

The Trade Price Method

This document is based on the first 1790 posts in the thread "intraday trend trading with price action".

It is not designed to replace the information contained in the thread but rather to organise it into subject order and make it easier to make use of the charts and responses to questions posted as a reference guide.

Thanks to Sho for all the guidance and help over the last 3 months.

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First Principles

This thread is about price action trading.

I don't use any system for trading because systems are for a limited time. I use a method call price action trading. It works all time frames and any market conditions. I use keltner channels and stochastics. But its price action that matters for me.

Indicators are nothing until you master price action.

Trading is all about managing the risk. If you don't know the price action you won't be able to manage the risk properly.

Before placing the trade you have to know where to put the stop loss properly.
Yes I do get stopped out so many times, but with a small loss!

Price is king! Price will tell us what's going to happen next.

Trading is simple but not easy

All the indicators are rubbish without price action.
They will cost you money only.

As long as you don't master the price action it does not matter what system you use you will lose.
The sooner you believe that it's better for you, because you will shorten your learning curve.
If you don't believe me go search for the Holy Grail.

So many traders fail because they do not know the price action. Indicator say buy, they go long.
Indicators say sell, they go short.
They do not care what the price is telling. I trade what the market tells me.

Timing is everything.

I will prove you trading is simple.

After reading this you will know how look at the chart properly. You will know instantly which direction to trade.

Please be patient. Give me enough time to tell you and guide you step by step.

We will trade what we see not what we think.

No trade without price confirmation.

You will see with our price action trading Fibonacci trading, Elliot wave trading or other trading, they all work because we know the price action.

To succeed you have to be disciplined.

This is not a game. Treat it as a business.

No over-trading.

Emotion will destroy you while you trade. Price action will help you what to do.

We will trade pin bar inside bar outside bar but not all of them.

We will stay on the side lines most of the time.

We will enter with very low risk.

We will wait for the perfect setup, no setup no trade.

We read people's behaviour through to the chart.

We will know most likely what the professionals are going to do next.

We won't be right 100%, that's why we will use stop loss. If we win 50% of the time we will make money with proper money management. But you know what? We will win lot more than 50%, I can promise you that!

I will show you how to avoid the wrong pin bar or inside bar.

Price action is not all about pin bar or inside bar. There is lot more things to do.
We will use support, resistance.

What moves the market?

Imbalance of supply and demand moves price.

Price moves in trend .trend moves in waves. Two type of waves *impulsive waves and *corrective waves.

We will trade only impulsive waves because they are bigger and quicker.

I will show you impulsive moves and corrective moves, that is very important.

A loss in momentum is NOT a sign of trend reversal.

Entry is nothing, exit is more important than entry.

95% people think entry is important.

They are wrong!

In this thread we will talk about entry, exit and trade management with the price action.

We only trade with the momentum.

For the beginner you will only trade with the trend.

When you will have enough screen time you can trade counter trend trade.

With price action you can trade any time frame. If you go to higher than 10 minutes signal is better.

Sometimes I do swing trade. My main time frame is 15 minute.

You can trade any pair's, I do trade stocks and futures.

For the day trade the smaller the spread the better.

Round numbers are important.

I don't trade Asian session; I only trade 9:30 am to 17:00 London time. (I don't trade 13:00 to14:00)

I don't trade sideways market

I struggled for 5 and half years before I discovered price action is everything

I read so many books and bought so many systems. Yes they did work for a short period of time but none of the systems worked for long run.

Then luckily I discovered price action and learned this method.

Now I am trading profitably from last 7 years and still learning every day.

I don't like candle but you can use candle charts. I use colour bar chart. It is much easier to read.

You can use your favourite indicator with price.

Indicators are nothing without price confirmation.

It's not very easy to explain everything in one post because it took me years to learn.

Be patient and take your time to learn the method and make yourself a professional trader.

Momentum, trend identification and keltner channels

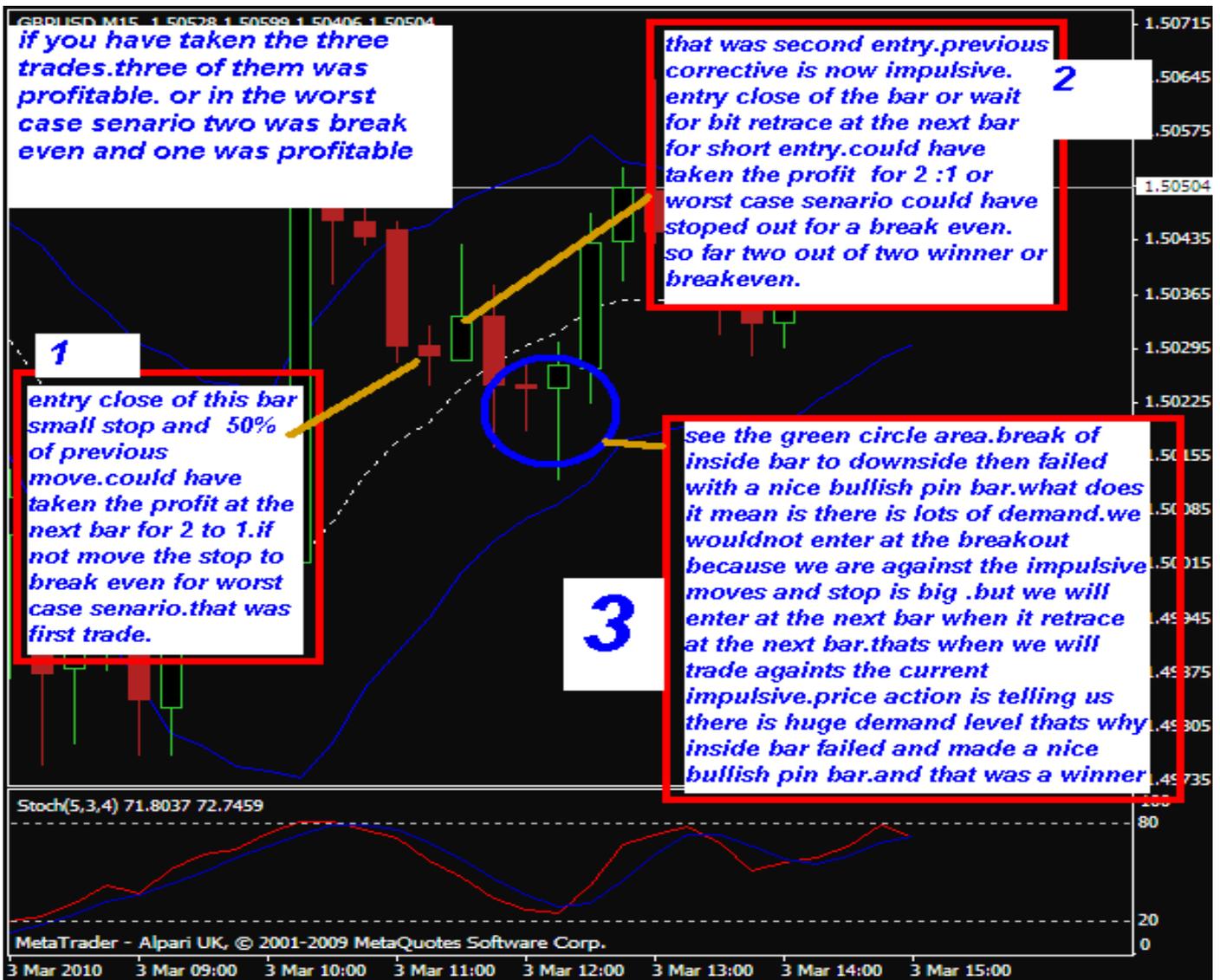
I don't trade sideways markets because of too many whipsaws.

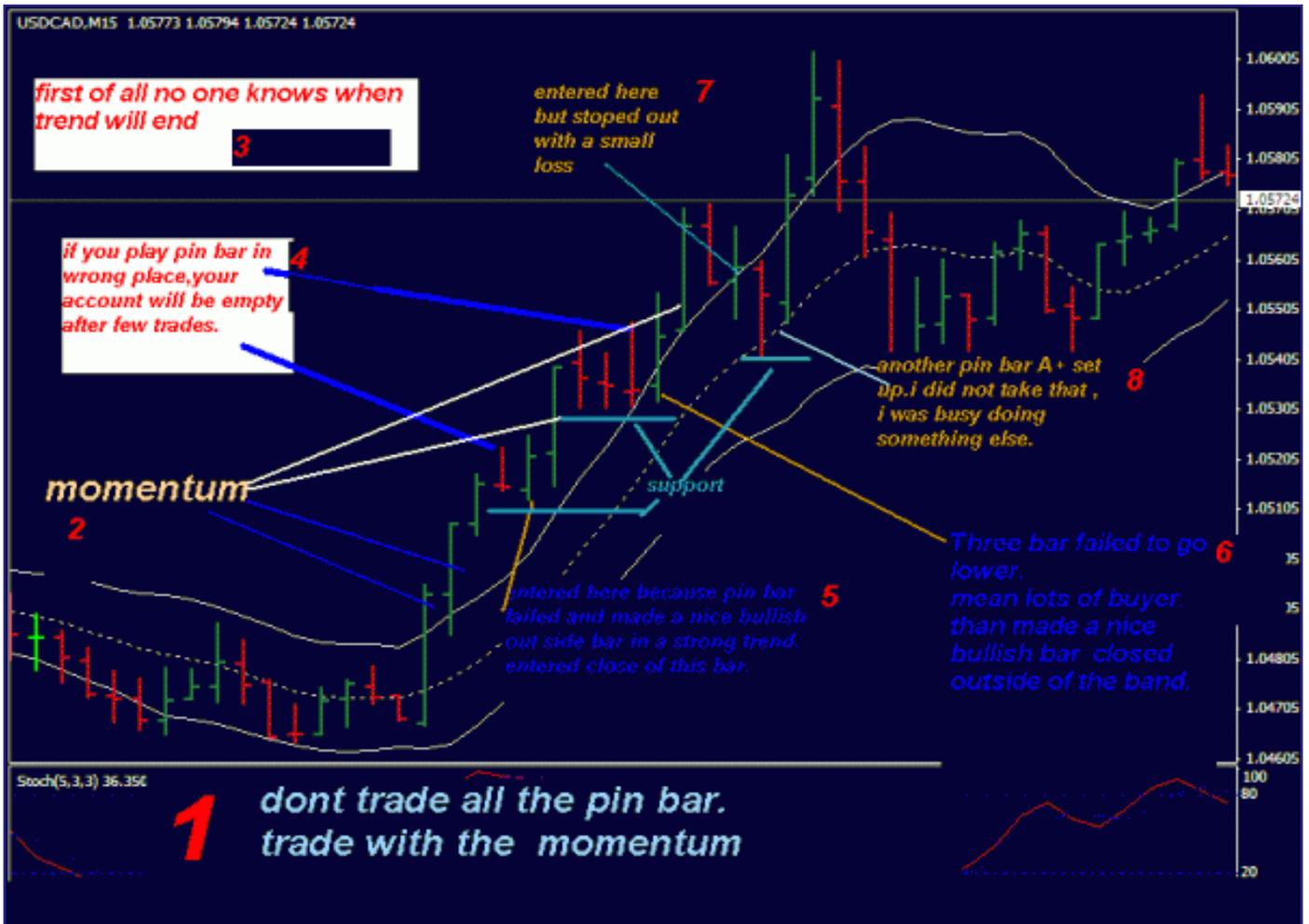
For trend I use keltner channel direction and support and resistance, break of horizontal line support and resistance with price confirmation, impulsive moves vs. corrective moves and most important screen time. That helps me to identify the trend.

Keltner will tell you which direction to trade, but you must confirm it with the price action.

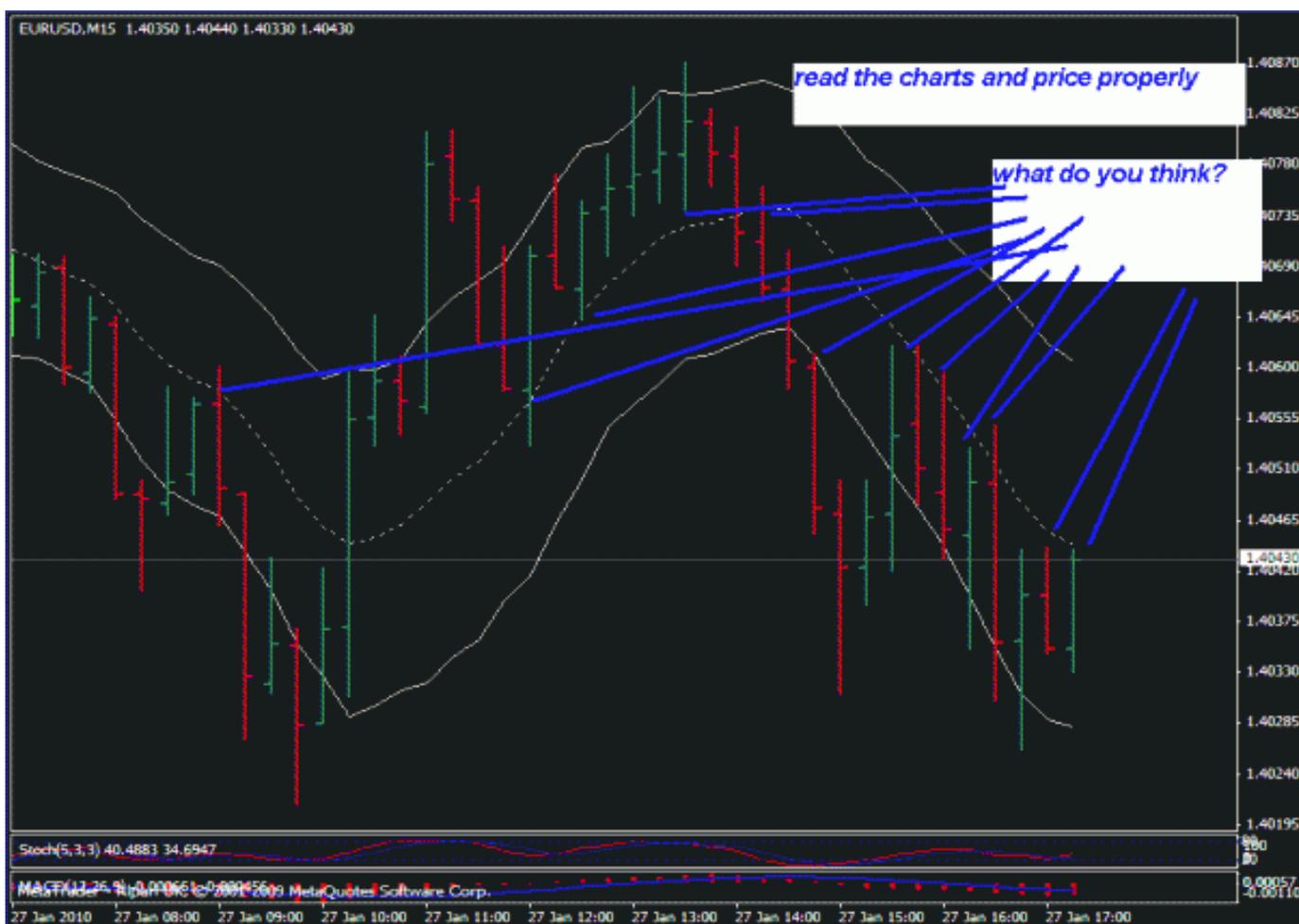
I do take trades in the middle of the band, but price must have to prove it wants to go more.







Keltner channel provide s/r.
I can prove with every chart.





This is a daily chart.
I told you guy's keltner act as s/r



When you see an unusual bar it's a warning sign. Trend can change or profit taking because people scared to lose the profit.

That's why most of the time trend reverses.

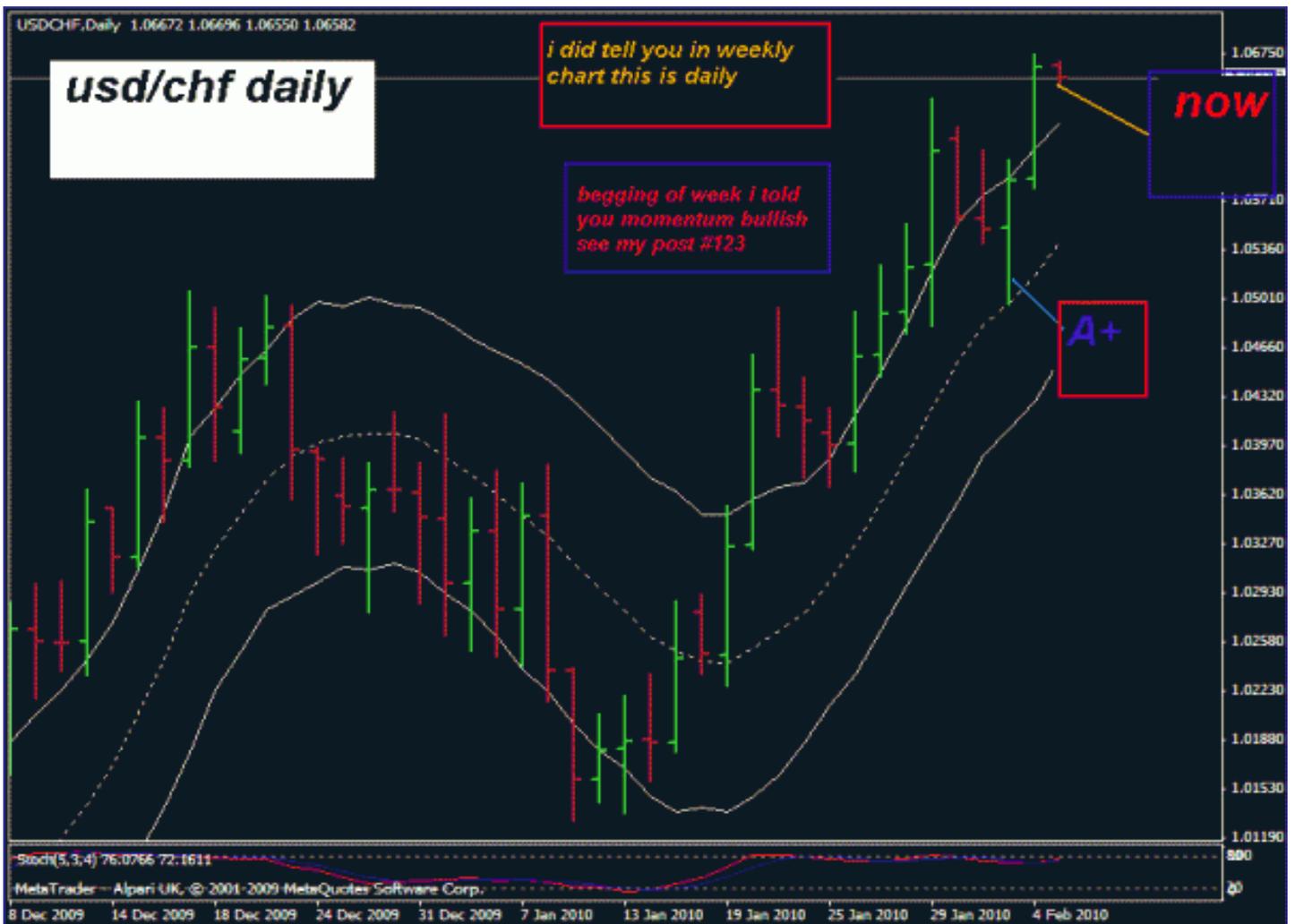
That's what I call momentum.

To be a profitable trader you must trade with THE momentum.

This is the SECRET of trading.



For higher time frame increase the Envelope deviation and for lower time frame decrease the deviation value.





What I am posting on the chart this will be one of your best lessons. This is the foundation of professional trading.

This will help you recognize impulsive moves and corrective moves. If you can learn them all other patterns, fibs, and elliotwave everything will be easy to spot.

Always try to trade with impulsive move
I used letters read them one by one.



When you will learn impulsive moves all trading method are easy to trade.
You will be a professional trader.

This method is not like any other method because we are better than any method .we can see everything on the chart.

We are not restricted to trade only one pattern or only one bar. But we will choose the best setups.
REMEMBER IMPULSIVE moves (momentum) are the god father of all trading method.



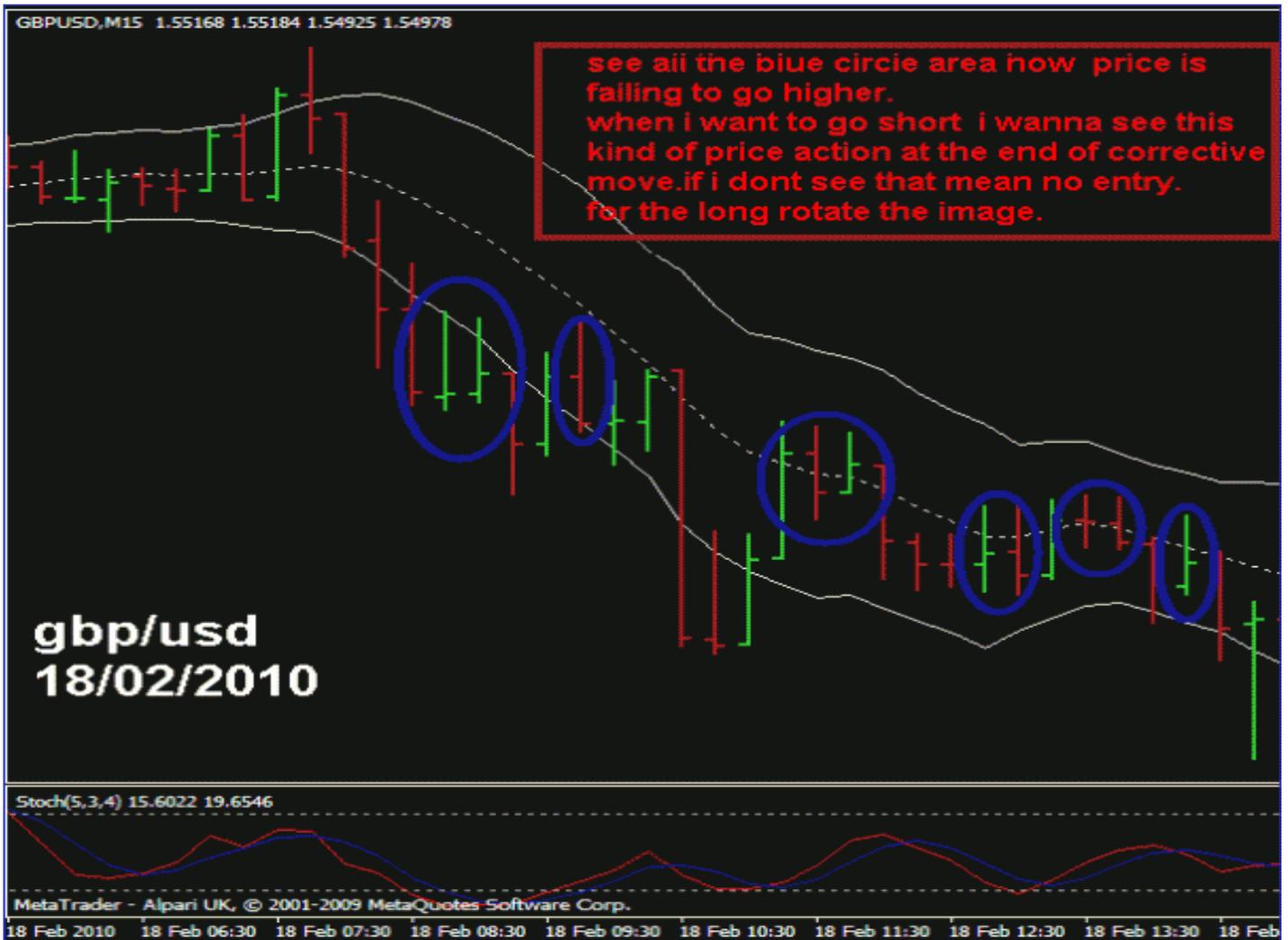
Keltner is good it will save you a lot.

When market is flat it will guide you.
Stop loss is just above the signal bar.

Move the stop loss at break even after 1st bar move and closed in my direction. For me its risk first than profit.

Normally my target is double the size of stop loss. I am always ready to close the trade any time if some unusual price activity comes.

Exit is depending on situation. If trend is strong I keep half until I do get stopped out.





It does not have to break swing high or low to become an impulsive move.



Speed and momentum is the same thing.

When we combine the speed (momentum) with swing high and swing low that is impulsive move.

With the overall trend normally we use swing high or low and candle formation to count impulsive moves.

When move is against the overall trend we use candle formation, speed and swing high /swing low to count impulsive move.

When move is against the trend, if it breaks swing high or swing low if there is no speed(compare with other bars)we wouldn't call it an impulsive move.

It must contain some speed (comparing with the other bars) then we will call it an impulsive move.

When you compare always compare with the recent opposite move. How long it is taking.

it is sound hard but it's not. Just keep practicing and watch live market. You will get the idea.

(Down speed was greater than up speed which is rhythm and momentum) that is the key.

When you enter into a trade if u see speed (momentum) is on the other side just get out. You can always get back in later.

Fibonacci Numbers, Elliot Waves And Support And Resistance





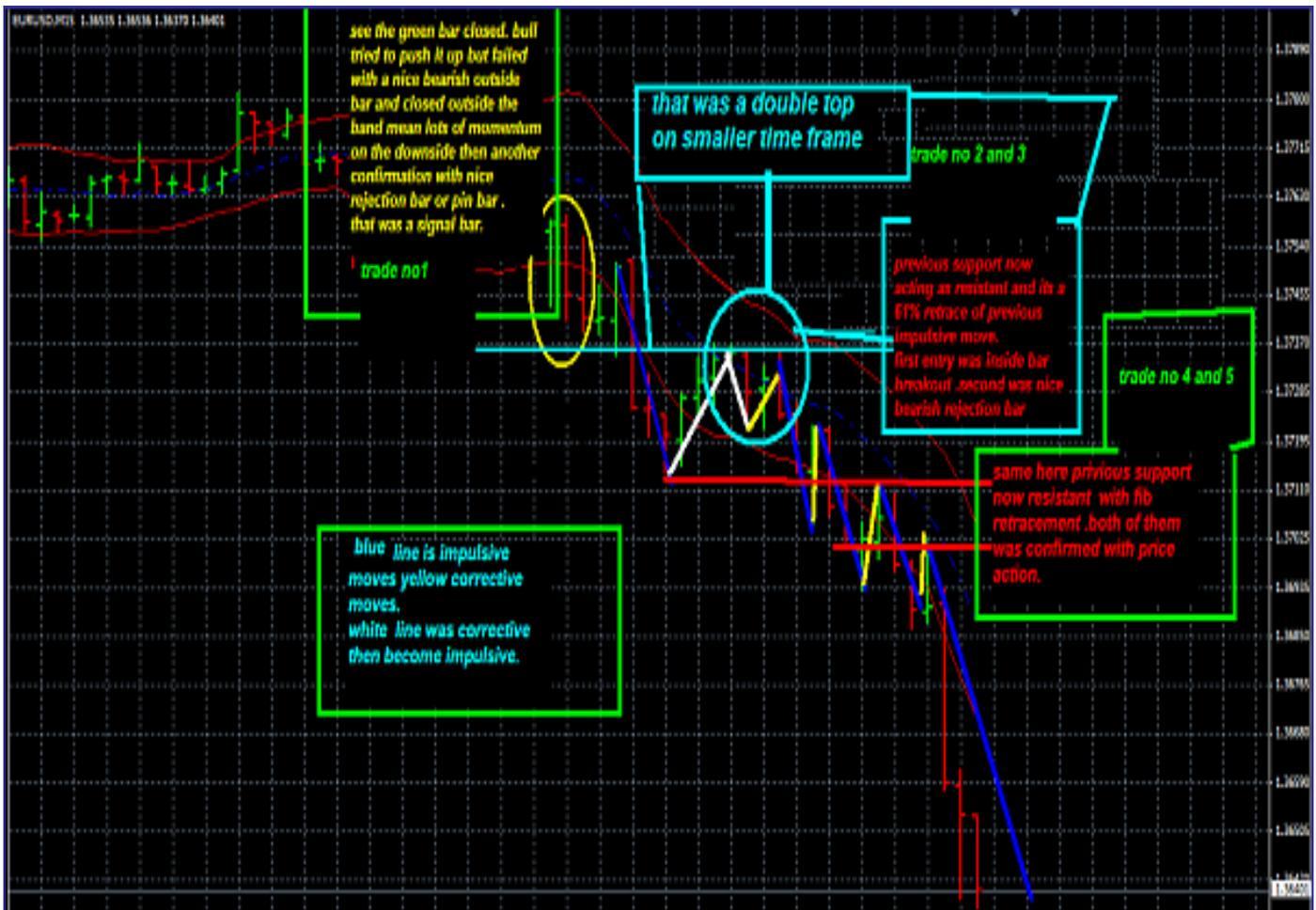


Guys it doesn't have to be perfect.
 50% or 38% or any retracement level because we don't live in a perfect world.
 Big institutions place their orders just before or after exact level.
 They know amateurs are waiting for exact level.

At the beginning use fibs or any other tool. Slowly get rid of those and train your eyes to see them all over the charts.

We have big advantage.
 We trade fib, Elliot, 123, moving average or you name any method because we use impulsive moves.





USDCHF, Daily 1.05771 1.06349 1.05398 1.06127

waiting for to go short

its 50% of previous move and previous support now acting as resistant. already rejected from that level just waiting for signal to go short.

previous support.

about 50% of fib

Stoch(5,3,4) 28.3885 19.2304

MetaTrader - Alpari UK, © 2001-2009 MetaQuotes Software Corp.

21 Jan 2010 27 Jan 2010 2 Feb 2010 8 Feb 2010 12 Feb 2010 18 Feb 2010 24 Feb 2010 2 Mar 2010 8 Mar 2010 12 Mar 2010 18 Mar 2010



Timing and Timeframes

I always like to stack the more odds in my favour that's why I trade only London session and New York sessions first couple of hours. I don't trade 13:00-14:00 London time.

I trade 15 minute time frames

I watch multiple pairs, stocks and futures. That's why there is enough opportunity.

You don't have to wait for a week to get a signal.

To make a living you don't have to trade every day.

Most of the people give back profit to the market in side way market.

If you don't trade the side way market or quit market, you will see your trading result will go up easily.

Any time frame will do.

Higher is a better signal but less trades.

You have to wait long to establish the trend.

15 min is best for this method because of the small stop loss.

I use only one time frame

After 9:00 am market is fully alive. But I wait for market to settle down, and then jump.

Some people don't like to trade smaller time frame or they don't have enough time.

Day trading is more risky because you are always in front of the computer your emotion will destruct you that's where most of the day traders fail.

You can make money in any time frame.

Time frame is personal choice .everyone is different.

Like when I trade forex I trade 15 min and sometimes daily swing trades.

When I trade stock I trade 5 min or less with level 2 data. Level 2 data is less than a second. It can change in less than a second and I have to change my mind in a second as well.



Remember-when amateur traders sells professionals go long, when amateur traders buy they take short entries. Professional needs someone else to take their opposite side.
 Does it happen to you? When you go long market goes down, when you go short market goes to the other side.
 If you understand that trading will be lot easier for you.

You can trade any time frame .this is a daily gbp/usd.
 I have found candle stick is very hard to follow that's why I always try to keep the chart simple, but you can use candles if you think it's easy for you.



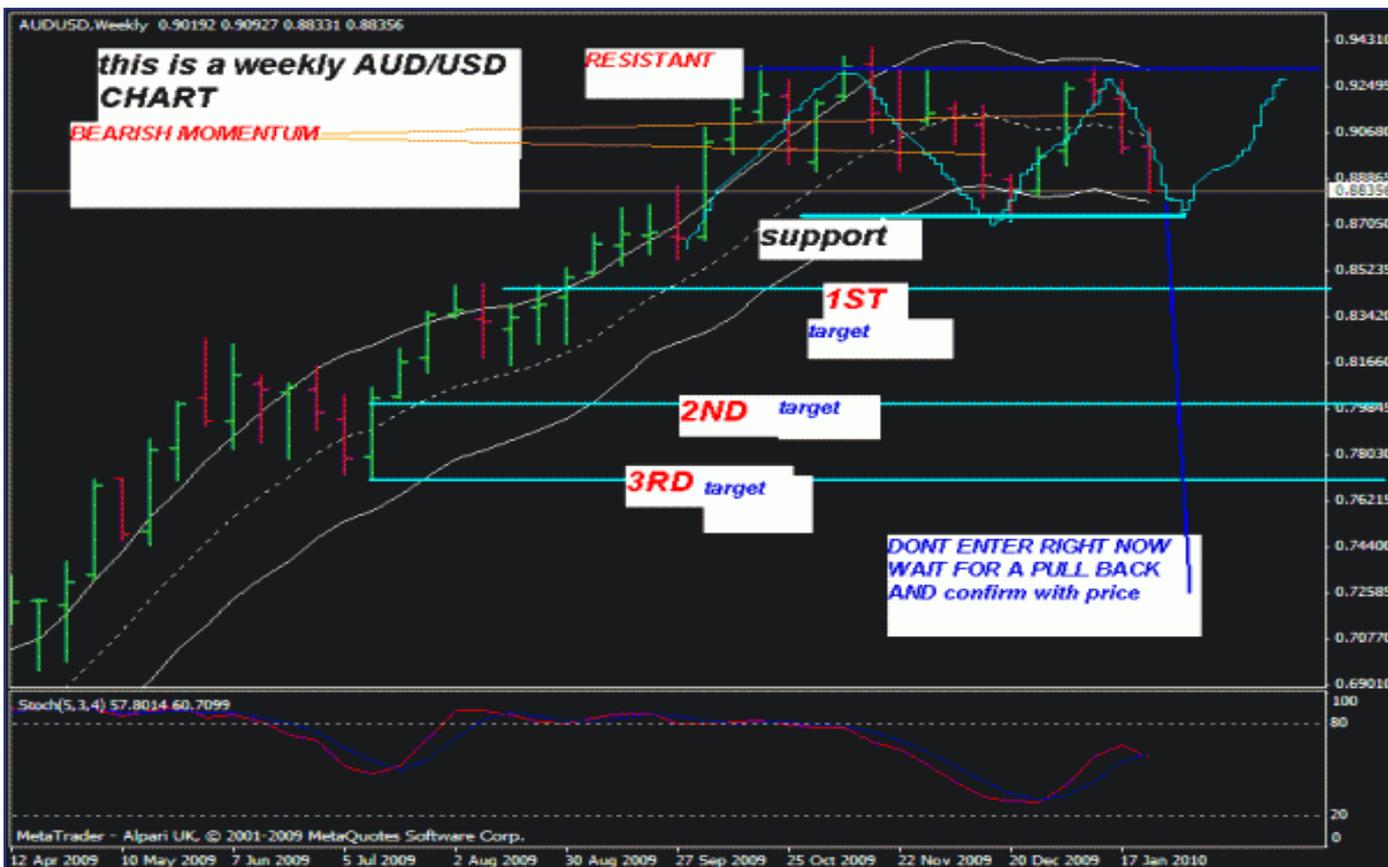
You can use any time frame.
 But must identify the trend with keltner.
 This is a 4 hour chart.
 Remember lots of screen time.



This one is for longer time trader.
 This is for educational purpose only. I am not recommending anything.

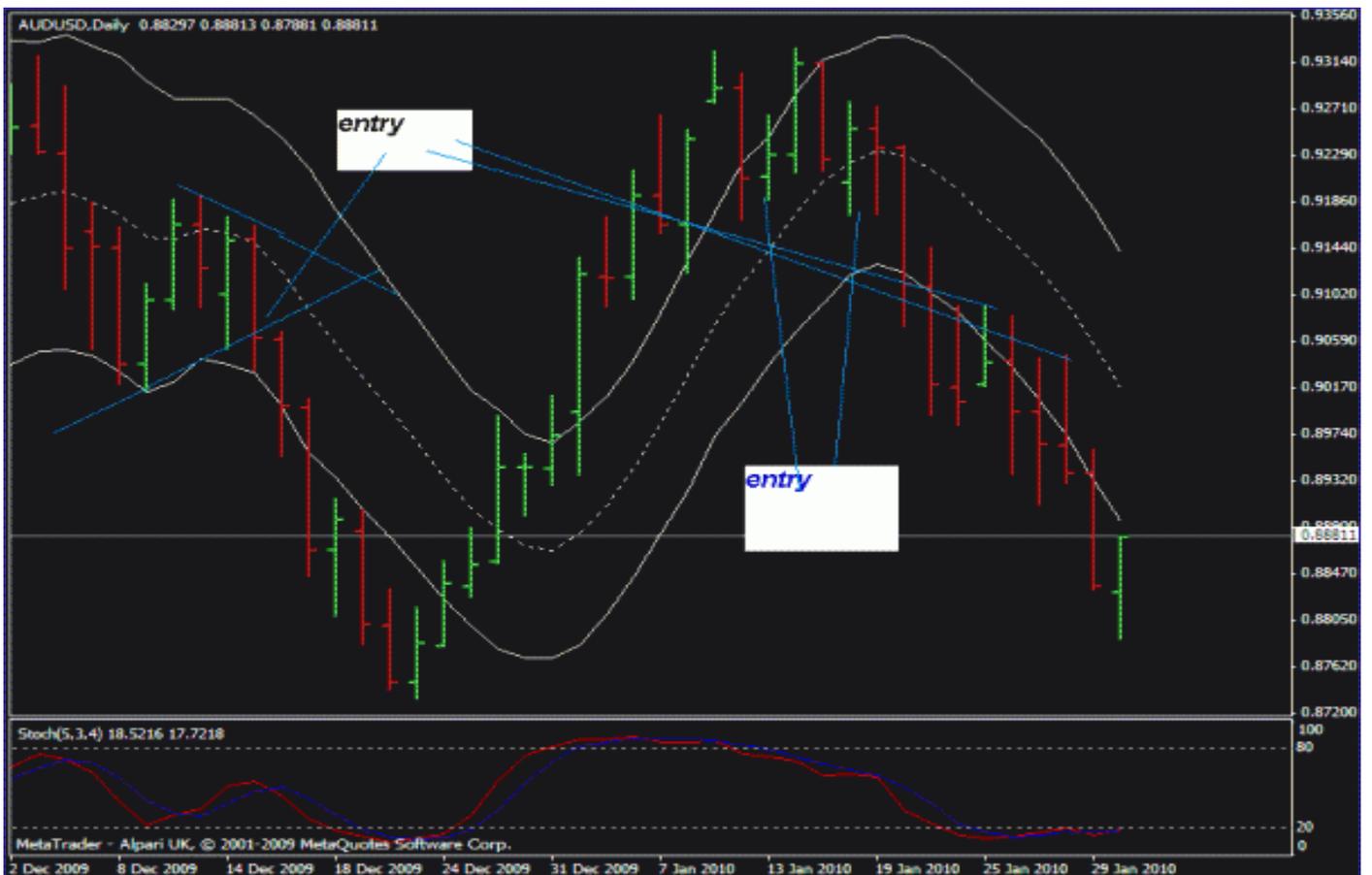
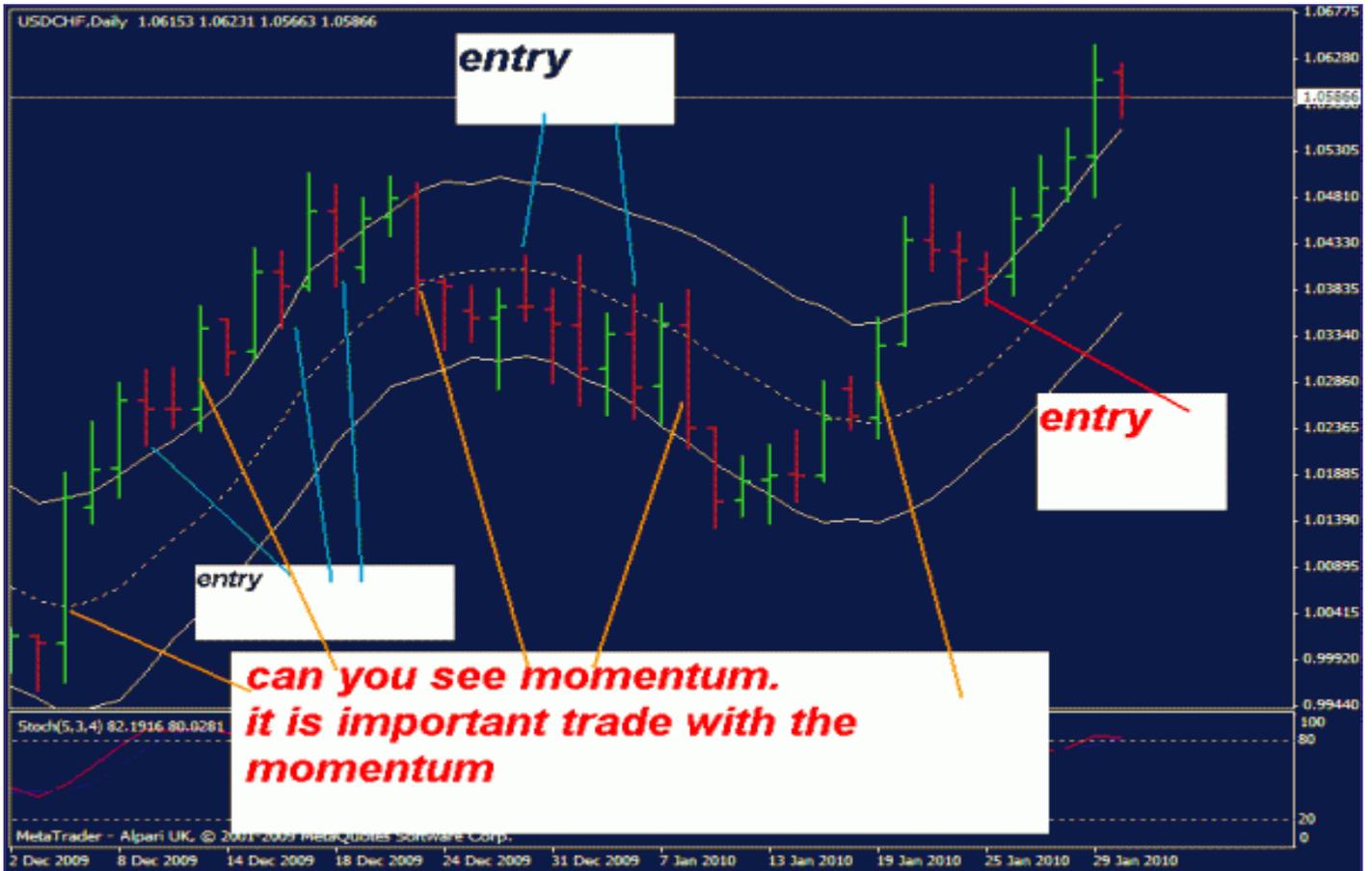


This is AUD/USD weekly chart
 looks like it wants go down M, if it fails then it's a W shape.



You can use the same setup on any time frame.
Some charts.

I am telling you again and again don't trade sideways market. It will eat all your profit.



Watch multiple pairs at the same time if you can.
It's very important to stick with the rules.
Don't change time frame while you are in a position.

Why you entered will be your exit.
If trade doesn't move after 3 bar get out with a small loss.

I use only one time frame while I trade.
Watch the current price action.
One time frame will tell you everything you need.
In my opinion every time frame has got its own value.



Don't trade slow time.

You wouldn't get any follow through.

Because the institutions doesn't play slow time. There are not enough orders to move the market.

Slow time is for brokers and stop hunter.

If you trade them you will lose.

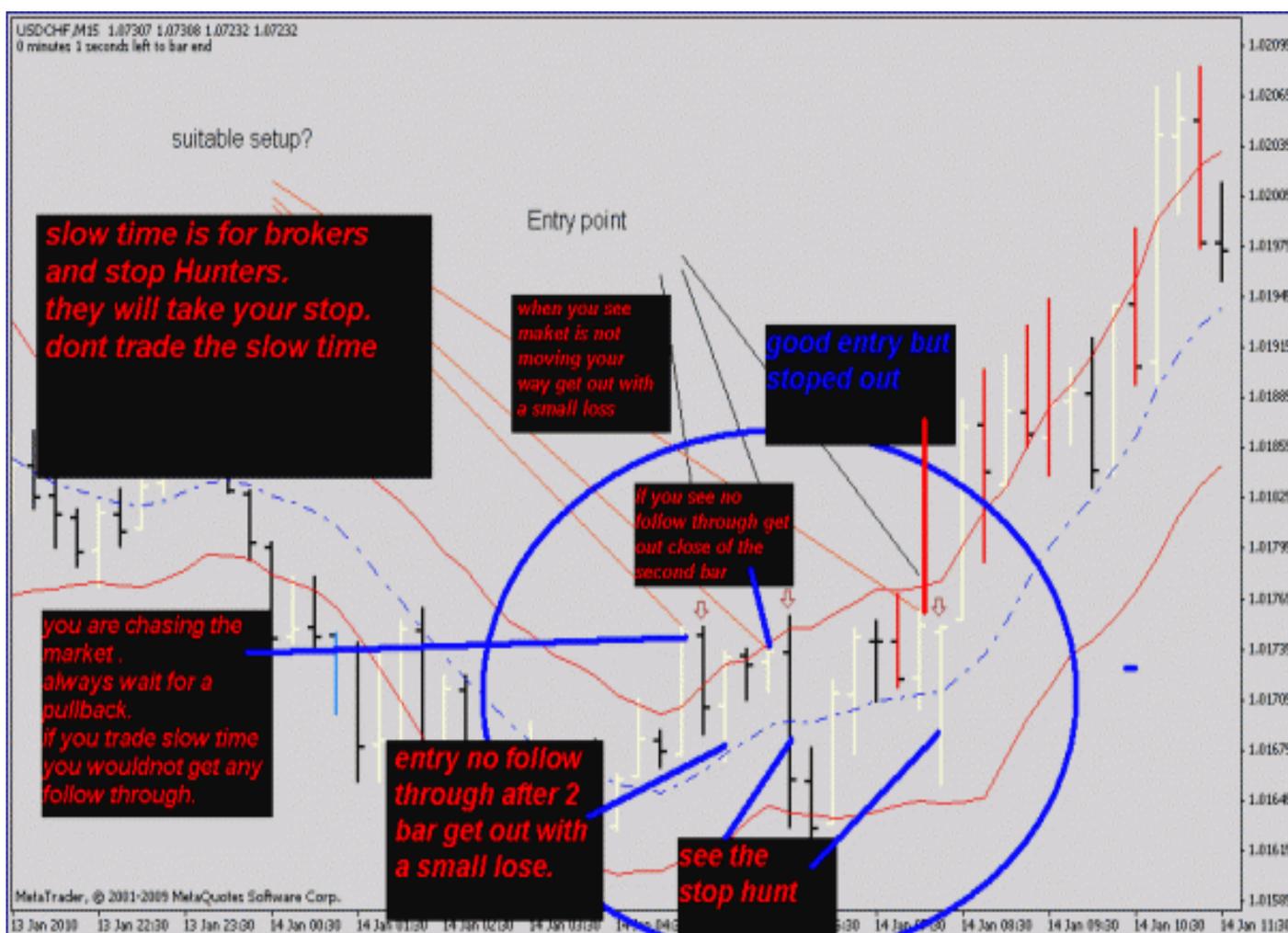
We are retail traders we don't have enough money to move the market.

That's why we have to Ride institutions ship (trading with their orders flow).

I told you guys don't trade slow time. Most of the people lose money because they always try to be in the market all the time.

If you don't see any clear directions on the chart don't trade.

It is more important than trading.



I combine them with everything. That's why move is so strong.

In 15 min time frame one bar but in smaller time frame it's a swing high or swing low.

Only this reason I don't need any other time frame I can see everything on one time frame.

When we see a swing high or swing low in 15 min time frame, it is one or two bar in the bigger picture.

On Chart Setups

Zoom in bit more.

If you can then use colour bar.

We don't need bird's eye view.

We are day traders; we have to see what's happening now. (I mean current momentum)

Train yourself to scan the chart in a second.

More pair means more and better setups.

You trade different market that's good.

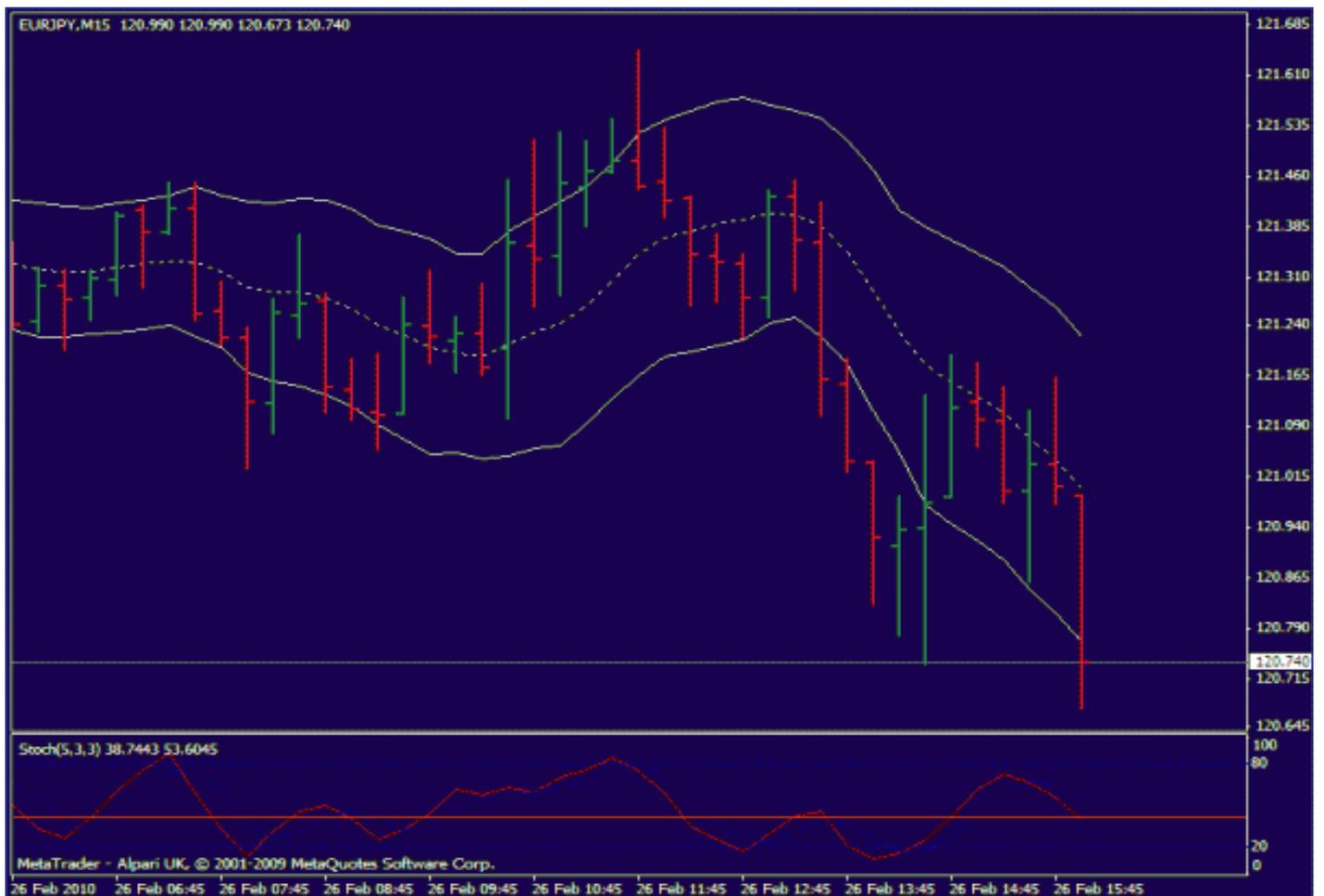
I hope u can help others as well.

I trade most of the big pairs. Always look for the smooth charts.

Yes most of the volatile pair are better for day trade.

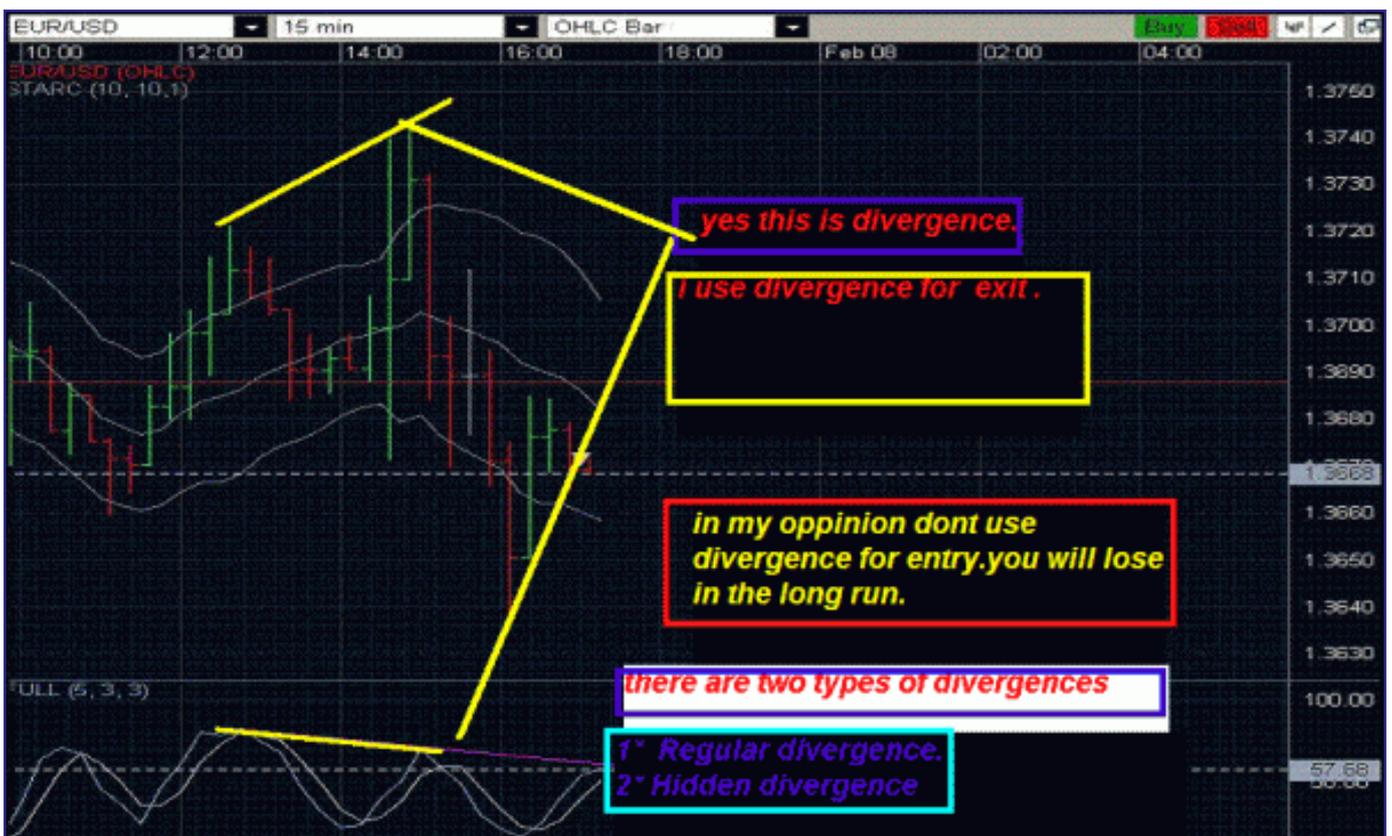
Most of the majors with gbp they are better and fast you can make money in few seconds. If you are wrong side you will lose a lot as well.

See how it's moving.



The Proper Use Of Indicators

Stochastic is only for divergence/convergence
Can you see why I use stochastic?
You can use any indicator with price action



Use indicators only for exits; Divergence/convergence.
 Be prepared to exit when you see any con/diver. If price reverses get out.
 Try to let your profit run as long as you can
 don't look at them before entering the trade. Otherwise you will miss all the good trades.
 Divergence mean momentum is slowing. It is best for taking profits.



All the big moves happen when stochastic or any indicator is overbought or oversold. That's why I don't look at them before entering. Indicators are lagging. You can use any indicator but see the momentum and impulsive move with your eyes. Price and momentum will tell you most likely what's going to happen next.

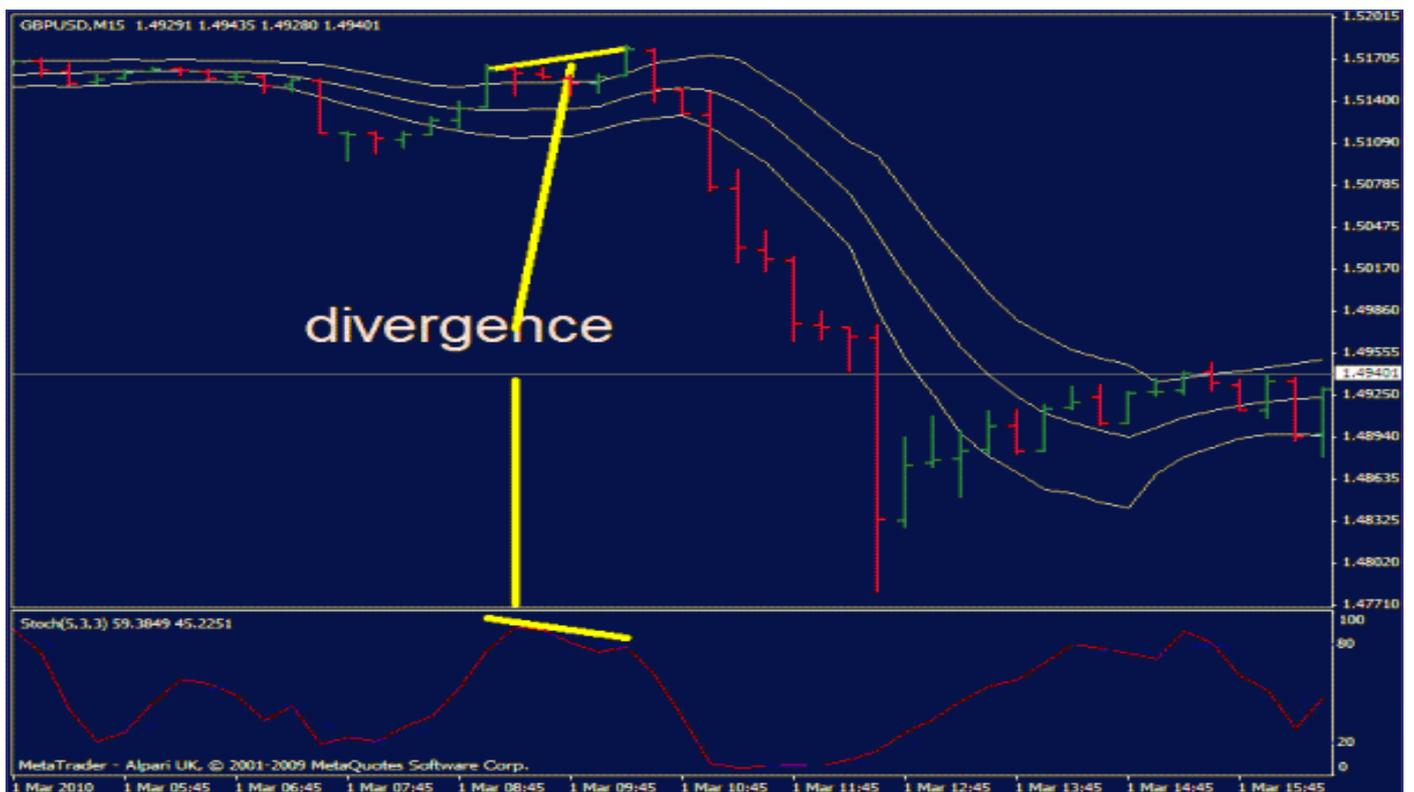
Normally I don't use stochastic for entry but when i see double bottom or double top then i confirm the top or bottom with stochastic. Stochastic is not for everything. There is a reason for any indicator you have to know which one and where to use it. IMHO it's only for div/con. Not any other reason.

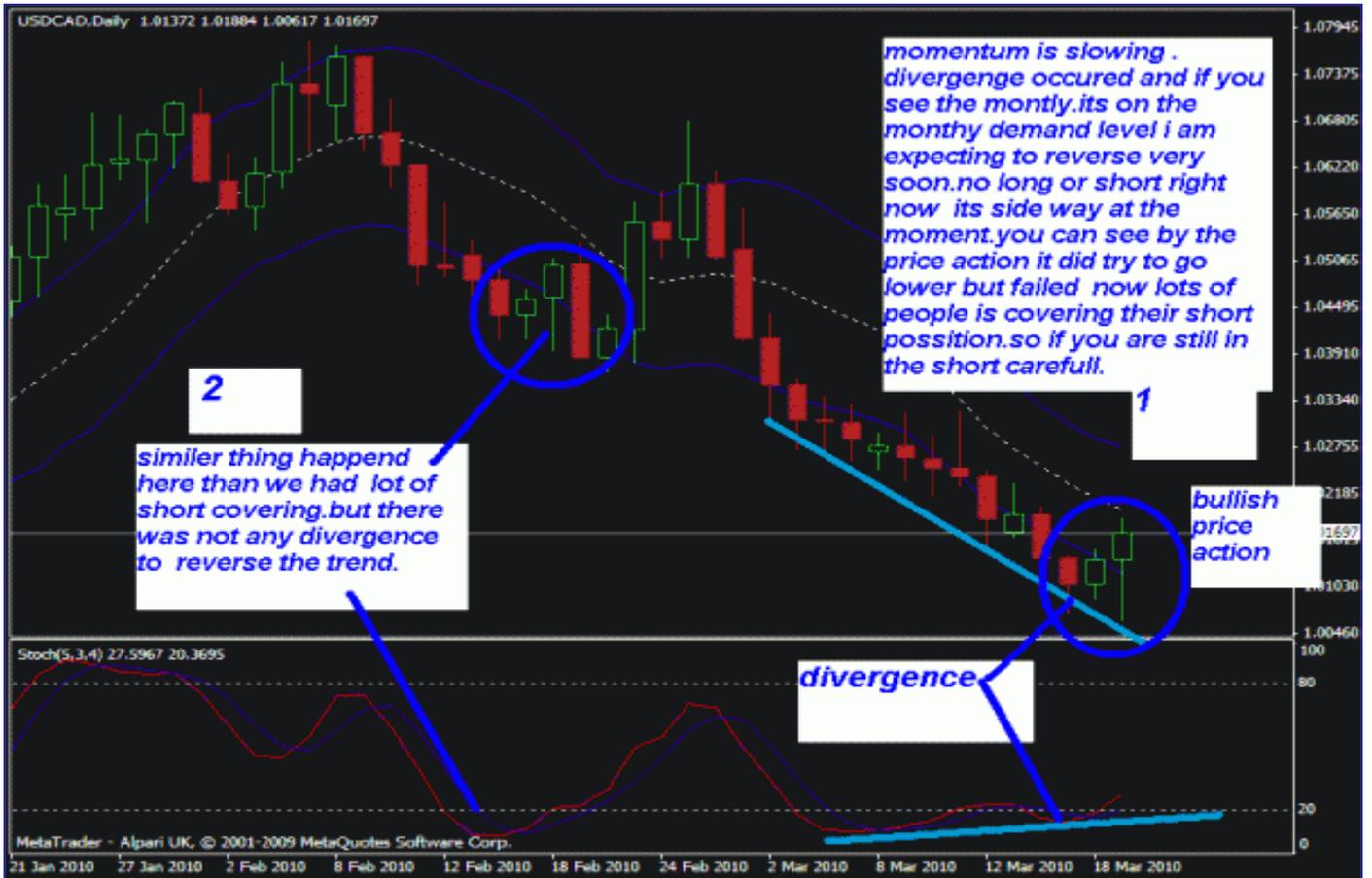


Divergence is still valid until the down move comes. After the divergence it may go up or down. Divergence represents momentum is slowing, not trend reversing. Most people misuse the stochastic or any momentum indicators. They always blame method or indicator but they -don't understand how to use them.



See the gbp/usd chart for the divergence. Use your oscillator properly it will save you a lot.





Entry Signals

I do trade pin bar, inside bar. Not all of them.

I take position when price stall at or near any of line with a small loss. I don't wait for pin or outside bar. You can trade like me with enough experience.

Most of the people will be rich if only pin bar and inside bar works.

You have to know when to use it and when you must not to use them.

Trading is not that easy. It takes time.



Don't chase the market. Wait for a good setup.

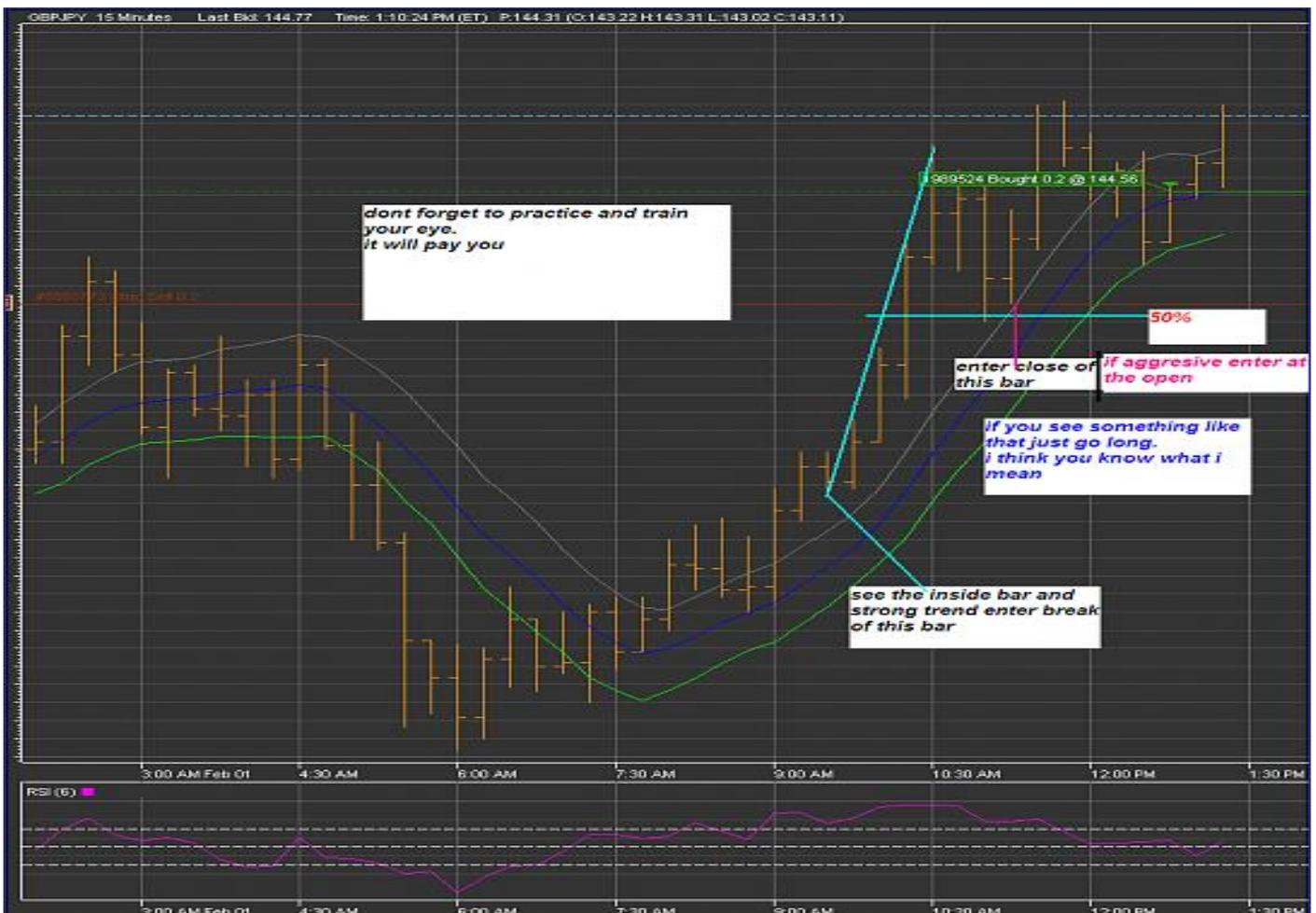
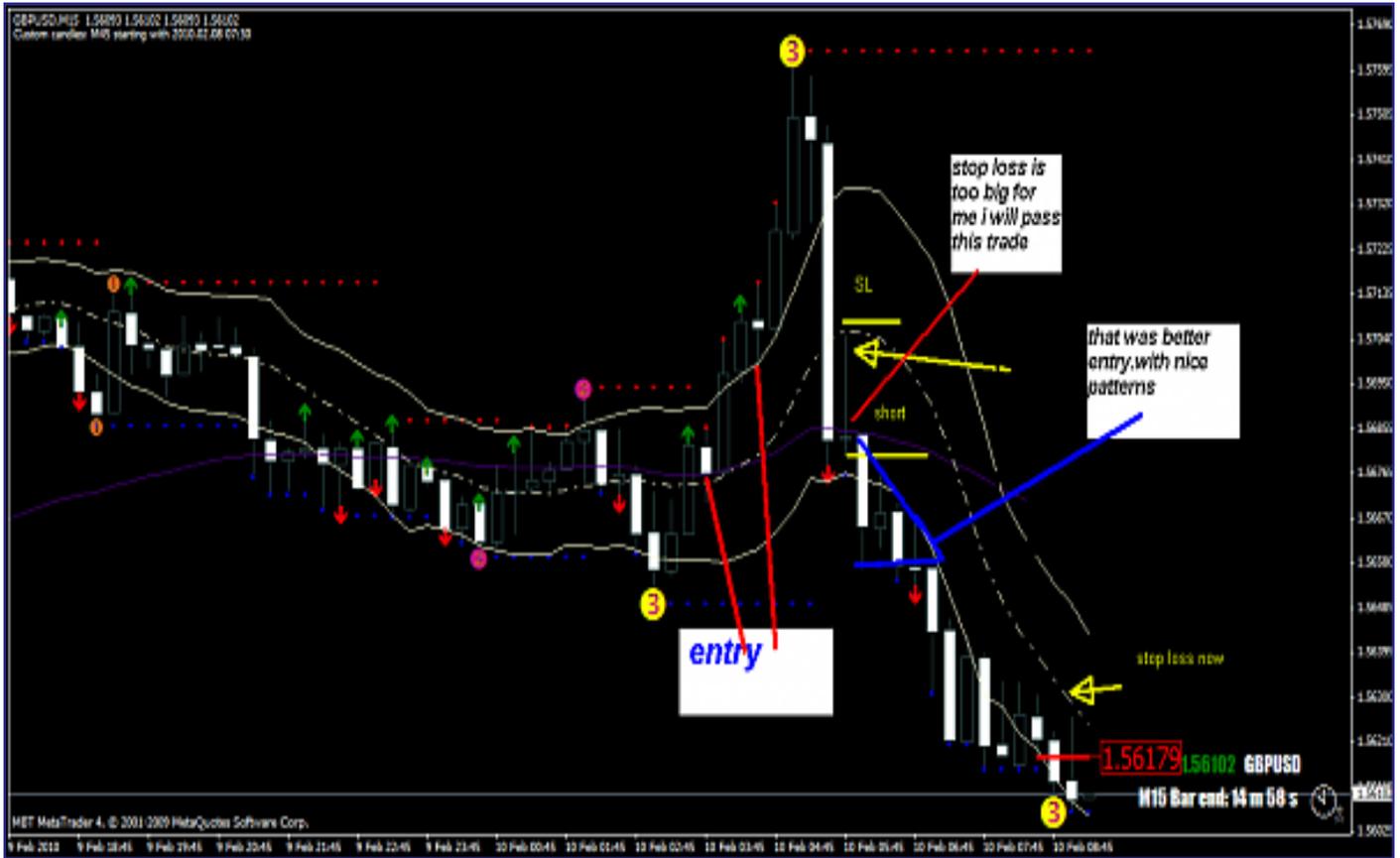
If you enter at the right time you will have smaller stop loss and bigger profit.

You can move the stop to break even after one bar profit.

I don't like to chase the market that's why I enter just before the trend resume.

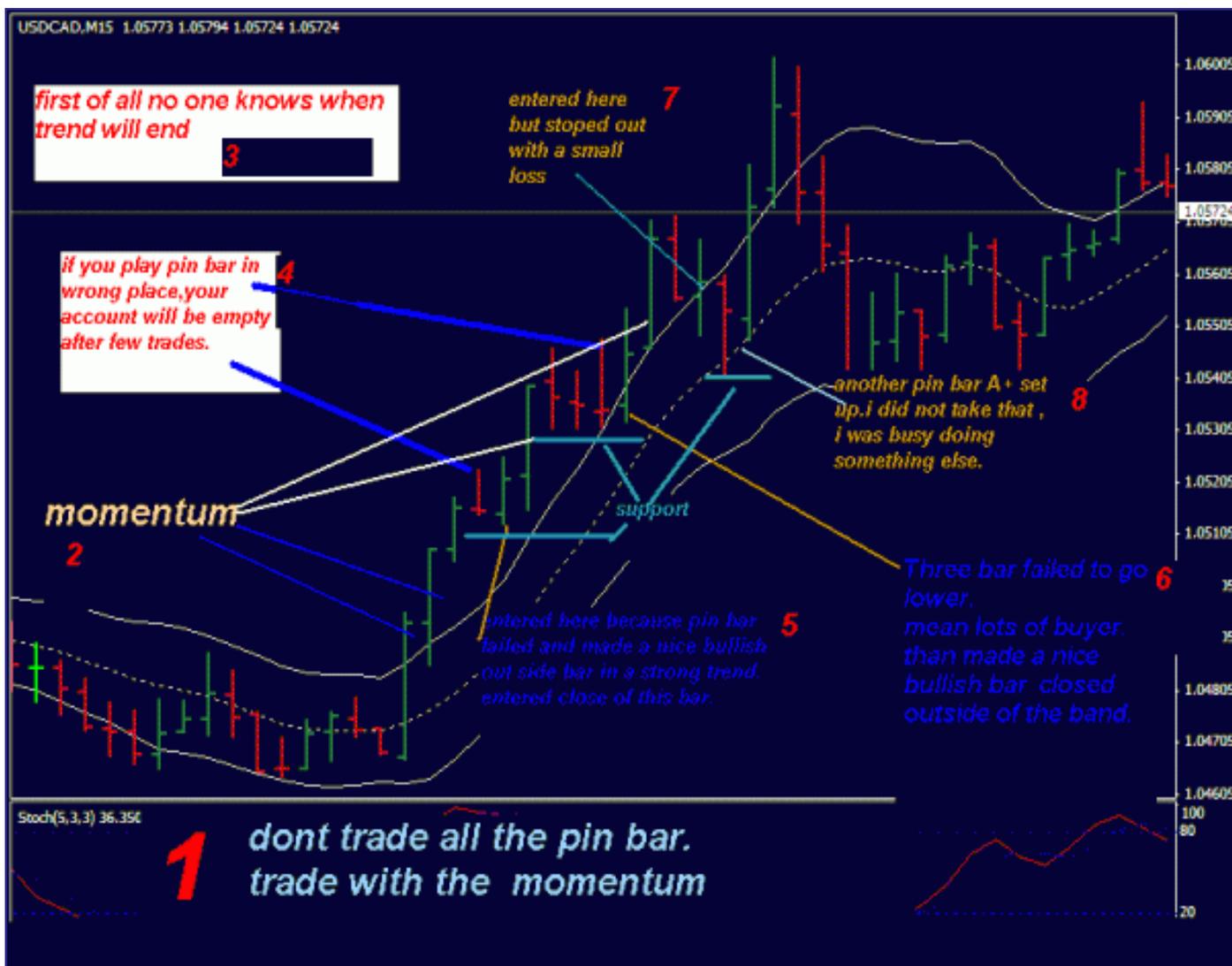


Can you see how simple trading is?
 Check out the chart you will learn more



This one is for all of you who want to learn price action.
 Most of you wouldn't realise at the moment what's in the chart.
 But you will realise when u will be a profitable trader.
 This chart tells you lots of thing about price action.

Try to understand and use them in your trading. You will be glad.
 I used numbers, read them one by one.

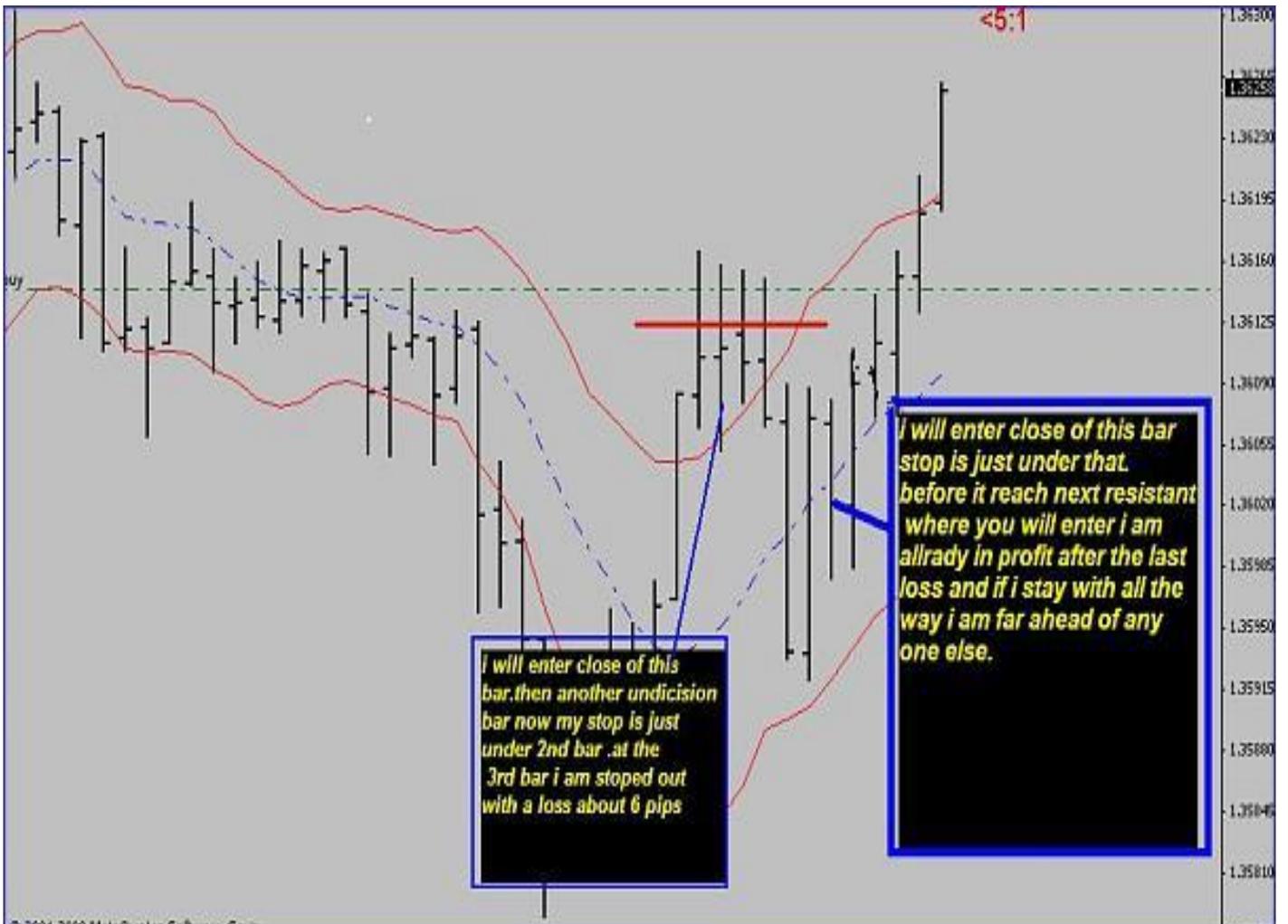


Always wait for the retrace and confirm with price.
 Don't chase the market like losers do.

If you want to professional always wait for the nice setup.
 You will be glad if you wait.
 If you miss the trade don't worry.
 There will be another trade in the corner.

About 98% of the times I enter close of the bar while everyone is still thinking opposite side of me.
 I don't enter at the breakout because most of the time price will sky rocket.
 If u enter at the breakout some time you wouldn't get filled or lose a few pips.

Remember pro's play the opposite side. That's why price moves so fast at the breakout and takes all the stops out.



See the chart first and then see the big number 2, the bearish bar where I pointed.

Our entry was great (green bar).we did get stopped out (red bar). Now I want to see is it real bull or it was just stop hunt. Close of this bar now I know it was stop hunt big boys are coming. For this kind of setup you would not get retracement most of the time. Too many orders in the market that moves the market very quickly.

That stop hunt was good information for us to know the direction and where order flow is. Now we know big institutions are joining with us.

Do u think they doesn't know where all the stop is?

They did bid and pushed the price up to take down all the stop and fill their short orders.

They knew where all the stops were. They need someone to take the opposite side.

They got filled all their orders and you know what now all the amateur traders are afraid to take the short.

The entire amateur is long and all the pro on the downside. Now they are after the downside stop.

When all the amateurs see price is moving down they are closing their long position and panic started and market moved more quickly because more people are in the trap.

We did have lots of clues, impulsive move, fib, stop hunt, resistance and price action.





IMHO it is always better to enter earlier than late. Loss will be small and profit will be bigger. Most of people are doing the other way they enter late that's why their profit is small, loss is big.

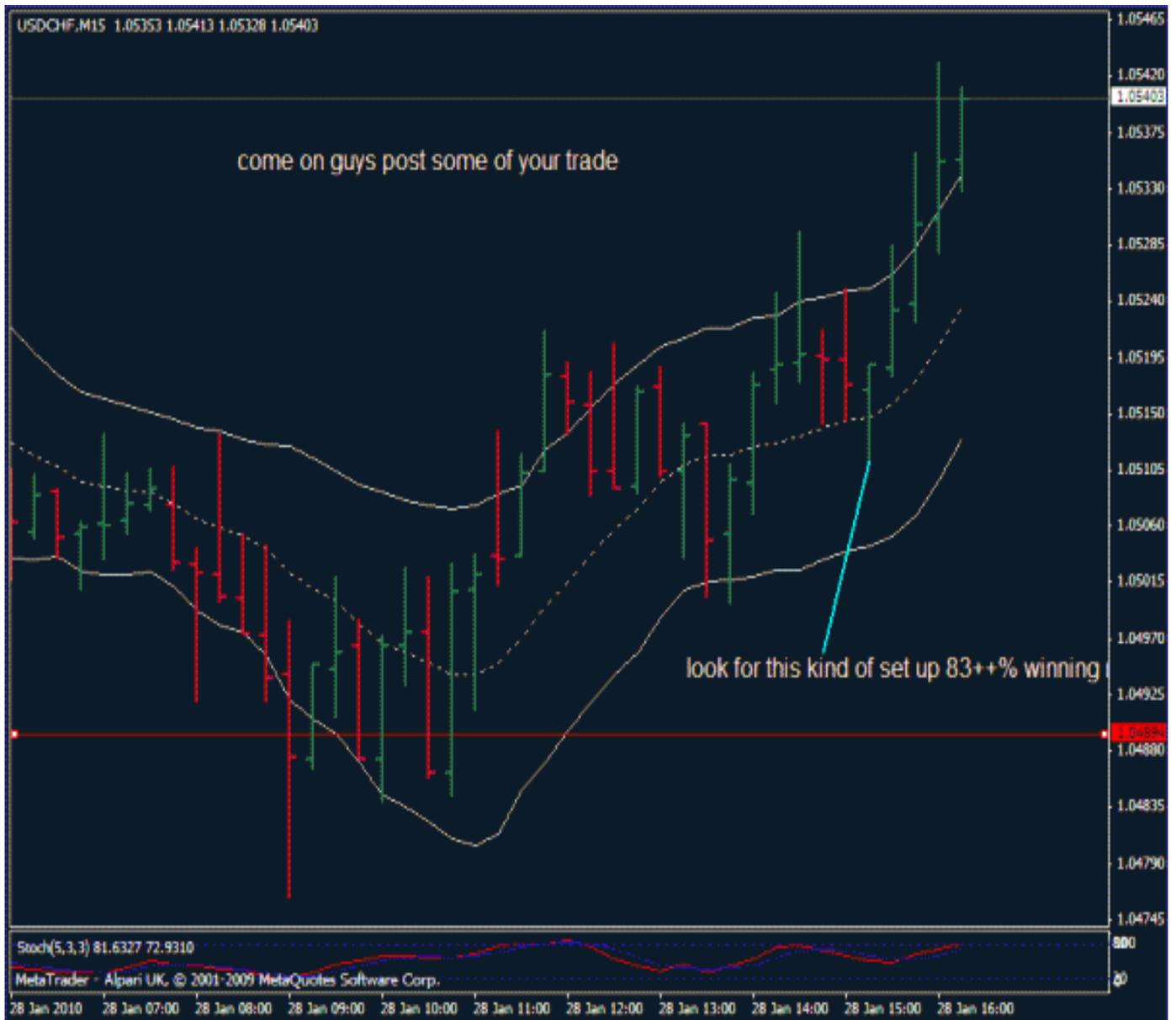
The A++ Setup

One of my best set ups.

If you trade one of them in a week you will make enough for the week.

Be patient.

Don't hurry to make money.



If you master this setup you will make enough money for living.

Don't trade against the trend.

Avoid slow time because too many whipsaw.

You need only one set up to make money that's why we pick the best one.

Stop loss is just above the signal bar.

Exit is same or twice as stop loss or you can take half off at next s/r level and trail the other half.

You are getting this all for free, it does not mean it's useless.

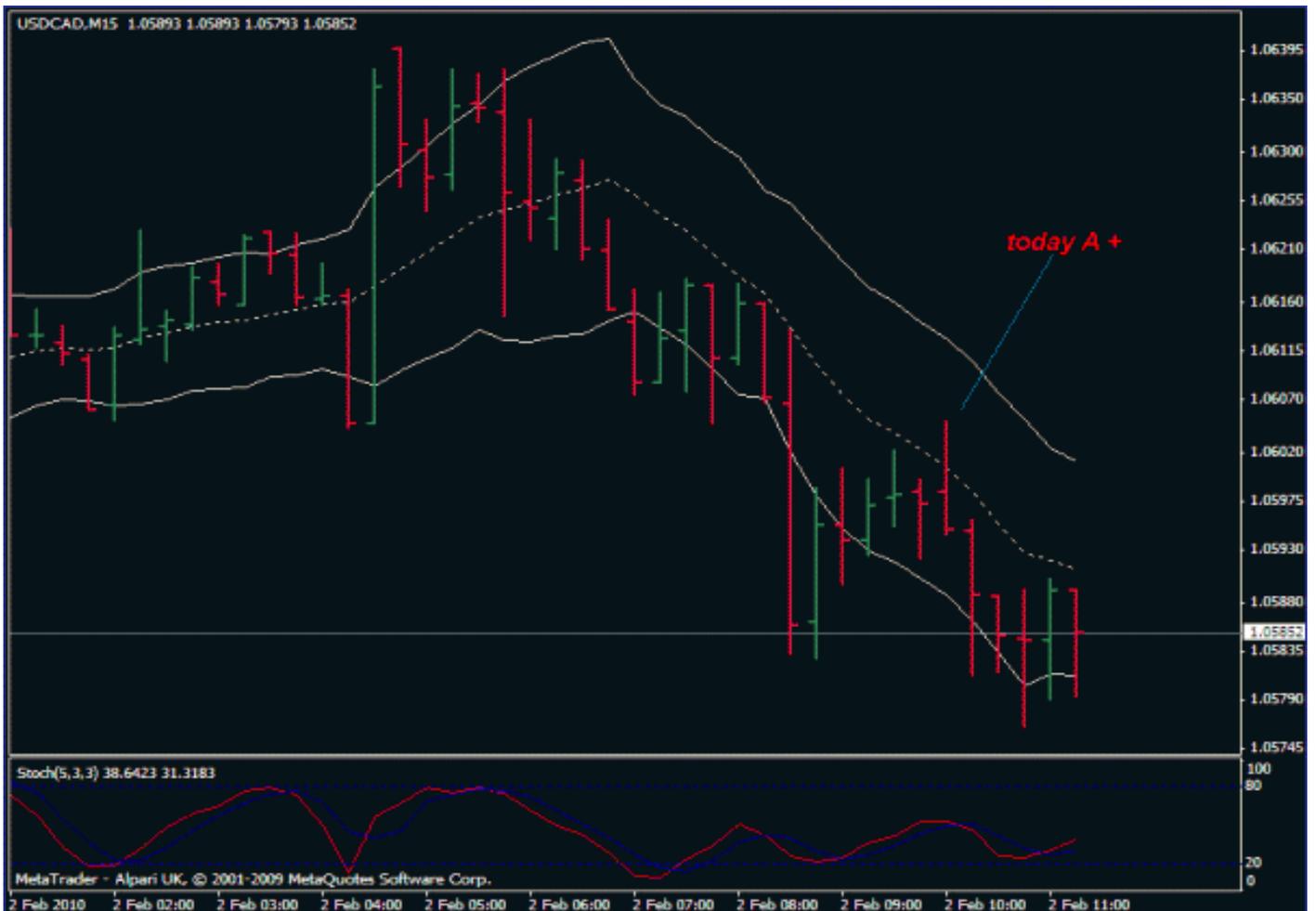
If you learn this setup properly you will be in one the 5% traders that make money.

I mean it.

This is my promise



See the A+ setup today





In the beginning just stay with the keltner. It's not a hard rule when you master the method, everything is easy. Keltner is just quick direction.

Always follow the price.

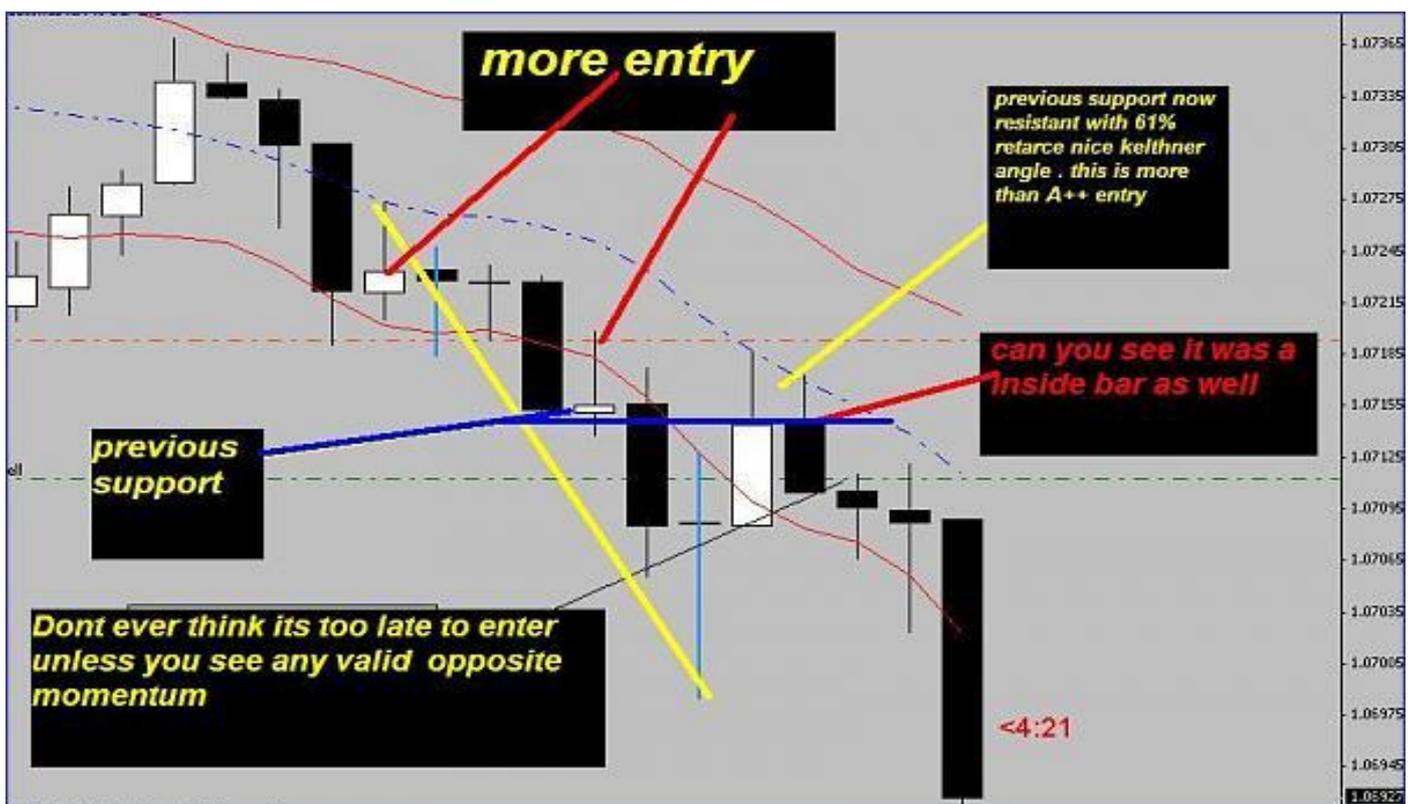
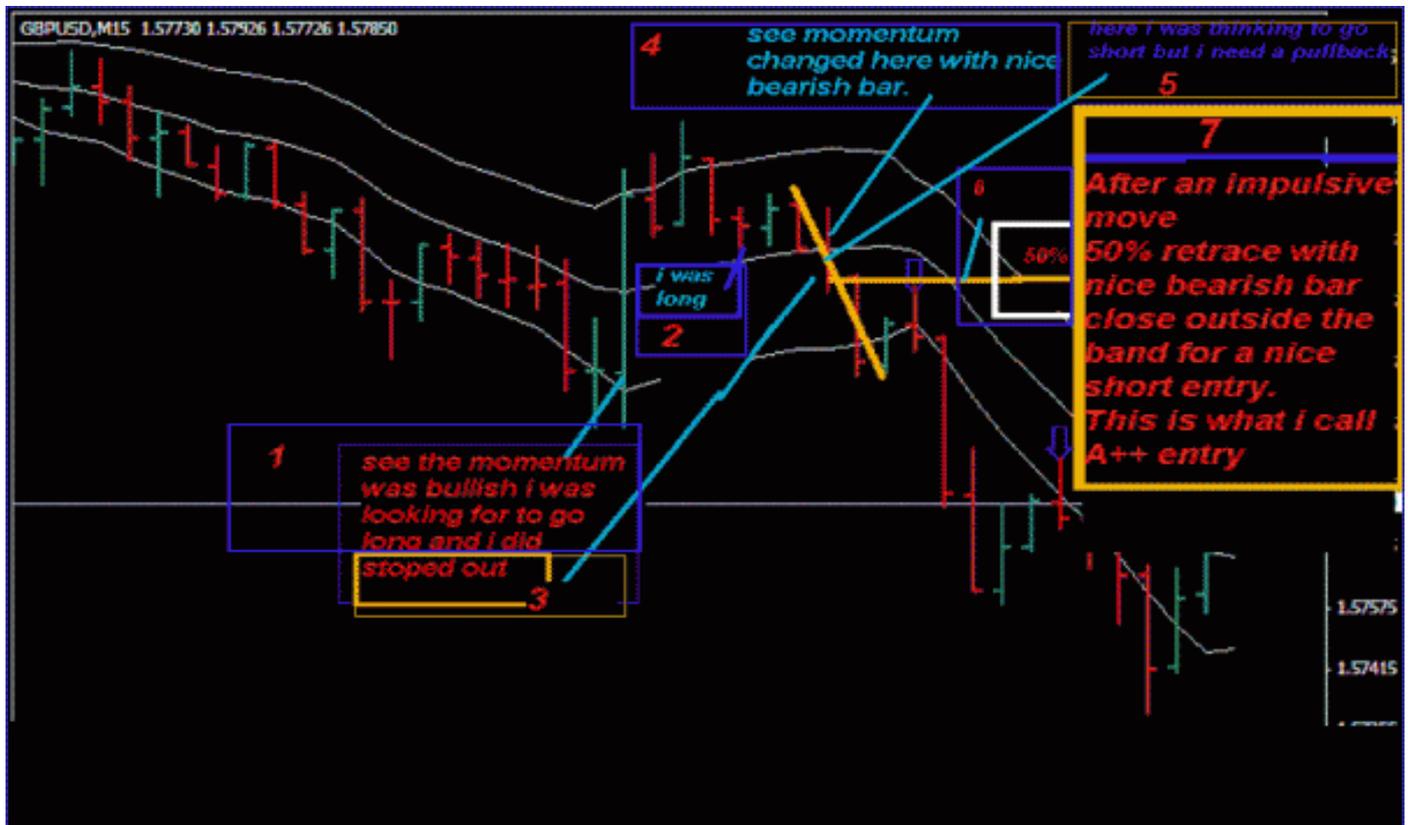
When you will learn the price action properly you can trade easily any setup.

Check out the chart you will learn more.

Remember I have taken years to learn the method.

You can trade which one you feel safe and meet you risk reward ratio. Check the chart

I used numbers on the chart. Read one after another you will understand better.



There are lots of entries but I just showed 1 entry and 1 no entry.
 Rest is easy.
 See the circle area now and read the chart.



If it's an inside bar entry will be at the breakout.

If any other bar entry will be at the close of signal bar if signal bar is big wait for a retrace or don't enter.

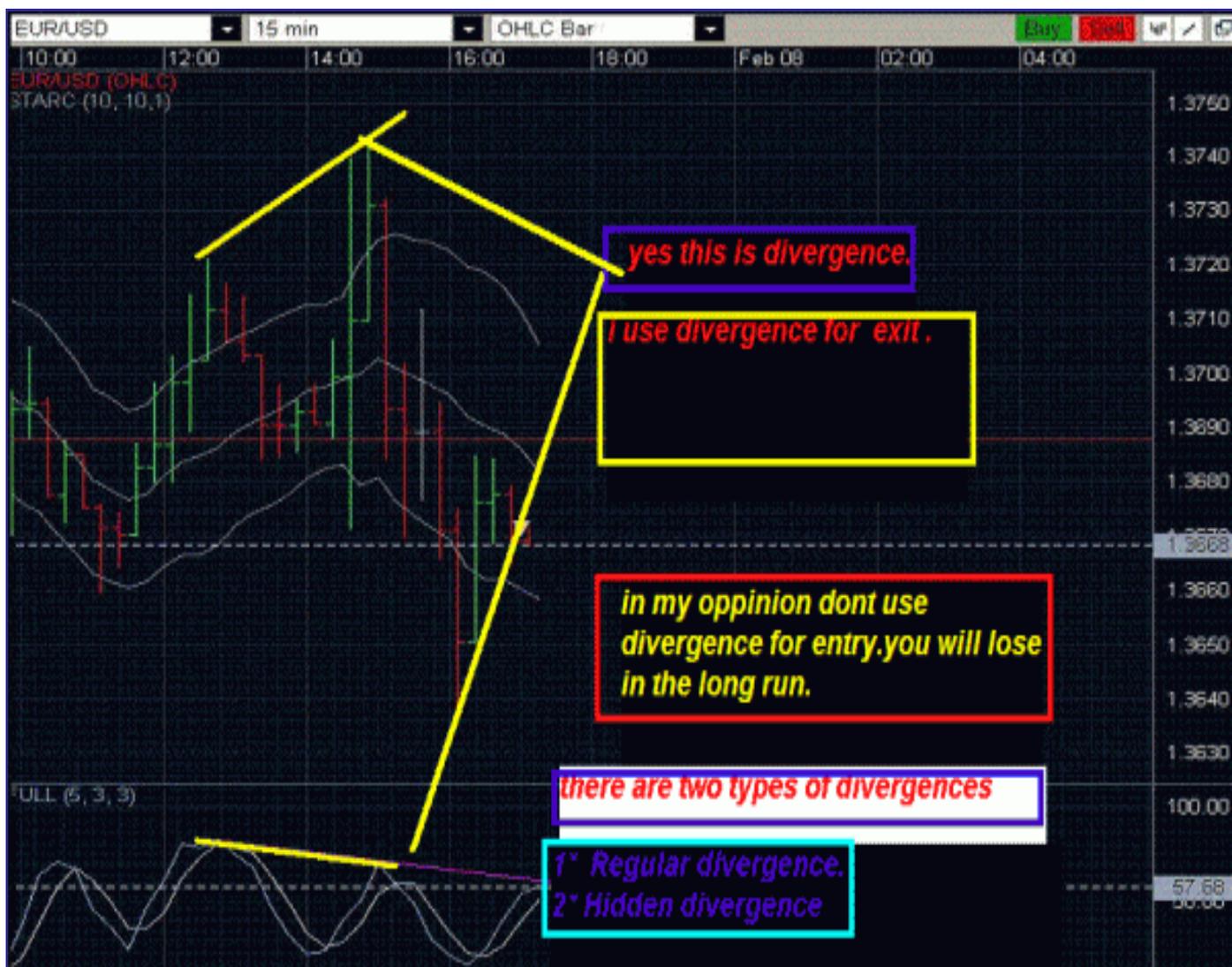


Exit Signals

There are lots of traders who trade divergence and make money.
In my opinion divergence is not for entry.

Divergence mean momentum is slowing. It is best for taking profits.
Divergence is good but not for entry.

I would not bore you if you Google about the divergence you will find enough information.



With every bar our decision can change, we are traders we are not investors.
Like I say I am bullish, close of this bar I will say bearish depend on the price action.
But most of the people don't like to change their mind. That's where success comes.

Learn to change your mind in a second.

Trade Management

For longer time trader here is a tip, if signal bar is big wait for 38% or 50% retrace (manage the risk first) when entry bar open.

After first trade if you made 20 pips I made 40.

2nd trade is a loss about 10 pips.

Same with 3rd trade another 10 pip loss. Altogether 20 pip loss and 20 pip profit.

Even though I was right less than 40% my profit is same as you 20 pip and you were right 100% your profit is 20 pips as well.

Trade no 4. if both of us take the same trade my profit will be lot more than you with small stop loss.

Because I will enter lot earlier than you and see how big your stop loss will be.

Now after 4 trades I was wrong 50% of the time still made more than you.

You were right 100% of the time because you took only two trades still you made less than me.

That's why trade management and money management is Holy Grail.

In trading you will lose.

in my first post I told you I do get stopped out so many times still make more money than other people love to get stopped out. It's not about how many times you do get stopped out; it's about how much you make and how much you risk.

That's why timing is everything. Professional doesn't care about how many times they get stopped out.

They always trust the method and follow.

With less than 30% winning rate you can make enough.



Can you remember I told you pin bar is nothing? If you only take pin bar you going to lose the money in this business.

There is so many people will tell you trade only pin bar you will make enough money.

But guys I told you don't trade pin bar only combine with price action. (What chart is telling you at the moment).

Most people or gurus will tell you chart doesn't talk but I am telling you chart talks.

In this chart you will see why I told you that.

I am going to talk about losing trade not the winning one .most people will talk about winning one.

For me, its risk first.

Now first trade was good you entered correctly but where was you? When price went all the way to down at the next bar. You should have move the stop to at least break even. Your risk could have been zero. Second made little good.

3rd trade did you see the inside bar after the breakout lots of people went long. Their stop is under the inside bar.

When people went long they are supporting the price to go higher.

If it was an uptrend it could have been blast through.

Could not move far because downtrend.

At least I would not take that trade after the inside bar breakout without any clear direction.

See the 4th trade price is still struggling to go lower .what does it mean strong support.

And you entered so what do you expect? Sure another loss.

See the chart now .train your eyes to see them.

Indicators wouldn't tell you that. Only your eyes can see them and chart will tell you.

After the 4th entry see another inside bar breakout.

For the risk, if you think your stop is too big wait for 50% retrace at the next bar or don't enter.

Do you understand how important trade management is?





See the chart

all the bearish bar has got long tail.

It means downside momentum is running out.

There was not any retrace on the upside as well and it failed to close below the previous low.

and see the momentum it was upside.

That's why I will count this move is a corrective move.

The entire bar was rejection bars.

It was big money to take stops out .when they got there order filed. They did a big push up and took all the up side stops. That's why the move was big. There were so many traders on the trap.

and we knew that there was upside momentum.

Because we know price action. (see all the bearish bar).

Most people get scared after 2 losses in a row. They would not take the 3rd trade. Even if there method tells them to enter they would not. Because of the emotion.

As a trader you have to master everything.

You have to follow your method and you need a solid method.

Stick with the rules. It will pay you.

There was not any valid reason for me not to take that trade.

I will take all the trades because there was not valid downside momentum or any bearish price action.

Pros play with the momentum. Even though it took the 2 stop out still the last trade will pay you more than you lose.

For the stop I always use high or low of the signal bar. It does not matter swing high, low or not.



Even if we played the pin bar and moved the stop to breakeven at the next bar .then it dropped heavily. We did not lose anything and we saved our ass. That's how you have to manage the trade. It's not same as money management. This is trade management. It is more important than money management. Can you see how important to move the stop to break even.

We are not losing anything. In the long run that's how you have to survive in this game. As a trader our first target is protect our capital.

It is same as protecting your country.

If we know how, not to lose the money then money will come to us.

Getting stopped out at breakeven -I know it's a frustration at the beginning but once you will get used to you will love it.

I used some of your post to tell you what is trade management and money management. Don't mix them up.

Don't enter a trade if sl is too big, like on an PB with very large wick. Better to wait if it retraces some more, maybe to 50% of the wick to give you a better entry with smaller SL.

As soon as the trade is same as stop loss (not any fix amount of pips) in profit trail SL to B/E.

Low risk entry with tight stop (10-12pips) may be bit more

move stop to breakeven asap.

stay with trade until first signs of weakness (IB,PB or large bar against me) or exit 1/2 position at 2x stop risked and let the other 1/2 ride.

1. Enter with price action and on impulsive move.
2. Go to breakeven once the next bar after entry goes in the intended direction.
3. If there is stalling of prices, get out after 3 bars with small loss.
4. Have confidence in the setup and let trade run. If stopped out, that's what the small stop loss is for. But if turns into a runner, very often able to recoup the earlier small losses.
5. Exit when bars show price going in opposite direction.

All the above is trade management.

As regards having a specific pip target for the day, in my opinion never limit your winners.

Always limit your loses.

Follow what pro's do, not the other way around.

Money Management

If trend is strong I trail the stop to 50% of last bar.
Always try to minimise the risk, because we are day trading

Normally profit target is twice of the stop loss.
Some time I do scalp out.
Some time 1:1 ratio or next support or resistant.
Actually depend on situation.
This is the only thing very hard to master.
It's a feeling or you can say Art.
But at the beginning stick with 1 for 2.
When you will master the method u will know when to exit. Price action will tell you.
Always manage the risk first then profit.

Don't use any fixed amounts of pips .each entry bar will be bit different.
Minimum profit target is 2:1 or more than that. if you can stick with 3:1 at the beginning .than you can make money with 40%.
If you don't use bigger profit target you won't be able to cover your losses.
At the beginning don't scale out position. Otherwise your profit will be smaller.
When you will get enough experience and you winning percentage is above 70% then you can scale out position.
When you will have enough hit rate you can use 1:1 risk reward ratio.

If signal bar is too big wait for 50% retrace. Otherwise don't take the trade.
See my risk reward ratio you can easily get 3:1 if you enter at the correct time.
If signal bar is large there is more chance you wouldn't get the big profit.

When I have enough profit i always move the stop to breakeven. Even I do get stopped out it doesn't affect me.
I never turn a winner into loser.

Remember the golden rule.
Don't let a winner to be a loser.

Always move the stop to breakeven when you will have profit same as stop loss.
If you do get stopped out doesn't matter. Nothing to lose.
All trade won't be 100% right that's why we have small stop loss.
Even though we trade all day we will lose very small amount of pips.
Because we move the stop to breakeven as soon as possible.

Today while I was trading stocks,
17 times I did get stopped out in two hours and made lots of money today.
Learn to love small loses it will help to become a better trader.

Normally target is double the size of stop loss or more than that.
Maximum stop loss is about 15 (it's not hard rule)

Don't risk more that 2-5% of working capital on any one trade.

Always use signal bar add the spread with that. Use extra pips as well brokers change their stop to take you down.

see the green candle big momentum or exhaustion? how do we know? when big momentum bars comes after the divergence that is a exhaustion.but we would not trade unless we have a clear direction.

there was divergence as well.i did tell everyone in the other thread it will reverse soon. divergence is valid as long as down move doesnot come

exhaustion is confirme by divergence,first red bar after big bar then it did break and failed.than we had a red bear bar.but we would not go short because momentum is still upside.we will wait for pullback and a bar confirmation.then all the bull has taken out by bears (last swing low has been broke)now its an impulsive move.now we had a chance with inside bar confirmation with previous support now resistant for short entry.



there was lots of bulls.when they have been taken out by bears now they are lookin for short entry as well.

entry inside bar

its an aggressive play.i am sharing few trick dont try unless u are fully confident

see the circle if u entered at the green bar ur stop should have been above the big red bar.green bar was 50% retrace of big red bar. and acording to trade management.you should have been move your stop to breakeven when next red candle closed.now ur in a free trade.see the next big bull candle u have been stoped out with BE if u have managed the trade properly and followed the rules.otherwise it was a big pain for u.and i can tell u that was institutional move.do u know why?i will explain in the next picture.



we have momentum see the big red candle previous support now resistant

red candle did take out so many bulls.

M3

why that was
instutional move?

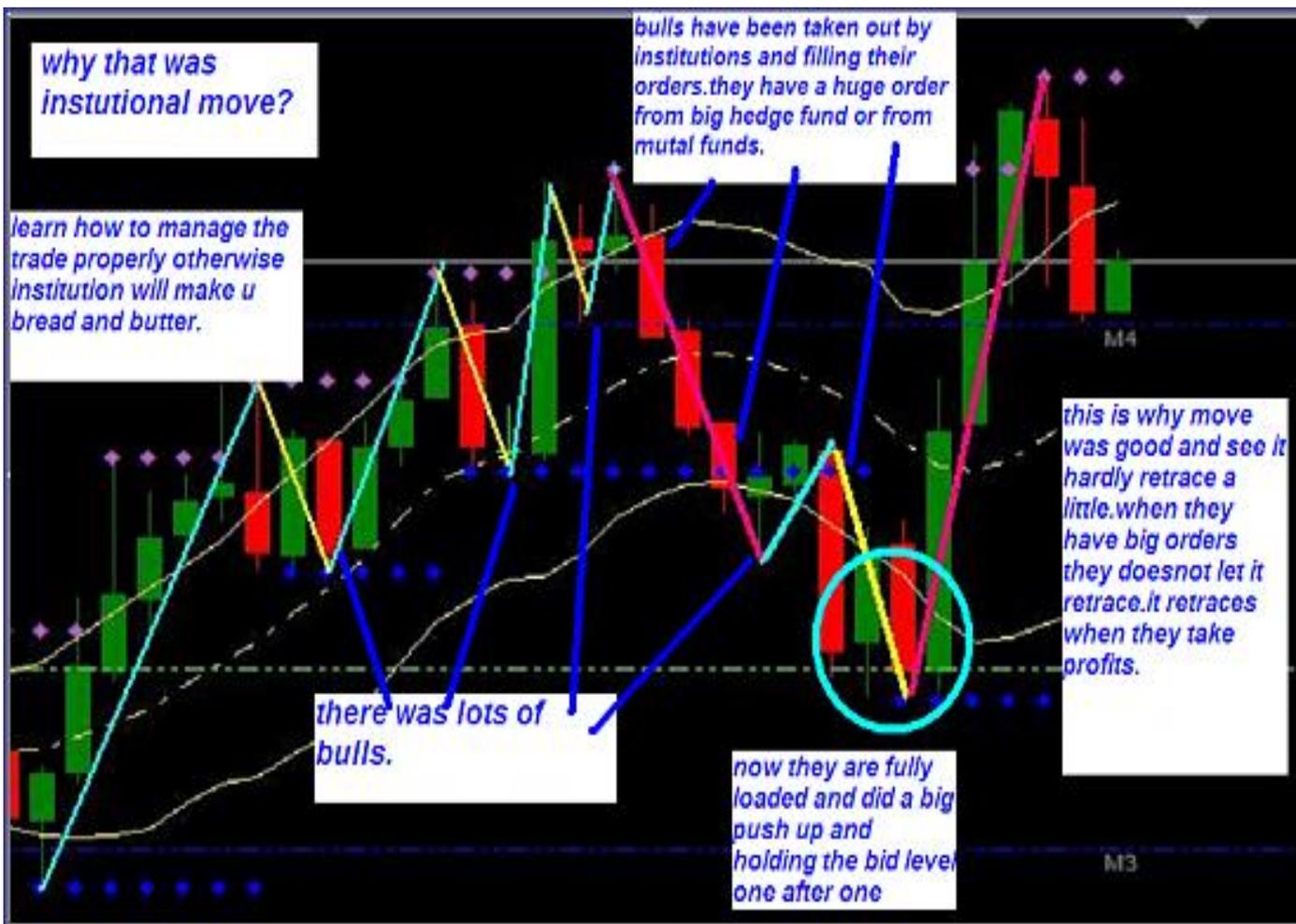
learn how to manage the
trade properly otherwise
institution will make u
bread and butter.

bulls have been taken out by
institutions and filling their
orders.they have a huge order
from big hedge fund or from
mutal funds.

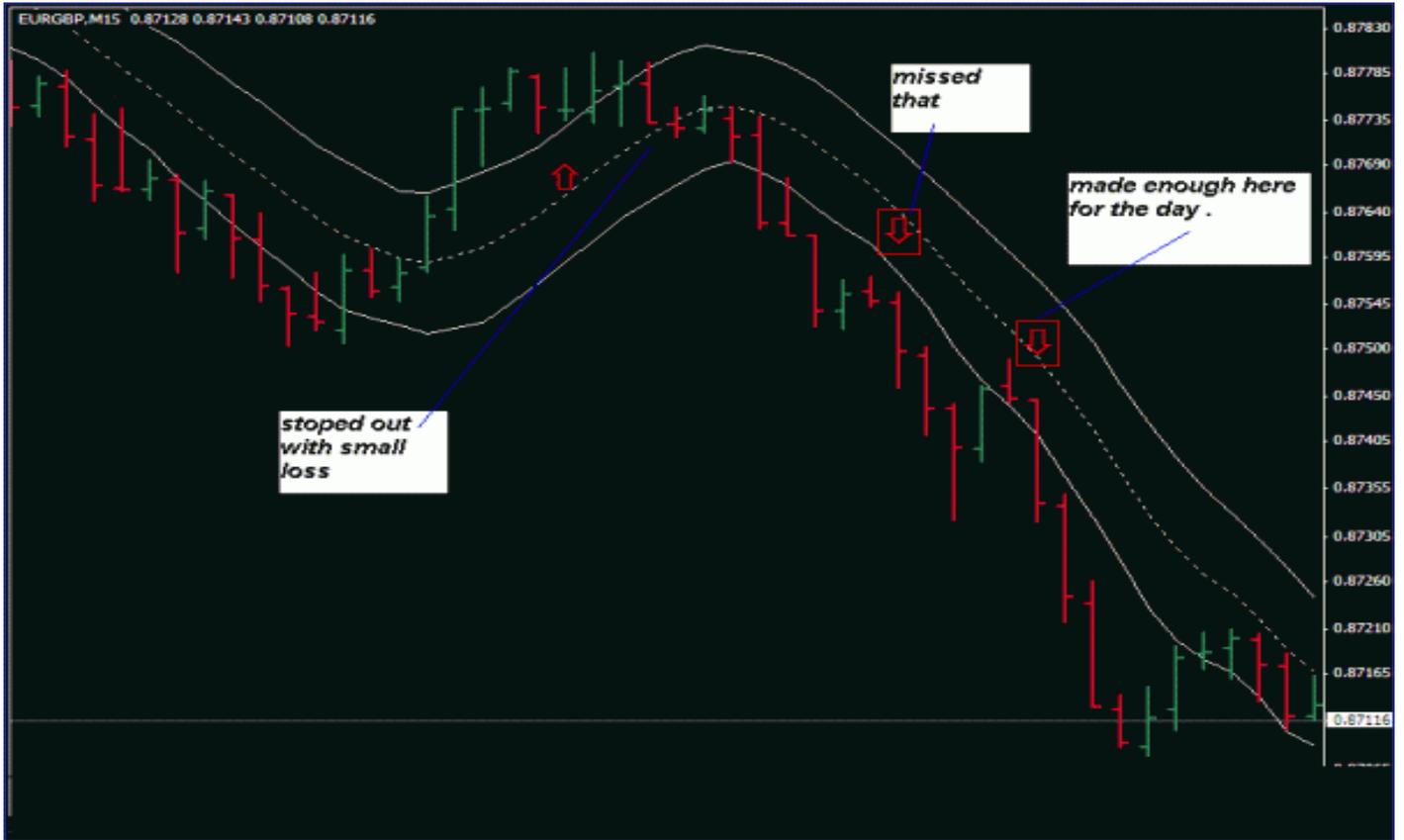
this is why move
was good and see it
hardly retrace a
little.when they
have big orders
they doesnot let it
retrace.it retraces
when they take
profits.

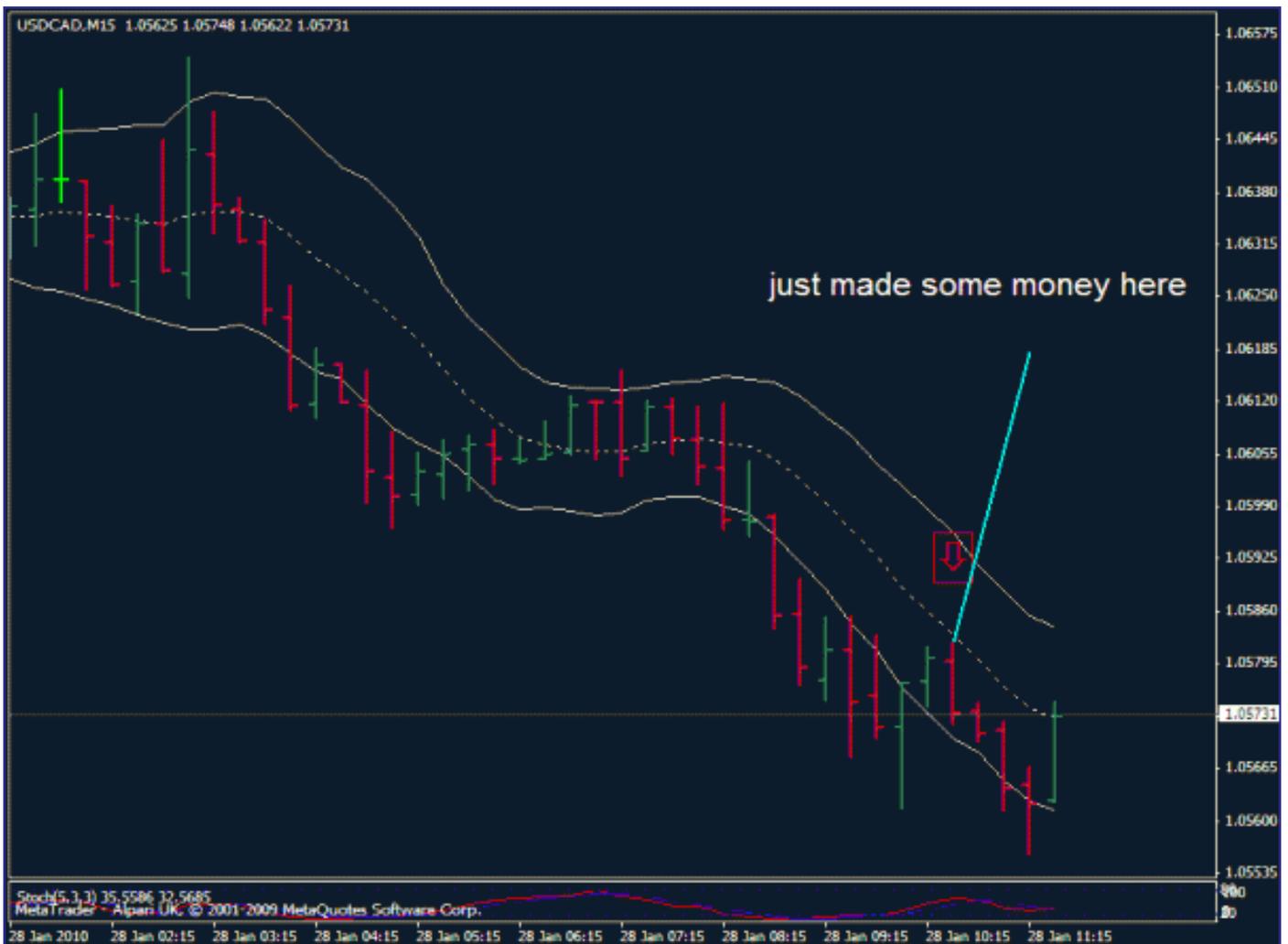
there was lots of
bulls.

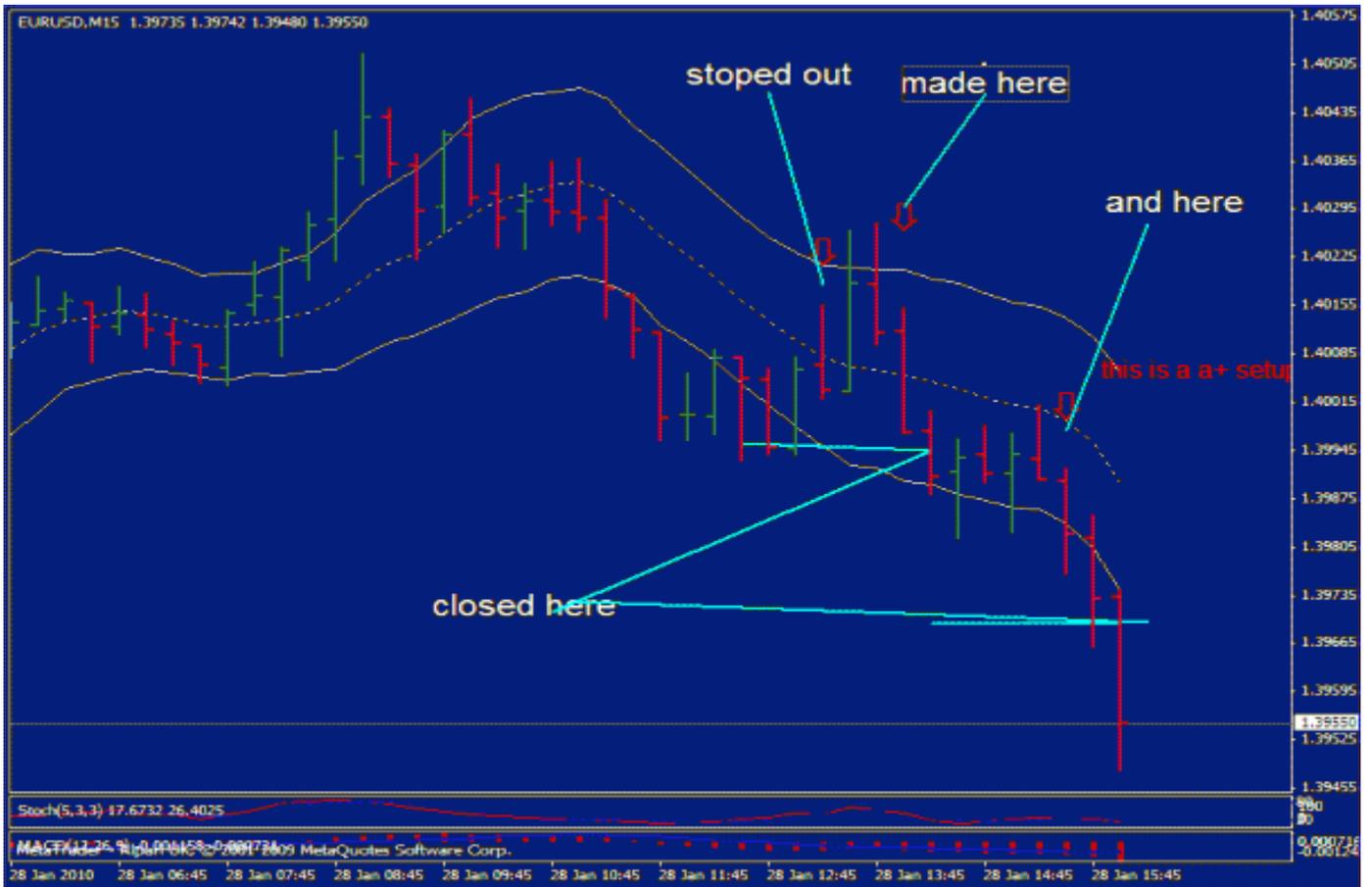
now they are fully
loaded and did a big
push up and
holding the bid level
one after one



Trade Examples

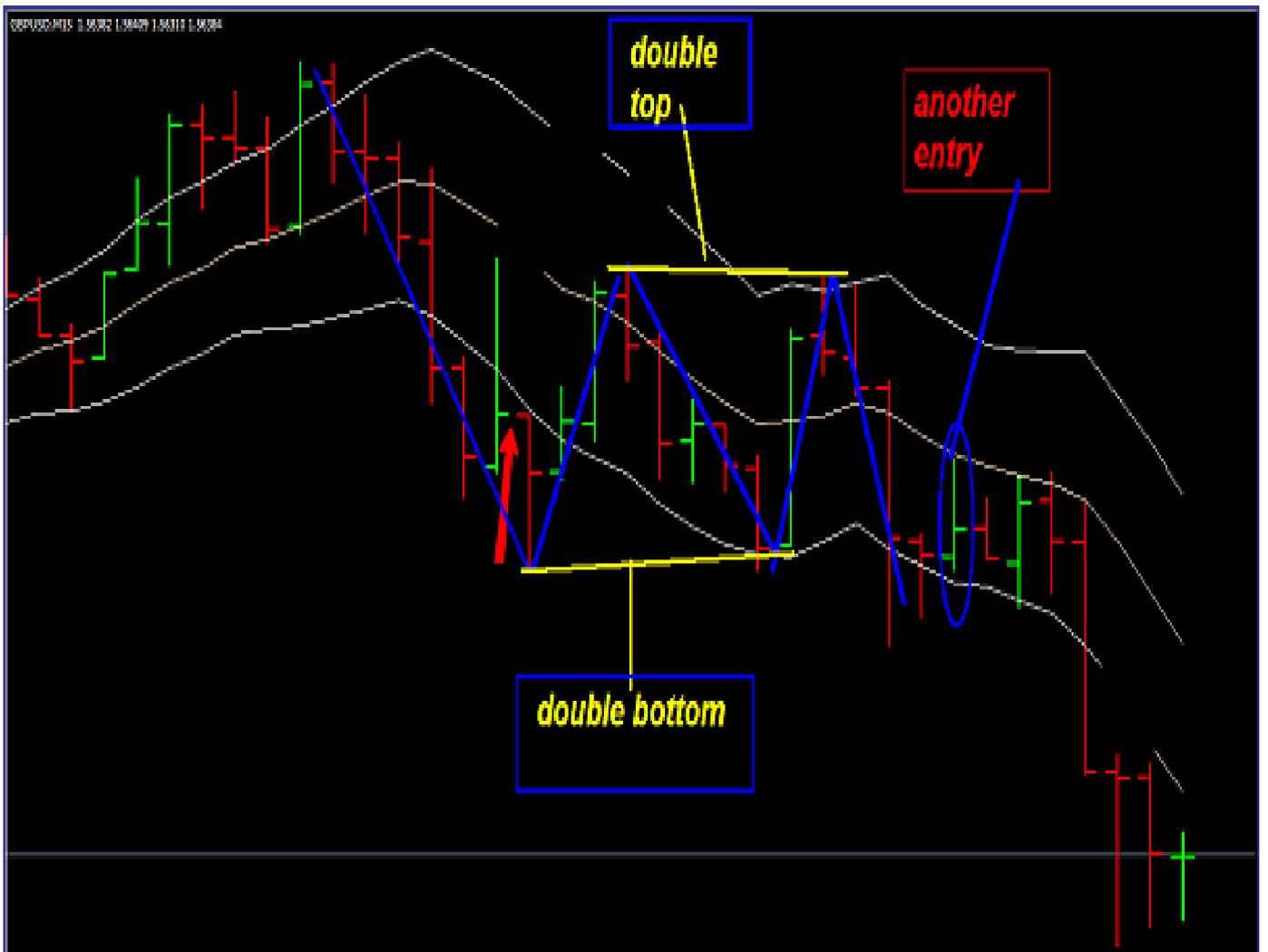














The Rules

***** MY MASTER RULE IS TO FOLLOW MY RULES*****

***** TO MAKE MONEY I NEED MOMENTUM SO I WOULD NOT TRADE WHEN MARKET IS FLAT****

-Before entry-

- 1.** I should know what the maximum amount of pips is that I could lose in a trade.
- 2.** Before the trade I have to decide whether I am looking for a 2:1 or 3:1 risk to reward ratio. Whatever I chose I must remember that.
- 3.** First thing to look for is - Is market trending or sideways?
- 4.** I need clear and tidy chart to trade.
- 5.** I don't chase the market.
- 6.** I look for nice and clear impulsive moves.
- 7.** I wait for a retrace to fib level 50% or 61% because institutions follow them for entry and if it is above the previous resistant or below the previous support its better. Now it's a good setup. and if it rejected from keltner channel lines it's even better and now it's an A+ setup. I can trade with keltner when it's in nice angle with small stop loss.
- 8.** Now I look for clear evidence of price being rejected from that level in a corrective move.
- 9.** I play outside and inside bars in the direction of trend not against the trend.
- 10.** If they move quickly don't chase the market.
- 11.** When I enter I don't look at the stochastics. If I do I will miss lots of good trades because most of the big moves happen when stochastic is overbought or oversold. Stochastics are not for entry. Only for divergence.
- 12.** No set up - No trade.
- 13.** As soon as I realise that the market is flat I will stop trading and I will close my trading platform.

-Entry-

- 14.** If risk permits me to enter then I will enter otherwise I will pass the trade.
- 15.** When I see a big signal bar I will wait for the retrace at the next bar.
- 16.** If it is an inside bar I will enter at the breakout if risk permits me otherwise I will pass the trade. If it is an outside bar I will wait for a retrace and enter at the next bar.
- 17.** If it's a pin bar or looks like a pin bar then I will enter at the close of the signal bar if risk permits me or I will wait for the retrace. If it keeps moving there is nothing to worry about, another trade is around the corner.
- 18.** If signal bar meets all the above criteria I will enter and put the stop just above or below the signal bar.

-Trade Management And Exit-

- 19.** When I enter, if trade doesn't move in my direction after 3rd bar I will close the trade because there is more chance that it will go against me. There is no reason to hold that trade. Unless I see another signal bar in the direction of I am trading.
- 20.** If I do get stopped out I will wait for another nice entry bar.
- 21.** In the same area, if I do get stopped out twice, then unless it's an A+ set up I will pass the 3rd trade. After 3 times in a row I will pass that trade it does not matter how good the setup is. Wait for another impulsive move and another setup.
- 22.** When I enter the trade, if it moves in my direction I will move the stop to break even as soon as it is same as the stop loss. Now I am in the free trade. If I do get stopped out nothing to lose.
- 23.** If the trade goes in the direction I wanted I will close my position accordingly my risk reward ratio.
- 24.** If I follow 2:1 I will stick with that does not matter what I do. If I follow 3:1 I will follow and stick with that ratio.
- 25.** I will close the position when it reaches my target. I would not worry about rest of the move. I am following my rules.
- 26.** If I see any divergence before my target is hit I will close the position as soon as I see any reversal bars.
- 27.** Be patient. As always, small losses and quick losses are the best losses.
- 28.** Never, ever under any condition, add to a losing trade, or "average" into a position.
- 29.** I will be very careful when any unusual big bar occurs.

-Extra Rules-

Do more of what is working for you, and less of what's not each day.

When sharp losses in equity are experienced, take time off. Close all trades and stop trading

Think like a guerrilla warrior. We wish to fight on the side of the market that is winning, not wasting our time and capital. Our duty is to earn profits by fighting alongside the winning forces. If neither side is winning (flat market) then we don't need to fight at all.

Focus on how you play the game and not on the scoreboard. Trade with discipline and follow your game plan.

After a winning streak, be extra disciplined! Many will make money in the market, but discipline is required to KEEP it.

Stay on your guard at all times!

I HAVE TO REMEMBER

No trading rules will deliver a profit 100 percent of the time.

Resources

Intraday trend trading with price action

www.forexfactory.com/showthread.php?t=217281

Intraday trend trading with price action 2 active trading

www.forexfactory.com/showthread.php?t=222822

Babypips Beginners Guide To Forex Trading

www.babypips.com