# Alien's Extraterrestrial Visual Systems

**TRADE ENTRY USING RSIOMA**

We are going to start off with learning the RSIOMA to keep us on the correct side of the trade. Later we will add to that, to show you long term direction that you can ride for weeks, to make the larger pip harvest...........

Food for thought. Simple System for locating Near Tops and Bottoms on Larger time frames or Smaller time frames...........

I started with the Daily and you will noticed the RSIOMA is compressed up against the top of it's window.

I then start looking for the same in the H4.

I also look for it in the H1 , M15 and then M5....... you can look for it in the M1 also , but I did not show that........but do use it......

Then I wait for the M1 and M5 to start unwinding to the south or short...........as the M15 follows the M5 and M1, I look for a place to start thinking about shorting it.

I Now Know where Price Action is NOT Going Much Higher and can safely enter shorts. You can spot Divergence in the RSIOMA as the PA drifts higher to a Reversal.........

You must monitor your trade once you set it, because it can retest the high

again and may even go against you a bit but will not continue much higher with confidence.

You can now use this for finding bottoms and tops in all the intermediate Time Frames as the Price Action moves around............

This is how I keep on the correct side of my trades...........We will get more detailed with this system in time to show you why Price Action Turns on a Dime and takes it away from you..........

When there is not much space between the Two signal lines or they are flat around the 50% line , **DO NOT TRADE during that time.**......Wait for clear indications and power to move the Price Action....... We will be adding a special ADX system to this in the future to help you find great entries........

I use this for scalping, swing trading and soon with long term position trading.......enjoy........Alien... ..........

Attached Images

**RSIOMA MetaTrader indicator** — this indicator takes two moving averages, calculates their RSI (Relative Strength Index) and then also adds a moving average of the calculated RSI. These two lines now can accurately signal the trend changes. They are shown in the separate window where they change from 0 to 100. Additional histogram indicator is shown for quick reference below the lines.

Input parameters:

- **RSIOMA** (default = 14) — the period of the RSI and the moving averages that are used to calculate the RSI. Increase for smoothness, decrease for signal frequency.
- **RSIOMA_MODE** (default = MODE_EMA) — mode of the moving averages used for RSI.
- **RSIOMA_PRICE** (default = PRICE_CLOSE) — price levels used to calculate moving averages that are used for RSI.
- **Ma_RSIOMA** (default = 21) — the period of the moving average of the RSI.
- **Ma_RSIOMA_MODE** (default = MODE_EMA) — the mode of the moving average of the RSI.
- **Other parameters** — configure the color settings and the trigger levels for the lines. It's highly recommended not to change them.

On the picture the bold blue line is RSI of the moving averages, the thin violet line is its moving average. RSI above MA and RSI above level 50 is a signal of a bullish trend. RSI below MA and RSI below level 50 is a signal of a bearish trend. One can also buy when the RSI breaks level 20 from below and sell when RSI breaks level 80 from above, but those are weaker signals. Histogram provides quick reference. Green lines signal BUY, red signal SELL, magenta mean overbought, blue mean oversold.



Attached File

Alien likes to look at Multiple Time Frames to see the coming turns in the Market. As shown below.

Looking at the H1 on UJ - The RSIOMA is in the lower window, Ignore the other indicators for now.

The H1 RSIOMA is compressed high against the ceiling of the window "Marked A" , we are looking for a break of that compression to the downside.

You then look at the next lower time frame, the M15 to look for clues to when the H1 RSIOMA might break to the downside. Divergence in the price still climbing, and the RSIOMA is slowly falling away creating this Divergence, this is the clue that the H1 is soon to come down.

To take this one step further , you can look at the M5 and see the strong fake to the long side and then it crosses back down to give you a great entry.

As time goes on in this Thread , we will be adding other indicators that will give you more clues to when the price action will turn on a dime so you can be on the correct side of the trade.

I will feed this to you in small sections , so you will not get sensory overload and you will have the time for it to sink in and learn it................Alien

Attached Image (click to enlarge)



...

Let me back up a Minute....... Keeping it Simple here......

We are looking at a UJ Daily Chart

When the RSIOMA is Above 50% the market is Long.........

When the RSIOMA is Below 50% the market is Short.........

When the RSIOMA is over 80% this is a Strong Trend, You place a trade and the trend has been in place for over a month, about 600 pips. now that's a trade !

The same goes for when it is below 20%, you better be short.

If you are afraid of trading the Daily, trade Micro's ...........600 pips on a micro is $60 profit and then gear up from there depending on your account size.

Next we will look at checking the other Time Frames of UJ to see what they tell us and what clues they might have for us.

Also we will talk about all pairs in here, I am just using UJ for the moment..............

Attached Image (click to enlarge)

..

So it is clear that the Daily is still Long, and you must keep that in mind when you start to look at the lower time frames to pick your entries.

Alien always says it's long until you are proven different............

We see the H4 UJ here, and I high lighted the above 50% area, and you can see the RSIOMA is spending a lot of time in this area, which would tell you the market is Long.

I am not ready to talk about channels yet, but you can see the RSIOMA staying above 50% most the time and the price action coming off the lower trend line and moving to the upper trend line for entries and exits to be taken.

The Daily will turn down at some point in time, your need to watch the H4 for that to start happening.

As the RSIOMA starts to move to less than 50% and spend more time below 50%, a Daily retrace will be happening or a trend change on the Daily will be starting.

Attached Image (click to enlarge)

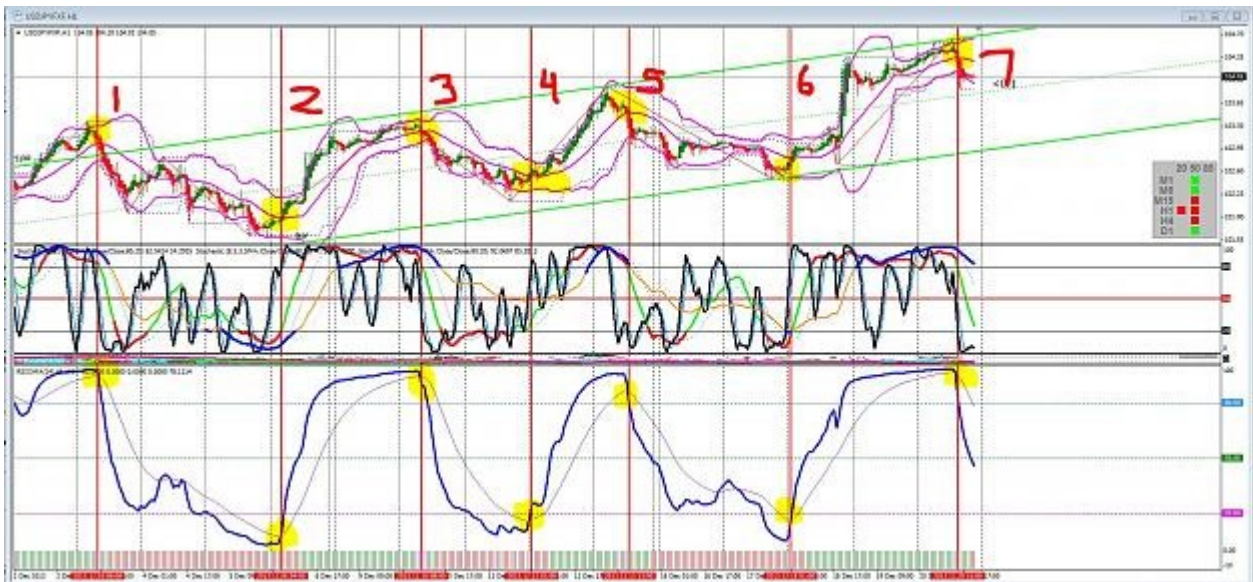...

You have seen the H4 UJ.

Now lets match it up to the H1 UJ

Not knowing when the H4 will make it's next turn, I look at the H1, which gives you clear turns. You can take this example and keep going with it.

Not knowing when the H1 will turn, go look at the M15, and then the M5 and you can scalp with the M1

Attached Images (click to enlarge)

This is my **quick look trend direction indicator**. I start with larger time frames and look for multiple time frames to have the same direction for a trade. This will also in time teach you the quicker turns of the lower time frames for scalping. For safer trading, I like to use the ADX for momentum, and multiple stochastics for finding extreme tops and bottoms. I will talk about those in the days to come...........

TIP: RSIOMA - When H4 is long and H1 is short and M15 is Long and M5 is short, this equals "Ranging" or a lot of chop. **Sit on your hands at this time.**

Last TIP : When the RSIOMA is FLAT with no strong direction or is just hanging around the 50% line with no direction. Don't trade........go find another pair to look at.

### USING DIVERGENCE TO HELP WITH REVERSAL OF TREND

Looking at your question for UJ.

Monthly is Clearly Long - looking at chart below........

The Weekly is showing signs of Divergence like in my first EJ example talking about the RSIOMA - you can see price going higher and the RSIOMA is falling lower.

The week RSIOMA has crossed long, But this is where the Divergence comes in. also looking at the daily , it is near a top also , compressed against the ceiling waiting to break and come down. The H4 will help us find that break as you watch them together. H4 is still long, as the H4 breaks short again , it my or may not bring the Daily down with it this time, but you will know when that happens by watching the RSIOMA over time , you too will get to understand how to anticipate the turns of the market.

Check the H1 to anticipate the H4 turn as shown..............

Attached Image (click to enlarge)



I use the divergence for a clue of the slowing of the price action in the trend direction, the pull back could be smaller and slower to happen, but if you go look at the daily UJ it is nearing a drop also, which in turn will drop the weekly that just turned long and a week long at that.............

The week chart below , the ADX shows strong and long for now, looking at the daily below, the price action of daily long has created that ADX long on the weekly.

The RSIOMA Daily is compressing for a drop, only the action of the H4 and H1 will help us with the timing of that drop.

In the weekly chart you can see a Green Stochastic that has turned back long because of the daily long, this 21,10,10 sma mimics price action, it is another first to go indicator for trend direction.

Ultimately we will learn to enter at a trend start, with momentum and learn when to get out and not exit the trade early like we all do..............

Humans are impatient, overtrade and this becomes their down fall................

Attached Image (click to enlarge)
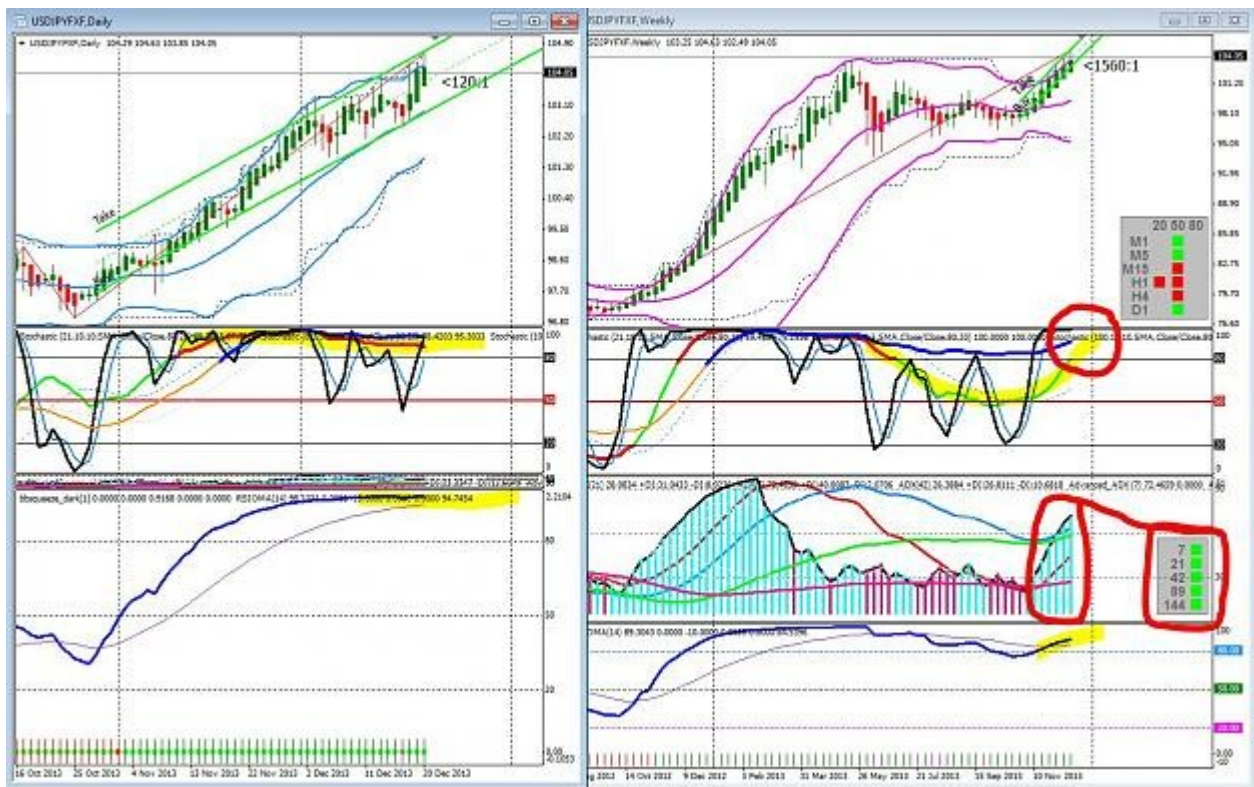
I use 2 different dashboards for a quick glance on how the market is trending .

The one FerruFx is referring to is the 20 50 80 multiple TF's , it lets me know in a glance where all the stochastics are sitting.

I will find a trending example for you to look at.

The first example I found is of the ADX in multiple TF's Trending strongly........... second set of windows below have my ADX, the dashboard beside each time frame show different speeds of ADX , 7,21,42,89,144, when the dash board turns all Green Boxes, a strong trend is in place Long or Short, this is an long example.

The 2 dashboards in the chart area on top that FerruFx was asking about, show me that the 8,3,3, and 21,10,10 stochastics are all above the 50% line at the same time and most are above the 80% line also showing me a strong trend in place, these are where you want to be when you place a trade.

Just look at the Price action on all time frames..............

A simple dash board glance to tell you a trend is HOT !

Attached Image (click to enlarge)

Another small concept will be to get you thinking Multiple Time Frames.

Looking at charts from the top down and the bottom back up to make good sound trading decisions.

Below is a quick idea on how one must line up all the Time frames as to enter without much risk involved.

The wave example, Red is Daily, Orange is H4, Green is H1, Blue is M15, Indigo is M15

There is only one place on this chart of Multiple TF's that you can make a safe entry, It is where the M5 drives the M15 long, which drives the H1 long, which drives the H4 long, which drives the Daily all long, at the same time.

If you were to draw a line on any other M5 wave long, it will not line up with the other time frames, and give you a poor trade, or negative pips.

Use the RISOMA to help you find this location for the least risk trade to make.

I will talk further on this trade idea in the future..............

Attached Image (click to enlarge)
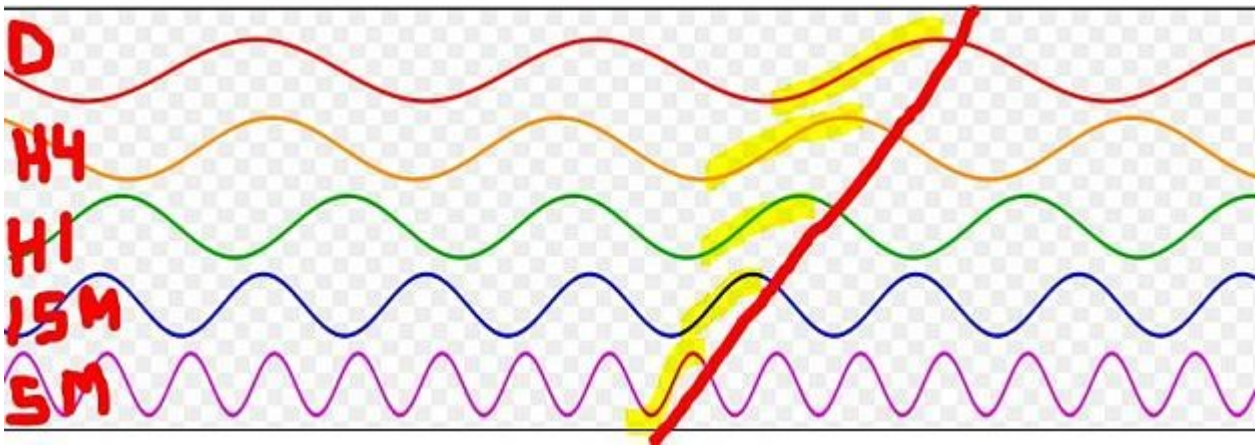
## ADX WINDOW EXPLAINED

I will teach you my 5 speed ADX ,

When all 5 speeds of the ADX turn Up, you have a strong trend starting...........

When all 5 speeds of ADX turn Down, your strong trend has ended.........

The first chart shows a larger shot of UJ and I circled where the trend started.

The Second chart show a close up of the 89 ADX Green crossing under the 14 ADX Pink, right at this point all the ADX speeds are long and this Signals the start of the Strong trend.

The speeds used are 7, 21, 42,89,144, - The 7, and 21 will saw tooth up and down as the waves are created, the 42 speed when it turns down is a short term retracement or resting period for the price action.

Only until the 89 and 144 ADX speeds turn down is the strong trend over. In this example the trend is still long as so the 89 , and 144 adx still are long.
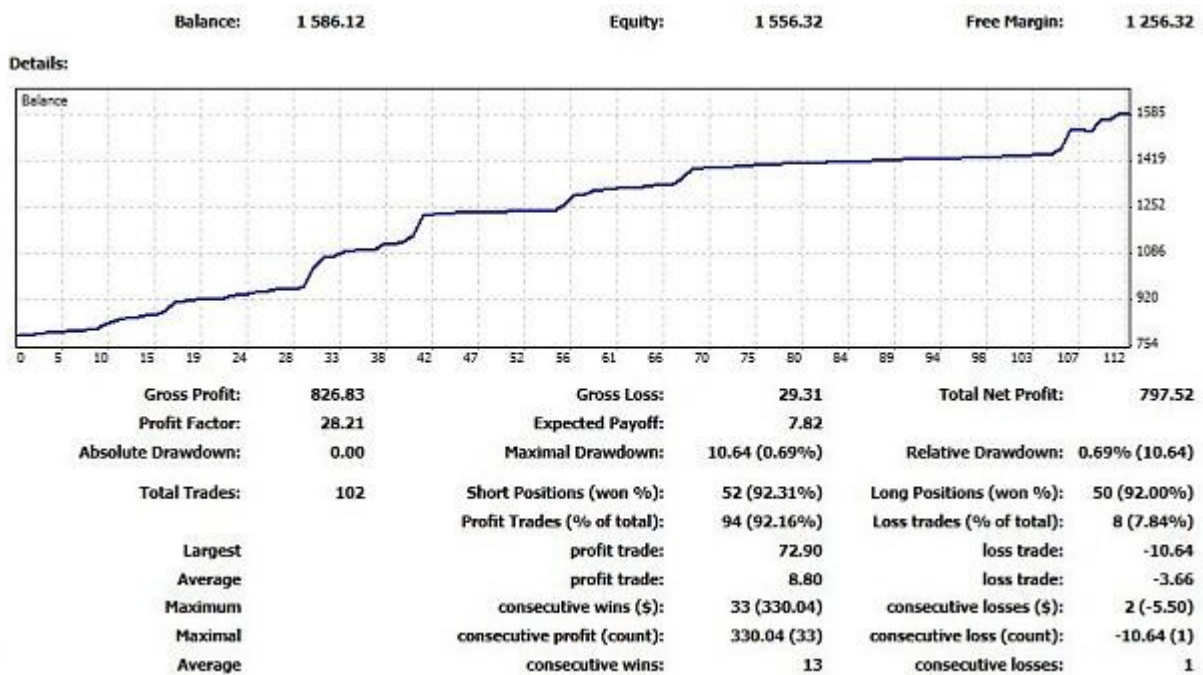
Attached Images (click to enlarge)
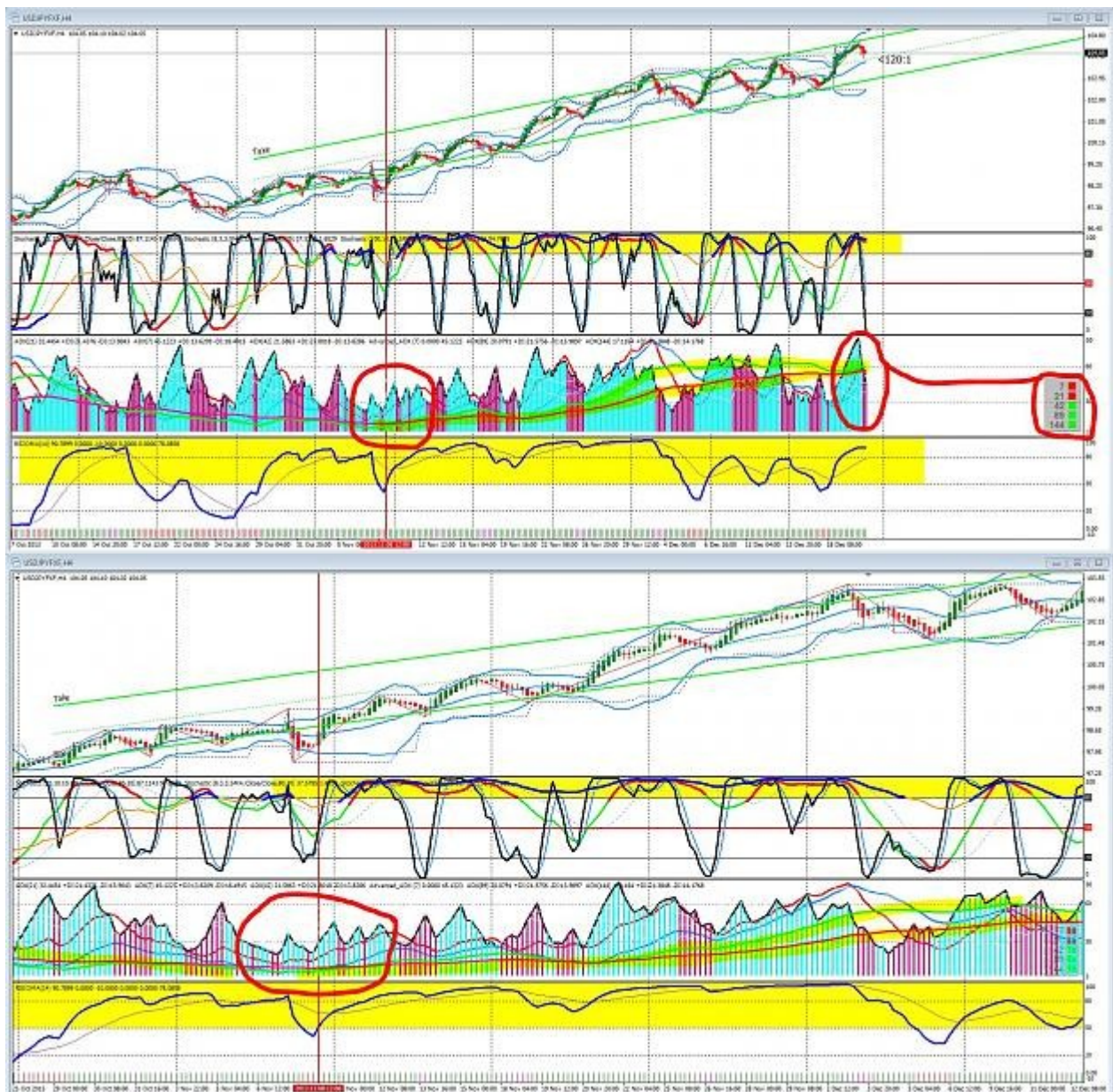
You only glance at the information on the last few bars, to give you a trading decision. and yes the H4 or H1 are easy to glance at, as I don't sit in front of the computer all day like most.

I am teaching a handful of simple systems, and when you put them together, in time your eyes can scan several charts in a few minutes to place a trade or not, and walk away.

The charts don't need all these indicators to trade, but they sure do give me 98 % accuracy in my trade direction.

I have doubled smaller accounts in 3 1/2 weeks time, when you put your nose to the grind stone , but it is a lot of work.................

Attached Image (click to enlarge)

| Balance: | 1 586.12 | | Equity: | 1 556.32 | | Free Margin: | 1 256.32 |
|---|---|---|---|---|---|---|---|

Details:



| Gross Profit: | 826.83 | Gross Loss: | 29.31 | Total Net Profit: | 797.52 |
|---|---|---|---|---|---|
| Profit Factor: | 28.21 | Expected Payoff: | 7.82 | | |
| Absolute Drawdown: | 0.00 | Maximal Drawdown: | 10.64 (0.69%) | Relative Drawdown: | 0.69% (10.64) |
| Total Trades: | 102 | Short Positions (won %): | 52 (92.31%) | Long Positions (won %): | 50 (92.00%) |
| | | Profit Trades (% of total): | 94 (92.16%) | Loss trades (% of total): | 8 (7.84%) |
| Largest | | profit trade: | 72.90 | loss trade: | -10.64 |
| Average | | profit trade: | 8.80 | loss trade: | -3.66 |
| Maximum | | consecutive wins ($): | 33 (330.04) | consecutive losses ($): | 2 (-5.50) |
| Maximal | | consecutive profit (count): | 330.04 (33) | consecutive loss (count): | -10.64 (1) |
| Average | | consecutive wins: | 13 | consecutive losses: | 1 |

This is an AUDUSD example of the RSIOMA and the delayed stochastic in the bottom window, it is happening currently, but PA will pause soon before another trip long.

All TF's are pointed up, anything above 50 is a buy , anything above 80 is a get your butt in the trade.

When the delayed stochastic and RSIOMA have space between them, it's a sure sling shot trade long..............

Attached Image



Attached File

AU earlier today had space between the RSIOMA and the delayed stochastic, and now it has done this a second time for profit. on the M5

The ADX is strong and long during this move which helps you with fake out trend direction, the 89 and 144 speed ADX will keep you in the game and not fake you out. Lime green and pink lines on the ADX. until these turn down , the trend is long and momentum is with you.............

and pay close attention to the Green stochastic - I made the settings mimic the PA, so if the green line is moving in a steep direction up or down, that is your trend direction. If the green line turns up, time to change direction, if the green line turns down, time to change direction, IF THE GREEN LINE IS FLAT , DO NOTHING AND WAIT FOR THE NEW DIRECTION TO SHOW IT'S FACE.

Study this chart and see how it mocks PA and learn it..........................Alien... ...................

Attached Image

This was posted Sept 20th - 3 months ago - using the RSIOMA and the Delayed Stochastic,

Projected wave 5 long , 3 months in advance, by looking at the separation of the delayed stochastic on the bottom of the last window and with the RSIOMA still near the top of the window. These 2 indicators have a Rubber band effect to them, when the distance between them is great as shown by the Red Arrow.

This can be used as a single system all by it's self.

Just set it up and look through hundreds of TF's looking for this set up,

This set up was a 600 pip winner to date.

I will be pointing these out to you as they show up on my 8 screens............

Attached Image (click to enlarge)



Attached Image

You and Braintec are spot on with EU. Eu Daily should retrace back up to 137.50 area before wave 3 or the larger drop / trend downward. Monthly and weekly are still showing Long , but the Daily will take them down with it. I will need to see confirmation on that , but it shows a start of it currently..............

Use the RSIOMA !

H4 is down right now...

H1 is Long right now

M15 looks like it will push long again , and notice on the M15 that price is holding for the indicators to reset............

We might only see 1.37 again before the fall, just keep using the RSIOMA of each lower TF to watch the PA turn back down............

Attached Image (click to enlarge)

UJ DAILY - Look at all the opportunities you would have had to enter Long on UJ !

This is what the pro's do !

Enter once and then 6 more times to make a boat load !

The RSIOMA stays high for 8 months and everytime the Delayed Stochastic Cycles to the bottom, it rebounds back to the RSIOMA for another push higher. use the H4 and H1 to get in closer to the new bottom of each delayed stochastic...........

This same set up is ready in my last post on the M15, this is what you look for...............

Attached Image (click to enlarge)

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get in closer to the new bottom of each delayed stochastic........... This same set up is
ready in my last post on the M15, this is what you look for............... {image}
Ignored

Here is the H4 that drove the Daily..............

you can pin point these down to M5 for your most pips...............

Attached Image (click to enlarge)

What's the benefit of using RSIOAMA and not just stochastics? Wasn't able to download it off the one you posting in this thread (I use a mac), but I did download it on here http://www.earnforex.com/metatrader-indicators/RSIOMA seems to be a different indicator though, doesn't have that extra oscillator in yours.
Ignored

Alien likes it because it is smoother, it is a combined indicator if you read about it more. It tells me that price has broken to the other direction in a timely manor.

RSIOMA seems to filter out faults in price action. Price is going up, but the RSIOMA falls away to tell me a price change is coming, which I like. You need to use it and see how it reacts, and learn it.

Every person should make their own system that works for them. and in your system you need to know when to get in, how long to stay in, and when to get out , and when to not be in a trade. and what I made does all those things..............

Here are my settings, I may have changed the MA to 21................
Attached Image
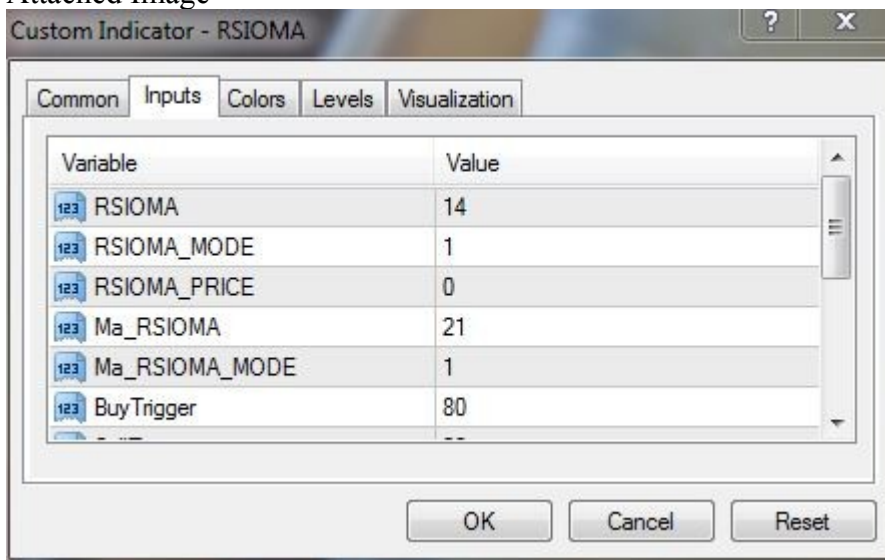


Here are the indicators Alien uses.........

I was going to send them out a system at a time , but your welcome to set up the entire layout in advance.............

Template first .........

I have indicators in both formats, I believe either will work for you............

Attached Files

🖼 ############################ 7_28_2013 m5 m15 h1 main.tpl  31 KB | 279 downloads
📋 ############################ 7_28_2013 m5 m15 h1 main.zip  48 KB | 341 downloads
🔸 Advanced_ADX .ex4  2 KB | 159 downloads
🔸 Advanced_ADX.mq4  2 KB | 220 downloads
🔸 bbsqueeze_dark[1].ex4  6 KB | 151 downloads
🔸 bbsqueeze_dark[1].mq4  5 KB | 186 downloads
🔸 Color_Stochastic.ex4  5 KB | 154 downloads
🔸 Color_Stochastic.mq4  5 KB | 192 downloads
🔸 Heiken Ashi.ex4  3 KB | 116 downloads
🔸 Heiken Ashi.mq4  4 KB | 146 downloads

Attached Files
🔸 BE-clock Black (2).ex4  2 KB | 129 downloads
🔸 BE-clock Black (2).mq4  2 KB | 171 downloads
🔸 TrendChannel.ex4  11 KB | 200 downloads
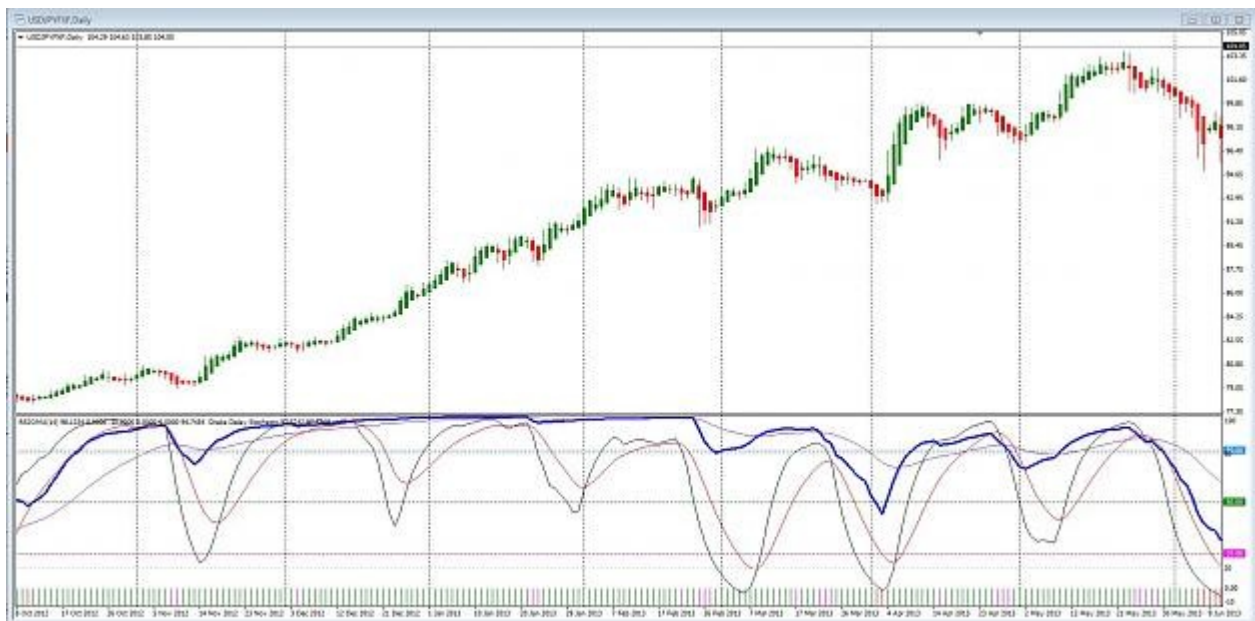🔸 RSIOMA (2).ex4  7 KB | 145 downloads
🔸 RSIOMA (2).mq4  6 KB | 207 downloads
🔸 Highest-Lowest.ex4  2 KB | 142 downloads
🔸 Highest-Lowest.mq4  3 KB | 187 downloads

So we will review a simple system from yesterday - The RSIOMA with the Delayed Stochastic.

Get your chart set up with just the Price Bars , the RSIOMA and the Delayed Stochastic in a lower window.............

Attached Image (click to enlarge)

Make note of the 50% line , the 80% line and the 20% line.....

Make Note of the RSIOMA over 80% you should be Long.......

Over 50% is considered Long..........

Attached Image (click to enlarge)



..

The ADX Lines are a Basic ADX in the MT4 and you will have to add 5 of them to the same window, with each of the settings of 7,21,42,89,144, and the what ever back ground color you have on your charts, take the D+ and the D- and make them the same color as your back ground chart color, which will make them invisible.

Go to the MT4 navigator and get the Average Directional Movement Index and load onto your chart with each setting. After you do the first one , you will have to drag and drop the next one into the same window and give each one a different setting 7,21,42,89,144.........
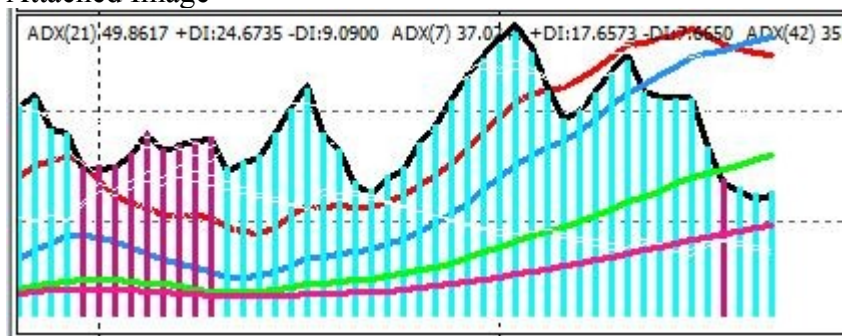
Samples below........

Attached Images (click to enlarge)
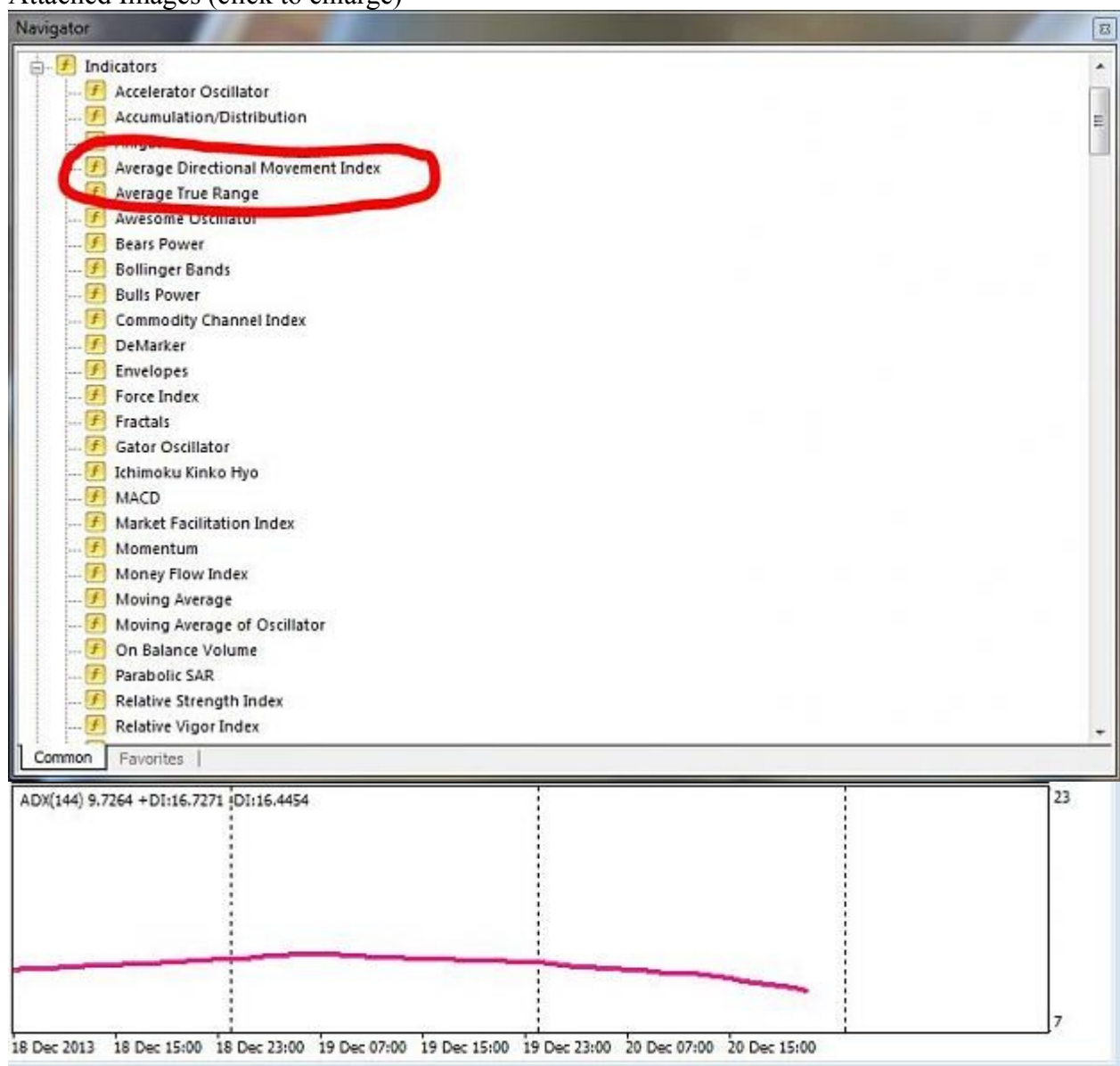


The Final Multi ADX Average Directional Movement Index with the Advance ADX and the 5 seperate adx lines should look like this below.............

Just drag each one into the same window and give them a different speed number..........

Attached Image



While the Blue RSI is Long "or short" in the 80% or 20% areas, when the Delayed Stochastic goes to the other side of the screen , you have a sure trade that the Delayed stochastic will return to the Blue RSIOMA for profit. This is a Daily Chart, you can drop down to lower TF's to find the perfect entry to gain more pips.

It does not happen too often , but you will get times when Price Action just won't move for you, but this is a very safe entry as the RSIOMA can not drop to the bottom of the chart with the Delayed Stochastic once the spread between them is there.

When they travel together after some divergence showed up, there was a 600 pip drop in the upper right of the chart. you can see the yellow line below falling away as price was still climbing, that tells us that price will not travel that much higher. Use your lower TF's to see the continuation of the trend as time goes on......

Attached Image (click to enlarge)
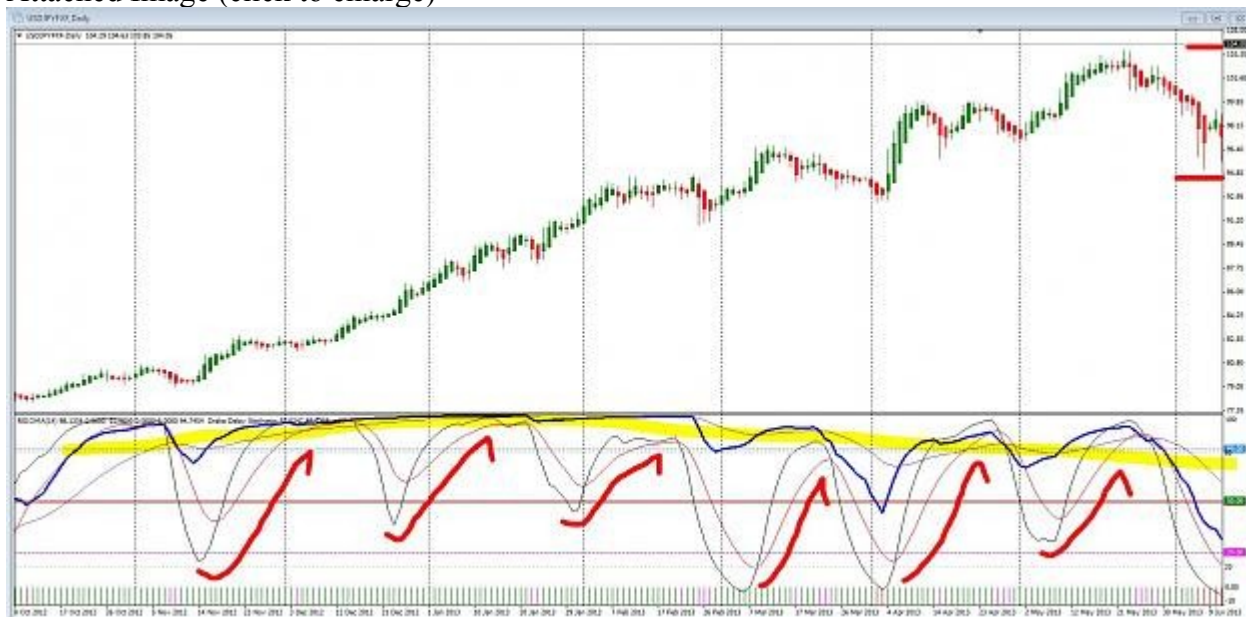
We have 3 different things to look at here............

1. In the red lines on the left we see Price Divergence "PD", lower price , higher RSIOMA, Price goes up !

2. At the start of the yellow marker we get a cross downward, the delayed stochastic drops fast below the RSIOMA and we follow the RSIOMA all the way to the bottom and wait for the cross up again.......

3. The far right red lines show the Delayed Stochastic leading the RSIOMA long again , but it is kinda choppy and slam dunks short again. at the cross over , 100 pips were waiting for you. Remember this is a Daily chart we are looking at.

This is a System all by it's self , watch it , learn it , and Master it...........! you will see profits.............

In Time I will add the other concepts and systems to pin point entries and exits , and there are so many good opportunities when trading becomes like driving your car down the street.................

Attached Image (click to enlarge)



Scan as many H1 and larger charts as you can and see if you can find the separation needed to place a trade when the markets open. I will look also for examples for us..........

Here is an example I projected 11 hours apart by looking at the RSIOMA , and on the H4 on the right as well as the H1 on the left, you can see is was dropping and then going long, which id did.

When we get into live trading next week, I will point out what I see in real time so you can learn also................

Attached Images (click to enlarge)



Here is a CAD example of what you are looking for........................

This one is special because the RISOMA and Delayed Stochastics in the lower windows ALL have the distance between them at the same time.

The ADX is Full Trend on all Time Frames.

The Multiple Stochastics are all above 80% as high lighted, the 8,3,3 and the 21,10,10 .........

This is what you look for, a full blow Trend with momentum to it.

This is where you can risk more of your capital when these show up.................

Attached Image (click to enlarge)

I saw this setup for a trade on EURAUD. What do you think ? Go long when the risoma on the H1 crosses signal line up ? {image}
Ignored

The BBSqueeze you have on the bottom is great for breakouts. The red dot areas tell you that the bollinger bands are close together and a large move is soon to happen !

I high lighted in yellow the one red dot in the bottom window and the bollinger squeeze in the chart, which also has the RSIOMA and delayed stochastic spread, the ADX with all five speeds are already moving short , **so the break out would be short**. **3 items** tell you to go short and you would have a high probability trade to the down side............

Until you see the adx 42, 89, and 144 turn back downward, this trade is still short for this time frame.............

Attached Image (click to enlarge)

UJ - Monthly is long..............

The weekly chart here showed us that UJ was going long 2 months before it happened, just by seeing the delayed stochastic drop away from the RSIOMA that was still up high........

Attached Image (click to enlarge)

The Daily is still Long , you can see where it crossed the 50% line and stayed long for almost 2 months now.

If you look closely in the red circle, you will see the Delayed Stochastic is faltering, it even shows that prior to the red circle.

If you check the H4 chart, you will find Divergence there, which is the first sign of a possible short on the daily coming up, maybe 200 pips, but we need to follow it a bit more and the year end and holidays are here , so don't jump in just yet, but soon..........!

Attached Image (click to enlarge)



The H4 on UJ is showing high prices and Lower RSIOMA, so a turn south is near................

So you can see this Divergence on the H4, is showing up on the Daily that I just posted above, by the Delayed Stochastic faltering..........

Attached Image (click to enlarge)

Thanks for your interesting thread and indicators! What do you think of GPBAUD ?
Still down on H1. H4 rsioma already crossed too. {image}
Ignored


Welcome tikku,


and now I have had a chance to look at your pair.........


The month and week are Long.......


The daily is Long , overbought for now , but holding on Long........


If you look at the Daily below, RSIOMA is still long, the ADX 42,89,and 144 are green and still climbing, the stochastics are pinned long still,this means the daily trade is not over yet, we need to follow the H4 and see what it is doing.


The H4 is short and the RSIOMA shows that, the slow blue stochastic has been at the top for a long time and shows signs of coming down.

The key I see here is the ADX 42,89, and 144 are red now , and this tells me they have lost power to the upside and the Long trade is over for now on this TF.

The H1 is short by the RSIOMA, ADX is showing a pretty strong trend downward right now 7,21,42,89 all green showing the drop is strong. The stochastic is mixed to me right now, not sure if it will turn up soon or just bounce along the bottom there, so stay with the RSIOMA as it being short. until it turn long again.

At this point you would drop down to the M15 and follow that Price Action to see how the H1 behaves from here on out...

Attached Images (click to enlarge)
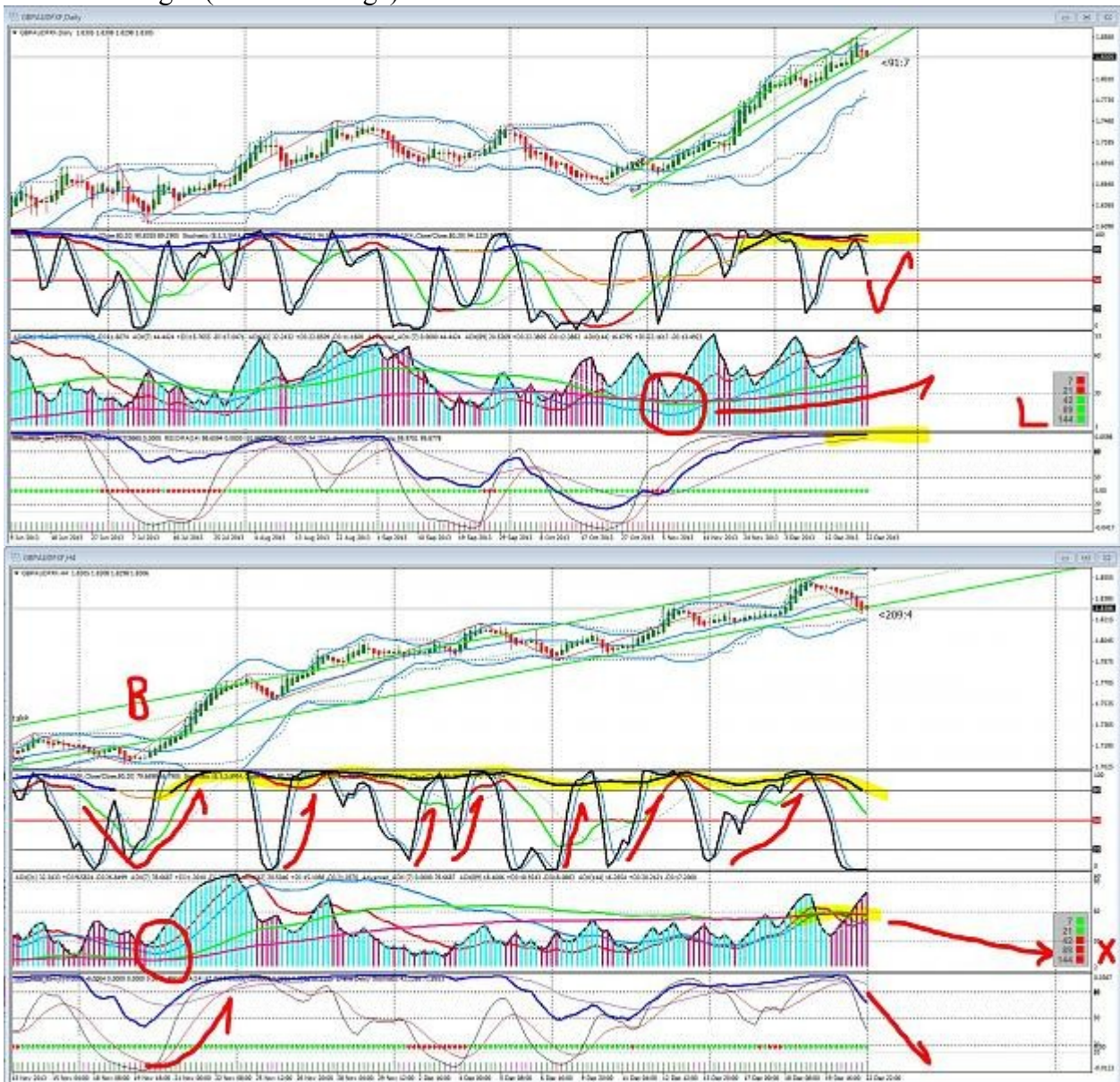
{quote} I like EU. A quick one, Alien. The ADX, i don't understand how you use it and i've been reading the thread from the beginning you did say somewhere you'll explain it. Hope i'm not getting ahead of myself. The RSIOMA is quite consistent, the way you use it.
Ignored

Hello angelfx,

The ADX is used for momentum trading and break out trading.

I have not yet started to talk about the ADX yet as this thread is less than 2 days old right now.

I do not want to bounce all over on different subjects and lose people here.

I will quickly show you why I created it .

I wanted something that would get me into a trade with momentum and get me out of a trade when the momentum is gone.

I use all ADX 7,21,42,89,and 144 when they go long or power up to get into a trade and when the 89, and 144 turn down, the trade is over,

On the left side I have All 5 of my ADX turn up for momentum, time to get in the trade, a sell, you can see the 7 adx, and 21 adx chop a lot with each wave that is put in, But the 89 and 144 will stay climbing as long as there is momentum still in the trade. 4 plus months and 1000 pips later, the 89 and 144 adx turn down, trade is over, take your profit and look for the next trade.

These happen on all TF's, it's just a matter how far each trade will take you, but it works for me. I have a BOT that helps me with this , but it is not perfected yet.

this chart is audnzd daily from back in October.........

Attached Image (click to enlarge)

{quote} Use the RSIOMA ! H4 is down right now... H1 is Long right now **M15 looks like it will push long again** , and notice on the M15 that price is holding for the indicators to reset............ We might only see 1.37 again before the fall, just keep using the RSIOMA of each lower TF to watch the PA turn back down............ {image}
Ignored

30 hours ago we posted that the M15 looked ready to go long again. compare with the current chart to what happened.............Bingo ! Less than 10 pips on a M15 during a holiday week, but it happened anyway......

Attached Image (click to enlarge)

Attached Image

3 hours ago I posted , and current charts now. Sunday night with JPY on holiday does not make the market move much , but it has.

ADX shows entry and exit, RSIOMA continued long 15 more pips...............

Edit: sorry I mixed up the M5 and the M15 together but the same results long happened............
Attached Image (click to enlarge)

Attached Image

{quote} EUR/AUD is my favorite pair. Thanks for starting this thread, I have read your posts for some time and look forward to learning more.
Ignored

EA month is long

EA week is long with all ADX's long

Attached Image (click to enlarge)



EA Daily is Long but nearing a top, H4 and H1 have retraced short,

The Daily ADX is showing some long term power still in the move longer, but we need to follow the H4 and H1 and see if they continue down.

many times when the ADX has a nice push long like this , it then rests and makes one more push long.

Will be keeping large Eyes on it......................

Attached Image (click to enlarge)

There is Divergence between the RSIOMA and Price action, for reversals.............

But I have never thought of the Delayed Stochastic being on the opposite side of the screen as the RSIOMA, as Divergence, But I would believe you are correct for saying that.

Thanks for that wonderful insight, We will now call that Divergence when the RSIOMA and Delayed Stochastic are apart.................!

Reading the first few pages of the Thread give you the RSIOMA rules, also I have talked about it in a few places, we are only on page 7 right now.

jurn > we expect delayed stochastic will catch up to rsioma < Yes, it is best that the RSIOMA is over 80% or under 20% for the Divergence of the delayed stochastic to work it's magic !

jurn >Does the rsioma need to be above 50 to go long and vice versa? < YES

we will be showing with other indicators in time , strong confirmations as to direction, to give traders confidence in time.

that is what a good trader needs, is confidence to trade.................

UJ below shows RSIOMA staying above or at 80% , delayed stochastic fell to the bottom and returns together. This concept works both directions, long and short...

Attached Image (click to enlarge)

When the ADX 89 and 144 turn back down, all that means is the climbing of EJ has lost it's power to continue long for now. It is at rest now. I would not trade at this time and watch to see if all the ADX line relax to a lower position near 30 or below.

Price action has momentum and then it rests, then it either has more momentum in the same direction again or it starts a retracement or a reversal, and we will talk about that another day soon.

For now, follow the ADX when all 5 speeds are powering up during a short or long move, and work on the Divergence with the RSIOMA and delayed stochastic.

These 2 are basic building blocks for my trading system for a quick scan of the charts..............

Quoting traderbola
Alien, H4 EJ chart, adx 89 crossed 144 to down side, does it mean we can see serious pull back like 200-300 pips? {image}
Ignored

Don't forget to look at your H1 to see what the h4 is doing, and yes the H4 RSIOMA looks to be turning down again, I would wait 1 or 2 more bars for confirmation with that ...................

Here is real time aud nzd trade on the H1 and the H4 is also long at this time.

delayed stochastic is falling and about to turn long again............

Attached Image (click to enlarge)



Here is the audnzd H4 -- rsioma is long

the adx is mixed to long

the stochastics in window 1 are long and may stay there for awhile , but you need to watch it .

Look at the daily, it has been dropping forever and is ready for a long term long soon, but not yet, we have to wait.

Waiting is something humans have a hard time with.............

Attached Image (click to enlarge)

And here is the AudNzd daily, still short , but soon to turn, the H4 is nearing a pull back, so I would wait and look for another drop.

The weekly is full blown short at this time.

Because the adx 42,89,and 144 are still short, the daily is still short........

Attached Image (click to enlarge)

Trades are everywhere, just look for them.

Here is EJ M15 Long

ADX all grouped and went long

Green stochastic 21,10,10 ema turned long,

delayed stochastic divergence with rsioma above 80%

bollinger band breakout

what more fun can you have ?

Attached Image (click to enlarge)

EJ M5 rsioma long and above 80%

adx long all 5 of them,

stochastic in the upper window long and over 80 %


don't jump in at the moment , the trade should have been made when the rsioma crossed the 80% long is where the big pops show up.............

Attached Image (click to enlarge)



UJ is driving EJ currently

here is the UJ M5

stochastics burried long

adx grouped and all 5 went long


rsioma crossed 80%

Attached Image (click to enlarge)

{quote} No problem, it`s only a small part of the system. ADX can be checked without dashboard. As I see you decide to enter a trade checking certain divergences and convergences on multiple timeframes. Would you tell us more about your exits? And coloured multiple stochastics in window 1 as well. I supposed if stochastic is overbought or oversold in window 1, that means you exit your trade but as I see now in your fresh posts on the contrary it keeps you in the trade. Do you check multiple timeframes with the above mentioned stochastic as well?...
Ignored


Hello kore2,


Yes I check all TF's, this example is how I trade, I have several systems together here which I can make educated choices on, and look for the best results I am looking for.


The colored stochastics we will talk about more later, they have deep secrets in them and can not be rushed with a few words. For now if they are above 80%, it is a strong trend long until the next lower TF tells you it is failing...........and the same for shorts............

Attached Image (click to enlarge)

I have not talked about the stochastics yet as they have advance rules and meaning to them........

The stochastics I use are 8.3,3 sma close

21,10,10 sma close

and 100,10,10 sma close

they are colored when they hit 80% and above and 20% and below............

the slower stochastic is the blue line on top, as long as it stays there, the trade is long.

the green stochastic mimics price action, look for the general direction it is traveling...........

the black stochastic gives you the next price action move and has great set up features along with the green stochastic, but we are not ready to discuss that set up yet.........

I circled the areas where the ADX's that were showing long have stopped climbing, and a drop is to happen in time......................

Attached Image (click to enlarge)

Hi Alien, thank you for your time and your kindness starting a thread to teach your trading systems. I have been following EURO YEN for quite a long time. You always make good predictions or projections. From what I read from your posts, I used DS(Delay Stochastics) and RISOMA to define the trend of each time frame of AUDNZD. AUDNZD Monthly: Short; Weekly: short D1: Short H4: Long H1: There is big space between DS and RISOMA, so according to what I have read, the DS is going back up to RISOMA. So the price will be going up, is that right? Thanks....
Ignored

You are correct ! you have found an excellent example, I have re-posted your chart , along with my chart of 6 hours later and you can see price action has moved long.

Also the Blue stochastic is in the 80% and above meaning long ,

You can see the green stochastic that mimics Price action has turned long

and the ADX, 4 out of 5 periods are long with the most important the pink 144 adx is climbing since dec 20th,

so great job !

In time we should have many people pointing these out on many pairs and time frames and we will have a food fest of profits..................

Attached Image (click to enlarge)

Attached Image



In 1h chart, there is a big space between
D Delay stochastic and RSIOMA. From what I read, the
DDS should go back up to
RSIOMA. So, the price should be going up, right?

Hi Alien, I took long with GBPJPY with this signal now, 30m chart. But other JPY pairs not moving up, considering ADX cross to up side wondering how far we can go? Appreciate your comment Sensei. {image}
Ignored

To start with from the top down......

GBPJPY Monthly is long


All stochastics are above 80%

ADX is long and on it's second push long


The rsioma is long above 50% and entering 80% which could make this a long term long trade.

Attached Image (click to enlarge)

The GBPJPY Weekly is Long

There is lots of good stuff on this chart, it takes me 30 seconds to see it all, so practice looking for it.

First starting on the left side of the chart we have a red vertical line I put in, this is where the RSIOMA crossed 50% long, also the Green stochastic 21,10,10 sma, mimics Price Action and has crossed over the 50% also, the faster stochastic 8,3,3 is over 80%.

2. At the Vertical Magenta colored line I put in, RSIOMA crossed the 80% area, 4 out of the 5 adx's went long, stochastics are still in 80% area. Strong Trend is now showing it's face.

3. RSIOMA stays long for 2400 pips, the 89 adx is still long and the 144 adx is going long also , meaning stronger trend in place,

4. At the Black vertical line we have a bollinger band squeeze showing up, this always gives us a chance to pick the direction of the break out of that bollinger squeeze.

**We have 3 indicators that are telling us the bollinger band breakout is going to be long again !**

1. The green stochcastic that mimics PA has turned long again !

2. The 144 ADX has gone long and so should you !

3. The RSIOMA is **high** and the Delayed Stochastic is **Low**, we have separation and the rubber band spring back in PA is on it's way long again after a rest.

Alien's Love to project the future direction.

So looking at your 5 ADX's all being long, this long trade is not over on the weekly until the 144 adx turns downward..........

Attached Image (click to enlarge)

{quote} The GBPJPY Weekly is Long There is lots of good stuff on this chart, it takes me 30 seconds to see it all, so practice looking for it. First starting on the left side of the chart we have a red vertical line I put in, this is where the RSIOMA crossed 50% long, also the Green stochastic 21,10,10 sma, mimics Price Action and has crossed over the 50% also, the faster stochastic 8,3,3 is over 80%. 2. At the Vertical Magenta colored line I put in, RSIOMA crossed the 80% area, 4 out of the 5 adx's went long, stochastics are still in 80% area....
Ignored

From the prior post I will just let you find the same items as above, that I have already talked about. You should be able to see all of them by now..........

Daily is Long............

Attached Image (click to enlarge)



The H4 is long but Mixed.........

1. we have the bollinger band squeeze at the top in the price action.

2. blue stochastic is hanging Long above 80%

3. the green stochastic is not dropping away very fast and is still above 50%, good chance it will turn long again.

4. the 5 ADX's are all Long right now

5. the RSIOMA is long and above 80%

6. the delayed stochastic is sitting at 50% and has turned back once.

I would say this chart is long , but mixed, it is lost for direction right now, but we need to look at the H1 for more clues to the H4's direction.

Attached Image (click to enlarge)

GBPJPY H1

This chart pretty much tells me there is not enough volume to move price. Holiday week in the USA here.

The green stochastic moved from the bottom to the top and almost produced 100 pips............not bad , but painful for 2 days.

Attached Image (click to enlarge)

I just exit my longs on GBPJPY based on 15m chart analysis but I don't know whether I did right or not. Just tried to analyze and came up with this it looked kind of divergence for pull back to me. may be I am wrong. Alien knows best.

Wait for the 89 and 144 ADX to turn back down or take profit early as you have done.

The M15 should turn back long again, but holiday week..................

Attached Image (click to enlarge)

GBPUSD - Monthly and Weekly are long..............

This is the Daily chart, as you can see I have been playing with this one with a pile of micro's on the way up.

Back in the beginning of September there was a **Bollinger band squeeze** , this is a first item to look for , so we can figure the break out direction using Alien's systems.

We next looked at the RSIOMA and it is long, the Delayed stochastic played into our hands and was already at the bottom of the RSIOMA window ready for spring back action.

The ADX's where all starting to power up as Price action was moving through the **Bollinger band squeeze**. 3 months later the 144 adx has not turned down yet , telling us to stay long still.

**We currently are in another bollinger band squeeze, once again the RSIOMA is still long and the delayed stochastic is near the bottom of the window again. All adx's are still long now.**

The green stochastic that mimics price action will be turning back long as the delayed stochastic turns long again. I am expecting another push long here again , but will have to look at lower time frames to follow this move.

Attached Image (click to enlarge)
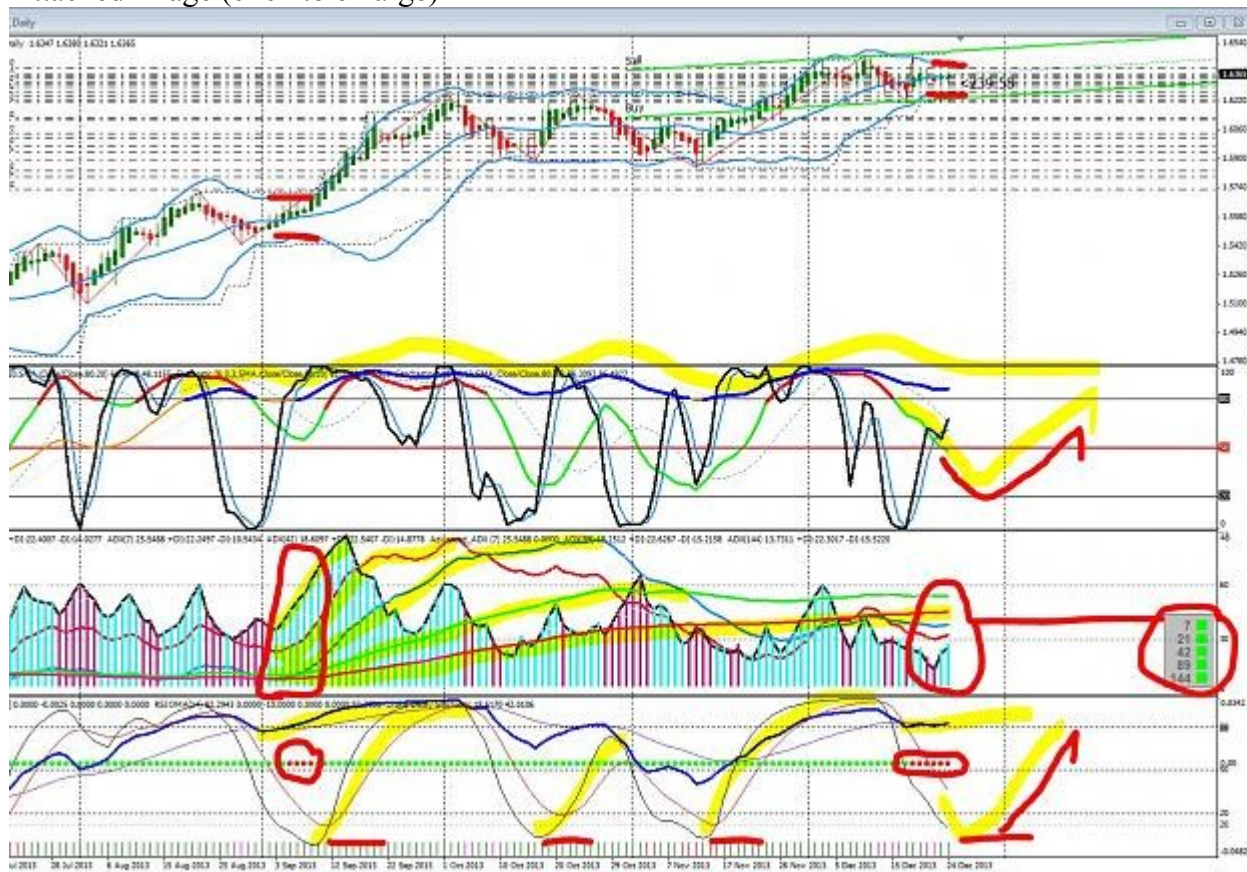
The Pound H4 is mixed at this time, Holiday week................

Several ways to trade: **Trading and Learning in Review................**

1. The name of the game here is to locate a Bollinger Band Squeeze and pick the new trend, out of the chute before, or as it is happening......by using the indicators we have been talking about so far..............

2. Use the RSIOMA and the Delayed Stochastic when they are far apart from each other and trade that as a separate system, this works on all time frames, look at your weekly chart on UDSJPY - 700 - 800 pips already.......

3. Look for the ADX, all 5 speeds to be below the 8 -10 scale on the right side of the screen and look for trends to power from those levels........with all 5 speeds turning long...................

4. Stay in the ADX trend once it has left the station, stay in your trades till the ADX 89 and / or the ADX 144 have turned down, the trend power is now gone at this time. This is such a unique way to gain the most pips possible, and gain confidence to stay in a trade for days or weeks..................Great for Scalping too, but we have not covered this yet.............

[Quoting le celte](#)
Hi Sir and thank you for this excellent strategy. (These excellent strategies). "... the 8 -10 scale on the right side of the screen ..." I have not this scale on the right side. Where is this indicator please? Sorry for my bad english, i am frenchy  cheers jf
Ignored

Example is a EU H1 chart...........

In the ADX window, on the far right side of that window, I placed a line at the 10 level.

When the slower adx's 42,89,144 are drifting slowly downward and start to drop near or under the 10 level line, you have a very safe trade when the trend takes off and they start to climb again.

This can be another system all in it's self. Take your charts, place a number 10 level line on the adx and then scoll to the left and look at all the times it gets lower and compresses and then takes off again, it's like a bollinger band squeeze in a way....................

I will look for better examples for you, I have made a robot that looks for these, but I have not perfected it yet.

Attached Image (click to enlarge)



ADX'S SUBWINDOW

The ADX lines only go one direction when the trend or momentum get's stronger. And that is they will always climb during a stronger trend or momentum. I will show two examples below, a long and a short example. I most of the time use the words ADX long which I should not call it that , because it sounds like I am saying to go long.

I sometimes say the ADX is powering up or momentum up would be a better way to say it. Does anyone have a good phase to say the ADX trend momentum is picking up?

If you are using the advance adx histogram, it shows you the color and direction it is going without thinking about it. Red for short and bluish green for long, as in the examples below. Also the RSIOMA will be on the side of the chart direction, you just can't get it wrong with both of these together.


As for your other questions............


1. The safest trade is to have the ADX lines low and all start to climb like these 2 examples, this normally happens when the RSIOMA is over 80% or under 20%. when they are all lined up in order adx 7,21,42,89, and 144 and powering up, is the safest and longer term trade to take. You can just trade the first 3 adx if you like, 7, 21,42, but without the others , it may become a shorter length of trade. And you best use SL or watch it closely.

2. When the ADX lines are falling back to earth, this means there is no momentum. you might get a short term spike or a I gotcha trade, and it is possible to make other trades without this system, but they are more advance for later discussion. You can take trades without the ADX climbing or powering up to the moon, but you will need to use the Stochastics in window one to make those choices, but we are not ready to talk about that yet.

I always say the Market is mixed or at rest , when the adx lines are drifting back to earth.............

3**. Do you pay attention to the way ADX`s are aligned?** the best trades are going from low to climbing with all adx aligned , but I will show you on the UJ weekly, that the first push up in alignment is the largest move and the RSIOMA was above 80%, then the adx lines started to rest or become mixed, note the rsioma crossed down , but remained long at the 80% area, also note the delayed stochastic was at the bottom of the window before the next move long, we know the next move already, and the ADX's do not need to be in order for it to go long again. they are out of order going long currently, the move is not near as great as when they are in alignment. But I would still take the 800 pips.............

Hi Alien. for those without the adx dashboard, how do we determine that the adx are all up,down, or flat. Are we to look at them crossing a particular level or are to watch for the slope?

Welcome angleofx,

you just watch the slope, they either point up or down, I have never seen them go flat, I had them programmed to show yellow when they went flat, but I have never seen yellow yet. the odds of the same level on the next bar are nill, as price is always moving.

you have plenty of time to see the ADX speeds fan out into a momentum trade.

we will have more detailed talks about the adx, but for now , we need to stay with the basics................

Attached Images (click to enlarge)

Possible EJ H1 Setup for a long .............

Please wait for it to turn north and monitor it..................
Attached Image (click to enlarge)

EU H4 is developing currently, it will either turn down soon, or stay long and then turn down.

It needs more time to tell us, and look at the other Time Frames to help with clues.....................

Attached Image (click to enlarge)

UJ H1 is developing currently, the delayed stochastic needs to hit the floor while the rsioma stays near that 80% level.

Bollinger band squeeze, and the green stochastic is not dropping and looks to turn back long again.

It needs more time to tell us, and look at the other Time Frames to help with clues.....................

Attached Image (click to enlarge)

GU - Daily and H4 Both have a set up coming.

The H4 should turn long first and then drag the Daily with it..............
Attached Image (click to enlarge)

{quote} Would you trade a perfect setup ie. on H1 (ADX contraction, RSIOMA/Stoch separation) while the higher TFs (ie. Daily/Weekly) are mixed or in opposite direction ? Ignored

Great Question ! I would need to study this further, but my first instinct would be to trade each and every RSIOMA delayed stochastic system as a separate trade in each time frame. Price does not move much while the Delayed stochastic crosses to the other side of the chart............

Now I did just cancel trading the > USDCAD H4 has a border line long coming up and at the same time the USDCAD H1 may go short....

And I did that because they both were RSIOMA delayed stochastic moves against each other. I will be following this one to see what happens , because they do not show but once in a blue moon. If the H1 setup is good, I would try the lower of the 2 time frames and maybe on the rebound we could pick up the H4 the other direction, but I have not experienced this yet..................This would be an advance trade with higher risk...........

I see I might have missed part of your question with the ADX contraction part.

For now, if the adx is contracting and the RSIOMA has dropped below the 80% or above the 20%, look for another trade.

With the multiple stochastics that I have not talked about yet, I can make some advanced trades , but I can not teach that here yet..............

Quoting forexalien
**GU - Daily and H4 Both have a set up coming. The H4 should turn long first and then drag the Daily with it.**............. {image}
Ignored

I do like this one where the H4 will go long first and then the Daily follows it, this could go futher than expected .........Let's wait for the setups to finish........
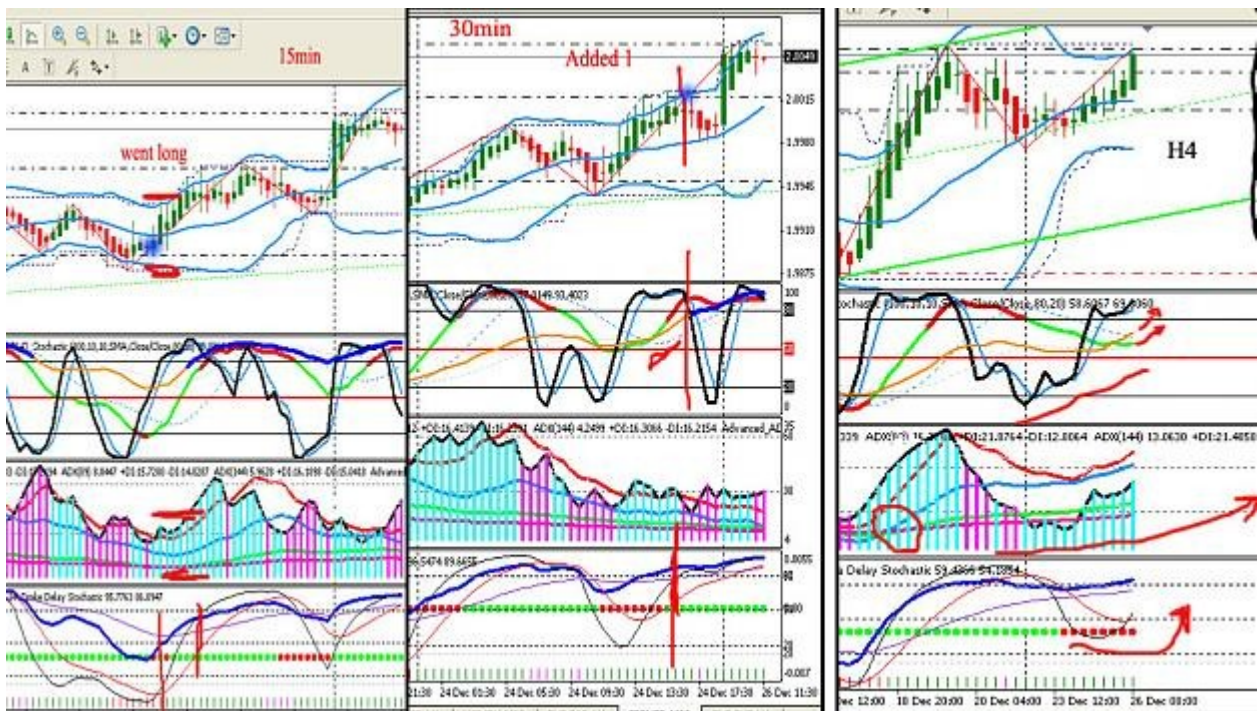
Attached Image (click to enlarge)

Hi Alien.

I took long 15m GBPNZD before holiday and added with 30m signal now it seems perfect entry with H4?

Attached Image (click to enlarge)

{quote} Hi Alien and Tradebola, since Tradebola posted this pair, GBPNZD. As a newbie, I would like to take this pair as a practice. Please kindly comment and correct me. M5 to Daily are all long. for W1, the RSIOMA is long and about to enter into 80 area, it is long; the three stochastics are all pointing up as well; but for the 5 ADX, 42, 89, 144 are pointing down, which means GN long may not last for long. W1 i for Monthly, the RSIOMA is below 50, so short-biased; only 7 ADX pointing up, all other 4 ADX pointing down, no enough momentum for GN...
Ignored

You did a great job of seeing many things ShepherdL

Starting top down always............

Month - the 8,3,3 stochstic is Long above 80%, and the 2nd turn back long are real important on most of the indi's, more later on that, the green stochastic is crossing the 50% long this is a strong sign ......yes the RSIOMA is below 50% but is turned up pretty good with the delayed stochastic leading it - we look at the week for more clues.

Weekly - is on it's second push long - follow the green stochastic, all three stochastics are above the 50% line , long, ADX is low and 7 is starting to climb, RSIOMA is almost crossing the 80% line with the delayed stochastic turning back long, this is a powerful move when indi's turn around......

Daily - 8,3,3 sto is long , green sto is crossing long over the 50% line again < this is a strong move

to be turned around, ADX All 5 are long < this is a strong move , RSIOMA is above 80% and the delayed stochastic has crossed back long < this is a strong move to be turned around............we are also at the top of the bollinger squeeze going long..........

H4 - all 3 stochastics are long and the green one just turned back long > this is a strong move to be turned around, ADX all 5 speeds are long leaving from a lower compressed area, RSIOMA is in the 80% area with the delayed stochastic following it < this is a strong move to be turned around.

H1 - everthing is pointing long, I am not even going to talk about it..............

M15 - everything is long except the adx 7 WHICH by the way will help with wave counting. 1st wave is in and then it rested and now the second wave will kick in soon........

The monthly is not as important if the weekly is showing strong..............

The Weekly is not as important if the Daily is strong...........

lower time frames, lead higher time frames...........

Soon we will learn how everything has a strong push in direction to it and then it rests and then we get in at the dip again. We have already learned some of this with the RSIOMA and delayed stochastic divergence, playing the delayed stochastic on the other side of the RSIOMA is the bottom of the next dip and then we enter.................

Don't forget to use the ADX 89 and 144 still powered up to stay in a trade longer , even though price is falling or resting.............

# EXITING TRADES AFTER ENTRY

Alien, I back and forward tested lots of currency pairs especially on 15min timeframe. And I have found very good entries, but now my concern is the exits... If I get it right your main exit signal is the ADX. On 15min timeframe it`s really choppy. My experimenting shows me that if 2 of ADXs are crossing each other downwards (no matter which ones) the trade is usually over, no matter if 144 and 89 is still going up. Do you use stop losses at all or are you watching all your open trades?

Hello kore2,

Exits would be:

1. the ADX 42, 89 or 144 turn down, you can use them stand alone or cross check with the RSIOMA crossing up or down.

2. the RSIOMA crossing up or down.

3. Look to see if the 21,10,10 green stochastic has turned the other direction.

4. bollinger band squeeze sometimes, but this might get you out too early in some cases.

5. all 3 stochastics turning down or up after being above 80% or below 20%, but this might get you out too early in some cases.

6. looking at multiple time frames will tell us things in advance, but this is advance exit also.........

I have more advance exits using the multiple stochastics , but we are not ready for that.

we are working on training your eyes for the basics and then the advance stuff will be seen later..................

as you use these systems you will gain confidence in the trade you entered **and the most important is most traders can not stay in the trade and get out with little profit...............**

As far as stop losses go, beginners should use them, I don't, after 30 pips of profit I place a break even, then after 50 pips I start to move SL profit to 50% of the pips in profit. This would be on H1 and H4 charts.

that's it in a nut shell, you did get in early, but if you are willing to sit on the draw down before the turn back long , that's up to you, More safer entry would be the adx when it turned up, BUT , with the RSIOMA flat and high in the 80% area, you could not go wrong with this trade, it where people try this and the RSIOMA is falling out of the 80% area have slight more risk with the trade.

Thank You for posting your trade...........!

One more note : the green stochastic was turning long again and this was a sign of your trade going good for you, before the Bollinger band breakout even happened.

That green stochastic can save your butt by looking at it all the time along with the RSIOMA

Good eyes, it is too early, look at your M5 and M1 RSIOMA and look for a bottom in those time frames , and wait for the delayed stochastic to turn back long.

Alien is doing more teaching instead of looking for trades, but I have gotten a few pips this morning...............

let's follow your example and see where it takes us.................

I see the H1 and H4 RSIOMA is long , this is good ! so to trade this M15 long is a great idea !

We need to follow the smaller TF and see if we can identify the turn.............

Attached Image (click to enlarge)



This is a good example on how to get into buying a dip on the M15 chart..............wait for the m1 ,, M5 and M15 to bottom and long it .

The mutiple stochastics are also used for this , but it is too early to teach that yet..............

Quoting forexalien
The M1 might be showing us a higher low on the PA and RSIOMA , but wait and keep watching...........

the M1 has turned up for now, but no trade yet, we need to see the delayed stochastic on the M5 turn long and confirm that , I see the M1 has a ADX all 5 powering up for a long here , But we are still on holiday week and the London close is upon us.

## SCALPING

For those how want to try, wait for one more pull back and see if we can get the m5 to turn long . Someone asked about scalping and this would be how to do it ( one way) by picking the RSIOMA trade on the M15 and watching the M5 and M1 turn back long ,

So here we have a turn scalp, the M5 has not confirmed long yet, but close, the M1 pull back is happening right now as I expected. we need to see if the M5 will fake us out and go a bit lower first.............

Attached Image (click to enlarge)



Lack of volume will hinder this turn long, also keep in mind that turns will take time as most people are not ready to enter right now, they also are looking for confirmation that we are truly long again,sometime  this afternoon I expect it to take off again for a short period of time...............

M1 is turning long again..............market is asleep...........

We are still looking for that M5 bottom , the RSIOMA kept us from entering long because it has not crossed long yet, follow the M1 and see what it brings us this time.......

Fake out on the M5, as the delayed stochastic was falling on the M15.................

Attached Image (click to enlarge)

Hmm.. I guess my question/concern is ... does the delayed stochastic need to be below 20 in order to give that buy signal? Because if so, I would have missed that GU daily buy on my charts since my delayed stochastic only dropped to about 40 before hooking.

No it does not need to be below the 20% , we are just looking for good space between the 2, and it to turn long again, or rubber band back to the RSIOMA.

THE RSIOMA is the one that needs to be over 80% and under 20% for this to work.

Also check you lower time frames H4 and H1 to see if they will give you any clues..............

big minute candle, big boys have found the bottom and we might have too.- always could be one more drop because the M5 RSIOMA has not crossed long yet..............

Attached Image (click to enlarge)

EJ looks to me like its starting to power up for the move now or still to soon ?

Attached Image (click to enlarge)



This looks to be a good location M5 is trying to cross and M15 is turning the delayed sto,

M1 and M5 are powering up............

This is what you look for , the bottom of small TF's to turn the same direction the larger Times Frames are already moving............

So you can see we picked the exact turning point to go long again - up 10 pips on a holiday week for now and the M5 is looking good , which will bring the M15 with it now.......

And this is what we have so far on this holiday week for the trade we just took....

a small pull back is expected and then a continuation......

Attached Image (click to enlarge)



EJ - volume is not with us today , but it is moving like it should , just not as far of moves..................

Attached Image (click to enlarge)



These second stochastic turns back up are precious, the market really pops.

You can see adx wave counting going on the M15 trade we were looking at is happening...........

Attached Image (click to enlarge)

Our EJ trade we watch turn long again using RSIOMA and delayed stochastic divergence on a holiday week has moved 21 pips..........

Attached Image (click to enlarge)

ADX 42, 89 and 144 still tells me it is long...........

And EJ long it stays..............

Attached Image (click to enlarge)

# M1 EJ leading the way..........

Attached Image (click to enlarge)

Run away train on UJ, but the M1 is starting to unwind, the M5 is resting for now................

Attached Image (click to enlarge)



- [ShepherdL](#)

I went long for EURNDZ at 1.6820, not sure how far it will go.

I checked Monthly, W1, D1, H4, H1.

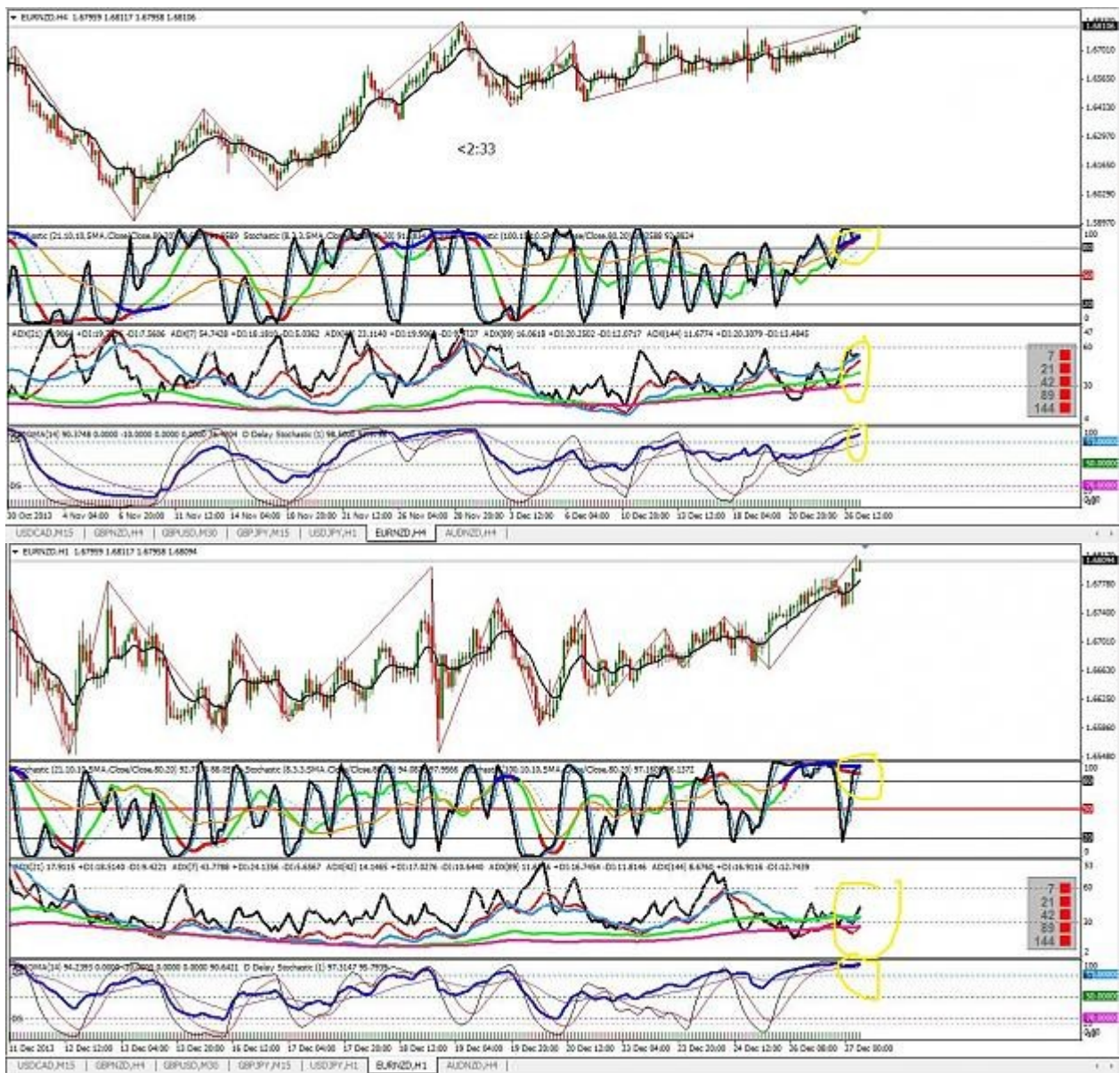Any comments would be appreciated. Thanks.

Attached Images (click to enlarge)

• 

I went long for EURNDZ at 1.6820, not sure how far it will go. I checked Monthly, W1, D1, H4, H1. Any comments would be appreciated. Thanks.

D1 H4 and H4 added.

Attached Images (click to enlarge)

Month Chart -

I like windows 1 and 3, the sto's and RSIOMA


The middle window shows no power for a trend , when the ADX lines are falling to earth..................and this is ok for a month chart , because not many trends show up on month charts.


The weekly looks even better and all the others have good signals at this time too............


The daily could go a long time, with a few H4 pull backs along the way.............

{quote} EA Daily is Long but nearing a top, H4 and H1 have retraced short, **The Daily ADX is showing some long term power still in the move longer, but we need to follow the H4 and H1** and see if they continue down. many times when the ADX has a nice push long like this , it then rests and makes one more push long. Will be keeping large Eyes on it..................... {image}
Ignored

As Jbomb pointed out EA on DEC 22nd and I talked about the daily ADX still showing some power yet.

Here is the H4, 300 pips for that second push after it's rest.............
I have something new to Teach , this might not be the best example because I marked it up, I hope you can see through it.

The blue stochastic stayed high and was flat, this is a hint of staying long, but the thing I wanted to show you was the green stochastic, it came off the bottom long with the 8,3,3 sto, the first move up with the 8,3,3 sto is wave 1, the 8,3,3 sto then drops back down while the green sto is still climbing long, **This is Stochastic divergence, what happens next is wonderful ! Wave 3 !** almost 300 pips on wave 3, wave 3 is the strongest of most waves out there.

When the 8,3,3 and the 21,10,10 are traveling the same direction together, a strong move is created, PLEASE confirm this with the ADX LONG and the RSIOM going LONG.

Attached Image (click to enlarge)
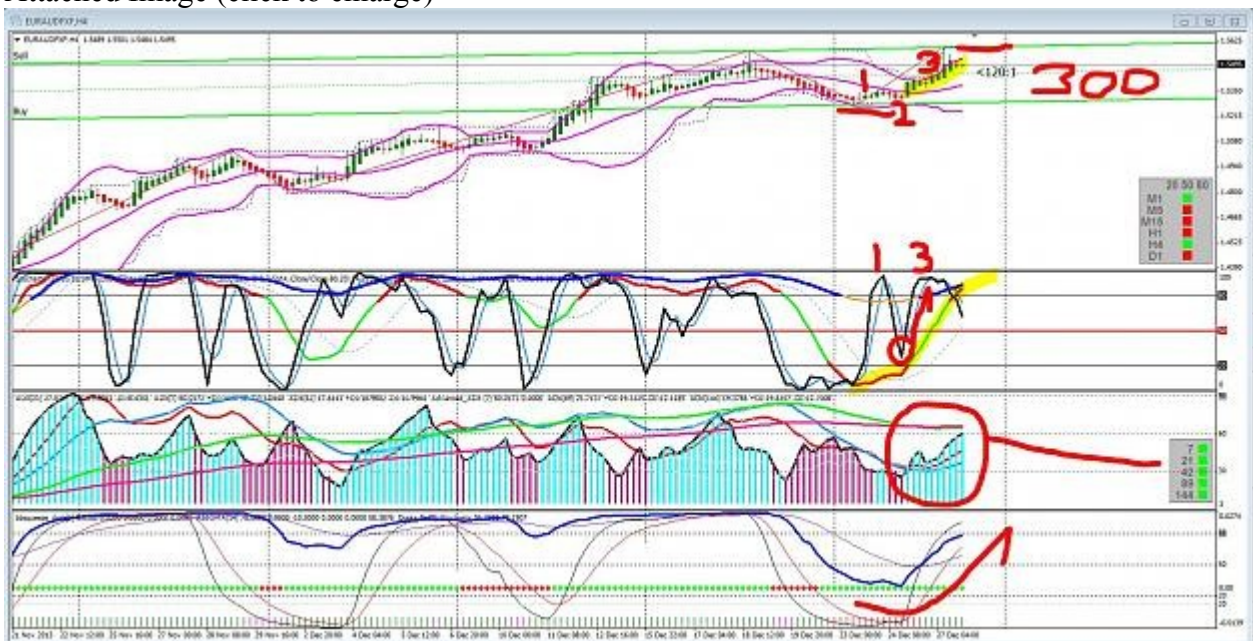
Greetings Alien, Was studying several charts, to get familiar with your system. My view of AU tells me on M, W and D1 trend is still short. But H4 and H1 gives me a unclear view. What is your approach when this is the case with some pair? (or maybe my view on the charts is not ok?)

Hi msiamd,

Great question, something I need to explain more of in the future.

**TIP : I feel it is great to have the month, week ,and day all short, because all you have to do now is just watch the H4**

**you can do one of 2 things**

Keep shorting the tops on the H4 OR wait for the H4 to stay long enough till the daily turns long again.

currently the h4 went short this week, the H1 is also short on wave 3 of the h4 chart.

watch the H4 for a LH OR a HL to find a possible trend change, we will keep posting as the thread develops here, just keep asking or , when I see something great ! I will post it..............

I need to come up with a Kool way to explain the turns of the time frames.

Hi Alien, I saw on some of your charts that you are stacking positions , probably entering small positions on different waves and let them grow with the long term trend. Since I only believe on long term but I ve never tried this approach, what is your feedback using this approach ?

**Alien rides the waves**, This is the reason for trending, trending is because the professionals can find the bottoms, tops, or turns, **as we can**, Alien seems to get in before the larger moves happen as you can see.

Using the TOP down method, you can start to see the larger turns on the monthly, week and daily in advance by looking at the reactions of the H4 and lower as they slowly make their turns.

As in the beginning pages of this thread , Alien shows examples of Price Divergence with the RSIOMA, this is Important to learn as you can get in to the exact reversal with little going against you.

Alien likes to trade using where price can't go anymore, examples to come.................and the one on page 1 is a good one to look at closer............

Now back to your question , we find a daily or week turn, we then find H4 dips for the daily, or daily dips for the weekly to add positions, you can take this all the way down to H1 dips for the H4 . The pros start a position, and add all the way up as the trend goes, every dip where they can see a new bottom.

Using smaller time frames , some of the bottoms come sooner then expected, the M15, M5, M1 may turn in just a few hours , never giving the H1 a chance to fall further , but the RSIOMA and ADX should keep you on the good side.

The other day we had a great example of this , Vspatrick pointed out an EJ trade he wanted to go long on, using the RSIOMA delayed stochastic system on a M15 that had not turned up yet, and he asked if it was too early to get in, and I replied yes, I then proceeded to show the thread how I follow the M5 and the M1 down to the turn long again. We found the bottom being patient like an Alien, not the fast button pushing humans...........LOL

Below is where this conversation started and it is a good one to review, and keep reading forward all my comments as I called the move out before it went to the moon.............This is what the pro's look for, Alien is not a Pro, but a simple Alien looking to succeed at Forex. I think we beat the Pros to that turn by the way...

http://www.forexfactory.com/showthre...=7175300#reply

Retail traders can only see the small waves and counter trend trade against the large trend and they blow up their account, when it's time for the pros to add another pile of money to the trend after the retailers are lulled into an opposite trade because the market is resting before the next big move.

**TIP : Do not counter trend trade when the market is resting and not moving , this is death !**

As time goes on , I will spot these out and we will keep one going and the reasons why..............

USDMXN -

The monthly is mixed near term for the moment .........

The weekly - has the ADX is compressed, all speeds very low and No power, this goes along with the bollinger band squeeze that is happening also, a powerful move is in the cards, it may unwind slowly for a long trend or it may pop long fast, I pick the first idea, and when need to wait for the weekly RSIOMA delayed sto to set up more, 2 to 4 weeks out, but we need to follow the lower time frames for perfect timing.............

Daily is looking good ! RSIOMA and the delayed sto are moving long, the ADX first comes to my eyes as All long and good alignment for a push long. The window 1 with the stochastics shows the green sto just came off a bottom for now, the 8,3,3 is over 80%, this is forming wave 1 in my eyes, the 8,3,3 should pull back to meet the green sto for wave 2 **and the if it turns long again , where both sto's are moving long , we will have wave 3 , which is the money wave !**

H4 - price is coming out of a bollinger band squeeze, **the green stochastic move up is the 8,3,3 sto move up on the daily**, ( this is something else to talk about in more detail in the future, but I made the green sto to mimic the 8,3,3 sto on the next larger time frame so you can see the waves better)

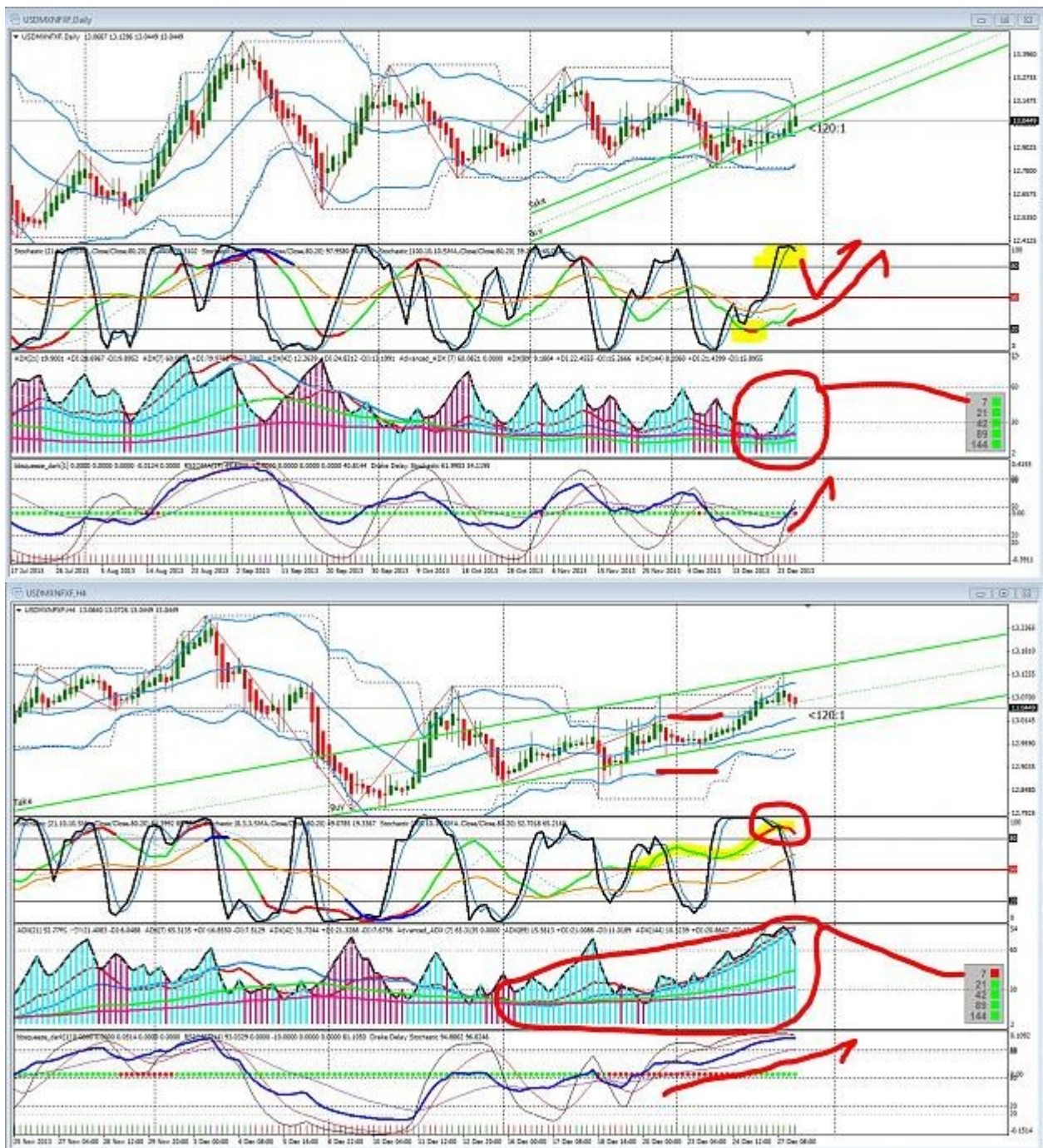ADX is Strong long and the 7 adx is resting right now !

RSIOMA is trending long nicely.............

**TIP: The market is at rest when the RSIOMA stays long above the 80% and the delayed stochastic slowly drops away to the other side of the chart, before the next push long in price action.**

**Nice find Jeff.............**

Attached Images (click to enlarge)

I have a question considering the ADX's, that you may have answered one way or another, but i'm still a bit confused. On how many time frames do you prefer to have rising ADX's? What time frames do you consider important, related to the entry timeframe? If, for example we have an entry on the M15 timeframe, where the delayed stoch has fallen and is now crossing long again, with the RSIOMA still high. Do you consider it important to have rising ADX'son the M15 TF then? And what about the 1H and 4H ? I'm guessing if you are seeing strength on H4 and...

<div align="center">

**UNDERSTANDING THE ADX WINDOW**

</div>

Good Questions !

1. **What time frames do you consider important, related to the entry time frame?** I look at month to H1, time frames............., the Time Frame you are looking to trade, I like to at least look at the one higher and the one lower to the setup Time Frame. But I normally like to see as many time frames traveling the same direction so the trend is stronger. It is good practice to start with the Month and work your way down to the H1, you will then see if you have a trend to follow. Find the examples already posted and follow the new ones to yet be posted and you will get the ah ha moment soon.

2. **Do you consider it important to have rising ADX's on the M15 TF then?** If you do some back testing on the pairs you are interested in, most RSIOMA delayed stochastic trades have the ADX's climbing, at least the lower 3 will climb the 7,21,42,. You need to decide the quality of the trade you are going to take. no adx's rising might give you a few pips, 3 adx's rising might give you 30 pips , ALL the ADX's rising will give you 50 pips and beyond. learn to grade your trades. do you want to take a grade C trade or a Grade A trade ? in time you will learn the suttle differences you can get away with , but when all the rules are in place, your trade will go well.

3.**Do you consider it important to have rising ADX's on the M15 TF then?** yes

4. **And what about the 1H and 4H ? I'm guessing if you are seeing strength on H4 and H1 you would try to buy the bottoms on the M15?** yes .

**But do you enter only if you are seeing rising ADX's in the M15 at the same time?** if you can find the bottom of the M15 using the RSIOMA as I did a few days ago, no you don't need the ADX's to be climbing, but they will climb in time if the M15 , H1 and H4 are all long............

The ADX's all climbing is the safest trade to take, this is not to say there are other ways to trade this and still make pips. Sometimes price will scream and our system will not give us a clear setup, then we stand aside and let the pips go by..............
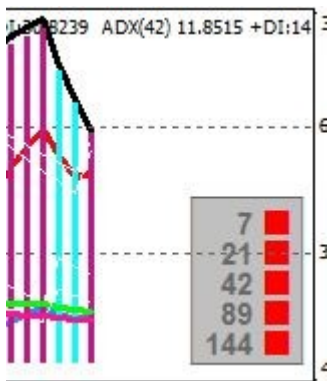
     [Quoting buytosell](#)
     {quote} Hello forexalien, kindly , how do you interpret each green and red of ADX
     (7...144) on dashboard? {image}
     Ignored

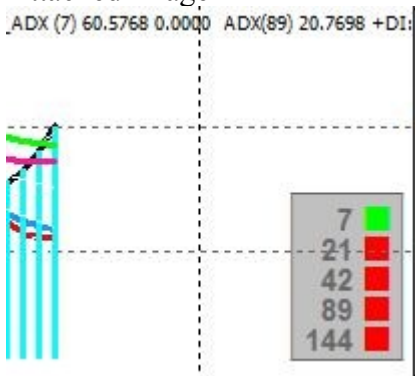Here is detailed use of ADX dashboard,

All red , no power or momentum behind the move....... all adx lines are falling away to earth.........

Attached Image

7 green only, could be the start of a new direction change as all the others are falling to earth still

Attached Image



It's important to say that red (or falling) of ADX doesn't mean Short ...

all red and momentum is dead

7 or 21 green the possible start of momentum while 42,89,144 are still red

7,21,42,89,144 is strong momentum when they are all green or climbing

7 or / and 21 red and 42,89,144 are still green means that price is resting short term **but the momentum is still strong longer term** and to stay in the trade.

the last bar on the advance ADX histogram will give you price direction, red for sell as in this example or green for buy............

Attached Image
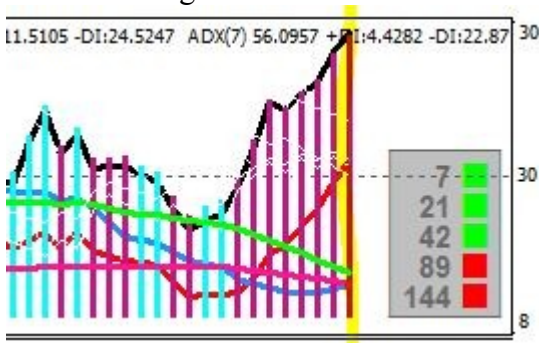
7 is a primary number in math.. 3 times 7 is 21

21 is a fibonacci number and I doubled it to make 42

42 is about half the distance to 89, to fill in the void..

89 and 144 are fibonacci numbers

I have found if you watch these ADX speeds cycle up and down , you can count the waves and know there might be another push long or short. The ADX 89 and 144 will also tell you to stay the trade if they are still climbing....................

Alien's way of thinking is all.................

## THE DELAYED STOCHASTIC WINDOW

Here is a explanation of how the delayed stochastic works.

The delayed stochastic moves with price during the resting periods, and that is away from the trend because it is resting or people are taking small profits and then when it finds the bottom it turns back torward the trend for a trend continuation move.................

A resting period is also a bollinger band squeeze most times.

**TIP: The green stochastic also is turning back long with the delayed stochastic signifying that the bottom has been found, so the trend can now continue long again, as the ADX has already been doing.**

The trend is confirmed with the RSIOMA being in the 80% or higher in this example.This should be my clearest explanation for this yet.............

Thank you all for your patience, as Alien is learning to communicate clearly with the humans on earth..............

Attached Image (click to enlarge)
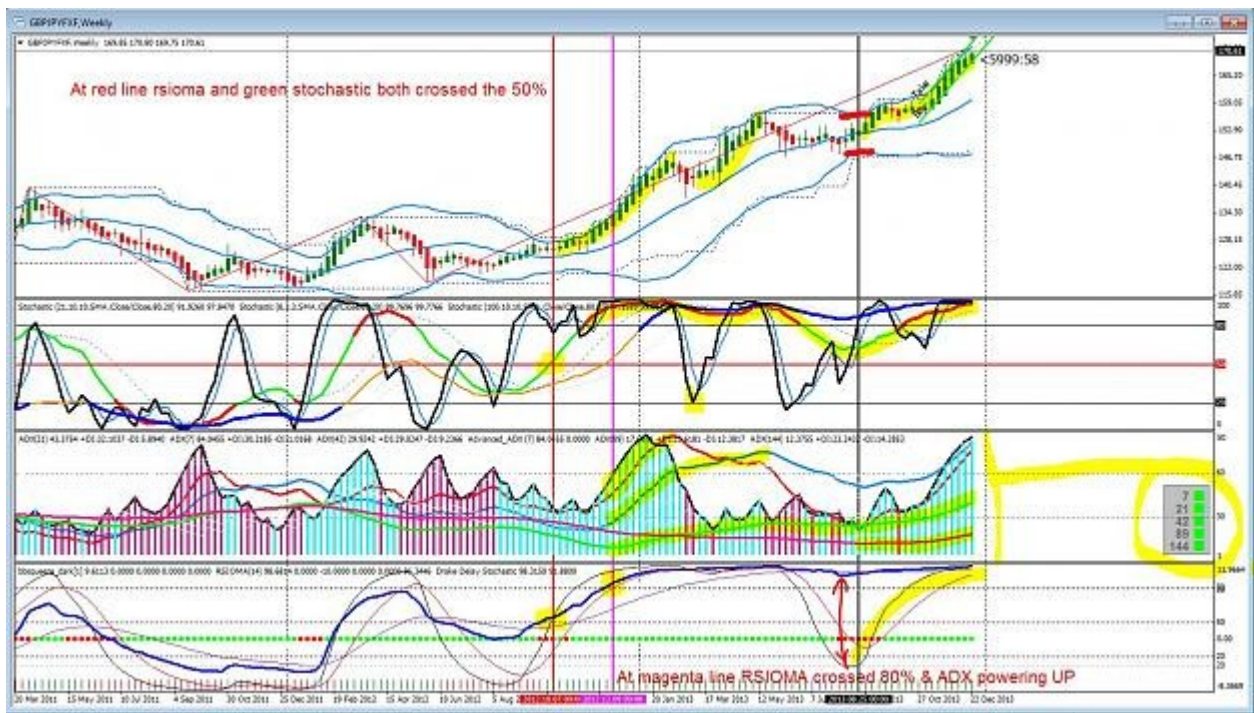
Train your eyes to look at these items first ................

Bollinger band squeeze,

RSIOMA divergence to the delayed stochastic and the distance between them,

Is the GREEN stochastic flat and turning long again ?

Is the ADX picking up momentum ?

It should only take you 15 - 20 seconds to look at these items on a chart.

If you are only looking at the month, week, day, H4 and H1 charts of each pair, you could look at all time frames of each pair ( approx 20 ), in about 35 minutes if your charts are all loaded. now you may want to study them a bit closer and it would take you an hour each day, or lose 10 pair and you are back to 30 minutes a day to look for swing trades.

Attached Image (click to enlarge)

Wanted to post this one setup I (think I) see before heading off to the sack .. USDMXN Weekly and monthly ADX looks like its setting up for a strong move to the upside they have all come down and are at historically low levels. I have posted the full monthly so you can clearly see the 20 year trendline it seems to be holding, the lower TF's don't seem just there yet but this could have a potential upside target of ~2000 pips for a retest of the all time highs at 15.5 or even up to 18 from the measured move of the wedge on the Monthly. The wedge forming...

My Alien mind keeps going back to when we see a wedge as in jeffmichaels example.

We had one in EJ and of course UJ driving EJ ,


**TIP: These resting wedges of indecision, point to the bollinger band squeeze, and are a leading clue that we are going to have that next BIG move.**


By looking at the indicators we have on our Alien System, we will be able to in advance, see the direction of the breakout !

Attached Image (click to enlarge)

In review, I will pick some less common pairs , Daily only, and go over them for mind reinforcement for the thread followers..............

Top down, I will point out what I notice, and you should do the same to keep the direction of thought the same..........

1. Bollinger squeeze with a wedge break out starting to happen

2. Green stochastic has been flat and is turning long again, the 8,3,3 sto is in the 80%

3. Adx's all 5 are powering up with momentum, the wedge seems to be a wave 1 , in itself and and wave 2 is a pull back and wave 3 is now the money wave going long.........

4. RSIOMA is long and above 80% and the delayed stochastic is giving us signs of turning long again........

Attached Image (click to enlarge)

Top down, I will point out what I notice, and you should do the same to keep the direction of thought the same..........

1. Bollinger squeeze early this month, we missed because this thread is only 9 days old.............

2. All stochastics long , in the 80%, the 8,3,3 stochastic I will sometimes place a trend line under the lows to see how many time it will do this...........

3. Adx's all 5 are up with momentum, the 144 adx has a strong climb at this time......

4. RSIOMA is long and above 80% and the delayed stochastic is staying long........

Attached Image (click to enlarge)

Top down, I will point out what I notice, and you should do the same to keep the direction of thought the same..........

1. Bollinger squeeze forming

2. All stochastics long , in the 80%, the 8,3,3 stochastic I will sometimes place a trend line under the lows to see how many time it will do this...........

3. Adx's all 5 are FLAT , NO POWER OR MOMENTUM

4. RSIOMA is long and above 80% and the delayed stochastic is staying long........

**One of 2 things will happen with this pair..............**

1. the RSIOMA and the delay stochastic will fall together for a retracement or reversal **or**

2. the Delayed stochastic will fall away, while the RSIOMA stays long for another move long...........

this market is at rest and should not be traded..............

Attached Image (click to enlarge)

Top down, I will point out what I notice, and you should do the same to keep the direction of thought the same.........

1. Bollinger squeeze early this month,

2. All stochastics long , in the 80%, the GREEN sto has turned back long !

3. Adx's all 5 are up with momentum, the 144 adx is starting to climb at this time......

4. RSIOMA has turned back long and above 80% and the delayed stochastic is also turning back long........

Attached Image (click to enlarge)

Top down, I will point out what I notice, and you should do the same to keep the direction of thought the same..........

1. bollinger squeeze early last month,

2. all stochastics long , in the 80%,

3. adx's all 5 are up with momentum, the 144 adx is starting to climb at this time...... **I like the sweeping looks of this ADX fan ! wave counts are in there also..**

4. RSIOMA is long and above 80% and the delayed stochastic is also long........

Attached Image (click to enlarge)

Top down, I will point out what I notice, and you should do the same to keep the direction of thought the same..........

1. bollinger squeeze early last month,

2. all stochastics long , in the 80%, **and the 8,3,3 is going back up, this also is another form of a rubber band trade.**

3. adx's all 5 are up with momentum, the 7 and 21 adx are shown resting in the dashboard, but long on the lines , because the broker is closed yet in this example, this does not happen often, and the other indi's tell you long anyway.

4. RSIOMA is long and above 80% and the delayed stochastic is also long........

Attached Image (click to enlarge)

**Here is a sit on your hands trade...........**

**This will show you what not to trade...........**

1. Bollinger squeeze right now

2. Stochastics are a little bit mixed here, hanging around the 50% mark, just turned around, price action is not moving far.

3. Adx's 7,21,42 are showing down trend , but it is not a very strong one, the trending adx's 89 and 144 are flat telling us not to trade.

4. RSIOMA is flat and hanging around the 50% mark with no true direction in sight and the delayed stochastic just turn down, BUT with the RSIOMA in the middle of the chart , we have a sit on our hands trade........

Attached Image (click to enlarge)

GBPUSD Looks like a slingshot RSIOMA setup coming up on th H1 , hanging on to a trade from last week there, I may want to add to it. Looks a little to early though still imo. D/W/M all long with expanding ADX, H4 also long but ADX 7 turning down , and ADX 21 slowing down. {image} Took a pretty big (relative to trading hour) turn down on the M1 while writing this, im keeping my eye on this one. today

The H1 looks good , it is shaping up but not ready yet.

While you where writing this, the M5 was ready to move down and the M15 is setting up for a RSIOMA delayed stochastic drop also.

This is required for the H1 example you gave to fall and complete the set up.

**TIP: The delayed stochastic moves against the trend before a trend rebound happens.........**

the example below is the pound dollar, as you were writing this the m5 fell at the yellow area,

the M15 is setting up for something, a drop it looks like - the RSIOMA is below 50% and the DS could sling downward, completing the drop in the H1 DS,

**The rule is for the H1 RSIOMA to stay above 80% or below 20% when the DS turns long or short again. the H4 supports the H1 trade that is setting up for another long...........**

The M15 is not a great trade setup with the RSIOMA near and below the 50% line.

Keep in mind this is new years volume.............

Attached Image (click to enlarge)
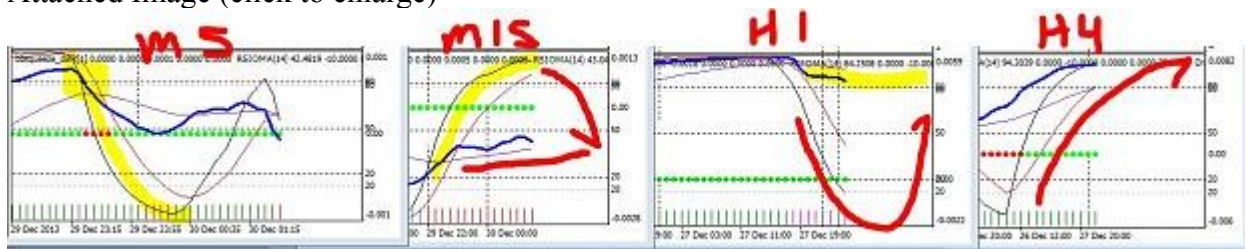
Hi Alien, I noticed almost your setups are regarding long trades. **Could you find some examples also of how you spot short trades?** Thk

This is not a current trade , but one of our other traders got into trouble with this pair.

I will look for current setups for short when I can find them..................

1. Train our eyes to look for the bollinger band squeeze first, is it there or not ?

2. Look at the direction of the green stochastic, which direction is it traveling and is it above or below the 50% line ?

3. look at the ADX lines, how compressed are they ? **This is a great example for ADX compression of ALL the ADX speeds,,,,,,,,,,,,,,,,, A big move is near when you see bollinger and ADX compression.....**

4. RSIOMA and DS are in the 80% area and are falling, the DS fell first, the green stochastic was already on it's way down, the ADX exspanded 3 bars or 45 minutes in advance of the move, so you had plenty of time to see it if you are looking at this pair.

5. wait for the 42 or 89 adx to turn down and trade is over..........!

**As far as the price action going the other direction long , there is no good entry to the long retracment, but if the stochastics stay long in the 80% area and climb fast, along with the RSIOMA climbing with the DS leading it , you might have a chance at it , but no guarantees what might happen. I did not look at the other time frames around this M15 to see if there was something that wold make this quick come back. I just let the pips go by.............**

Attached Image (click to enlarge)

GBPUSD Looks like a slingshot RSIOMA setup coming up on th H1 , hanging on to a trade from last week there, I may want to add to it. Looks a little to early though still imo. D/W/M all long with expanding ADX, H4 also long but ADX 7 turning down , and ADX 21 slowing down. {image} Took a pretty big (relative to trading hour) turn down on the M1 while writing this, im keeping my eye on this one. today

M15 , M5 , M1 are looking for a bottom still, for the H1 to go long with the RSIOMA DS trade , keep an eye on the RSIOMA, it might drop out of the 80% area. The trade will still be good , we just won't get many pips..............

Keep and eye on the EJ H1 RSIOMA DS to turn long again, look for bollinger squeeze, green stochastic to turn long and all adx speeds to be long with momentum.

Attached Image (click to enlarge)