

Figure 7-4

the Wave Principle. In Figure 7-4, wave 3 will have the heaviest volume, wave 5 somewhat lighter, and wave B usually lighter still when the wave is of Intermediate degree or lower. In Figure 7-5, the impulse wave will have the highest volume, wave B usually somewhat less, and wave four of C the least.

Trendlines and trend channels are used similarly in both approaches. Support and resistance phenomena are evident in

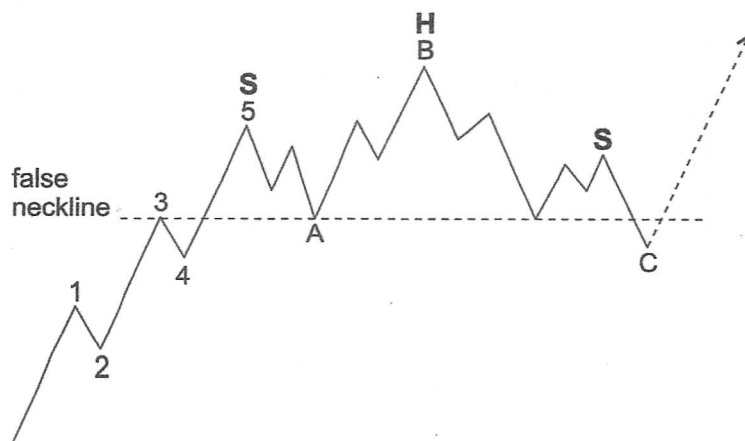


Figure 7-5