STRATS PASR

To be tidied up - YOU do if you are reading this

- Learn basic PASR (price action support resistance). This involves learning and **understanding** exactly what PASR is.

- Identify ACCURATE SR levels. Support and Resistance is never calculated using random prices, SR is identified from PREVIOUS PRICE ACTION.

- Learn to identify basic price reversal candles – Hammer, Shooting Star, BUOB, BUEB, BEOB and BEEB, nothing else. Hunt these out and study them on thousands of charts. Once you have done this do the same on thousands more charts. At this point we have to learn the classical definitions of these candles and more importantly -**where and how they must form to be considered significant**. DO NOT think about or study other candles or patterns as they are NOT reliable and/or consistent for PASR trading.

- Learn how to calculate risk according to stop size and pair then combine the above together to do SIMPLE yet very profitable trading:

- Trade from support to 1st resistance and resistance to 1st support. Use fixed risk and no more than **1-2% risk in total**. Place buy stops above hammers/BUOB/BUEB's and sell stops below shooting stars, BEOB/BEEB's so that trades only trigger on momentum. Do this over and over and build your confidence. As you do this you will learn more about how to PLAN YOUR TRADE and how to TRADE YOUR PLAN.

- Unless a swing is CONFIRMED it is not valid and is about as much use as a crack in a glass eye! Placing stop orders doesn't guarantee you won't get in on unconfirmed swings but it does better your chances.

- A "Bond" candle is a deceiving or misleading candle. It can be a correctly proportioned candle but nowhere near S&R OR it can be an incorrectly proportioned candle at S&R OR any combination of both. Learn how to recognise a bond candle, and better yet, a real, strong candle that seeks lower prices but finds buyers.

- As there are bond hammers there are bond shooting stars. Due to "gravity" bond shooting stars can be considered more favourably than bond hammers BUT learn to recognise the real thing.

- How to use the BOSS to trade the Worker:
The BOSS gives us our direction and sentiment, the Worker gives us our timing.
When you see the BOSS signaling an opportunity, start looking at the Worker for PASR to trade in the direction of the BOSS.
Don't waste your time looking at Worker pairs when their BOSS is not signaling an opportunity – this is a sure way to losing trades.

- Reason for trading dailies: "I am more suited to doing a 20 minute analysis over 10 pairs after 2pm (PST, when NY closes) and placing limit/stop orders and letting them run".

- My stops go either at swing highs or lows or major S&R and are NEVER by pip value. (i.e. structure high/lows).

- I use a combination of everything I know to forecast direction and only get it right about a third of the time.

- The triangle/coil is that formed on the Daily chart by the trend line across the lower highs and the trend line across the base.

- I use a Daily candle chart with a red 20ema, a blue 50ema, a dotted red 100ema, and a dotted Blue 250ema and a Volume indicator in a lower window. I then switch this to Weekly to look at the big picture. When I do my end of week analysis, I add a couple of cycle indicators but I'm not entirely convinced yet that they really tell me anything or are worth the effort. The most important parts for me are to be able to clearly see price bars or candles.

- My method is very basic and simple:
Price Action at Support & Resistance (PASR).
The key is to know what Price Action IS and what it DOES at Support and Resistance.

- What is important is not to use any one aspect of my method in isolation. For example, it would be foolish just to use Price Action without Support and Resistance. Next it would be foolish to use both of them without knowing where we are in the big picture etc.

- The trick is to limit your losses so that your wins are always far greater.

- The entry is to place a stop sell order BELOW the low of that outside engulfing bar so that when it goes lower, you are filled in and are therefore taking advantage of the downward selling pressure (momentum). If we are wrong and price takes off in the other direction, then no big deal, we don't get filled and live to fight another day.

- About how long to leave a pending order in place; there is no set rule, it all depends how price action is developing.
If I entered an order anticipating a sell and then next day the sentiment changed or price action started to hint at buys then I pull the order immediately. It also depends where the price closed relative to support and resistance.

- To trade the long term trends we have to BELIEVE that we got our plan right and be prepared to sit it out until it tells us we are wrong. Most of the time we will get it wrong and either get stopped out at break even or for minimum % risk. The few times that we get it right make up for those wrong times a thousand times over

- The “meat” is after the first confirmation of the trend. Finding the end of the “meat” is a little more difficult but still relatively easy depending on your greed for profit.

- Another point, a trade is put on as part of a plan (PLAN THE TRADE). Once the trade is entered, the trick is to TRADE THE PLAN. If you are trading the Daily chart, then TRADE THE DAILY chart - forget about how many pips you are up or down, your plan takes care of that. So many traders try to trade the Daily with a H4, H1, M15 or M5 mentality and then wonder why it doesn't work!

- We trade price action at support and resistance. This, along with the direction from the higher time frame(s), guides us in our trades. Also we manage our trades once in a position.

- I trade on momentum not on guesswork. I only want the market to fill my order if it moves in my direction.

- On a dip in an uptrend and IF price action was at support and everything else was lining up, I would place a buy order several pips ABOVE the high of the preceding bar - if price doesn't go up, I don't get filled.

- Jacko: In trading, you should park the "ego" at the door, be calm and patient, and trade ONLY when the risk/reward ratio is in your favour. It is not easy, but it is simple.

- My stop losses always go at swing highs or lows or support and resistance but NEVER by pip value. Yes, those levels are further away now but so are the profits. It's all relative.

- I don't normally interfere in mid session of a daily bar and when I do it goes pear shaped.

- On MAs; the Daily 20 and 50 give us i) trend direction, ii) support and resistance and iii) whether it is a bullish or bearish outlook. The BOSS 20 and 50 does the same but from a Weekly point of view.
MA's are very powerful and I use them both in isolation and in combination with all my other stuff.
They tell you the trend in two time frames, where prices are in relation to the trend, the strength of the trend, are invaluable as support and resistance AND especially when they are in confluence with support and resistance levels and can give us an idea when to expect the rubber band move to come into play.
The cross of MA's, although never used as a trading signal due to the lag, is also very informative. Their slopes provide valuable information as they do when they "trap" prices between them.
Since they are also used by banks, funds, hedge funds, trading houses and large institutions they become "self-fulfilling" much like Fib levels and retracements.
MAs are dynamic whereas our support and resistance is static.
Nicola: The moving averages are great indicators of trend. If the 50 is above the 20 and the price is below them both then the trend is definitely down, and vice versa. Strat: You have the logic spot on but the description is upside down. To make it more understandable, it would be better to say:
If the 20 is below the 50………..The 20 is the boss of the 50.
When the price is stuck between them it is in a box and direction is not always clear.
I see them as floating (Dynamic?) lines of support and resistance which can be just as powerful as the fixed lines of support and resistance I have drawn on my chart. Not sure if it is because a lot of traders use them but there is often price action off the moving averages……..if there is a moving average at a strong support/resistance level and that also coincides with a fib level then I am definitely looking to see what the price will do there.
Price is what we are concerned with and IT'S position relative to the 20 and 50 (not the other way around). The 20 is the BOSS over the 50 - it is far more powerful - many times it acts as resistance and support - go back and look at lots of charts. Always look at where price is relative to the 20. If price is above the 20 it is bullish - it does not necessarily mean you should buy at that point but that you should be looking for other signs to tell you to buy. The more often price goes above the 20 while it's direction is down, the greater the chance that it will eventually put in a low swing above it. Price is now boxed in between the 20 and 50 telling us to sit tight until it shows us it's future direction. Often times a substantial move evolves from the "Boxing in" of price. The 20 and 50 are also coming closer together and going horizontal - another sign that a big move can be expected from this.
Yes, they lag and yes they are indicators of price history BUT we are not using them in any way shape or form to generate signals as you are probably more familiar with. I have some pretty good MA systems which are very profitable UNTIL they hit the dreaded consolidation and just like everything else in consolidation, (in my opinion), are useless. We also never use them in isolation. They are used as part of our total package in our decision making process.

- The worst thing anyone can do is look back after an important announcement and especially, NFP, and to think what might have been if I had done this, stayed in, etc. Either trade it and suffer the loss or reward, but mostly, stress, or stay out. If you stay out then forget it, let it go, don't look what happened. What did happen is something over which we have no control so why waste energy worrying over it.

- Since I'm trading reactions to Support and Resistance, my stops have to go either above/below Support and Resistance or at swings. For me, they have to be away from the noise of all the time frames below the Daily. When I place my stop loss, I EXPECT the MMs to run the stops and clean everyone out BUT I believe in my plan and let it run accordingly.

- Support and Resistance are proven areas in history where buyers have bought and sellers have sold.

- If you try to take a piece of method A, and add a piece of method B plus a squirt of method C, it won't work. A method is an all embracing strategy.

- Patience and waiting for the trade to come to us is the difference between winning and losing (read amateurs and pros). The “dead area” (trapped between support and resistance) is where most traders lose their money.

- If I was an aggressive trader, I would have sold at the market but then that puts me in the hands of the MMs and takes away what little control I still have left.

- I am only interested in the CLOSE of a candle. I do not care where it started, where it's been, how far it's gone or why it went there, only where it ended up.
I do not use highs and lows for any of my analysis - not even for trend lines.
The close, in my opinion, is the most important level on a candle. I do not use tails or wicks for trend lines or any of my analysis. So, on a down trend line, I draw the line through the open.
Although the close is the most important, the other 3 levels also have their use in telling us what went on in that 24 hour bar.

- Where to draw your fibs, the general rule is from swing to swing. When that swing has produced it's retrace, rally or whatever the move, then move on to the next swing.

- What you have to remember is that trend lines, fibs, support and resistance are not exact. That is why you will see us say 1.3650ish. There is no rule that says price has to be “spot on” with any of these - just pretty close will do the trick.

- When something is not working for us after we have given it a good try, we need to stop and ask “WHY?” How many of us have traded with something that does not work and asked “WHY ISN'T IT WORKING”? We just keep plugging away and HOPE that our “LUCK” will change. Hope and luck are not included in the recipe for trading success

- Don’t be in a hurry to trade - let the market show it's hand and then jump on it's back. You do not have to get in at tops and bottoms on the Daily time frame.

- I struggle with getting SL to break even also. It's a toss up between hanging in for a longer move or getting out with some profit. I try to look at where the next roadblock (support/resistance) is and work back from there. It also depends where you are in the trend (or not in a trend).
From the trading psycho view, it is always best to grab some profits while you can and not let a profit turn into nothing, or worse, a loser. However if you do screw up and end up with nothing or a loser just take it on the chin and move on to the next trade.
Baba G: In regards the whole S/L break even take profit thing. Its never gonna be any different because market the is never the same twice. This is what I do. I look in my crystal ball and I say entry is……there it will pause there, there and there. At each of those “there’s” I do something. I decide what I’m gonna do before entry. If A,B or C happens at one of those “there’s” I’ll do X Y and Z and I’ll do that process till I feel I'll be at the free trade point then I don’t care. In a trending market ill give it more room. In a consolidation market I’ll take no prisoners.
The combinations are endless and the outcome is always different.

- You have to learn what each single price bar is telling you, then what a group of price bars are telling you, then what a swing is telling you, etc, etc ALL within the boundaries of support and resistance.

- For volume, I use the standard MT4 volume indicator………forex volume samples are just as accurate (as political polls which sample a small part of the population).

- A neutral doji - it is telling you there is indecision - the buyers and sellers have met and cannot agree on anything. It does NOT, absolutely NOT, tell you of a possible direction change. What it tells you is there are sellers closing their shorts (profit taking) and others coming in to sell and some to buy. It is doing nothing more than taking a rest - it is NOT a price reversal bar

- I'm using a line chart based on the close to draw my lines (trend and s/r) which I'm finding helpful in clearing the clutter.

- "HOPE" is not an ingredient in the traders' success recipe? If I am "hoping" for more that means GREED has raised it's ugly head again.

- Volume: Never use volume as something to base a trade on - only use it in conjunction with everything else. I use it to confirm price action at support and resistance and to gauge the strength of a move. I would never dream of trading on volume alone.
Volume is also not as simple as a price bar in the sense that increasing and decreasing volume indicates demand and supply so please be very careful using volume until we explain it in greater detail.

- There is absolutely no magic in the reaction of price to S & R levels; if you understand price action at support and resistance. There is a caveat though and that is, you have to find the CORRECT or ACTIVE S&R lines.

- I recommend everyone enter trades with at least 2 positions. This does not mean twice your MM allocation. It means divide your regular one trade into two trades thereby halving the size on each.
Place the 2 positions with the normal SL but set a TP (Take Profit) for the 1st position. This should be a very realistic TP not some "dream" figure. A good TP is just under the ATR1 (Average Trading Range) of the pair being traded.
When that PRICE is reached you have just taken profit. It is in your account. No-one can take it back.
Now, depending on where that PRICE is relative to SR and swings, you could move the SL of your second position to that PRICE meaning that it is now at break even and you have a "free" trade.
So with 2 positions, you get a profit and a free trade if you manage it correctly.

- We have a 20ema and a 50ema which tells us about the Daily and on the same chart we have a 100ema and a 250sma which tells us what the BOSS is doing.
The 100ema on the Daily chart is the same as a 20ema on the Weekly (20(daily) x 5 (days in a week) = 100)
The 250ema on the Daily chart is the same as a 50ema on the Weekly (50(daily) x 5 (days in a week) = 250)
In each case, the 20 is more powerful than the 50

- IBs are "PAUSE" bars - the market is undecided - taking a rest - usually in a confirmed trend it will be a continuation bar meaning that you can trade in the direction of the trend.

- With regard to shooting stars at the end of an uptrend and hammers at the end of a downtrend, they will jump out at you if they are the real thing. What is happening now is that you are "searching" for them and trying to make every bar look like one. Pay special attention to position or location. These type of candles mean different things in different positions in a chart and sometimes mean nothing at all. Then, when you see what looks like a hammer or shooting star, remember Bond. Ask yourself if it meets ALL the criteria, "is it really a hammer/shooting star?".
I want to encourage you to only trade "classic" price reversal bars as these are the safest ones with the

lowest risk. There are also several ways to trade the price reversal bar but I'm only going to discuss the safest and lowest risk (for me). After you see the price reversal bar and thought of Bond, this then becomes your "set up" bar. If it really is a hammer (don't get fooled like Bond did!), enter a buy stop order about 10 pips above the high of the hammer. The amount of pips above the high will depend not only on the pair but on the current volatility of price action (below the low on a shooting star).

- When you go looking for opportunities, ALWAYS start with the BOSS. Look at what it is telling you. Then knowing that, move over to it's slave - the Daily and look at what that is telling you.

- The North bound train can't go anywhere but North until it STOPS in the station, gets on the turntable and turns around to go South.

- If it means something it will jump out at you.

- If you want to find really strong, powerful levels of resistance and support, then pull up a Monthly chart and where the Monthly levels coincide with the Weekly levels is where you will find super powerful major, major support and resistance. If you do this, do not draw other lines in as you will end up with more horizontal lines than price bars!
- Nicola: I just do the ones (SR Lines) where the price changed direction. PS - I make them pretty faint dotted lines so as not to be distracting too.

- I use specific price levels - sure there may be and are several levels around the same price but they mean more to me than a zone.
Have another go with your Weekly S&R but try to identify the swings and, when you have identified a line, scroll back to see how many times price reacted to it. If there are very few reactions to it, then it is a low incidence line and may never come into play again.
- The TIME factor has no bearing on S & R - the only thing that matters is PRICE.

- Despite what you may read that the markets are Random or Chaos they are actually quite organised and respond to the past. Always remember that with the markets, HISTORY repeats itself.

- Ignore the colours for bullish/bearish determination. It is only red because it closed below the open. Everything else other than colour is more important.

- I like to put fibs on the latest price action.

- The ideal 2 day pin has the same length noses. The greater the difference the weaker the bar. And the close wants to be in the body of the bar……g

- We must be very careful not to over-analyse and over-think - something for which I am also guilty. I love nothing more but to look at charts and think through every possible scenario, but for what? It doesn't get you anywhere. RWS- the K.I.S.S. principal rules.

- The absolute worst thing for anyone trading the Daily to do is watch what happens on a shorter time frame or watch the Daily candle DURING trading hours. We don't care what goes on within that Daily candle - all we are concerned with after 5pm NY time is where the candle closes and where it's been.

- "What is the market telling me"? If you have to ask this question then you have really answered it yourself - the market is not doing anything, it is waiting.

- Dr. Joe visited CME - all he saw was the floor traders just FOLLOWING the market - when it went up, they bought - when it went down, they sold. It really IS that simple despite all today's electronic widgetry and gadgetry.

- A common sense trader will always outperform a technical trader. Dr. Joe realised all his academic qualifications were worthless and ditched them in favour of common sense - doing what the market tells you.

- The formula of an EMA puts more weight on the most recent data whereas an SMA treats all data equally. The shorter EMA is thus reacting sooner (don't forget it is still lagging) to the latest data giving us a closer “watch” on immediate prices. The longer term SMA is ignoring the short term “noise” and providing us with a “smoother” picture of prices. Don't forget that all indicators, MAs etc are just mathematical derivations of price so that we can “see” price HISTORY differently. We do not use MAs to trigger signals - they are only there as one of the tools in our tool box to guide us in our analysis. Neither do we use them for predicting future prices - only PRICE ACTION can do that.

- I have found that my 30 second glance across the time frames of each pair is beginning to mean more than a structured detailed analysis.

- Trends demolish ALL and ANY cycles like a hot knife through butter.

- I cannot make head nor tail of fundamental economics therefore I ignore it and just trust what I see on my charts.
I do know that trading the Daily time frame keeps us relatively immune from the wild swings that are seen on the lower time frame from news announcements. At the most, a news announcement may cause a “wobble” but after the excitement and everyone calms down it's back to “business as usual”.
The only news I stay clear of is NFP on the first Friday of the month.

- There is also a Rule of 4 which says something like after 3 attempts at support or resistance, there is a high probability that the 4th attempt will break through.

- So much success with your trading that you will feel like “you can walk on water” - this is the MOST dangerous time.

- Trading is easy, trading psychology is hard

- I have gone to a style where I scale in my position and also scale out as I show a profit. I do not establish my entire position from the get go but I add to it once the market shows me my analysis was correct. I also establish multiple target levels and pull money out as they are reached, the first being relatively small. The psychological side of showing a winning trade is very powerful and having a winning trade turn into a loser, even a small loser, was very damaging to me. I like to be right and profit means I was right. When I looked back at my balance sheet at the end of each month, I would just see the negative number, I wouldn't remember I was right and gave back my profits, I would just see that damn number.
I know there are hundreds of methods to manage positions, this is just one that over time I have come comfortable with and seems to work for me.

- For me there is only 1 place for your stop loss - at the other end of the daily bar your playing……..that's it. Select a % risk and divide that by your stop loss in pips and there you have your volume size……..nice.

- Do not put your S & R lines in BOLD. By doing this, we are tricking our mind and subconscious that these are the BOUNDARIES of price action. These are NOT boundaries, only levels where we EXPECT price to do something.

- I just don't like long candles (unless I'm already in the trade). As I posted earlier, these long candles often

throw out IBs and I would rather trade off those.
- An IB is a PAUSE BAR - both the buyers and sellers have lost interest.
An IB can be a reversal bar, bullish continuation bar, bearish continuation bar or mean nothing at all. It all depends where in the price, the IB falls.
An IB means nothing by itself - we have to look at everything around it to make our decision and that decision could be to do nothing.

- Inside bars for me are a sign of a narrower range on a pair with neither the buyers or sellers able to win or gain ground. The more inside bars, the tighter the range and the more volatility builds up (on a lower time frame you may have a wedge or a coil). You cannot trade them until you see which way they break out but they usually work well.
You get a lower risk entry because you would usually put your stop the other side of the bar you are trading so the smaller the bar, the tighter the stop.
The IB is a set up bar and you place your order either side of it DEPENDING WHERE it is in the price/trend/range and WHAT it is doing in price relative to the bars around it, OR, you may not do anything at all. With a decreasing number of IBs, if you know the direction, you just keep placing your order above/below them - this gives us our DISCOUNT PRICE.

- Be aware that long bars with tails usually provide a reaction on the next bar so we may end up seeing IBs again

- While you are reviewing the BIG BOSS in your End of Week analyses, don't forget the higher order of time frames:
The BIG BOSS watches over the BOSS and tells her what to do.
The BOSS watches over the Daily and tells her what to do.
So, when we are trading the Daily time frame, we must know what the BOSS is doing while at the same time BEING AWARE of what the BIG BOSS is doing.
Also, be aware that when the time frames conflict with each other, especially the BOSS and the Daily, this is when they start fighting each other and produce erratic price action.
However, when the BOSS and the Daily time frames are aligned, watch how easy price action is and the way price moves in the direction of the BOSS.

- You should only be drawing SR lines which have meant something in the past i.e., was there a lot of congestion? how many times was price supported/rejected? etc.

- Patience is ALWAYS better than being trigger happy. However, we have to find a happy balance between the two. If you put too many S&R lines on your chart, you will stop yourself from taking any trade.

- I am only interested in trends and the major swings. I want to trade the swing high down to the swing low and vice versa. Trading from support to the next resistance doesn’t thrill me anymore

- Support and resistance is part of price action

- You won't be successful mixing time frames. It is OK to use the Daily to get a better entry to trade the Weekly but you have to choose a time frame which will be your base. You will lose out on some really BIG Boss moves if you trade the Boss with daily signals.
If you are trading the Boss then only watch the Boss signals - nothing less - but make sure you are also watching the BIG BOSS.
Don't forget that within one Boss bar, there are 5 daily bars each with their own cycles etc. The daily will, most likely, stop you out WITHIN a Boss bar, while the next Boss bar will probably continue with it's (Boss) trend.

- You don't have to be trading every day! You still have that M15 mentality that you HAVE to trade. Let it go and LET THE MARKET COME TO YOU.
The trades that everyone searches for are LOSERS. The winners stand out.

- Anytime you have a moving average which is horizontal, it tells you that prices are going sideways. More important is that the market has reached equilibrium or balance. The market is constantly striving to achieve balance but rarely achieves it due to out of balance external forces (buyers and sellers). This means there are as many buyers as there are sellers which is really telling us nobody wants to do anything. Why? Because they are waiting for the outcome of this week. Nobody wants to get caught on the wrong side of whatever the outcome is.
When we get both averages horizontal it doubles the expectancy of the next move.
When you get them embracing themselves in mad passionate love in a horizontal position as GBPUSD is doing that raises a huge red flag the size of Alaska!
This all means it's quiet now, but WATCH OUT, something BIG is a foot!
Do NOT try to guess the outcome or direction. Instead, let price action show us the way. Patience and Discipline IS the key.
- SUPPORT:
Support is, simply put, a price at which point traders expect to see buying. Support can be a level that we have seen previous buying activity at (perhaps the price bounced off of it last month).
The most common place for support level is an obvious spot where traders have seen a major reversal in the past.

- RESISTANCE
As you might guess, resistance is the exact same as support except it is an area where we have seen traders selling the pair in the past.
First is always to identify the direction in which the pair is trending.

- I personally don't use R/R - if I did, I would probably never take a trade. I do start out with risk no more than 2% of my account.
Cutting your losses - it's part of my plan and is controlled by my SL - I have already accepted the loss BEFORE I enter the trade.
Running your profits - the only reason I trade - see my EURJPY trade
Nobody, I repeat NOBODY, can tell where a trade might go. Sure, we have a good idea, others have fib projections, others have S & R, others have trend lines, others have pattern projections, others have pitchforks, others have cycles, others have time projections etc., etc. History can ONLY guide us to where we think the trade might go but that is all it is, a guide. Ultimately, the Queen (the market) will take us wherever SHE wants to go. The only thing we can do is jump on her train and stay on as long as it goes in our direction.
As I've said before, for me, I'm only really interested in trading big moves, or what I think will be big moves, major swings and new trends which at least have decent profit potential.

- Don't worry too much about the 20 “pointing up or down” - be more aware of where price is relative to the 20.
- There IS a difference between an OUTSIDE BAR and an ENGULFING BAR.
To act on an Outside bar, the high and low must be completely outside the previous bar with the close being higher than the previous bar for a BUOB or the close being lower for a BEOB.
To act on an Engulfing bar, the engulfing BODY must be outside that of the previous bar's BODY with the close being higher than the previous bar for a BUEB or the close being lower for a BEEB. An engulfing bar does not require the high and low to be higher or lower.
As always, Outside and Engulfing bars are sensitive to where they are in price and can mean reversal, continuation or nothing so do a thorough analysis before acting on them.

- See the longish wick on that BEEB? That is price being rejected by the strong resistance which rejected prices in the past. You need to see a strong close above that resistance before going long

- Always follow PA IN THE DIRECTION OF THE TREND. The latest candle/bar supersedes the previous bar because it is THE LATEST price action.
IF IN DOUBT, STAY OUT

- The TL needs to be drawn from swing highs in downtrends and swing lows in uptrends.

- The problems with trading during holidays are lack of volume and “skeleton” staff in the big boys. Lack of volume causes prices to be stagnant and directionless but the real problem is “unsupervised skeleton” staff at the big boys. Without supervision of their “head” traders, these guys can put through orders which may otherwise have been held for normal working hours, which can cause erratic moves in the market. Often times they will run stops just out of sheer boredom. If you pull up charts during holiday periods, especially the big ones, you can see long legged dojis all over the place.
I will not initiate positions during holiday periods and will tighten stops if I am holding substantial profits.
I will hold existing positions through weekends but generally do not like initiating new positions on a Friday unless it's a 'no brainer”.