



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](#)

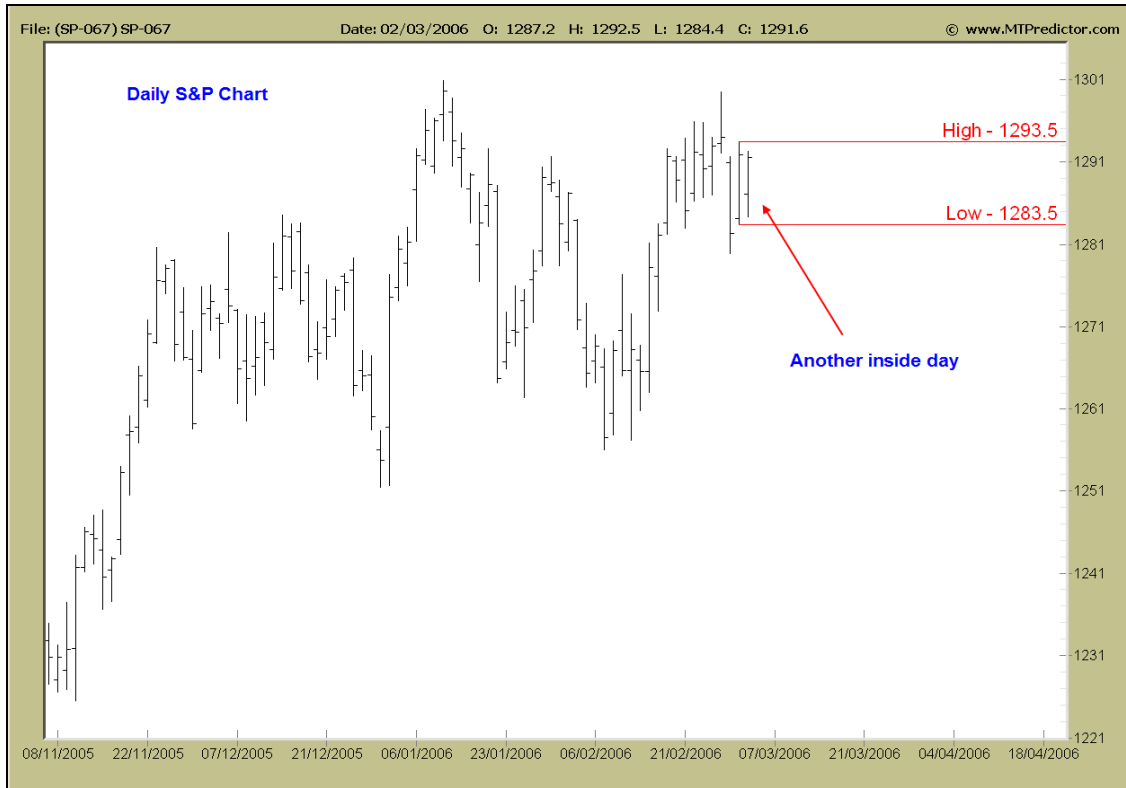
PAID ADVERTISING/SPONSORSHIP (BMW; SAS®)



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Market commentary

S&P (SP-067) Daily Chart:



As you can see from the Chart above, yesterday the S&P just moved sideways, making another inside day. As you know from last week, inside days are just days where the market is pausing for breath before its next move. Personally, I would like this to be to the upside, but we must wait and let the market conform this by its own actions.

The Dow Jones is in a very similar position having just moved sideways over the last few days; please see the first chart on the next page. As with the S&P, I would like to wait and see which way the Dow breaks from this consolidation in the next few days. So (like the S&P) we must have the patience to wait for the markets here.

The Nasdaq looks to be heading back up to the minor high of Feb 27. "If" we do break this high, then it will help confirm my "manual" analysis that nailed the Feb 10 low.

Continued on the next page

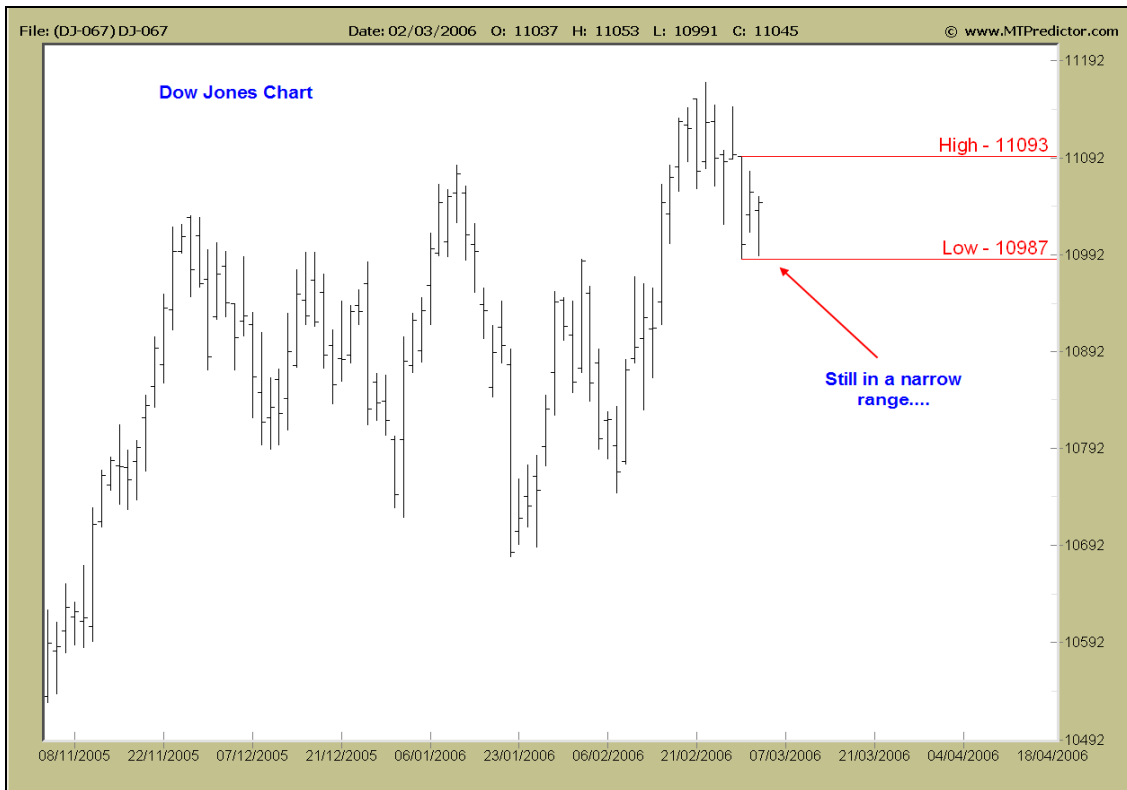
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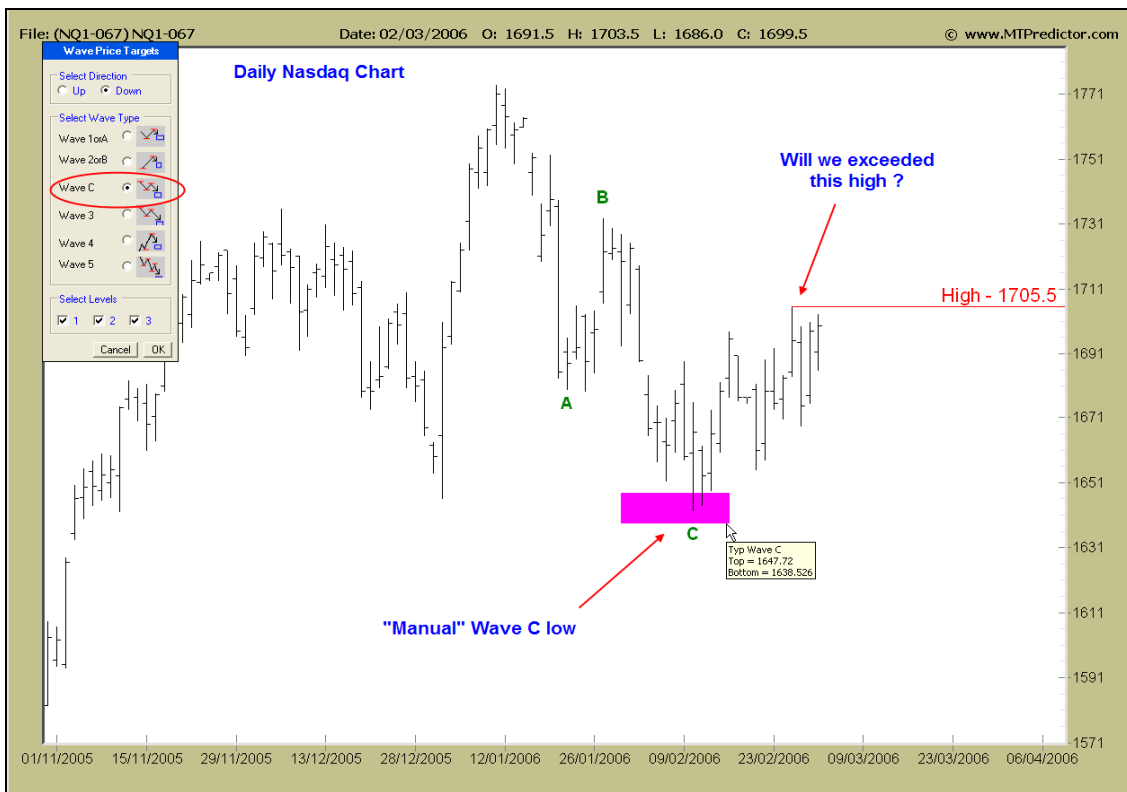
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Dow Jones (DJ-067) Daily Chart:



Nasdaq (NQ1-067) Daily Chart:



OK, over to some Real-Time charts now.

Today I would like to talk about losses. This may surprise many of you because this is not a topic mentioned by most Gurus and software vendors, mainly because they are not traders themselves, so they do not understand that losses can and do unfold:



Here is a good looking and valid TS3 sell on the 3min ES from yesterday, however, as you can see this would have resulted in a small loss. BUT as you have seen from the last few days we have had a number of good trades where the profits were much larger than the initial risks on the trades. This is what makes you money over time – by keeping the losses small when they unfold, not avoiding them, this is impossible. Small losses and large profits is the key to long term trading success.

Here you can see that the profit at the first profit target would have been just over 3x this loss, “if” this trade had turned out OK (as many have over the last few days), as such this single profit would have paid for over 3 losses.

Because we have had such a good few days recently it should come as no surprise that a few small losses are unfolding now – this is just the natural cyclical nature of trading where the profitable times are followed by quieter times when a few small losses unfold which will then be followed by more profits as the cycle comes full circle. The trick is keeping these inevitable losses small so you have plenty of account available to make the most of the profitable trades when they come through.

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Thanks and good trading . . .

Steve Griffiths
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