



MMTA Course Five – Review of Geocosmics and Cycles Plus Price Objective Calculations



FIBONACCI CORRECTION RULES IN PRICE OBJECTIVE CALCULATIONS FOR TREND RUNS UP AND DOWN

Module Lesson Eight



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The purpose of this lesson is to introduce mathematical calculated levels of support and resistance.

In this lesson, you will learn:

50% correction rule

38.2-61.8% Fibonacci retracement

45-85% correction

Mid-Cycle Pause

.618 calculation

1.618 calculation

1.236-1.382 Fibonacci
measurement

Price targets for breakouts from
technical patterns

Observe overlap of price objectives

Creates higher probability of support or resistance

Probability of a reversal is greatest when:

Market in time band for crest/trough

Market in CRD zone

Market ends price target zone

REVIEW OF BULLISH AND BEARISH CYCLE PHASES

To develop a successful long-term investment program, start with where the phase of the longer-term cycle is

Then ask what is likely to happen in the phase

When does market change from bullish to bearish

REVIEW OF BULLISH AND BEARISH CYCLE PHASES

Classical three-phase pattern

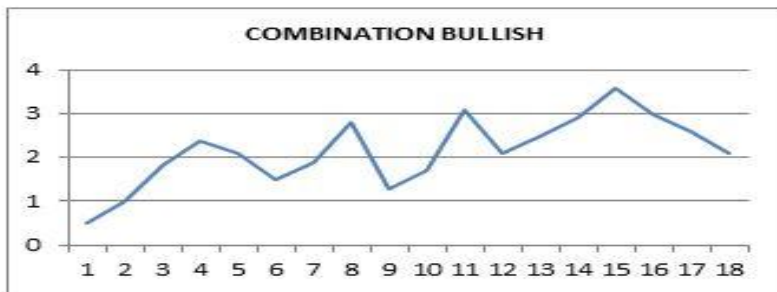
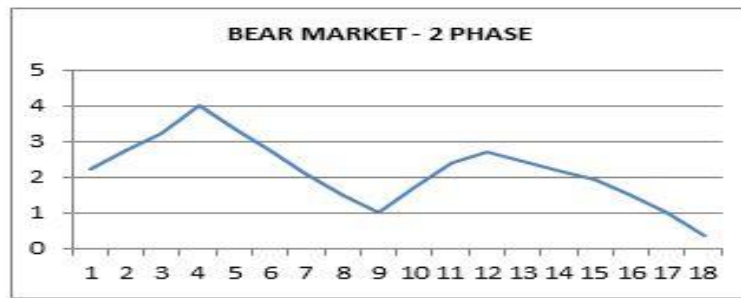
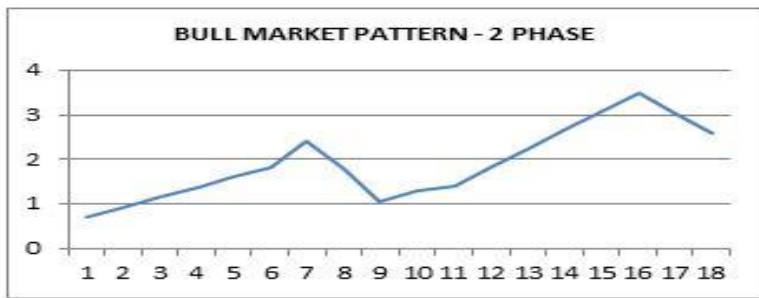
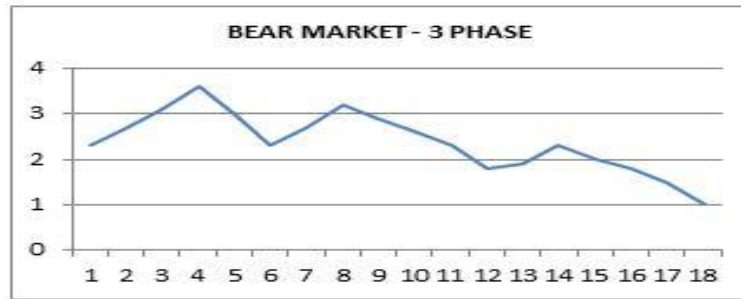
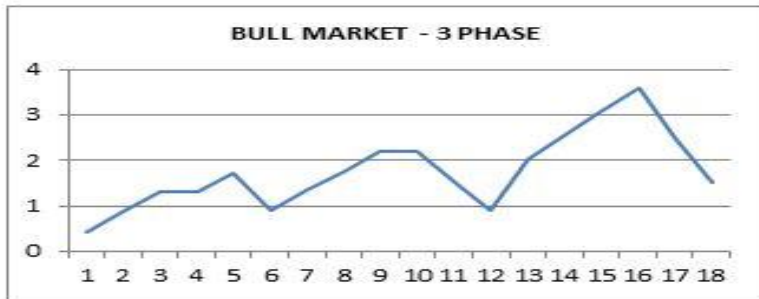
Classical two-phase pattern

Combination pattern

REVIEW OF BULLISH AND BEARISH CYCLE PHASES

- 1st phase of a new cycle is bullish
- In bull markets, crest occurs past halfway point (bullish right translation)
- In bull markets, lowest point of cycle is beginning
- In bull markets, steepest decline occurs in last half or final third of cycle
- Once cycle starting point is taken out, becomes bearish. Lowest price in bearish cycle is the end
- In bear markets, high is in first-half (bearish left translation)

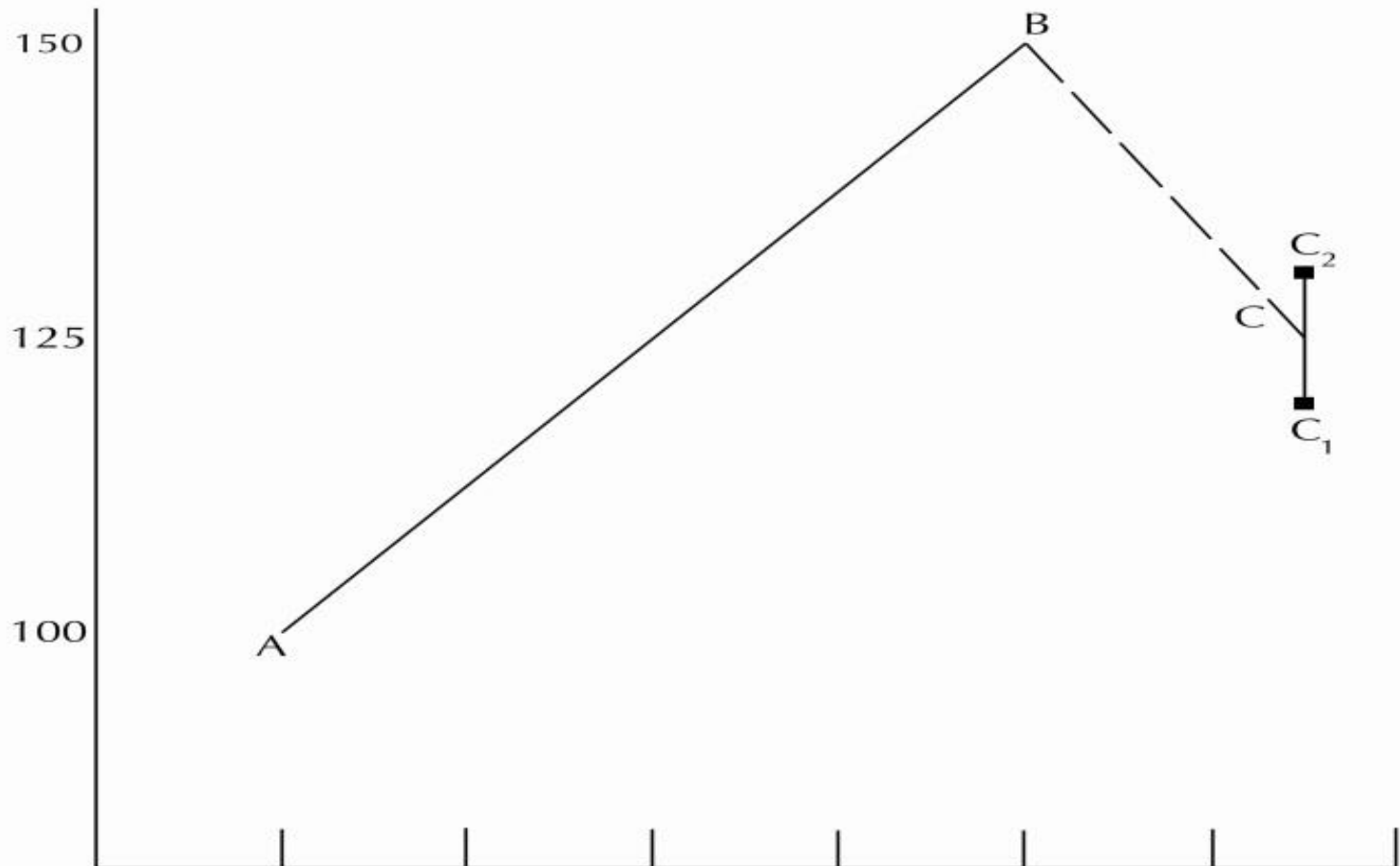
REVIEW OF BULLISH AND BEARISH CYCLE PHASES



CALCULATING THE PRICE TARGET OF A “NORMAL” CORRECTIVE DECLINE IN A BULLISH CYCLE (REVIEW)

- Start with simplest calculation- 50% retracement
- Range of 38.2-61.8% (50 +/- 11.8% Fibonacci corrections)
- Corrective declines in three-phase patterns typically 38.2-61.8% of move

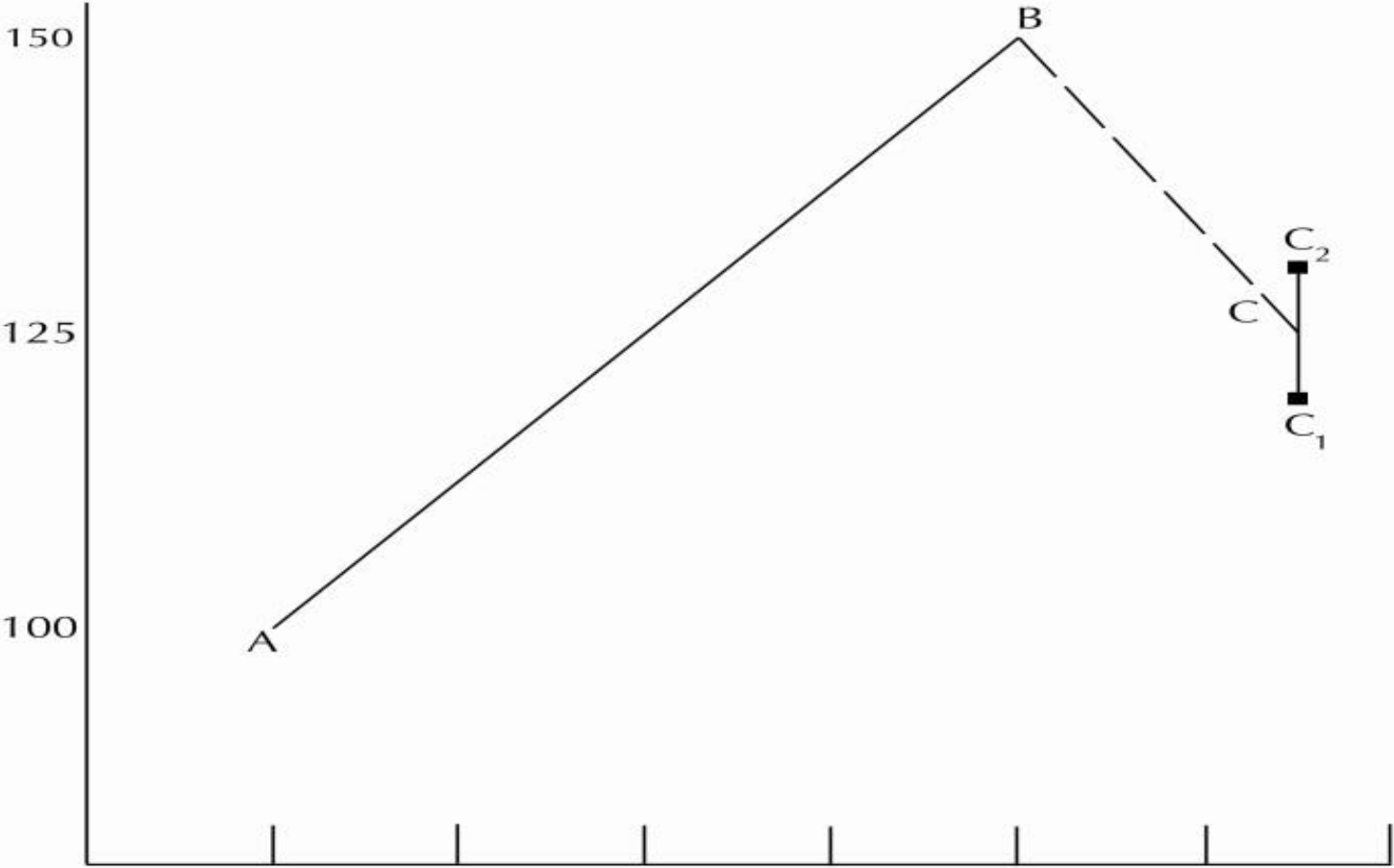
“The 50% Correction Rule” for Support in Bull Markets:



FIBONACCI CORRECTIONS:

- Market seldom corrects exactly 50%
- Most cases, it drops 38.2-61.8% or Fibonacci retracement
- Formula is as follows:
 - Take price of low
 - Add to crest
 - Divide by 2
 - Take difference of crest that ends the phase, minus the trough that started cycle, and multiply it by .118
 - Add and subtract this result to the 50% point
- See following illustration too

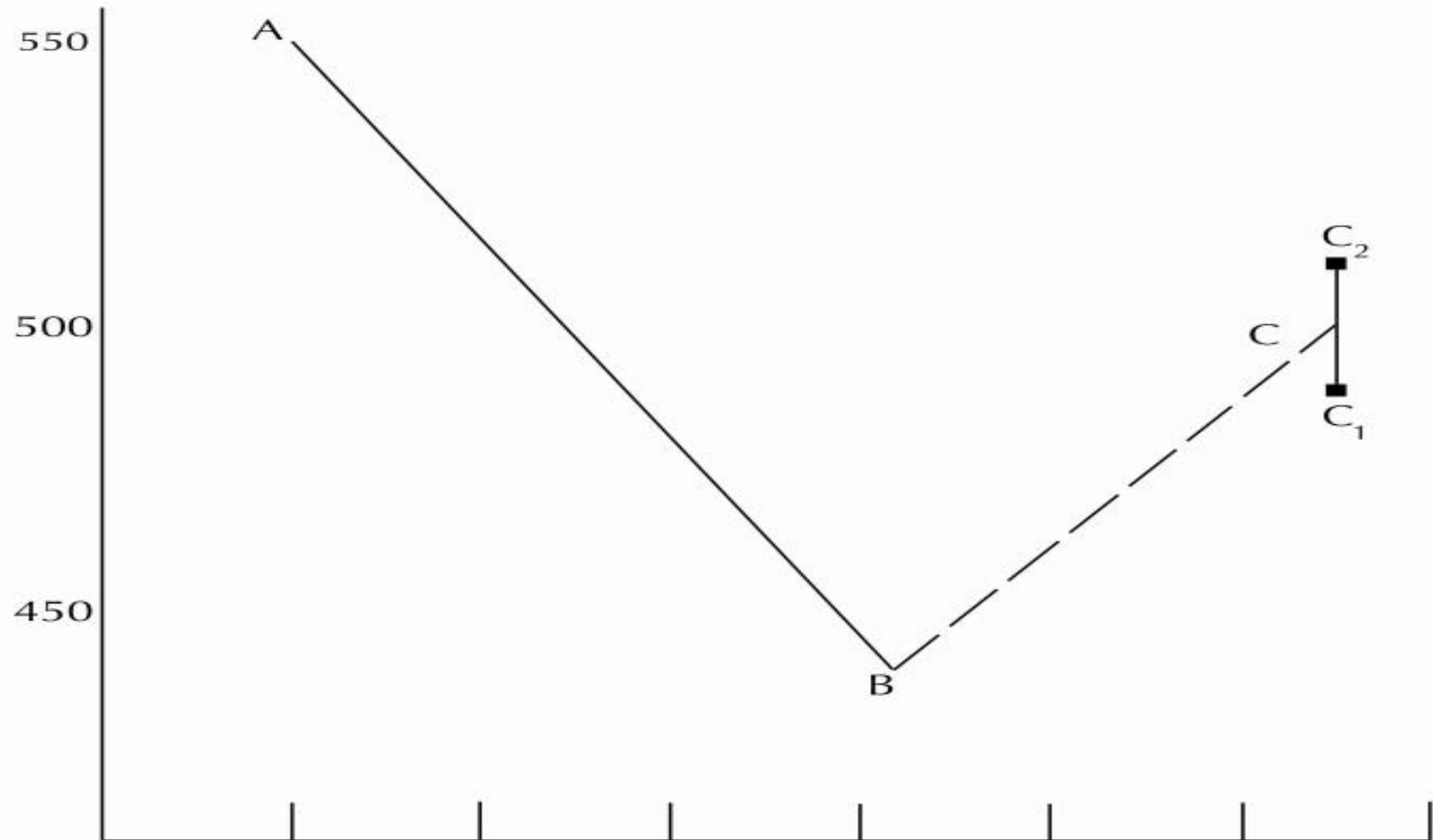
FIBONACCI CORRECTIONS:



CALCULATING THE PRICE TARGET OF A “NORMAL” CORRECTIVE RALLY IN A BEARISH CYCLE

- 50% Corrective Rally Rule in Bear Markets
 - Prices decline from crest to trough, and then gain back 50% of the move
 - Known as corrective rally
 - But 50% retracements can happen at any time within bearish cycles or phases

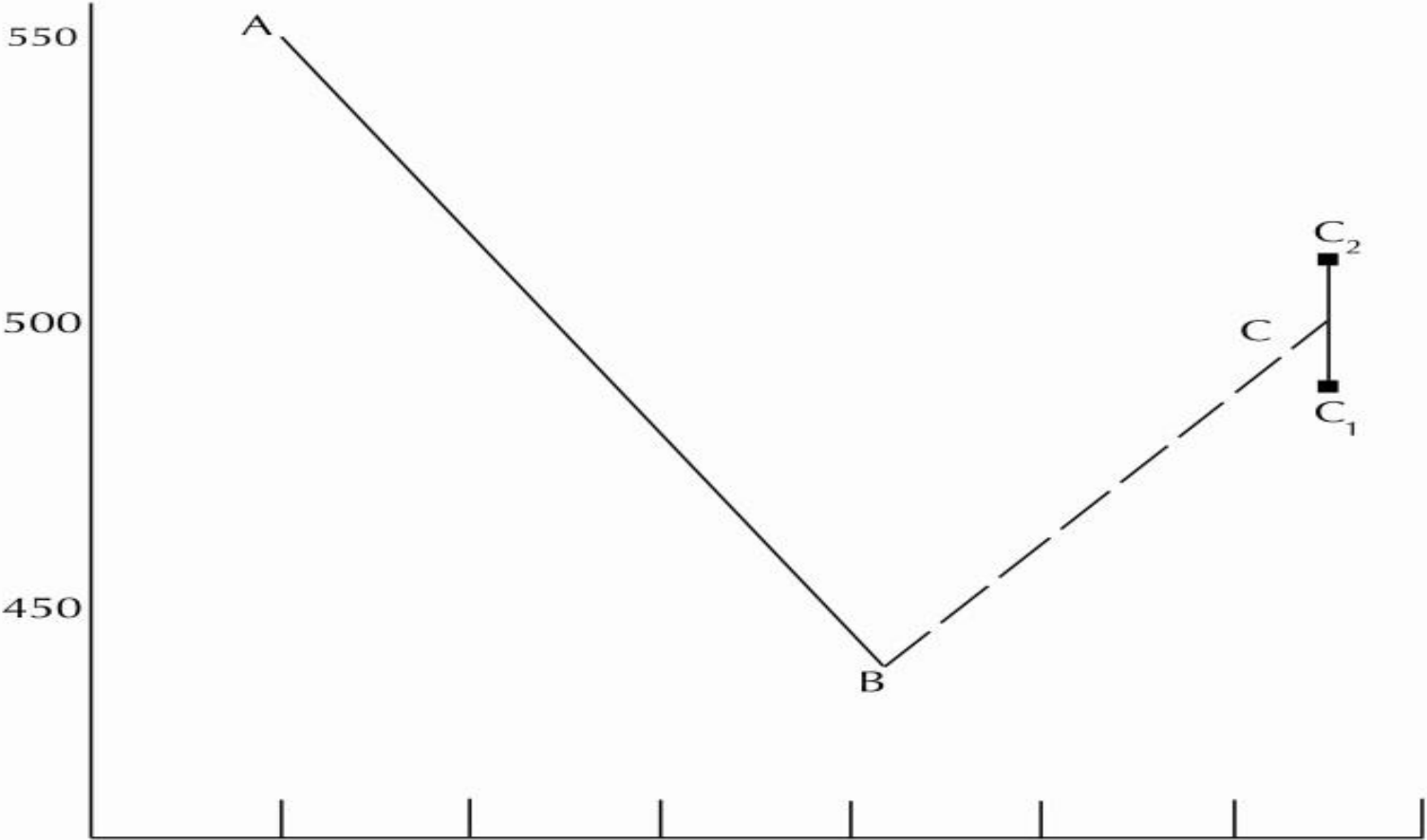
CALCULATING THE PRICE TARGET OF A “NORMAL” CORRECTIVE RALLY IN A BEARISH CYCLE



FIBONACCI CORRECTIONS:

- Most cases, it drops 38.2-61.8% or Fibonacci retracement
- Formula is as follows:
 - Take price of crest
 - Add to trough
 - Divide by 2
 - Take difference of crest that ends the phase, minus the trough that started cycle, and multiply it by .118
 - Add and subtract this result to the 50% point
- When prices rally into this range, and in time band for crest, prepare to sell short. Stop-loss above the high that started the move

FIBONACCI CORRECTIONS:



GEOCOSMIC CORRELATIONS TO “NORMAL” RETRACEMENTS

- Start/end to corrective retracement often coincides with Level 2 or 3 geocosmic signature or high solar-lunar combos. Level 1 only if expecting primary cycle trough or crest
- Stronger the signatures, stronger the cycle culmination
- Corrective retracements can still occur even without geocosmic signatures nearby, sometimes solar-lunar combos are enough on their own

GEOCOSMIC CORRELATIONS TO “NORMAL” RETRACEMENTS

- When Uranus signature, retracement could exceed 38.2-61.8% Fibonacci retracement
- During Mercury, Venus, Mars Rx, retracement may not be normal Fibonacci retracement—could be more or less

QUIZ #8

FIBONACCI CORRECTION RULES IN PRICE OBJECTIVE CALCULATIONS FOR TREND RUNS UP AND DOWN

1. What is the formula for determining a normal corrective retracement in financial markets? What is the name often used to describe this “normal” retracement zone?
2. If a security is in a bull market and making a crest, and its primary swing up was from a low of 120 to a high of 172, what would be the expected range for its normal corrective decline?
3. If a security is in a bear market and making a trough, and its primary swing down was from a high of 90 to a low of 72, what would be the expected range for a normal corrective rally?

4. What type of geocosmic signatures are present when normal corrective retracements begin and/or end? Can a strong solar-lunar weighted value correlate with a corrective decline or retracement?

5. What type of geocosmic signatures are present when markets commence retracements that are less than or more than “normal”?

End of Lesson 8

Break