

# Counting Waves and Bars



When MLT refers to “WAVES” we do NOT mean Elliot Wave or any other wave indicator.

Waves are based on the color changes of the LTML (solid) and STML (dash dot dot).

**Odd waves:** Lines are the SAME color.      **Even waves:** Lines are OPPOSITE color.

- A bar CLOSE is indicated by a DOT.



- A wave does not start until a bar closes.

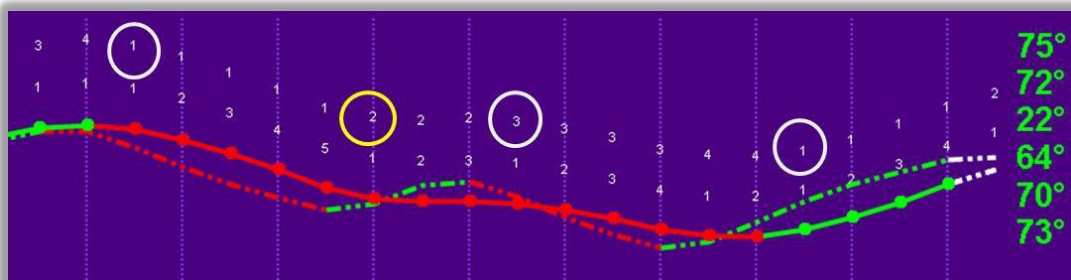
<b>Wave 1</b>	Begins when the LTML turns color	LTML & STML <i>same color</i>
<b>Wave 2</b>	Begins when the STML retraces and turns color AGAINST the LTML	LTML & STML <i>opposite color</i>
<b>Wave 3</b>	Begins when the STML turns back to the color of the LTML	LTML & STML <i>same color</i>

- *Until the LTML changes color again (to start a new Wave 1) the waves continue as Wave 2, 3, 4, 5, 6, etc.*

The **Strategy Tool** has the capability to show wave/bar counts on a chart.

- The top number is the wave.
- The bottom number is the bar.

*Note the waves circled below match the chart above.*



See the “Strategy Tool” module for more information.