



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



THE 1.618 CALCULATION FOR PRICE TARGETS IN THE THIRD PHASE OF A 3 PHASE CYCLE and OTHER CHART PATTERNS

Module Lesson Twelve



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The purpose of this lesson is to learn the calculation for an explosive rally or decline in a cycle.

In this lesson, you will learn:

1.)

- The formula for calculating 1.618 price target for crests and resistance zones

2.)

- The formula for calculating 1.618 price target for troughs and support zones

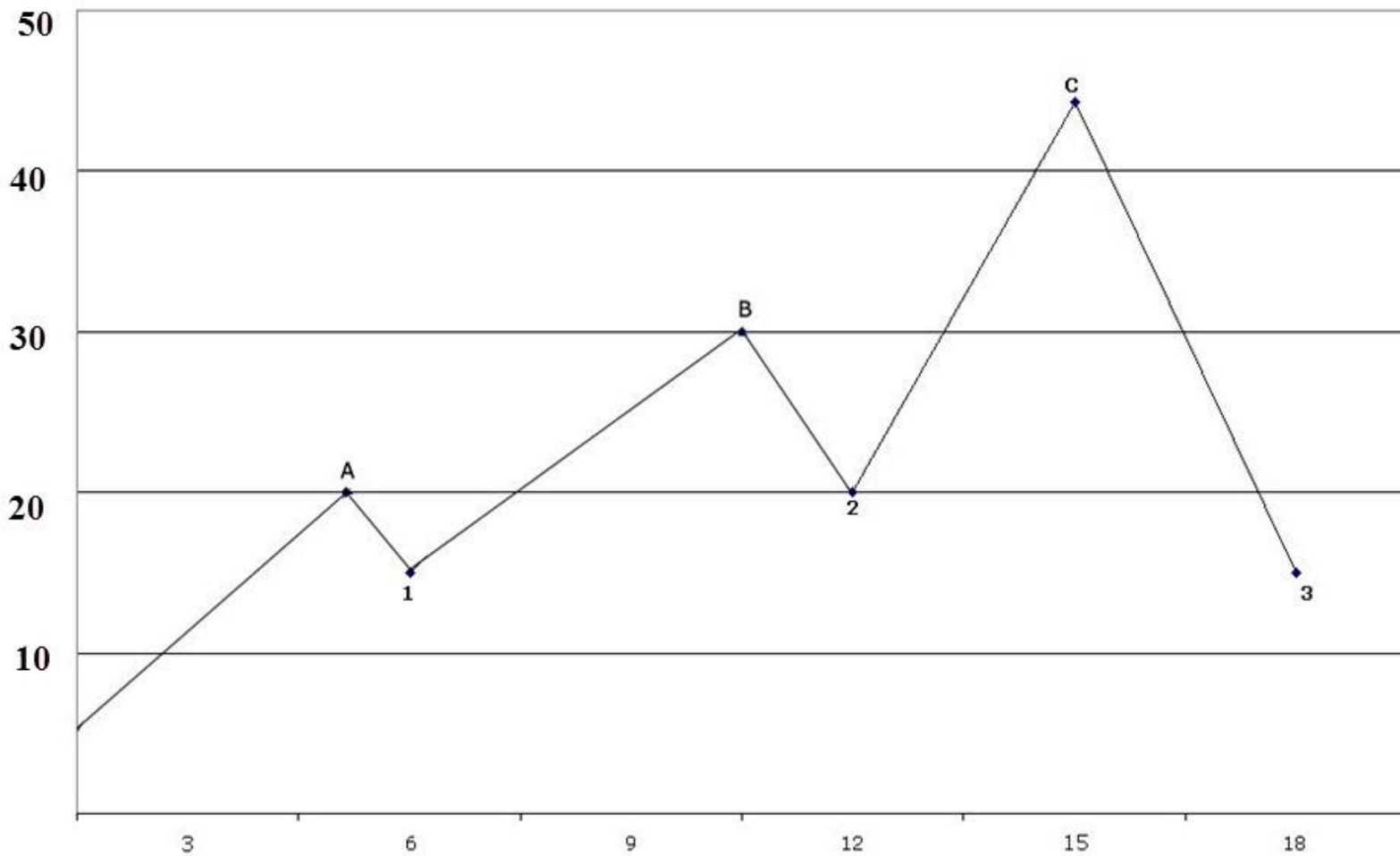
3.)

- Geocosmic correlations to primary cycles with a 1.618 price target

CALCULATING THE 1.618 PRICE TARGET FOR CRESTS AND RESISTANCE ZONES

- Parabolic moves or bubbles often occur at the end of a bullish cycle
- More important than the phasing is the pattern
- The last burst is often a 1.618 multiple of swing up that preceded the prior phase
- “The bigger they are, the harder they fall”
- Other cyclical phases one can observe 1.618 extension, ie: Rally off double bottom or A-B-C Elliot Wave Pattern

CALCULATING THE 1.618 PRICE TARGET FOR CRESTS AND RESISTANCE ZONES



CALCULATING THE 1.618 PRICE TARGET FOR CRESTS AND RESISTANCE ZONES

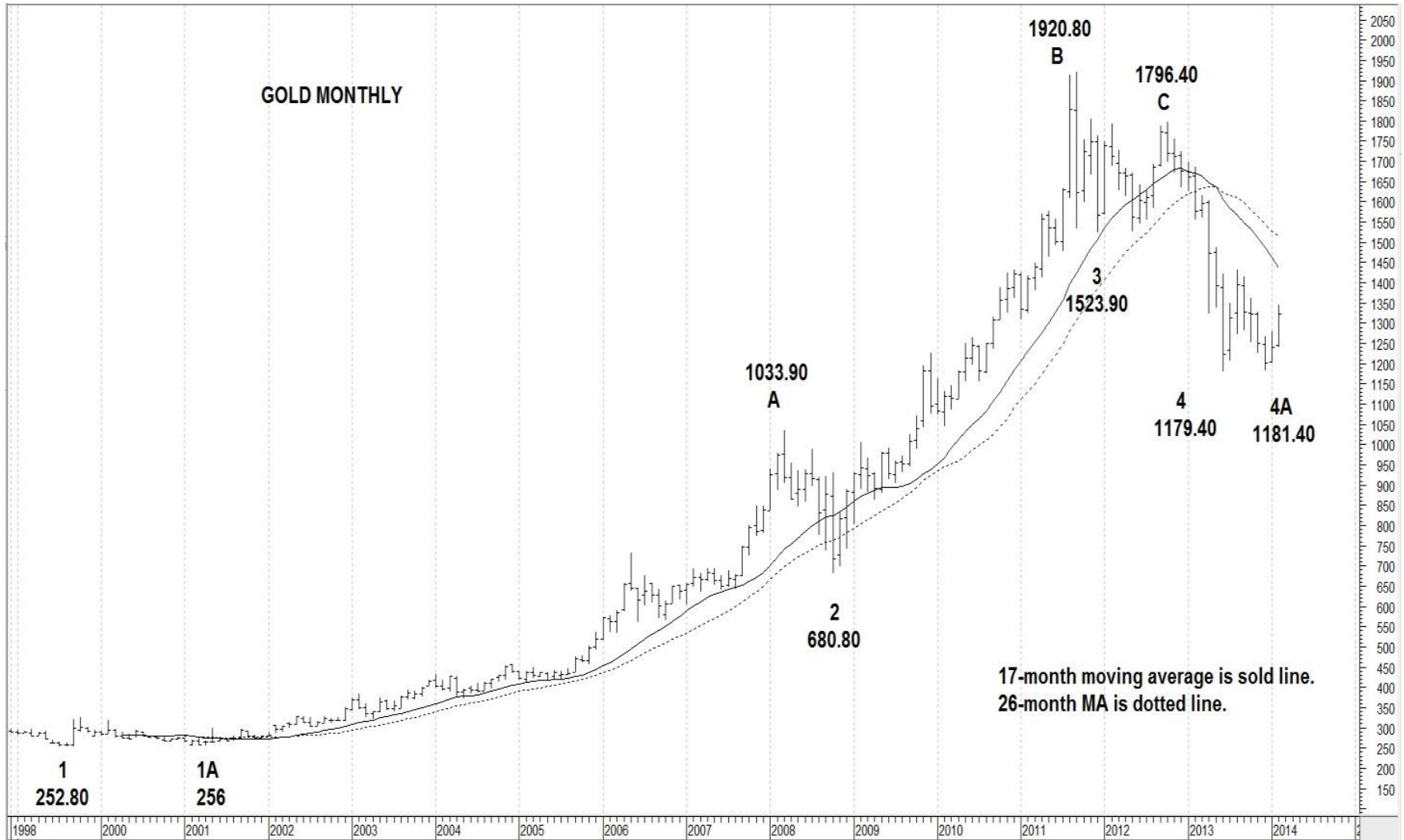
- Assume second phase starts at (1), which is price of 15
- Rally ends at B, which is price of 30

- $30 - 15 = 15$
- $15 \times 1.618 = 24.27$

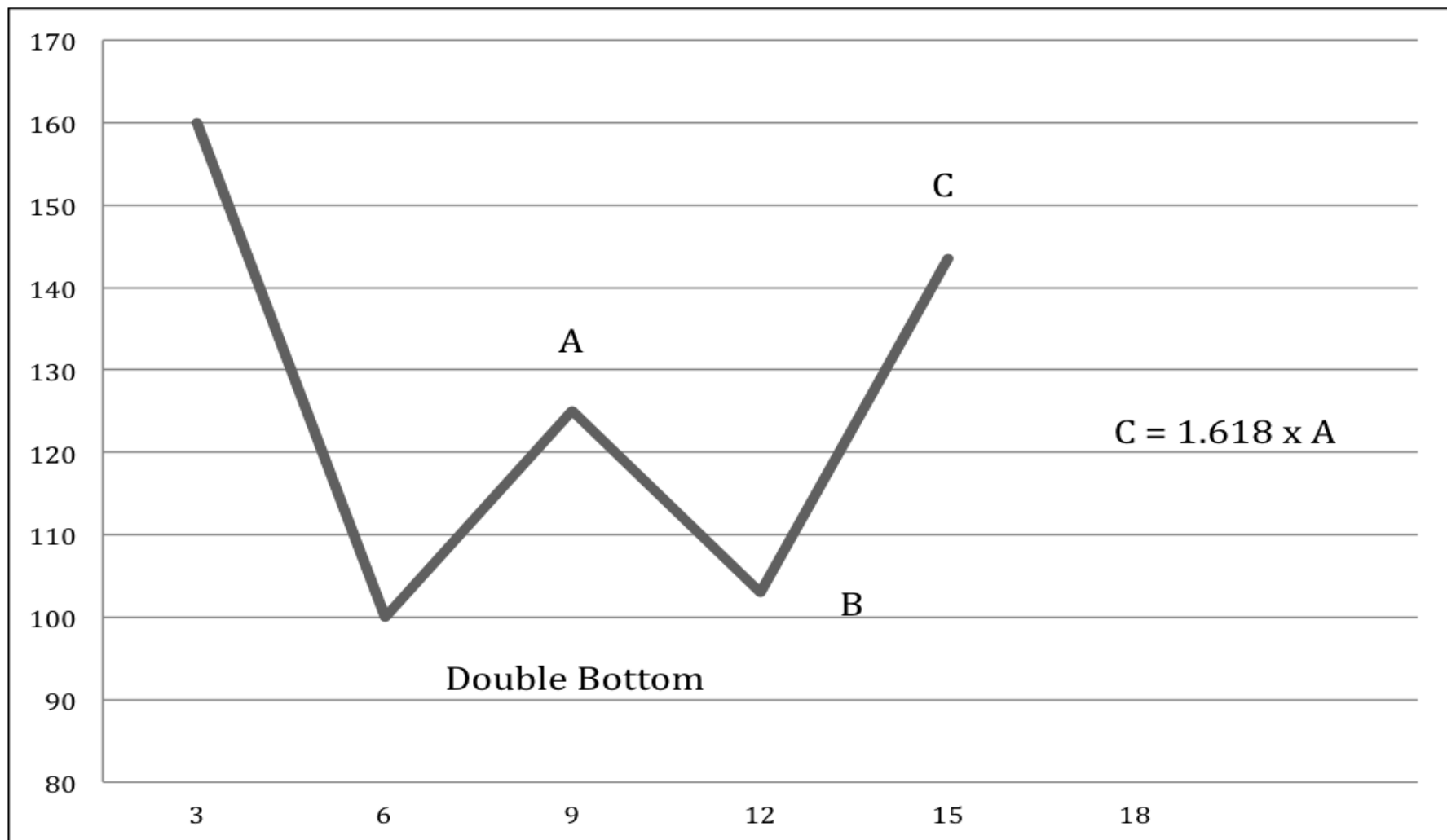
- Add this to low of second phase, so:
- $20 + 24.27 = 44.27$

- To calculate range:
- $(44.27 - 15) \times .118 = 3.45$
- Price objective thus $44.27 +/- 3.45$ for phase 3

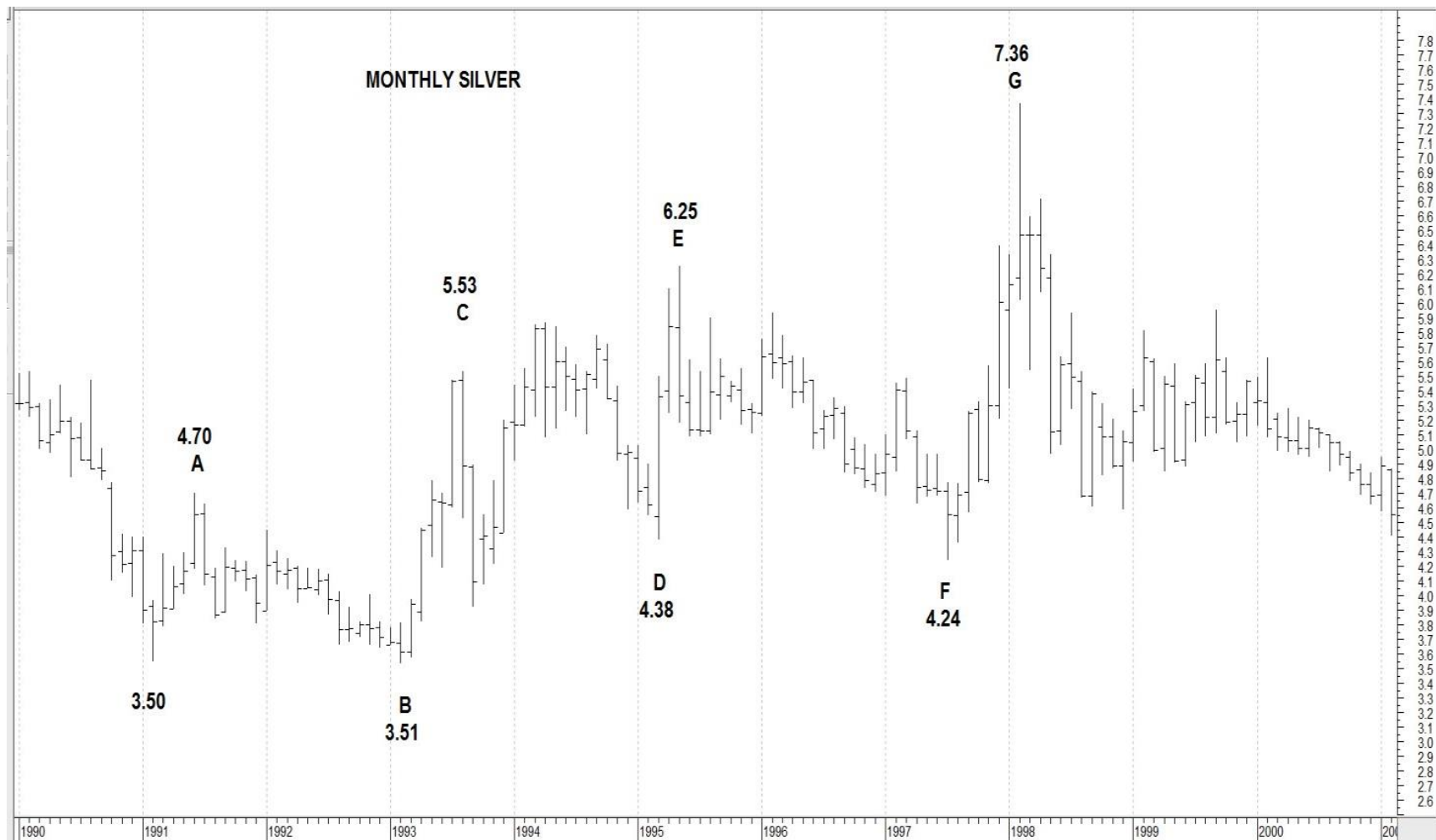
CALCULATING THE 1.618 PRICE TARGET FOR CRESTS AND RESISTANCE ZONES



CALCULATING THE 1.618 PRICE TARGET FOR CRESTS AND RESISTANCE ZONES



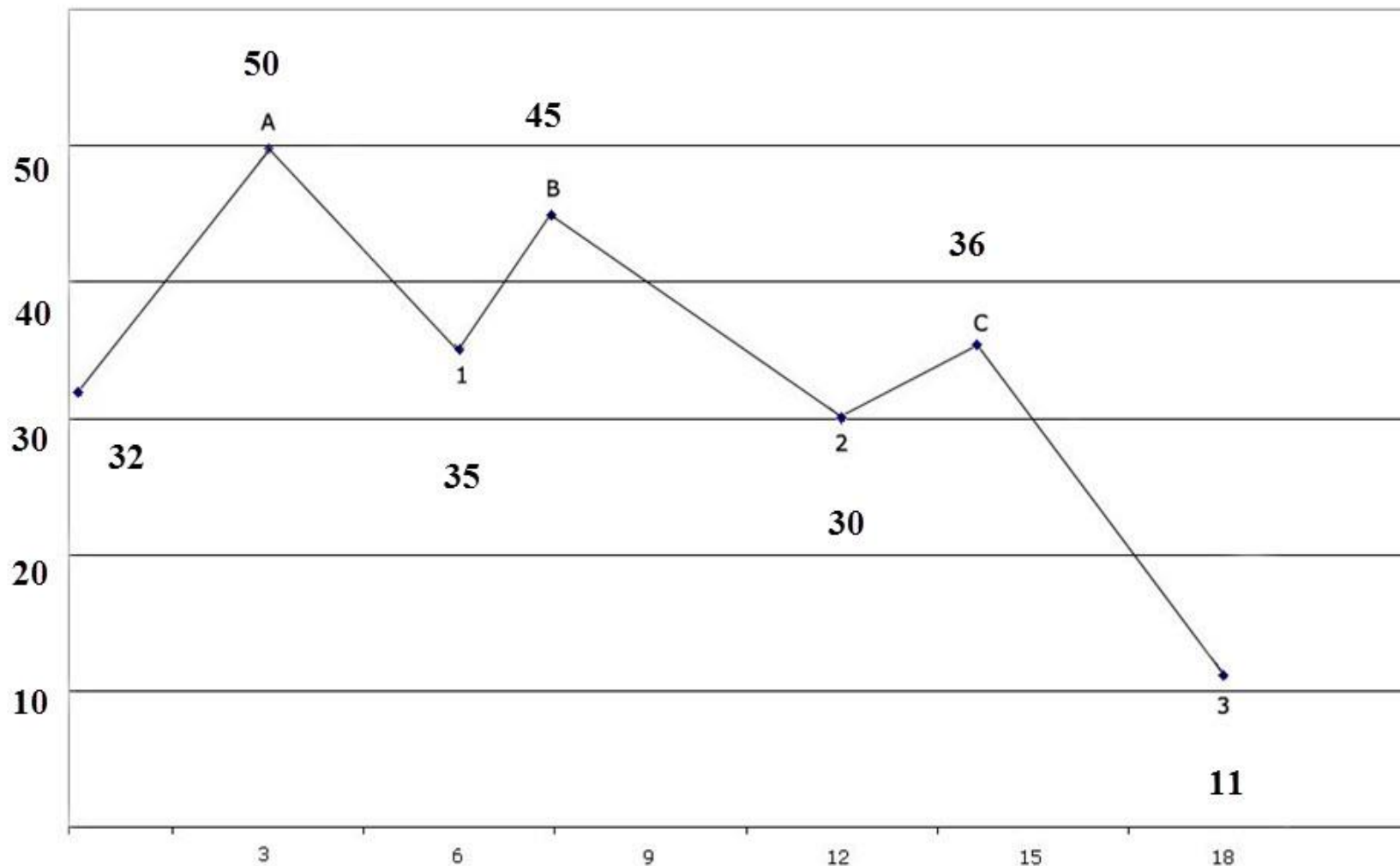
CALCULATING THE 1.618 PRICE TARGET FOR CRESTS AND RESISTANCE ZONES



CALCULATING 1.618 PRICE TARGET FOR TROUGHS AND SUPPORT IN THIRD PHASE OF BEARISH CYCLES, OR A-B-C MOVE DOWN

- Markets can also collapse lower
- Often take place at end of cycle, “capitulation”
- Can be 1.618 multiple of swing down, sharp rallies can follow
- 1.618-type declines can follow after double-tops or in an Elliott Wave A-B-C pattern
- Decline to final trough often a 1.618 multiple of the ‘A’ wave, subtracted from ‘B’

CALCULATING 1.618 PRICE TARGET FOR TROUGHS AND SUPPORT IN THIRD PHASE OF BEARISH CYCLES, OR A-B-C MOVE DOWN



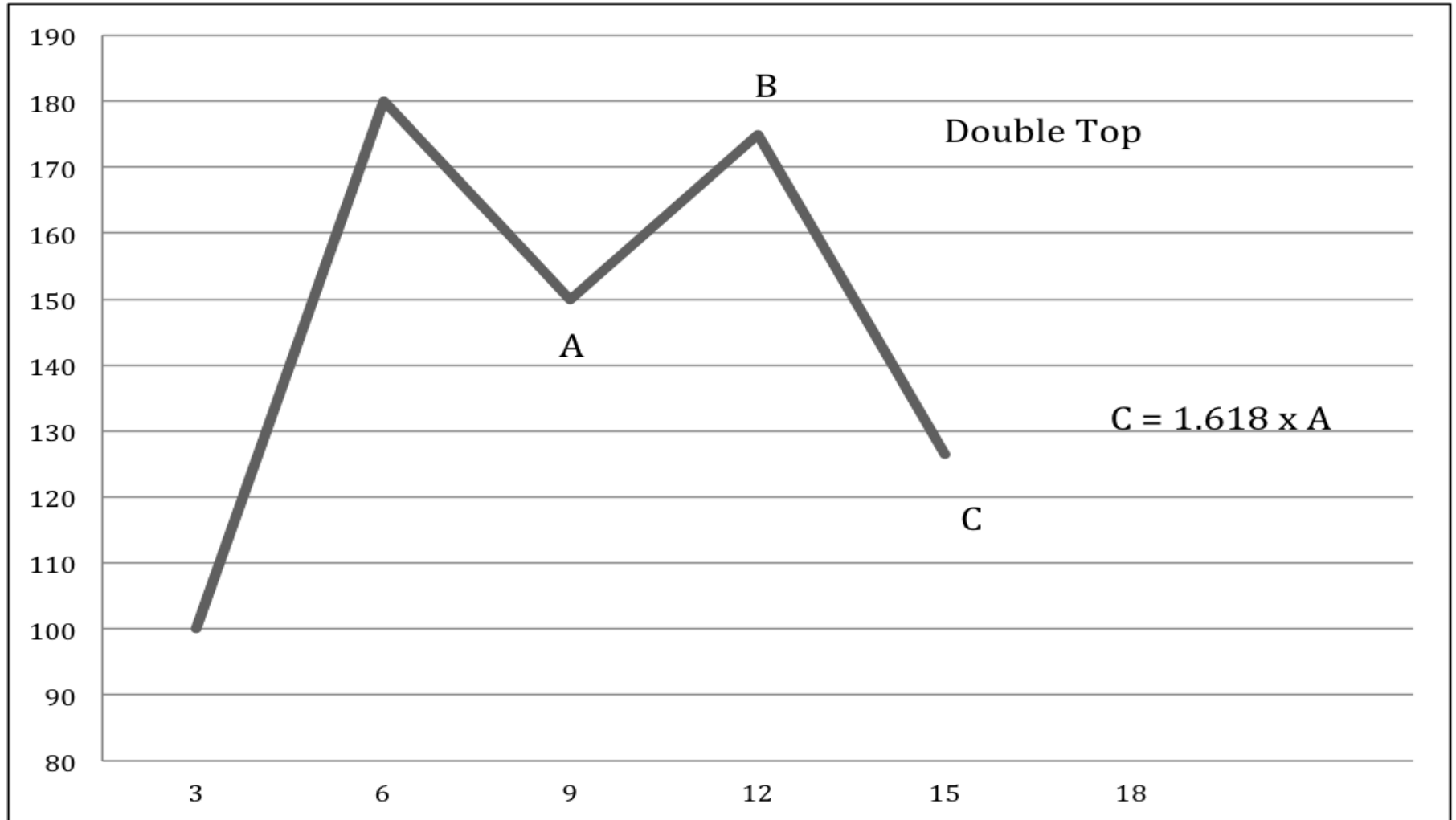
CALCULATING 1.618 PRICE TARGET FOR TROUGHS AND SUPPORT IN THIRD PHASE OF BEARISH CYCLES, OR A-B-C MOVE DOWN

- Take decline in second phase, multiple it by 1.618, subtract from crest of phase three:
- $(B - 2) \times 1.618 - C$ or
- $(45 - 30) = 15$
- $15 \times 1.618 = 24.27$
- $36 - 24.27 = 11.73$
- Range: $(B - 3) \times .118$ or
- $(45 - 11.73) \times .118 = 3.92$
- Target: $11.73 +/- 3.92$

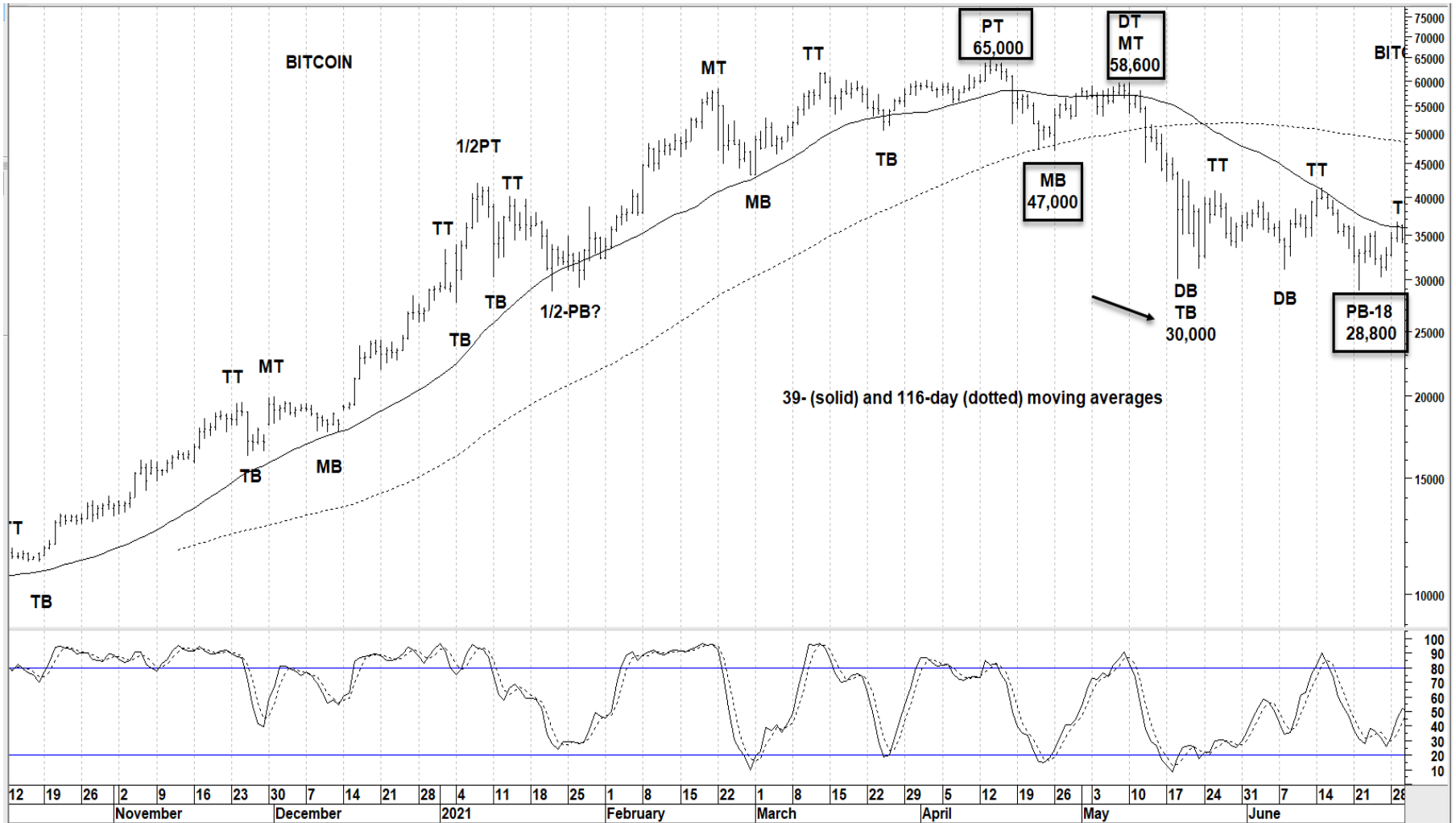
CALCULATING 1.618 PRICE TARGET FOR TROUGHS AND SUPPORT IN THIRD PHASE OF BEARISH CYCLES, OR A-B-C MOVE DOWN

- 1.618 declines can also happen after double top
- In Elliott Wave ABC pattern, C is 1.618 of A wave down, subtracted from second crest in double top
- For cycles, second low may not be part of three-phase down pattern
- Could be the low of third phase if crest happened in second phase, and third phase crest was double top

CALCULATING 1.618 PRICE TARGET FOR TROUGHS AND SUPPORT IN THIRD PHASE OF BEARISH CYCLES, OR A-B-C MOVE DOWN



CALCULATING 1.618 PRICE TARGET FOR TROUGHS AND SUPPORT IN THIRD PHASE OF BEARISH CYCLES, OR A-B-C MOVE DOWN



GEOCOSMIC CONSIDERATIONS

- When a market rises and declines 1.618 from a prior swing, it will usually break support or resistance
- Uranus aspects often present
- Breakouts to 1.618 objective
- Always best to see overlapping price targets

IN CONCLUSION...

- Let's review Stocks and Gold for next week!

PRACTICUM #12

THE 1.618 CALCULATION FOR PRICE TARGETS

1. Find a case where a rally exploded 1.618 from a double bottom or two cycle lows to a third high.
2. Find a case where a sell exploded 1.618 down from a double top or two cycle highs to a third low

End of Lesson 12

Break