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Issue 03, April 2010 | [www.traders-mag.com](http://www.traders-mag.com) | [www.tradersonline-mag.com](http://www.tradersonline-mag.com)



## Harmonic Conditions

How to Define Price and Time Cycles

**Great Profits through Failed Chart Patterns**

We Show You How to Recognise Them

**When to Trade & When to Fade**

Gaining an Edge in Forex Trading

**The Right Use of Cyclical Analysis**

Timing Is Everything for Lasting Success

## Softwaretest

# Elliott Waves with Advanced GET 10.5

Advanced GET software is one of those software programs most popular with Elliott Wave users. Originally, it was possible for the software to be bought as a stand-alone program, but today it is an important part of the price data supplier eSignal. This entails both benefits and drawbacks: On the one hand, you need price data for Advanced GET anyway and can therefore use the eSignal data quite easily but on the other hand you are practically forced to make use of eSignal.

## Installation

Installing eSignal in the Advanced GET edition works relatively simply. However, since the software does not offer a choice of language, English language skills are absolutely necessary. The software uses 75 megabytes of hard disk space and works well even on slow computers. eSignal offers a wide range of equipment for the chart technician but the number of permanently installed indicators is limited to the traditional standard indicators. A big plus is the JAVA-like eSignal Formula Script (EFS) which makes it possible for people to program their own indicators. This means that the collection of indicators can be extended indefinitely. The

back-testing function, too, will be welcomed by those who would like to build up their own little trading systems.

## Overall Toolkit

eSignal's most impressive feature is undoubtedly the scanner which allows thousands of shares to be scanned for certain characteristics. These can be freely chosen and in practice are based on selected indicators. So if you're looking for shares that are in Wave 3 and send a MACD signal at the same time, this should result in good trading opportunities. The program manufacturer is well aware that this means that eSignal will offer its customers a superior technique, which is why eSignal charges a higher price for the scanner function in the program.

Advanced GET's part of the program is integrated into the "Advanced Chart" section. Figure 1 shows the section in the eSignal chart program. If you look at the individual 23 functions of Advanced GET, you'll soon notice that the program calculates not only Elliott Waves, which means that you cannot really call this an exclusive Elliott Wave software program any more. Rather, Advanced GET is an overall toolkit used to count Elliott Waves and analyse geometrical market structures. The Elliott Waves are supported by indicators that invariably complement the counting with Fibonacci tools not only being part of Advanced GET but also of the eSignal chart program. Figure 2 shows an example of a simple chart using Advanced GET.

## The Advanced GET System

Advanced GET was developed by Tom Joseph. His approach to analysing Elliott Waves permeates the entire system of the program resulting in names of special indicators even having his initials such as, for example, "TJ's Web". He likes

## F1) Advanced GET as an Extension of the eSignal Function



eSignal's chart software program dominates the overall program. Additional indicators may be added under the section "Advanced Chart". Another sub-section is then "Advanced GET Studies", which contains Advanced GET's 23 program functions.

Source: [www.esignal.com](http://www.esignal.com)

to select standard indicators and visually prepares them in such a way that they support a more accurate wave count. In order to follow Tom Joseph's logic, it is therefore absolutely necessary to read his instructions for the use of Advanced GET. It is 133 pages long and structured in a simple and systematic manner. While the large number of pages initially appears to be daunting, it must be acknowledged that the instructional quality is very high.

However, merging eSignal and Advanced GET sometimes also causes confusion. For instance, there are occasional overlaps with the eSignal chart program. One example is the RSI: in which the eSignal chart program is supplied with the time setting 14. It is true that in that case the RSI in Advanced GET also appears in the 14 time setting but additionally with a sevenfold or triple smoothing. This results in a three-line bundle as indicator. Furthermore, Advanced GET includes Woodies CCI, which basically has nothing to do with Elliott Waves. On the basis of the CCI Ken Wood developed several trading strategies that work completely independently of each other. Incidentally, Wood also recommends that charts be omitted and that it is enough to concentrate on the CCI. However, such recommendations contradict the analysis of Elliott Waves. Figure 3 shows the CCI(20) of eSignal and on one occasion, using Advanced GET, as Woodies CCI (14 and 6).

### Special Functions

In the following the special functions will be indicated which are basically different from other chart software offers and form the basis of Advanced GET.

#### Auto Gann

This function indicates resistance and support lines on the basis of the Gann angles. Advanced GET automatically identifies significant highs and lows, forming a stream of lines.

#### Auto Trend Channels

The Auto Trend Channels are regression channels which the program draws independently. In doing so, Advanced GET exclusively uses the standard deviation for calculation purposes. An individual adjustment of the deviation of the channel from the regression line is possible. As a rule, the Auto Trend Channels are used to reveal a trend change.

#### Bias Reversal

This function calculates potential upper and lower turning points of the trend. The chart's top and bottom edges then show a small triangle which is meant to symbolise the turning points calculated. Unfortunately, no explanation is provided of what the maths behind the calculation of the trend looks like. This means that the usefulness of the function is slightly impaired.

#### Elliott Waves

The core function of Advanced GET is the description of Elliott Waves. Since it is obvious that no software can predict the future, every user also has to acknowledge that there are

## F2) Dow-Jones with Elliott Waves using Advanced GET



The Elliott Wave count is done automatically with the option of a count change made manually. Using Advanced GET, the regression channel drawn in is called an Auto Trend Channel. In the right-hand margin of the figure there is the Trade Profile. This function is designed to highlight the strength of resistances and supports.

Source: www.esignal.com

some counts that may be inaccurate. Monitoring the counts will be made easier by an automatic alternative count by Advanced GET. It is possible for the number of alternative counts to be adjusted. The visual representation of the counts is first-class. A frequent mistake made by Elliott Wave users is their obsession with detail. Each and every ever so minor wave is broken down, ultimately causing the big picture to be lost sight of. This is a mistake not made by Advanced GET. Nevertheless the user receives an "uncluttered" chart when the counting is done automatically.

#### Pivots

The pivots are turning points indicated by the program itself via a trend calculation. On what basis the pivots can be calculated remains Tom Joseph's secret. The pivots serve

## F3) Minor Confusion with Dual Indicators



Both eSignal's and Advanced GET's chart programs contain the CCI and are only distinguished by the way they look. As a matter of principle, the Advanced GET indicators are visually represented differently, inasmuch as they support the Elliott Waves. By contrast, eSignal's basic indicators are neutral and can be used for all kinds of charts.

Source: www.esignal.com

## F4) Special Advanced GET Functions



This figure describes important functions by way of example. The bar chart represents the trend function XTL. With XTL the upward trend is blue and the downward trend is red. Within the price bars you can see the VWAP (Volume-Weighted Moving Average) which allows you to recognise the high-volume movements. In the right-hand margin of the chart there is the price cluster where a resistance and support zone is expected on the basis of Fibonacci calculations.

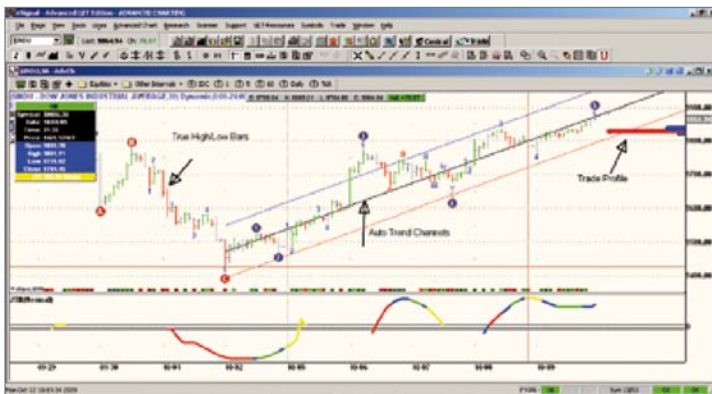
Source: www.esignal.com

as an aid and should only be used in connection with other aids in decision-making. If, for example, a regression channel is broken and a pivot is indicated at the same time, there should be an increased likelihood of the breakout actually succeeding.

### Price Clusters

Price clusters are indicated as small horizontal lines in the right-hand margin of the chart and are meant to indicate resistance and support lines on the basis of Fibonacci calculations. Unfortunately, there are so many lines sometimes that the basically sound idea is obstructed by its visual representation.

## F5) True High-Low Function with Advanced GET



The traditional bar chart receives a new colour code according to new highs or lows. The opening or the closing price are irrelevant to the colour of the price bars. The "high-low colours" highlight short-term trends and the strength of a movement. For instance, the stronger an upward trend is, the more frequently green bars should appear successively; the more coloured a wave, the more trend-less the market.

Source: www.esignal.com

### TJ's Web

Similarly to the price clusters, there is a very high frequency of TJ's Web lines. TJ's Web is an indicator of its own, which is also based on Fibonacci conditions. In the case of this indicator Tom Joseph makes a distinction between zones, resulting in a neutral zone and one resistance and support zone each. Which Fibonacci calculation is behind TJ's Web is not exactly explained. However, it is safe to assume that they are one or several Fibonacci retracements.

### Trade Profile

The Trade Profile indicator is also made a secret of by Tom Joseph. On the basis of the well-known Market Profile, Tom Joseph tries to find zones for buying and selling.

### True High/Low Bars

The colour-coded description of the candles or bars is not provided here according to the opening or closing price but depends on whether a new high or low has appeared. This means that the candle is green when there has been a new high. When there is both a new high and a new low, then the colour is grey-black. New lows are shown in red.

### XTL (eXpert Trend Locator)

The XTL is an interesting function of Tom Joseph's with which he distinguishes trend movements from non-trends. In the process, the candlestick's colours are changed resulting in three categories of colours: blue = upward trend, black = trendlessness, red = downward trend.

### Elliott Trigger

The Elliott Trigger is designed to identify Wave 4. Each Wave 4 leads to the Elliott Trigger crossing the zero line.

### JTI (Joseph Trading Index)

This is an additional indicator measuring the strength of a trend. It is used by Tom Joseph in combination with the XTL. The calculation of the JTI remains secret.

### Osc

In the past, people also liked to call the Osc the Elliott Oscillator. It is structured relatively simply and compares an MA (moving average)<sup>5</sup> with an MA35. The histogram-style representation causes the Elliott Waves to become more distinct. Tom Joseph derives certain Elliott Waves from this indicator. A Wave 4, for example, cannot be counted until the centre line of the oscillator is touched.

### Time Clusters

Time Clusters are based on time projections with Fibonacci numbers. They are meant to point up potential reversal times and to give warning signals. They are shown as a sub-chart underneath the main chart and act as potential turning points in Fibonacci time ratios. The Advanced GET edition also includes further indicators:

Keltner Channel, Moving Averages, Parabolic SAR, RSI, Stochastic, StochasticRSI, Williams %R, and Woodies CCI. In this case a special description of the indicators is of little

use since they are more likely to be considered part of the general culture of a chart software. It is not immediately clear why it was felt absolutely necessary to purposely add these to the Advanced GET edition especially so since such indicators do not justify a surcharge.

### Evaluations by Other Users

When evaluating a chart software program every tester has different criteria since the individual requirements are different. In this context the elitetrader.com website is of interest. It is there that an evaluation by eleven testers can be called up. This is what the average result of these evaluations looks like:

(Evaluation on a scale of 1-5 with 1 being particularly bad and 5 being particularly good.)

- |                       |   |
|-----------------------|---|
| 1. Reliability        | 4 |
| 2. Ease of use        | 4 |
| 3. Performance        | 4 |
| 4. Documentation      | 4 |
| 5. Cost-benefit ratio | 3 |

Since the requirements are different, there will a certain overall picture of the evaluations. Altogether, the testers' verdict must be considered to be favourable.

### Conclusion

No doubt about it: The makers of eSignal are no neophytes on the trading floor. Reliability and speed of price data supply via the Internet are first-class. The software price for eSignal in combination with Advanced GET amounts to 3,995 dollars. Those who would also like to have the Advanced GET scanner will have to pay an extra 495 dollars a year. In addition, there will be the eSignal price data. There are several options available: from eSignal-on-demand starting at 18.95 dollars a month with delayed intraday price data to real-time data from 125 dollars a month. But before you cough up too much money and realise later that you've made a bad purchase eSignal will offer a free trial period of 30 days. This is an offer that should be made use of in any event.

Whether or not the relatively high software price is justified is impossible to say in general especially since the software includes some features not available elsewhere. However, since adherents of the Elliott Wave theory are a breed of their own they won't be deterred by the high entry price. By contrast, for traders using the Elliott Wave theory only occasionally in their analyses the price will be more of an obstacle. By comparison, the software price of the strong competitor Elwave by Prognosis stands at €1,405 (€1,880 with scanner). However, this not a really fair comparison since the eSignal offer includes an extensive chart software program and Elwave just concentrates on the analysis of Elliott Waves. ■



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