



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](#)

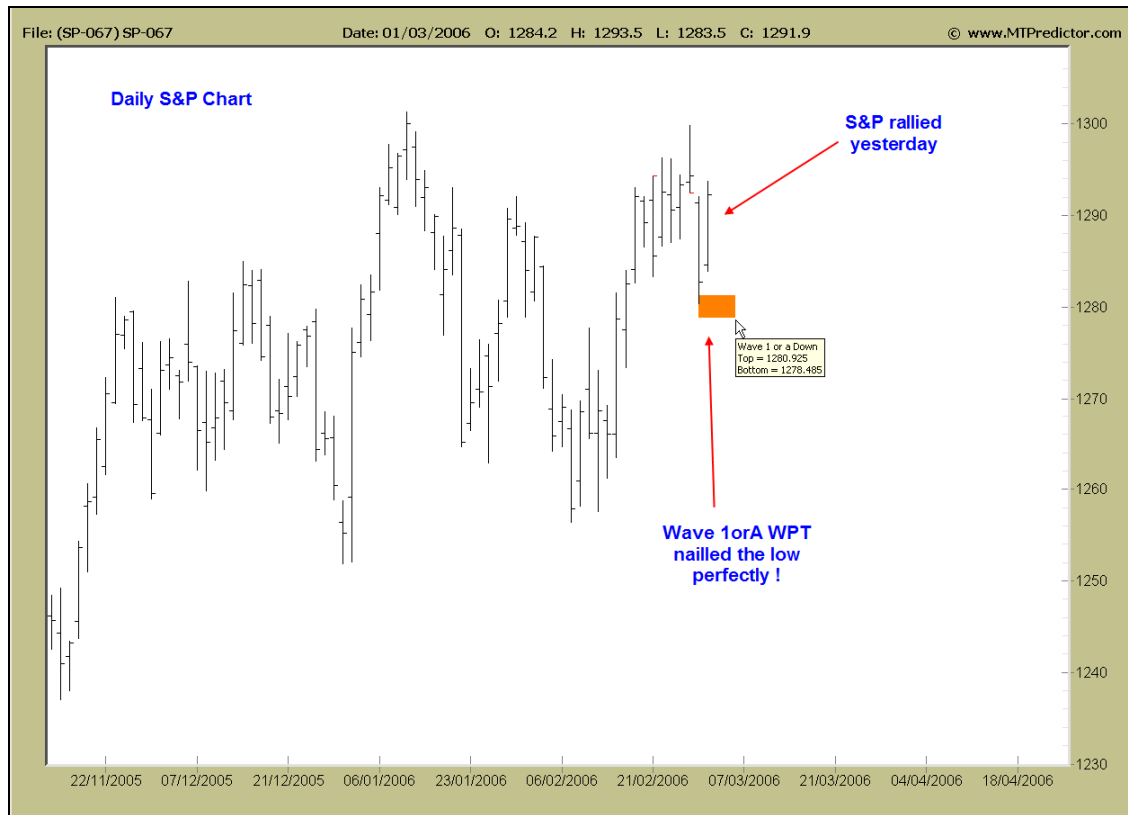
PAID ADVERTISING/SPONSORSHIP (BMW; SAS®)



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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 nicely. This is exactly what I anticipated would happen in yesterday's report, where I highlighted the minor Wave 1orA WPT as a good support area off which a rally would probably unfold. As I said yesterday, I was looking to see how the minor pattern of this rally unfolded. Well, looking at the 60min chart (not shown) this looks to be more impulsive (rather than corrective). In other words, there is no obvious ABC correction to this rally. So that leaves us in the position that this rally could well continue into today.


The Nasdaq also rallied yesterday, please see the second chart on the next page. But the important thing here is that the low of the red bar was not exceeded, therefore no short trade. It will be interesting to see if this rally can continue today and take the NQ to above the last minor high of Feb 27.

I found this good looking TS1 set-up on the British Pound Futures; please see the second chart on the next page. However, on closer inspection, the initial R/R numbers are a little low to make this an "ideal" set-up.



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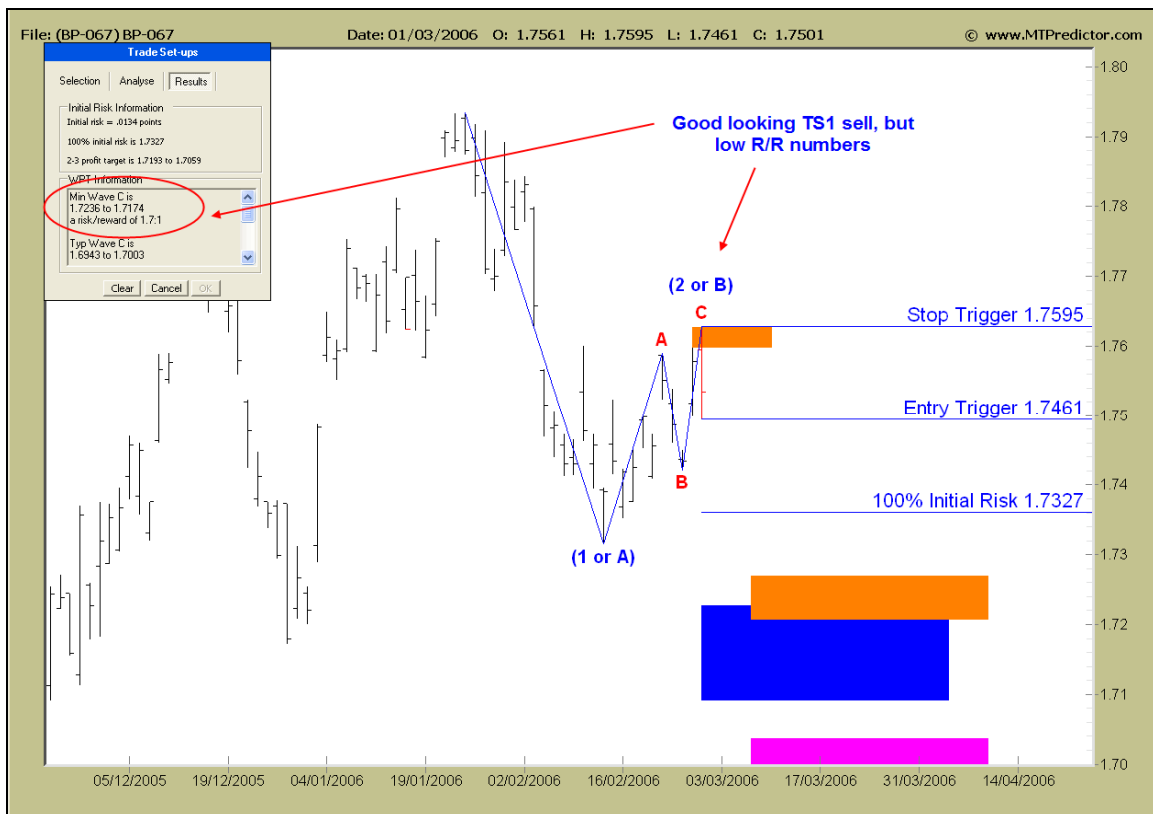
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Nasdaq (NQ1-067) Daily Chart:



British Pound (BP-067) Daily Chart:



OK, over to some Real-Time charts now.

For me the best looking set-up yesterday was on the 3min NQ:



Here we had a nice and symmetrical ABC pattern with the 3 swings (ABC) being nice clear and clean. The reversal then got you into a long trade with a small controlled risk that allowed you run the trade up into the first profit target, which was actually the high of the day ! There you would have been stopped out for a profit of just over 2x the initial risk (ignoring slippage and commission). Also take a look at the \$TRIN, not only was this very bullish (so you should have only been looking for long trades yesterday), but this was also in the direction of my daily analysis from yesterday. So not only was this a good looking trade, but everything fitted in very nicely indeed – this is what I like to see for a perfect set-up !

As you all know, I am very picky when it comes to selecting the best looking trades set-ups, so I like ones like there where everything comes together to signal a good trade 😊

Continued on the next page.

Now compare the NQ ABC pattern to this one:



Here we have another ABC, but this time can you see how the swings “overlap” slightly? In other words, the ABC pattern is not nice, clear and clean. As such, although this is labelled as an ABC TS3 low, I would not consider this an ideal set-up, and as such I would prefer the NQ set-up.

Many people ask me, why can't the software do this filtering for us? Well, this is what I am working on here at the moment, but what you all need to understand is that a computer is not as good as a human being at being able to recognize patterns. Yes we can give it mathematical rules to follow, but that is all it does, and because there are so many variations that can unfold in the markets, the computer just places labels on the chart according to its rules and knows no better.

Thank goodness Human beings are more intelligent than this that is why we are still far far better than computers at trading.

Thanks,

Steve

Real-Time charts provided by eSignal® and TradeStation8®

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Thanks and good trading . . .

Steve Griffiths
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