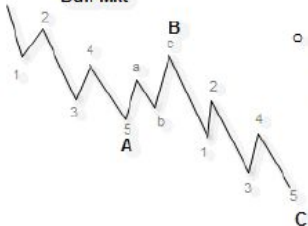


Elliott Wave Corrections A Quick Reference Guide

Zig Zag - 5-3-5

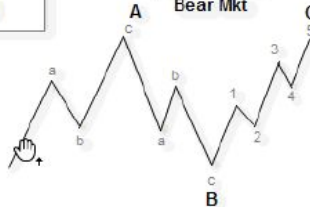
Bull Mkt



- o **ZigZag** (5-3-5) - In bull market is a simple 3 wave, A-B-C, declining pattern (5-3-5). Bear market, is a simple 3 wave, A-B-C, ascending pattern (5-3-5).
 - Zigzags can occur two or three times in succession.
 - Zigzags frequently found in W2 of impulses, rarely found in W4.
 - **W,Y,Z** Labeling of double and triple corrections

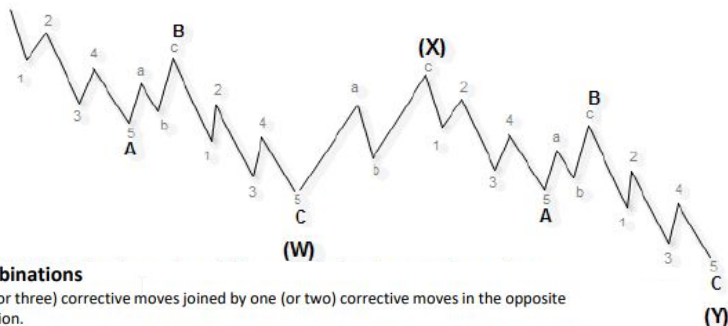
Flat - 3-3-5

Bear Mkt



- o **Flat** - (3-3-5) typically retraces less of the preceding impulse wave than a zigzag.
 - Tends to occur during strong trends - so almost always precedes or follows an *Extension*.
 - W4 is frequently a *flat*, W2 rarely does.
 - Kinds of Flats:
 - **Regular Flat** - Wave B ends at start of Wave A, and Wave C ends a slight bit past end of Wave A
 - **Expanded Flat** - Wave B ends beyond start of Wave A, and Wave C ends well beyond end of Wave A
 - **Running Flat** - less common - Wave B ends well beyond start of Wave A, but C fails to travel its full distance, falling short of Wave A end. - Be careful that B does not break into 5-waves, or else it is W1 of new impulse: flats must be 3-3-5.

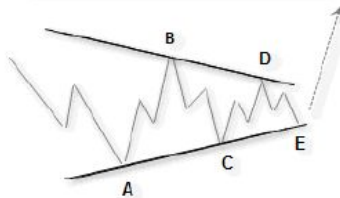
Double Zig Zag



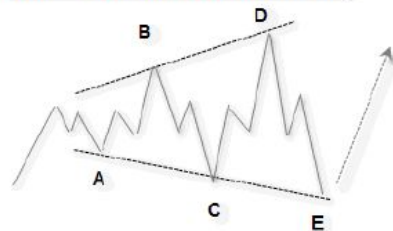
Combinations

- Two (or three) corrective moves joined by one (or two) corrective moves in the opposite direction.
- First corrective move is labeled W, the joining corrective moves are labeled X, the second corrective move is labeled Y, and if present, the third corrective move is Z.
- A pair or triplet of ZZs is a double, or triple, ZZ.
- A double three can be one of the following: ZZ -> flat, flat -> ZZ, flat -> flat, flat -> triangle, ZZ -> triangle.
- A triple three is rare but is a triple set of flats.
- Double and triple ZZs can occur in place of ZZs. Double and triple threes can occur in place of flats or triangles.

Symmetrical Bull Market Triangle



Reverse Symmetrical Bullish Triangle



- o **Horizontal Triangle** - Triangle shape, 5 waves, subdivide as (3-3-3-3-3) labeled as *A-E-C-D-E*
 - Wave E often overshoots trendline A-C.
 - Kinds of Triangles:
 - **Contracting**
 - o Kinds of Contracting
 - Symmetrical - top declining, bottom rising
 - Descending - top declining, bottom flat
 - Ascending - top flat, bottom rising
 - **Expanding**
 - o Reverse Symmetrical - top rising, bottom declining
- Triangles **always** occur *prior* to the final actionary wave in a pattern of 1 larger degree.
 - i.e. W4 of an impulse, WB of A-B-C.
 - In stock markets, W4 triangles lead to swift W5 breakouts that travel the distance of the widest part of triangle.

