

eSignal,

Advanced GET Edition, Version 10 A Trader's Toolbox



In this review, we will first give a basic introduction to the concept of Elliott Wave and its use within Advanced GET. Thereafter, we will give you an introduction to the basics of the four „core“ techniques taught by eSignal, and the basic principles behind the Advanced GET trading philosophy will be revealed as well as various other indicators offered in the package. Lastly, there is an overview of the pricing and training options available.

■ Overview

eSignal's Advanced GET offers one of the most robust set of trader's tools available today. This is not so much just a software package as a series of techniques for trading markets. The „GET“ stands for Gann Elliott Techniques. eSignal has assigned a set of trader instructors to provide training for the product. It is impossible to really appreciate this package without taking time to study the various techniques suggested within. For the sake of brevity, we shall just refer to the software as Advanced GET in the article, but in most cases we are referring to the latest edition, as named above.

Anyone who has ever touched upon the theory of Elliott Wave, whether they are a fan or not, cannot help but notice that this area is full of many differing points of view as to which „wave count“ a market is in at any given moment. It is precisely because of this that many people become somewhat disaffected by the Elliott Wave Theory. However, what they fail to realise is that it works in a way similar to any other trading system on a series of probabilities. It is precisely this gap from wave count calculator to practical trading tool which Advanced GET seeks to address. With Advanced GET, automated „most probable“ Elliott Wave counts become more accessible, and a series of other probability indicators such as the PTI indicator as well as various other entry and exit tools, help to turn this package from just a wave counter into a powerful practical trading tool.

Elliott Wave Theory

Elliott Wave Theory looks for five waves in the direction of a trend, with Waves 1, 3 and 5 being „impulse“ waves in the trend direction and Waves 2 and 4 being corrective. The corrective waves 2 and 4 have sub-waves which are labelled A,B, and C within waves 2 and 4. Each wave can have its own sub-waves of „lesser degree“, and so on. So a sub-wave A, for example, can have five waves up and down within it and so on and on.

Major wave counts can last hundreds of years with sub-waves and sub-waves all the way down to tick charts and everything in between. Labelling completed wave „counts“ is done according to a set of rules, but analysing which wave count one is in at any given moment can prove more difficult, as there are almost always „alternate counts“. Advanced GET works on statistical probability.

The package uses a momentum oscillator to define the probability of Wave 3, which is the major thrust in an up or down „impulse“ move.

Let's take an example of the basic wave concept without going into the scope of the Fibonacci relationships that define the Wave relationships. We are nearing the end of a bear move. The last bears have sold out. The bulls move in and this can be labelled as Wave 1 of a new up move. However, there are still some bears out there, so a correction takes place downward called Wave 2. When the high of Wave 1 has been surpassed, we are in Wave 3. By this time, those

remaining bears from the original move down plus those who went short in corrective Wave 2 scramble to get out, thus fuelling the up move in addition to the fresh Wave 3 buyers. This makes the momentum and impetus of a Wave 3 far greater than that of Wave 1, which many could have mistaken as a mere correction in a bear market. By the time Wave 3 is exhausted, some buyers from Wave 3 look to take profits, and a Wave 4 correction sets in. However, some buyers have been waiting for a correction, so they jump in causing a Wave 5 to set new highs (or lows in a down move) in the market. Corrections in the 5 wave sequence have their own sub-waves, called A-B-C's. Each wave of a smaller degree can be broken into more sets of sub-waves. These waves must conform to certain Fibonacci ratios to be correctly labelled as such. With such ratios projections can take place. The Advanced GET package performs such projections based on Fibonacci Ratios. Sometimes Wave 5 suffers a failure, in which case it fails to produce a higher high or lower low than Wave 3. The Type 1 Trade (see later) identifies the likelihood of a fifth wave failure or success with statistical probability, thus allowing trades to be taken with broadly defined risk.

A „count“, as the labelling of waves is referred to on say a 1 minute chart, may be totally different from that on say a 5 or a 60-minute chart. It is suggested that one look at the time frame and wave count appropriate for a projection of 5 to 8 bars into the future when using Advanced GET.

So perhaps in a sense the product is flawed to begin with for those in search of perfection. But as most traders come to appreciate, successful trading is more a question of making money and not of perfection, but of probabilities. After 20 years in development, Advanced GET has created a series of trading tools that are designed to aid the trader in taking high-probability trades. Although the Elliott Wave count is one of the tools therein, it is complemented by a wide range of other support and resistance tools, some of which are black box and others which are well known, but are supplied with specific recommended techniques and parameters for trading them. These parameters are strictly optional and of course the option is always there for people to hone the parameters to their own requirement.

Elliott Waves with Advanced GET

It is around the automated counts of these waves that the trading strategies of the Advanced GET program are built. The package labels major, intermediate, minor and alternate counts for different instruments and time periods. „It's from there that we build the Type 1 and Type 2 trades that we teach people,“ says Craig Russell, a trader instructor from eSignal.

Core Strategies and Indicators

At the heart of the Advanced GET training philosophy are the so-called „GETM“ principles as outlined below.

1. **GET THE TRADE:** Scan and find possible trade setups: For example, one can scan the market for different trades using the Advanced GET Scanner or other tools to come up with the markets or time frames to trade.
2. **EXAMINE THE TRADE:** Strategy: Decide what tools or trading strategy to use. In other words, what strategy best fits the chart selected.

F1) 3 minutes chart of e-mini DOW-Futures



3 minute e-mini Dow Futures Chart showing a failed up move, with the GET Stochastic that giving this warning as well as the breached red channel line breaking Wave 4 indicating this. Also shown are the PTI, XTL indicator, Auto Trend Channels and GET Oscillator

Source: www.esignal.com

3. **TRIGGER THE TRADE:** In order to actually enter the trade use an entry trigger tool such as the 6/4 DMA or GET Auto Trend Channels.
4. **MANAGE THE MONEY:** Manage the trade in terms of risk/targets using money management principles.

„We teach four core strategies,“ says Craig Russell of eSignal. „Type 1 and Type 2 trades are the primary reason Advanced GET has won so many awards. The other two are the Advanced GET Stochastic and the XTL Breakout.“

We review these for core Advanced GET techniques below and then briefly run through the majority of other indicators available. This gives a broad overview of the features of the package.

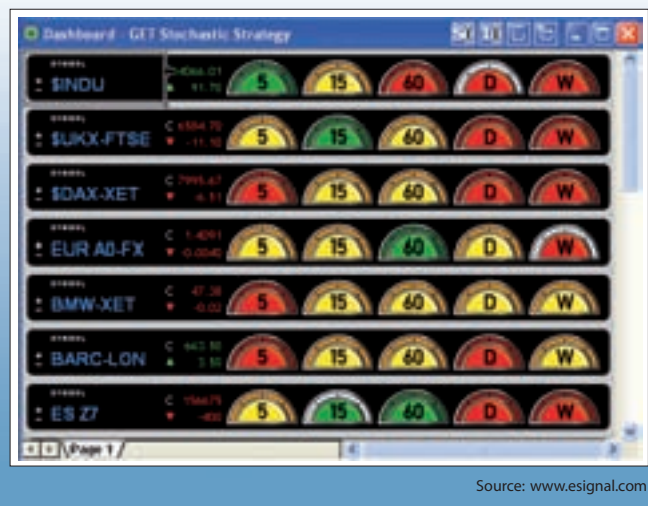
Advanced GET Type 1 Trade

The Type I trade is basically a „with the trend“ probability trade. Having defined the market as being in a Wave 3 up move (regardless of the time period or instrument involved), the Wave 4 correction sets in. Using a number of proprietary tools, Advanced GET measures the probability of a successful Wave five. Therefore the so-called „Type 1 Trade“ uses a number of indicators exclusive to Advanced GET designed to calculate the high or low level of statistical probability of a successful fifth wave in the market.

This is a crucial part of the Advanced GET trading philosophy and training, as taught by the team at eSignal. Once the package has identified that one is indeed in a fourth wave move, whatever the time frame or instrument, the idea is to measure the nature of the fourth wave to judge the probability of a successful fifth wave, i.e. one that exceeds the extent of the third wave. This trading technique is fairly easy to understand.

1. The user simply identifies the fact that he is in a fourth wave by

F2) GET Dashboard



looking at the major Elliott Wave count as labelled by Advanced GET

- Then the software draws three bands across the screen, one in red, one in green and one in blue in the area of the fourth wave correction. If the Fourth Wave retraces just to the blue band (see illustration), then the market has a very high chance of completing a successful fifth wave. According to Advanced GET training this is as high as 80%. If Wave Four retraces to the green channel line, the statistical odds for a strong Wave Five fall to around 60%. The third channel red line is a final stop, as the odds for a strong fifth wave are very low at this point. If the market touches the red channel the trade is disqualified.
- Another, separate indicator, called the PTI also refers to the probability that the fifth wave will be successful. If this reads below 35, it becomes improbable that the fifth wave will succeed, so the trade is disqualified. If PTI is above 35 it is more probable that the fifth wave will succeed.
- Once the trade satisfies the points above, the actual „trade trigger“ is an entry point technique such as the DMA or Auto Trend Channel.

Advanced GET Type 2 Trade

„Type 2 trades are less accurate, but they pay more in the end. On average you will be stopped out twice before entering a winning trade. What we are looking for with a Type 2 trade is a major top or a major bottom. You may be stopped out once or twice but you have to be prepared to get back into the market,“ says Ron Wheeler, another one of eSignal’s trader instructors.

The Type 2 Trade uses the GET Oscillator in order to measure the strength of the market. The Wave 4 pullback must see the GET Oscillator go to zero with Wave 5 making a lower high on the GET Oscillator in order to trigger a setup.

Various support and resistance tools such as the MOB indicator can be used to more accurately predict the high or low for the market for the end of Wave 5, before entering using the DMA Channel Technique, Auto Trend Channels, Regression Trend Channels or the

Parabolic as possible entry tools.

Type 2 trades are not recommended for beginners.

Advanced GET Stochastic Trading Technique

The GET Stochastic is a powerful proprietary adaptation of the stochastic technique that provides a good entry system for trend continuation trades. The GET Stochastic has an extra feature in it called the false bar which appears as a black line at the bottom or top of the stochastic pane. The so-called „false bar“ shows when the market is in a trend. If the market retraces between 38.2 and 61.8 per cent after a false bar, traders can enter the market on a buy trigger signal with a good chance that the trend up or downward will continue.

In addition to stochastic crossover as a trigger this can be combined with either the GET Regression Channel entry or the DMA entry triggers.

Additionally, other support and resistance tools such as the MOB study and the Ellipse study can be used in conjunction with the GET Stochastic. In order to identify possible „setups“ the Advanced GET Scanner can actually scan the entire US stock market for possible buy or sell setups that can then be individually analysed using the techniques above. Those markets meeting the user-defined criteria (including the presence of the false bar) can then be graphically represented in the Advanced GET Dashboard (see later).

We hope that they will extend this feature to other markets before too long.

Though all this starts to sound like a language in its own right, after careful study of each indicator and its associated technique(s) it’s surprising how simply, quickly and logically it all starts to fit into place and makes common sense. This will be even easier for people with a basic grounding in geometric and general technical analysis

This is a relatively simple technique for buying or selling a market during the retracement and another example of how Advanced GET has adjusted a normal indicator to a useful trading tool by adding a practical angle and interpretation.

XTL: Expert Trend Locator Trading Technique

This indicator labels the chart either red (for downward bias), blue (for upward bias) or black (for neutral bias). The eSignal trader instructors teach how to catch a major move up or down without actually using Elliott Wave Theory by buying the breakout as identified by this indicator. This will in many cases catch the Wave 3 major impulse move in the market, as identified by this simple indicator.

GET Oscillator

This indicator is used to define which most likely count the market is in, given that that market already conforms to the various rules of Fibonacci relationships within. „It is also an effective tool in trying to avoid those instances in which the preferred count is about to change,“ observes Craig Russell.

MOB (Make or Break)

The MOB is a proprietary study. The MOB (Make Or Break) study is a tool designed to help find the target price area for the end of an Elliott Wave 5, or for any pattern that has an impulse-correction-impulse pattern.



The MOB is drawn from the top (market moving up) or bottom (market moving down) of the starting impulse pattern that is closest to the current market movement. For example, if the market is moving in a 5 Wave sequence up and one wants to see the MOB level for Wave 5, move the MOB cursor to the top of Wave 3 and click the left mouse button. The Wave 3 high is the top of the starting impulse pattern. Wave 4 is the bottom of the corrective pattern. Wave 5 is the area that the MOB will show a support area that will either „Make“ the end of Wave 5 or will „Break“ Wave 5 into an extension. The MOB is not limited to a 3 4 5 pattern; it works with any down-up-down or up-down-up pattern.

TJ's Web

TJ's Web is a display of resistance and support zones calculated using a proprietary Fibonacci formula. There are three areas displayed: Neutral Zone (NU, ND), Resistance Area (RA, RB, RC, RD), and Support Area (SA, SB, SC, SD).

TJ's Web is a way to get the support and resistance areas for the trading range of the next day. As a general rule, the market pauses at each level, and if the market goes to Support Area A (SA) it will move to Resistance Area A (RA). The same is true of all of the Support and Resistance Area combinations. TJ's Web is calculated using the range of the second to last bar on the current bar chart. For example, if you want to see the Web levels calculated using the daily values displayed on a 60-minute chart, you must first open a daily chart, apply the TJ's Webs, and switch the time frame on the chart to a 60-minute chart.

By doing this, the Web levels that were calculated using the second to last daily bar will be displayed on the 60-minute chart. If you simply put up a 60-minute chart and apply the TJ's Web levels, you will see the Web levels that were calculated using the second to last 60-minute bar.

Advanced GET Pivots

There are four degrees of Pivots in Advanced GET. Primary (P), Major (J), Intermediate (I) and Minor (M). The Auto Gann Tool and the Auto Trend Channels work in conjunction with the Primary and Major Pivot points. „They are not like your regular pivots. We actually have something in there called Smart Pivots. You'll see the market reverse pretty well off the Primary Smart Pivots,“ remarks Craig Russell. „They're based a little bit on how the market acts before and after these points,“ comments Russell.

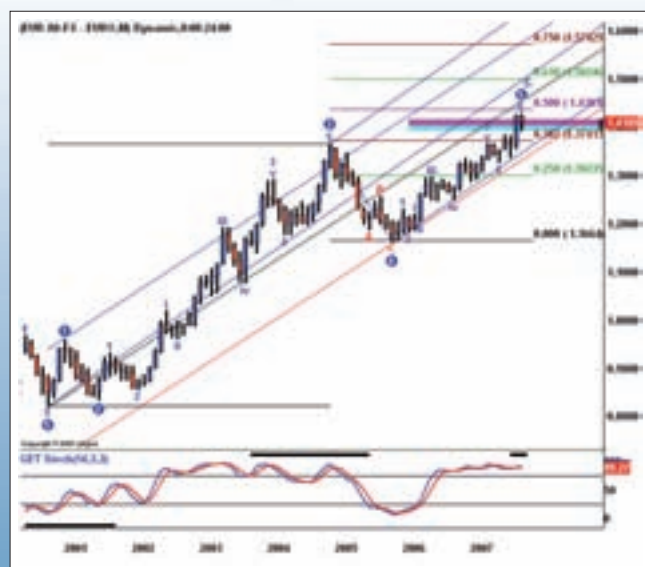
Price Clusters

These take Fibonacci Retracement and Extension levels and draw a histogram of these clusters on the right-hand side of the chart. The bigger the spike in the histogram, the more levels have come together and therefore the more significant that level is, as you have levels from all the different swing levels coming together.

Time Clusters

Similar to above but using Fib ratios to project points at which projected time ratios meet from Major and Primary Pivot highs and lows.

F3) GET Chart of the Euro FX



GET Monthly Chart of the EURO FX with a perfect GET False Bar Stochastic Buy signal, Wave 4 retracement, Fibonacci Extensions, MOB projection, and Wave 5 projection, Andrews Pitchfork and Regression Trend Channels for trigger use.

Source: www.esignal.com

Bias Reversal

The Bias Reversal, a proprietary study, indicates a potential change in trend (a reversal of a bias) point. When the Bias Reversal is indicated at the top of the screen, it indicates some degree of a change in trend and the market should move down. The opposite is true when the Bias Reversal is indicated at the bottom of the chart. If the Bias Reversal gives you a false signal, a line will eventually be drawn at the base of the signal.

Auto Trend Channels

Advanced GET's Auto Trend Channels are Regression Trend Channels that are automatically drawn by GET based upon the degree of Pivots chosen and the trend direction. The break of an Auto Trend Channel is usually used as an entry or exit signal.

Once a Type 1 or Type 2 trade has been set up or even a GET Stochastic trade, the Auto Trend Channels can be used as a trigger to get into the trade.

6/4 DMA (Displaced Moving Average) Channels

This trigger entry technique uses two six-period Displaced Moving Averages with an offset of four. This means that the average line is moved four places into the future (thus the word „displaced“). Penetration of the upper line on close or on penetration (depending on how aggressive the trade) signals a buy and vice versa on the lower line for a sell.

Early in Advanced GET history the crossing of one DMA line was used as a signal for a trade entry. Over the years the Advanced GET team researched for a better way to reduce premature entries or exits of trades. Based on past research the 6/4 DMA channeling technique has become the best standard to date.

Other Indicators

- PTI (Profit Taking Index) Tool is a proprietary probability indicator mainly used in a Wave 4 retracement in order to measure the probability of a fifth wave.
- Ellipse is another support and resistance tool that even when drawn updates support and resistance areas as the market changes.
- Time and Price Squares function use Gann and Fibonacci numbers (or user input) to draw a Time and Price box from any chosen point on the chart. For example, the numbers 21, 34, 45, 72, 90 and 144 often appear to mark effective turning points on charts. Default for daily charts is Calendar days but this can be adjusted to Trading Days as required.
- Auto and Manual Gann angles with optimisation as well as a Gann Angle Box.
- Standard indicators such as Parabolic SAR, Keltner Channels, and RSI are also available as well as one or two less important proprietary studies.

Advanced GET Scanner

The Advanced GET Scanner searches the US equities and indices in real time for certain user- defined setups including GET Type 1 buys , XTL Breakouts, Type 2 sells, GET Stochastic Buy/Sell setups and MACD Buy/Sell setups. The system can simultaneously scan time periods of 15, 30 and 60 minutes as well as Daily and Weekly charts. It brings up a web page within eSignal's Advanced GET Edition that interfaces online with the eSignal remote server to conduct the scan.

Advanced GET Dashboard

The Dashboard, a relatively new feature, displays coloured gauges on the right side that indicate the status of a strategy for periods ranging from five minutes to daily, weekly and monthly for up to 20 instruments per window. Clicking on the relevant gauge will immediately bring up a chart pre-loaded with the Symbol, Time Frame and Strategy selected. This ingenious tool can be very useful in finding strategies that are either not covered by the Scanner or just keeping a visual on market status. We found the ability to point and click on the relevant gauge rather useful.

Training Online and by Phone

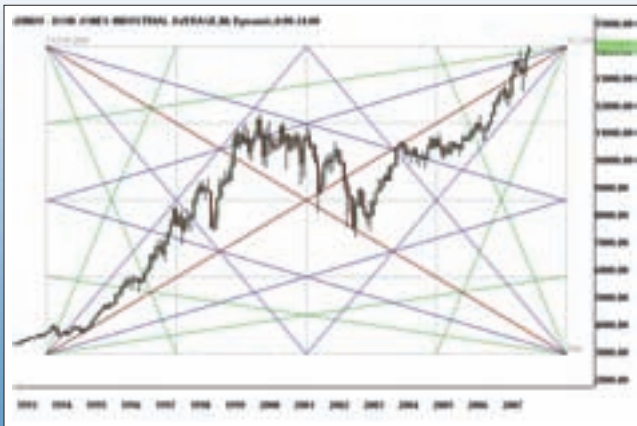
eSignal's trading education information is located on eSignalLearning.com and offers extensive training on Advanced GET, including access to many hours' recording of previous online trading sessions as well as live online sessions every week featuring live markets. Some seminars are free but others are included in the price of the package for new users whilst still others are paid-for sessions. Also available are one-on-one „mentoring sessions“ with live Advanced GET traders who work at eSignal while they trade markets.

Link to Advanced GET learning resources: www.eSignalLearning.com

On-Location Training

Two- and Three-Day seminars are held at various locations in the US and also in the UK. The two-day curriculum, „Creating a Profitable Trading Plan“, costs \$1,995 and the three-day seminar, called Advanced Trading Techniques with Gann and Elliott Wave, costs \$2,995. Classes are generally held in a central hotel venue and have between 10 and

F4) GannBox



25 attendees. Recent classes in October have been held in Santa Monica, California and in Kensington in London, England. Discounted rates are available. Package Pricing: The new eSignal, Advanced GET Edition, real-time retails for \$3.995.

Summary

eSignal, Advanced GET Edition, version 10 is a powerful trading tool following twenty years of popular use and development. Clearly, those

looking to use this package purely as a means to get an accurate wave count will perhaps have missed the point of the package - which is more like a practical trading tool/ aid.

The techniques taught by the team are clean and simple and simple is often best in the market. Online materials and options could be introduced more clearly and comprehensively. The actual content, however, is very clear though. The material is there in spades, whether it be in the form of text documentation, online support, online videos, phone or location training etc. Clearly eSignal takes this package very seriously. The training provided is of necessity just a great starting point, though. Each trader will adapt these methods to his or her own trading bias and not necessarily use them in the way that is taught.

The fact that the package addresses many global markets makes it a serious proposition even at an institutional level. It would help if the Advanced GET Scanner were to address these non-US markets as the rest of the package does. The package can as easily be used on daily, weekly and monthly data even down to a 20-second bar chart with equities, futures or Forex data. The Advanced GET real-time versions require a connection to the internet whilst in use in order to draw down fresh data, so for those without a continuous connection the end-of-day offline version may be preferable.