

ELLIOTT WAVE AND FIBONACCI TRADING

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Fibonacci Number

1					1
1					1
2	1	+	1	=	2
3	1	+	2	=	3
5	2	+	3	=	5
8	3	+	5	=	8
13	5	+	8	=	13
21	8	+	13	=	21
34	13	+	21	=	34
55	21	+	34	=	55
89	34	+	55	=	89
144	55	+	89	=	144

Golden Ratio

$F(n)$	\div	$F(n+1)$	$=$	
1	\div	1	$=$	1.0000
1	\div	2	$=$	0.5000
2	\div	3	$=$	0.6667
3	\div	5	$=$	0.6000
5	\div	8	$=$	0.6250
8	\div	13	$=$	0.6154
13	\div	21	$=$	0.6190
21	\div	34	$=$	0.6176
34	\div	55	$=$	0.6182
55	\div	89	$=$	0.6180

$F(n+1)$	\div	$F(n)$	$=$	
1	\div	1	$=$	1.0000
2	\div	1	$=$	2.0000
3	\div	2	$=$	1.5000
5	\div	3	$=$	1.6667
8	\div	5	$=$	1.6000
13	\div	8	$=$	1.6250
21	\div	13	$=$	1.6154
34	\div	21	$=$	1.6190
55	\div	34	$=$	1.6176
89	\div	55	$=$	1.6182

Fibonacci Ratio

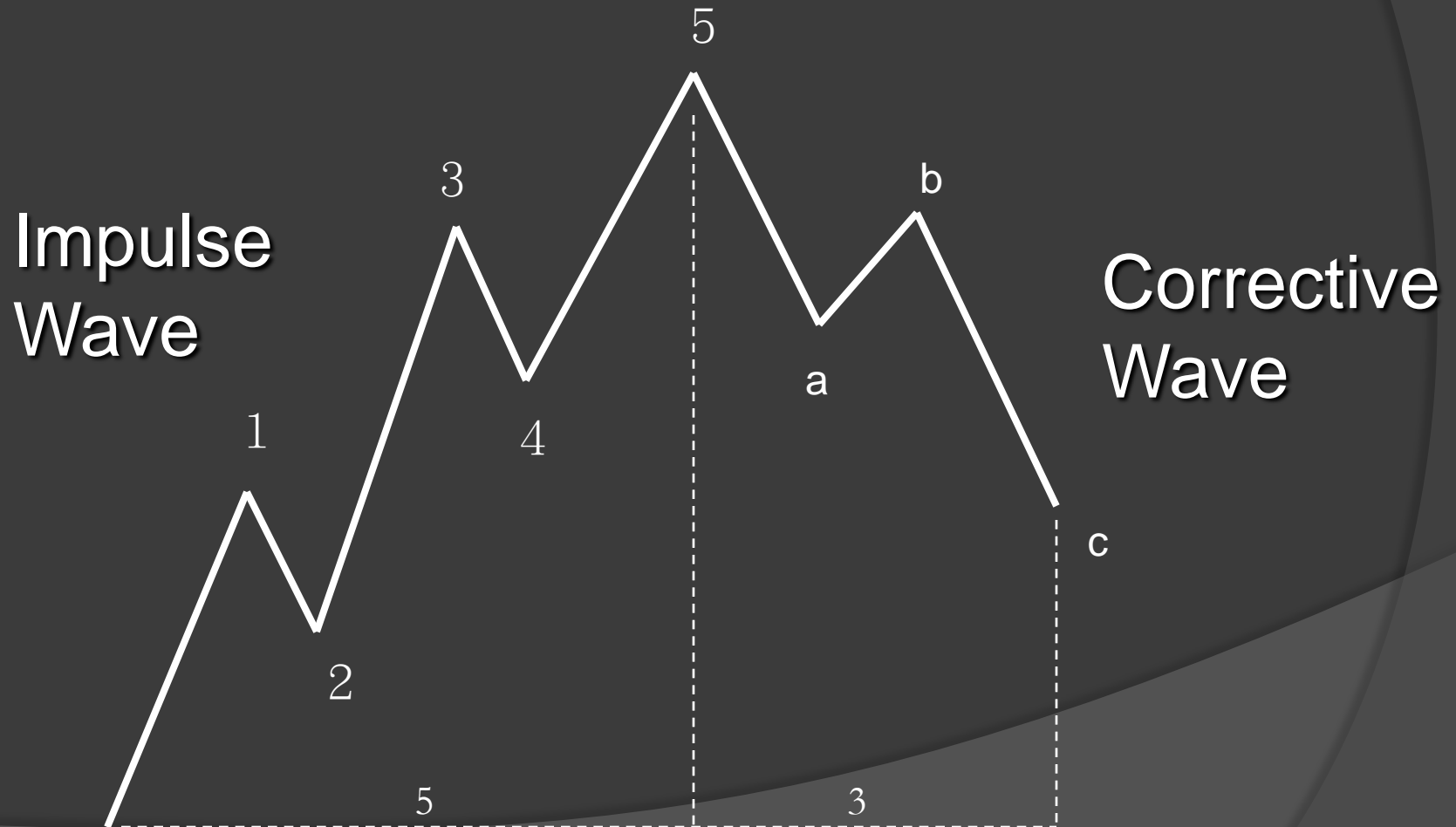
$F(n)$	\div	$F(n+2)$	$=$
1	\div	2	$= 0.5000$
1	\div	3	$= 0.3333$
2	\div	5	$= 0.4000$
3	\div	8	$= 0.3750$
5	\div	13	$= 0.3846$
8	\div	21	$= 0.3810$
13	\div	34	$= 0.3824$
21	\div	55	$= 0.3818$
34	\div	89	$= 0.3820$
55	\div	144	$= 0.3819$

$F(n+2)$	\div	$F(n)$	$=$
2	\div	1	$= 2.0000$
3	\div	1	$= 3.0000$
5	\div	2	$= 2.5000$
8	\div	3	$= 2.6667$
13	\div	5	$= 2.6000$
21	\div	8	$= 2.6250$
34	\div	13	$= 2.6154$
55	\div	21	$= 2.6190$
89	\div	34	$= 2.6176$
144	\div	55	$= 2.6182$

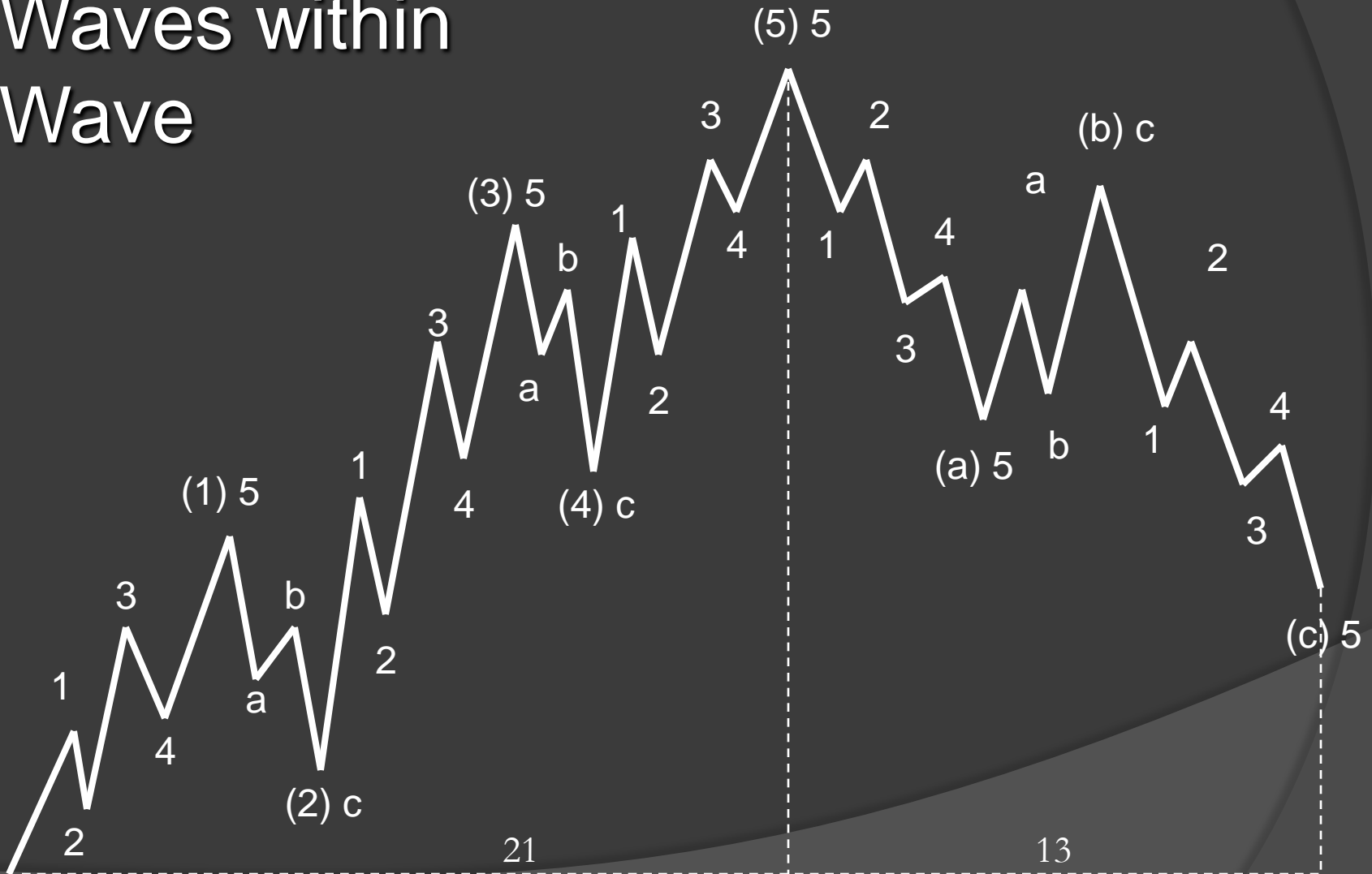
Fibonacci Ratio Matrix

	1	2	3	5	8	13	21	34	55	89	144
1	1.000	2.000	3.000	5.000	8.000	13.000	21.000	34.000	55.000	89.000	144.000
2	0.500	1.000	1.500	2.500	4.000	6.500	10.500	17.000	27.500	44.500	72.000
3	0.333	0.667	1.000	1.667	2.667	4.333	7.000	11.333	18.333	29.667	48.000
5	0.200	0.400	0.600	1.000	1.600	2.600	4.200	6.800	11.000	17.800	28.800
8	0.125	0.250	0.375	0.625	1.000	1.625	2.625	4.250	6.875	11.125	18.000
13	0.077	0.154	0.231	0.385	0.615	1.000	1.615	2.615	4.231	6.846	11.077
21	0.048	0.095	0.143	0.238	0.381	0.619	1.000	1.619	2.619	4.238	6.857
34	0.029	0.059	0.088	0.147	0.235	0.382	0.618	1.000	1.618	2.618	4.235
55	0.018	0.036	0.055	0.091	0.145	0.236	0.382	0.618	1.000	1.618	2.618
89	0.011	0.022	0.034	0.056	0.090	0.146	0.236	0.382	0.618	1.000	1.618
144	0.007	0.014	0.021	0.035	0.056	0.090	0.146	0.236	0.382	0.618	1.000

Basic Wave Structure



Waves within Wave

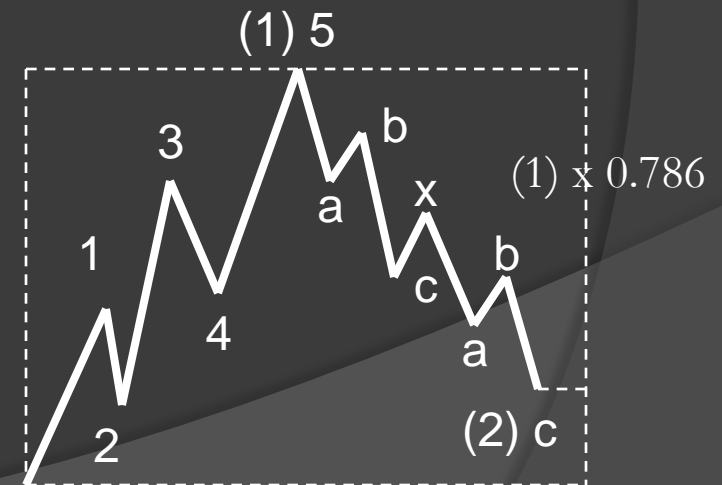
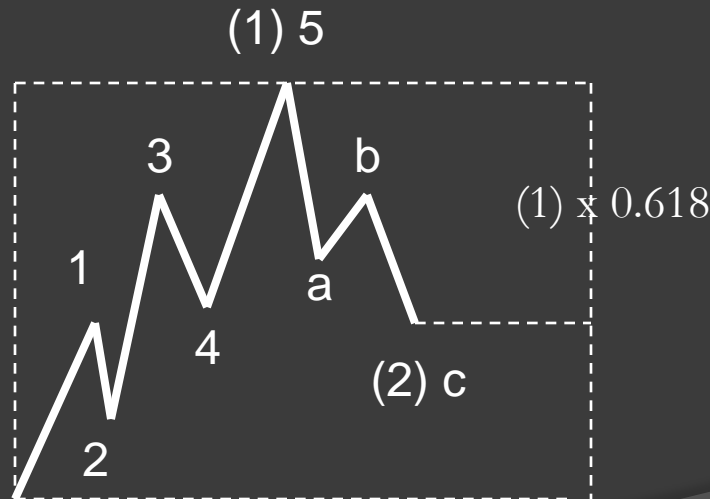
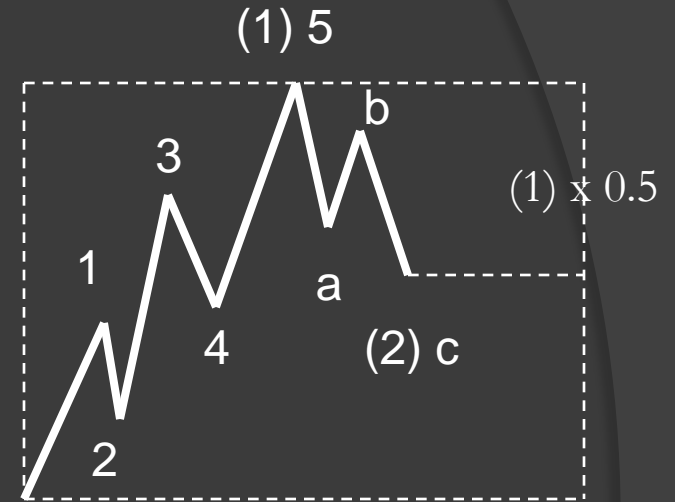
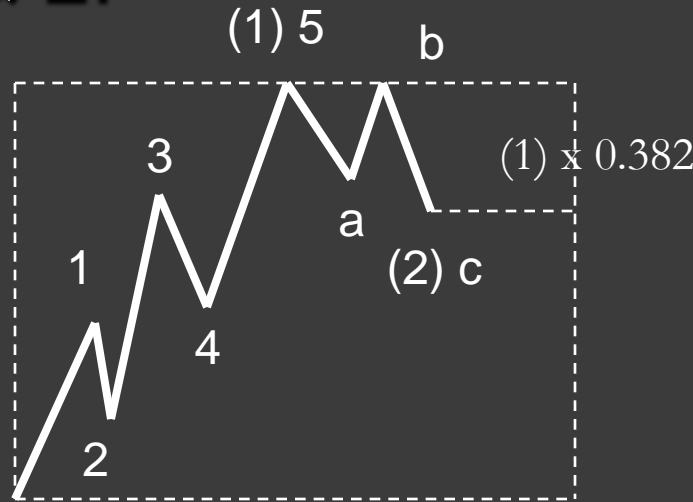


Number of Waves

Level	Bull	Bear	Complete Cycle
Grand	1	1	2
Large	5	3	8
Medium	21	13	34
Minute	89	55	144

Wave 1 & 2:

- (2)=(1)x0.236
- (2)=(1)x0.382
- (2)=(1)x0.5
- (2)=(1)x0.618
- (2)=(1)x0.786
- (2)=(1)x0.854
- (2)=(1)x0.909



Wave 3:

$(3) = (1) \times 1.382$

$(3) = (1) \times 1.5$

$(3) = (1) \times 1.618$

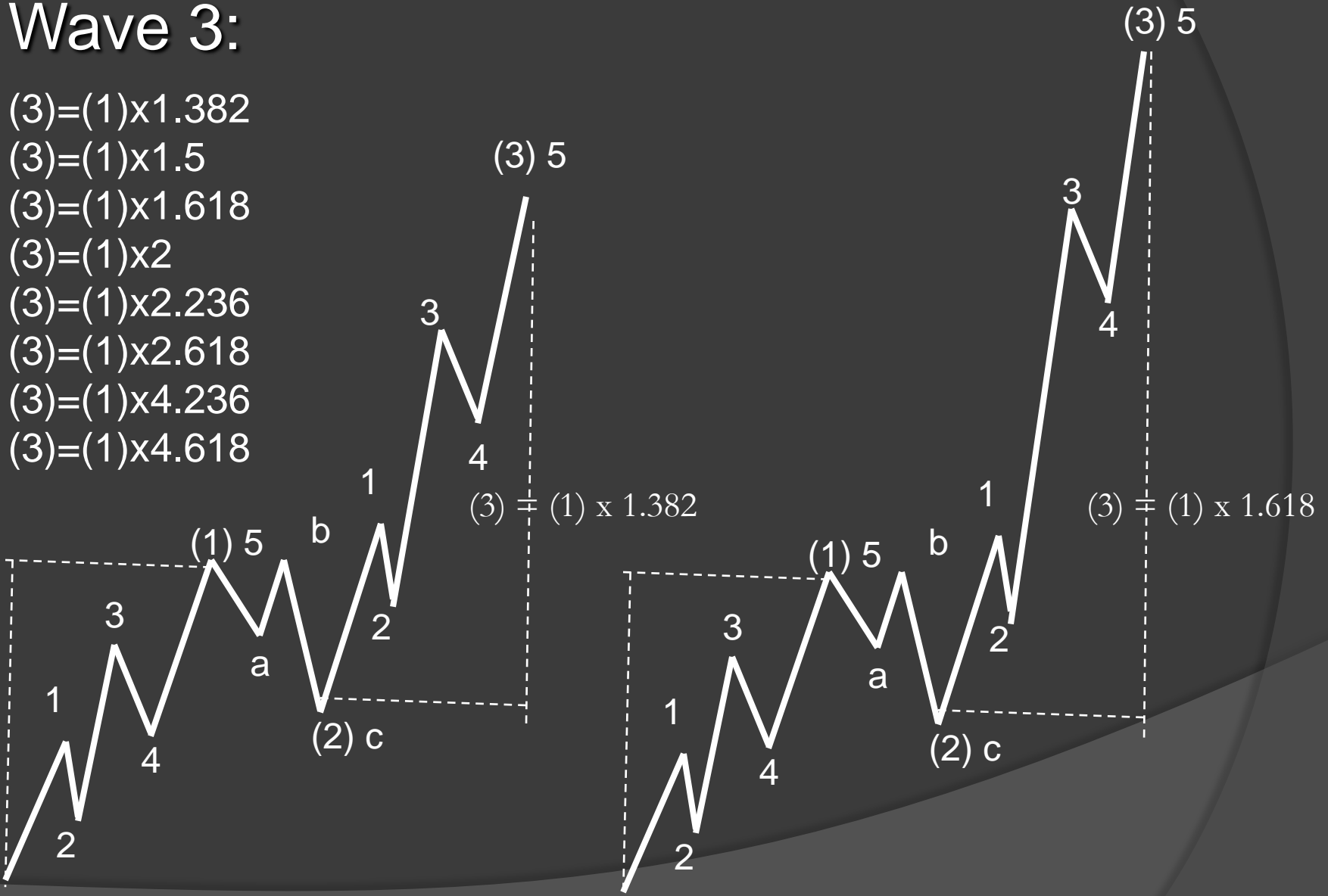
$(3) = (1) \times 2$

$(3) = (1) \times 2.236$

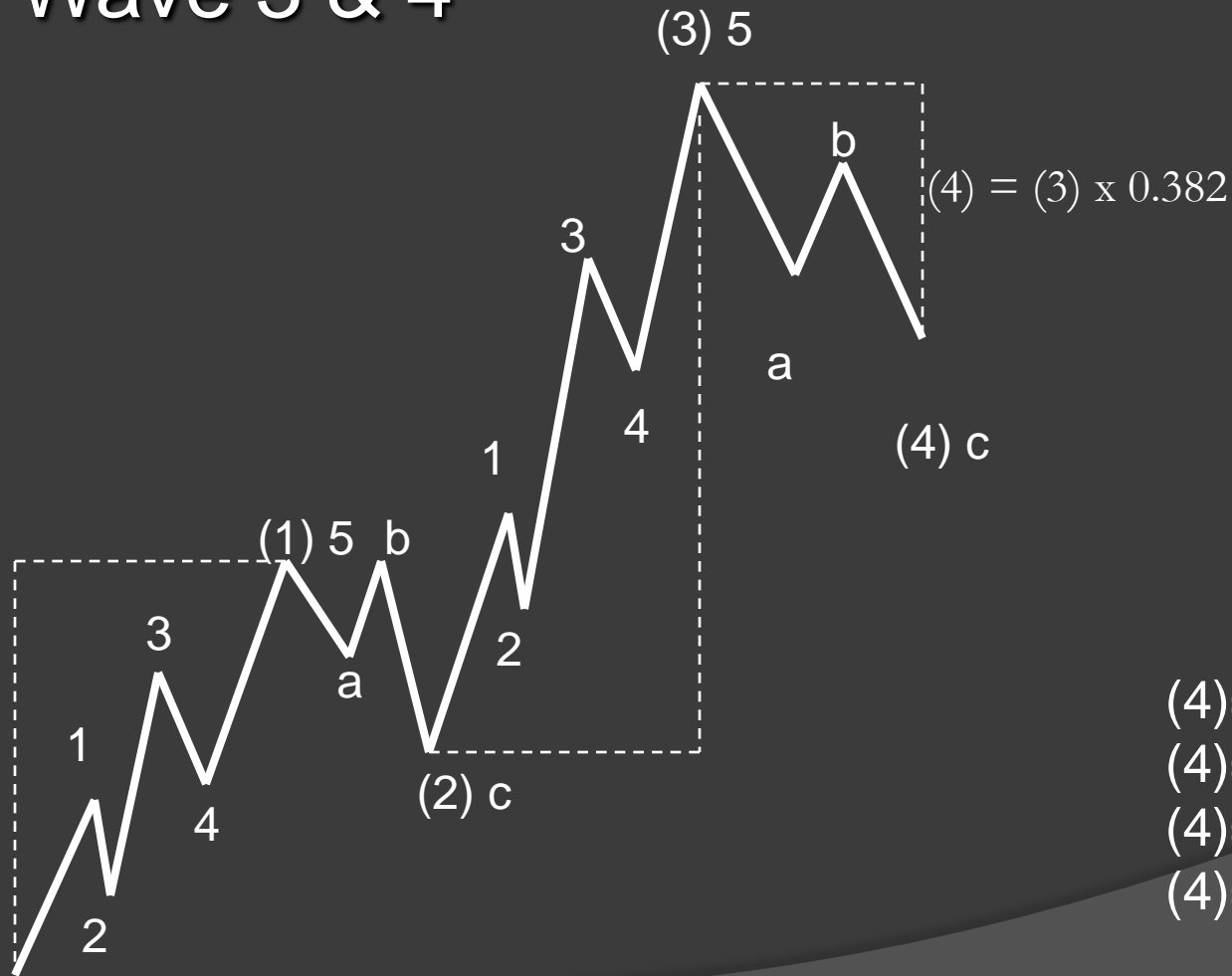
$(3) = (1) \times 2.618$

$(3) = (1) \times 4.236$

$(3) = (1) \times 4.618$



Wave 3 & 4



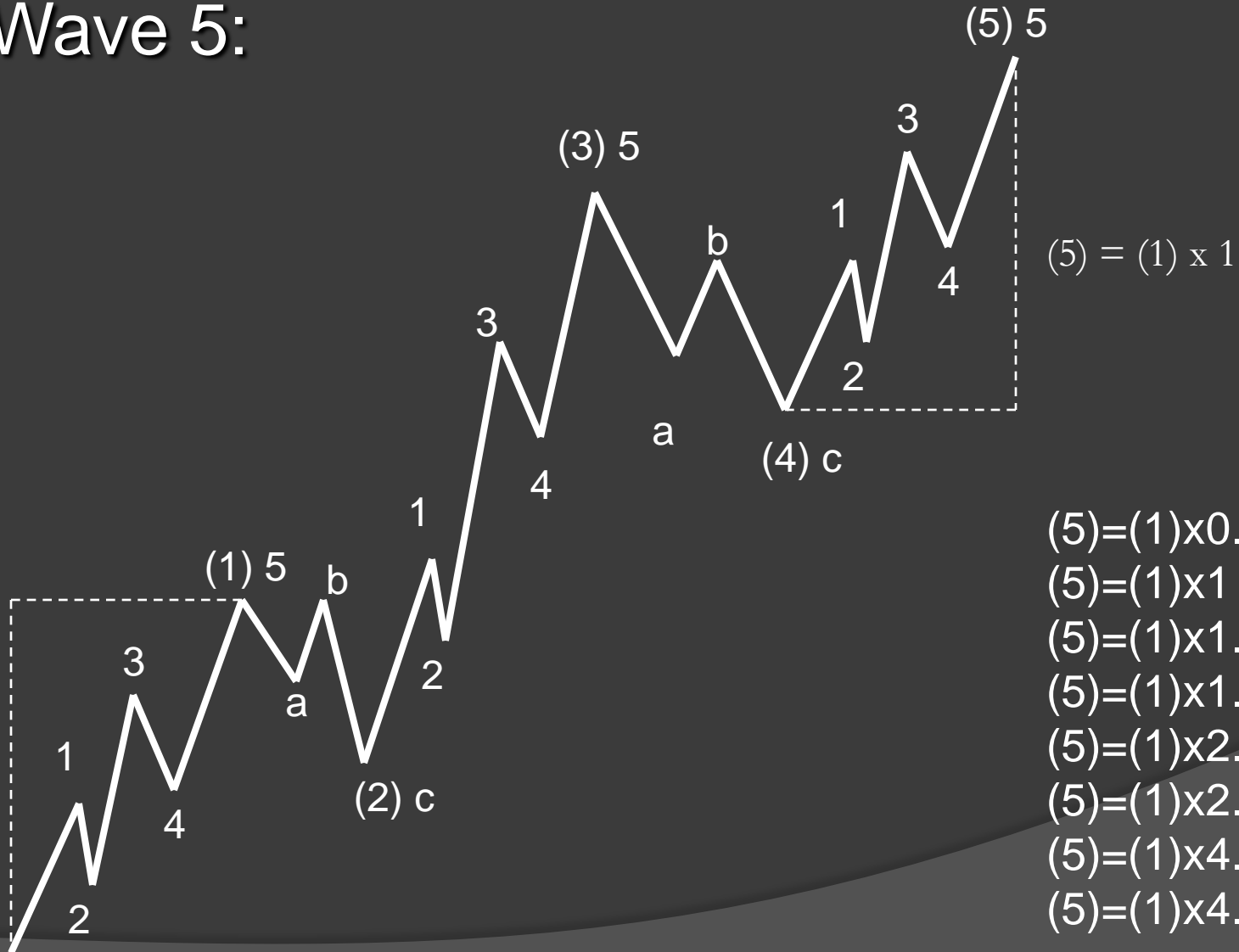
$$(4) = (3) \times 0.236$$

$$(4) = (3) \times 0.333$$

$$(4) = (3) \times 0.382$$

$$(4) = (3) \times 0.5$$

Wave 5:



- (5)=(1)x0.618
- (5)=(1)x1
- (5)=(1)x1.382
- (5)=(1)x1.618
- (5)=(1)x2.236
- (5)=(1)x2.618
- (5)=(1)x4.236
- (5)=(1)x4.618

Zig-Zag (5-3-5)

$$b = a \times 0.5$$

$$b = a \times 0.618$$

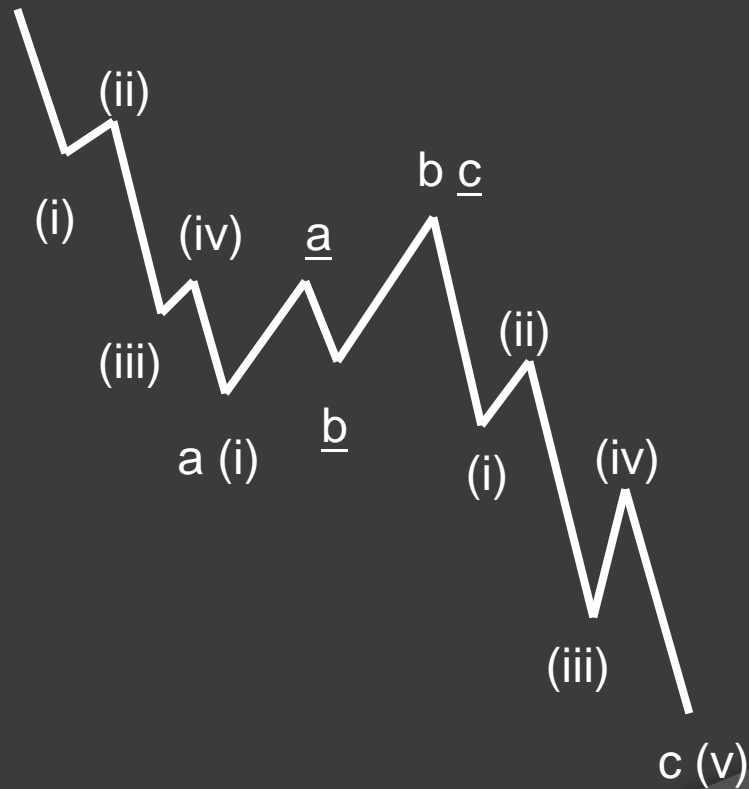
$$c = a \times 0.618$$

$$c = a \times 1$$

$$c = a \times 1.236$$

$$c = a \times 1.382$$

$$c = a \times 1.618$$



Flat (3-3-5)

$$b = a$$

$$c = a \times 0.618$$

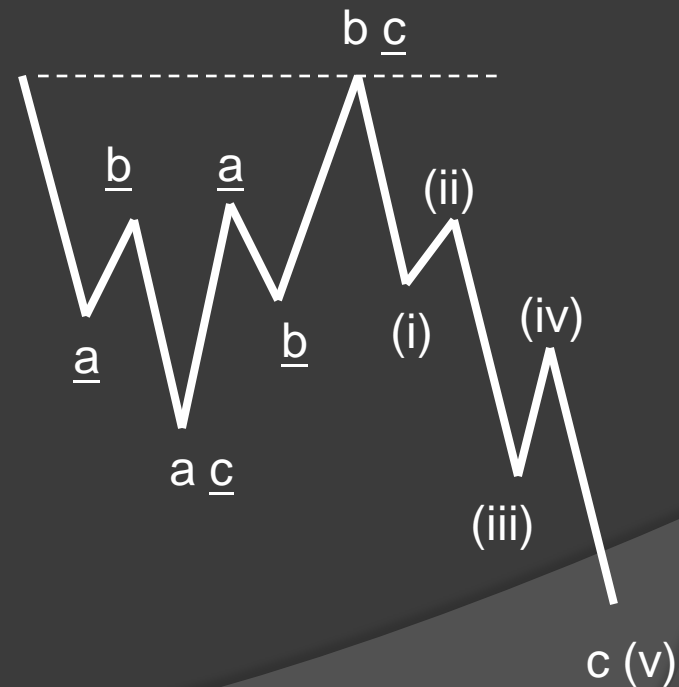
$$c = a \times 1$$

$$c = a \times 1.236$$

$$c = a \times 1.382$$

$$c = a \times 1.618$$

$$c = a \times 2.236$$



Irregular (3-3-5)

$$b = a \times 1.236$$

$$b = a \times 1.382$$

$$c = a \times 0.618$$

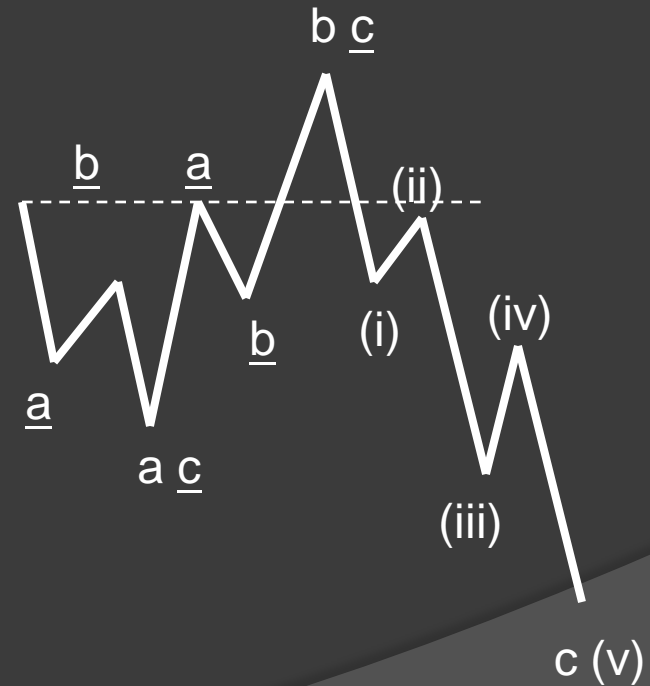
$$c = a \times 1$$

$$c = a \times 1.236$$

$$c = a \times 1.382$$

$$c = a \times 1.618$$

$$c = a \times 2.236$$



Horizontal Triangle (3-3-3-3-3)

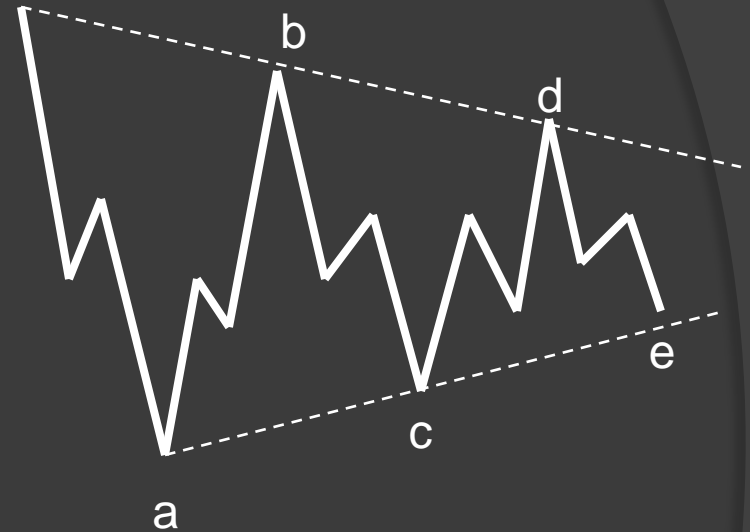
Contracting

$$b = a \times 0.764$$

$$c = a \times 0.618$$

$$d = b \times 0.618$$

$$e = c \times 0.618$$



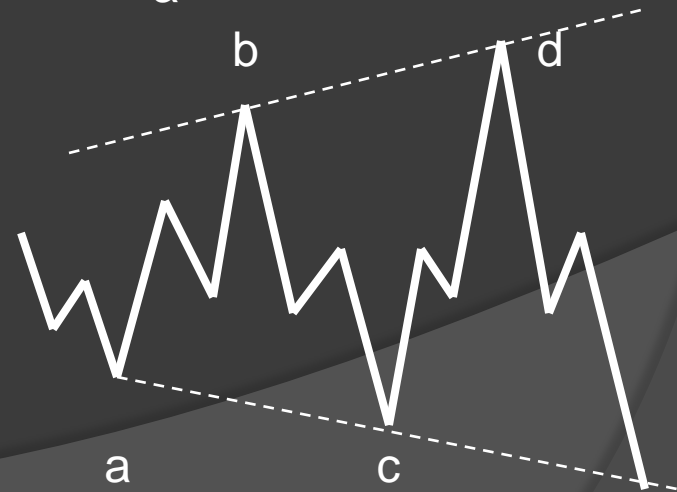
Expanding

$$b = a \times 1.236$$

$$c = a \times 1.618$$

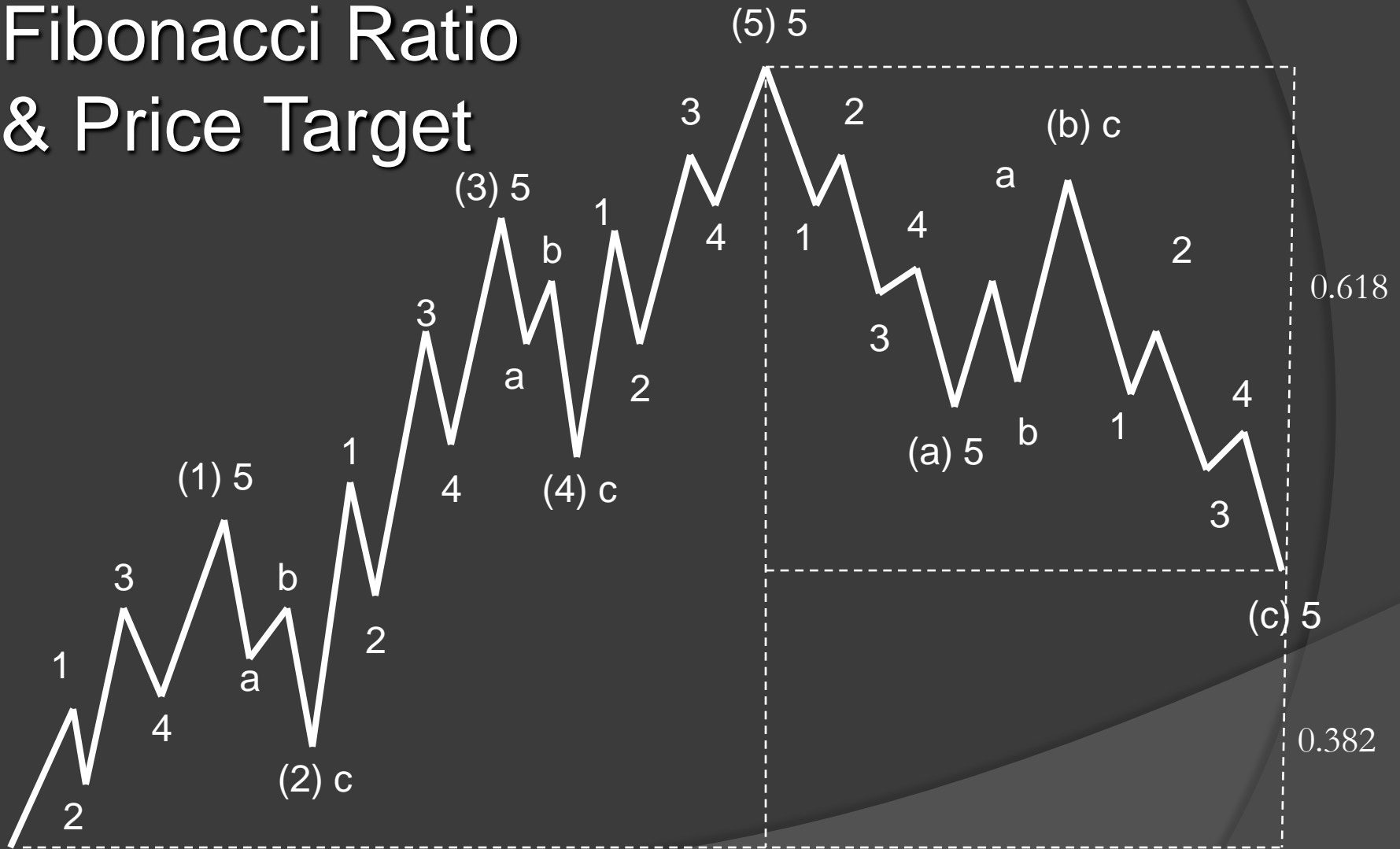
$$d = b \times 1.618$$

$$e = c \times 1.618$$

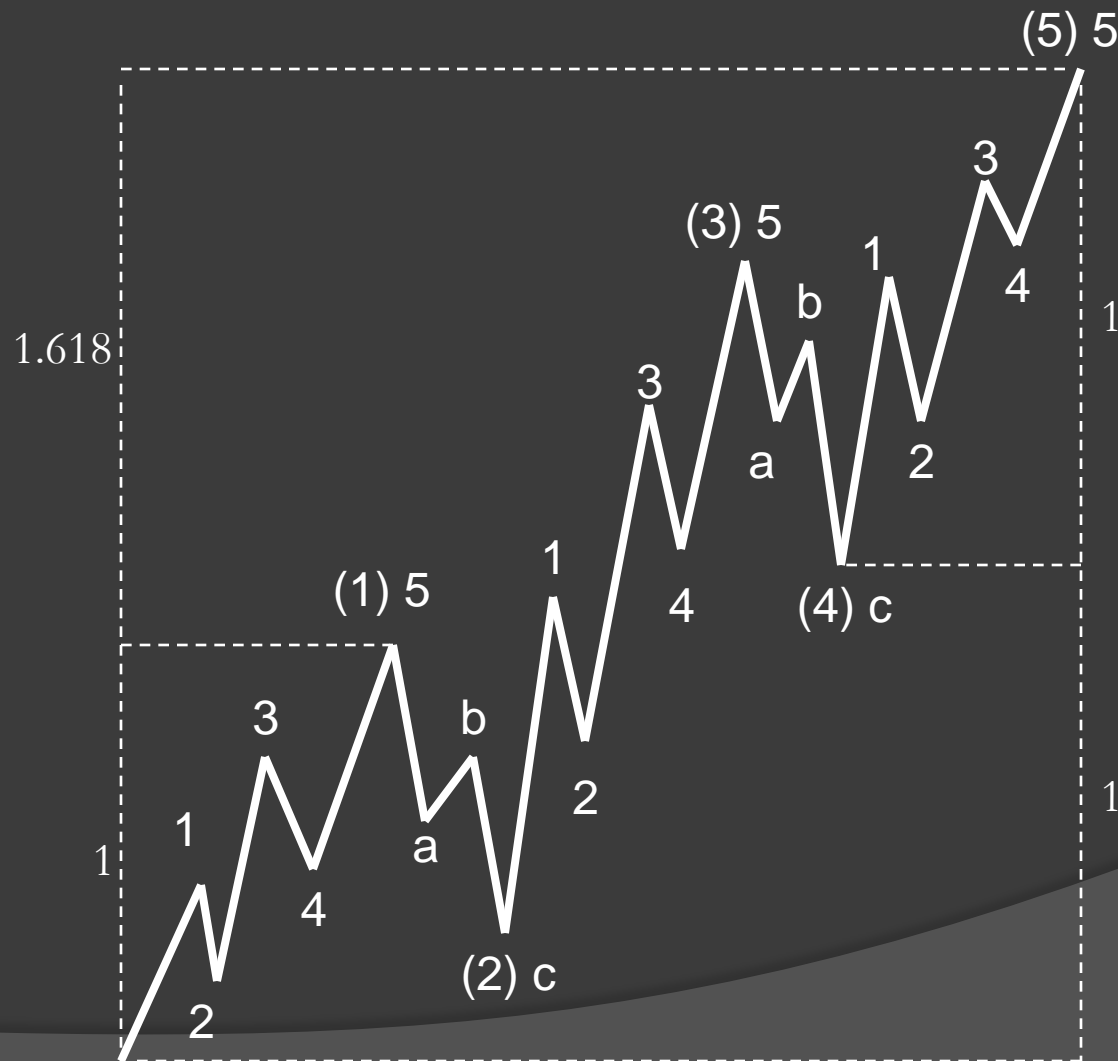


Forecast of Price Targets

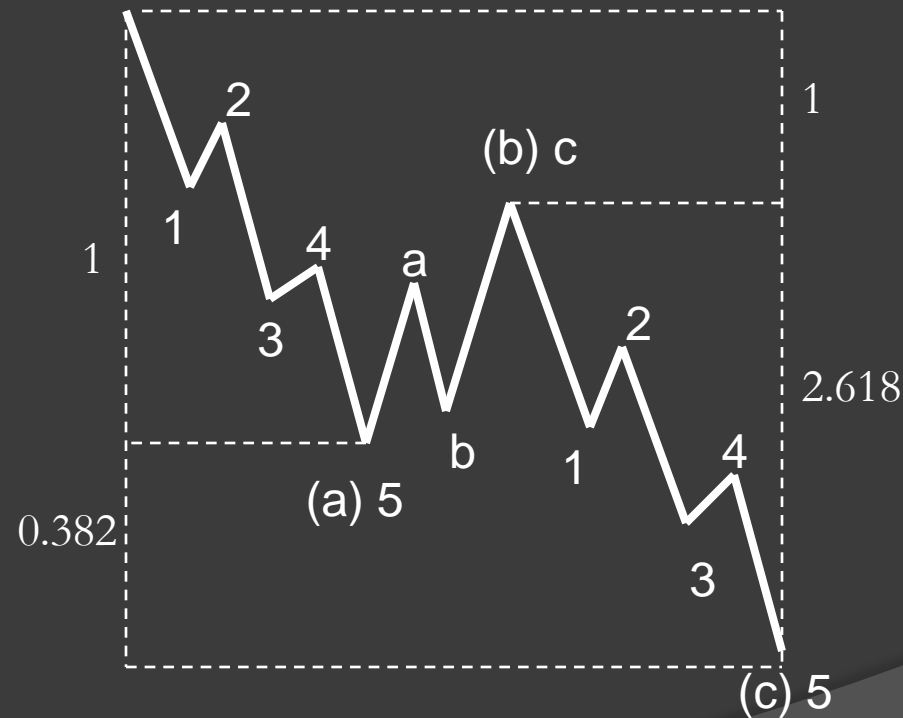
Fibonacci Ratio & Price Target



Fibonacci Ratio and Wave 5 Target

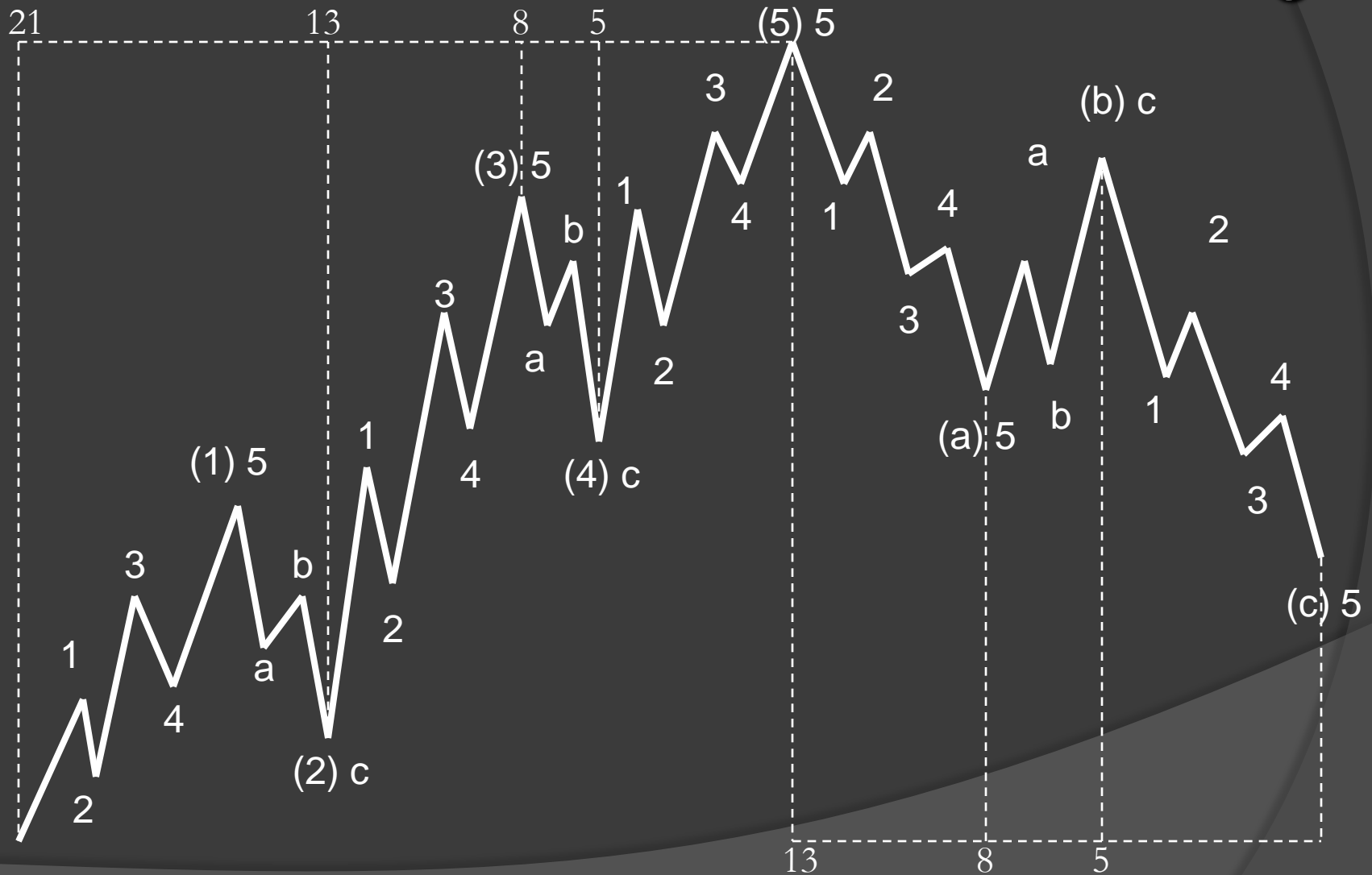


Fibonacci Ratio and Wave C Target

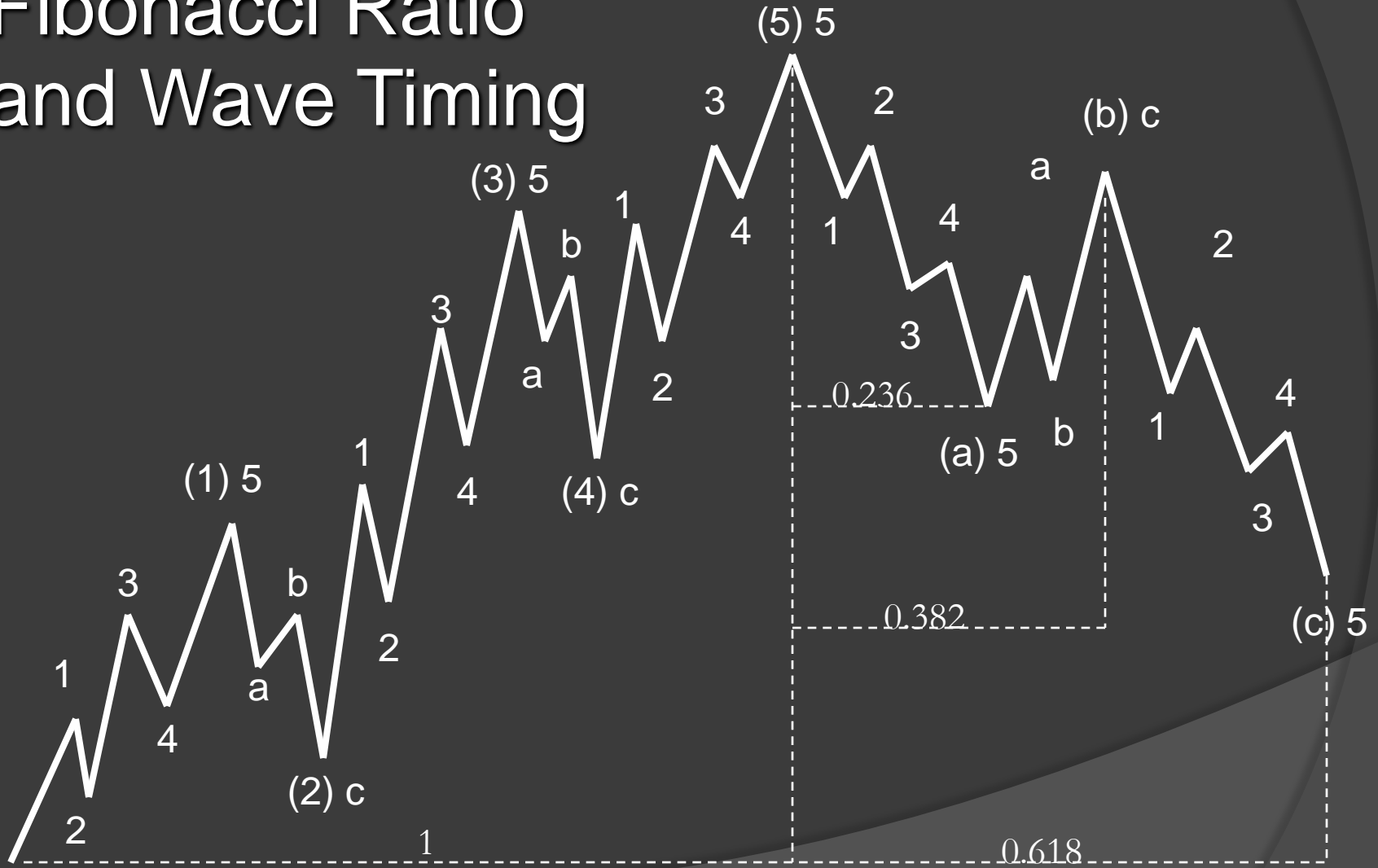


Forecast of Time Targets

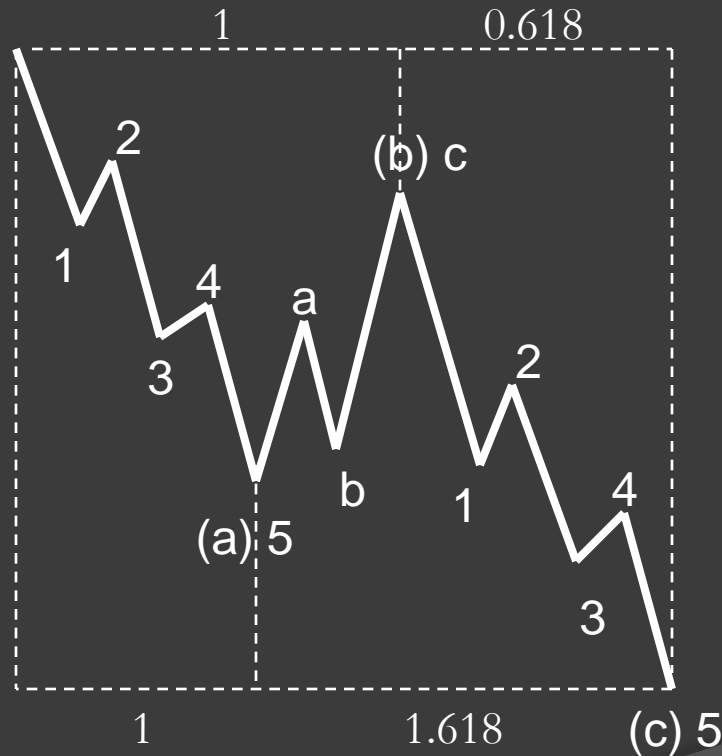
Fibonacci Number and Wave Timing



Fibonacci Ratio and Wave Timing

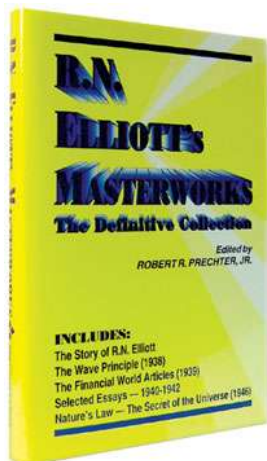


Turning Points & Fibonacci Ratios





Item	Details
Book Name	Elliott Wave Principle: Key to Market Behavior
Author	Robert Prechter and A.J. Frost
Contents	The basic tenets of wave theory The rules and guidelines of wave analysis The scientific background of the Wave Principle and Long term waves



Item	Details
Book Name	R. N. Elliott's Masterworks: The Definitive Collection
Editor	Robert Prechter, Jr.
Contents	"The Wave Principle" (1938) The Financial World articles (1939) Nature's Law -- The Secret of the Universe (1946)

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