# Harmonic Multi-Pattern Indicator is NOW…
Harmonic Pattern Collection "Lite" for TD Ameritrade

In connection with Robert Payne of FunwithThinkScript.com, HarmonicTrader.com and Sr-Analyst.com (Divergence Software) are happy to introduce the Harmonic Pattern Collection (HPC) Lite software program for the *ThinkorSwim* (TOS) Platform available from TD Ameritrade. "HPC Lite" is the authorized and official Harmonic Pattern Software that automatically screens user-specified markets and timeframes to pinpoint precision opportunities based upon the pattern rules consistent with other HPC versions.
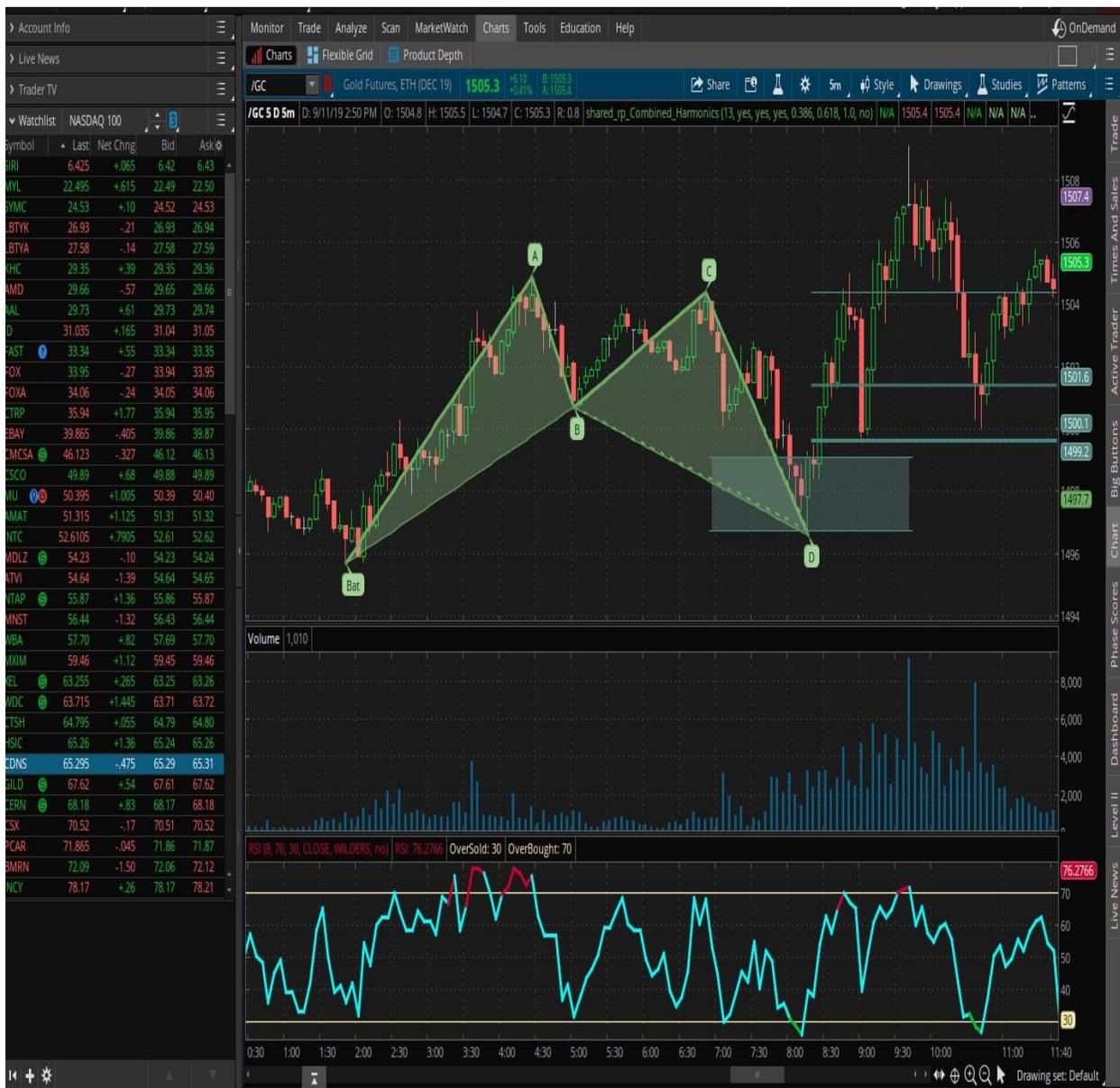
NOW AVAILABLE:
Harmonic Pattern Resource Forum for TD Ameritrade Think or Swim (TOS)
We have created some basic resources for free so all traders can understand the essentials necessary to integrate these strategies into the trading plan effectively. It is our goal to bring the combination of expertise joined together now to provide the official Harmonic Pattern Collection (HPC) Lite Harmonic Pattern software for TD Ameritrade Think or Swim (TOS) software as well as a comprehensive knowledge base for traders to capitalize on harmonic patterns with success.

Why HPC "Lite" for TD Ameritrade?
It is important to note that the HPC Lite program refers to automatic harmonic pattern identification capabilities for the TOS program. The screening and illustration capabilities are consistent with the mandatory rules established by Scott Carney as presented in his "Harmonic Trading Volume 1, 2 & 3" books (Copyright 2002-2016). The Harmonic Pattern Collection offered on other platforms includes all indicators and pattern features simply not programmable with the TD script. Although this may change in the future, we will be offering HPC Lite as a "Pattern Only" version within the www.HarmonicPatternCollection.com software options.

Harmonic Pattern Capabilities with HPC Lite

HPC Lite can detect harmonic patterns that have completed or ones that are near-completion. Prior patterns are useful because price action will typically provide two opportunities – a Reaction and a Reversal – as well as define relevant levels of harmonic support and resistance.

HPC Lite Scans, Identifies and Labels the following patterns AUTOMATICALLY!:

- Bat
- Alternate Bat
- Crab
- Deep Crab
- Butterfly
- Gartley

In the following Weekly chart of Apple (AAPL), the HPC Scanner has detected a Bearish Butterfly with 258 are the completed objective. There is a zero-lag indicator that relies on price action alone to reach the shaded zone.   This area is the Potential Reversal Zone. As such, the "CD" leg will redraw until the associated swing-high or swing-low has fully formed to complete the pattern.
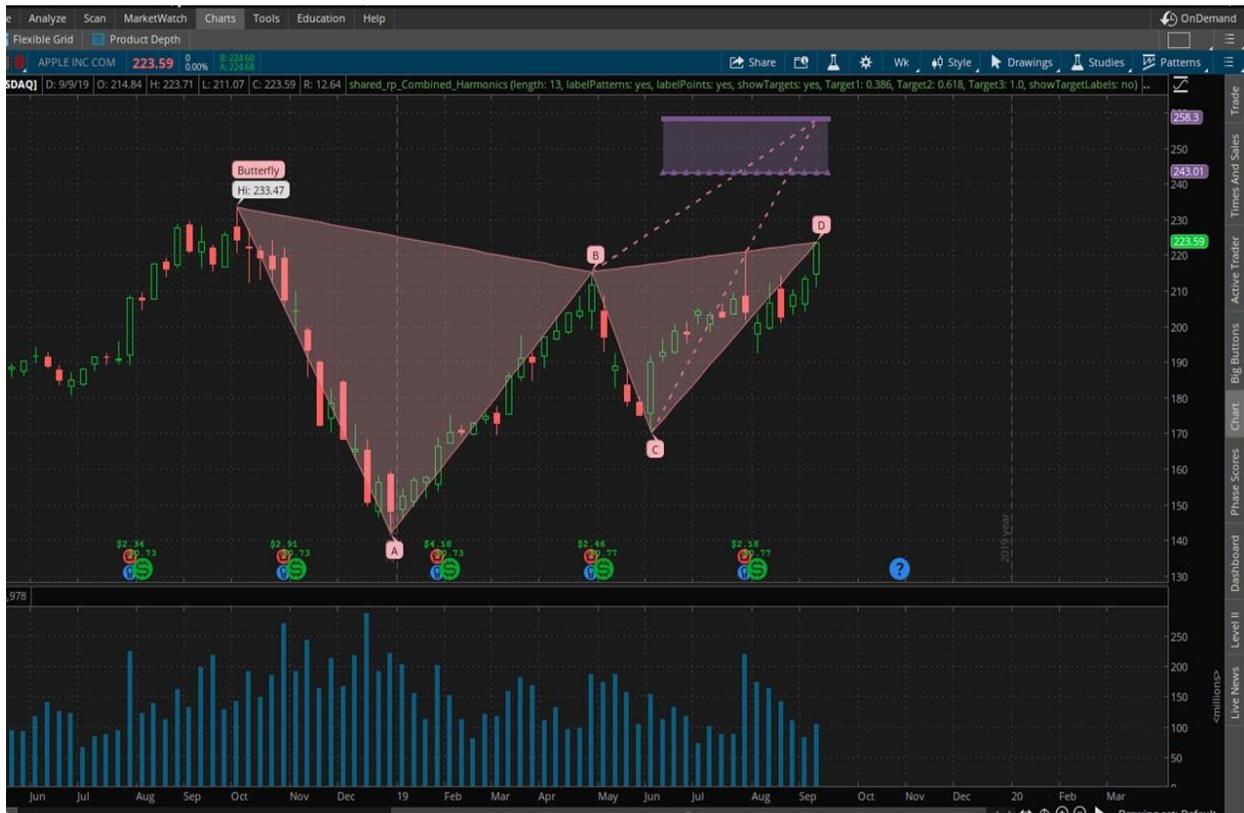
After a pattern has been officially labeled once four of the five structural points have been established, the PRZ will be highlighted as well as the final leg illustrated as a dotted line to mark the official completion of the setup.

The HPC Scanner has been designed to deliver sophisticated pattern recognition tools with simple applications that are easy to understand. The HPC Scanner does that by combining all detected patterns into a comprehensive efficient indicator. Harmonic Traders no longer have to add separate indicators for each pattern and can identify multiple opportunities on a variety of timeframes. This prevents the pattern overlap that often resulted in a cluttered, confusing chart. In particular, the new Multi-Pattern Scan Watch-list can easily find opportunities that are forming a harmonic pattern. Additionally, the custom watch-list column can be used to identify valid patterns across multiple time frames on their personal list of favorite markets. The following watchlist shows a variety of pattern matches. In this case, Northfolk Southern (NSF) has been illustrated with a potential Bullish Butterfly.

Even if you are new to harmonic patterns, these structures can be easily integrated with other technical methods for greater confirmation and clarity. One simple strategy that Scott Carney recommends employs Welles Wilder's Relative Strength Index (RSI) to confirm pattern zones. The following chart shows a Crab pattern completing on a 1-minute chart in the S&P500 eMini (ES). When the pattern completed, the RSI confirmed the support and triggered the reversal.

Most traders are always looking for an edge, and harmonic patterns create an entire dynamic framework. From identification to execution to management, the harmonic pattern framework establishes price parameters that define the minimum expectations in any situation. We provide the resources and show how to utilize HPC Lite for TD Ameritrade to define these opportunities in any market and on any time frame. Based upon the harmonic patterns exclusively, these simple execution and management

strategies provide an entire start-to-finish technical methodology. In fact, the HPC Scanner generates automatic profit targets based upon the pattern itself. These management targets help traders decide whether a harmonic pattern will yield a reaction versus a reversal. This is extremely effective in short-term situations such as FX, Futures and other active markets. The following 5-minute chart of the Australian Dollar/Japanese Yen shows an ideal Bullish Gartley pattern with the associated profit targets.


These are a few examples of the power of these harmonic pattern recognition tools for the TD Ameritrade TOS Platform. We encourage all to review more about harmonic pattern strategies and get the right tools to unlock these opportunities.

Harmonic Patterns

Harmonic Patterns represent "M" and "W" price formations, as distinct and differentiated phenomenon that serve as specific technical signals. All trade considerations – entry, exit, stop loss, risk/reward – are based from the pattern itself and opportunities are defined upon the market's own action.

Example of a Harmonic Pattern: Bullish Bat

       The Bat pattern is a precise harmonic pattern, released in "Harmonic Trading: Volume One" (2004). The Bat pattern is probably the most accurate pattern in the entire Harmonic Trading arsenal. The pattern possesses many distinct elements that define an excellent Potential Reversal Zone (PRZ). The pattern typically represents a deep retest of support or resistance that can frequently be quite sharp. Quick reversals from Bat pattern PRZs are common. In fact, valid reversals from Bat patterns frequently possess price action that is quite extreme.

A 0.382; C
0.886

0.382; 0.50 B 1.618; 2.618

0.886

X   D
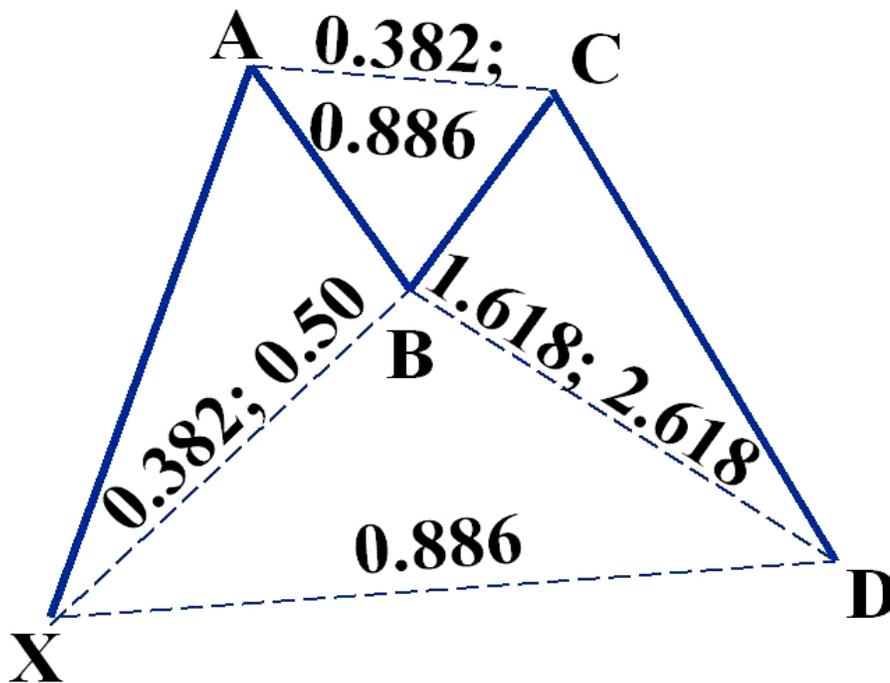
       The pattern incorporates the powerful 0.886 XA retracement, as the defining element in the PRZ. The B point retracement must be less than a 0.618, preferably a 0.50 or 0.382 of the XA leg. The Bat utilizes a BC projection that is at least 1.618. The BC projection can be as much as 2.618, while incorporating an equivalent AB=CD pattern that serves as a minimum requirement for any structure to be a valid setup. These are a few of the automatic algorithms programmed to recognize and generate such powerful pattern matches.

Gold Futures (GC#F): 5-Minute

Bullish Bat

The following chart shows a Bullish Bat in the Gold Futures (GC#F): 5-Minute

- The pattern is automatically labeled as a valid harmonic structure with a quantified support zone that defines the price range for the opportunity.
- The Potential Reversal Zone (PRZ) of the harmonic pattern is highlighted and the ideal completion point is considered when the entire range has been tested.
- Once identified, the ideal pattern completion point is projected via the dashed lines and the following action is analyzed IMMEDIATELY for signs of confirmation and individual price bar signs that confirm the larger pattern.
- After price has tested the PRZ, the three (user-configurable) pattern target lines are automatically plotted and mark the minimum objectives for the harmonic pattern opportunity.

The Potential Reversal Zone

This area is marked as a highly probable area for a reversal. This Potential Reversal Zone (PRZ) is measured and illustrated once a pattern structure has met 4 of the 5 price conditions. These are the "actionable zones" Harmonic Traders employ to define opportunities at levels of support and resistance. Patterns are marked once point "C" is identified. By calculating the various Fibonacci aspects of a specific price structure, harmonic patterns define a specific area to examine for *potential* turning points in price action. In the image below, the PRZ is shaded and can be seen once the Crab pattern has been identified.

        Once the price action tests the low range of the PRZ, the harmonic pattern opportunity is considered to be valid. Depending upon the nature of the market, the signs of confirmation or failure are assessed within the range of the pattern completion zone.

Harmonic Trading

With the launch of Scott Carney's *The Harmonic Trader* (1998), harmonic patterns have immensely expanded the area of pattern recognition within Technical Analysis to unlock distinct and measurable price movements that consistently repeat. Other harmonic pattern strategies that involve trade execution and management are critical to capitalize

on "M" and "W" price structures as effective technical signals. Therefore, we recommend the following before going any further.

> "Harmonic Trading is a methodology that utilizes the recognition of specific structures that possess distinct and consecutive Fibonacci ratio alignments that quantify and validate harmonic patterns. These patterns calculate the Fibonacci aspects of these price structures to identify highly probable reversal points in the financial markets. This methodology assumes that harmonic patterns or cycles, like many patterns and cycles in life, continually repeat."
>
> "Harmonic Trading: Volume One" (Financial Times Press 2010 Second Edition)

There are a few important basic concepts to consider to get the most from your HPC Scanner program. Are you new to harmonic patterns? What is Harmonic Trading all about? We strongly encourage all traders to review the following to know how to assess harmonic patterns as trading opportunities, and take the time to develop some experience to understand the natural dynamics of how these situations unfold. Sign up for the FREE Basic Membership at www.HarmonicTrader.com to learn more about harmonic pattern strategies.

FREE Basic Member Sign up: https://harmonictrader.com/basic-sign-up/

User Guide Settings

Each setting is designed to adjust thickness and line types of the illustrated patterns. We have created preset features that highlight the proper structural formations, pinpoint accurate Potential Reversal Zones and illustrate the minimum target objectives for the entire situation. The harmonic indicator settings can be easily accessed by right clicking on any pattern. The following window will emerge:
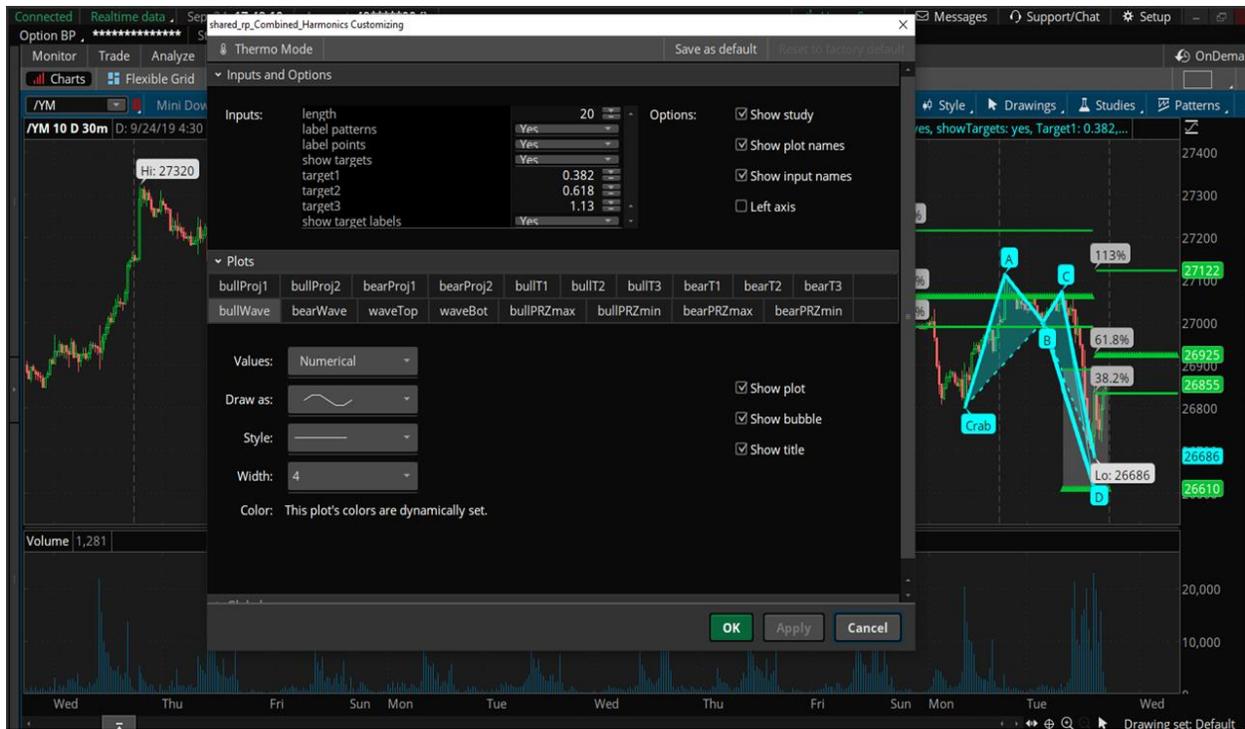

Input

Under the "Plots" Tab, Select Each to Adjust Pattern Scanning Parameter Settings
Length: Minimum # of price bars a pattern to be valid (Default = 20)

Label Patterns: Displays Pattern Labels A,B,C,D,etc. (Default = Yes)
Label Points: Displays Pattern Labels (Default = Yes)
Show Targets: Displays Pattern Target Objective (Default = Yes)
Target 1: 0.382 (Default)
Target 2: 0.618 (Default)
Target 3: 1.13 (Default)
Show Target Levels: (Default = Yes)

Plots
Under the "Plots" Heading, Select Each Tab to Adjust Pattern Illustration Settings
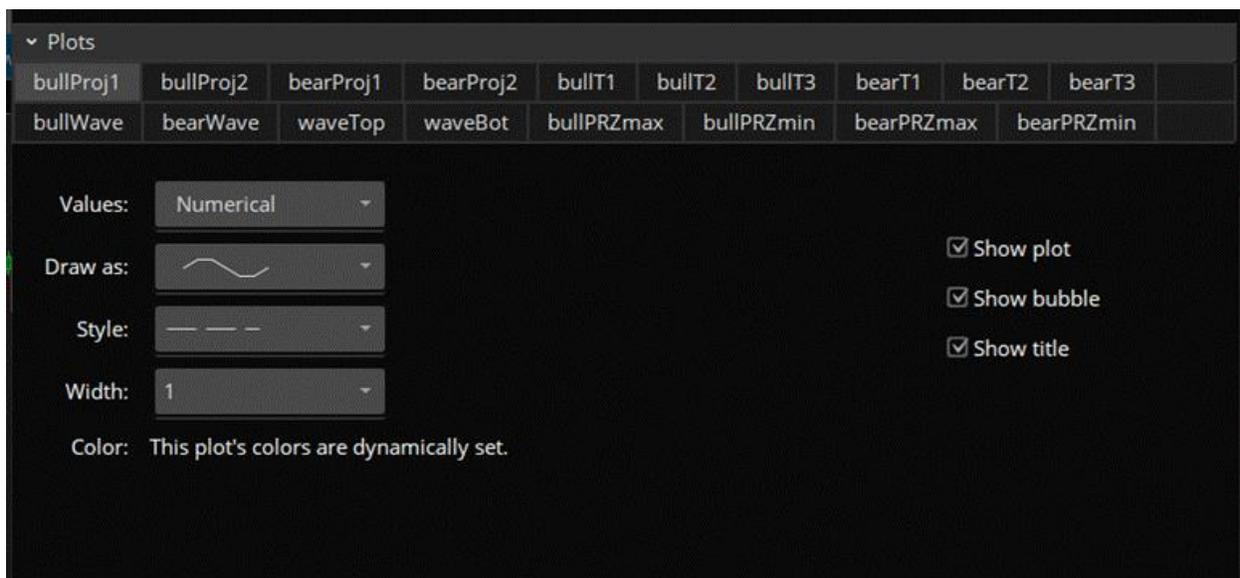
Plots Preferences
Values: Numerical (Default)
Draw as: Illustrates pattern lines in various types
Style: Changes pattern line to dashed, solid, dotted
Width: 1-5 Font setting of line selected

Bullish Pattern Settings
bullwave: Primary leg illustration features for BULLISH pattern
bullProj1: Sets line feature preferences for CD completion
bullProj2: Sets line feature preferences for BC extension
bullT1: Pattern Target Objective as measured by the pattern (Default = 38.2%)
bullT2: Pattern Target Objective as measured by the pattern (Default = 61.8%)
bullT3: Pattern Target Objective as measured by the pattern (Default = 1.0)
bullPRZmax: Pattern Potential Reversal Zone (PRZ) Bottom Line Preference Settings
bullPRZmin: Pattern Potential Reversal Zone (PRZ) Top Line Preference Settings

Bearish Pattern Settings

bearwave: Primary leg illustration features for BEARISH pattern
bearProj1: Sets line feature preferences for CD completion
bearProj2: Sets line feature preferences for BC extension
bearT1: Pattern Target Objective as measured by the pattern (Default = 38.2%)
bearT2: Pattern Target Objective as measured by the pattern (Default = 61.8%)
bearT3: Pattern Target Objective as measured by the pattern (Default = 1.0)
bearPRZmax: Pattern Potential Reversal Zone (PRZ) Top Line Preference Settings
bearPRZmin: Pattern Pattern Potential Reversal Zone (PRZ) Bottom Line Preference Settings

Globals

Under Globals (make sure to select dropdown arrow), Select color preference for various pattern ilustration aspects.
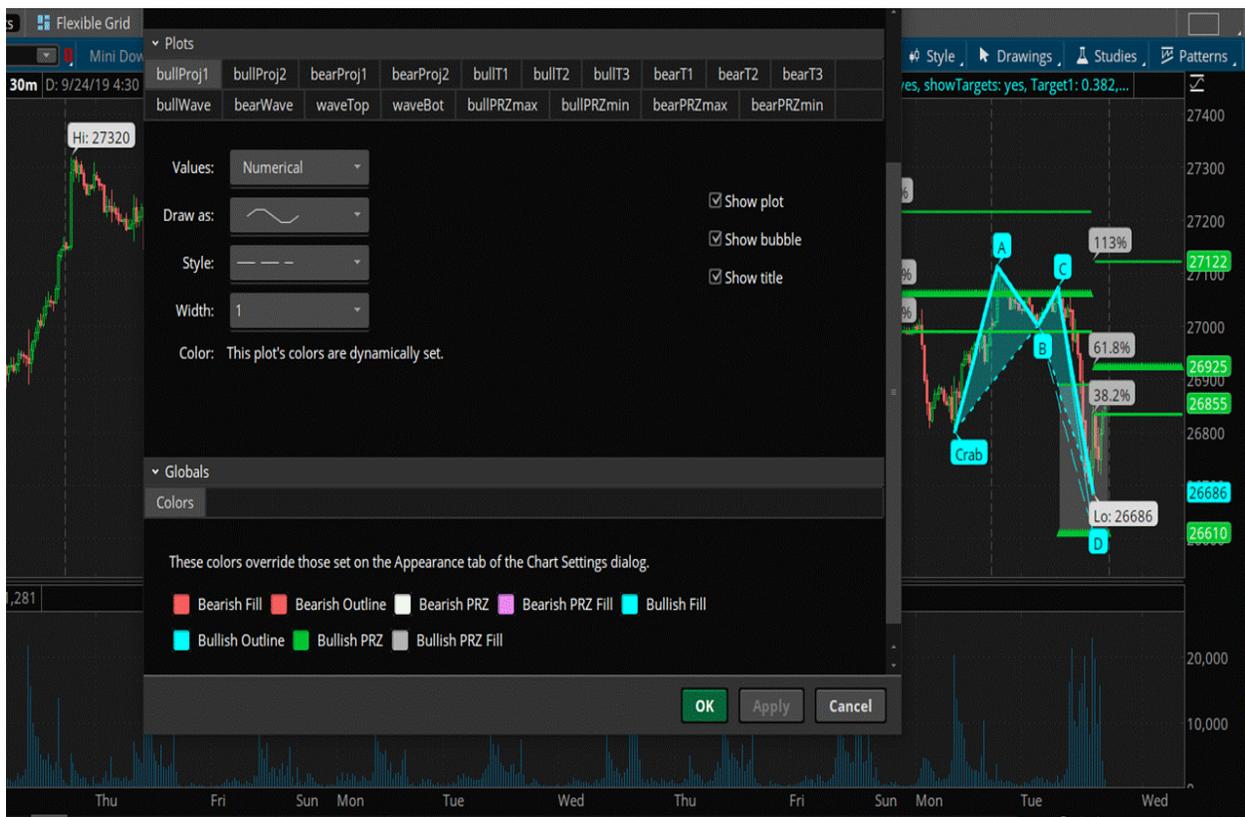
Default Pattern Illustration Settings

We have created default pattern illustration settings for simple set up. These can be changed based upon user preferences. It is critical to HIT APPLY at bottom right screen the HIT OK.
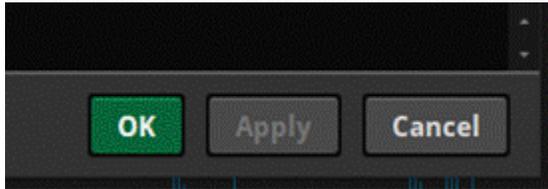
Once applied, the settings can be saved as DEFAULT by clicking the top right corner of the screen to "SAVE AS DEFAULT"
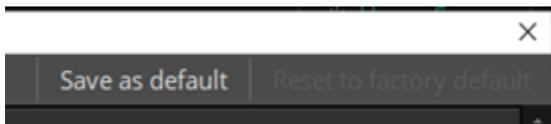
Get HPC Lite on Thinkorswim Mobile

Access the mobile app for TOS here:

https://apps.apple.com/us/app/thinkorswim-buy-sell-trade/id299366785

HPC Scanner will work once it is set up on your primary platform through your computer or tablet.

Feedback Testimonials

Customers love the HPC Lite's ability to detect Harmonic Patterns automatically. Such integrated automation makes identification easy and provides the essential levels traders need to navigate all markets on any timeframe. The scanner and custom watch-list features enhance the user-friendly tools and make it simple to focus on the best harmonic pattern opportunities.

"Hi Robert. I've had success trading your harmonic patterns so far. So far 2-2 for 100 pips. Thanks!"

Richard O.

Harmonic Pattern Collection "Lite" for TD Ameritrade Quick Start Guide

GET STARTED NOW:

1. **NEW to TD Ameritrade?** https://www.tdameritrade.com
2. Setup TD Ameritrade Account -
   https://invest.tdameritrade.com/grid/p/accountApplication?nce=y

3. Download TD Ameritrade's Think or Swim (TOS) Trading Platform –
   https://www.tdameritrade.com/tools-and-platforms/thinkorswim/features.page
   (Minimum Account Required: $1,000-5,000U.S. with data, depending upon
   markets traded, fees apply market-dependent)
4. Purchase www.HarmonicPatternCollection.com HPC Lite
5. Install and Access resources to get the most from the program with a 30-day
   trial to www.HarmonicTrader.com GOLD Membership privileges ($149 value
   including an official pdf to Scott Carney's "Harmonic Trading Volume One
   Copyright 2004).

EXISTING TD Ameritrade Account Holders:

Log in: https://www.tdameritrade.com/home.page
Access TD Ameritrade's Think or Swim (TOS).

Once logged in, Access Thinkorswim:
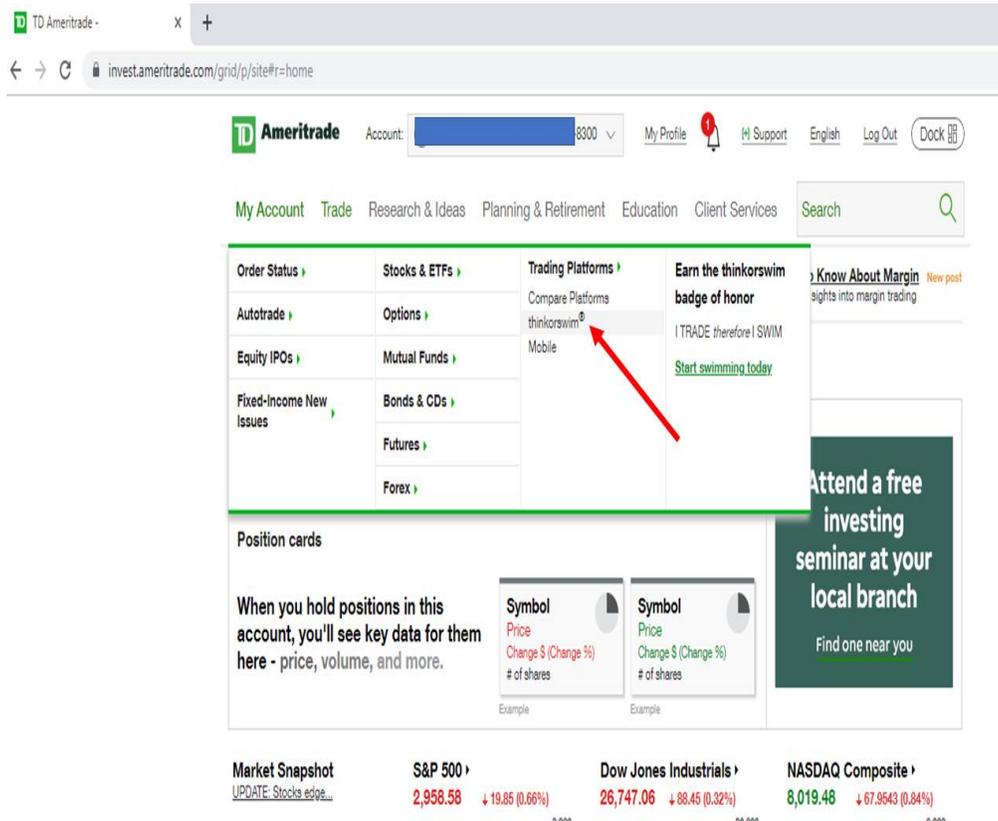
Follow the standard setup procedure to install TOS. Once setup and activated, the HPC Lite can be installed through the custom indicators.

For more information, contact: support@sr-analyst.com

Message from Scott Carney

HPC Lite is designed for TD Ameritrade's Think or Swim (TOS). We look forward to sharing Harmonic Pattern resources with the community of TD Ameritrade traders and highlight the remarkably accurate abilities of harmonic patterns to define unique zones of support/resistance that quantify opportunities in all markets and on any timeframe. Check out a few basic harmonic pattern videos and learn more about the Harmonic Pattern Collection (HPC) Lite from the Harmonic Pattern Resource Forum for TD Ameritrade Think or Swim (TOS). We have added some links to webinars that explain the basic principles of Harmonic patterns in the financial markets as well as obvious opportunities that patterns can identify.

Together, HarmonicTrader.com, SR-Analyst.com and FunwithThinkScript.com have developed the official Harmonic Pattern tools for the *ThinkorSwim* (TOS) Platform available from TD Ameritrade. I am happy to announce this partnership and begin to expand the software and resources available on the TOS platform to bring proper harmonic tools that so many traders want to access. As creator of the Harmonic Pattern rules, I know how essential standardization is to the trading process in REAL MARKET CONDITIONS. Harmonic patterns must be measured properly to define the correct price zones for traders to capitalize on these phenomena. We continue to develop harmonic tools for traders to unlock these opportunities with precise algorithms to automatically identify the best opportunities. These tools serve up automatic pattern matches and illustrate harmonic possibilities based upon the optimized algorithms that define all parameters of the trade. From entry, exit to stop loss, the harmonic patterns provide traders will the levels that no other approach can even quantify! This will be welcome news to TD Ameritrade Think or Swim (TOS) traders who want a harmonic pattern program. Now, the HPC Scanner serves up automatic harmonic patterns on the platform to enhance TD's powerful trading software. For those of you who like to trade stocks, options, futures or FX markets on intra-day timeframes, the HPC Scanner will generate numerous harmonic pattern matches that define key short-term levels unlike any other tool. Harmonic Traders now have access to the official auto-harmonic pattern screener for TD Ameritrade!

Great Harmonic Trading,

Scott Carney
HarmonicTrader.com

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