# Formations

To draw Formations on a chart, click the Formations button on the Drawing Toolbar. The cursor will change to a pencil while in the draw mode. The tool can be used to draw a variety of patterns, including Elliott Wave ABC corrections, Elliott Wave 12345 thrust moves, 3 Point Fibonacci Levels, Butterfly Patterns, Gartley Patterns, Triangles, Trapezoids, and Parabola.

The tool's properties were configured as shown below to create the Fibonacci Extension formation shown on the next chart. Enter Fibonacci percent levels in the 'Level' entry boxes for any Fib levels that you want to plot. Increase the 'Width Multiplier' to extend the Fibonacci lines horizontally into the future.
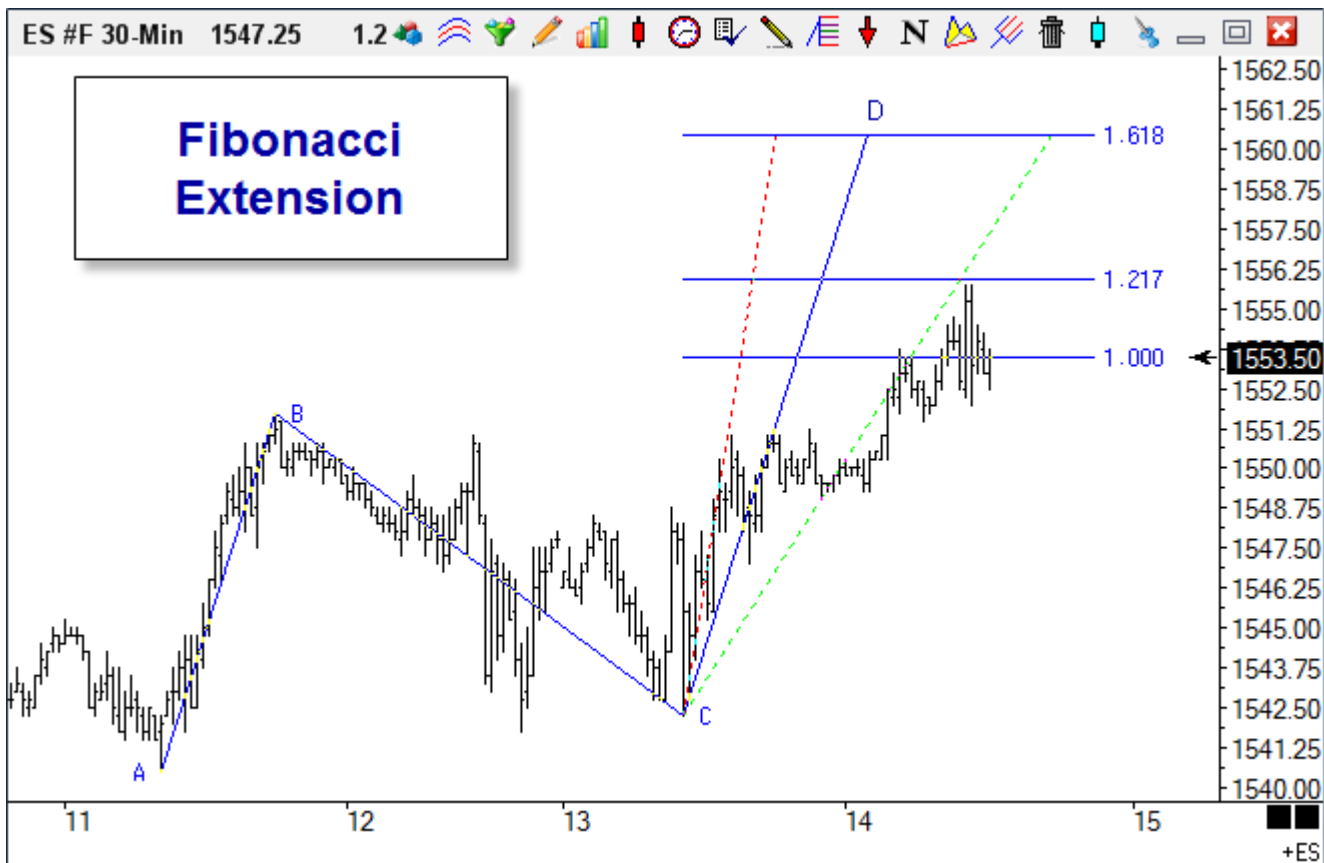


**Adjusting the Lines**

Re-selecting the lines will activate the ability to move the lines. Click the mouse on either of the first two points (or the Lines between the points) to activate the lines. Square Bullet marks will highlight the three original points. Place the mouse on any of the square bullet marks and drag the lines to a new location.

Price - You can manually enter the price for the first draw point if necessary.

## Fan Lines

When a Fib value is entered as a negative number, the Fibonacci Extensions will sub-divide time to create a Gann Fan line from point C.  The fan lines extend from point C to the wave C-D price level.   The Time that is referenced is the time spanned by wave C-D.

A value of -50 will draw a fan line at 50% of the time span (shown in the example as a dotted red fan line.)   A value of -200 will draw a fan line at 200% of the time span (shown in the example as a dotted green line.)



## Range Boxes

For the Fibonacci selection, two values can be entered separated by a hyphen to create a range box. The box interior will be filled with the row's color.  The frame for the box will use the row's line style and the C-D line color.   Change the line style to blank to remove the frame.

The markers used will affect the box width.   Markers from the small circle Bullet through the bold **X** will use a box width that just spans the diagonal width of the C-D line.    The Peg markers will control the width but not be shown.

The Short Line marker and the Long Line marker will create a box whose width is extended out from the C-D line.   Other markers or the absense of markers will create a width from point C rightward through the Width Multiplier extension.
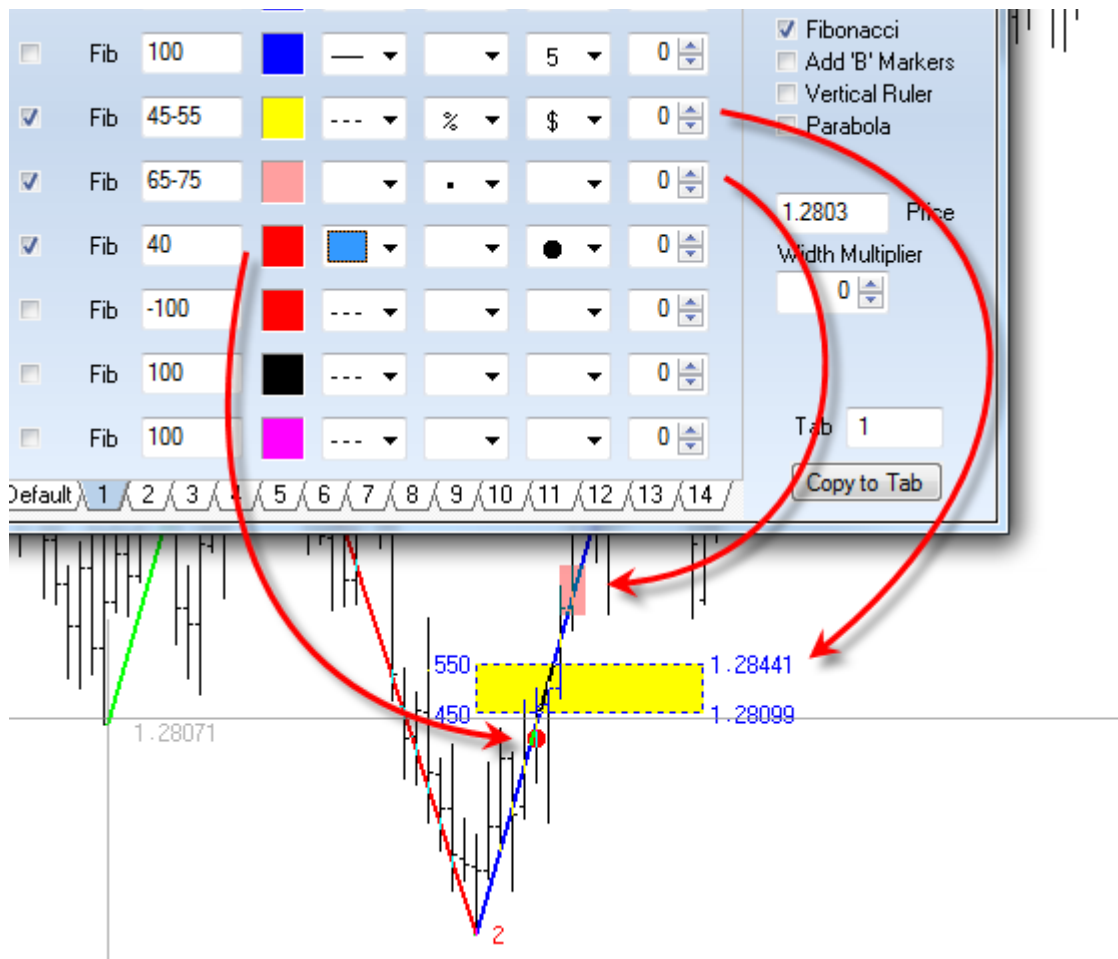
The Add 'B' Markers option will mirror the objects from point B that are drawn from point C.

## Properties

Click the Chart Objects button, select Formations Tool, then click the Properties button to open the Properties window for the tool. On the right side of the window is a list of patterns the tool can draw. Place a check mark next to the desired pattern. The pattern options are:

- Gartley - Plots a Gartley Pattern based on the 3 draw points.

- Butterfly - Plots a Butterfly Pattern based on the 3 draw points.

- Triangle - Plots a Triangle based on the 3 draw points.

- Trapezoid - Plots a Trapezoid based on the 3 draw points.

- Fibonacci - Plots a Fibonacci Extension using 3 draw points.

    read more » Lightning Bolt (Elliot Wave Patterns)
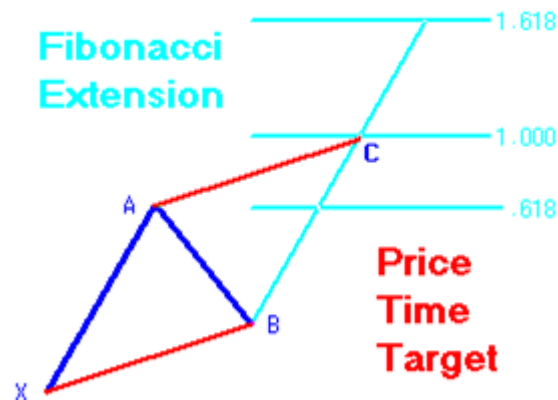


- Risk | Reward - Displays a tool to measure the price of vertical movement and retracements.

- Vertical Ruler - Plots a vertical line from the start point, as a reference line.

- Parabola – Plots a parabolic curve through the 3 draw points.  A Parabola is drawn for each row of the property form that is checked.   Check the Vertical Ruler box to optionally plot a mirror image of the parabola lines.



There are 15 Tabs at the bottom of the Properties window.  Each Tab can save a unique set of parameter settings.  This allows you to have 15 different line settings.  The Tab currently being used will have dashes next to the Tab number.  In the example below, Tab 1 is the current Tab being used. Click on a Tab to switch to a different setting, or to make changes to the Tab setting.  You must click on a Tab in order to make and save changes to the Tab settings.  You are encouraged to set up a different tab for each of the possible formations.
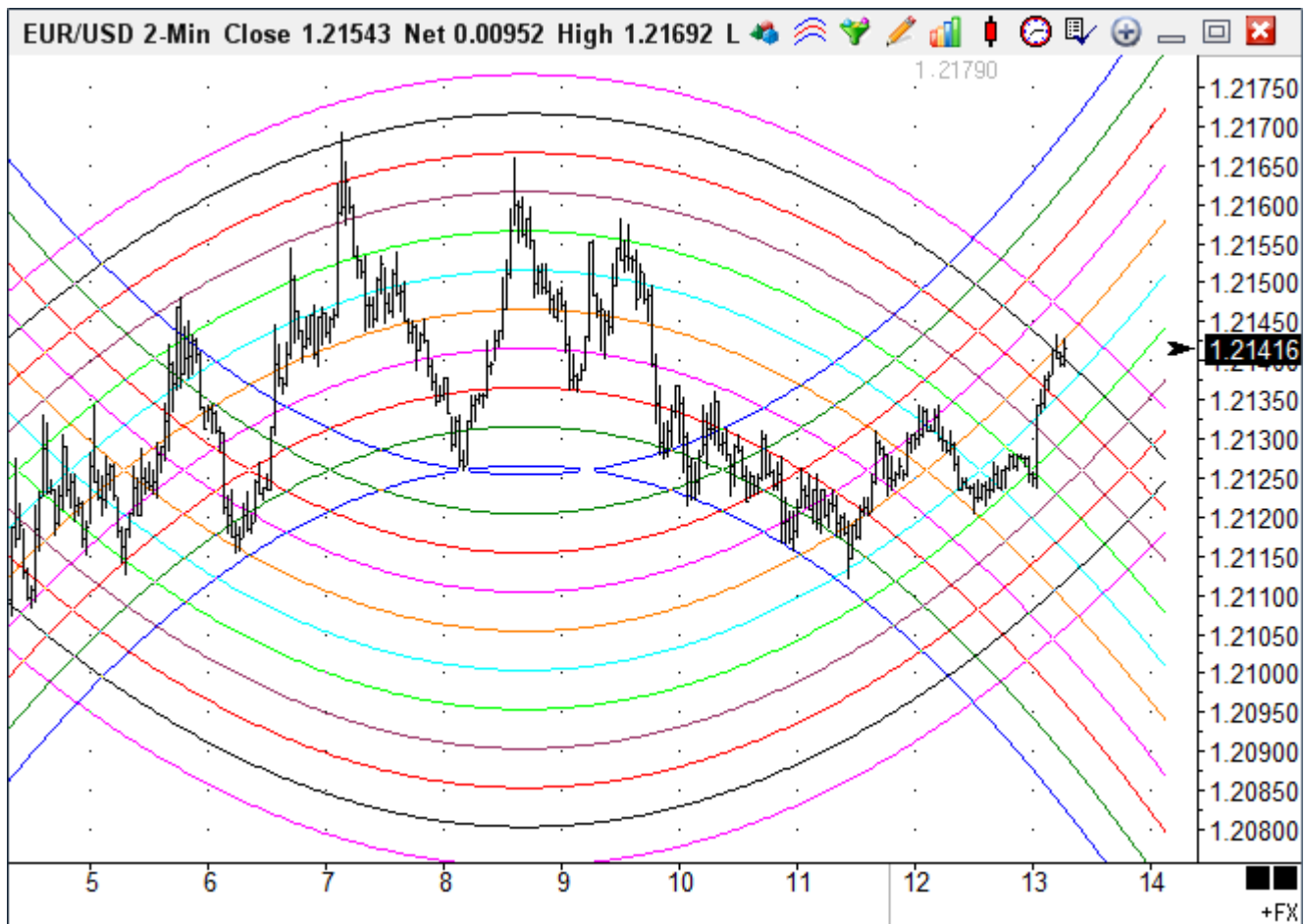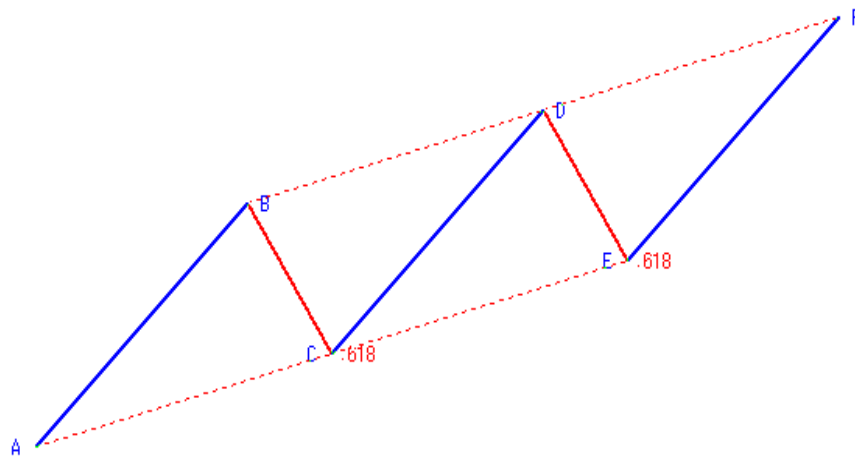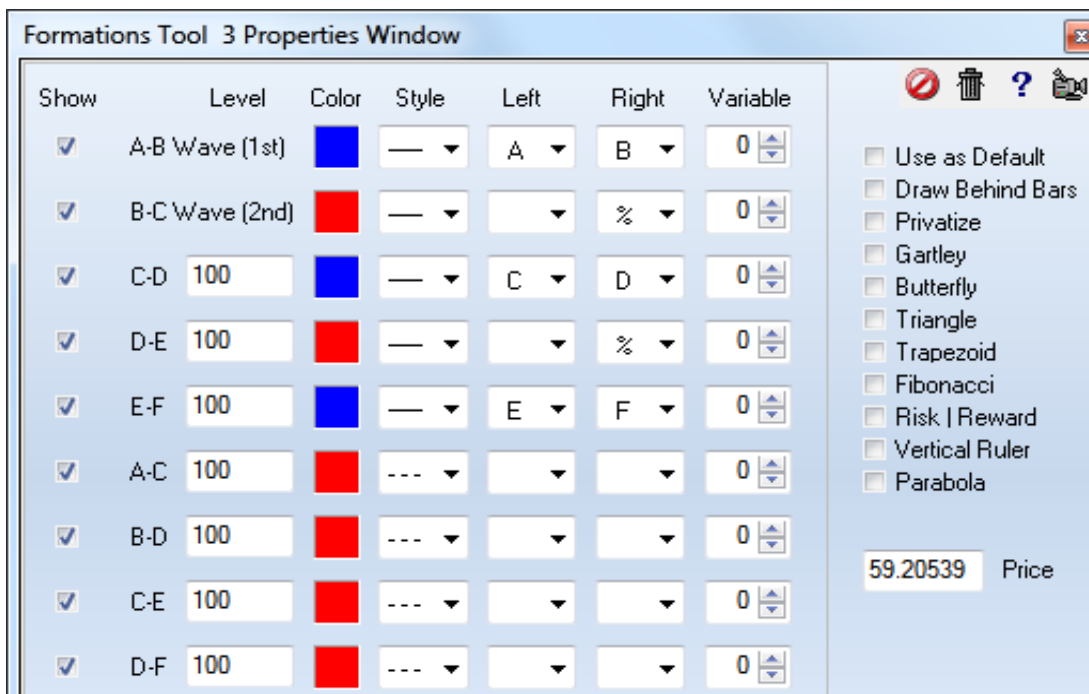
## Elliott Wave Projection

Uncheck all of the boxes on the right side of the property form.

Place a check mark in the first 3 boxes on the left to draw ABC projections.

Place a check mark in the first 5 boxes on the left to draw a 12345 Elliott wave. The length of the 3rd (C-D), 4th (D-E), and 5th (E-F) waves can be specified in the Level column as a percent of the 1st and 2nd wave sizes.

## Vertical Ruler

**User:** Alongside the great time and price tools you have I've started looking into absolute moves in price, so using a number count rather than %. As an example I would typically be looking for moves of 34,55, 89 etc in the SP as potential support or resistance areas.

**Ensign:** Use the Formations Draw Tool with the Vertical Ruler check box selected. Example shows horizontal lines spaced 1.0, 2.0, 3.0 and 5.0 points away from the base line, which is the 1st construction point. You can enter your own value levels such as 34 or 0.34, etc, for your fixed spacing.