



ROBERT  
KRAUSZ'S  
**FIBONACCI TRADER**

# JOURNAL

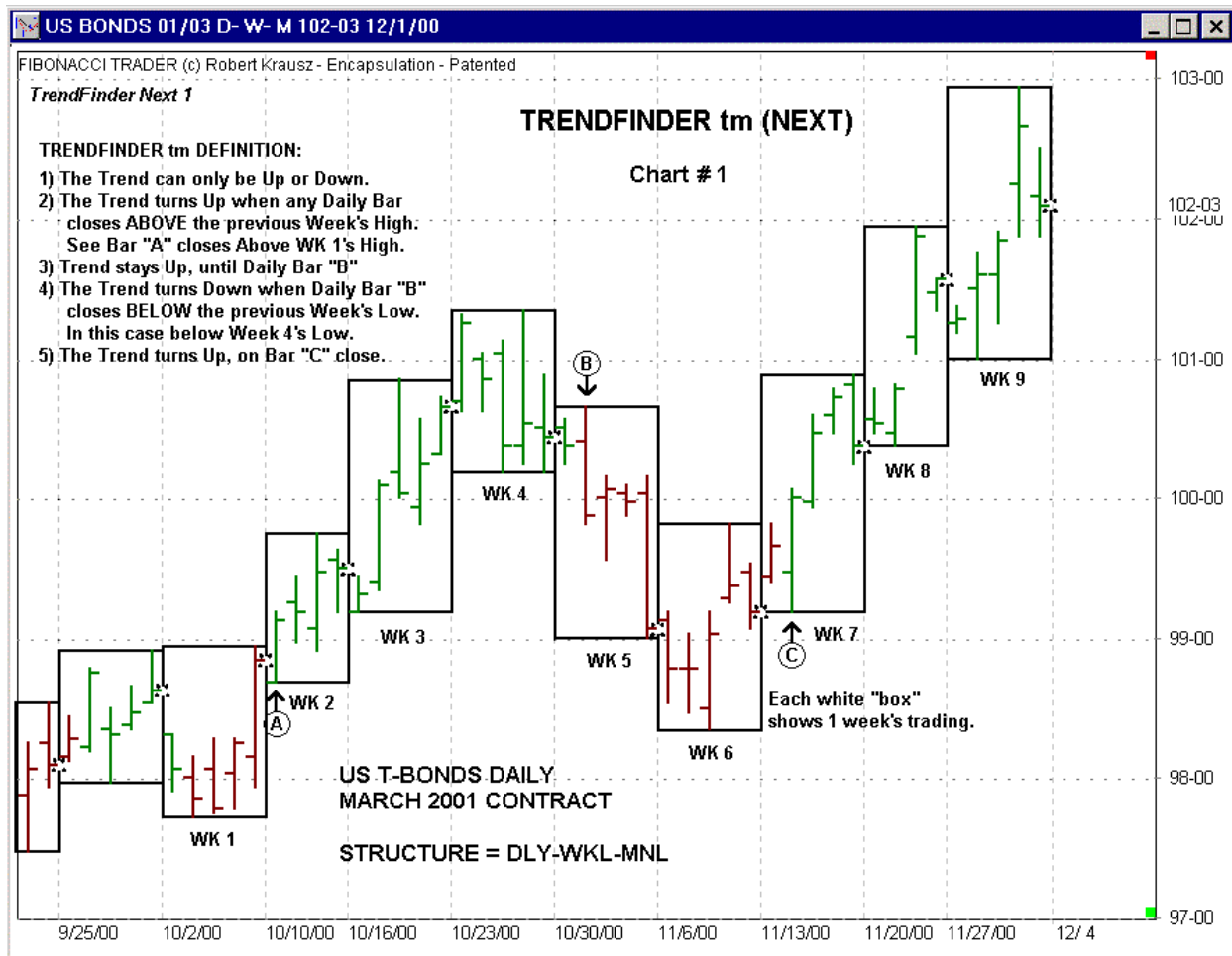
Issue 13

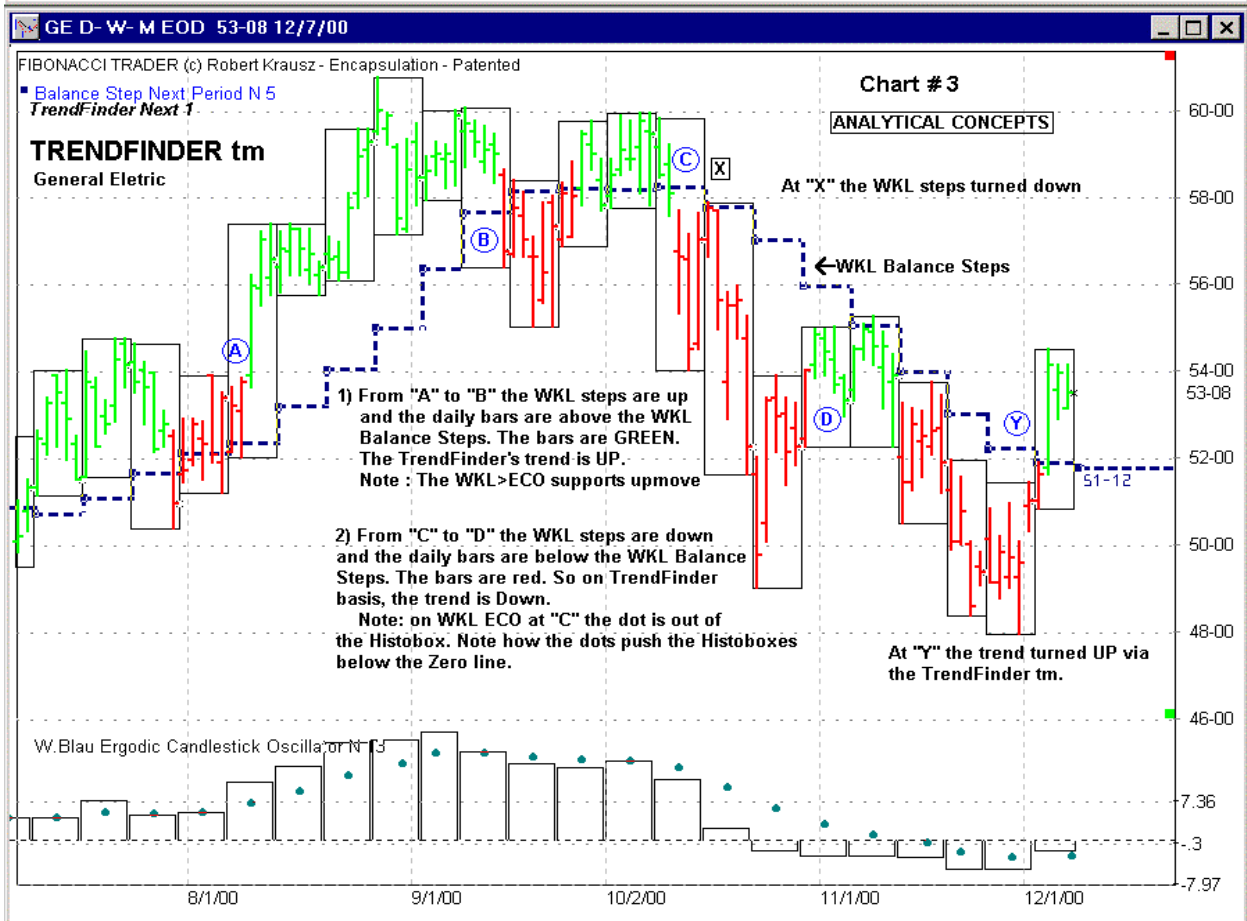
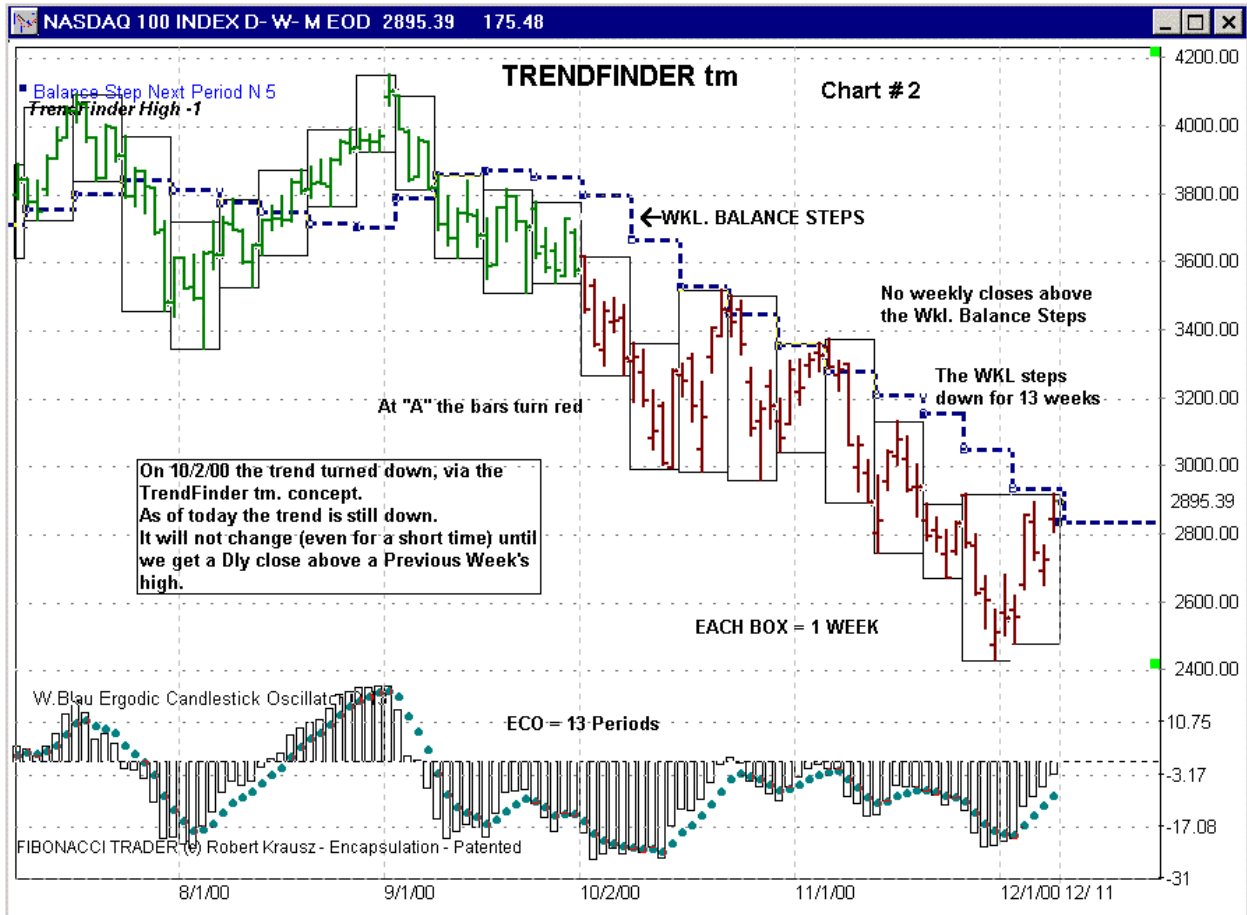
## THE TRENDFINDER™

All charts in this extend issue are dedicated to a new tool in the Fibonacci Trader, the **TrendFinder™** (Next and Highest)

I have waited for something interesting to write about for issue 13. Well here is a useful new tool.

Charts 1 to 5 are self-explanatory. They explain how the trend changes using the **TrendFinder™** concept.





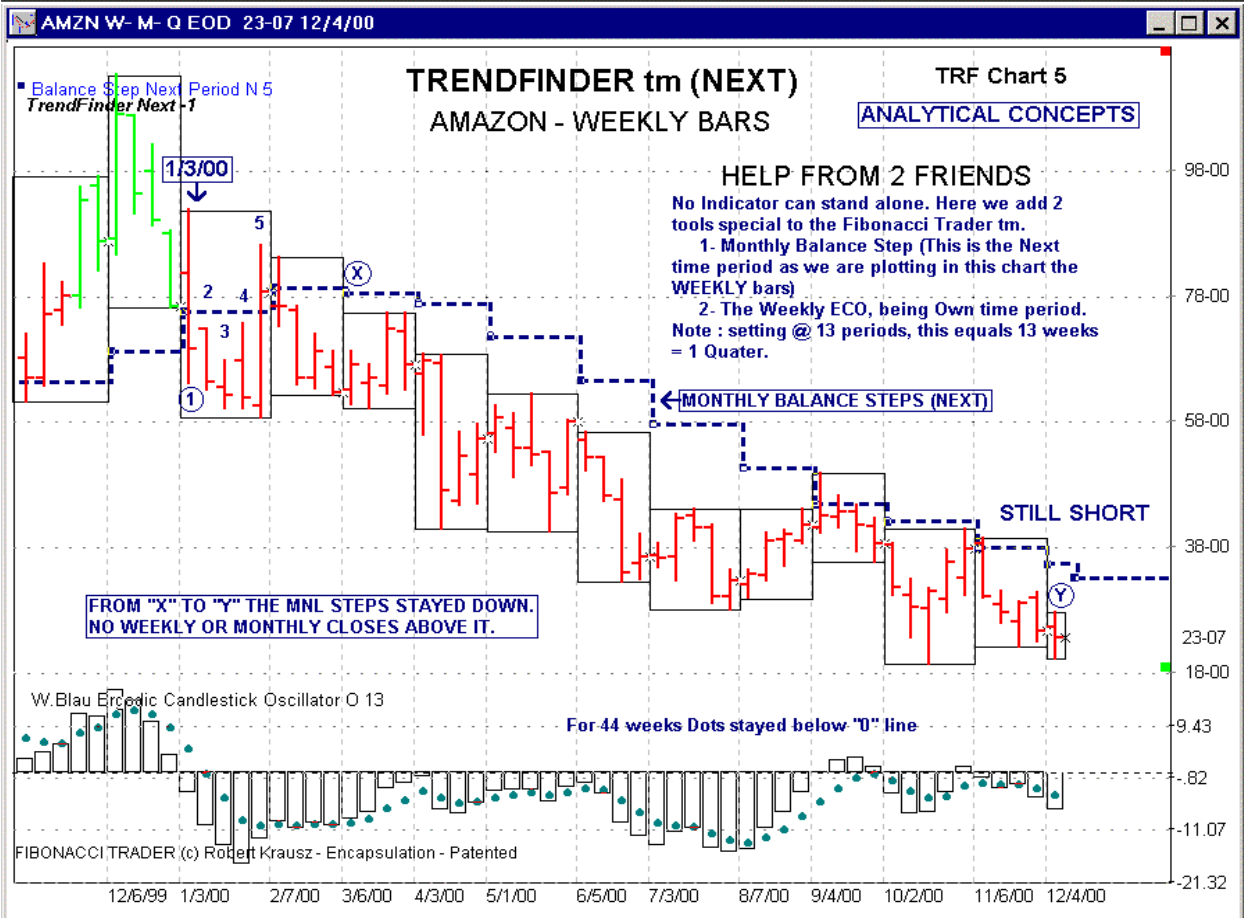
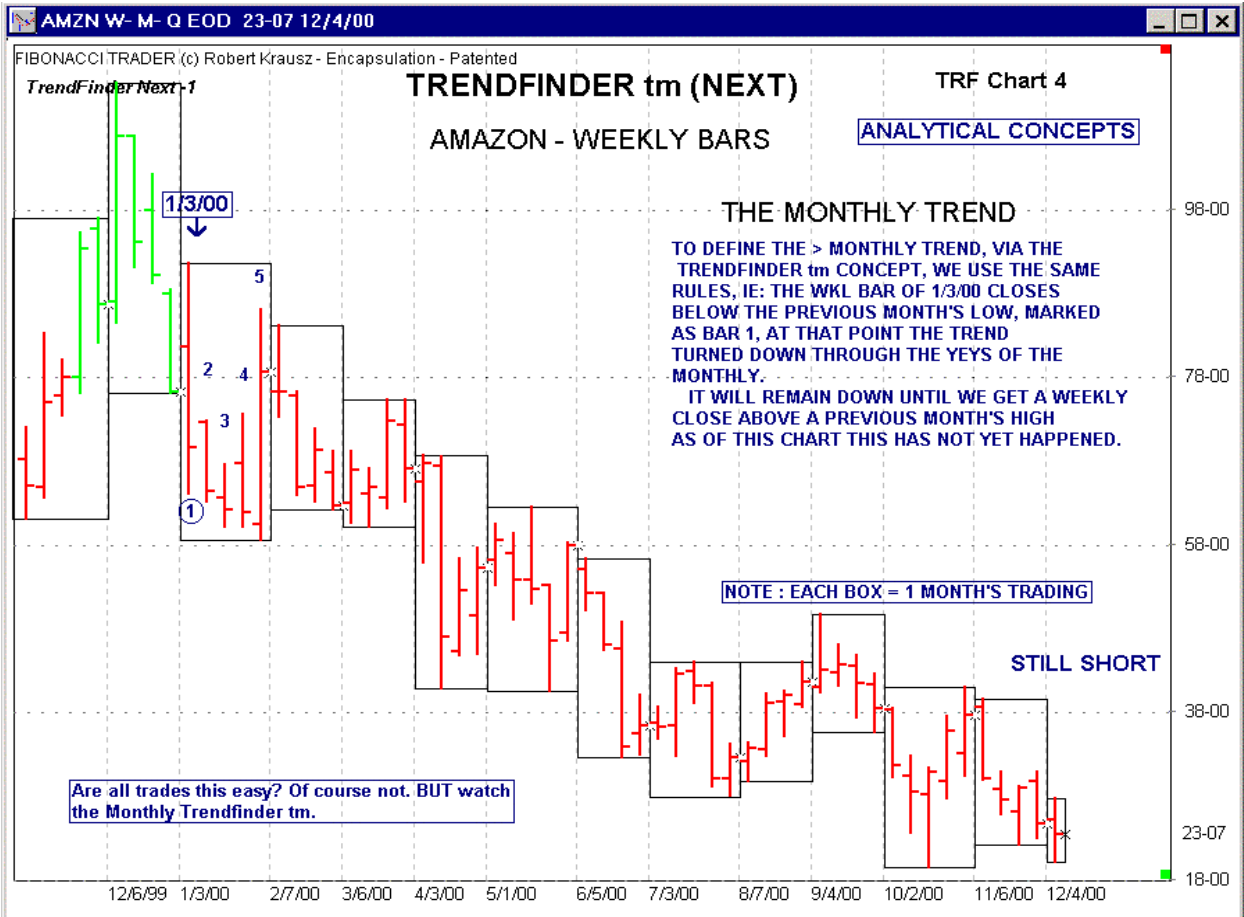
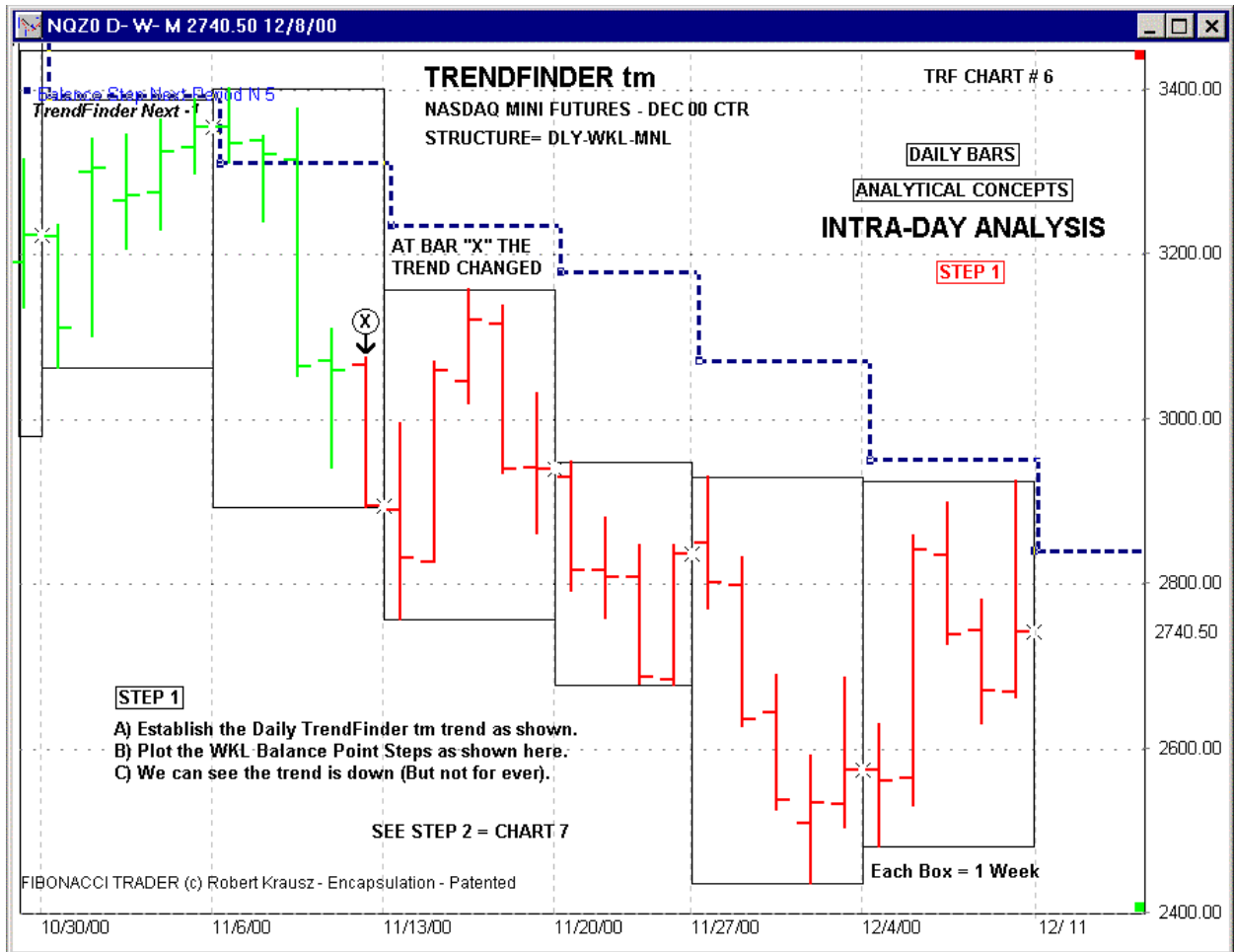


Chart 6 onwards will cover intra-day multiple time frame usage.

The following charts show Analytical Concepts for intra-day analysis using 2 time frames.



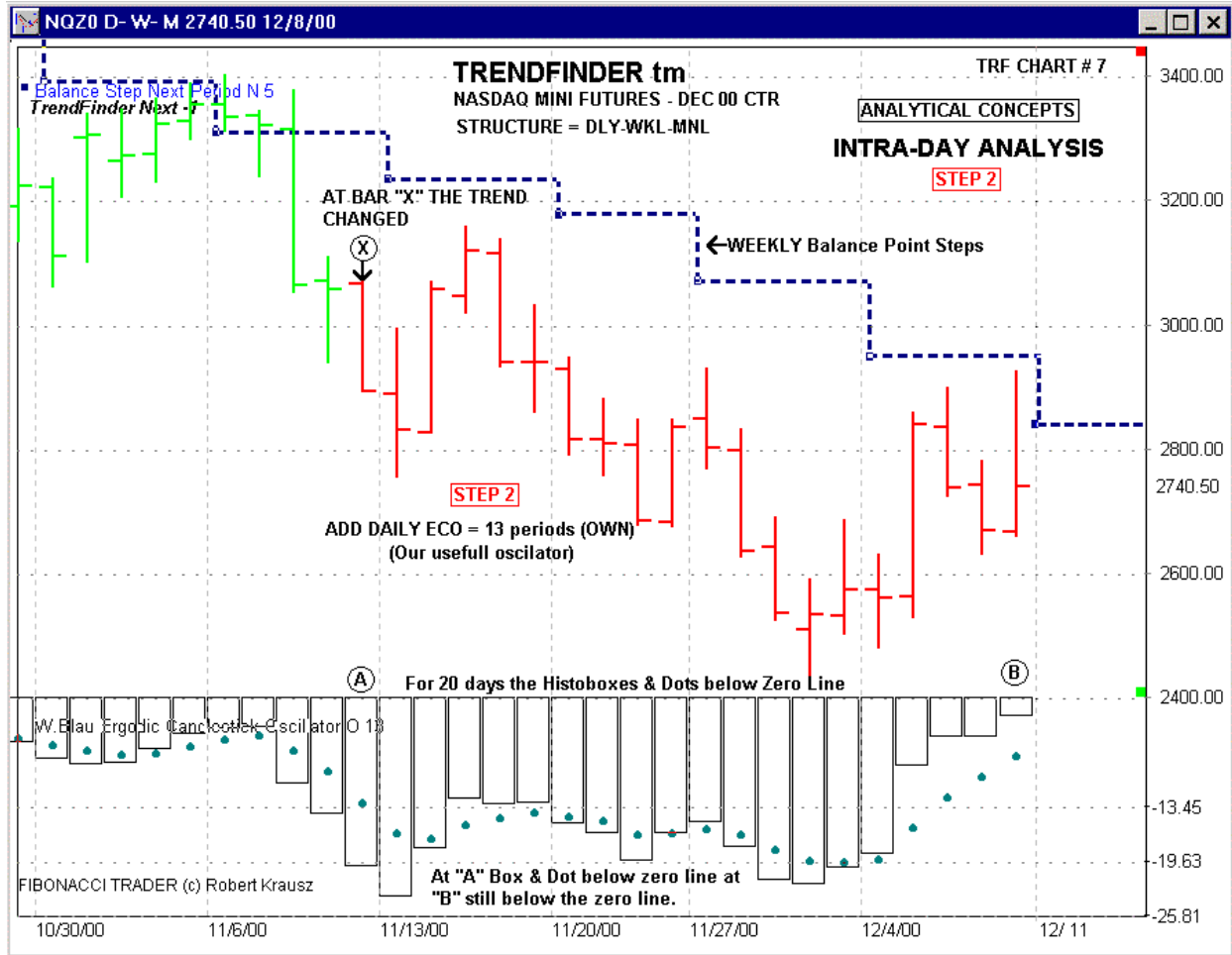
### Step 1

- A) Plot the daily bars as shown. Use the **TrendFinder<sup>tm</sup>** Next to define the trend (i.e. the weekly).
- B) Plot the weekly Balance Steps.

## Step 2

Same as Daily NASDAQ Mini, chart #6.

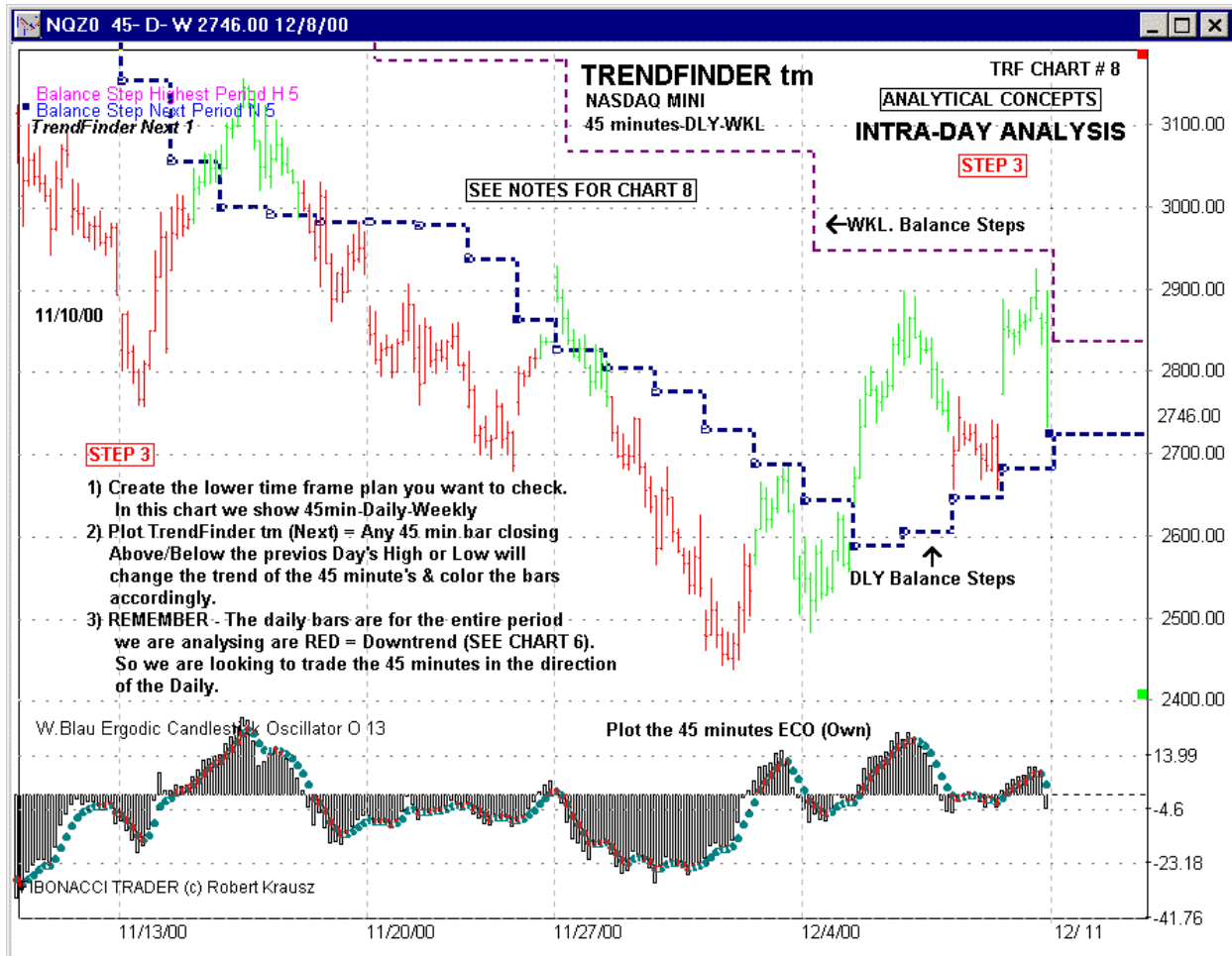
A) Plot ECO (Own) at 13 periods.



### Step 3

- A) Create a 45-Daily-Weekly plan. This means that the actual time frame being traded is the 45 minutes.
- B) Plot the Daily Balance Steps.
- C) Plot the Weekly Balance Steps.
- D) Plot the 13 period ECO (own)
- E) **TrendFinder<sup>tm</sup>** (Next)

WHAT CAN YOU SEE?



Let's check the obvious points first.

- 1) Remember the daily bars are still Red as per chart # 2 (Yes, lets check it). This shows a Downtrend via the **TrendFinder<sup>tm</sup>** concept, via the highest time frame. (As per 45/D/W = Downtrend)
- 2) The Daily steps are down until close of 12/5/00 when they turned up (this chart)
- 3) The Weekly steps are down for the entire period. For intra-day trading, it is important to be aware of the highest time frames trend, In this case the Weekly.

- 4) The 45 minute bars change color, from Red to Green and visa versa. Obviously when they are Red, they are moving in the same direction as of the Daily (**TrendFinder**<sup>tm</sup> Next) being one period up from the 45 minutes.

When they (the 45 min) turns Green, they are showing rallies in a Downtrend. Please note this means a contratrend rally of the 45 minutes (lowest time frame), i.e. Contra to the Downtrend of the Daily.

These 45 min rallies are also contra the weekly trend, as shown by the weekly balance steps (which are certainly down).

Therefore when 45 min is Red and the Daily trend is Down (red), then the 45 min in tandem with the **TrendFinder**<sup>tm</sup> (Next period).

When the 45 min is Green and the Daily trend is Down (red), then it is a Contra Trend rally, as far as the “next” period (Daily) is concerned.

Check out the ECO; see how nicely it stays below the zero line when the 45 min bars are Red.

Not a 100% , but then what is?

### SO HOW TO USE?

The concept is to trade in the direction of the Next higher time frame.

At its simplest level, we will look to sell (in this case). When? After a contra trend rally (Green), as soon as the 45 min bars turn Red.

Look for the ECO to confirm this move, if possible.

Using this technique, we have established the most basic of analytical concepts, which is the best direction to enter the market.

Throughout this process keep an eye on the Daily Chart, as per Chart #7.

Issue 14 coming soon, with more examples of the **TrendFinder**<sup>tm</sup> concept.

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