

***Elliott-  
Fibonacci  
Trader*** ©

*with Ed Downs*

Part 3 – Trade Management, Fractals and Options

# EFT Course Agenda

## **First Tuesday** (today)

- Understanding EFT
- Trading Rules
- Prospecting

## **First Thursday**

- Trade Management
- Prospecting

## **Second Tuesday**

- Trade Management
- Using Fractals
- Trading Options
- Prospecting

## **Second Thursday**

- Q&A
- Prospecting

# Trade Management

# Trade Management Summary


- Move/Place Stops up just below the **Prior Pivot**.
- Look to Hold to the **Wave Target** if possible.
- Exit if a New Opposite Pivot forms.



# Elliott Wave Fractals

# Establishing a Layout in OmniTrader

Layouts are Easy to Make!

1. Click New on Layouts and name it.
2. Click the  multiple times on any Symbol.
3. Check the Synch (.) to "1" in each chart.
4. Set the timeframes to the desired preference in each chart.

Switching time frame will now ONLY change the Focus List.



# Using Fractal Theory in Daily/Weekly

Switch Focus List to Weekly Heikin Ashi Charts and Look for Odd Waves.

Focus List

EFT Wave Up

Go	Symbol	Sig	Bars	Pos	Wave
<input type="checkbox"/>	LOW				5
<input type="checkbox"/>	AON	↑	10		5
<input type="checkbox"/>	CB				5
<input type="checkbox"/>	CLF	↓	2		-4
<input type="checkbox"/>	DIS	↓	1		-3
<input checked="" type="checkbox"/>	EBAY				3
<input type="checkbox"/>	ED				-7
<input type="checkbox"/>	ETSY	↑	14		3
<input type="checkbox"/>	GOOG				7
<input type="checkbox"/>	ANTM	↓	16		-4

Weekly Focus List



# Options with Elliott Waves



# The Option Advantage

Option Leverage can benefit EF trades by using Target and Stop.

Can use OptionTrader's Target and Loss Tool to select the options.

Same Money Management Rules.



Trade Manager

View Settings

Trade Manager Trade Plan Trade Log

Option Finder: Easy Advanced

Option Finder Option Grid Volatility Viewer

Sizing

Calculator Max Margin: 5000 Max Risk: 1000

Initial Target

Bullish  Bearish  Neutral E

Option Methods

Show All  Auto Select Rank Positions by: % Gain Cancel Trade Trade Plan

Test	Option Method	Margin	\$ Gain	% Gain	\$ Risk	% Risk	R:R
<input checked="" type="checkbox"/>	OPT Long Option Basic	\$86	285.24	331.67%	-86	-100%	3.32
<input checked="" type="checkbox"/>	OPT Long Option Search	\$170	500.03	294.14%	-170	-100%	2.94
<input checked="" type="checkbox"/>	OPT Long Option	\$173	447.04	258.4%	-172.76	-99.86%	2.59
<input checked="" type="checkbox"/>	OPT Extended Moves Long	\$192	478.04	248.98%	-190.86	-99.41%	2.5
<input checked="" type="checkbox"/>	OPT Synthetic w P	\$228	457.35	200.59%	-192.84	-84.58%	2.37

Long Nov 25 Call  
Reward:Risk 3.3

# Investment Strategy

1. Buy the Stock
2. Sell Covered Call near the Elliott Wave Pivot Reversals.
3. Move Stops up to the Prior Pivot.
4. Cover the Call on any apparent Pivot Up-Turn
5. Repeat Steps 2-4.



What's Next

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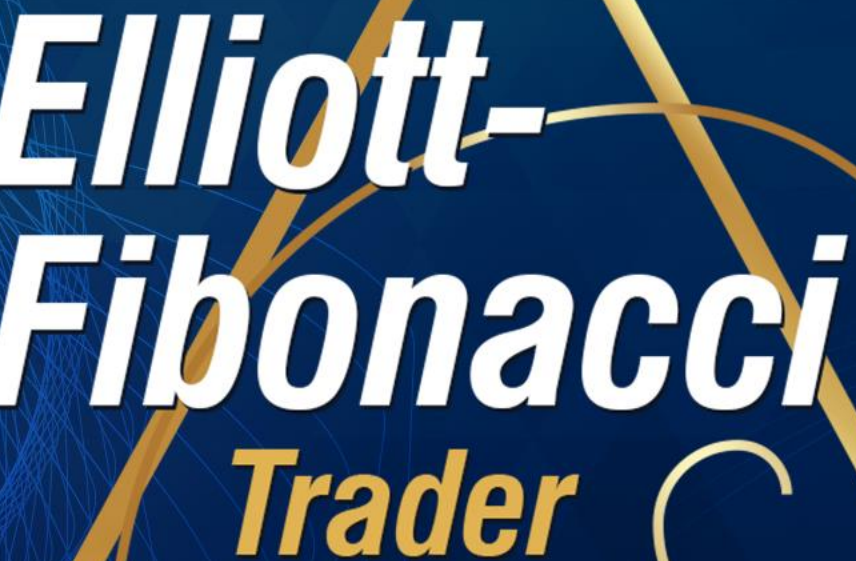
- Trade Management
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## **Second Tuesday**

- Trade Management
- Using Fractals
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