

Supply/Demand + Trend Trading

SUMMARY

Tools:

- CCI
- Stochastics
- RSI
- Trend Indicator - SMA's 30, 50, 100
- Keltner Bands
- Market Profile tools

Time Frames:

- 1 Day
- 4 Hour
- 1 Hour
- 15 Min
- 5 Min

RULES:

STEP 1: Identify the trade

- Identify a possible trade setup on the **SETUP CHART**, ensuring the 50 SMA & 100 SMA are pointing in the same direction for a minimum of 30 bars.
- 50 SMA has to be above/below the 100 depending on the trend.
- The 30 SMA can be near or just crossing the 50 SMA, but not near the 100 SMA.
- Identify price on a specific time frame pulling back from the trend to the point where price could start to reverse back into the direction of the trend. Use one or more of the techniques describe in the full trade plan document.
- Make sure price action on a higher time frame will not hinder your trade setup.
- Check for any fundamental news releases.

STEP 2: Entry Identification

- Identify the price pattern on the Setup Chart, or if trading a Trend Swing pattern, identify the entry on an Entry Chart.

STEP 3: Stop Placement and Targets

- Prior to entering the trade workout the possible Target Price Points.
- Next, workout the correct **Stop-Loss Placement**.

STEP 4: Final Checks

- **Risk/Reward:** The last check before receiving the green light to enter a trade is to check that the trade has a good enough Risk VS Reward ratio. Minimum of 1 to 2 is a must
- **Account Capital at Risk:** Once you have identified your Entry, Exits and Stop-Loss price points, you must ensure the amount of money you are risking on the trade is not greater than 3% of you entire trading account.