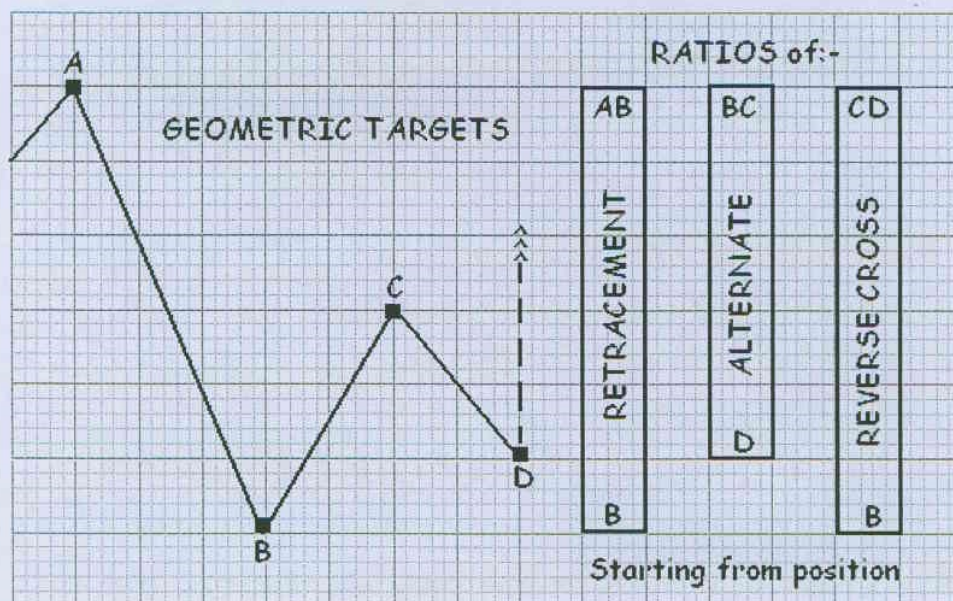


When you are working out possible geometric targets the procedures I use in order are:

1. Price Retracement levels
2. Alternate Wave Extension levels
3. Bryce's Reverse Cross levels



Use this same template in reverse for targets in a bear trend.

One piece of advice I can give you is this:

1. If you find a level where The ALTERNATE WAVE relates 1:1 and the RETRACEMENT is going to be 38.2, 50, 61.8 then the chances of a reversal at that level are about 90%.
2. If the ALTERNATE WAVE relates 1:1 and the REVERSE CROSS comes out at 1.618, 2.000 or 3.000 there is also almost a 90% chance of a reversal at that point.

There are many other combinations that offer a high probability for a reversal in trend but they are so numerous I cannot list them here. My advice to you is to explore all the possibilities within the markets you trade.

I have a routine that I have developed in my Wave Trader software that allows me to test important levels either in advance or at the time they occur.

When I am working with a 5-minute price series I find it easier to check them as I go using my X-ABCD routine which will be explained in a future section of this manual. My purpose right now is to get you ready for this explanation.