

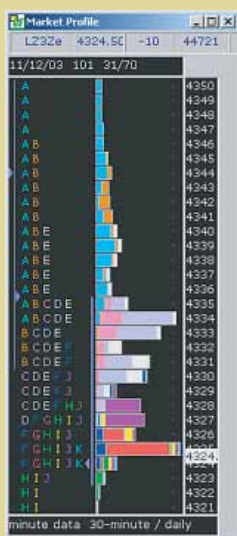
NEW FUTURESOURCE.COM WEBSITE UNVEILED

FutureSource has unveiled its redesigned flagship website, futuresource.com. The redesigned site boasts a number of new features, including new charting functionality, market-specific content, all-new "Trader's Tools" section, an expanded education section and additional analysis from industry experts. Charting solutions offered free within futuresource.com include 25 studies and indicators, and four styles of customisable charts (bar, line, candle and area).

"This site is more than just a redesign. It offers users a totally new experience when compared to the old site," said Jonathan Dean, FutureSource vice president of marketing and online sales. "Not only is the look of the site completely different, but there are so many new features, functionality and technology utilised that it's really a completely new site from the ground up."

QUOTESPEED INCORPORATES THE MARKET PROFILE®

QuoteSpeed has added the Chicago Board of Trade's "The Market Profile®" to its version 4.04 software. The Market Profile®, which carries an additional subscription charge for QuoteSpeed users, is an analytical decision support tool that uses time, price and volume data to reveal pricing patterns.



QuoteSpeed's new addition

NEW MTPREDICTOR SOFTWARE IS IMMINENT

MTPredictor is preparing for the imminent release of its 4.0 series of programs – End-of-Day 4.0 and Real-time 4.0.

The software is built upon a unique treatment of the Elliott Wave principle which, according to MTPredictor, is entirely geared to the business of trading. EOD 4.0 is engineered specifically for position traders, those taking trades from several days to several months, whereas RT 4.0 is for short-term and day-traders. Both programs incorporate modules and functions to progress from start to finish in the trading sequence.

Steve Griffiths, founder and

EFMTECH RENAMED

Stockcube PLC, the London-based technical analysis specialists, has rebranded its EFMTECH consultancy service for institutional investors as Stockcube Research.

The service continues to provide long/short strategies on international equities, based on momentum and volume studies.

developer of MTPredictor, says "the software is designed exclusively to enable traders in stocks, currencies and commodities to achieve trading excellence. This means being able to identify, evaluate and manage low risk/high return trade set-ups consistently, time after time."

MTPredictor's website is being completely re-designed to support the new programs and a 494-page trading course is available to guide users through the principles and routines of the software programs and a 494-page trading course is available to guide users through the principles and routines of the software.

THE SIMPLE ABC CORRECTION

by Steve Griffiths

Having been involved in the financial markets for over 17 years there is one vital lesson that should never need to be re-taught. Against the backdrop of increasingly complex and sophisticated analysis techniques, the simple approach to analysis is sometimes all that is needed to uncover excellent trading opportunities. Arguably, one of the simplest yet most powerful trade set-ups in a trader's daily routine should be the simple ABC correction.

Although this is not a new pattern, its profit potential has been largely overlooked. Its usefulness in generating low risk/high return trade set-ups may have suffered because of its very simplicity. Yet this pattern, when properly identified, can uncover potentially ideal trading opportunities both quickly and decisively.

First, though, what is meant by a simple ABC correction? In the MTPredictor software, it is defined as a 3-swing correction against the main trend, in which the third swing exceeds the price extreme of the first swing. (See Figure 1)

The chart shows an example on the US stock Yahoo. It was in a long, strong impulsive uptrend. This was followed by a simple 3-swing downward correction, in which the third swing exceeded the low of the first corrective swing down. This is a typical, simple ABC correction against the main trend.

The crucial question is: Why is the identification of this type of correction so important? The answer is that once the simple ABC correction is complete, the main trend normally resumes. Looking at the current example a few months later, it is clear that once the correction (See Figure 2) was complete, Yahoo resumed the main uptrend to reach new highs.

As such, the end of this simple ABC correction represented a perfect place to enter the market to take advantage as the main trend resumed.

However, the main difficulty in the past has always been identifying where the simple ABC correction was most likely to end. This is resolved by looking at the price relationships of the three individual swings within the ABC correction itself. The most common relationship is where Wave C (3rd swing) is equal in price move to Wave A (1st swing). Although price clusters need to be assessed (using the key ratios of all the swings), the Wave C = 100% Wave A relationship is by far the most important. Armed with this critical knowledge, the trader can now anticipate the most likely price area for Wave C, and therefore the entire ABC correction, to end. The price cluster in which the Wave C = 100% Wave A relationship falls is called the typical Wave C WPT (Wave Price Target). (See Figure 3)

Figure 3 shows how this simple ABC correction ended precisely in the typical Wave C WPT support zone. Knowing in advance the most likely support area for the entire ABC correction to end allows the trader to enter into a position with a very small initial (money) risk. This is the ideal point to take advantage as the main trend resumes, as it offers the prospect of a return well in excess of the initial risk needed to take the trade.

Next month, in the second part of the article, the importance of the simple ABC correction's position will be covered. It can often be identified at the very start of what is frequently the most powerful impulsive swing. In Elliott Wave terms, this equates to identifying the start of a Wave 3-type swing, which can be one of the most profitable and low risk trades in a complete 5-wave sequence.

Steve Griffiths is the developer of the MTPredictor software program. www.mtpredictor.com

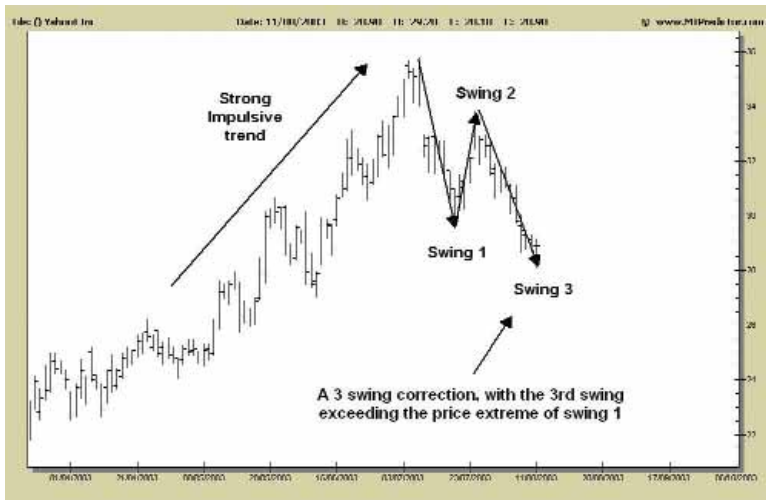


Figure 1.

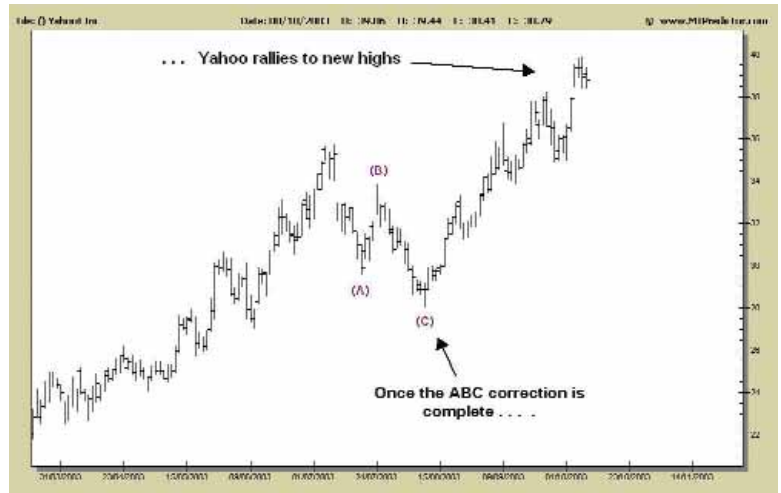


Figure 2.

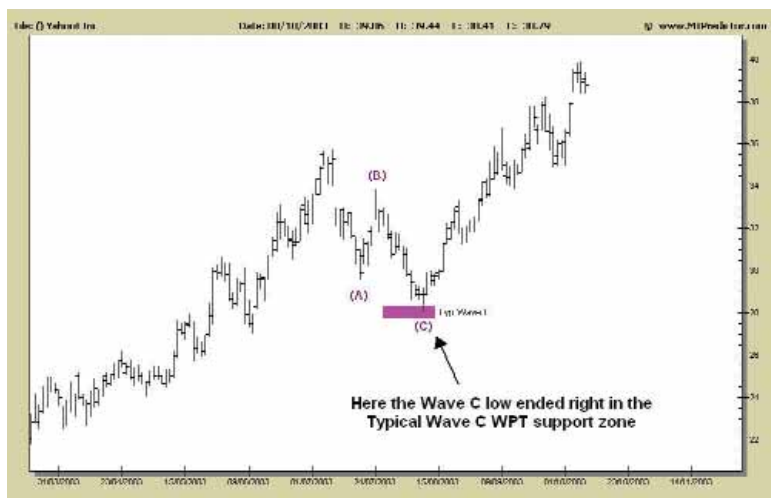


Figure 3.