Elliott Wave Study Guide

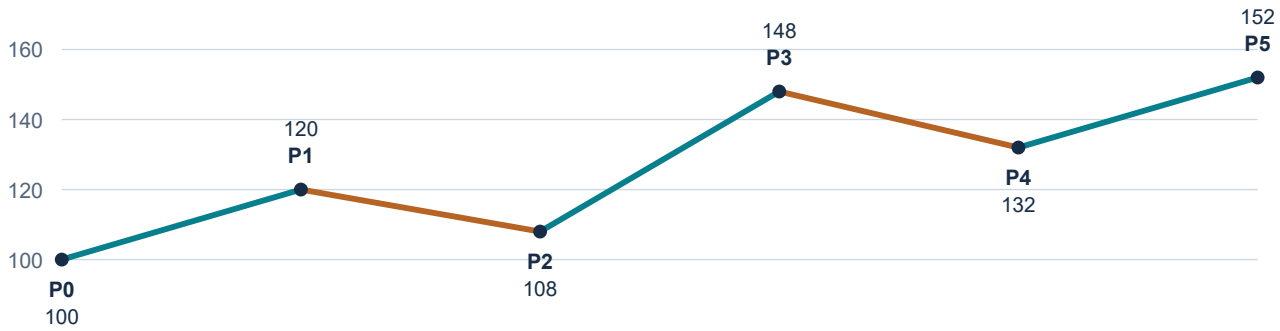
Rules, counting and Fibonacci

A compact workbook for checking a proposed wave count. Read the structural conditions first, calculate only after choosing the points, and keep an alternative interpretation visible.

Original educational material by Student Wyckoff. Every price and bar index in the exercises is invented. Edition 1.0, 19 October 2026.

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Invented teaching values. Connecting segments stand for outer legs; they do not prove the missing smaller structure.

Use this guide to learn and record a method. It supplies no current market forecast, measured success rate or trade entry system.

02

Foundations and structural checks

Wave degree describes the size of a structure relative to the structures around it. Keep the same degree when comparing waves. A five-wave outline can contain smaller structures; six turning points alone do not prove all of them.

Apply the following checklist to an ordinary rising impulse. Reverse the price directions for a falling case. A diagonal needs its own checks, including its internal form and boundaries.

Checklist

1. Wave 2 must not retrace all of wave 1.
2. Wave 3 must pass the end of wave 1.
3. Wave 3 cannot be shortest among waves 1, 3 and 5.
4. Wave 4 must stay outside wave 1 territory in the strict ordinary impulse used here.

Choose the price scale and definition of length before comparing. Review the whole price interval, not just closing prices. A boundary touch and a strict crossing are different observations. The source discusses special market cases; do not use an exception silently.

03

Corrections and notation

A correction is a family of structures, not an automatic three-stroke drawing. Letters identify positions at a chosen degree; they do not establish that the structure has finished.

W and Y label whole corrective patterns in a combination. X is the corrective connector. An incomplete ABCX record does not prove that Y has appeared or completed.

Pattern	Notation and subdivisions	What to inspect
Zigzag	A-B-C; 5-3-5	Inspect the subdivisions, not just a sharp outline.
Flat	A-B-C; 3-3-5	B returns near or beyond the start of A, depending on the form.
Triangle	A-B-C-D-E; 3-3-3-3-3	Check its position in the larger pattern and the tested boundaries.
Combination	W-X-Y, sometimes another X-Z	Each component and connector needs its own structural check.

The numbers in a subdivision describe lower-degree parts. A zigzag and a flat both use A-B-C but their internals differ. A wedge shape alone does not prove a diagonal.

04

A repeatable counting workflow

Use the same sequence every time. Freeze the information available at the review cutoff before examining later bars.

1. Record instrument, data source, timeframe, time zone, session and adjustments.

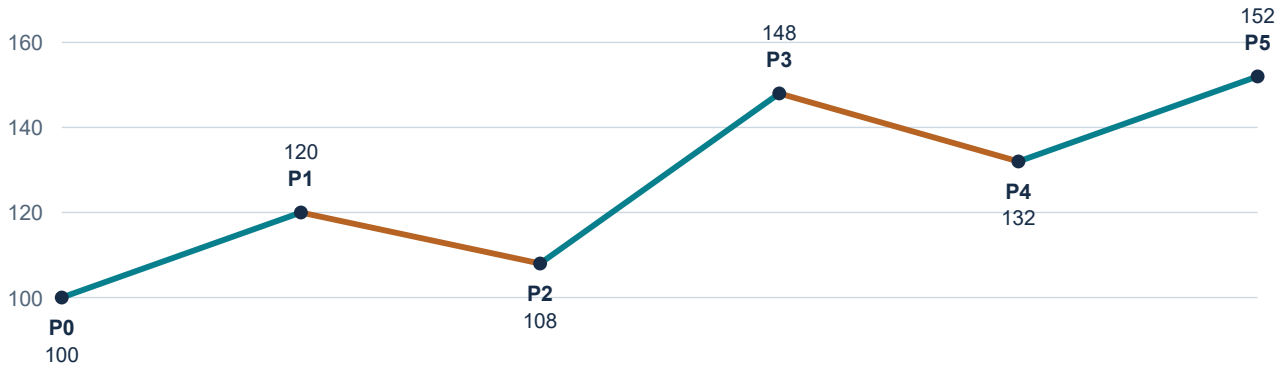
2. Mark exact turning points and the available data cutoff. Keep high/low order unresolved when a bar does not reveal it.

3. Choose the pattern and degree, then check its price and subdivision conditions.

4. Keep a competing count with its own rejection condition.

5. Save completed, developing and unresolved parts separately; retain later revisions as new records.

The chart below is an invented outer outline on a linear scale. It passes the displayed endpoint checks, but smaller subdivisions and larger context are not supplied.



Invented teaching values. Connecting segments stand for outer legs; they do not prove the missing smaller structure.

Point	Invented price
P0	100
P1	120
P2	108
P3	148
P4	132
P5	152

05

Fibonacci: retracement and projection

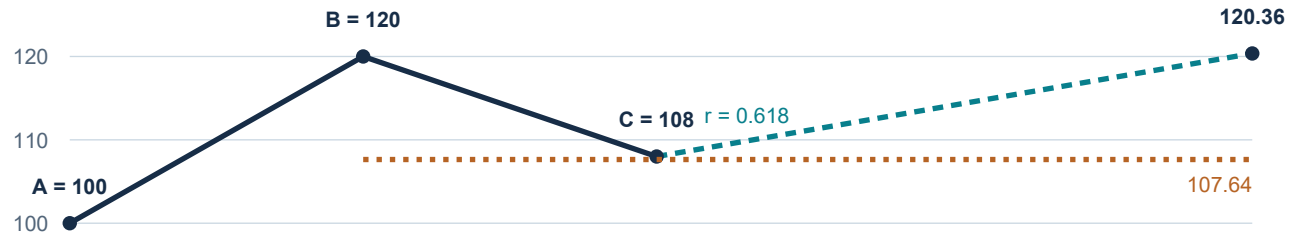
Retracement measures a move back from an endpoint. Projection adds a chosen multiple from another anchor. Use different anchor labels and formulas so the two calculations cannot be confused.

For the invented rising reference A=100, B=120 and comparison origin C=108, the reference length is 20. The table uses chosen multipliers. The half-level 0.500 is a common comparison, not itself a Fibonacci ratio.

Multiplier	Retracement: B-r(B-A)	Projection: C+r(B-A)
0.382	112.36	115.64
0.500	110.00	118.00
0.618	107.64	120.36

For a falling reference, define a positive length and reverse the price direction. Fix rounding and the scale in advance. A numerical level does not validate the wave count or provide a probability.

A = 100 | B = 120 | C = 108



Invented anchors and calculated levels. The dashed projection and dotted retracement use r=0.618; they do not imply a market forecast.

06

Wave 5: conditional scenarios

Assume, only for this exercise, that a separate review has accepted proposed waves 1-4: 100, 120, 108, 148, 132. Then L1=20 and L3=40. From the proposed end of wave 4, calculate T5=132+r*20.

Multiplier	Length	Endpoint
0.618	12.36	144.36
1.000	20.00	152.00
1.618	32.36	164.36

The first projection ends below 148. It is only a possible truncated-fifth scenario; missing the third-wave high does not establish a finished truncation. The required internal five waves still need checking.

An invented five-leg path to 152 is 132, 140, 136, 148, 143, 152. A bounded truncation sketch is 132, 138, 135, 142, 139, 144.36. Both pass the displayed-degree length and non-overlap checks; deeper subdivisions remain unresolved.

All three candidate fifth lengths are below L3=40. Equality and 0.618 are source-discussed guidelines; 1.618 is a longer mathematical comparison chosen here. None is a required target. A move below 132 rejects this particular fifth-wave starting point and calls for a recount.

07

Alternatives, time and confidence

A primary interpretation is the one you are checking first, not a certainty. For each alternative, record what supports it, which points it uses, and the exact observation that would reject it. Do not choose the alternative only after seeing the outcome.

Time has several clocks: bar intervals, trading sessions and calendar days. From index 100 to 121 there are 21 elapsed intervals, but 22 indexed positions including both ends. Starting from 134, 21*0.618=12.978 rounds to 13 and gives 147; 21*1.618=33.978 rounds to 34 and gives 168. These are inspection positions, not promised reversal dates.

A Fibonacci ratio is not a success rate. A probability claim needs a defined event, all eligible cases, a frozen procedure, unused test data, uncertainty and trading costs. This workbook reports no such measured probability.

Review record to fill in

Source, timeframe, session and cutoff

Pattern and degree

Exact points and scale

Structural checks still missing

Alternative interpretation

Rejection condition and next observation

08

Practice, answers and sources

Try before reading the answers

1. Why does the path 100,120,108,148,132,152 not prove every smaller wave?
2. With A=100 and B=120, what is the 0.618 retracement?
3. From C=108, what is the 1.000 projection of the same reference?
4. Does a fifth-wave endpoint at 144.36 prove a truncation?

Answer key

1. Only outer endpoints are shown; smaller structure and larger context are missing.
2. 120-0.618*20=107.64.
3. 108+1.000*20=128.
4. No. Inspect the required internal five waves and completion at the declared degree.

Sources and further reading

Brief structural references are listed below. All tables, diagrams, arithmetic examples and exercises in this guide are original.

Motive Waves | https://www.elliottwave.com/waveopedia/motive-waves/

Impulse | https://www.elliottwave.com/waveopedia/impulse/

Zigzags | https://www.elliottwave.com/waveopedia/zigzags/

Flats | https://www.elliottwave.com/waveopedia/flats/

Triangles | https://www.elliottwave.com/waveopedia/triangles/

Combinations | https://www.elliottwave.com/waveopedia/combinations/

Equality | https://www.elliottwave.com/waveopedia/equality/

Fibonacci Relationships | https://www.elliottwave.com/waveopedia/fibonacci-relationships/

Truncation | https://www.elliottwave.com/waveopedia/truncation/

Diagonals | https://www.elliottwave.com/waveopedia/elliott-wave-pattern-diagonals/

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