Synchronicity Market Timing
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Fibonacci Trading – McGraw Hill
.618 retracement of the low to the high
1.618 extension of a prior low to high swing
100% of the prior high to low projected from the lower high
Why use this type of Fibonacci analysis??

It enables you to identify high probability, relatively low risk trade SETUPS where the risk is clearly defined along with the TARGETS.
This works on any **time frame** and essentially any good **market data**.

I have applied this method to **Stocks**, **ETF’s**, **Futures** and the **FOREX markets**.

It is an excellent methodology to use with **OPTIONS** strategies!!

You can see things in the market that you will **NEVER** see using indicators alone.
Fibonacci Numbers

Fibonacci Number Series:
0, 1, 1, 2, 3, 5, 8, 13, 21, 34, 55, 89, 144, 233, etc...

The number series will continue to infinity by adding the previous two numbers
Fibonacci RATIOs

derived from the # series

are used in this analysis

The ratios used are:

.382, .50, .618, .786, 1.0, 1.272 & 1.618

(.236, 2.618, 4.236-confirming ratios)
I can show you where \( \textbf{.618} \) came from...but what about some of these other ratios?

\[
\begin{align*}
1.0 - \textbf{.618} &= \textbf{.382} \\
1.0 \text{ divided by } 2 &= \textbf{.50} \\
\text{square root of } \textbf{.618} &= \textbf{.786} \\
\textbf{1.618} \text{ is the expansion of } \textbf{.618} \\
\text{square root of } 1.618 &= 1.272 \\
\textbf{.618} - \textbf{.382} &= \textbf{.236}
\end{align*}
\]
Fibonacci Price Retracements

For possible support, we run low to high swings using the ratios below.

For possible resistance, we run high to low swings using the same ratios

% Retracement: 0.382, 0.50, 0.618, 0.786
Which retracement do you trade against??

Retracements
Fibonacci Price Extensions

Price extensions are essentially Retracements beyond 100%.

We use the ratios of **1.272** and **1.618**.

We run the run low to high swings for possible support.
We run the high to low swings for possible resistance.
Price Extensions

"where moves tend to terminate!"
Fibonacci price projections are measured from 3 points on the chart to compare swings in the same direction. We mostly use 1.00% and sometimes 1.618 for these projections. We run prior low to high swings from another low for possible resistance. We run prior high to low swings from another high for possible support.
Price Projections

$3.12 high

100% projected from high

low

$3.11

55.87 Apr 1.009
1.618 projection capped this move

High

Low

Low
My most powerful trade setup is called a

**Fibonacci PRICE Cluster**

Definition: the coincidence of at least 3 Fibonacci price relationships that come together within a relatively tight range.
Now how do you **trade** this??

First we need what I call a **TRIGGER** to tell us it is worth placing a bet against this **price cluster zone**!!

For this we go down to a lower time frame chart!
Formula to make money with my setups: Setup + trigger = trade entry then manage (NO trigger = no trade)

Identify your setup:
price cluster setup (3 or more Fibonacci price relationships)
symmetry setup (single symmetry projection or more in the direction of the trend)
two-step setup (3 or more Fibonacci price relationships within a two-step pattern formation)

If price tests and RESPECTS the setup zone, for A TRIGGER GO TO A LOWER TIME FRAME CHART for an entry as it will signal an entry closer to where your RISK is defined!

Swing Trade Setup Time Frames
Weekly, Daily, 120 or 30-minute trade setups can be used for swing trades

Trigger time frames:
15- minute for aggressive entry (will get stopped out more often)
30- minute for regular entry (won't get stopped as much as the 15-minute chart)

Buy Trigger for a Swing Trade Entry:
8 ema crosses above the 34 ema AND a prior swing high is taken out

Sell Trigger for a Swing Trade Entry:
8 ema crosses below the 34 ema AND a prior swing low is taken out

***Either take the initial trigger or the next pullback after the trigger*** If you are NOT comfortable with the risk, then don’t take the trade!!!***
$35 rally off the cluster zone

214.13-215.75
210.00% projections
1.272 extension
50% retracement
Intraday timing
Two solid rallies were seen from that symmetry zone.
$19.90

$19.85

$10.61

127.25-127.69

two 100% projecti .382 retracement
.50 retracement
We saw an $80.55 rally from the symmetry support decisions

$20.98
$17.44
14 bars

92.46-96.37
actual low 96.00

$18.87
$17.07
14 bars
Time and Price Symmetry!
$122.48 point rally off simple symmetry

$35.68

$35.14

217.82 App 1/06
211.02 Ret 9/18
Timing 11/15-22 for possible high
This got stopped out