

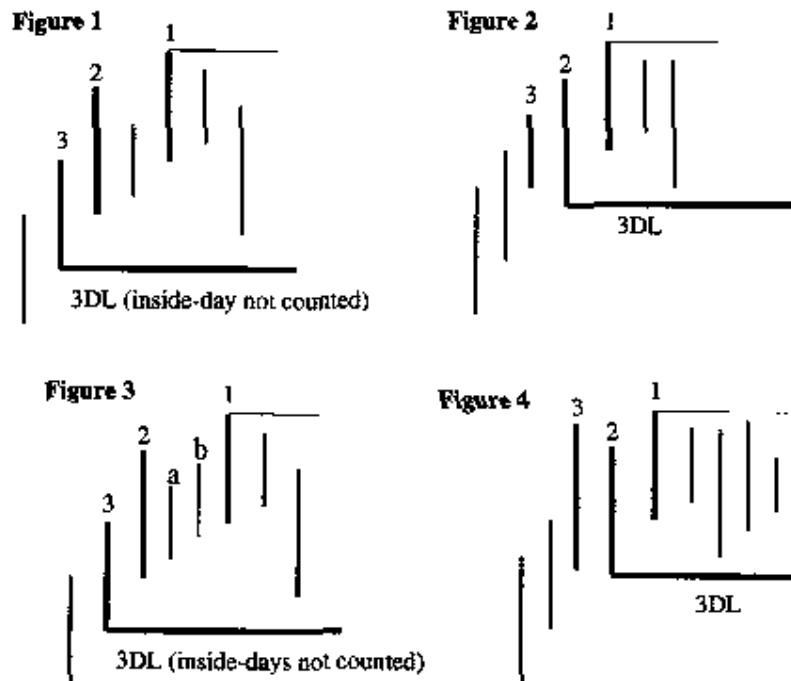
### Three-Day Low or High (3DL or H)

If a trend is valid, there should only be minor corrections to the trend. If you examine long histories of daily charts for many markets, you will find that once a trend is underway, the market will usually not retrace the range of the prior three days. The three-day high or low may be used to adjust the protective stop-loss as a market trend progresses.

A three-day low is the lowest price of the three days from the extreme high, inclusive of the high day. Inside-days are not counted. It is not the same as the low of the most recent three days.

#### Three-Day Low

The lowest price of the three days from the extreme high, inclusive of the high. Inside days are not counted.



In the figures above, the three days used to determine the three-day low are labeled 1,2 and 3, Day one is always the highest price of the immediate trend. In figure one above, the *inside-day* following day-two is not counted. In figure two, day-three is not an inside-day. In figure three, the two days following day-two both traded within the range of day-two. Neither day is counted for the 3DL. Day-a is an inside-day to day-two. While day-b is not normally considered an inside-day because it traded