



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](#)

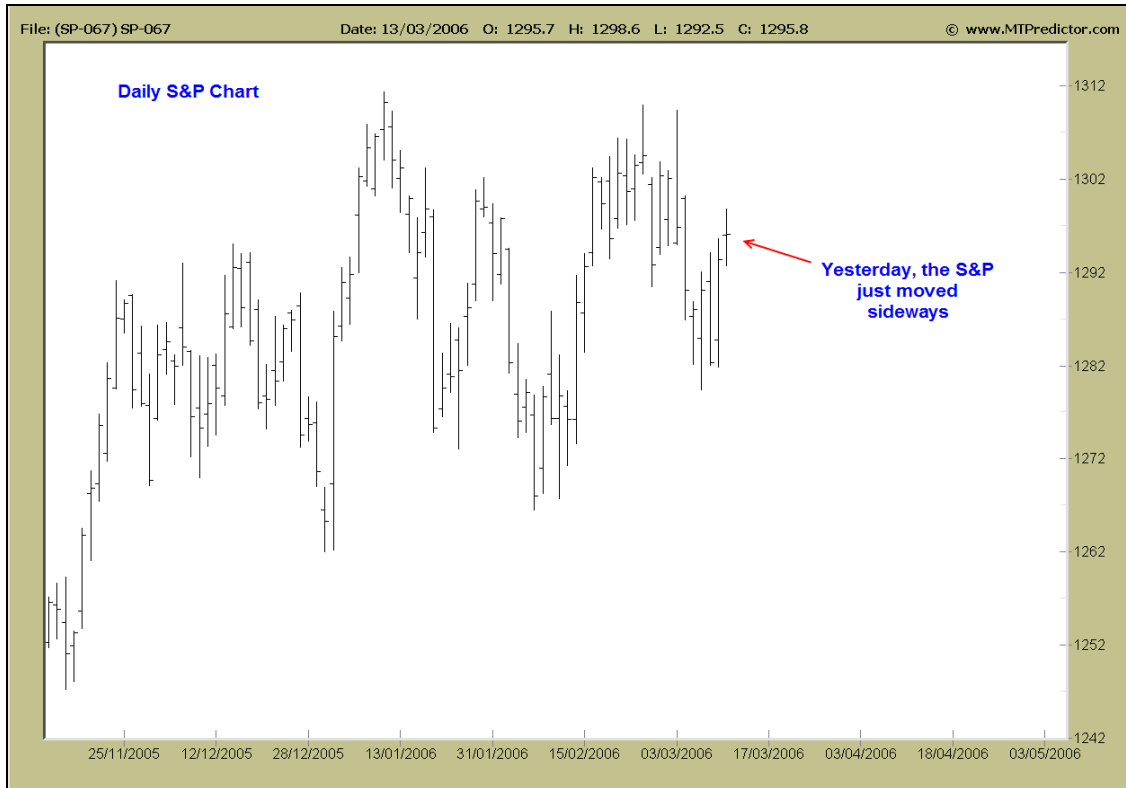
PAID ADVERTISING/SPONSORSHIP (BMW; SAS®)



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Market commentary

S&P (SP-067) Daily Chart:



As you can see from the Chart above, yesterday the S&P rallied slightly and then just moved sideways. Although this took out Friday's high, this is not the kind of price action I would like to see to confirm a new Bull trend. As such, I am still undecided on the position here.

This can be seen even more clearly on the 60-min Chart on the next page. Here you can see how yesterdays rally just took the Wave C swing (of our current ABC correction) into the Typical Wave C WPT. As you can see, this just leaves us in the same position as yesterday, in that a Wave C high is still in the process of completing.

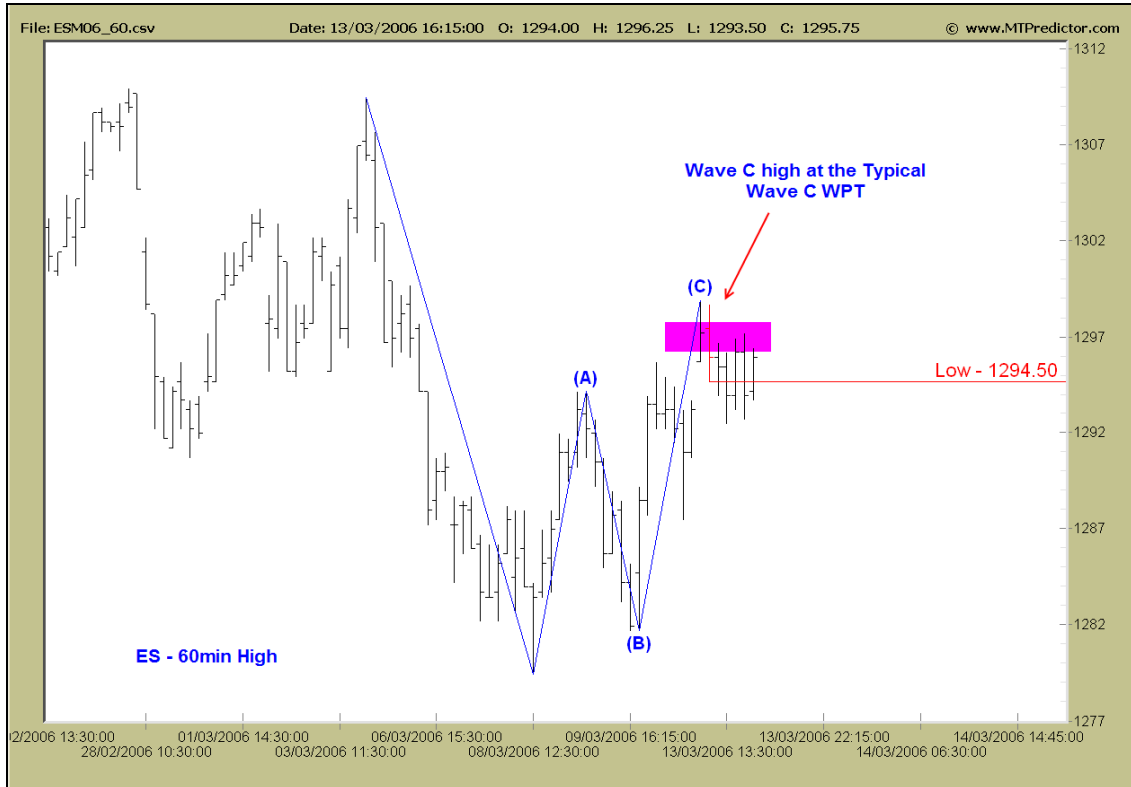
Sometimes markets unfold exactly as anticipated (over the last few days) and sometimes they do not, this is just the way markets act. And as such we can act when we have a clear pattern, but when the pattern is not so clear (at the moment) we must have the patience and discipline to wait until things become clearer.

So for me we have exactly the same situation as yesterday – will the S&P make a high at the current 60-min Wave C WPT or will this fail and we move to new highs. So for the second day running we have a decision point in the markets.

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ES 60min Chart:



ES 60min Chart:



OK, over to some Real-Time charts now.

After such a good run of good (and profitable) trades recently it was no surprise to have a harder day yesterday, where few trades unfolded, and those that did were not good looking set-ups at all.

The day started with us getting stopped out for a small loss on the 60min ES TS3 short from yesterday. As you all know, losses can and do unfold, the trick is keeping them small when they happen.

Please remember that markets go through cycles where we have periods of good profitable trades, that is then followed by quieter times where a few small losses unfold, before the cycle comes full circle and more profits come through. This is just the natural cyclical nature of the markets and how they really unfold. As such, if you are a day trader, please do not expect to trade or make profits everyday – this simply does not happen. The trick is keeping the losses small when they unfold which keeps your trading account in tract ready for you to take advantage when the profitable trades come through. This may be a new concept for many of you, but then most software vendors don't trade, so they do not know how the markets really unfold in real life....

A number of you have written in and asked me to show some "less than ideal" set-ups and outline why I do not like them (for training purposes), so here is a good example from yesterday on the AB (Russell Index):



Here you can see a TS3 buy set-up that reversed at the minimum Wave C WPT with a blue (buy) bar. So, initially, this looks to be a valid trade set-up.

However, can you see how the ABC swings are not clear and obvious, in fact I can't see 3 distinct and separate swings in this decline – can you ?

Please remember, I like to see 3 clear clean and obvious swings for a good looking ABC pattern. Sometimes the maths in the software will find ABC set-ups but although valid, just don't look right. This is just another example of were Human Beings are far better than computers at pattern recognition. You can teach a computer a set of rules for how swings should unfold, but sometimes although the maths is correct, the pattern found just does not look right.

This is my main project for this year to try and fine tune the algorithms so they can help filter more “good patterns” for you. So for now, please use these automatic set-ups as a “scanner” that gives you “potential” trade opportunities, it is then up to you to make the final decision.

Again, this is a tricky and awkward example that I have chosen to help train you all what to look for. Most software vendors will only ever show you ideal and perfect examples. This is where MTPredictor is different, because I am a trader I know that sometimes situations like this will arise, where you have a difficult and less than ideal choice to make. I am happy to talk about and address these questions, unlike most software vendors.....

So overall it was a difficult day yesterday for the short-term traders on the US Indices, but then this come on the back of some very good days last week , where we had a number of very good and very profitable trades.

Thanks,

Steve

Real-Time charts provided by eSignal® and TradeStation8®

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Thanks and good trading . . .

Steve Griffiths
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