

Bullish BAMB Breakout

The illustration of the Bearish Bat pattern in Figure 5.1 shows the point where the BAMB is triggered. Utilizing the Bat pattern illustration, when the B point of a pattern is at a 50% level or less, the CD leg typically experiences a greater retracement of the XA move to the 0.886 level.

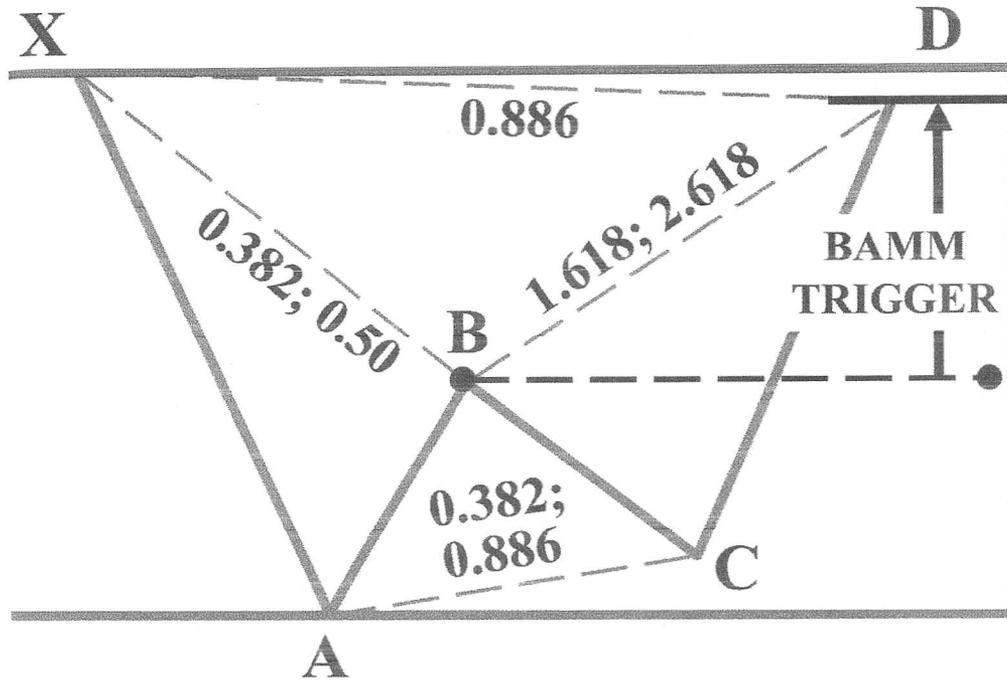


Figure 5.1

In the case of the Bearish Bat pattern, when the price action exceeds the B point in a breakout move, the segment of the CD leg typically extends toward the 0.886 retracement, which is usually complemented by other harmonic measurements. As a side note, it is important to point out that the Bearish Bat is utilized in the Bullish BAMB because the opportunity to get long on the breakout of the B point is striving to capture the segment to the completion of the pattern at the 0.886 retracement. Also, it is important to note that this technique typically employs shorter-term trading strategies within the context of a longer-term pattern. The ultimate goal is to capitalize on those smaller yet higher-probability price moves within the completion of a much larger pattern.