

## Peace through Strategic Analysis Study and Trading...week of 11-5-15

Hey Guys...so, here is this week's track record of trades and studies with the thoughts...We (call it me, myself and I ☺) keep track of the trades...to learn from the process of what is hattnin', and what is not...learning lessons and trading a live forex account at the same time...we find that we mostly trust the reversal candle/MBO structure events off support/resistance/trendlines/retracements (Reversal candle and MBO structure is our rule)...Daily chart, 4 hour, 1 hour, and 15 minute "scrunch" ...We are warming up to Harmonic Patterns as we witness the strategy (Divine phenomenon) succeed, and how a "break and close" of structure event is often happening at areas of Harmonic and structural confluence, which could lead to new strategic confidence...Also, we find Economic Fundamentals "Exact Data" events interesting from a "retroactive" (after the initial price move)...perspective, or as the news relates to potential structure breakout trading opportunity...We also find that we are learning about when to exit a trade...we like to get the pips when we can, and if price is already near the structure point where we believe price may turn...our rule is to be very careful, and not be concerned with stops to break even, or rolling stops as much, since we are trading price moves, that eventually will retrace...we are trying to be more focused on capturing the pips when we can, and placing very conservative limit orders based on previous structure price turns to the left....maybe later on in the journey...the "stops to break even" and "rolling stops" will be more comfortable...meanwhile...1 to 100+ pips per week is our goal...anything else is gravy...seeking to have consistent "positive pip" weeks...cool...

So, here are the winners from this week first. Also included, is a trade closed early for safety, as we remembered (realized) the trade did not have sufficient structure, and that's the rule...we also decided to watch a Harmonic pattern without any risk, and a "Harmonic Arrival" that moved too...it was a "positive pip" week regardless, and that was our goal.....fine to watch trades that we are not as comfortable trading....maybe someday, we will have watched enough successfully for trade opportunities..."Testing the strategy in real time" ...that's just how it feels right at this point...

So GBPJPY... the power behind structure was noticed in Daily, 4 Hour, and 1 Hour...

This was a BAT pattern formation in 4 hour, and was used as a strategy in conjunction with a Daily reversal candle, and a 1.618 "Golden ratio" arrival in the 1 hour chart...when the trade was found at about 80+ pips in the morning...we decided to close the trade...price was near structure...though it might have gone further...it must retrace at some point, because the market moves in impulses and corrections...we get the pips, and "do what we do"...



Here is the GBPJPY 1 Hour “Golden Ratio” picture...”Stacking probabilities”



O.k. so the entry order was placed beyond the MBO (Momentum Breakout Structure), and the stop behind the pullback...the limit order near the next reasonable structure...we have been finding (observationally) that price respects previous structure on the left...and that risk/reward often is more realistic based on this observation...(AKA Empirical study)...so, a “1 to 1” Risk/Reward may be actually 1 to  $\frac{3}{4}$  or something...the highest probability set up is what we are looking for, and we are budgeted for our risk...1 trade at a time....not good to take a bunch of trades starting out...1 trade at a time...”Owlin’ Uncles” say...and that’s part of learning trading responsibly and with discipline...

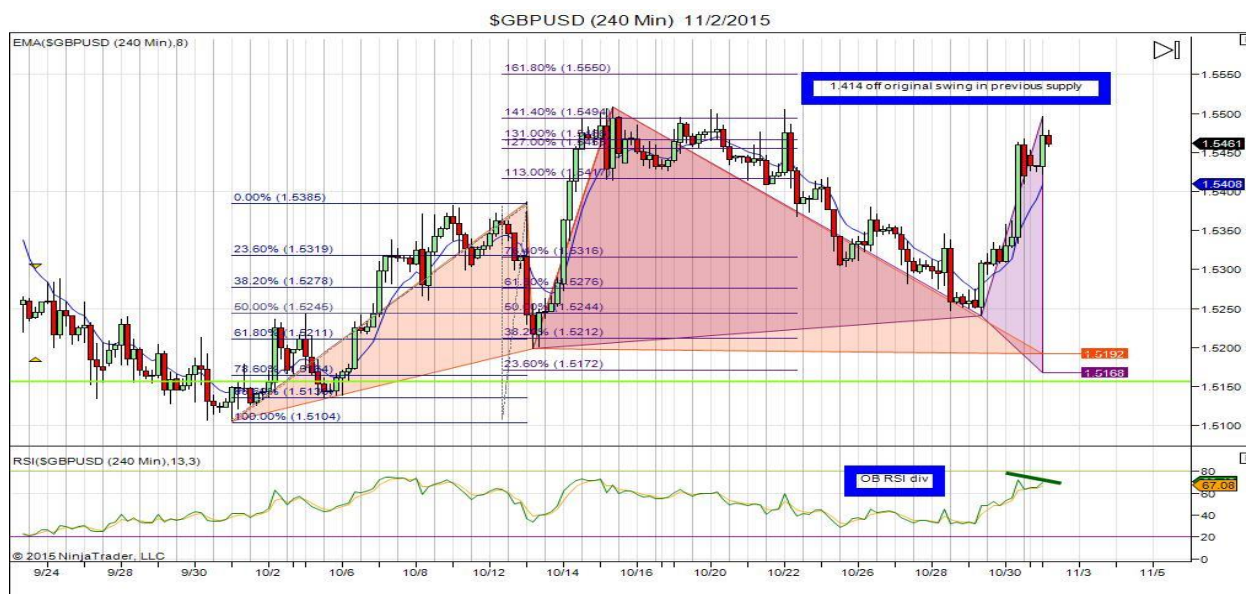


O.k.....so next trade..."Building our case for entry"...Strategy was Daily Reversal candle at Supply (resistance), near the .50 retrace in the larger (significant time frame), price was also at the 1.414 level of original swing (harmonic arrival), RSI divergence in "overbought" (indicating a market exhaustion at this level), and the 15 minute scrunch showed a pretty good MBO structure for an entry order....

This is one of those instances where when the chart was opened in the morning, the trade showed 40+ pips....the thought was..."Cool, I will just move the stop to break even, and lock in profits" ☺ Welllll...just after that...price bounced, and made it's way back to the previous resistance zone...(as it would in technical theory)...so, well ☺...now the 40+ pips just witnessed were 20+ then -11.6 pips and....welll...the thought is..."Well, so...O.k.... ☺ Uhhh...Ummm...O.k...oh, let's just leave the stop where it is...it will probably make it's way back to the previous price turn...so let's move the limit order up if it returns..." ....Well, turns out it did...funny mental process though...gotta keep a cool mindset about this stuff...this is why we like the "get your pips when you can" idea...cool...



...**a thought about trade management psychology** (seeking peace)....usually with a larger time frame setup like this, if price had already bounced before the limit order, and the trade is moving against us?...our strategy "built the case" to earn the risk on the trade...so, we gather, that the power of the move will probably (might) bring price back at some point to capture pips ....well, that's the story of risk, and we can move our limits to a safer place, and move stops to where everything is cool...sometimes, it's just better to leave the trade stop order, so we don't get stopped out....move the limit, and just chill....so, no crazy chart checking and all that junk...stuff happens in trading...we try to learn and enjoy the journey...



These next charts just show the process of how the trade entered then rallied back....we stay with our original plan (Plan the trade---trade the plan)...and it went back to where it turned...



So, the trade had gone from 40+ pips to 20+ pips, then the next chart even further away...that's the way it goes...we learn to just roll along and get our pips as we can..."Trade Management, and Risk Management"...



Next is the 15 minute view for managing the trade in real time...moved limit order after this where price turned



Long story longer, and tried to tell the story, but price turned and then went back into seller strength or a 40+ pip win...



The next charts show a EURJPY unfolding and how a BAT pattern takes place over time...

This was not a trade...just witnessed it...as we are learning along...we had an entry order, then decided to not trade the pattern, since there was no previous "3 touchpoints" structure on the left...the part that is difficult, is that if the stop is to be behind X...then the risk/reward is not worth entering the trade...but price sure moved....interesting... ☺



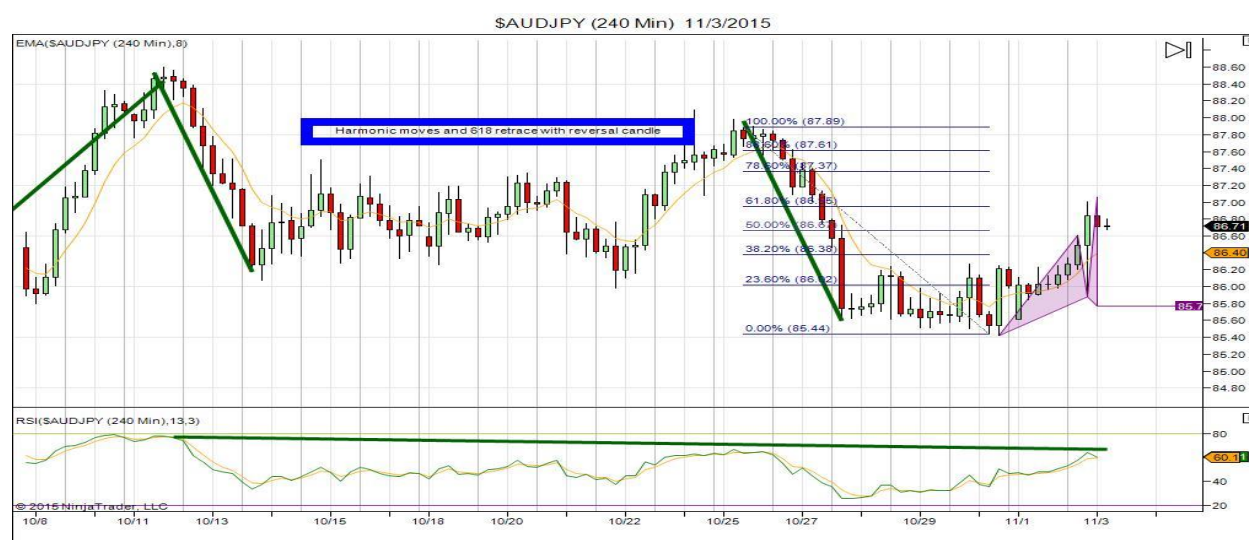


Well, how bout' that...the pattern worked...great!

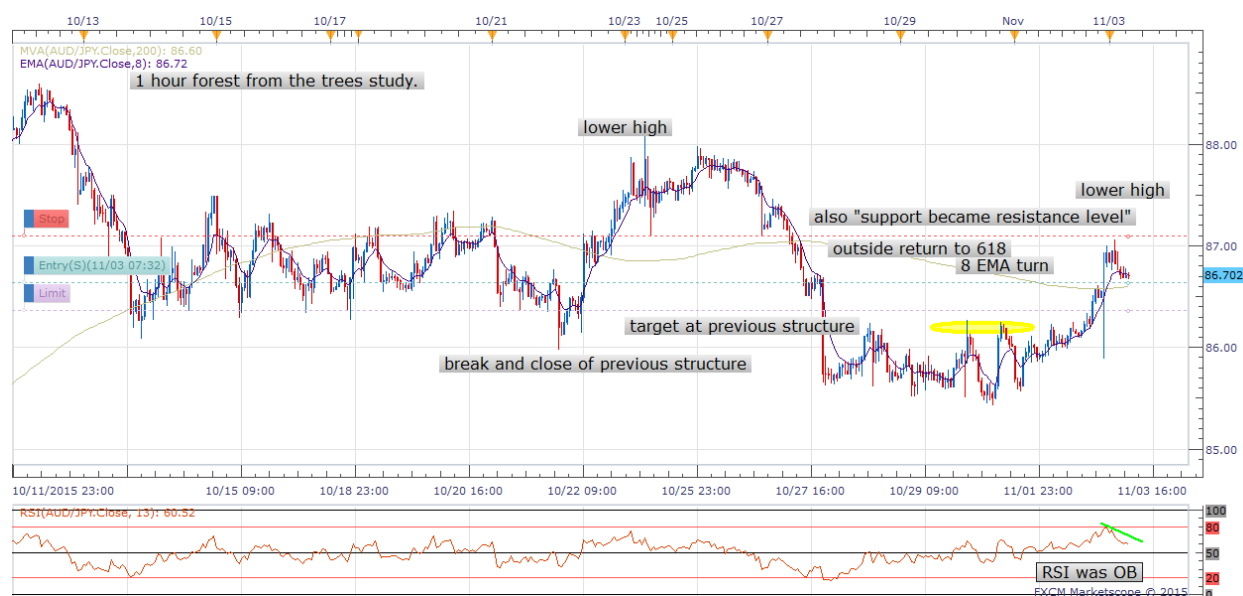
God the glory...



Next are a few charts where we convinced our self to enter a trade after analyzing too much...it happens...before you know it, an entry order is placed on the screen...AUDJPY 4 hour reversal candle at .618 retracement...well, you can see in the next charts how I convinced myself to put an entry order...PEBCAC..."problem exists between computer and chair"...ha...ha.... Though this may have been a "Built case" trade in another day, it was not at the time I placed the entry order, and that was the point...gotta keep it real with our rules.....☺ keep it fun....the entry order is placed against our "MBO structure in 1 hour rule" ...Humans...lots of humor involved...gotta keep things in perspective...



We can see here that our MBO structure is not there right now..."Earth to Strategist?"...☺ Sure did write a lot of notes on the chart though...nice supply structure...but no 1 hour MBO structure, which is our rule...so, that's fun to learn, but, lets be clear about rules Bubba... ☺



Yeah, maybe seems good on this chart that there is seller pressure, but we gotta have 1 hour MBO structure that shows price has been "workin' it out" between buyers and sellers...



Exited the chart...cool...so, a positive week, and we will try to set a good example....the Teachers say, well, "be prepared to deal with losses" ...that is part of trading, we're just trying to do our verrrry best...to transform into Pro Traders...cool..1 love...peace



☺ 1love....1Earth...peace