

THE FIBONACCI TOOL

*Provides you with "trade entry opportunities" at "areas of value" during a "moving trend"

*As fibonacci levels can act as a form of
>KEY SUPPORT & RESISTANCE

*S/R are areas where price can react to / reverse from
>TRADE ENTRY OPPORTUNITIES

FIBONACCI LEVELS TO LOOK FOR



**Now here are the exact Fibonacci levels we look for*

1. First, the 50% or 0.5 fib level (as a quick note even though we say "level", you should treat it as an area)
 - This is a "great quality" fib level as it represents a "deep pullback" during a moving trend
2. Second, the 61.8% or 0.618 fib level
 - This is the best & highest quality fib level because it represents a "very deep pullback" and "best area of value" during a "moving trend"
3. Third, the area between 50% / 0.5 Fib & 61.8% / 0.618
 - As previously stated treat fibonacci levels as area and what you will find most often is price action occurring in the area between 50% / 0.5 Fib & 61.8% / 0.618

**As a quick note, a fib level like 38.2% / 0.382 is what would be called an okay fib level and a shallow pullback, which can often result in fake outs since it is of lower quality*

FIBONACCI RETRACEMENT

- 0.618 is the golden retracement ratio / level
- 0.5 retracement as well as the zone between 0.5 and 0.618 is an effective retracement level as well.
- Don't use fibonacci on its own for an entry, always use it in addition to your overall analysis and other confluence factors such as support and resistance.
- UPTREND: To find the fibonacci retracement levels in an uptrend using the fibonacci tool, set the base at the recent swing low, drag it to the recent swing high.

UPTREND



FIBONACCI RETRACEMENT

- DOWNTREND: To find the fibonacci retracement levels in an downtrend using the fibonacci tool, set the base at the recent swing high, drag it to the recent swing low.

DOWNTREND



USE FIBONACCI IN COMBINATION WITH OTHER CONFLUENCE FACTORS SUCH AS SUPPORT & RESISTANCE

