Trading Plan points ← use something from each one

"Momentum is either there or its not"

Money (USD) from stock market and gold are invested or transfered back to the currency so inverse relationships with currency.

Check 15 minute chart Momentum "shows momentum"

Trade intraday in 1 minute

1. Fundamental Analysis

: Time of day, strength of currency pair. (find a good currency pair you like)
any announcements in the economic calender (forexfactory.com)

what about price for gold, copper, oil

we can check cross pair (use line charts)

EURUSD ↘ USDJPY ↗ strong EURJPY ↘

(low spread means high liquidity) news dilutes the activity less technical, not moved by Big Banks

2. Price

: Draw support/resistance, find supply/demand levels (clusters), round numbers

Strong support was a resistance plot Fibonacci (cluster areas around 38.2 (growth) 61.8 (correction) power struggle of supply/demand

Search for clusters (short, numerous, dense candles)

price has a memory, never trade in a range

||||||||||
↗ supply/demand "range"

check left for previous cluster areas (if breaks through shows strength

Also "fractal expansion" - check time frames (Daily, 15 minute, 1 minute)

Is there space between movements? This shows strength. zoom in zoom out

Be a price based trader. Be patient for opportunity (build up in supply/demand, patterns, cluster breakouts

Know the spread: Buy higher than ask (the spread)
Sell is set at the ask price.

If the market isn't moving stay out of it. we are seeking familiar behavior

3. Direction

: Trend: in on the left out on the right.. what stage are we in? impulsion, correction, reversal

in corrective phases the trend line tends to break, and impulsions/breakouts don't work as well.

4. Pattern

Trend: impulsion, correction, reversal impulsion (long candles)

Continuation patterns: ascending, descending, flag, pennants (we need a flag pole)

Reversal patterns: Head and shoulders, Inverse Head and shoulders, Double Top, Double Bottom Candle charachters pg 2

Forex loves to trend

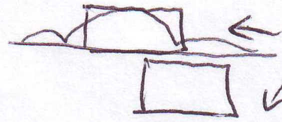
use one of each

7 point trading plan

Plan the trade, trade the plan
profit and get out. * :)
know protective stop technique

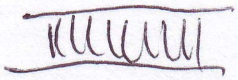
Ask dealer about the Double Tick option ✓ (to avoid run on stops)

5 Range



← same distance

"measured move" (verticle distance between support/resistance)



↙ never trade in the range, if price breaks one way or the other this shows strength.

Is the Fib line holding as price continues to trend? Natural numerics? (round numbers)

If nothing is happening recognizable, stay out of the trade.

Fibonacci: retracement, forecast, extension.

Markets are being moved by big banks, so find comfortable signals (ex: patterns) and follow price momentum.

① price, ② pattern, ③ participation

"the 3's have 3 confirmations" :)

what are the impulsions (buy or sell expression?)

Fib
100
76.4
61.8
50
38.2
23.6
0

Each Fib lines represents a potential area of strength

For forecast/extension find the top area (support)

then plot Fib's

If nothings going on, don't engage.

0
100
138.2
161.8 * "golden ratio"

Big reversal patterns have a tendency to go to the golden ratio.

Market don't just move, they are being moved.

Be humble... chill, wait for the familiar.

"exhaustion"

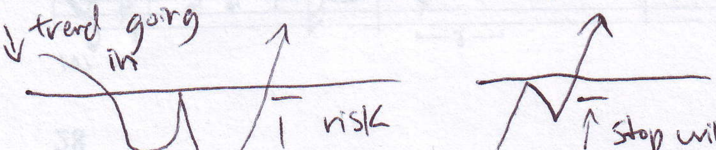
This is "buy to cover sell position"

Risk **6**

Manual Hard Stop is the best way to manage risk. (market) (protective stop risk management rules :)

Is there space in the move, this shows clarity of opportunity?

A low risk trade is the spread plus a couple of pips.



↓ trend going in

risk

changes from buyers to sellers

↑ stop will follow

"less risk"

(keep moving stop, to lock in profit

Don't put stops too close, or will be stopped out

participation **7**

volume: price leads volume
rising: momentum
falling: correction