

2018

[Market Markers Secrets]

Private study notes extracted from various entities

[The secrets are a private study journal of the author and are not meant for any private sale but are meant to serve for Forex financial breakthrough of his students. The content has been complied with the assumption that the trader has a basic and not a beginner's knowledge of the Forex financial markets. Forex carries 90% risk and without the right guidance LOSSES will EXCEED ones deposit.]

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INTRODUCTORY NOTES

To successfully utilize the market makers secrets method one needs to understand the behaviour, motivation and tools that MM have. The sole goal of the MM is to make a profit, as this is what we do.

Price is a reflection of the number of transactions & the price paid for these transactions. A large number of transactions are required in order to shift price. The Forex market is said to trade about \$4 000 000 000 000,00 on average daily. The bulk of transactions are executed by large "Warren Buffet" institutions, and not by laptop traders such as ourselves.

MM ability to dominate the market is overwhelming. **It costs roughly 10 000 Lots to move the market by 1 pip**, with this in mind MM have the ability to move the price at will and retail traders can't. For a retail trader to truly succeed in Forex, you need to at least have a concept of this Mammoth process so that you will understand what is happening and why. Rather you adapt to trade with them instead of against them once we are done with the secrets.

Once you realise that price is moved as a result of intention, logic decision and the idea that price is a product of emotional feeling (sentiments) of various traders is misleading "BS". Failure to realise this, your trade career will be emotion driven leaving you to react to every trade.

"Trading should be rather relaxing rather stressful. So instead of trying everything that moves, aim to be extremely selective and make as much as your trade plan allows and leave some on the table" - Sir Anonymous

TEXTBOOK REVIEW TASKS

1st Exercise

Identify Peak formations at a High and Low referring to the Three day cycle. In addition mark the Daily Highs and Lows on the same chart.

Understand that the peak formations will not all look perfect but nonetheless these are variations on the task to identify levels of fundamental importance.

2nd Exercise

Study one or more cycles and put yourself behind the screen "Mr Buffet". Imagine you are a Market Maker and what would you need to do at different time intervals to trap traders and book your pips. You need to consider "where the money is", what might drive traders to have in a certain way by considering methods such as Stop raids, Ranging candles, Choppy price action, testing patience so on.

3rd Exercise

Select a pair, one of the Majors, go back and look at the course of 5 to 10 days of trading and try identifying the key features. The required need to include:

- I. **Peak formation Highs**
- II. **Peak formation Lows**
- III. **Midweek reversals**
- IV. **Swing Highs and Swing Lows**
- V. **The intraday cycle (Open/High/Low/Close)**
- VI. **The New York reversals**
- VII. **Areas where peak formation Highs and Lows correspond with the intraday cycle**

4th Exercise

Create a list of all patterns, tools, features and methods that have been exposed to you in the book. Make notes of their definition to you and which rules will be followed.

5th Exercise

Identify Bearish / Bullish order blocks and Bearish / Bullish breakers on any timeframe looking at the most recent 5 days of trading.

6th Exercise

Identify Liquidity voids, Liquidity pools and Stop raids on any timeframe looking at the most recent 5 days of trading.

7th Exercise

Find and explain the Power of Fundamentals (Forex News releases), in that price is used sharply and quick to stop orders out.

[I recommend that you look at CAD quoted pairs, Ex. CADJPY, USDCAD, GBPCAD, CADAUD]

8th Exercise

Identify Liquidity voids, Liquidity pools and Stop raids on any timeframe looking at the most recent 5 days of trading.

9th Exercise

Identify the Market Reversal Day on any major and plot out on your chart how to anticipate a possible trade.

Last Exercise "Bobby Axe"

Create your own Money Makers Secrets Cheat sheet relating to when you will enter the market and why you will tap that Buy or Sell tab. This will be your High probability scalping Black book

WHAT IS A MARKET MAKER?

In trading currencies, market makers function as mediators (Middle man) in sales and purchases between two parties and two currencies. Let me break down the jargon, Eg: A Bank will function as a market maker when it collects sellers of € (Euro) to then sell to investors who have \$ (Dollars) in exchange.

To beat the MM you need to grasp the understanding of their basic objectives of their activities. MM's are traders like "Bobby Axe" and their objective is to make crazy money. This includes strategies that are used to trade against retail traders like you and me. The major difference between the exclusive money club and other traders is that they have the ability, through access to massive order volumes, to move price at their will.

i. Inducing/eluding traders to take positions.

They achieve this by using a selection of price movements to 'trick' traders into taking positions and once they have enough volume they quickly reverse price. This means, MM can sell a specific currency at a certain price and they buy it back at a lower price (cheaper) while retail traders will emotional attempt selling price and most traders SL will be collected in this as well.

ii. Create Panic and false excitement to induce traders to become reckless and think irrationally.

This is often done in the following manners:

- Quick Moves (Ranging Candles)
- Spike candles (Long wiggled)
- News releases
- Chop consolidation phases in price

iii. Chase after other traders Stops and Clear the board.

This method you will be learning soon as "Stop Raids", this forces traders into 'margin trouble' and ultimately juicing them out of the game.

CHART OBSERVATIONS

STRUCTURE OF THE ASIAN RANGE STOP RAIDS

The Asian range can be highlighted by a trader when day trading to illuminate the setup of a Stop raid if and when it occurs. A valid smooth Asian range must be < 40 pips or less to capture this draw horizontal lines from 02:00 – 07:00 CAT.

During a Stop raid it is common to expect that there will be a reversal occurrence somewhere between 25 to 30 pips higher than the Asian Range. The purpose of this move is for the following:

- I. Range traders who have taken short positions at the top of the Asian range will have their stoploss somewhere between 20 – 50 pips from this point.
- II. Any movement out of the Asian range will begin to entice traders to take long or short positions on the basis of a possible breakout trade.
- III. After any movement outside the Asian price will stall in consolidation as more traders will expect a continuation in price and this where price will be held.
- IV. Once price has reached the extension, Price action will always hint buy printing a long wiggled small candle (Pin) proving price fatigue.

The main reason for all this to occur is that it costs money to move the market as you have learnt and this is a cheaper option for Market Makers.



* Above is a 15 min EURUSD chart expressing the Asian range Stop hunt

MAINTAINING THE VALIDITY OF HIGHS & LOWS

One thing a trader should always keep in mind; price will always be attracted by equal high and lows because of what rests above and below them. As long as price closes below or above your analysis of these marked Highs and Lows, however price may Spike through but remain within these levels your trade remains valid.

Some caution needs to be applied when interpreting price movement that exceeds the high or low but closes above these set levels. If price had spiked above or low these high or lows this would be to trigger orders as well as to elude traders to enter in the wrong direction.

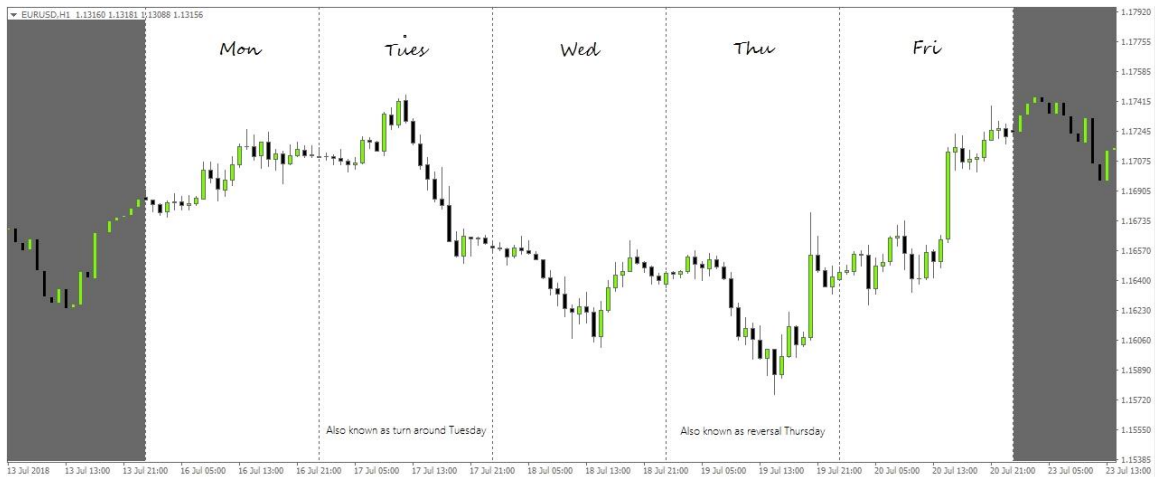


* Above is a 15 min EURUSD chart expressing validity of High & Low

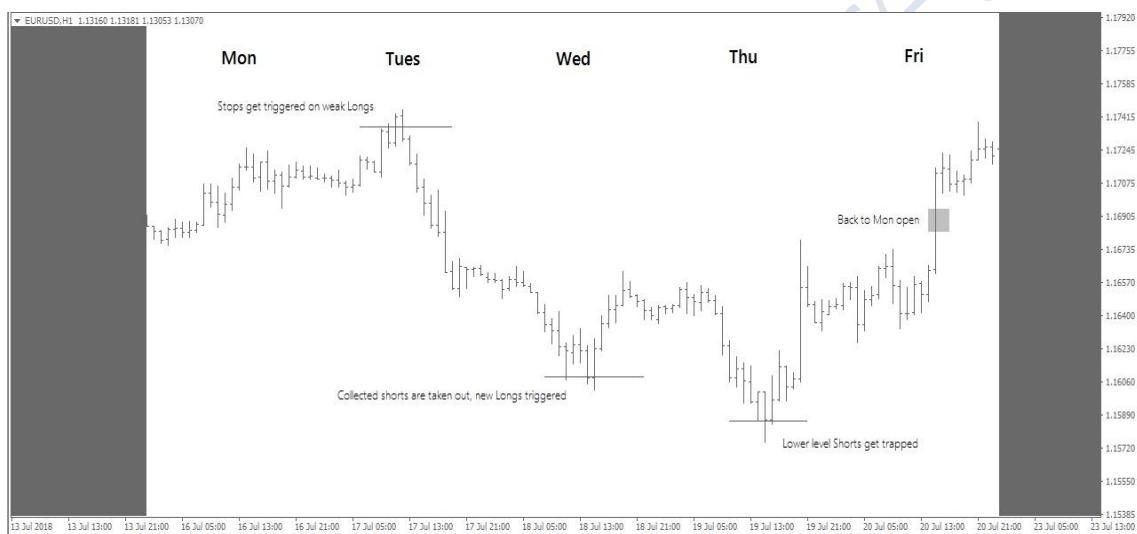
WEEKLY PRICE ACTIONS

The term weekly pattern does not imply the use of a weekly time frame. It refers to the price pattern that can be seen within a week of trading, looking at a M15, H1 or H4 chart.

Market Makers have seasonal variations of price movement and this can be seen on larger time frames, though it is too slow and wide to be traded effectively.



* Above is a 15 min EURUSD chart expressing weekly price action



* Above is a 15 min EURUSD chart expressing weekly price action in more detail. This chart is what Market Makers look forward to as Retail traders are more dependent on indicators (RSI, EMA, ATR, Bollingers BHLA BHLA BHLA ...) all that is just noise that filters true price range.

THE THREE DAY CYCLE

A typical pattern of behaviour particularly when analysing the three-day cycle is to be able to identify a peak high followed by three moves down and a reversal which will form a peak low.

The reasons for this behaviour can be understood if you take into account what happens during the bearish run:

- I. On the 1st day, you (retail trader) sell to the institution and they buy from you.
- II. on the 2nd day, you are still selling and again the institution buys from you
- III. Nevertheless, on the 3rd day you (retail trader) are yet again selling and the institution is buying again heavily in massive orders.

- IV. After this they will move price up aggressively triggering stops and booking a profit.
- V. Following this "Golden" pullback price will become choppy and continues because of what happens due to trader's psychological adoption to loosing. After the market has run down for three days and traders have sustained losses, these individuals with what's left of their accounts after a "Royal Smart Money Flush" pull away and the market literally goes quite as they prepare for a similar misguided comeback. Notice how this period the market will become choppy right until these traders come back to play the game again.

To remember the pattern, adopt the following:

- i. "After a Big drop the market must eliminate"
- ii. "After three days of drop the market must eliminate"
- iii. "After a big rise the market needs more guys (puppets)"
- iv. "After three days of rise the market needs more guys (puppets)"

Using this knowledge will be handy if one wants to covert a scalp trade into a swing trade, because price patterns stay the same no matter the timeframe. "Price is Fractal".

The most important lesson to this top is, **you should only open orders when the LOD/HOD is clear**. This is the only place that has a high level of certainty in directional movement.

To be truly successful in the 3 day cycle it will be wise of a trader to look for the midweek reversal which will generally correlate with one of both days of the cycle. If a trader gets early into such trades it is possible to switch a swing trade into a swing to the bottom or peak of a 3 day cycle.



* Above is a 1 hour GBPUSD chart expanding on visuals of the 3 day cycle.

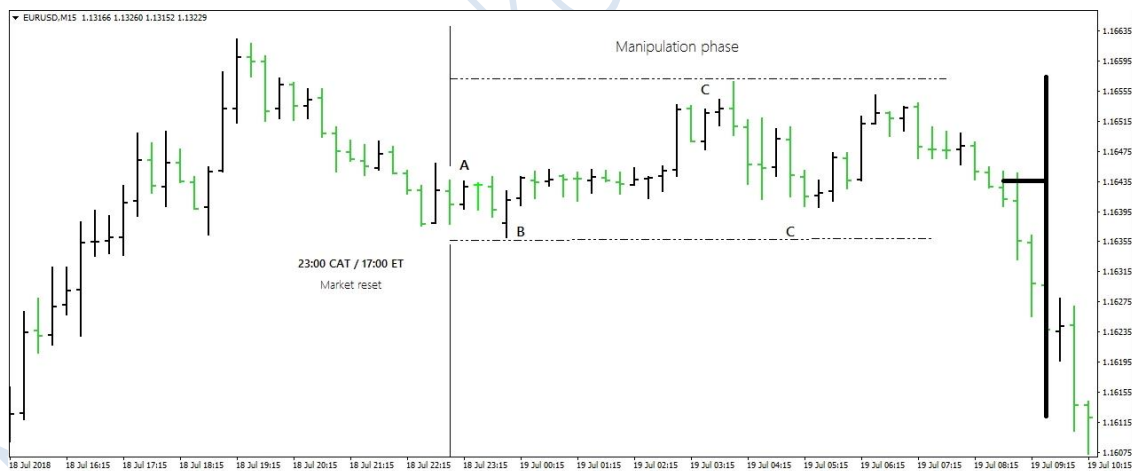
INTRADAY PRICE MOVEMENTS

THE ACCUMILATION PHASE

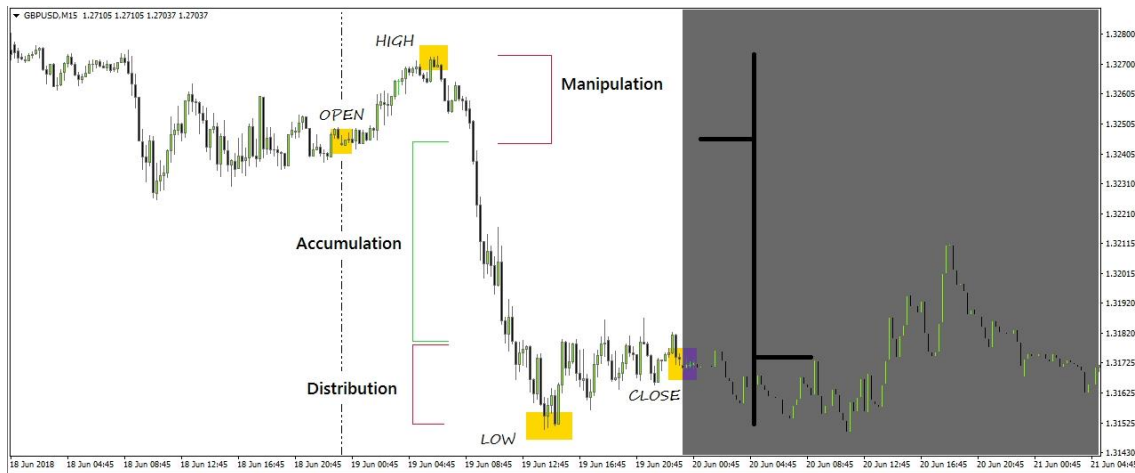
This phase commences with the resetting of the daily High/Low as discussed in the forex session lesson. The reset occurs at **17:00 ET/ 23:00 CAT** which is the beginning of our accumulation phase as it is the US market close and the beginning of the "ghost town" Pacific session. This period not only is it not ideal to trade but there is little to no profitable activity.

This consolidation is not only because Smart money is sleeping but the market is collecting orders but again it's because the following is happening. Bank I (**A**) will buy a quantity of currency from Bank II (**B**). This causes price to rise. This is followed by Bank II (**B**) selling the same currency to Bank III (**C**) and this causes price to fall. Such a process goes around in circles and in this price is ping pong'd back and forth.

Listen carefully, this transactional range will widen and in this snow ball affect pending orders will be triggered that breakout traders have set above or below this range. So positions that have been collected as well as those trades who begin to "take the bait" are wiped off the chart as price quickly pulls away and this is known as the **MANUPILATION** in other forex circles.



* Above is a 15 min EURUSD chart showing the accumulation also known as the manipulation phase.



* Above is a 15 min GBPUSD chart meant to further explain the module above but also as is part of what is to be taught on the intraday cycle.

STOP HUNT – DEFINING HIGH/LOW OF DAY

Sometimes between 01:00 – 04:00 AM ET [07:00 – 10:00 AM CAT], a Stop hunt is begun. The Stop hunt involves an intentional move outside the range to what may become the high or low of the day.

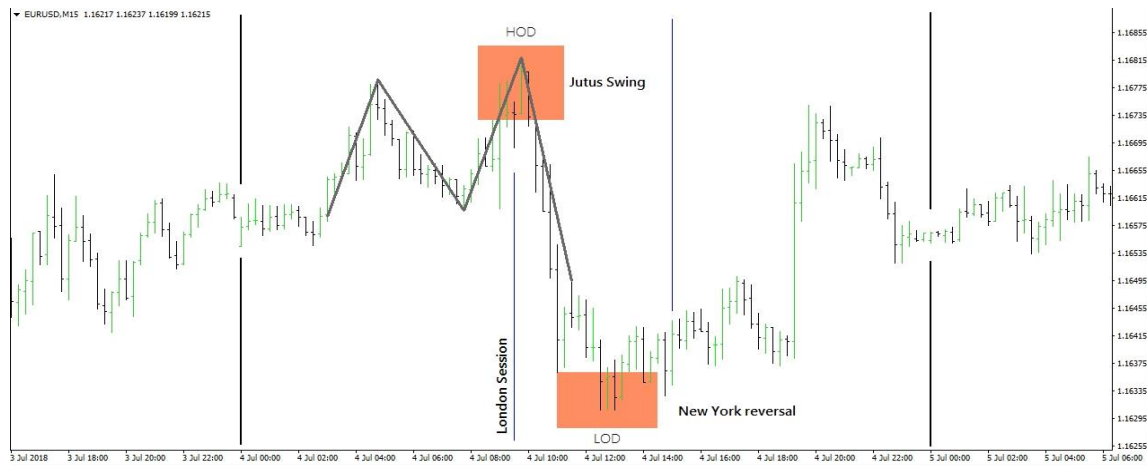
The Stop hunt has two main objectives:

1. Take out existing stops
2. Encourage traders to commit to positions in a direction that is false to where the real trend is heading.

Often this represents the High/Low of the day (HOD/LOD). Once the HOD/LOD has been created:

1. The spread is opened up by a few pips, this allows traders orders to be triggered into the market holding a negative order.
2. It is common to see price undergo a further phase of accumulation lasting 30-90 minutes as volume is accumulated. Once enough orders are collected price will quickly move in the true trend direction and these stops will be triggered out. This Money Maker price action is called by Micheal J.Huddleston (@I_Am_ICT) "Jutus Swing."
3. There will often be a second move to the HOD/LOD forming an M or W formation but price will fail to break the set HOD/LOD. The characteristics of this move are seen with printing a choppy candle.

This is the preferred point of entry for most traders, particularly on the Second leg of the M or W.



* Above is a 15 min EURUSD chart meant to further explain more in to the unanimous Jutus swing and the M price action formation.

THE EXTENDED STOP HUNT

When price is pushing outside the Asian range and goes for another 25 to 50 pips beyond the range, as we know the Market Makers intent is to generate Stop hunt. However, if as a result this move gas triggered inadequate positions the Stop hunt is extended.

Like before, the move must be extended another 25 50 pips and will commonly comprise of 3 mean green candles seen on the H1 chart. Again a trader must use his/her own "pip radar" and make the judgement.

Therefore, if you identify that the period of time the Stop hunt has not led to a reversal, "Then smile and wave" scratch the trade.

THE TRUE TREND

The Stop hunt will then be followed by a slower trend that continues against the 'faked' trend towards the opposite High/Low of the day'

This true trend to move in 3 waves, the pause between each wave represents a new opportunity to break/fake out traders by reversing direction and then "ramming" against them and clearing the board. These pauses "compartment syndrome" are often characterised by the sideways movement rather than a significant retracement these are re-entry or partial profit milestones.



* Above is a 4 hour GBPUSD chart giving visual interpretation of how to identify a true trend pattern also levels where price has collected orders.

THE OPPOSITE LOD/HOD AND REVERSAL

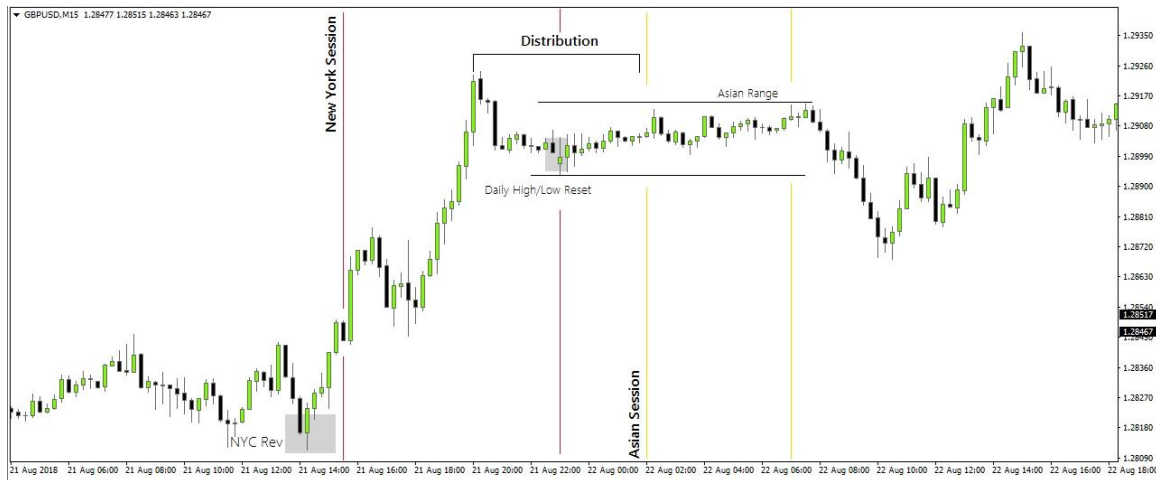
Ultimately the opposite HOD/LOD will have been reached and there will be another reversal. This often occur in the New York session “Big Apple bite”, this has soon to be called the NYC Reversal Trade. This trade is likely to return a smaller profit than the initial stop hunt reversal trade that you might have missed in the London open.



* Above is a 15 min EURUSD chart giving visual interpretation of opposite HOD / LOD and the reversals.

DISTRIBUTION PHASE / RETURN TO ACCUMULATION

Once the reversal has happened, price normally tends to trend back to centre, often not far from the market open and recommencing a new period of accumulation lasting till the next day.



* Above is a 15 min GBPUSD chart giving visual interpretation on the distribution phase / return to accumulation.

CHART ART 'SET UP'

CANDLESTICK PATTERNS

The 1st and perhaps most important thing to grasp about candlesticks and price action is that in the wrong market conditions they have little to no meaning. Example a Hammer or Shooting Star in the middle or in between ranging candles is meaningless if you don't know what u looking for using the wrong tools for the job. A Hammer or Shooting Star at the high or low of the day has a great deal of significance.

The candle patterns that are handy to your arsenal are:

i. Spike candles

The description includes spike candle, "Empire State candles / Hangman" and they are ranging candles in the 15 min chart. These candles are designed to "get traders exited", and allow emotions to tap the orders into the market. However MM's will pullback the price quick before the candle closes leave those who were over egger trapped in the losing trade.

ii. Spinning Tops, Hammers and Shooting stars

iii. DOJI candles

iv. Chop shop candles

These candles trick people into going into the direction of the 1st candle. But it will be quickly snatched away to the next one, they are really an inconsistency of an M or W pattern.

v. High test Pattern

The high test pattern occurs at previous daily high. Ex, the general technical trend confirms a possible uptrend but as price reaches a previous daily high a reversal pattern is seen. Remember that any candle stick pattern is possible in this region and if all mean the same thing. **YOU SHOULD CHANGE DIRECTION AND RUNN LIKE FOREST! "HAHA", THIS MEANS YOU NEED REASSES AND CHANGE DIRECTION.**

If this pattern is a double tap test, but closes above the 1st high test, **YOU COULD EITHER CUT YOUR LOSSES AND TAKE IT LIKE A MAN, OR WAITH FOR YOU STOPLOSS TO BE TRIGGERED**, and wait for the new clean opportunity.

vi. Low test Pattern

The low test pattern is exactly the same as the high test pattern except that this refers to price action and trend changes at the opposed side being previous daily low.

Note from Trader:

News spike candles should be disqualified rather than be a point of entry.

You will observe that a news spike candle pushes up too quick and then down with the same speed or vica versa. Those whom have come before you have attempted to trade the news, 1 for 1, which in this candle pending orders are moved to the highest point before aggressively moving away towards stops that were meant to be 10 pips into 40 pips giving MM a clean sweep to what you have worked hard for. There will be requotes, open trades will run quick into loss if on the opposite side.

News Candles are really nothing more than means for Banks, Brokers and Dealers to grab your money!



* Above is a 1 hour CADJPY chart set for the big CAD fundamentals "This is what I am looking at going into this".

2:30pm	CAD	CPI m/m	0.1%	0.1%
	CAD	Common CPI y/y	1.9%	1.9%
	CAD	Foreign Securities Purchases	4.91B	2.18B
	CAD	Median CPI y/y	2.0%	2.0%
	CAD	Trimmed CPI y/y	2.0%	2.0%

* Above is CAD news that is set to SHAKE the CAD pairs, those that have liquidity for price to run into.



* Above is the Same 1 hour CADJPY chart after the news release _ given the partial profit collection price hit TP by close.

COLOUR-CODED SESSIONS

The 1st thing to draw with a horizontal line would have to start by identifying Daily High/Low reset done at 23:00 CAT / 17:00 ET. Next would be to outline the "Gap were banks transact in the Pacific session from 23:00 CAT to 02:00 CAT to identify the "Ghost" consolidations, Furthermore as further consolidation is expected on Asia so we need to illuminate it from 00:00 CAT to 07:00 CAT. Remember this is just a guide line the will be no trading is risky.

The 2nd thing to draw is the London open and by this we are trying to notice any Jut us Swing within the session that will be the possible LOD/HOD. This will shortly be followed by the Midsession reversal "Big Apple Reversal" this happens towards the end of the London Session Overlapping into the New York Open. This happens about 3 hours in the New York open which within this time London is closing up shop.

PREVIOUS HOD/LOD INDICATIONS

The High and Low price from previous day were used by the Market Makers to trap volume. It is vital and significant to know how price reacts at these levels going into the following day.

When this occurs, it is not uncommon to see price approach either of these lines and "throw a Spike candle" over the line to fish for resting orders. At other times price might approach but not quite reach previous High or Low if enough orders are sufficient. This should tell you that price is already on the correct side. You will therefore expect the price

to stale and bounce like a YOYO if the case might be, this commonly occurs within the London open.

TREND ASSESSMENT

There are 2 types of trends in the market place. There is the Market Makers "True" Trend, or the Technical Trend.

The true trend is set by the Market Makers and can be reversed at any time.

Understanding this key issue is important because it allows you to be free of the trend bias that tends to keep people locked into wanting to trade in a fixed or single direction.

The trend can be moved in both directions, and as the Market Makers can change direction at will, SO SHOULD YOU.

The hourly chart (H1) will often eliminate some smaller time frame noise created by M15 and can be useful in reviewing the trend. A 4 Hourly (H4) chart will often highlight the peak formation Highs and Lows even more clearly as a pin bar or chop shop candle formation. But the Daily (D1) is too slow "Snails pace" to identify significant patterns usefully except Swing High/Low and daily bias.

If you identify areas where the all patterns all line up, For Ex, H4 pin bar, with a H1 Chop shop candles and a 15 min W or M formation this will be a strong Point of reversal.

The intraday trend usually lines up with the higher time frame. it typically begins with a Stop Hunt. While trading the intraday sessions it is still important to step back and look at the bigger picture.

BASIC TREND ANALYSIS WITH ALL INFORMATION AVAILABLE

Features identified in an UPTREND are:

- Spike bottoms "Chop Shop candles"
- W bottoms
- Stop hunt for Sell stops

Features identified in an DOWNTREND are:

- Spike tops "Chop Shop candles"
- M tops
- Stop hunt for Buy stops

TRADING AND TRADE SETUPS

TOOLS OF A TRADING SYSTEM

The 1st rule to consider is that **YOU MUST HAVE A REASON FOR ENTERING THE MARKET!**
Essentially this involves:

- I. A setup and in this case your assessment of the true trend direction and which level it is at.
- II. There must be a clear signal for entering or sitting it out.

The signals are:

- I. A Stop hunt usually in the form of a pin formation to the High of Low.
- II. Has the market collected resting orders from Previous HOD/LOD or Chop shop formation?
- III. The development of a W or M.

Once one understand how the market is structured there are really only 4 trades that you should be looking for. These trades will be better than 90% accurate and can provide enormous success "Lottery Ticket".

When looking for the setups it is important that the setups are clear to you and well-defined. If they do not present themselves then the object of the exercise is to fold and come back tomorrow and not over expose "thysself".

So in reality when you "Show up to the office" every day the routine plan will be to:

- I. Identify the peak formation Highs or Lows in the weekly view.
- II. Identify setups within this period, specifically looking for the most pristine setups where there is maximum opportunity for scalping in heavily "within RISK appetite" with high lot sizes without being shaken by losses because of your stoploss and you feeling like ""Bobby Axe, you got this".

RULES OF PROFIT

- I. STOP TRADING EVERYDAY.
- II. Show up every day, but if there is no set up then there is no trading.
- III. LEARN TO BE HIGHLY SELECTIVE.
- IV. Trading hours should only start at the end on the ASIA and into the LONDON open for 4 hours. Then hit some air. After that look for reversal setups at the opening of New York session for 2 – 4 Hours.
- V. Always enter positions in their consolidation level where applicable. This should be done in alliance with your setup only and when you believe that HOD or LOD has been or forming. If you miss the "Sweet spot" entry and price has begun the move than you will be stuck chasing price effecting your stoploss and target.
- VI. Ensure that you only trade on basic of closed candles, preferably on enough confirmation.
- VII. Only take trades at the peak formation Highs and Lows on the intraday cycle. This will be a stronger "Money signal" if it lines up with a peak formation Highs and Lows in the Three day cycle.
- VIII. Aim to make many pips per day to achieve your income targets, use a method which is highly reliable and close on partial profits with each target set "Pay the Trader!"

Note from Trader:

Why do we become Forex traders? For, Time / Freedom & Leverage,
 "Bad A*# right!"
 Because you are trying to be highly selective you don't have to be in front of
 the damn computer all the time.
 Instead, be very selective and therefor more focus will be on what you're
 are looking for. When you learn with me, Aim to make
 50 PIPS per day and you will get that Austin.

*Remember if you make 50 Pips per day and are trading 1.00 Lot, you will be making €500 and if you are trading 10.00 Lots, you will be making €5000.
 But you make 50 Pip per day and are trading like "Bobby Axe" 50.00 Lots
 you make €25 000 Large!*

If you are confident with your setups and your level of accuracy you can afford to trade heavily. Most people only trade smaller sizes because they are guessing at the direction the trade is going to travel in.

PUTTING THE CHARTS TOGETHER

The primary objective of this exercise is to decide which pair you are going to trade. Ask yourself a number of questions when assessing each chart. Some essential questions are:

I. What level of the trend are we in?

Examine the H1 chart to the M15, for this you will be able to see if the pair is "Ripe" for a set up that you would like to trade and begin to watch closely.

II. Which day of the week is it?

This will help in determining which profit targets for the day are valid.

If it be Friday or Monday, then perhaps aiming for 30 to 50 will suffice. However if it be Wednesday or Thursday and the midweek reversal has been identified, then it may be more reasonable to your fortune to convert a scalp into a swing trade.

"Don't forget to pay the trader".

III. What has happened in the last 3 days?

Again this will provides further information about where price has come from and where it is in the cycle, also remember the weekly cycle and where price is currently.

IV. Is a consolidation possible?

So after asking yourself the questions, you need to make an assessment about where you think the market might be heading and exploit it for pips.

LOOKING FOR THE KILL ZONES

A Kill zone is an area where price will find intraday support or resistance. It will therefore become an area where there are possible setups and exits. These areas will occasionally confuse your frequency and confuse your signals.

So the things to look for in the Kill Zone are:

1. Identifying of the Asian range is less than 50 pips
2. Which trend level is the price at?
3. Has there been a Spike candle out of the consolidation to sweep orders?
4. Has yesterday's High or Low been worked?
5. Is there an M or W pattern visible?
6. Is the evidence of chop shop candle stick price action?
7. Is there a potential extended stoploss taking place?
8. Is there a potential Swing High or Swing Low formation?

A TRADERS SUGGESTED ROUTINE

The 1st thing one should do when coming into the office is to check the News “Traders newspaper”. The best place to do so is at Forex Factory (www.forexfactory.com). Beware that Fundamentals disrupts the market analysis when Markets Makers trade large and quick to take retail money, so you should avoid it by all means while learning. It is therefore better to avoid being in a trade when there is news on the horizon, though once you’re more experienced you’ll learn to trade with them on news set ups.

Having checked the news you should:

1. Avoid trading Non-Farming payroll at all costs “It will humble you!”
2. Avoid trading when the Fed chair speech is running.

As a trader it is your duty to identify condition and apply the appropriate action needed. The market has only 3 conditions. They are:

1. **Consolidation/Accumulation** (which anticipates a stop hunt)
2. **Stop Hunt** (you must wait for the signal or the set up)
3. **The Trend** (take a trade, count the levels and maximise profit)

It is important to have a routine “Ritual” when you examine your chart and take trades. Here is an addition to the mentioned routine:

1. Before opening the M15 trade chart, look at the hourly (H1) chart and verify the Level and particular observe the Highs and Lows.
2. In the M15 trade chart perform an intraday price action observation.
3. Highlight the Asian range and note if it is less or more than 50 pips.
4. Identify price behaviour if it should move out of the Asian range and how far.
5. Look for evidence of an M or W formation that takes somewhere between 30 to 90 min to develop.
6. For additional conviction, Look for evidence of price reaching for any highs or Lows that might support or resist price.
7. PULL THE TRIGGER; PLACE THE STOP & SET THE TARGET (If you plan to use a fixed target).
8. Plan for additional entries and pull the trigger when the relevant criteria have been met.
9. As the trade progresses, continue the level count and try to stay with the trade while it count remains valid. When there should be evidence that the move has reached fatigue and presents with a Low/High test pattern or chop shop candle behaviour, than “Take your chunk and exit trade”.

MARKET TIMING

The best times of the day trade forex are:

- Between 01:00 and 05:00 AM ET / 07:00 to 11:00 AM CAT (Asia/London)
- Between 08:00 and 11:00 AM ET / 14:00 to 17:00 PM CAT (London / US)

The best period in a week to trade is relevant to the 3 day cycle or Weekly cycle. Observe that the cycle starts on Sunday and you are going to expect the Midweek reversal to occur on Tuesday through Wednesday so the most profitable days are likely to be Wednesday, Thursday and Friday.

Expect Mid-December through Mid-January to be quite choppy on a daily chart, which is will potentially be difficult to trade. This is because Market Makers take their well-deserved holiday and leave the minions to fight over scrapes.

Whenever there is a US Holiday expect the Asian session to be bigger and for this to be the most active and London _ my advice "Take such days as Family days period!"

News releases should not be directly traded but can be understood as a method of Market Makers finishing their move or moving price to their Institutional levels.

In most cases, if you take only the best setups you will only have 2 to 4 trades per week, Ya I said it "Per week". However, if you execute these trades, then you should expect to be very profitable.

STOPLOSS PLACEMENTS

Stoploss placements would ideally be above highest range candle which pushed out of the consolidation range. It is important because it is not uncommon or infrequent for price to push out the range targeting the HOD or LOD.

If your stoploss has been hit it does not mean that the pattern necessarily fails and you should not "go on vacation". In most cases it means that there was not an adequate accumulation of positions at that level and Market Makers decided to "pump up" the move to 25 pips further, this is to entice more traders to take this direction. So the strategy on the 1st failure would simply be to wait for price to move another 25 pips or so further on, and develop another reversal pattern and then re-enter trade "No Martingale Gambling!" as you notice evidence of another set up recurring.

This will still be profitable provided you have a TIGHT stoploss and still maintain a 50 pip minimum target.

1st Leg Stoploss

If you have taken a trade on the 1st leg of the M or W then there is an increased likelihood that the HOD or LOD will be retested. In these situations, it is sometimes seen that the 2nd Leg will Spike above the 1st leg HOD or LOD and this needs to account for.

For such a reason the stoploss will be placed further away and the stoploss of 23 pips have been found not to be effective in this situation. This allows for a 15 pip wig or spike past the 1st leg High or Low as well as a spread and several pips of safety margin on top

2nd Leg Stoploss

Already noted this is the much safer entry. It provides a high degree of confirmation that the setup is correct and is required in order to take multiple contracts (orders) with little or no drawdown.

These entries require a stoploss of as little as 7 to 10 pips outside the HOD/LOD

SWING TRADES

The basis of taking a swing trade is to enter the trade at the W or M formation at the begging of the 3 day cycle.

One of the key to this approach is to not have a stoploss to close to the current price allowing for room so that price can swing High or Low and into profits as following:

1. Take the initial trade allow it to move 50 pips.
2. When it has moved 50 pips, move SL to Breakeven level.
3. It will then enter the level 1 consolidation – **Do not Move the STOPS HERE!** If you were to move the stoploss behind Asian consolidation at this stage it is likely to be in the London open Stop hunt.
4. Once the Stop hunt has occurred, then move the stop up behind the Asian consolidation where it stays until the last level has started. You should not move it up to the next consolidation for the same reason stated above.
5. Once it has entered Level 3, Then move the stoploss and exit the trade when it makes a stop hunt in the direction of the technical trend at this stage, which will be signifying that the trend is over.

THE NEW YORK REVERSAL TRADE

This is essentially a reversing trade that occurs following the trend opportunity coming out of the London Session. This has the following characteristics:

1. Most often it occurs during 1st 3 hours on the New York session when London overlaps with New York "Forex Primetime". (08:00 and 10:00 AM ET / 14:00 to 16:00 PM CAT)
2. Price should be at Level III
3. The HOD and LOD have already formed.
4. Price forms a candlestick reversal pattern.
5. Price has printed a W or M formation on smaller timeframe.
6. You will be likely to get 40 to 50 Pip or less.

RISK LEVELS

When you are learning, the aim is to take 1 – 3% risk per trade, but when you are skilled (winning 8 out 10), then increase the trade risk margin to 5 – 10 % of your account balance.

Stop loss Size	1% (per €100k = €1000)	3% (per €100k = €3000)	5% (per €100k = €5000)
10 Pips	10 lots	30 lots	50 lots
15 Pips	6.7 lots	20 lots	33 lots
20 Pips	5 lots	15 lots	25 lots

STOPLOSS IN SCALPING IN AND OUT

I assume that you scale in the following ratio – 5:4:3:2:1

If you have a good setup, it will provide a safer way to gaining profit, you will have to identify only one setup rather than many and simply capitalise on good trades rather than trying to take numerous trades of mediocre quality.

The process should ideally be as follows:

1. After the 1st order reflects a profit,

2. Order 2 should the fire
3. When half way to Order 3, you should be about 20 pips. So move the 1st stoploss to breakeven.
4. When order 4 fires and gets separation of 10 pips, move your stoploss to between order 4 and order3. Now you cannot lose.
5. Then sit back and let the trades run in the wind.

If you happen to have happen multiple orders open and you can identify that you have the Midweek reversal, consider holding and converting the trades into swing trades for 2 more days, But I say again "Pay the trader, Partial profits"

TRAILING STOPS

If you want to use the art of a trailing stop at any time because you can't stay with the trade, then set it to 32 pips. This has shown to provide best results for getting 50 pip targets.

The END ...

*"Surprised you made it this far ...
Congratulations Baby Axe"*

CLOSING TRADERS COMMENT

“This book was meant to be fun, I needed to enjoy this compilation or else I would have decided on a different career path and you would have been screwed. There is some humour, satire and plain BS* * .

Nevertheless we are not missing the importance of what and why this piece of lecture is part key to trading with the big guys in the game. Let this tool be your guide to succeeding and prospering in the algorithmic market that shreds all new comers”

– *Sir Jones* ...

Special Thanks and Credits to :

Mr Micheal J.Huddleston (@I_Am_ICT)

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Mr Steven Mauro

(Father of Market Makers Strategy)

Mr Jones Zondo (Sir Jones)

(Market Makers Secrets Essayist)