)



Once this EMA makes the HH (red circle) sometime today, then we can start looking for a new signal and target.
Attached Image (click to enlarge)



Zooming out we can see there are some nice distances to make should the price decide to get a wiggle on to drag that average even higher. For the average to make the 2963 we should see price making the 3014.

A break short and we may see the 2914 tested.
Attached Image (click to enlarge)



4 hr target (yellow) was finally hit while I was on the loo... Too much information hey!
Should see some southerly movement not.
Attached Image (click to enlarge)

