

Looking for Support and Resistance Levels

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<http://www.forexfactory.com/showthread.php?p=7298579#post7298579>

Once you have set this up on each chart, it takes a minimal amount of time to maintain - at the end of each week review the chart and see if there is any justification for moving levels / adding new levels.

Chart 1 - start with a blank chart on candlesticks and go to the weekly chart for the pair you are setting up and zoom all the way out - this chart is GU

Chart 2 - switch to Line Chart and look for key prices where you see pull backs / stalls - Use the crosshair to check for multiple price points - the more times the price level is hit, the stronger the S / R level - add Horizontal Lines and depending on your preference, either choose a thicker line or a particular colour for the strongest levels / Historic High / Low. Big Round Numbers (BRNs) also often make for stalling points for PA. 0.5000 1.0000 1.5000 2.0000, etc and often 0.750 1.2500 1.7500, etc The BRNs can be a different colour. At this stage don't put too many lines otherwise everything becomes an s/r level and it will be too confusing.

Chart 3 - start to zoom in and revert to candlesticks and verify / fine tune your levels. On the weekly chart I will look to put levels at reversals / candlestick closes.

Chart 4 - zoom in one more time and finalize your fine tuning

Chart 5 - switch back to the day chart and you should be set up to show the weekly support and resistance levels along with your standard indicators

Chart 1

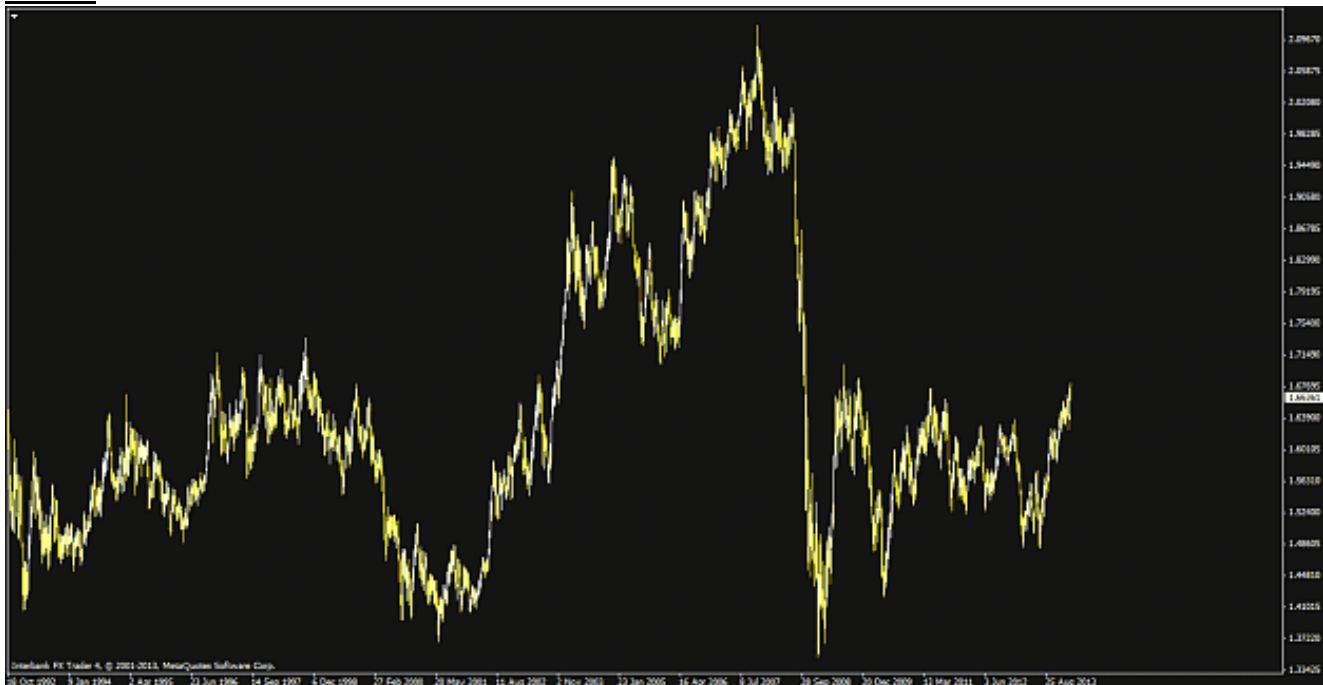


Chart 2



Chart 3



Chart 4

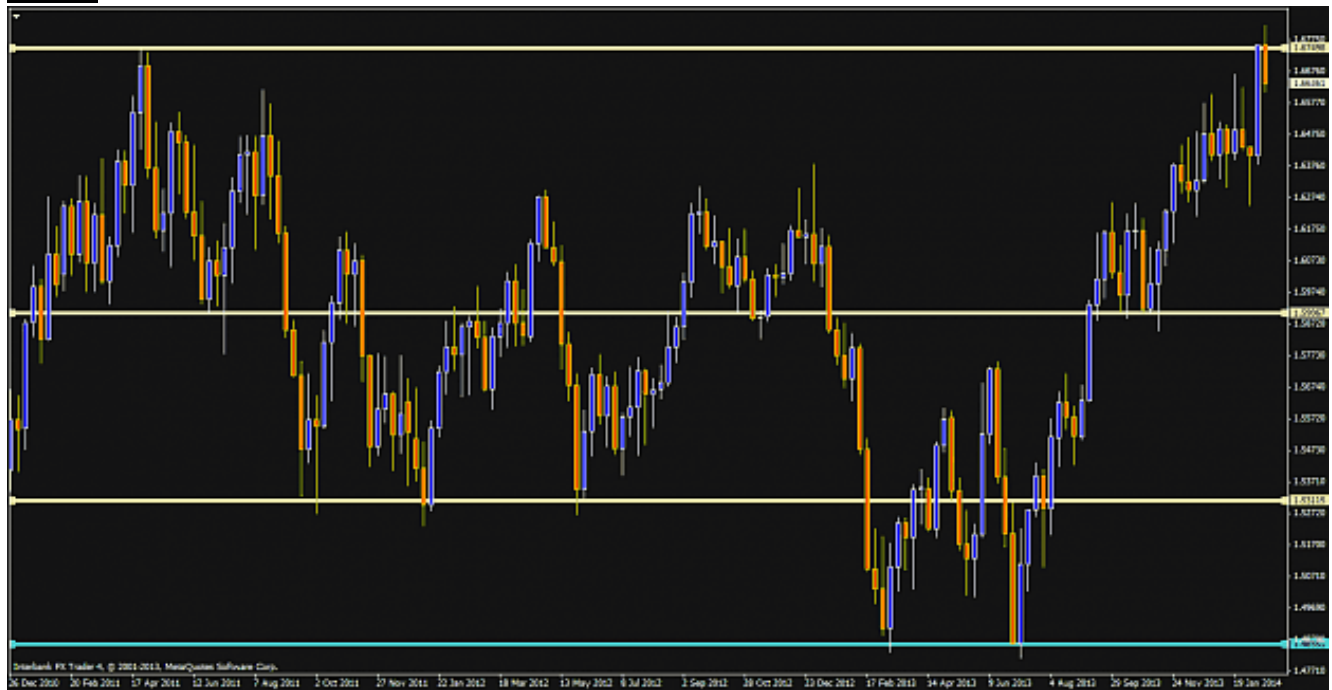


Chart 5

