

Andrews' Pitchfork

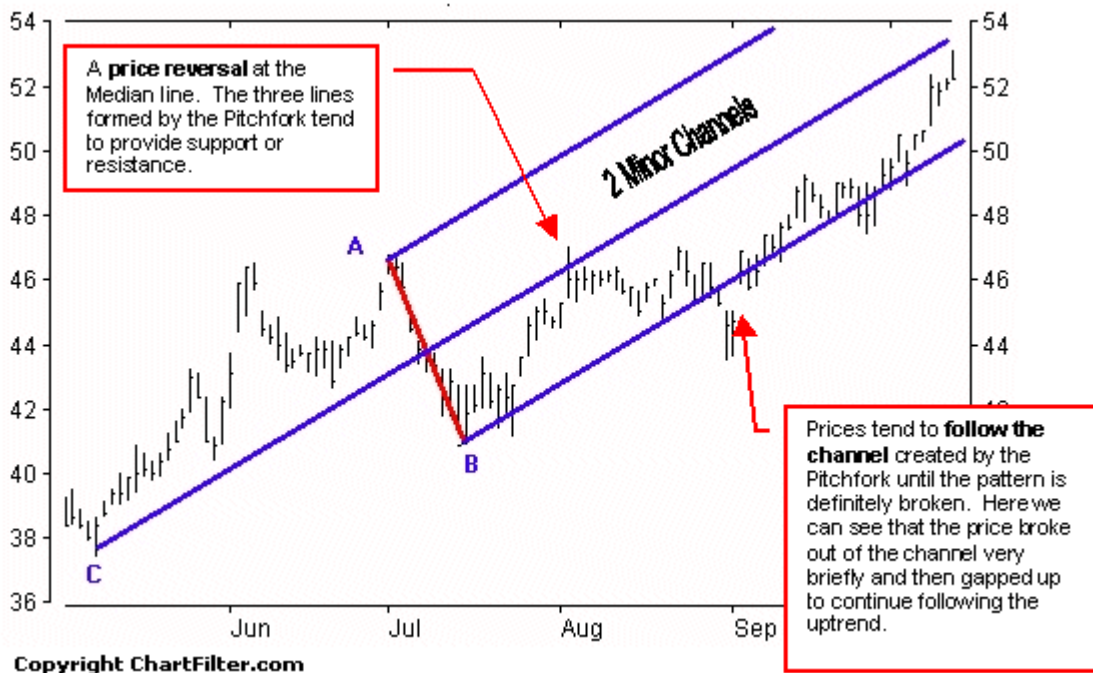
The lines formed by Andrews' Pitchfork can help predict channels of support and resistance in a trending market.

Overview

- Andrews' Pitchfork is a method of channel identification in a trending market.
- This technique, in effect, splits a major channel into two minor equidistant channels.
- The lines in the Pitchfork tend to delineate lines of support and resistance.

Andrews' Pitchfork was developed by Dr. Alan Andrews, based on what he called his "Action/Reaction" techniques. Originally called the "Median Line Study," this pattern is based on a set of lines drawn from peaks and valleys on a price chart. When linked together, the arrangement of lines closely resembles a farmer's pitchfork.

Dr. Andrews' median lines, and the pitchfork pattern, often indicate lines of support or resistance where prices tend to stall out or reverse.



Interpretation

Andrews' Pitchfork is plotted on a price chart as follows:

1. First, identify a significant reversal point (high or low) and this becomes Pt. A.

2. Draw a line (shown in red) from this point to the next significant reversal point; at Pt. B.
3. Then plot a line from a significant point early in the trend (Pt. C) bisecting the first line (in red) half way between Pts. A and B. This is the Median Line or "handle" of the Pitchfork.
4. Now, draw two lines parallel to the Median Line, one starting from Pt. A and the other from Pt. B. These form the "tines" of the Pitchfork.
5. Presto! Andrews' Pitchfork.

This is a quick introduction to the Pitchfork technique; Dr. Andrews' price study methods were typically much more complex than what I've shown here. He also counted waves using what he called the "0-3/4 pivot count rule" and the "5 count probability rule."