

Books & Trades #244

July 12, 2017

Favorite pattern ... Traders' Camp discount ... Special

Dear Trader,

I'd like to share with you a few slides from the Password course I am teaching at SpikeTrade.com in June and July. "Every trade deserves a name" – this means that each of us needs to clearly identify a small number of favorite patterns and trade only when those patterns emerge, not distracted by others.

Examples: DJIA 2007 top / 2009 bottom, weekly chart

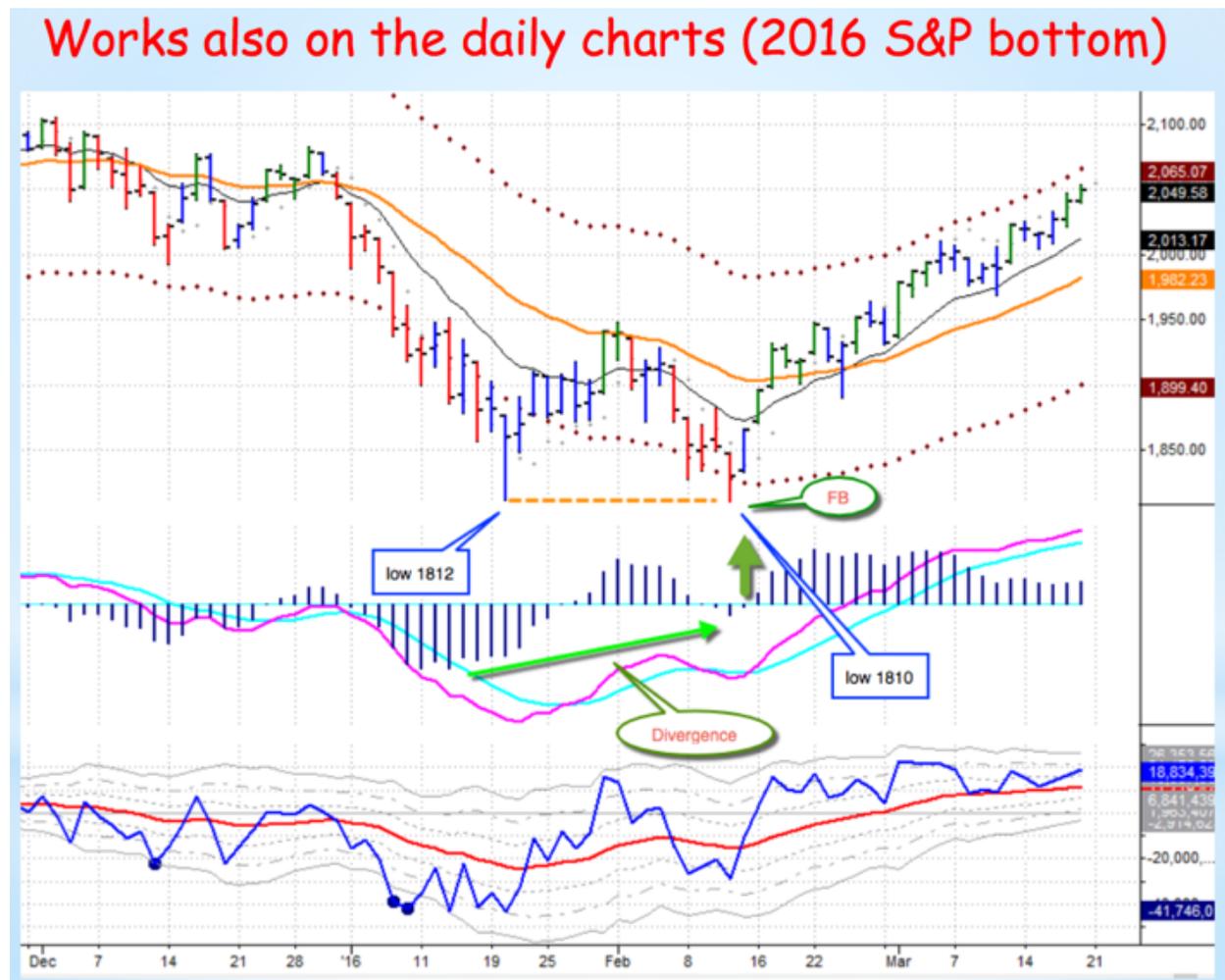


Click [here](#) to enlarge this chart (only when you're online)

One of my favorite patterns for entering trades is "a divergence with a false breakout." You can see in the above example how the stock market surged to a

new high, while MACD-Histogram traced a lower peak, creating a bearish divergence. Once the market sold off below the breakout line, it marked the latest upside breakout as false. There the trap was shut on the bulls and a bear market commenced.

A mirror image of this pattern developed at the bottom: a new low in price with a more shallow low of MACD-H (a bullish divergence) was accompanied by a stab below the previous low, followed by a re-crossing above it (a false downside breakout). That's when the trap was shut on the bears as the market rallied.



Click [here](#) to enlarge this chart (only when you're online)

This pattern works in all timeframes: weekly, daily and intraday. It works in all types of markets: stocks, indexes, futures, and foreign exchange. Here's an example of a daily chart of the S&P at the February 2016 bottom. There is a bullish divergence and a false downside breakout, with the first bottom at 1812

and the second at 1810. Once the S&P closed above 1812, a false downside breakout was complete and a powerful rally was on.

I suggest you do a bit of homework by applying this entry method to a handful of current weekly stock charts, such as HIG and PHM or such daily charts as ADM and COP.

There is a great deal of chaos in the markets, but a well-defined pattern represents an island of order in the ocean of chaos. A savvy trader waits for a trusted pattern to emerge – and then pounces, while protecting his positions with stops.

Traders' Education

Please visit [our website](#) for more information on these events



Online: July 19 at 6pm ET - Webinar – “Current markets with Dr Elder.” [Enter](#) Dr. Elder’s trading room from your own computer and watch him review stocks and futures. Send your picks to him and ask him to review them. **An ongoing bonus for all webinar participants – receive an email each weekend giving you the results of bullish and bearish scans of the S&P500.**



Caribbean: November 10 - 15 Traders' Camp
The \$800 discount ends July 31

Registration continues for our only Traders' Camp of 2017, taught exclusively by Dr Alexander Elder in November in the Dominican Republic. This intensive and newly redesigned course will help you achieve your goal of becoming a better trader. Only 20 traders will be accepted – and 10 spots have already been taken.

The Camp fee is being discounted \$800 for traders who register in July. Furthermore, any two traders registering together will share an additional \$500 discount (if you register today and your friend joins you later, this discount will be applied retroactively).

Dr. Elder's topics:

- The rules of individual and mass psychology
- The essentials of technical analysis; trading systems
- Selecting stocks to trade
- How to find entry points, set profit targets and stops
- Trade sizing and risk management
- Essential record-keeping; a Trade Journal
- ... and much more, including live trading and Q&A

Daily Plan:

(subject to minor changes)

Friday, November 10

- Arrival (unless you come a day early for Pre-Camp),
- our first dinner together

Daily November 11 - 14 – Classes

- breakfast
- 9 am – 1 pm, intensive class with Dr. Elder

- 1 pm – lunch, followed by free time
- 5 – 6:30 pm Trading homework with Dr Elder
- 7 pm dinner (a different restaurant every night)

Wednesday, November 15 – Departure

Special requests:

Please write to Patricia, our manager, if:

- you wish to arrive a day early to participate in our Pre-Camp program
- you wish to stay a day or two after the Camp
- have any special dietary requirements

Camp fee: listed at \$4,990

July discount - \$800

Your fee \$4,190. Includes everything except transportation: classes, handouts, hotel, meals, and even wine with dinners.

For details and to register please click [HERE](#)

If you have any questions, please write to Patricia at info@elder.com

Bonus: once you [register](#), you'll receive immediate complimentary access to Dr Elder monthly webinars; this includes his stock scans, sent out every weekend.

Special



A Trial Membership in SpikeTrade.com at half-price

SpikeTrade is where Dr Alexander Elder and his partner Kerry Lovvorn analyze the market daily and run a trading competition. It is an educational resource and a generator of trading ideas. Here's a very brief [video invitation](#).

How the Trial works: you receive complete access to the website, including daily reports, trade updates, and Video Vault (everything except submitting your own

picks in the trading competition and winning bonuses). If you decide to continue, do nothing, and at the end of two weeks the Trial will roll over into a regular monthly membership. If you decide the site is not for you, at any time during your Trial click on My Profile and then click to cancel. Your Trial will continue to the end but will not roll over into a full membership.

Here's your [link](#) to the Trial. List price \$29 for two weeks, use coupon **P2** to get it at half-price.

*Best wishes for successful trading from all of us at elder.com
Dr. Alexander Elder & staff*