

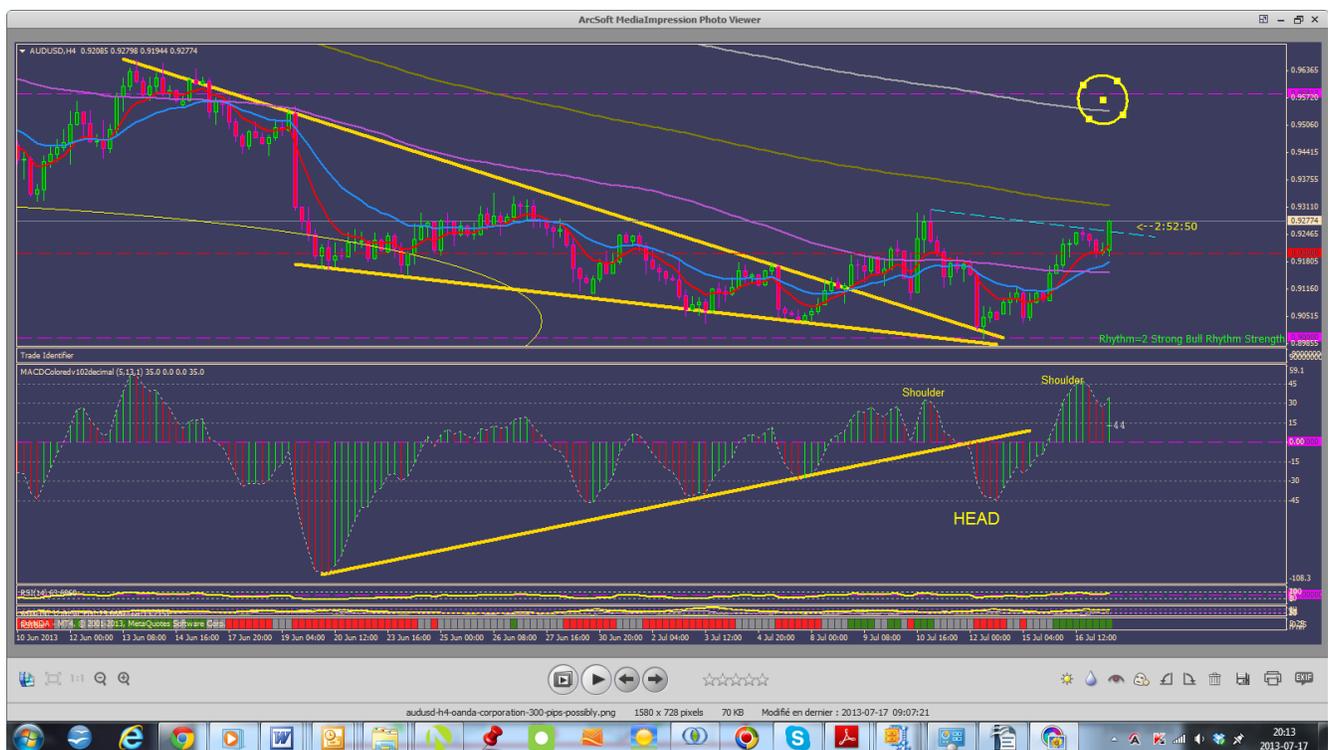
I have to say that it is going to be long...sorry about that, some people are just coming in here or will come, so some view of the way I see the market are expressed, maybe because I wanted to add something in there that I would like to talk about.

I didn't look at the trend line you mentioned. I looked at the figures formed by the market and by the pair action on moving averages.

---I take the opportunity to mention that when I say 300 pips or 1000 pips, it is a projection only on what the market could do. I guess that nobody thinks that it will go straight away there, or will eventually get there. It's a projection- I know that the market is in control, it does what it wants. I can make projections having sense or not, the market has the last words, isn't it?

Now that being said, I will make a little detour before answering your question.

When Phillip Nel used to give weekly anticipation he used the daily chart and applied the rules on it. "the normal rules applies" as he said somewhere---well! The strategy is applied there too.-If it applies there in the daily chart, then should apply also in the 1 min, the 5min, the 15min, and so on, since all the time periods are hiding in a higher time frame...and still the rules should apply. And they always should... (Well, I think so!)



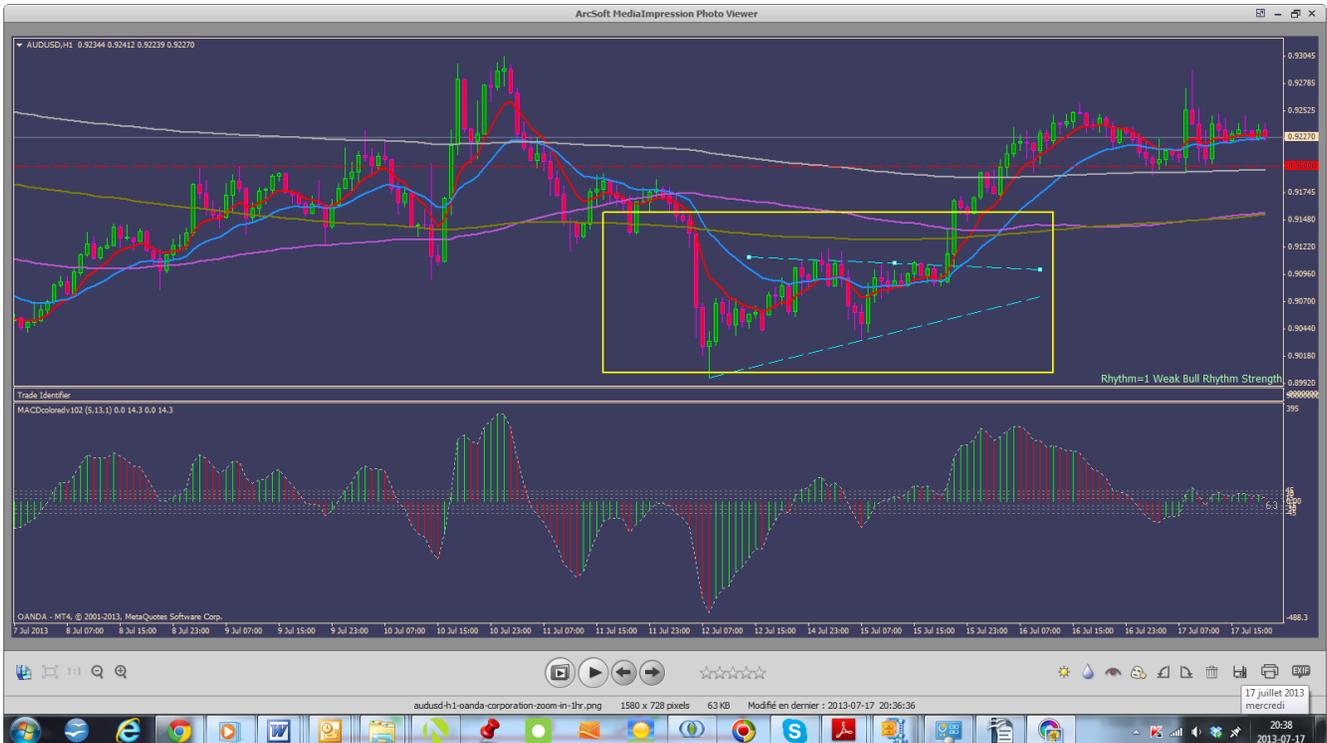
By looking at the chart above (AUDUSD-4hrs chart), I see round bottom (RB). If someone had taken them, as per the rules, they surely would have made some profit there.-

So, now, take the same chart and flip it to weekly,



I see a RB. If someone takes it, he will surely make some profit there.-But, the risk is very high, too high. Phillip Nel chooses the 4hr time period as being the best TF, and I believe it, so traders could get maximum opportunity in it.

He mentioned also the 1hr TF:



which I call "zooming in", giving sometime a better opportunity to get in a trade. Above I can see a TC on the macd (just before the break out, around .9096) which Phillip Nel consider a valid confirmation for a trade.

But not invalidating other scales since the strategy applies to all time frames, except that it could be hazardous for a trader to act on smaller time frame.

The 4hrs is the best. By going to weekly chart, I am just "zooming out". There, on the weekly, I see a summary (almost with a brass band!) of what the market is doing with force (since it is on high time frame I guess). I saw a RB.---And If I go on lower time frame(4hrs), I will see a bullish divergence,

Again, let's go somewhere else: if, on the RB showed on your chart, I just "zoom in" with 1 hr Time Frame, I should see a different shape on the macd. The RT would be ending up as a macd with negative divergence, or maybe a HS on a lower time frame! Funny isn't it?

Knowing a RB is in weekly chart, I will look for confirmation on 4hrs, every things that will support the weekly RB, If enough indications, then I'll take the trade.

when I see a Head and Shoulders with a lower right shoulder, sure I see a RT, sure I see a divergence, but what kind of divergence?

There is my answer: divergence in opinion of people! They just don't believe that the pair will go higher this time! That's all! This is what I believe.--what I believe also is: it gives weight to the right shoulder (the RT).it is another form of supporting the RT. Another form of support or viewing the market action, Phillip Nel talked about it at page one (I guess?): he doesn't see price, he sees people emotions!

He expressed the word..."surfing" on people emotions,(If I remember well: flowing the waves!). Beautifully expressed isn't it?

He is a great man! what a view he is showing me! Thank you Phillip Nel!

so in summary: A projection being just a projection.

- : RT on higher time frame helps me define market action, a summary.
- : The best is to act on the 4hrs time frame
- : Charts are expression of people emotion
- : "Surfing the waves", the rhythm being seen.
- : I was a very long talking!
- : Thanks for reading me
- : Thank you Phillip Nel.

Any comments welcome

Yvon