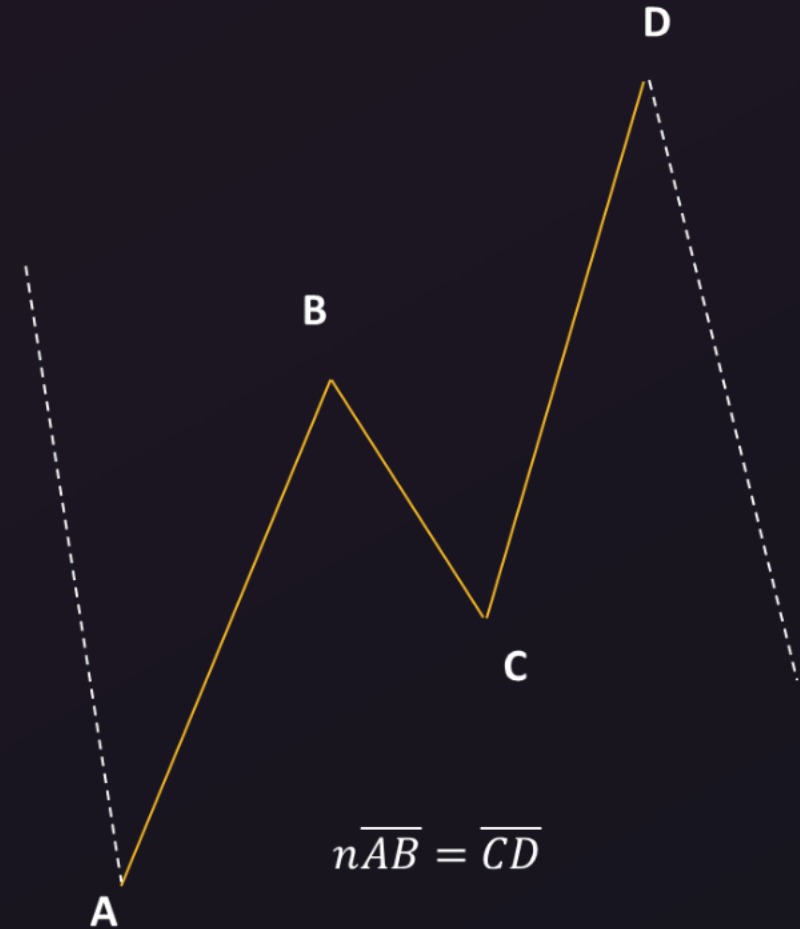
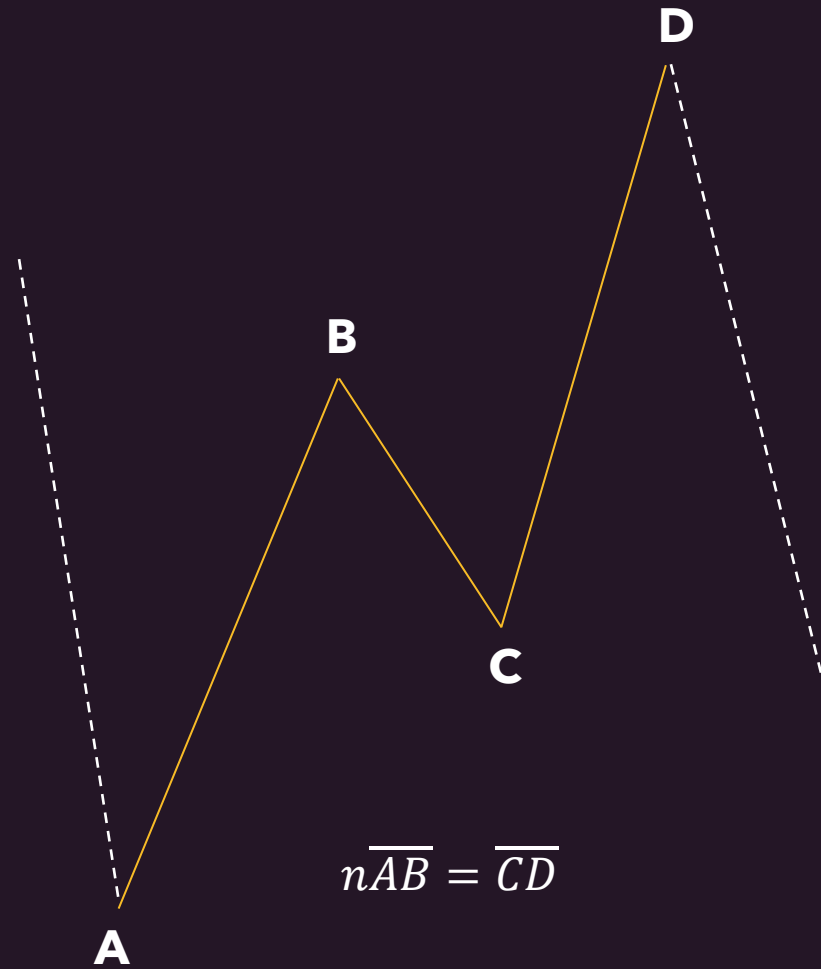


# THE MEASURED MOVE PATTERN

the *most important* chart  
pattern you'll need to learn



# The Measured Move Pattern



Part 1:  
Pattern Basics

# The Measured Move

- The measured move is a practical, rudimentary **chart pattern** for any technical trader to learn
- The first chart pattern we learn combines Fibonacci ratios and logic to demonstrate how TA works
- The **"extend-retrace-project"** sequence is fundamental to much of our pattern-based analysis of financial markets
- Traders use the measured move concepts to **master more complicated patterns**



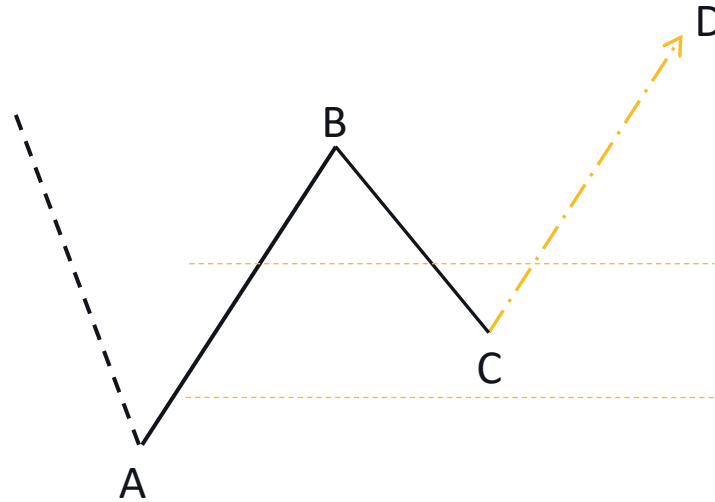
# The Measured Move

Bullish or Bearish Pattern

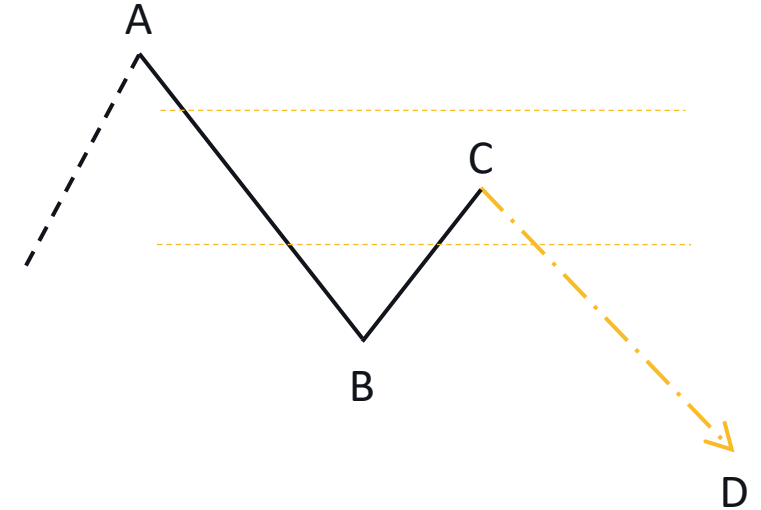
- **“Foundational” Pattern**
- 3 Connected Line Segments
- Segments are related by Fibonacci Ratios
- The FIRST trade setup is at the end of BC
- $CD \approx AB$
- Easy to define risk/reward

## Technical Note

To find Measured Moves, one must be proficient in using Fibonacci retracement and projection tools.



In an up trend



In a down trend

# Measured Move Requirements

A Measured Move consists of 3 segments ("waves")

- AB is the first segment
- BC is the second (middle) segment
- CD is the final segment; its value relates to both prior segments

The simple equation for finding CD's length is given by

$$n\overline{AB} = \overline{CD}$$

