

# Dynamic Trader Daily Report

Comprehensive Analysis and Education For the Serious Trader and Investor

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Monday, April 24, 2000

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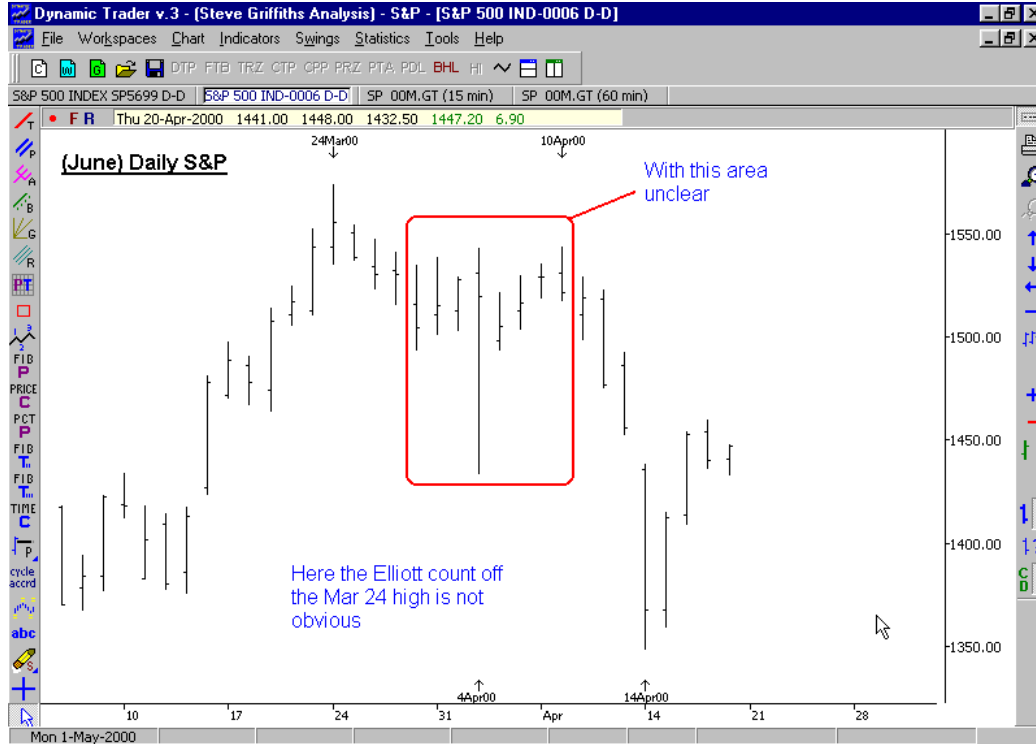
The analysis and trading strategies described in this report are for educational purposes only. The commentary in this report may or may not relate to a specific trade recommendation made in the Dynamic Trader Report. The weekday issues of the Dynamic Trader Report are prepared by Stephen Griffiths and are primarily for trading education purposes with alerts for potential trade set-ups for markets described in the Saturday issue prepared by Robert Miner.

## Today's Lesson

Using *close only data* to help in the identification of an Elliott wave pattern.

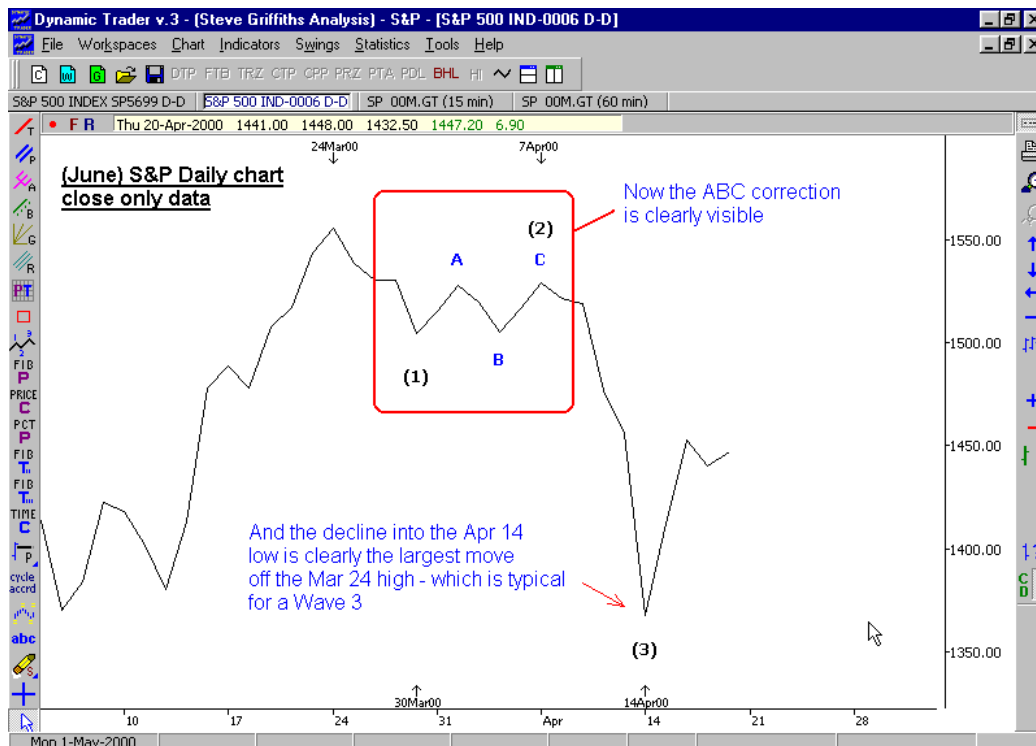
In Saturday's report Bob used several *close only* charts. A close only chart is a Daily bar chart, which uses closing data only. An Elliott wave count is often easier to identify when using close only data.

Let's have a look at the S&P as an example:



Here the Elliott pattern of the correction from the Apr 4 low into the Apr 10 is unclear.

Contrast this with the same chart, but with only the closing prices plotted:



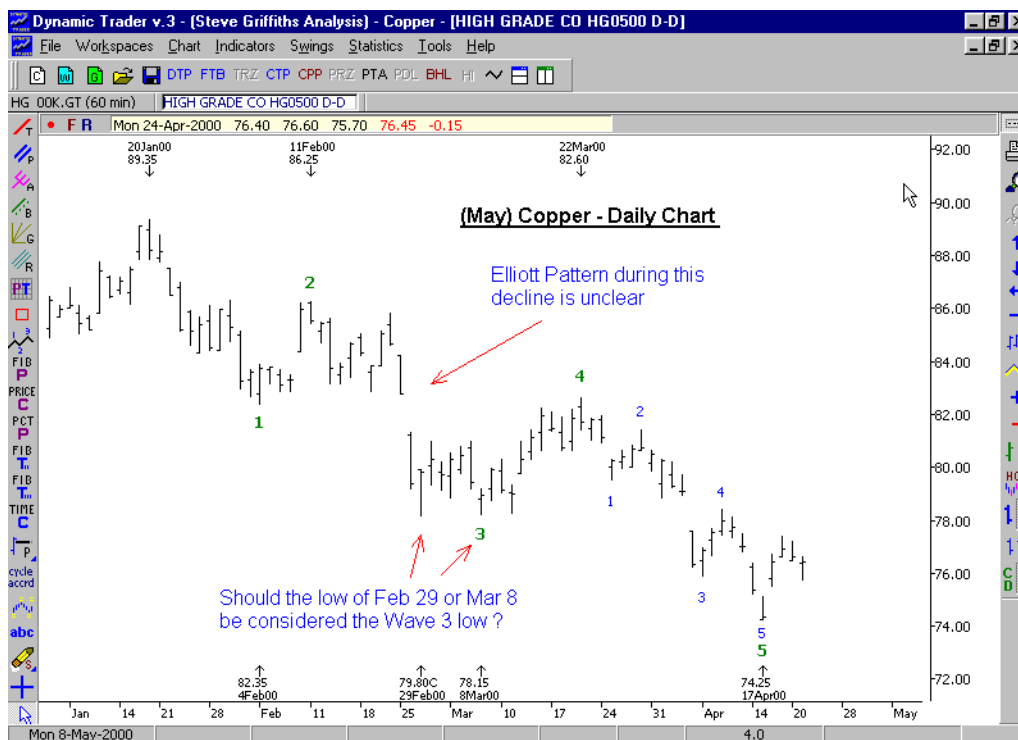
Now the ABC correction from Mar 30 to Apr 7 is clearly visible. The decline into the Apr 14 low is also clearly larger in Price than Wave 1 (as labelled on the above chart), which is typical for a Wave 3.

Another good example is on (May) Copper, where I have received a few questions on why the Wave 3 low was considered to terminate on Mar 8 rather than the lowest intraday low on Feb 29.

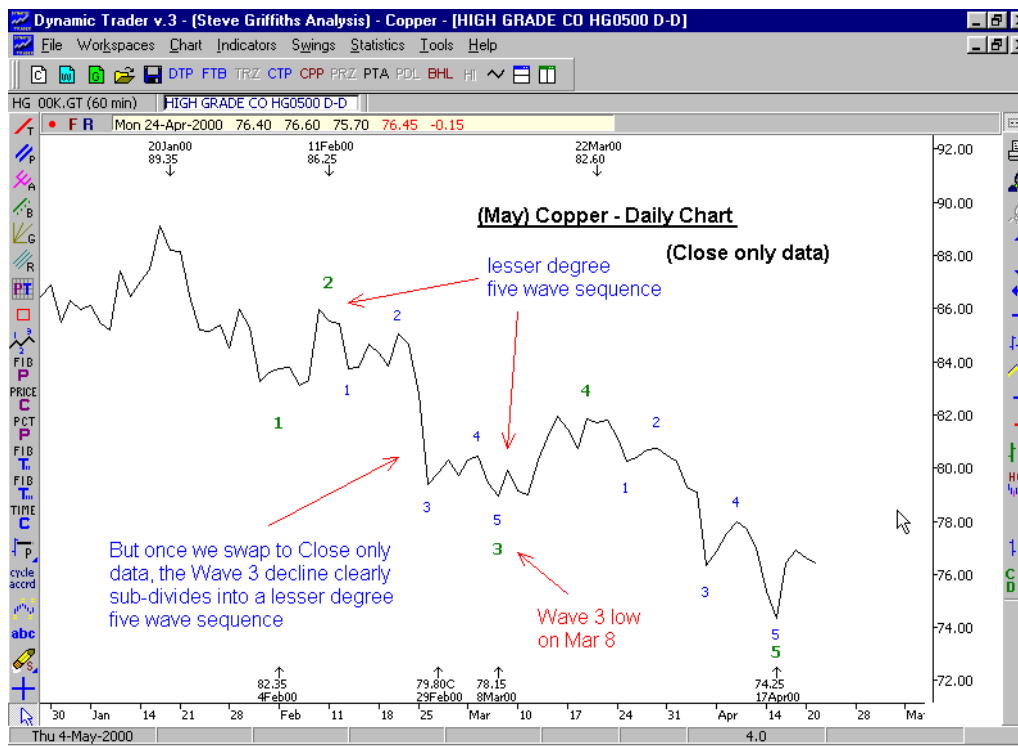
If you turn to the first chart on the next page you will see the Daily open-high-low-close chart. Contrast this with the close only chart shown below, where the lesser degree five wave sub-division of Wave 3 is clearly visible.

This is not always the case, but normally if an Elliott count is not obvious on an open-high-low-close bar chart, try using a close only chart. Also, as Bob mentioned in Saturday's report, where there is an unusually wide trading range in one day with the close remaining little changed, the Elliott count is often easier to see on a close only chart.

(May) Daily Copper – (Open-High-Low-Close) chart



(May) Daily Copper – (Close only) chart



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## Lessons Learned

Sometimes using *close only data* can help in the identification of an Elliott wave pattern.

Good Trading,

Steve

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## Specific Trade Recommendations Summary For April 24

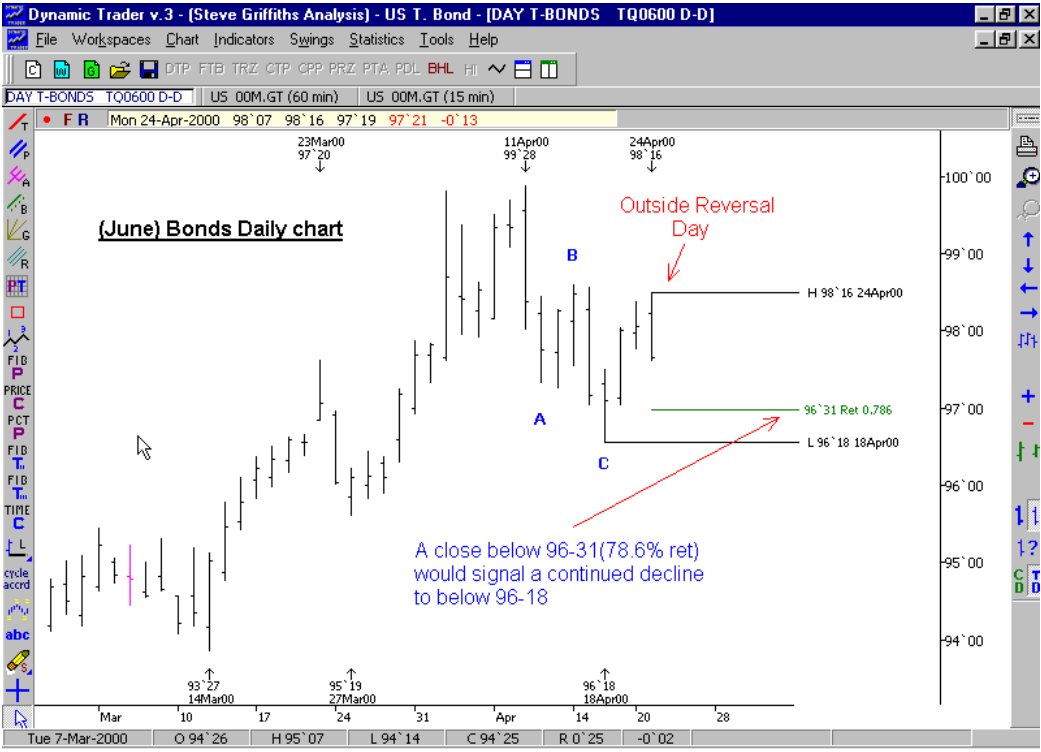
This table only includes those markets with outstanding trades and new specific trade recommendations.

Market – Current Position	New Trade Recommendations or Stop-Loss For Existing Positions for April 24
<b>BP: June</b> Same Rec as Sat.	Today the Pound remained within Wednesday's trading range. <u>ST &amp; IT units</u> : Buy the BP on a 1.5842 stop and place the initial protective sell-stop at 1.5782
<b>S&amp;P: June</b> S-4/19, 1440.25	<b>Analysis and trade strategies for the full S&amp;P contract. Trade execution on the E-Mini contract.</b>  If Apr 19 completed a Wave 4 high, then the S&P should continue to decline to below 1417, <u>before</u> closing above 1450.41. See chart on the last page of this report.  <u>ST &amp; IT units</u> : Lower the protective buy -stop on both units to 1451.0.
<b>Cotton: July</b>	Today's decline stopped out the long position at 57.25.  There are no new recommendations.
<b>AD: June</b> L-4/18, 0.5955	<u>ST &amp; IT units</u> : Maintain the initial protective sell-stop at 0.5889, one tick below the recent swing low.  If the AD closes above 0.5985, raise the protective sell stop on both positions to 0.5929.
<b>Copper: May</b> L-4/18, 76.40	<u>ST &amp; IT units</u> : Maintain the protective sell-stop at 74.20, one tick below the recent low.
<b>Crude: June</b> L-4/17, 24.58	<u>ST &amp; IT units</u> : Maintain the protective sell-stop on the IT unit at 24.96.  And, trail the protective sell stop on the ST unit, one tick below the 1DL, 25.81 for tomorrow.
<b>Soybeans: July</b>	Today's advance stopped out the short position at 556.2. A close above 560 (the 78.6% retracement of the Apr 3 to Apr 7 decline) would signal a continued advance to new highs.  There are no new recommendations.
<b>Bonds: June</b> S-4/17, 97.03	Today Bonds made an Outside Reversal Day. A close below 96-31 (the 78.6% retracement) would signal a continued decline to below the Apr 18 low. See chart on next page.  <u>ST &amp; IT units</u> : Lower the protective buy -stop on both units to 98.17, one tick above today's high.

**Other Markets of Interest Summary For April 24**

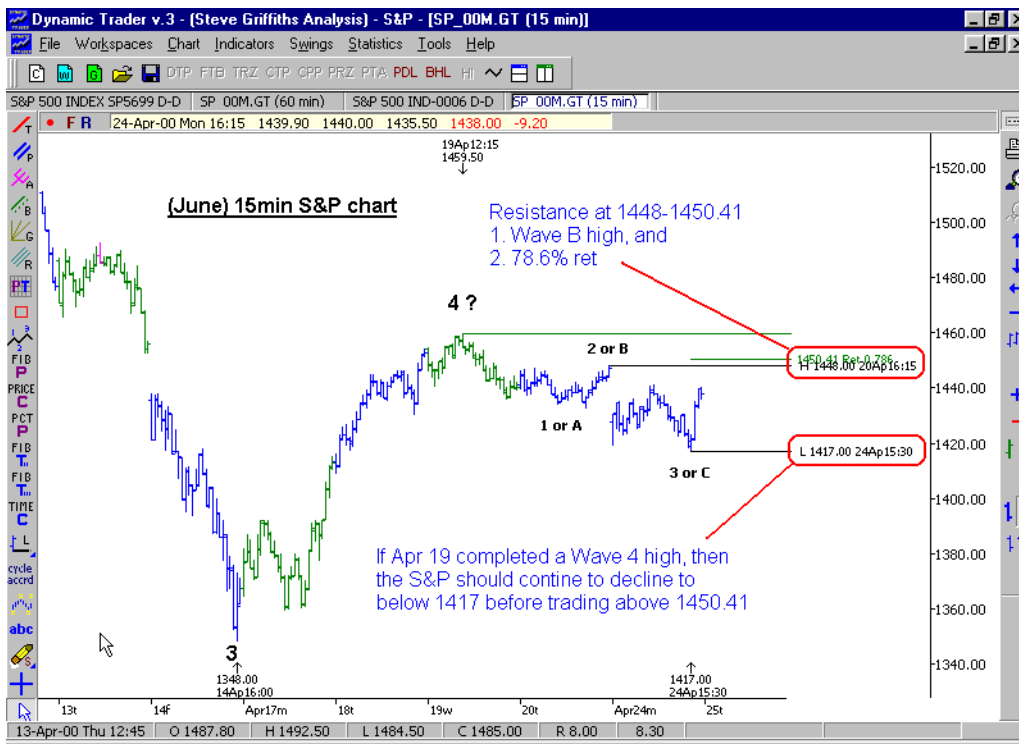
Market	Other Markets of Interest – April 24
<b>Nasdaq: June</b>	Today the Nasdaq traded, but did not close below 3284, the 78.6% retracement of the Apr 14 to Apr 19 rally. If Apr 19 is a Wave 4 high, the Nasdaq should continue to decline and close below 3284 before trading above 3661. See Chart on next page.
<b>SF: June</b>	Comments remain unchanged from Saturday.
<b>Sugar: July</b>	Today made a double inside day. A decline below 6.37 would be initial confirmation of Apr 19 as a top.
<b>Corn: July</b>	Comments remain unchanged from Saturday.

(June) Bonds daily chart

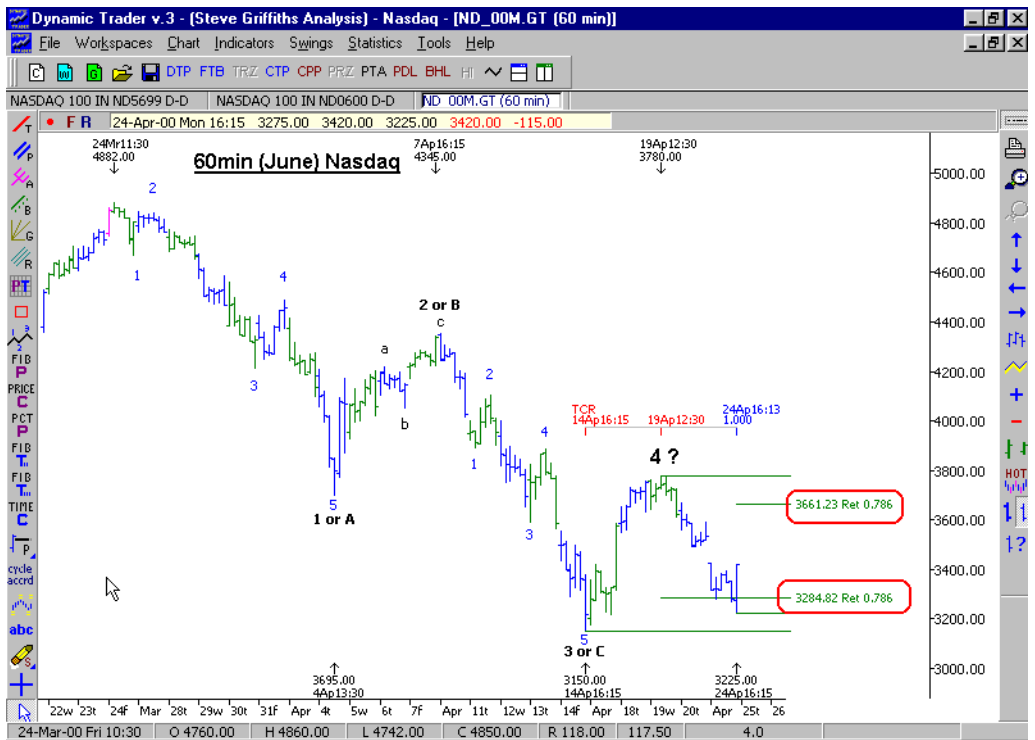


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(June) S&P – 15min chart



(June) Nasdaq – 60min chart



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