

Secret of Sonic R Entry

Before I explain what Sonic R is all about, let me explain to you, what make a profitable trade. I'm going to give you example using LONG trade in D1 TF.

For a Long position, one must buy in at a low price so that he can sell it out for profit at a higher price. Some call it, Buy Low, Sell High (BLSH).

Think about it. **It sounds easy or normal to do BLSH but in reality it ain't.**

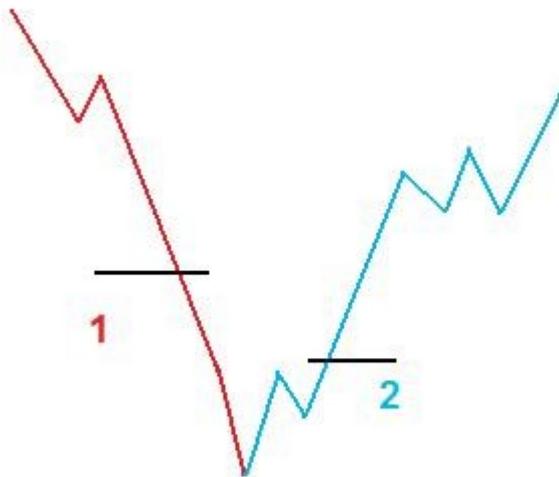
When everyone is selling, who on earth dare to buy in? Your chart is showing a dive in of the price. I know some professional and institutional traders do that as they know something we (retail traders) do not.

If a retail trader is buying in, he must be a kamikaze trader or simply do not know what he is doing .

See No.1 in attached pic.

But a smart trader does something smarter. He look/wait for 'lil signs of possible trend reversal'. He may not be getting in at a so-called lowest price but the probability of making his trade a profitable one is high... See No.2 in attached pic.

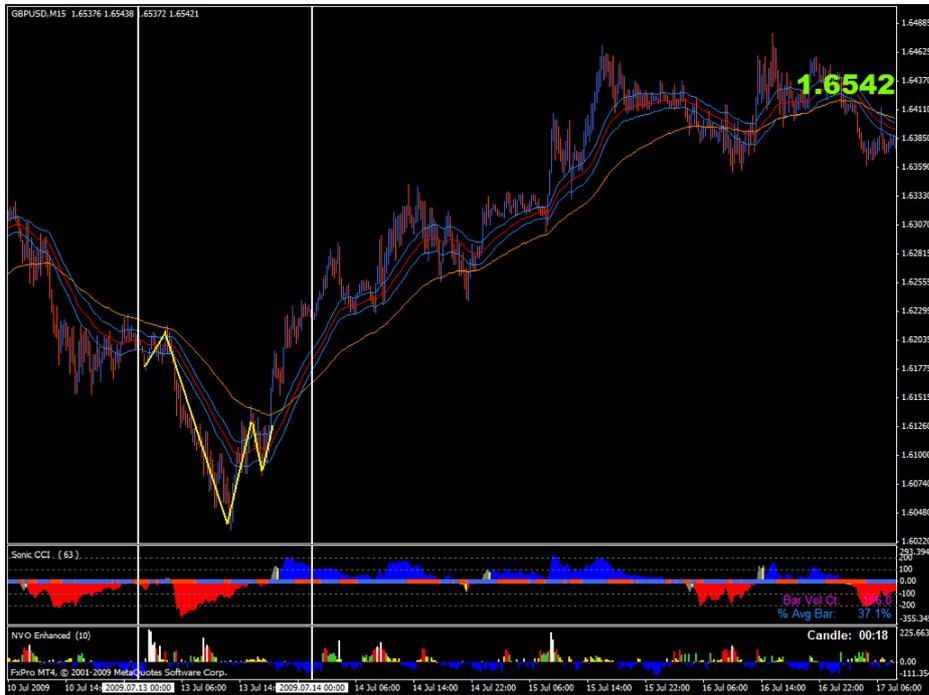
So what are the 'lil signs of possible trend reversal'? This is what James 16 is all about and J16 is the most popular thread in FF.



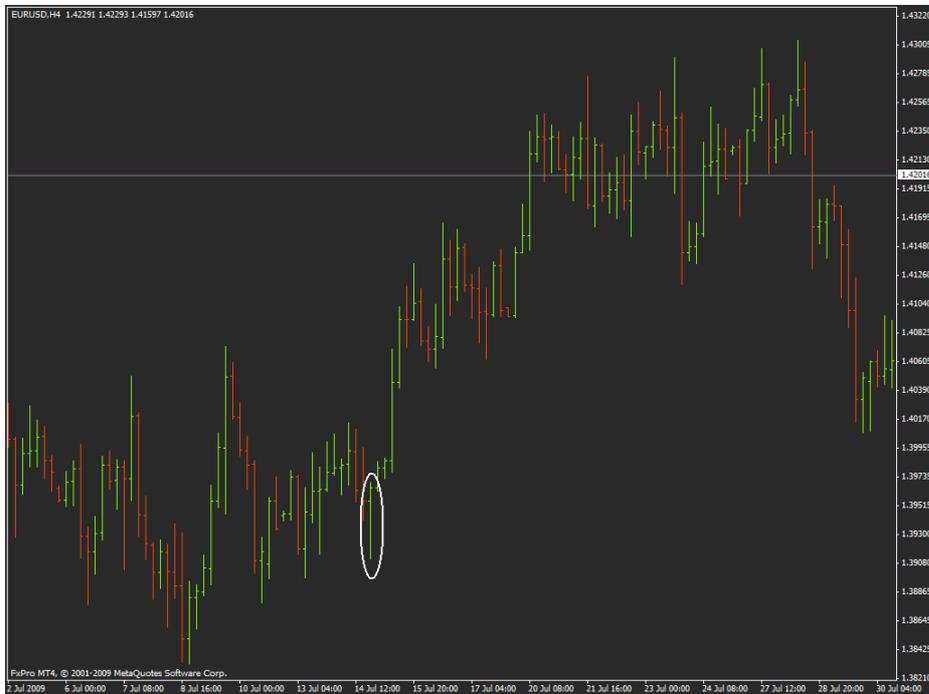
As it is in downtrend, the price go lower as usual but it starts to creep back up, and ends up closing higher/near its opens. In the chart it will be hammer or Pin bar with a long wick and it is one of lil sign of possible trend reversal. You can see an example on the D1 TF chart below.



This daily bar was formed in 13 July 2009. And another thing, do you agree that 1 bar of D1 TF means 96 bars in M15 TF? Let's take a look at 13 July bars in 15M TF. You can notice a very nice Sonic R Long set up at that day, and as the story goes, it was a extremely profitable trade.



Here is another pairs of EUR/USD examples in H4 TF and M15 TF.





So, by looking at the pictures above, do you know what the secret of Sonic R is now?

In words, Sonic R is basically trading in Hammer and Bullish engulfing bars D1 TF/H4 TF by looking for an entry M15 TF. That make Sonic R set up the highly profiable ones.

Next: I will try explain Sonic Money Management.

Sonic