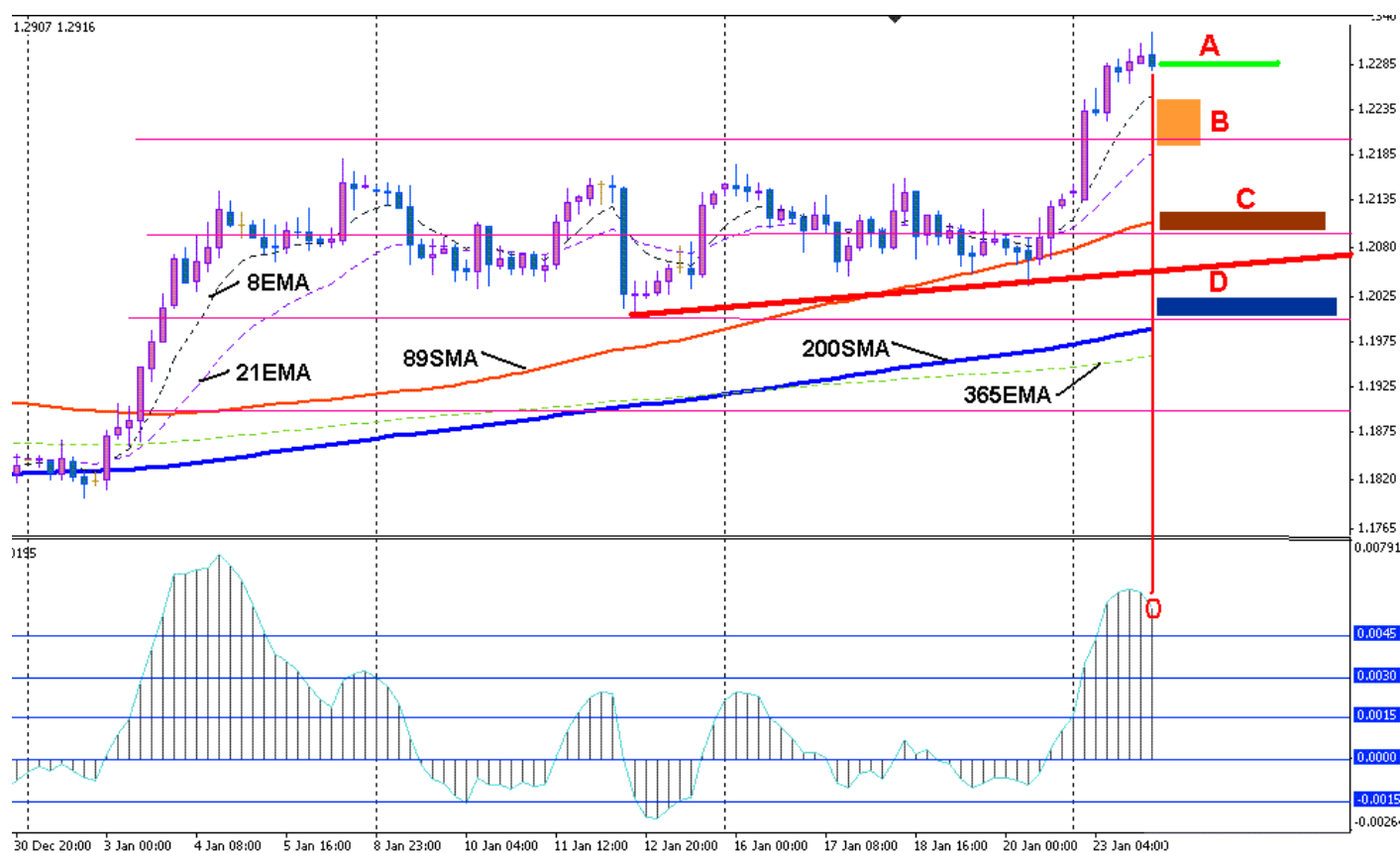


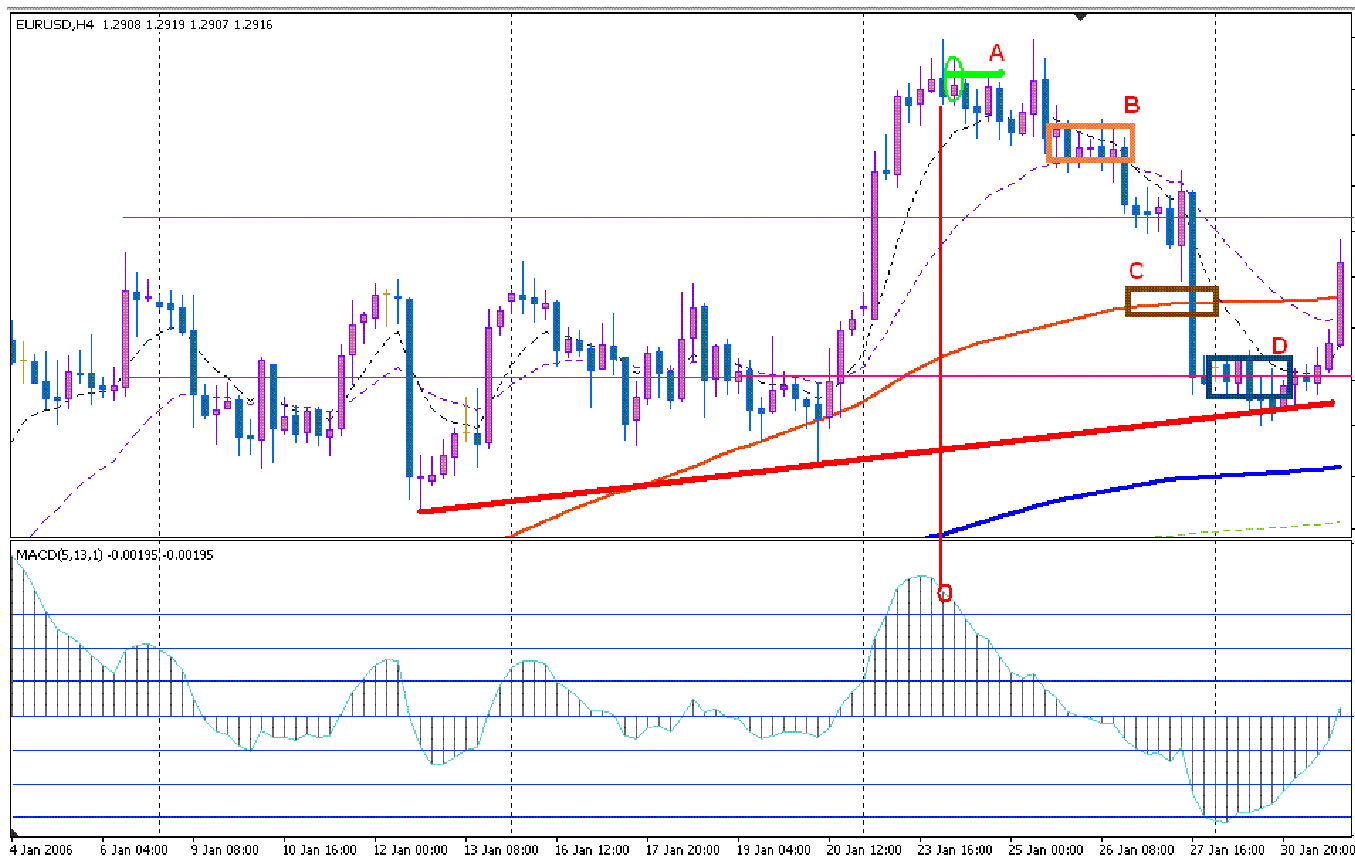
Planning a trade

There is different ways in planning a trade but this is how I do it.

- A. This is the entry point determined by the MACD. There is no mystery about the entry. When the MACD satisfy the rules as outlined in the 4 Hour MACD strategy document then enter.
- B. This is our first area of partial profit taking. We have 3 barriers namely the 8EMA, 21EMA and the price level of 1.2200 to overcome. Where you set your partial profit taking is up to you. If you can watch it live you can always decide real time otherwise set it at what you feel comfortable with. The order of importance is price level first, then 21EMA and the 8EMA.
- C. Next is the 89SMA and the price level of 1.2100. Both very important but the 89SMA normally halts or turn the price around. At this stage I will close everything except 20% of my position if there is still room to go.
- D. Just above D we have a trendline that should see our full position closed. It could go to the 200SMA and the blue zone but only when live in front of the computer will I give it still a chance below the trendline.



This is how it worked out. It is easy afterwards but you must plan your trade in advance. The entry is not a factor anymore therefore one can concentrate in managing the trade.



Take partial profit at B, then another at C and then closed out at D. It completely ignored the 89SMA and went straight down to the trendline. When the trendline was hit the MACD indicated a trade upwards with the 89SMA as first barrier and so on and so on and so on.