

Buy The Close,
but Disappointed Bulls

Disappointed Bulls: Either Exit at Highest C, or Hold for BO

Buy The Close Bulls Gave Up

Bulls buying closes (B The C bull trend)

Bulls who bought the highest close
were disappointed by bear bar

Many got out breakeven on test of high C

Remaining bulls gave up



Buy The Close Bulls Kept Buying

Bulls buying closes (B The C bull trend)

Bulls who bought the highest close
were disappointed by bear bars

Some got out breakeven
on test of high C



Disappointed B The Close Bulls: Scaled in Lower, Made Money

B The Close rally

10 bar bull Micro Channel

so B Climax so PB soon

Bulls disappointed by bear bar,
but could not exit without a loss



Disappointed Bulls: Buy More Lower

Disappointed B The Close bulls could not avoid loss

They will buy more lower,
expecting test of this highest close,
so they can get out breakeven on 1st buy
and with profit on lower buy

Bulls can exit breakeven on 1st buy
and with profit on lower buy

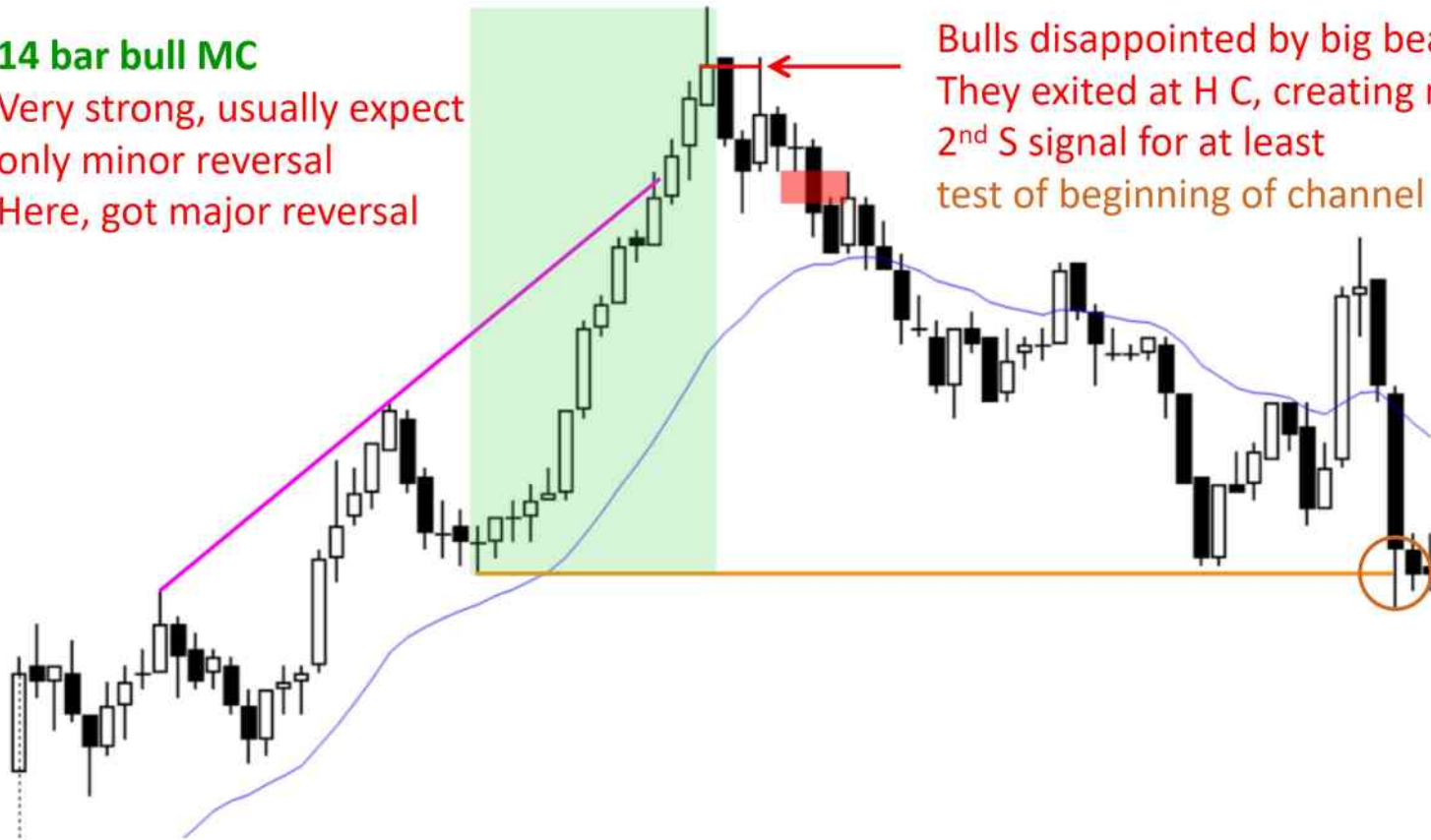


Bull MC in Extreme B Climax: Expect 2 Legs Down

14 bar bull MC

Very strong, usually expect only minor reversal
Here, got major reversal

Bulls disappointed by big bear bar
They exited at H C, creating micro DT
2nd S signal for at least
test of beginning of channel



B The Close: Disappointed Bulls Had to Wait

Reasonable to
B The Close
But 3rd leg up in
B Climax so not
good to B here

Parabolic Wedge

B The Close bulls could not avoid a loss
after being disappointed by bear bar
Usually will get back to their entry price
Bulls will scale in and expect to get out around
their 1st entry

Disappointed bulls exit
Breakeven on their 1st B
and with profit on lower B



Disappointed bulls had several chances to B
more above bull bar closing near its H
They are looking for eventual rally back to
their 1st B

B The Close: Big 7th Bar Attracts Profit Takers



Disappointed Bulls: Bull Trap

Bulls who bought the close of the bull BO bar were disappointed by the next bar (and next 6 bars)

No chance to exit without a loss

Better to exit below bear bar

But if hold long and scale in lower,
80% chance they can avoid a loss

80% chance of rally to at least midpoint of 2 buys, where can exit without a loss

Usually will get back to 1st B to allow traders to get out breakeven on 1st B and with profit on lower B



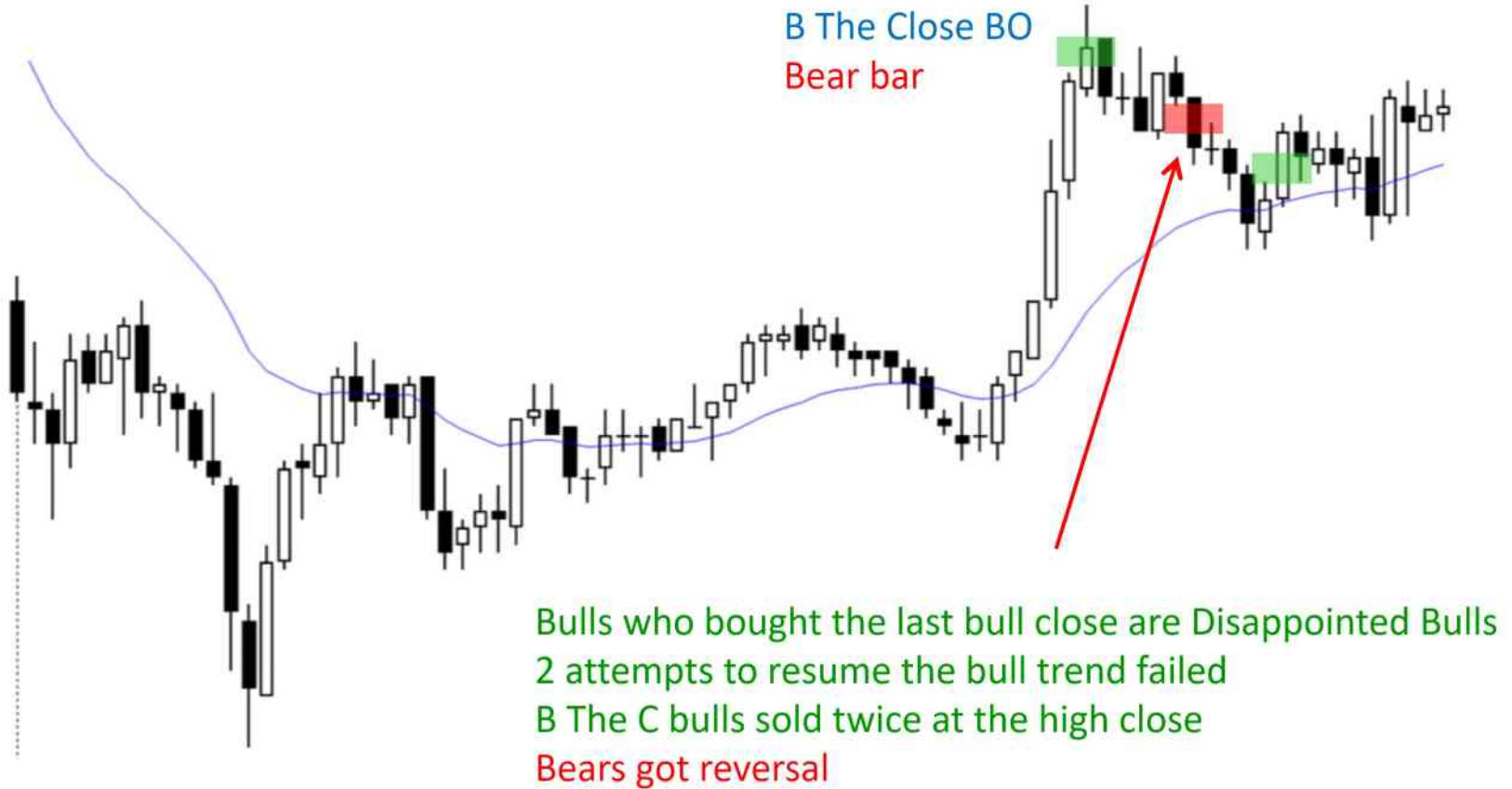
Micro DT: Disappointed Bulls Exited

B The Close bulls who bought the close of the final bull bar were disappointed by bear follow-through bar or bars



Exited within 1 – 2 bars around highest close
Created Micro DT
Bear Surprise Bar shows that
remaining bulls exited in panic

Strong Bull BO: Disappointed Bulls



B The C: Disappointed Bulls Created Micro DT



BTC, but Bad Follow-Through: Disappointed Bulls



Buy The Close rally

Disappointed by big bear bar

Placed limit order to get out breakeven

Created reversal down from H C

Minimum goal is 2 legs down

Led to sideways to down for rest of day

BTC, but Bad Follow-Through: Disappointed Bulls

B the Close usually ends after 4 – 6 bars
Often ends with big bar (buy climax), like here
Better to not B close of big bar if 7th bar in rally

Buy The Close rally
Disappointed bulls getting out
on reversal down from highest C
Expect swing down



Expanding Triangle top and bottom
Expect reversals

Buy The Close: Scale In Lower

