



MTPredictor™

Software & training for Risk/Reward trading with Elliott wave

Daily Training report



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Announcements

MTPREDICTOR™ working with PARTNERS

-  Latest MTP reseller [+ MTP article [here](#)]
-  Thank you for showcasing MTP recently
-  New 2006 MTP reseller – finalizing ...
-  New 2006 MTP reseller – shortly ...
-  Press Release [here](#) + the Exchange article confirmed
-  MTP article confirmed - spring issue...
-  New MTP site feature [here](#)
-  Recent MTP articles [here](#)
-   Last MTP webinar [here](#)
- **ADD-ONS with PARTNERS**   - Videos [here](#)

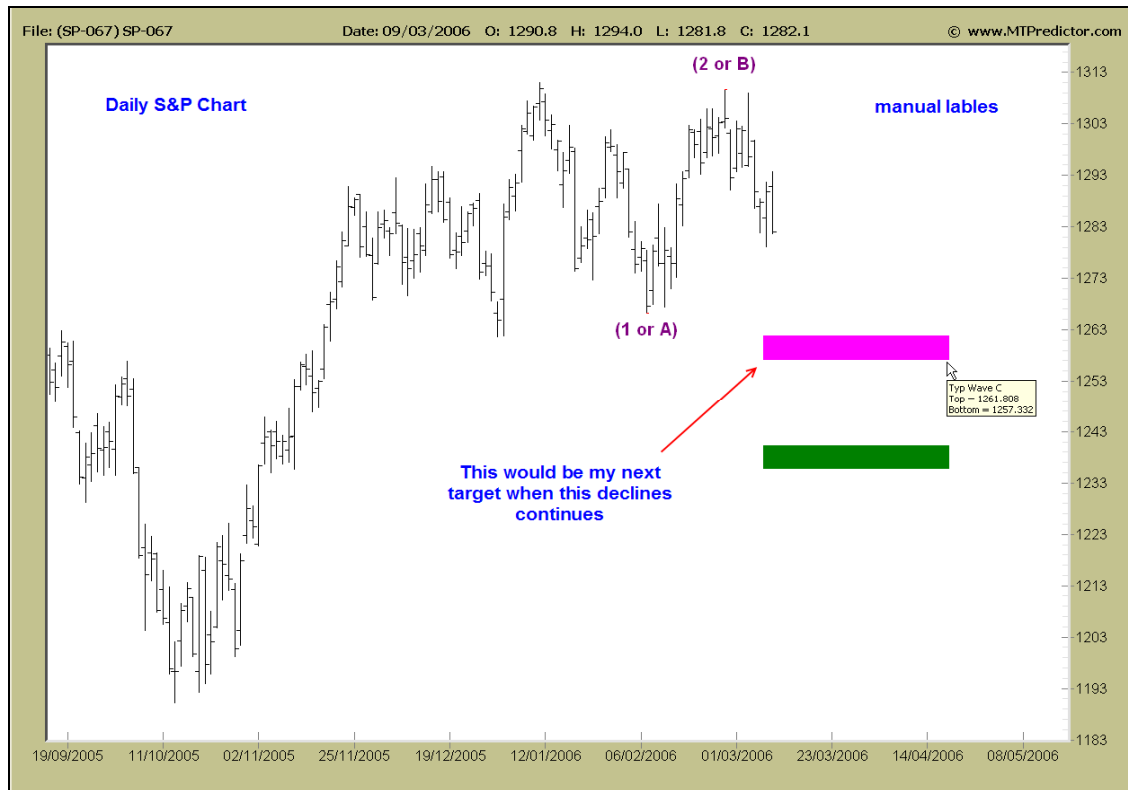
PAID ADVERTISING/SPONSORSHIP (BMW; SAS®)



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Market commentary

S&P (SP-067) Daily Chart:



As you can see from the Chart above, yesterday the S&P declined again. The question for me is whether the current decline can continue, and if it does, then how low will it go. I have added a few initial targets on the chart above, assuming we continue to decline to below the old Feb 7 low.

But it is the shorter-term (15 and 60min) charts that are more interesting. On the first chart on the next page I have sketched out one "possible" outcome for the next few days, where we get a rally to complete an ABC correction. This may not happen, but if it does then we will be ready to take new short trades.

Notice how yesterday's high reversed right at the level of the minimum Wave 5 WPT to complete a 5-wave rally, this would have helped you reverse your short-term outlook from bullish to bearish yesterday....

The Nasdaq looks very bearish, where we had another sharp decline yesterday. So let's see how today unfolds, but I suspect that we may get a minor bounce today, or at least a narrow range sideways day....

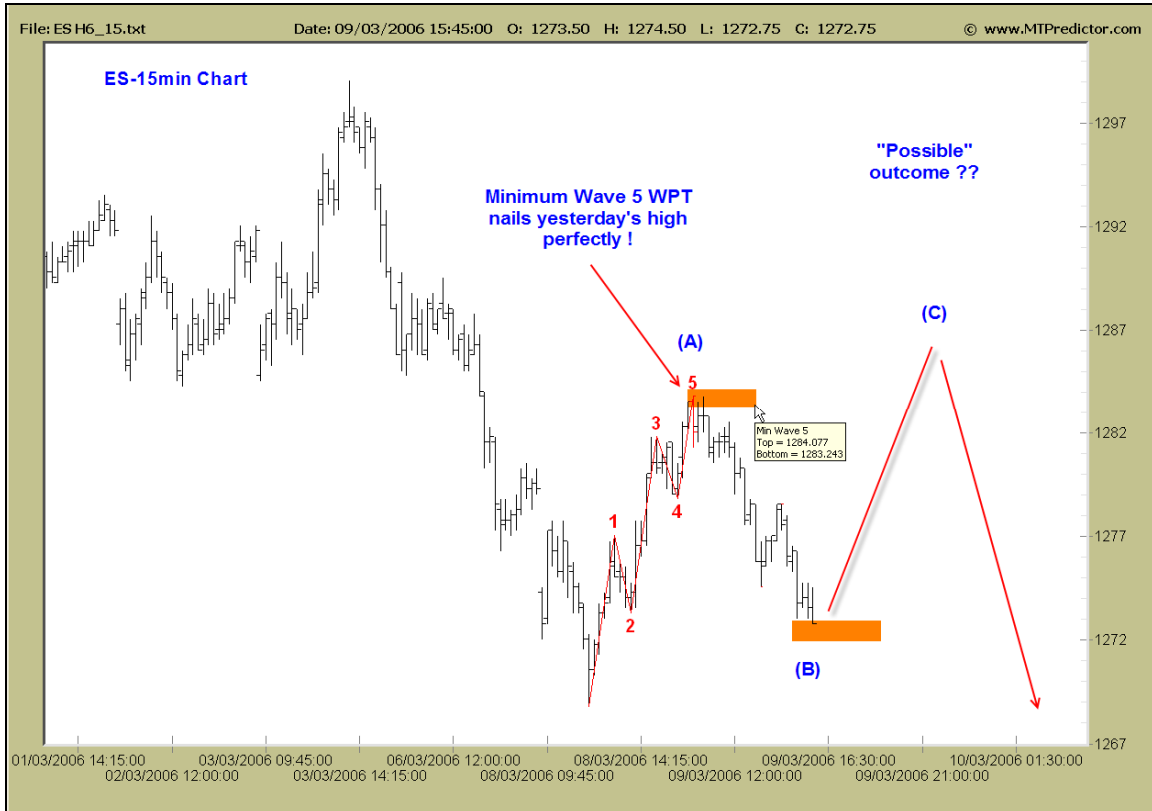
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ES 15min Chart:



Nasdaq (NQ1-067) Daily Chart:



OK, over to some Real-Time charts now.

Yesterday was a very interesting day on the short-term stock indices. But first I would like to answer a question I had on a TS3 buy set-up early in the day on the 3min AB (ER2):



Here I have used signal's Bar Replay mode to go back and take a closer look at this set-up. Although we had a nice ABC pattern here, the reversal was too far beyond the WPT support zone to be valid; as such this was not a good trade to consider. This is why we place the WPT zones on the chart, to make sure that the reversal is occurring at a good support or resistance area.

Next I would like you all to go back and look at the 15min ES chart on the prior page. Here you will see how the "Show Elliott Waves" module nailed yesterday's high for you perfectly. So what would that have meant for short-term traders? Well, once the market started to back off from this high, the larger degree trend had changed to down, as such you should have been looking for short sales rather than long trades. This is another reason why the AB long trade above failed (although it was not a valid set-up anyway).

Continued on the next page . . .

And we did not have long to wait before some nice sell set-ups unfolded, the best for me was on the 3min ES:



But before I look at this short trade, I would like you all to check the R/R on the TS3 Buy set-up that occurred earlier in the day, then let me know whether that would have been a valid trade to consider (hint – was the initial R/R too low ?)

But back to this TS3 sell at 14:18 EST. As you can see, this was a good looking ABC pattern that reversed at the Typical Wave C WPT with a red (sell) bar and the \$STRIN was red and rising. In other words everything we require for an ideal set-up. The ES then declined sharply turning an initial risk of \$400 (2% initial risk on a \$20,000 account) into a profit of approximately \$1,400 (Ignoring slippage and commission) – a great return of 3.5x the initial risk !

I hope all the RT traders among you caught this trade, especially as it was such an ideal set-up ☺

Thanks,

Steve

Real-Time charts provided by eSignal® and TradeStation8®

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Thanks and good trading . . .

Steve Griffiths
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