

X-Man's *Super Simple System* (S₃)

<http://www.forexfactory.com/showthread.php?t=327972>

Posts of PHX62



Chart 28, 29 Nov 2011

If I may, let me explain my reasoning for the entries you see on the charts posted by X-Man (post 431). I only trade the EU on the H1 chart during the London session. I do not watch or check any other time frame when I am trading the H1.

Trade 1 (11-28). The red candle prior to the entry candle actually moved about 20 pips up and left a long wick below it during the hour before I entered the trade. In my opinion, that became the set-up candle even though it did not turn blue. The TDI had crossed at the close of the red setup candle, so I entered. I was shooting for a 100 pip TP but exited after PA pulled back.

Trade 2 (11-28). Same scenerio as the first trade....the blue candle prior to entry tested the high of the day and failed to break it. PA then moved away from the previous high by about 20 pips during that hour and left a long wick at the top. Again the TDI crossed down and the entry candle turned red, so I entered the trade with a 50 pip TP, which was hit.

Trade 3 (11-28). Following the close of the first red candle and a cross of the TDI, plus knowing volume increases at the opening of the London session, I entered the trade. It moved about 28 pips in my favor and then reversed. I closed it at breakeven.

Trade 4 (11-29). On the close of the first blue candle and cross of the TDI, I tried several times to enter a trade but due to volume (from GBP news), the trade was not opened until the third or fourth try. It reach the 50 pip TP

quickly.

Trade 5 (11-29). Again following the cross of the TDI and the seeing the long upper wick on the third blue candle of the session and taking into consideration it failed to reach the high of the candle before, I entered as the candle pulled below the blue and turned red. This trade was successful as well, even though I was unable to monitor it.

Regards

POST 755 Page 51

Last week was a very busy week for me, without much sleep, but I still managed to get some good trades in. I had already posted Mon & Tues trades. No trades on Wed, Thurs PA was ranging and took a long time to reach profit but Friday was a good trading day....lots of pips. The trading plan is simple and it works. You have to trust the TDI crosses and watch what PA is doing. Thanks to Big E for showing me the system and X-Man, keep up the good work.



Chart 28 Nov – 2 Dec 2011

POST 765 Page 51

I had moved my stop to -20 and if it had retraced to that point, I would have been taken out. Most of that retracement was above my entry. It didn't come all the way down and I finally got the 50 pips.

To me, the most difficult part of trading has been to master the psychological part of it....not hanging on every tick.....not able to accept losses.....giving your trade room to breath.....not exiting too early....etc. It has taken me a long time to accept that we cannot will the market to do anything and sometimes it will take you out no matter what you do. The only way to succeed is to develop your own trading plan that addresses money management and what you will do in any situation, as PA develops opportunities to enter. Determine under what conditions you will enter and do the same for your exits. Each trade will present it's own situations. Study old charts, demo trade, trade small live lots and then put that plan into writing and refine it over time. Eventually you will have a plan that will make you successful (when you stick to it).

Took 2 trades today....the first one was a lesson in patience....it went up 46 of the 50 pips I needed and bounced around but it finally hit my TP about 8 hours later. I did not monitor the trade after moving my SL to BE....otherwise I probably would have exited for a smaller profit. One thing I have noticed is that when the TDI red line is sloping up at a good angle, many times the green line will bounce off it or cross slightly, then cross back over and continue in the same direction as the red line.

The second trade was just the opposite.....a cross of the TDI, entry on the opening of the 2nd candle and a quick 50 pips. Overall a very good 100 pip day.



Chart 5 Dec 2011

FYI Be very cautious with your TP and SL for the rest of this month. Many of the "big boys" take two or three weeks off around the end of the year and go on "holiday." As a result, PA suffers and the pairs don't move as much. I have reduced my initial TP on the H1 EU from 50 pips to 40 pips for the rest of December. I may reduce it even more if the PA is slow or trade the M15 chart for 15 or 20 pips at a time. I got in on one H1 trade an hour after the London Open, for 40 pips today.



Chart 6 Dec 2011

I took the same two trades on EU today that you did.....exited for +60 pips following a pullback on the first one. I entered that trade like you did, after the pullback candle, but I waited for the next candle to retrace and when it pulled down again, I entered. On the second trade, it just hit my 40 pip TP and doesn't look like it is done yet, but I am.....another good day!!!



Chart 7 Dec 2011

Two trades today...first one didn't move much....closed on weak PA and a pullback. Second trade was taken on the pullback of the news candle and long wick of that candle. Entry was made after PA pulled past the close of the previous candle and exited with +80....from the posts above, many of you took some pips on the same pullback move. Good job!

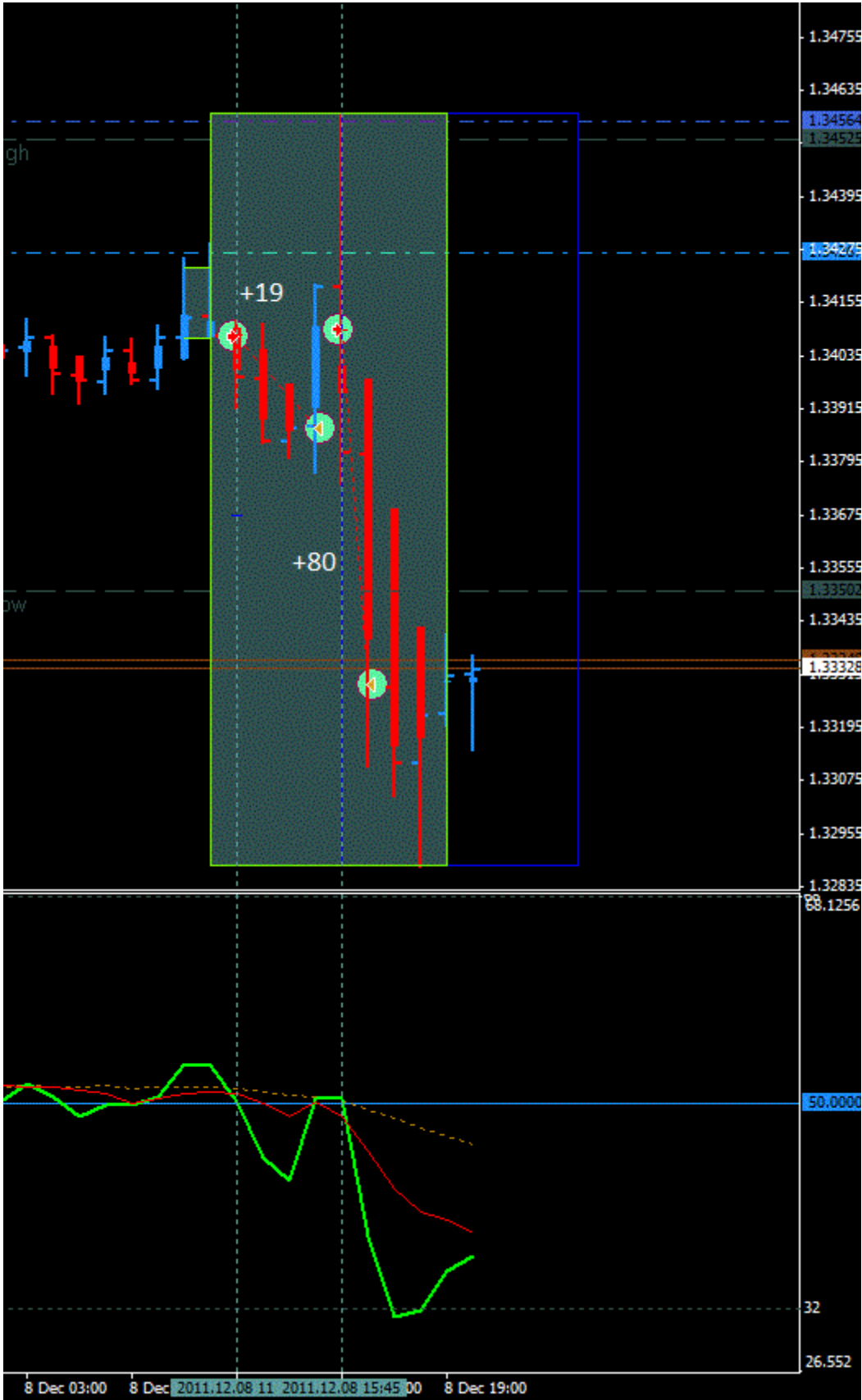


Chart 8 Dec 2011

EU H1 London session

Some very nice PA during London. Two trades...first one....entered after London Open candle moved past the high of the previous candle, with a TDI cross and change of color....went straight up to the 100 TP.....original TP was 40 but I moved it to 100 and moved to BE at about 32 pips in.....second trade...entered as the candle changed to red following a pullback of the two previous candles.....a very good day and a very good week after thinking PA would slow down for the rest of the month.



Chart 9 Dec 2011

First...I only trade the EU H1 chart during the London session and I have spent hundreds of hours studying and learning how Price Action moves for that pair, at that time of day.....during news...during low volume...during high volume....etc. Occasionally I will trade NY on the M15 chart but my pips are basically earned on the H1 chart. I enter most of my trades with a 50 pip TP and a 50 pip EMERGENCY SL because on this pair, a TDI cross during London will normally move 50 to 80 pips before it retraces or reverses. Other pairs move differently....even the other two amigos. The 50 pip SL is in case my computer system goes down or the broker feed is interrupted, etc. I adjust my TP & SL as the trade develops. Seldom do I lose more than 20 pips on any trade. Trades need room to breathe...they move up and down a few pips constantly and you don't want such a small SL that you get taken out and then watch price go for 50 or 100 pips in the original direction. If a trade is moving quickly in one direction, I will extend my TP to 100 or 200 pips. If it retraces 20 or 25 pips after I am in profit, I will usually exit with what I can get. I also use a management EA when I can't monitor the trade which moves my stops up to 5 pips below the previous candle. Hope this helps.

Here is my chart for the trade. I entered on the break of the triple bottom resistance (white line) and a bounce of the TDI shortly after the Frankfurt Open. The candle that looked like a pullback on a double bottom came back down....so no pullback yet.



Chart 12 Dec 2011

Sunday night....took two trades.....both on the break of the double/triple bottom of the previous candles....looking back I could have stayed in the 2nd one longer but PA kept pulling back before resuming the downtrend and I was not available to keep an eye on it.

Last night....entered on a long that pulled back and did not go anywhere...out with +10.....2nd trade entered on a break of yesterday's low....got out as it pulled back.....like the second trade yesterday, in hindsight could have stayed in longer but had business responsibilities, so I closed it for +69. Three of the four trades had TDI confirmation and the fourth (the +30 one) the red and green lines were both sloping down and crossed in the right direction. 159 pips in the bank for 2 days is a good thing!!!



Chart 12,13 Dec 2011

Two trades today...1 for a small loss. The LO faked me out again even though I knew we are in a downtrend.....didn't stick to the trading plan....cost me a few pips. Got them back on the second trade but not much there.

For the rest of the year, I will be following Smokey's advice....carefully looking for smaller trades on the M15....nothing less than A+++ trades.

Happy Holidays to everyone and success in the year ahead!!!



Chart 14 Dec 2011

One thing I see over and over is that many traders try to trade when it is convenient for them, not when the market is moving with good volume. It has been my experience that trading late NY or Asian sessions will cause me to lose pips overall instead of gaining them, even on the lower time frames. That can apply sometimes to any session. I have not studied your particular trades or entries to know if this applies to you, but some of the charts posted in this thread show trades taken when there was no volume or trend or break of S&R....then the question almost always is "Why didn't this work? I had a TDI cross." One of the components of successful trades is that there must be some direction and momentum in the price action....the fastest way to tell if there is momentum is by the size of the candles and location of the wicks. The longer the candle with little or no wick on the back end, the better the momentum. Once you begin to see that and begin to enter when momentum gets stronger, you will get a feel for anticipating that move and sometimes get in at the beginning of the movement. If you study the London session, you will find that most of the time, the high and the low of the day are set in that 9 hour time frame and usually with a 4 to 8 hour trend in one direction (with some small retracements in between). Every trader should be able to pull 30 or 40 or 50 pips on the H1 time frame from one of those London session trends that normally goes for 120 to 180 pips in one direction. The good thing about the TDI is that it usually gives us a heads up when that London session is going to begin a move. Even if it fakes us out once, it usually will reverse and trend in the opposite direction for 4 to 8 hours. All this is based on my experience with the EU pair....other pairs may act differently. Just my 2 cents worth.

Found an A++ setup about an hour into the London session on the M15 chart.....entered on the open of the 2nd red candle with:

1. The TDI crossed down,
2. The previous candle pulled back from the high and closed lower,
3. The first red candle formed following a nice 10 candle move up,
4. Stochastic agreement.

On the M15, stochs give an additional confirmation that the TDI cross is going to stay crossed, especially if the stoch is coming out of an overbought or oversold area. For more info on this look at the last 2 threads started by Eelfranz.

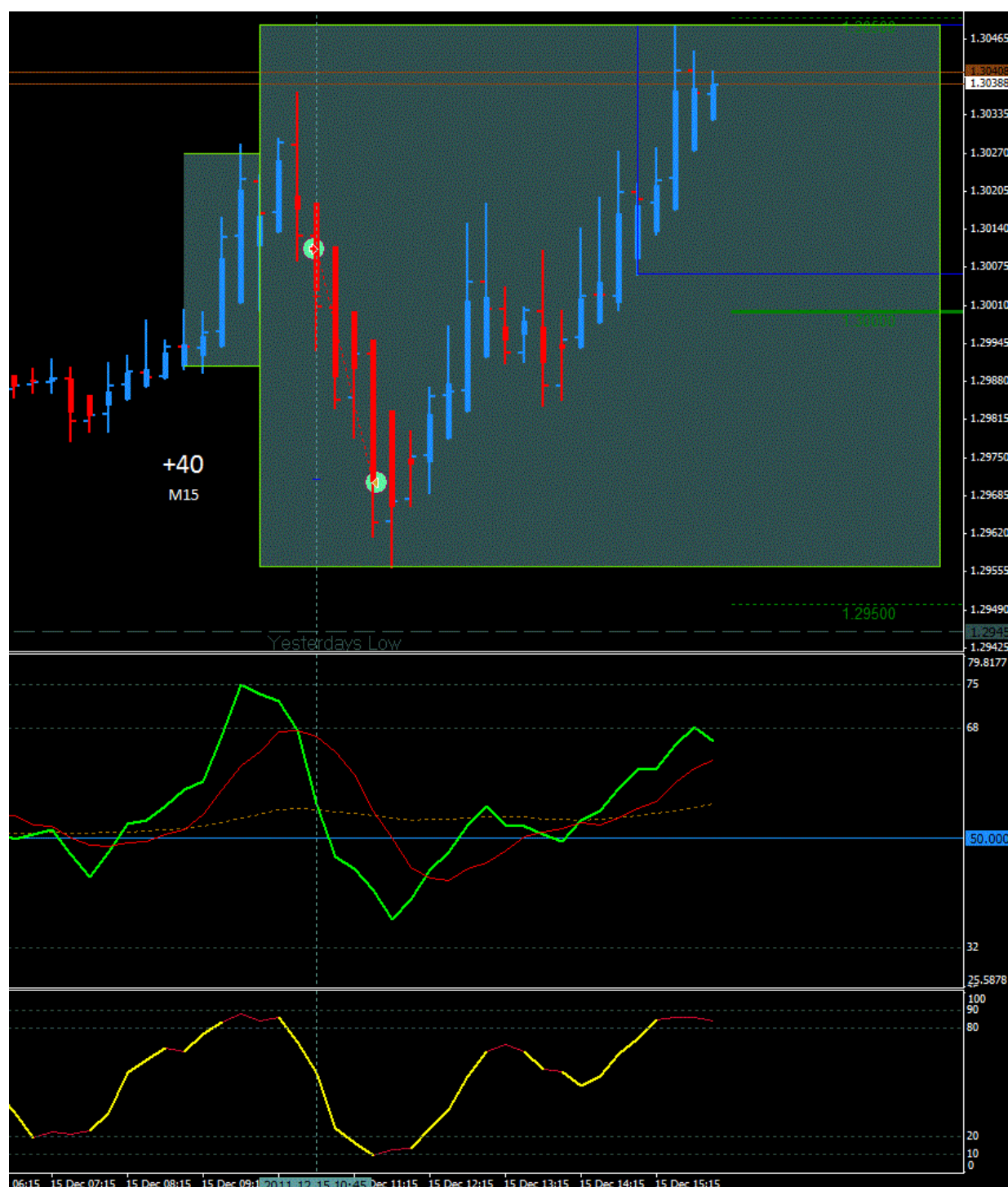


Chart 15 Dec

Below are two charts.....one that you posted and one that I posted covering the same time period. I drew a couple of lines on your chart to show possible entries and added the total number of pips it moved from those entries.....my chart shows actual entries on both of those moves....obviously I did not get all the pips in the move....no-one can pick the bottom of moves consistently. My suggestion is that when you backtest, you mark your ENTRY on the chart, not just the place where the reversal came. I found it good practice for making actual entries and it helped me not to hesitate when the entry was there. The earlier you can successfully enter, the more pips you can gain.





Chart 12-15 Dec 2011

Had some fun this morning scalping the London session on the M15 at every cross of the TDI.....just an experiment.....took 5 trades....total of +108 pips gained.....only used 1/2 lots since that time frame can reverse on you quickly.....exited the biggest trade after price failed to break the high of the session three different times. Two trades ended at break even.



Chart 16 Dec 2011

I entered each trade on the M15 with a 20 pip SL and a 20 pip TP. I moved my stop to BE at about 10 pips into profit. If the candles are long with no wick on the back end, I remove the TP and exit manually at the point I decide the trend is exhausted or is reversing. Big E used to say he expected 3 to 8 candles in a row on a change of candle color and TDI cross. Today, during London, that proved to be true in every case. The least number was 4 in a row and the most was 8 in a row before the candle color changed. That can only give a trader the confidence to earn some pips when the TDI crosses and candle color changes.

Three days this week....three good trades on crossover of TDI after London opened. Entered following a break of the previous candle high or low. A little safer entry with good results.
A good start to the new year.....Happy New Year.



Chart 3, 4, 5 Jan 2012

Did not trade yesterday and only had one scalp trade on Monday. Today did present a good opportunity for a short trade. I could have gotten 80 or 90 pips on that trade today but I did not like the pullback on the second candle following entry. +71 pips is a good day in anyones book!!

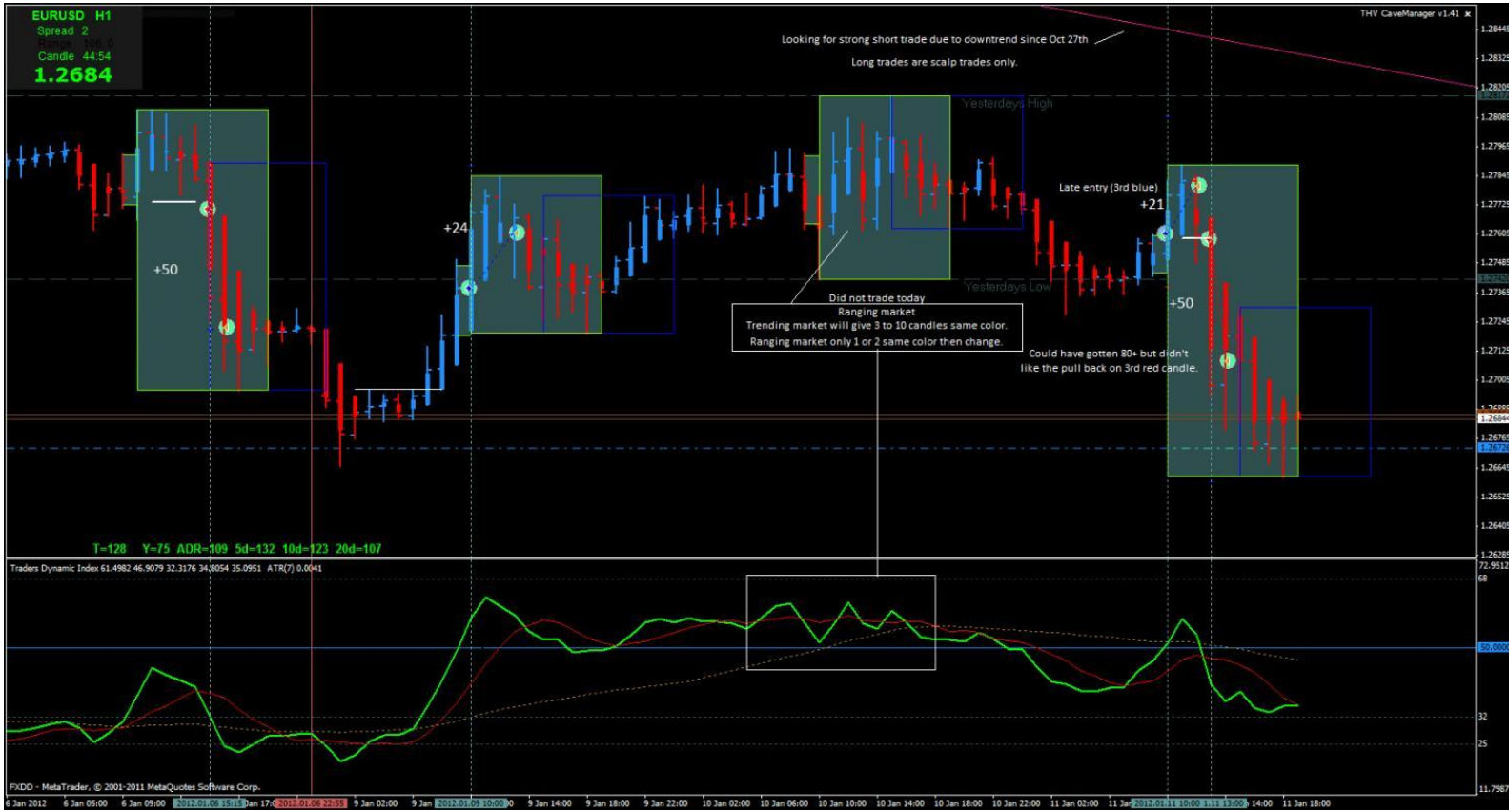


Chart 6-11 Jan 2012

I had two good trades today based on the old system of PA confirmed by the TDI, even though I traded toward the first daily downtrend line. Big E's TDI system, with a couple of tweaks like waiting for a HH or LL of the previous candle, watching for pullback candles, etc., works for me.

If I get a signal, I often enter on the 1st or 2nd candle following LO. I always monitor that period carefully, in case it is a LO reversal and if there is, I usually break even...sometimes + or - a few pips. If there is momentum (price action), I enter on the APB color changes and TDI signals during the London session on the H1 chart, with good success.



Chart 12 Jan 2012

I entered trade #1 as a 20 pip scalp trade during the Asian session on a break of yesterdays high (only because there was no volume the day before due to the US holiday). When it move strongly up, I moved my stop to 100 and moved my SL to breakeven. I then trailed behind each previous candle by 5 pips. Ended up hitting the 100 pip target.

Trade 2 was taken following the break of the previous candle....new candle tested high and then turned red with a cross of the TDI.



Chart 17 Jan 2011

This week has trended up but it has been choppy and lots of movement in the Asian session which I seldom trade. I did get in a good Asian trade on Tuesday, as explained in a previous post. Other than that day, nothing to write home about. It is very difficult to trade candles that have wicks at both ends....lots of fake outs. Maybe next week will be better.



Chart 16-20 Jan 2011

Traded the EU H1 following London Open. Watched PA move down and set what turned out to be the low of the London session, then waited for a break of the Asian session high before entering a long trade. If the first candle had continued down and the TDI had crossed down, I would have entered a short order. The TDI green was already crossed up over the red line and was about to cross up over the yellow line. A very nice 9 blue candles move up of about 170 pips for the session. I was able to capture 118 of those pips after PA set a new high and then pulled back.



Chart 23 Jan 2012

So my question is when do you move your SL to BE+1 and when not?

.....I usually will only move the SL after the trade has moved 30 or more pips into the positive. Sometimes, I will just leave it at 50 pips. Only on one or two occasions has PA ever come back from + 30 to take out the SL. If it does, I know I have made a poor decision or missed something in entering the trade in the first place. If I enter a trade and it does not go 25 or 30 pips in my direction and then reverses, I will usually close it out manually at -20 to -30 pips and not let it hit the SL. Trades need "room to breathe". I know two traders who never move their SL. They either hit the TP's or the SL and they are both profitable traders.

POST 3083 Page 206

Three trades today.

The first one was taken long on a break of the Asian session high, but without a good signal from the TDI (also against the rules of my own trading plan) but I took a shot on news releases moving PA strongly up. Out at BreakEven on that trade.

The second trade was taken short by the rules and a cross of the TDI....good for the +50 TP.

The third trade was taken long, also per the rules and a cross of the TDI. Closed it manually for +40 at the end of the London session with volume slowing down.....could have hit the +50 if I had stuck it out.

Patience is the name of the game when monitoring the H1 trades. Still happy with +90 for the day.



Chart 23-24 Jan 2012

Like many of you, I entered a short trade on the break of the Asian session low....exited on a pullback for +61 pips.

For those of you who are struggling to make positive pips....I have been down that road. Spend the time to study old charts and watch the ebb and flow of the market. Learn and understand how the market moves. Then test your methods on a demo account until you can get your emotions under control and can set realistic stops and profit targets based on what you learned. You cannot be successful if you exit for a loss every time the market pulls back on you 15 or 20 pips. Trust whatever method or system you have tested and that works for you. Big E's TMS system works for me. X-Man's S3 system works well also. Find one that works for you. Put all that into a written trading plan and then just follow that plan. The more simple and price action based that plan is, the better the results will be. With learning and testing, you can become successful in trading. It just takes lots of work and due diligence to get there.



Chart 25 Jan 2012

how have you analyzed the candle (at 11 hours) was not good for long? at the beginning of this hour, it yet broken up, the range of the Asian session.

Several reasons.....first, I am always wary of a fake out at the beginning of the London session and second, there is a strong resistance (blue line) that had turned back price on the previous two days. I needed to see that resistance area broken to enter a long trade. As you may have noticed in an earlier post this week, on Tuesday I tried to go long and price was rejected after moving up 20+ pips or so. Third, the pattern of the Asian session the day before was very similar to the pattern today. Once price broke the low of the Asian and the TDI had crossed down at the open of the red candle, I knew there was a good potential that it would continue. When the TDI crosses on the H1 time frame, I expect it to continue in that direction for 3 to 8 candles. Also, my study show that once the London session sets a high for the day and reverses, it usually continues in that direction and sets the low of the day also. With the Average Daily Range on this pair at 128 pips, that leaves plenty of room to pick up 50 to 100 of those pips. Hope this answers your question.

POST 3209 Page 214

Below is a chart of trades taken for the week. I have highlighted all the TDI crosses that took place during the London session. For the week on the EU H1 chart, there were 9 TDI crosses that could have netted over 700 pips for the week and 3 crosses where no trade should have been made. You can make lots of money on 50 to 100 consistant pips per day.

In my experience, profitable trading begins with learning PA movement, trading with good volume, reading price action, being aware of trend direction and areas of support & resistance, common candle formations like pullback bars, inside bars, 123 moves, etc. In addition, crosses of the TDI can add that last bit of confirmation to be confident that your trade will be successful. Patience is paramount in letting the trade develop and reach it's potential.



Chart 23-27 Jan 2012

I would like to know that when you trade the break in the candles previous high/low do you enter the trade at the exact high/low of the candle or do you enter 5 to 10 pips above the previous high/low of a candle?

I normally enter as soon as the break occurs because in most cases, the candle has already moved several pips in the same direction. When entering on a break of the Asian session, I only do that when the Asian has a small range....the smaller the range, the bigger the move after breaking out....usually no more than a 40 pip range. Thanks for all you do to help traders become successful....

Phx62, looking at your trades...still trying to figure out how you new to hold on some of those trades like 1/25 during the fomc and 1/23.

Q1. It is a matter of trusting your system and what you have learned by backtesting, forward testing on demo and learning how PA works on a particular pair.....on 1/25, the first trade moved short for 4 hours after setting the high of the London session....PA then set what turned out to be the low of the day and pulled back.....I exited after PA had pulled back about 20 pips. The ADR for the EU is 125 pips and the range for the day was very close to that....normally, I would have just take my standard 50 pip TP but I experimented and let the trade run. On 1/23, I took entry on a break of the Asian session high (partly because I did not get to my computer until LO).....as long as each candle made a higher high and a higher low, I stayed in the trade....fortunately, it moved more than 130 pips from my entry.....once the last blue candle gave me a lower close than the open, I exited. There was a cross of the TDI to go short at that point but my experience has shown after a long move in one direction (70 or more pips without a retrace), a reversal will seldom go very far.....plus I had just earned 118 pips and did not want to give any of them back.

Q2. Long on 1/24.....again, the cross of the TDI gave me the entry point. There was a reversal blue candle, then a cross of the TDI on the open of the next candle. When the TDI crosses, I expect 3 to 8 candles of the same color before another change of direction. This occurs at least 70% of the time. For the exit, I was not able to continue to monitor the trade, so I closed it at 40 pips.

Q3. Short on 1/26....the TDI did cross over at the beginning of the last blue candle but the real clue was in the candles themselves.....notice the last two blue candles before the entry....both of them closed lower than they opened, indicated by the little red open & close ticks on the sides of each candle (that means that the Japanese candles had already turned red) and a reversal was possible. Once the entry candle turned red and TDI had crossed on the candle before, it was a good entry based on my trading plan.

On the EU during the London session, when you get a proper signal to enter (your entry on this trade was perfect)....enter the trade with a 50 pip TP and a 30 pip SL and walk away from the computer. My experience shows that over 70% of the time, your TP will be hit for +50 pips. We sometimes try to "re-invent the wheel" and squeeze the most pips out of a move. It is much less stressful to just take the 50. I enter 90% of my trades with a 50 pip TP and a 50 pip SL. If I stop monitoring the trade, I will move my SL to 30 or less (depending on where price is) and walk away. Most of the time, the TP is hit. You can be very successful with 40 or 50 pips per day (50 pips on 1 full lot = \$500 a day, which = \$2500 per week).

First trade today ended at BE....second one hit the+50 TP.



Chart 31 Jan 2012

Nice move up from LO with the help of some news. TDI crossed at the open of the first candle of the London session and the candle turned blue....waited for it to cross the 200 EMA and move higher than the last red candle, then entered.....there was some consolidation in the 2nd & 3rd hour....moved SL 5 pips behind previous candle each time.....if PA had reversed I would have still been taken out with a profit.....PA did not reverse....continued and hit my TP. +217 pips for the week on 4 trades, so far.



Chart 1 Feb 2012

Maybe some of the senior members can advice. But how does one go about tackling these types of situations. What do my eyes need to be focusing on as the bars develop? For example, during MLK, we had the same type of thing (ranging-but during LO as welll. I get why NY would be crap to trade)

Insight into this would help so I can look back and see what to focus on and what cross should be ignored and taken.

ignore the arrows those are my zig zags.

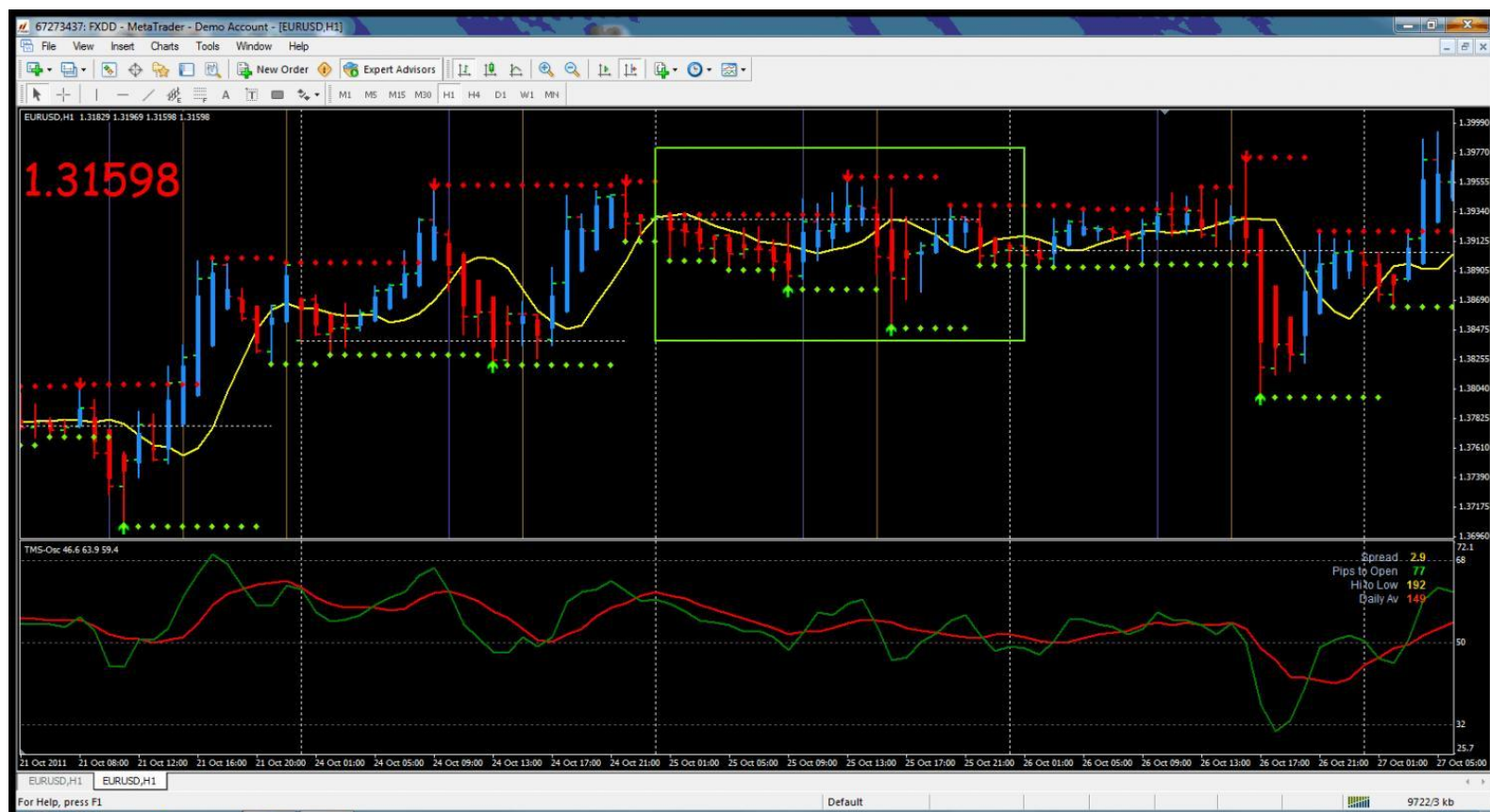


Chart 25 Oct 2011

I added some lines to my own chart covering the example you posted.

The TDI gives some clues to focus on.....is the green line at or over the 68 or 32 line or is it hanging around the center (blue) line?....if it's hanging around the center line that would tell me that the pair is ranging and if you enter a trade, TP's should be smaller than normal.....during the London session on your example there were 3 TDI crosses with candle color changes that went for 31, 73 & 28 total pips from normal entry.....obviously you are not going to capture all those pips but the 31 & 28 pip moves at the very least should have been breakeven trades or + or - a few pips if you are monitoring the trade. The 73 pip move should have gotten you at least +50. Again, in ranging situations you should focus on how far away from overbought or oversold the TDI is and keep a close eye for reversals and close the trades more quickly.

Sometimes there is nothing you can do.....some trades will be losers even when there is a perfect setup.....just the price of doing business.



Chart 25 Oct 2011

Like others of you, the spike today stopped me out at -4 but when price pulled back down, I was able to enter short for +50.
 Hale-mary....answer to your question....once the trade gets 25 to 30 pips in my direction, I move the SL to BE.
 Lots of indecision in the market today.....done for the day.



Chart 2 Feb 2012

Nine trades for the week.

Pips earned this week on seven trades +336.
 Pips lost this week on one trade -4.
 One trade at BE.

Total pips for the week +332.



Chart 30 Jan – 3 Feb 2011

Finally got a move to collect 50 pips.

Trade 1 was a test.....the last two weeks, PA has taken off for 100+ pips from the open of the week.....I do not normally trade the Asian due to low volume but was at my computer as the day opened and entered a trade....just a test.

Trade 2 was taken following the LO, on a cross down on the TDI after the TDI up cross retraced before I got to my computer. Following entry, PA attempted to break resistance for 3 hours and failed....closed for 11 pip after the third failed attempt.

Trade 3....I was concerned about how close the 200 EMA was to entry but decided to enter and monitor closely....if PA had pulled back from the 200, I would have exited immediately....I even had the close order open on my screen.....instead it moved right thru it and hit my TP.

A very difficult day to trade with lots of candles having long wicks on one or both ends....no trending market.



Chart 6 Feb 2012

A very good trading day for me.....

Trade 1 was taken on the TDI cross down, with a 30 pip TP just above the 200 EMA.....if that had been broken, I might have re-entered, based on the strength of PA.

Trade 2 was taken early (before the TDI cross) as PA was rejected at the 200 EMA. I took a chance and opened a standard trade for me with a 50 pip TP & 50 pip SL but as it blew past the first resistance, I moved the SL to BE and the TP to 100, which was right at the H4 trendline....PA stayed strong with little retracement, so I moved the TP to 150. PA did a bit of hesitation at the trendline but then moved up strongly past the trendline, so I locked in 100 pips, right at the trendline, fully expecting PA to reverse and come back to take me out at 100....fortunately it continued to the 150 TP. A very nice move up!!!!



Chart 7 Feb 2012

I did not trade at all yesterday because there was no clear break of the Asian session, long or short.
 Due to the many areas of support and resistance and no clear trend direction right now, I reduced my TP and my SL to 30 pips. Originally, I was going to try a 25 pip TP & SL but the 30 pip worked out.
 Trade 1...This is not normally a time I trade but I was watching PA at the time and took the signal. On the third attempt to break the high of the Asian session, PA finally made a move and I entered a trade that hit the +30 TP.
 Trade 2...On the 2nd candle of the London session, I entered on a break of the low of the previous two candles and a cross of the TDI for +30.
 Trade 3...On the next cross of the TDI after news, I entered for another +30.....Done for the day.



Chart 9 Feb 2012

Phx62...for exits do you just use a 30 pip sl/tp or a 50 pip sl/tp depending on market conditions or are you watching for potential s/r, turn around points, or changes in the TDI on the way to your target?

All of the above....when PA is struggling to reach the average daily range in pips, I will reduce the TP/SL. I also watch the 200 EMA closely and long term trendlines that have been tested at least once. To a lesser extent, I watch S&R lines as they are not as dependable. Most of all, I try to judge momentum and Price Action, watching for candle formations and pullbacks.

POST 4232 Page 283

10 trades this week.

9 winners.

1 loser.

+419 pips.

In retrospect, I should have only taken 8 trades.....I broke the rules of my trading plan to enter the Asian session trade on Thursday and I should not have taken the long Friday morning trade INTO resistance. Normally I would have waited for the Asian session high to be broken on the first candle of the London session. If I had done that, I would not have incurred a loss there.

Overall a good week.



Chart 6-10 Feb 2012

POST 4269 Page 285

So for you to take on a TDI cross, the setup candle must be inside the London timeframe too, no asian and not even Frankfurt first H1 candle ?

No....if I am at my computer and a setup candle occurs prior to London, I may take the trade but my study and experience has taught me to very cautious with the London Open.....many times the 1st or 2nd candle will reverse and go the other way....for me to be confident in that trade, there needs to be some other confirmation (i.e. support levels, strong PA, MA's, long term trend lines, divergence, fib levels, news, etc)....just something to increase the probabilities that PA will continue the direction of my trade. That is why learning to read PA is so important!

The second candle of the London session **was** a pullback candle. On the third candle PA weakly pulled down and then pulled back up. The Asian session did what it has done for the past several weeks on the first day of the week (go back to your charts and look for yourselves).....it made a long run during that session, which makes me very cautious with an entry during the beginning of London. There was no clear entry (TDI crossover and a change of color of candle) until the **open of candle number 4**. PA then proceeded to move about 65 pips toward the 200 EMA. I will now need to see a break or bounce off the 200 for another entry. That could take a couple of hours or a couple of days.



Chart 13 Feb 2012

I see a couple of things.....pullback candles alone are not enough evidence to enter any trade.....the entry you took was a little early but the pullback candle was not a false alarm, PA eventually went in the right direction.....your entry should have been when the TDI crossover confirmed the pullback candle.....then once you enter, you just need to let the trade run....one higher close is no reason to exit a trade.....especially when it is an inside bar and you have a solid TDI cross.....that is where trusting your system comes in.....when you have an entry like that, enter a 50 pip TP and a 50 pip SL (or whatever number you are comfortable with but no less than a 35 pip SL) and walk away from the computer....let it run and you will be amazed at how many times it will hit the TP (assuming you enter on a TDI cross with color change during London or early NY).....it will hit TP enough times (70 to 80% of the time, base on my backtesting) to make you a nice profit for the week. Backtest this yourself to become confident that this system works for you under the conditions and parameters that have been discussed over and over on this thread and the TMS one.

POST 4348 Page 293

The settings on mine are 13 0 34 2 0 7 0.(TDI)

POST 4529 Page 302

Two trades today....a really nice one at LO.....the second one following a bounce off the support line and a pull through the 200 EMA.....both for +50 in live trading.....I am also doing some demo trading using a revised version of Big E's scalp system for other times than London....that would have added another 73 pips today.....



Chart 12 Feb 2012

For me, the setup candle qualified as a pullback candle with a long lower wick, higher close than the open and a short body....also Frankfurt and LO seem to create direction change quite often.....plus the cross of the TDI was enough for me to get in.....I know that if I am wrong, I can always close for BE or with the loss of a few pips....that's worth the risk to me.....if you had done what I suggested in a previous post and opened either one of those trades with a 50 pip TP & 50 pip SL and walked away from your computer, you would have captured the 50 pips on either or both trades yourself.....instead what I am seeing with you is called "analysis paralysis".....over-analysing every trade until the opportunity is gone.

When I got to my computer to trade the LO and watched PA for a while:

1. I found that the Asian session had already moved down over 100 pips.
2. PA was sitting right on the 1.300 line and consolidating.
3. There was no cross of the TDI yet.

Based on that information I opted not to enter a trade and went back to bed. This morning I was able to catch the long trade after it pulled back up through the 1.300 and the TDI crossed over. This happened just before I left for work and I just closed that trade at the 200 EMA line for +136 pips. A very good day.



Chart 16 Feb 2012

POST 4817 Page 322

*To those who went long,
What signal did you guys take? just to help me to look out for it next time?
I.e range breakout or pullback etc*

1. A break back above the 1.3000 line.
2. A cross of the TDI green over red.
3. Also a cross of TDI green over yellow.
4. The setup candle had very long wicks and a small body.
5. A break of the high of the red setup candle by the first blue candle.
6. The TDI moving up from the 32 line.

POST 4822 Page 322

when would you look to enter a continuation move. Because sometimes the TDI has already crossed and price can break mini support and resistance areas to continue down.

For example, I was thinking this trade would have been valid since price broke the low created by the three small candles prior to the entry candle with the red arrow. We had TDI cross as well. I possibly would have taken the trade had I been awake at that time.

the trouble I have reading PA is that sometimes price can continue to drift in one direction slowly then suddenly...

Consolidation candles indicate that PA is hesitating....the bears are closing trades and/or the bulls are looking to reverse the trend. You have to look for reasons why the consolidation is occurring....news, a long move without a retracement, resistance areas, etc. In the example you gave, PA had already moved down more than 200 pips from the LO yesterday, without a retracement, which creates concern about where it goes from here...the market moves in waves and somewhere there will be a retracement. I would not enter a short following that 200 pip move down until I got serious confirmation that the trend would continue...in fact, I was looking for a reversal for the reasons I stated in my post, which we got.

POST 4830 Page 322

Could you elaborate a bit on what you consider to be serious confirmation in the case above? Thanks.

Just the fundamentals of trading Forex.....there would have to be a retracement at least back to the .382 fib following that 200 pip move and then a good cross down of the TDI following consolidation and possibly a pullback candle. Even with an entry there, I would need to monitor and be prepared to close the trade quickly unless the 1.300 line was broken and probably even a break of the low of the original move. From there, I would be looking at the next resistance area.

Attached are my trades for the week.

6 trades

All profitable...no losers

Today, I entered following the break of the 200 EMA and closed it at the H4 trendline for +35.....could have gotten the +50 but got busy and took what I could.



Chart 13-17 Feb 2012

That's impressive. May I ask what your logic was for the very last trade? It seems that every signal was rather weak. Thanks.

That trade was taken on PA alone and based on the break of the 200 EMA after PA tested it three times. It finally broke through, so I took the trade. If it had retraced to 25 or 30 pips, I would have taken the loss. It was a risky trade because I had no other confirmation except the consolidation of the Asian & London sessions....I expected a break one way or the other.

The difference between trading the S3 method and the TMS method is that on the S3, we look first at Price Action...on the TMS method, we trade based on TDI crossovers.....when you combine them both, the safest trades are based on PA and confirmed by TDI crosses, breaks of S/R, fibs, candle patterns, trendlines....etc. Study..learn...watch PA on your charts...backtest...get some experience trading demo and small live accounts.....learn money management....build a trading plan on what works for you and develop that "6th sense," as X-Man has described it and you can become successful at trading Forex.

Observations

1. Today the banks are closed in the USA...result...lower volume, especially during the NY session (no trades for me during NY).
2. The Asian session made a big move (62 pips) indicating to me that the London might not move very much, based on previous history this year.
3. The market is still unsettled with Greek debt situation and over the weekend, the Chinese made a move that affected the market.
4. I see lots of posts predicting where price will go "because". Predicting where the market will go is like predicting which direction the wind will blow and how hard it will blow. None of us can predict where the market will go because there are so many factors that make it move.
5. There is a fine line between "analysing the market" and "predicting the market". To succeed, we have to know the difference. Once we analyse the market setups, we only act on those setups and take the profits or losses. Successful trading must be mechanical, not emotional. Sometimes we try to find reasons for the market to go short or long because that is what we want it to do. As X-Man stated again today...." [trade what you see and trust your system.](#)"

I took the long trade today, a little early (before the TDI had completed the cross). What I saw in my analysis was the trend for the past two trading days was up, price was above the 200 EMA, the TDI green line was above the 50 and crossing the yellow and red lines, and price had broken back above the 1.3200 mark (which was also a resistance line) and also broken above the previous red candle high, which had pulled back. That was enough for me to enter. Did I know the market would go 50 or 60 pips up? No, I did not...but based on my analysis, I traded it anyway and took what the market gave me.



Chart 20 Feb 2012

I have been studying your previous trades and hoping you wouldn't mind me asking from your last week's chart.

On Feb 16 during Asian Session prices moved down around 70 pips and just prior to LO there was a pullback candle with long wick and TDI cross up signaling a potential reversal. And yet you correctly did not enter a long trade at the LO.

May I ask what you saw that made you not want to take a long entry at LO?

There are 3 reasons stated in the original post.....#3 stated there was no cross of the TDI yet.....the cross did not happen until the opening of the blue entry candle....once that happened, entry became a possibility. Once PA moved past the high of the red entry candle, my criteria for entry was met. I am always cautious when the Asian moves more than 60 pips in one direction because reversals usually do not happen....that is why I waited for price to pull above the last red candle.

Hope this helps.

The Asian session set the high and low of the day, so PA making a big move during London is very unlikely.
First trade...long....at LO failed to continue above the high of the Asian...out at -1.
Second trade...short... based on pullback candle....good for +40.
Third trade...long....still open....currently up 34 pips with SL @ BE and TP @ 50.



Chart 21 Feb 2012

As X-Man indicated, this is the third day of a ranging market on the EU and even though I was aware of that, I tried one short trade anyway, that went nowhere.

I have been backtesting and learning how PA moves on the GU pair for the past several weeks. This morning I decided to place a live trade on GU H1 because that pair has NOT been ranging (look at your charts and see the downward slope of the Market and the TDI for the last three days). There was a very good setup with a reversal candle at LO that broke back down through the 200 EMA. TDI green was below the 50 and crossed down over the red AND the yellow MBL. PA moved down quickly with a long red candle so I moved my TP and rode it through the first resistance line (after PA hesitated a bit) to the second resistance line and closed it for 120 pips. It turned out to be a very good trade.



Chart 20-22 Feb 2012



Chart 22 Feb 2012

POST 5248 Page 350

Entering trades....always at the beginning of a candle.
 Exiting trades.....anytime I see consolidation or a reason to exit.

Probably I am missing something but earlier I thought you often enter mid candle waiting for prices to move above/below previous candle's high/low for long/short trade, like your trade on Feb 16.

Let me rephrase my answer....what I should have said is I look for a TDI crossover at the open of any candle with a color change.....my entry is somewhere within the first two candles of that TDI crossover and entry is determined by other confirming factors....i.e., PA breaking resistance or support, a pullback candle, overbought or oversold, volume/momentum, etc....

POST 5474 Page 365

It was a rough week on the EU but I was able to get a couple of trades on GU, including a good one today. Results for the week:

EU....6 trades including 1 mistake (was testing a demo trade and mistakenly traded it live).....4 winners....2 losers....+193

GU....2 trades....both winners...+220.



Chart 20-24 Feb 2012

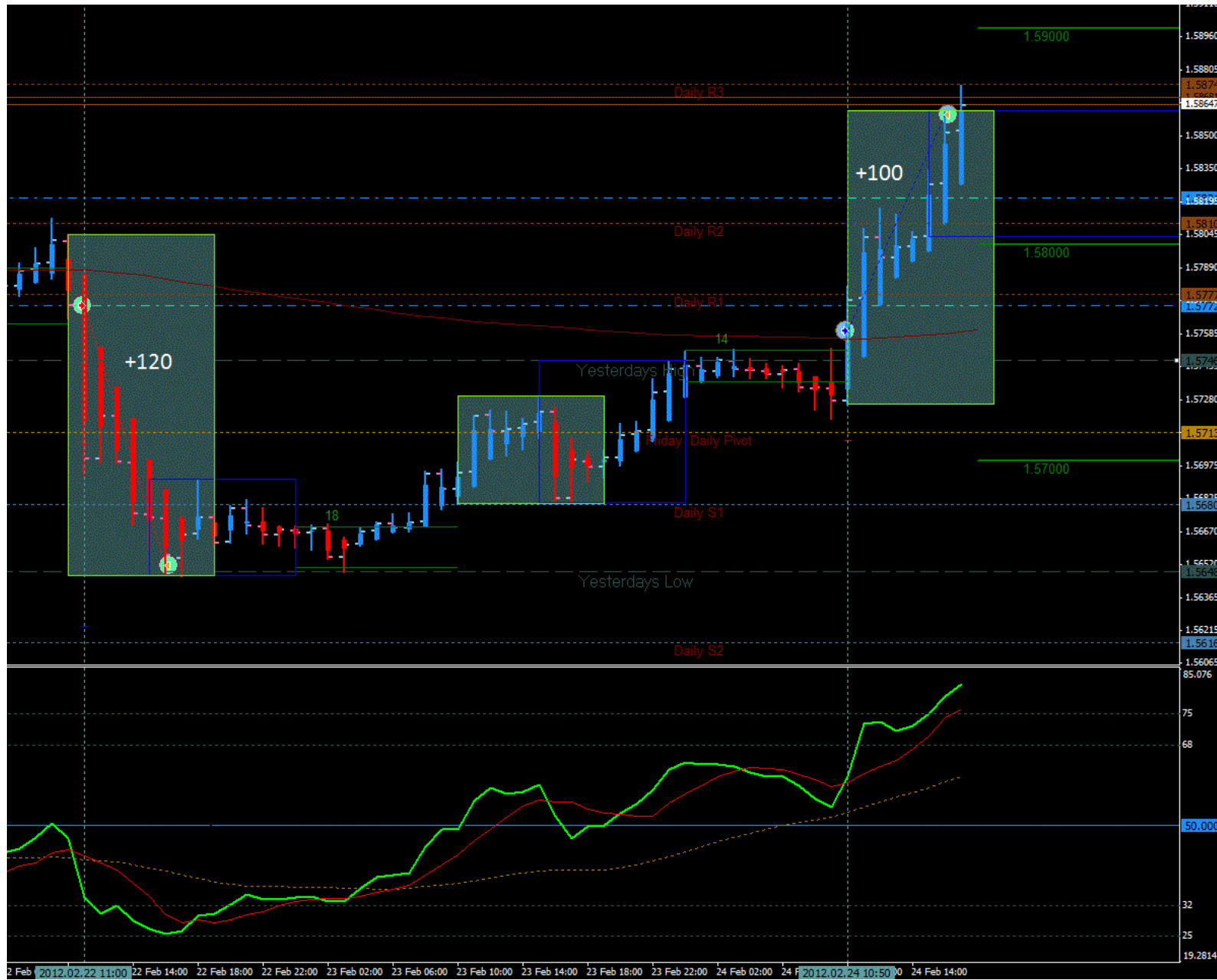


Chart 22-24 Feb 2012(GBP)

could you tell me what are your view when you are trading with your first trade that gives you 120 pips? after a very long bearish candle, the price had been move up for a bit and TDI showing exit signal. what makes you keep on the trade? and ride all the way to bottom?

I entered the trade with a 50 pip TP & a 50 pip SL. Price moved very quickly down on the first candle, so I moved my TP to 100 and my SL to BE. I stayed in because price only pulled back about 25 pips on the second candle following entry. I usually give these trades up to 30 or 35 pips "breathing room" and my SL was at BE, so there was no risk of loss. As price progressed, I moved my SL to 5 pips behind each previous candle and rode it down. As price got close to the 100 TP, I moved TP to 150. When price pulled back during the second hour of NY, I needed to go to work, so I closed the trade at 120 instead of letting it hit my SL, which was then at +65 (see the red SL line on the chart).

Any time price moves 60 or 70 pips in one direction during London, it usually will continue in that direction for the rest of the day (with minor retracements along the way). In this case, price had moved about 120 pips from the high of the day to the end of the entry candle, so I was comfortable letting it continue.

Another reason I was so aggressive is because price crossed over the 200 EMA very strongly after consolidating for the previous 14 hours. When that happens, there is usually a strong move away from consolidation and the 200 EMA.

POST 5485 Page 366

What was your reasoning for the friday E/U buy?

The TDI while crossed, green was way above 68 which signaled risky trade in my book. The cross was also at the beginning of london which is often an imprevisible candle(you said it and I agree).

I took the buy too and even later than you(work commitments) but I still feel bad for breaking the rules 🤔

London Open is unpredictable....anything can happen. The TDI crossed one candle earlier but that candle was almost a doji, so I entered....if it had reversed at all, I would have been out.....trading forex is about taking calculated risks....this one worked out well.

Two trades today....both entered after the first candle of LO moved past the low of the setup candle. PA did what it does quite often on Monday morning.....it continued in the direction of the Asian session.....EU +50.....EJ +150....nice start to the week.

I had some minor surgery last week so I was able to stay at home and study some other pairs for 5 days and incorporate them into my trading plan.....it paid off with the EJ this morning



Chart 27 Feb 2012



Chart 27 Feb 2012

Phx62, please. I try to understand. Before the opening of London, we had a small pullback, and after a return bullish. Then, the candle at the opening of London broke the high of the candle than two hours before. Is it possible to know why you have not taken a long then?

The Asian session had a move of 9 blue candles prior to the LO...the LO candle was the 10th blue candle in a row.....I have learned that, true to what Big E taught, most moves consist of 3 to 8 APB candles in the same direction before retracing or reversing....when I saw the 10th blue candle in a row, I was cautious about entering until I could see where price was headed from there.

Regards

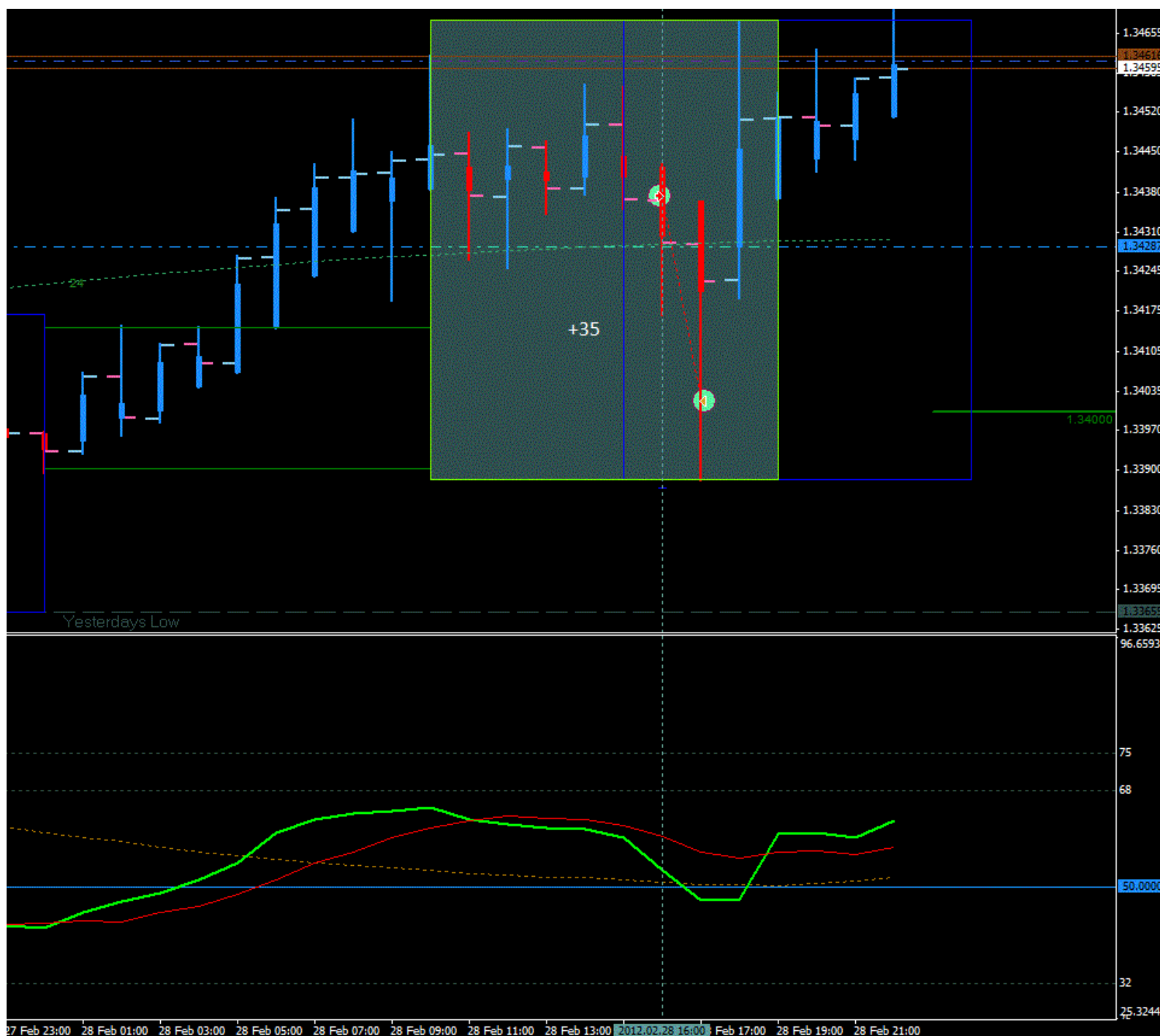


Chart 28 Feb 2012

You also said in a previous if Asian session moves about 60 pips that you dont expect a reversal and price normally continues in the same direction

That is true....and if price had continued in the same direction with a higher high on the next candle, I probably would have entered but watched it closely for a reversal. Instead, there was a pullback and a TDI crossover short on the next candle, which also happens quite often at London Open.

All we can do as traders is analyse what we see and base our decisions that information along with our own knowledge and experience.

Did not trade EU H1 today.....made a couple of EU M15 scalp trades, one for +25 and one for +30 based on price moving away from the double tops (extended white line at top of chart). I moved to the M15 chart because trading volume is usually down at the end of the month. Still in a long GU trade but locked in for profit.



Chart 29 Feb 2012

Go to the video link posted by X-Man at post #5599 and watch it several times to understand what is being taught.....Rick / Dcgin is a professional trader and knows what he is talking about in the video....confidence comes from believing in your system.....

My standard SL and TP are 25 pips when I trade M15 charts....I adjust from there. My H1 standard SL & TP when I trade H1 charts is 50 pips each but the SL is an EMERGENCY SL. I will normally close earlier if the trade goes against me or tighten up the SL when I can't monitor the trade. These numbers are just get the trades opened up.

Two charts below....one is the EU H1 chart showing my trades this week. Most were M15 trades but I could not get them all to fit in one chart, on one picture. The other chart is the EU M15 chart showing two very nice setups that generated 200 pips for the day. I entered the trades knowing that price was pulling away from the Hourly 200 EMA after testing it and being rejected several times during the previous 24 hours. Both M15 trades were taken with a 25 pip SL and 25 pip TP. Because we were moving away from the hourly EMA, when the first trade reached 20 pips, I moved my SL to BE and TP to 50....price retraced a little and I considered closing the trade but because the SL was now at BE, I left it open. After the little retracement, I got another signal to enter a short trade and since the first one was already in profit, I entered the second trade with the same SL & TP. From there, I just let the EA keep moving the stop to 10 pips behind the previous candle, moved my TP on both trades to 100, expecting to be taken out on a reversal and went back to bed.....got up this morning with the first trade closed and the second one still moving down.....went to work and just got back to my office to find the second trade hit TP also. I did not know how far the market was going to move in my direction, but I have confidence in the TDI crossovers and understand how price moves around the hourly EMA. I was very fortunate that the market did not retrace and take me out early but I had not tried to get those pips I would be saying....why didn't I see that? or why didn't I enter? or why didn't I move my SL to 100 pips. On the other hand, I really had nothing to lose.....my stop losses were in profit or at least at BE, so why not?



Chart 27 Feb – 2 Mar 2012



Chart 2 Mar 2012

POST 6012 Page 401

apart from the SL and TP, what are the differences between the analyzes of trading in M15 and H1, for your method, please?

Same analysis. Same trading plan. Just a different time frame when the market is ranging more than trending. On the M15, I trade any session.....on the H1, I basically trade the London session only.

Two EU H1 trades this week...they each netted +50 pips. I am also taking some time to test and learn how PA works on the GU and EJ pairs. I have had some success there also.



Chart 5,6 Mar 2012

... . I am working on some M15 entries, as well as monitoring and trading the H1 charts.....still a work in progress. I am finding that right now, entries on the EJ are working quite well an hour or two before London opens.

Good trading to all.....



Chart 14-19 Mar 2012

POST 6766 Page 452

Attached are 6 trades I took on the EU this week.....1 of the trades was entered from the M15 chart because PA was pulling back from the low of the session.....the other 5 trades were all taken on the H1 chart. I just followed my trading plan based primarily on the TMS & X-Man methods.

If you have not visited the Pro Traders website (recommended by X-Man and Dcginc), please do so....I have picked up some information on market harmonics and the use of fibs from the free articles and videos posted there by Dcginc (Rick). That information has helped me see the market in a different way, making my entries more certain. <http://www.protradenetwork.com/>

Good trading to all.



Chart 19-23 Mar 2012

POST 6857 Page 458

The rules of my trading plan (based on the TMS system) call for entries to be on the 1st or 2nd candle following a change in color of the APB candles. When I enter on the 1st candle it is usually because there has been a pullback on the previous candle, even if that candle did not change color. There are times I make an aggressive entry before the TDI actually makes the crossover but that is based on PA and/or S&R.....making those decisions are based on many hours of chart time.

Today I made 3 small trades on the M15....all on TDI crosses at the beginning of the 2nd candle.....
 First trade....entered short...price moved down about 20 pips and reversed, out at BE.
 Second trade...I went long on TDI cross...price moved up about 40 pips and reversed.....out with +19.
 Third trade....went short on TDI cross....price moved down about 40 pips and reversed....closed for +30.
 Attached Thumbnails



Chart 27 Mar 2012

How can you have a 50 pip or swing high or low stop but at the same time exit early with only a few pips loss (this can't be achieved)?

I trade this way almost every day....it can be done. I may exit at any time for a smaller profit or a loss. I enter EU H1 trades with a 50 pip TP and a 50 pip **EMERGENCY** stop loss. Rarely do I allow the SL to be hit. Unless there is a spike while I am away from my charts or my computer crashes, I will exit when my analysis shows price has run its course.

Do you mind explaining in detail how you minimize your losses when price action reverses on you?

Look at the last chart I posted (remember these are M15 trades, not the normal H1 trades)....the first trade was a typical London Open reversal.....I allowed my EA to take me out at BE.....

Trade 2....price moved up 42 pips and pulled back. The next candle tested the previous candle high and failed to break it. Price pulled back again and two candles later, the bar changed color. I waited to see if price would test the high a third time and when it did not, I exited for +19.

Trade 3...I entered immediately on the open of the 2nd red candle. Again, price moved 42 pips down and pulled back. When the next candle changed to blue, I exited for +30 pips, not waiting for a test of the low because the NY session had opened and that session is less predictable.

How do you give your trade room to breath if you are exiting at the first sign of reversal?

Per my trading plan, following entry I give the trade "room to breath" for 20 to 30 pips. If it pulls back further than that, I know my analysis was incorrect and will exit for a loss. On the other hand, when the trade goes into profit 25 or 30 pips, the EA I use will move the SL to BE and trail the trade 5 pips behind each previous candle until I chose to exit manually or let the EA take me out.

Do you watch each bar constantly? Do you just check it at the end of the hour?

When I am looking for a trade set-up, I monitor the chart at the end of each hour during the London session. Once I enter a trade, I usually monitor that trade until it reaches 25 or 30 pips into profit, as described above. At that time I will decide to continue monitoring or walk away from the charts and let the EA manage the trade.

Please understand.....this is the way I have chosen to trade.....other traders like Dcginc and others use S&R, Fibs, and other tools to determine the best TP and SL....set the trade and walk away, letting price either hit the TP or the SL. There is no right or wrong way to do this....you just have to decide what works for you and design your trading strategy around that.

Haven't posted lately.....been very busy with running the family business, trading and building a new house.....was blessed with a very good trading week.....would just like to share my trades for the week....6 London session trades (all taken on TDI crosses).....2-20 pip scalp trades and 2 pullback/breakout Asian session trades.....
Good trading to everyone.....



Chart 9-13 Apr 2012

Emmanuel/Vantage

Great to see you keeping this thread alive....the TMS & S3 systems work when applied along with price action (I am also testing supply & demand zones for reversal signals and targets in conjunction with TMS & S3, with some success).

Two nice trades Sunday night during London....1st trade moved to +25 pips...moved stop to BE and opened a 2nd trade.....moved T1 from 50 pips to 100 pips on strong price action and then did the same on the 2nd trade....both TP hit.

Last night, took a trade based on the pullback bar and failure of the pullback bar to sustain a break above the 200 EMA.....good for +50.

Will visit the thread from time to time when my schedule will allow.

Hope all have success with this trading system.....

Phx62

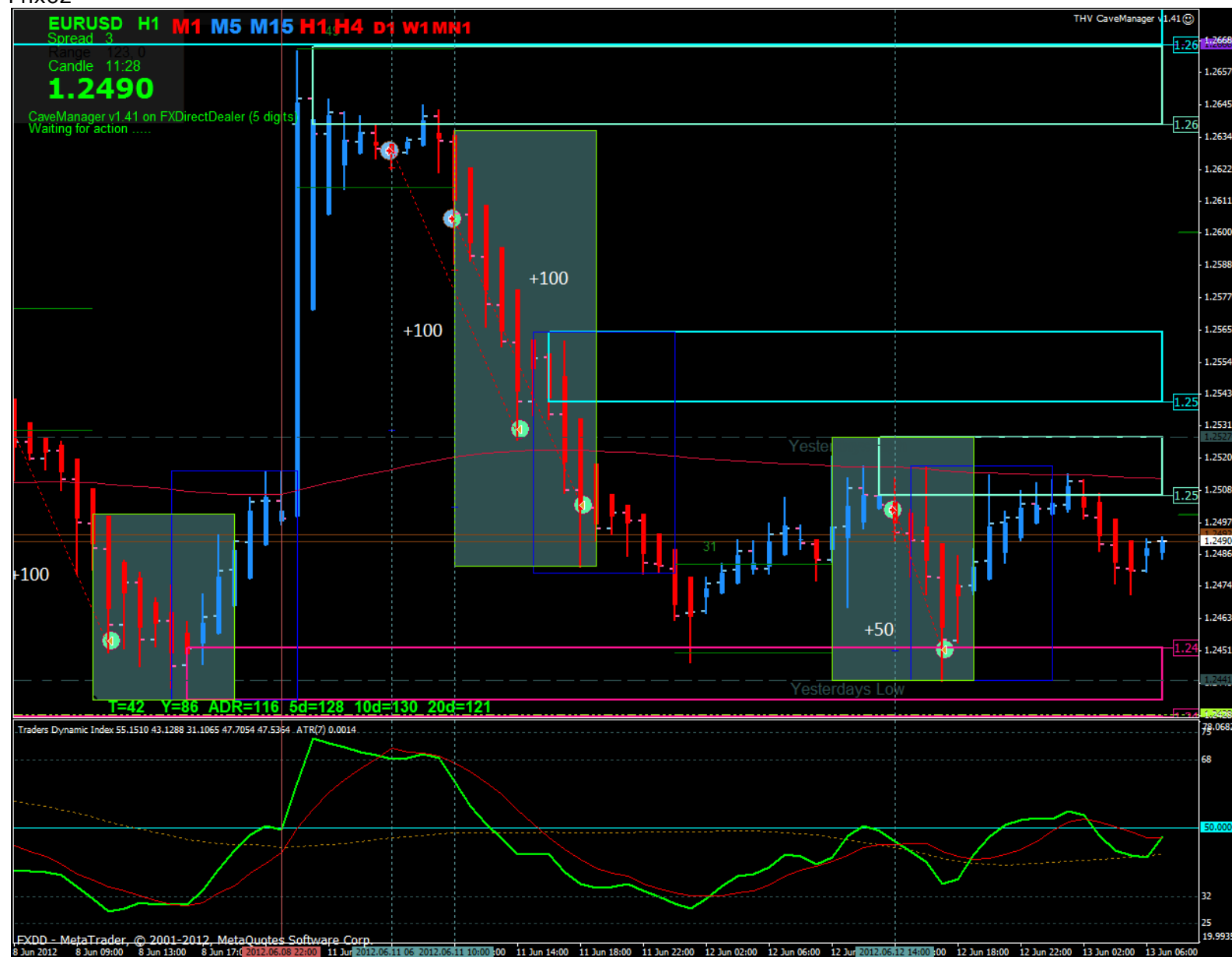


Chart 8-12 Jun 2012

I took this trade a little earlier than normal. I usually wait for the reversal (red) candle to break the low of the previous candle to enter and I usually wait for the London session to open. In this case, based on many hours of study, I have noticed that on Sunday nights in a trending market, PA does NOT often make a reversal following London Open, so I entered at the first reversal candle and rode it out until the London session ended. I entered at the beginning of the Frankfurt session on a retouch of the supply/demand box and the TDI confirmed the entry shortly thereafter. I monitored the trade following LO just in case it reversed but it did not....so I moved the TP and SL down as the trade progressed and finally hit my TP of 150 pips. A great start to the week. Good trading to all!

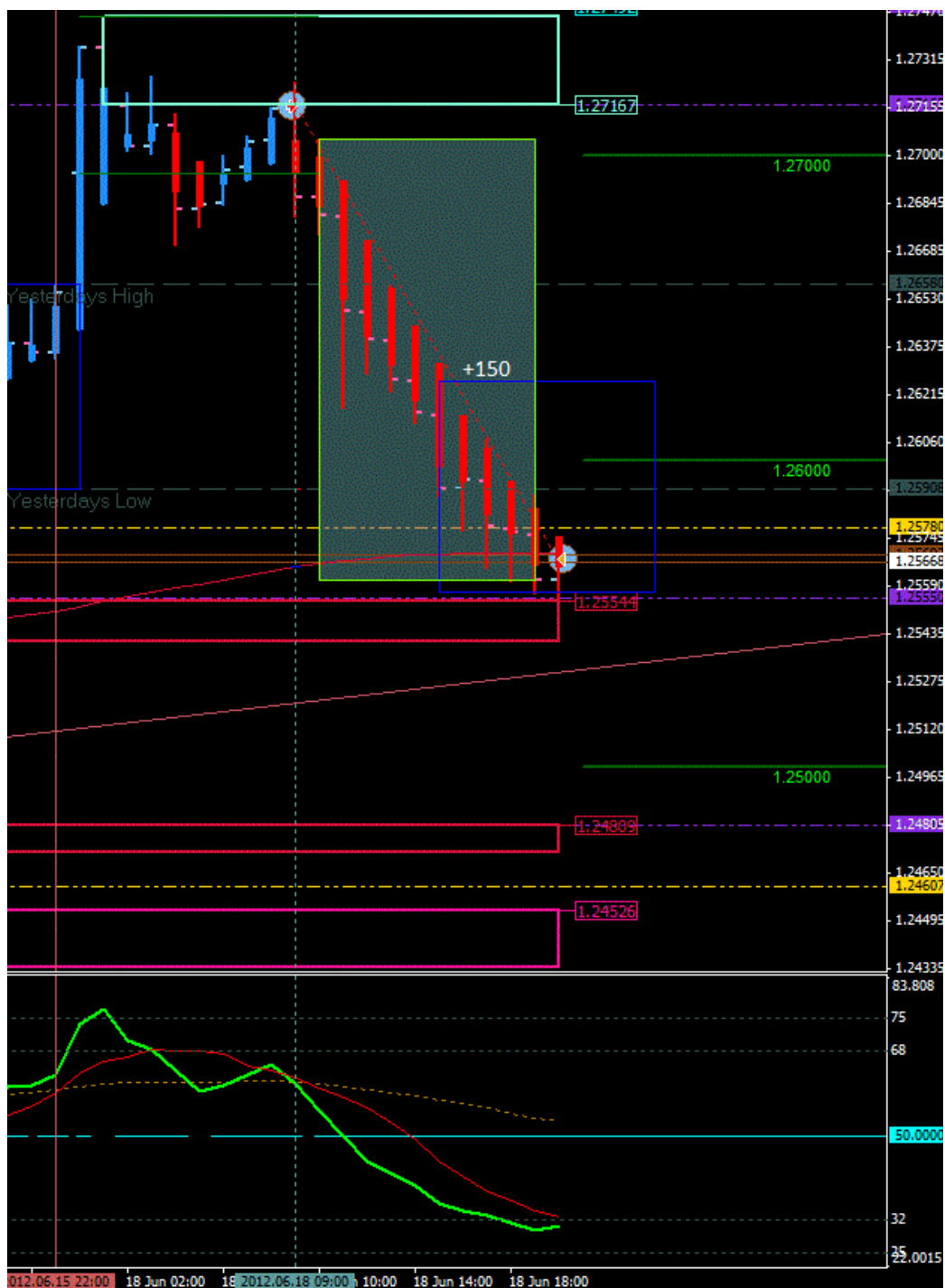


Chart 18 Jun 2012

Trades 1 & 2...Sunday night....late entry....price stalled for several hours...got out with +30....re-entered long on a cross of the TDI and a break of the setup candle.

Trades 3,4 & 5....all entries were based on the usual PA and TDI confirmations.....watched the 200 EMA very closely....price broke and pulled back several times for the rest of the week. Price often stalls at the 200 EMA and then sometimes continues in the original direction but more often than not, it pulls back. This week it pushed through several times but each time it pulled back. Those pullbacks a very easy way to determine market direction following a bounce off the 200 and usually give a great trade entry (barring any interference from news releases).

No trades on Thursday.....business trip....if I had traded on Thursday, entry would have been made at the NY open on the candle close below the 200 EMA.



Chart 16-20 Jul 2012

Hi Phx62, thanks for posting your charts, always extremely helpfull. Can you please tell me , on trade 3 what kept you in the trade when it went against you (i think about 30 pips). I see you have cave manager icon on your chart , which i dont know much about , was it to do with this or was it the sixth sense you have developed. also what is the indi at the top m5 m15 h1 h4 etc . does this show trend .? and great tip about 200 ema , i shall certainly be watching that in future , thanks again

I do use the CaveManager EA to manage trades when I am away from my computer but in this case, I did not believe that PA would break through the 200 EMA and change direction for a long trade. I had set a 50 pip SL and was willing to have it hit because of how price had reacted at the 200 EMA previously. If one of the blue candles had CLOSED above the 200, I would have considered exiting the trade and looked for a long entry. Instead, both of the blue candles became pullback bars and price went down, hitting my 50 pip TP. The hardest part of trading for me has been learning to be patient and let trades develop. It has taken a long time for me to able to remove the emotion and watch trades become profitable based on my analysis and trading plan. Losers happen for everyone but learning to remove the emotion from trading when I have a winner or loser has made me a better trader. That comes from controlling lot sizes (money management) and being confident in my trading plan. The indicator at the top of the chart is just a simple MA crossover indicator that tells me the general direction of each time frame. It is only for reference and has nothing to do with decisions on entries or exits. If I see something there, I will sometimes change time frames to look at what price is doing and check for any supply/demand areas on that time frame.....nothing more.

POST 7904 Page 527

The market consolidated during first two days of the week. The next two days offered some volume. With the large move up on Thursday, I only took 1 trade at LO on Friday because normally the day following a big move is spent in consolidation. A good trading week for me by just taking the signals around LO.



Chart 23-27 Jul 2012

Here are the trades I took this week. Please note...the duration of every trade taken was a minimum of 5 hours each. It takes a lot of patience to monitor trades for that long which is why I often manage the trades with an EA, once they are in profit.

Wednesday's trade was a break even trade that would have been profitable if I had stayed in it, however I went back to bed and the EA closed it out at breakeven. No big deal, that is trading and it was not a loss.

The trade on Thursday was taken with a 50 pip TP but once news began to move the market up, I changed the TP to 100, which was hit....a risky trade during news but my SL was already in profit, so it was a free trade that worked out.

The daily range today (Friday) was 225 pips but I only got 76 of them.... I exited on the pullback following a double top (it was a double top when I exited)....as it turned out, the market retraced 70 pips, which is too much drawdown for me anyway, and then moved up 170 pips. I am very happy to get the 76 pips.



Chart 30 Jul – 3 Aug 2012

Curious, Your first entry was taken 2 hours before the signal appeared, your 2nd and 3rd entries 1 hour before, your 4th entry you took on the bounce as expected, your last entry you took 2 hours after the signal bar, presumably after price had cleared the top of the channel. How many pips are needed to confirm the breakout of the channel?

RE: First entry.....I have learned that many times the London session will often continue the same direction as was established from the open of the day (considering there are no pending important news releases). With the strong move down I decided to try and take advantage of that and entered on the red candle following the first blue one....also please note, the green TDI line was below the red and the yellow and the 50 line giving me additional confirmation that price might drop.

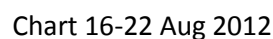
RE: Second & Third entry....both trades were taken based on price action and pullback candles following LO. Obviously only one trade worked out.

RE: Fourth entry.....that trade was taken during the first candle of LO following a break of the 200EMA (three previous candles had already pierced the line and pulled back down).

RE: Fifth entry.....I normally only trade the London session. That day, I got to my computer at LO and took the

POST 8114 Page 541

I also opened a scalp trade about an hour after NYO on the M15 chart following a change of candle color and cross of the TDI. The market had also tested the low of the day, set just before NYO and reversed....good for 38 pips...exited after price stalled.



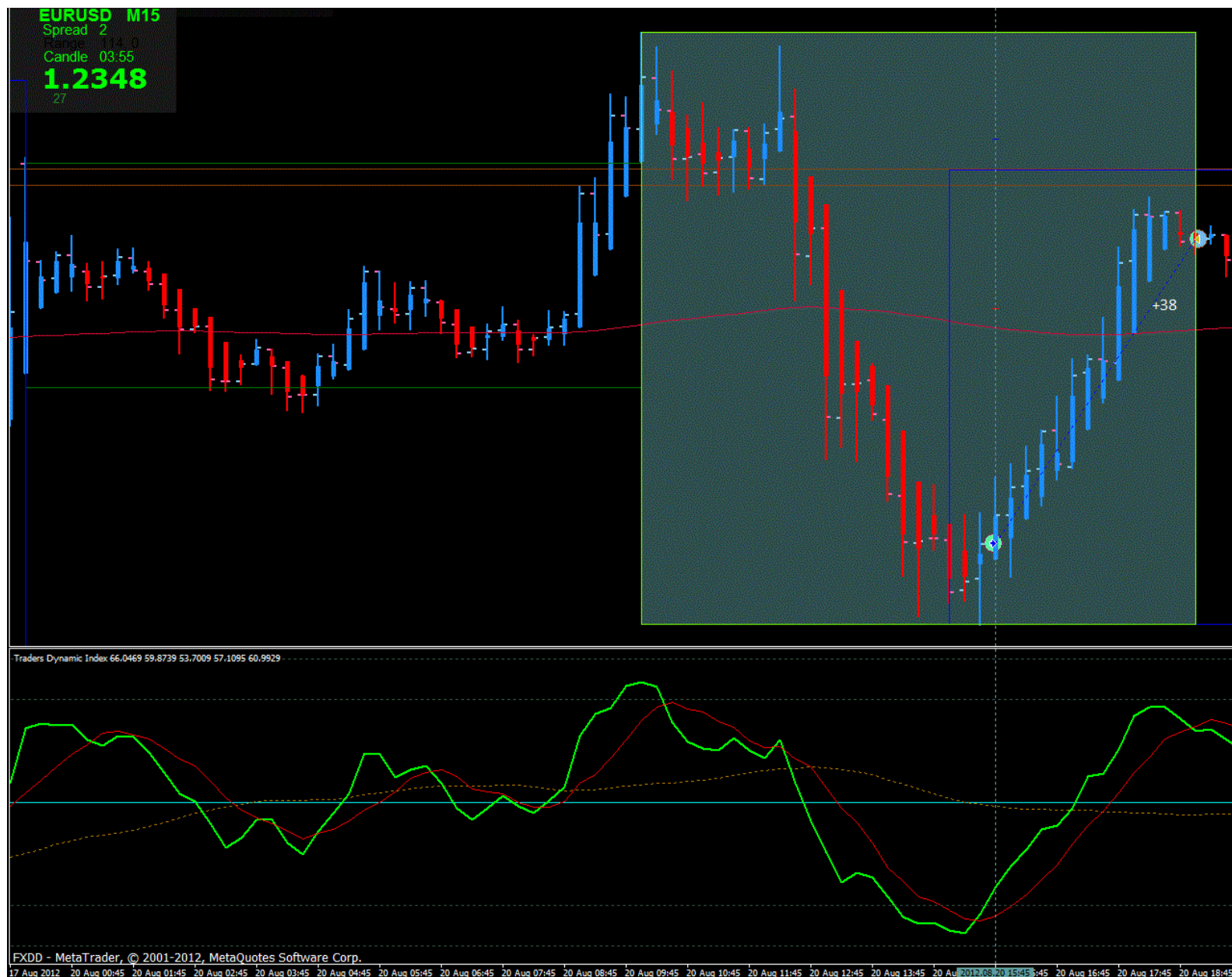
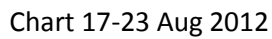


Chart 20 Aug 2012



The market consolidated on Thursday, finding support at the previous days high. I took one long trade for 30 pips after getting a signal near the end of the London session. It was the only trade signal that met my trading plan criteria during London (H1 time frame).

Also took one trade on Friday. Entered shortly after LO on a TDI crossover signal. I could not monitor the trade but it did reach my TP.



Chart 22-24 Aug 2012

A ranging market this week...only 3 H1 trades....only 1 reached TP, 1 broke even and one closed for 13 pips.
M15 today...picked up 45 pips on 3 trades....all based on the TMS system of a cross of the TDI on the 1st or 2nd candle with a change color.....still a slow week.....typically this time of year is slow due to the end of summer for many "Market Makers"....many of them on vacation or holiday.....expect the market to pick up again in Sept and Oct....



Chart 27-29 Aug 2012

*after a night of study
I have some question for the entry*

*1)when the PA on the tf60 and the cross on the TDI is not complete but the angle suggest to entry
you open the tf15 ed entry anticipating the close of the candle?*

*2)the MBL in the tf 15 and tf 60 if the cross down is under the mbl ok the trend il very short and viceversa
but when the cross is down but over the mbl or over the 50 line is important for you or the not?*

1. No...when I trade the H1, my analysis is based on what I see on the H1 chart (including S/R areas marked on the chart from the higher time frames). I do NOT refer to the M15 chart for entries on the H1. For me, that just confuses the big picture. My trade decisions are based on what I find on the H1 chart (PA, including what I have learned from hundreds of hours backtesting and forward testing the market, candle patterns, HH HL LH LL, breaks of patterns, S&R areas, time of day, TDI, market harmonics, etc).

2. A cross over the MBL and/or the 50 line are added confirmation of a change in direction of the market.

I sometimes will scalp trade the M15 charts when the market is ranging but I concentrate on and trade the H1 charts most of the time.

Here are the two trades taken on Thursday & Friday, as requested by some of you....some of the reasons for taking the trades are on the chart

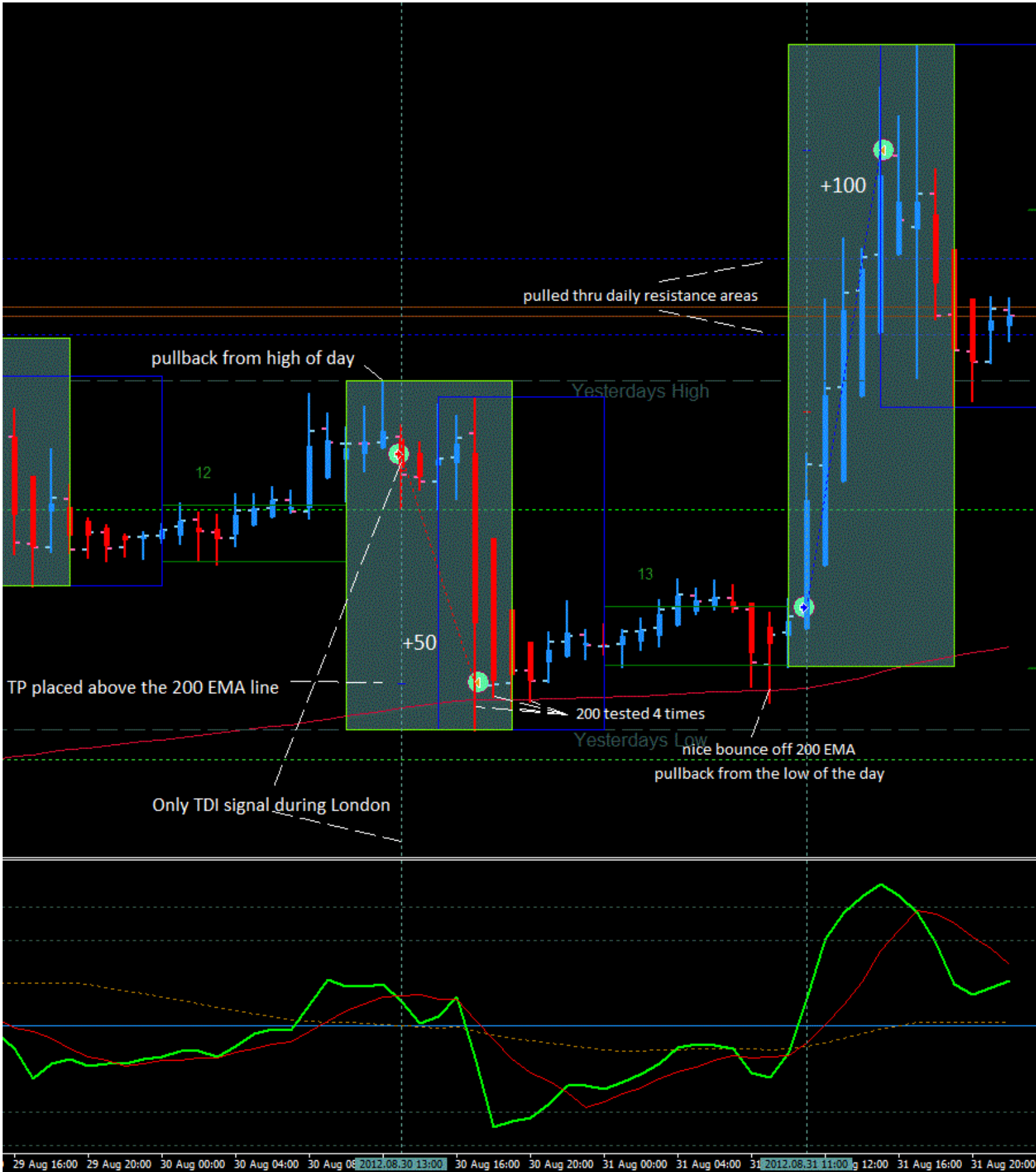


Chart 30-31 Aug 2012

A very easy trade....read the signals, enter, let it hit TP.....a double top creating the high of the day....two pullback candles....the second just before LO...cross of the TDI from the 68 line....doesn't get much easier than this!! Watched it pull thru daily support (blue line) and H4 support (green line), hit the TP just before the H1 support line.

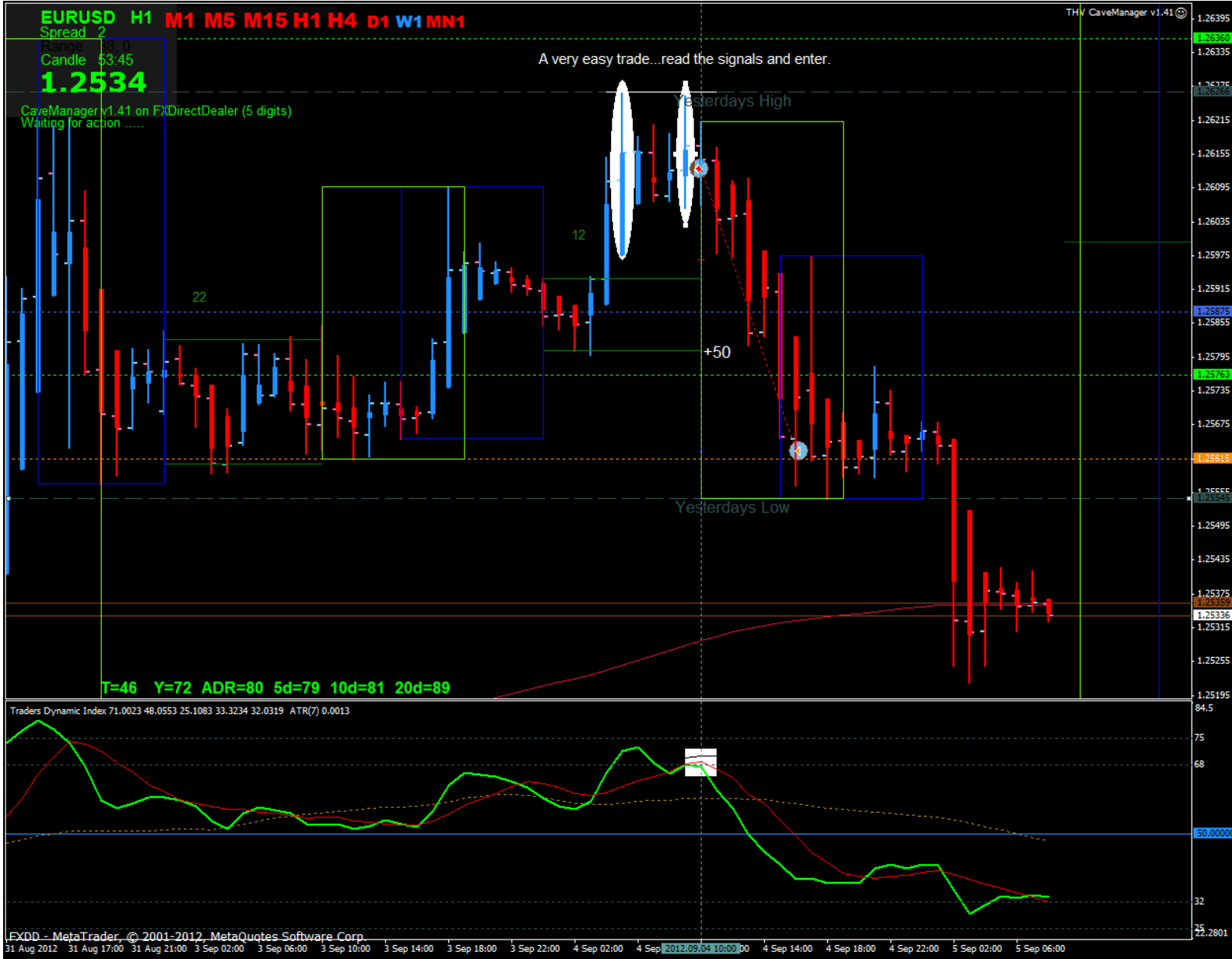


Chart 3-4 Sep 2012

Only 5 trades this week but some good movement with the Euro news.



Chart 3-7 Sep 2012

Your entry all perfect, as wednesday where you are exited before reverse..why not a simple retrace? You always need to be aware that the first or second candle following LO can be a "fake out candle". I am aware of that possibility whenever I enter a trade at LO, so I monitored this trade closely...a couple of other reasons why....TDI was below the 32 and there had already been 10 red candles in a row preceding the LO indicating the run was probably over....if price had continued down after my exit, I could have re-entered on a break of the previous entry candle but it would have taken some news or event to push the market lower.

And how did you know the bad market of thursday or the best entry today before break of yesterday hight? Once you spend hundreds of hours studying how the Euro reacts to situations, you begin to understand that many times when big news is pending, the market will not move much before the news releases. This was the case on Thursday at LO. Positive Euro news came out in the 1st and 2nd hour of NY and once price settled down and found a direction, I scalped a few pips using the M15 chart.

Today, I had no way of knowing that the market was going to move 180+ pips...my analysis told me that with the positive Euro news on Thursday, there may be a continued move up, but that was just one possibility....one cannot successfully predict market behavior consistently...I just entered at LO on a break of the Asian high, like I have done many times, with a 50 pip TP and SL....as price continued strongly up (candles had no lower wicks...all upper wicks...there was very little retracement and every candle made a HH and HL), I removed my TP and let my EA manage the trade. I came back to my computer to see that price had moved past 150 pips and was beginning to pull back, so I reset the SL at 150 pips. Even if I had not come back to the computer and reset the SL, my EA would have taken me out with about 135 pips.

Hope this answers your questions. Keep studying charts and spend some time trying to learn how price reacts to situations...then develop a trading plan around what works for you...learn the basics...candle patterns, times to trade (what hours of the day, what days of the week, what month of the year are better than others...etc), support/resistance or supply/demand...fibs or pivots help some people. Keep it simple and develop that trading plan....then follow it patiently and faithfully.....

Success to you...

A good week trading EU H1. The first trade was taken on price action alone....not an A1 trade....all the rest met the criteria (per my trading plan) for entering a trade. I monitored the first trade very closely and if it had reversed again right after entry, I would have been out with a small loss.




Chart 10-14 Sep 12

I traded the H1 today with similar results as dee50 on the M15 chart....did not catch the last long trade.....had a drivers meeting early at my business.....still a good week for pips, although a bit choppy.



Chart 17-21 Sep 12


Originally Posted by **eth3onstock** 

I also took the first entry today but didn't take BE so got SL 🤔

But I didn't take the rest of your trades which gave you a lot pips because when TDI crossed and bar closed, the price has already moved too far away from the high/low swing and not match with my Money Management.

Wondering what was your analysis when you took the second (long trade) and third (short trade) because these two setups so close to each other with reverse direction..... Perhaps you can share your point of view, would...

Quote:

Originally Posted by **smarco** 

Wowww! I'm going to study the correct week...

Thanks Phx!

PS: At what time you are entered long after BE? GMT XX.35? we should check every H (XX.00) or not?]

smarco.....Yes...I look for a reversal candle around the beginning of each hour....in the case of the 1st 50 pip (long) trade, the signal was actually given at the beginning of the entry candle.....but I was already in a short trade and waited to see if price would continue short before hitting breakeven (I have my EA set to move my stop to BE after price moves 24 pips in my favor.....in this case....price moved 27 pips in my favor before reversing). I am also aware that many times the LO reverses on the second or third candle....

eth3onstock.....once breakeven was hit, I entered long right away based on the double bottom of the 1st & 2nd candles of London, the long bottom wicks (pullback) of both candles, a bounce off the 200 EMA and the TDI cross. The 2nd 50 pip trade was taken based on a pullback of the previous blue candle and a change of color of the entry candle.....the TDI had not crossed but was moving down....and the 200 EMA was still over 60 pips away from entry, therefore a TP of 50 pips was possible.....however, the 2nd 50 pip trade was not an AAA+ trade....it was more risky than the 1st one but once it moved 24 pips in my favor, it was a free trade.....the worst I could do is breakeven....fortunately it hit the TP before reversing again.