

Trading price

to my brother Max

trading style of a 21 year old forex trader

*created and developed in 2012.
Tables,charts etc. are completely created by myself.*

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Introduction

Dear fellow traders,

first of all let me introduce myself.

My name is Jonas and I am a 21 year-old forextrader from Germany.

You probably start laughing up your sleeve right now,
doesn't matter, you aren't the first one.

The following E-Book will be about the foreign exchange market, also called forex.

We will discuss all necessary and required aspects and tools of trading to become successful in this business.

This will be a guideline to newcomers and semis to improve their trading and increase their successrate.

**Please note: If you didn't burn at least one account so far you shouldn't read this book now. First burn one account until you start reading here ;-)
Also the content of this E-Book is my very personal view and opinion. This is how i think about this business and this is how i trade and how i treat this business.**

When i first installed my MT4 software and placed my very first trade i really thought i was a trader. Well to be or become a trader there are several aspects you have to fit unless you really want to earn consistently money in this business. Yes, it is a *business*, it's definitly no place for gamblers like a casino neither it is a get-rich-quick environment. If you have your line, if you have developed a steady working trading system you might become a successfull trader. The 2nd big part in trading is to control your emotions and to reduce your greed ever and ever again. I don't trade full-time / for a life so far, but i do earn consistently money. I will increase my assets time by time until i can trade the required lotsizes to make my dream come true....being a full-time trader trading in jeans,shirts and sneakers in a lovely office or maybe even trading in a tank-top from home.

For me this business is a very very great opportunity to earn a lot of cash in a ,` simple ,` way..... just by clicking some buttons on my keyboard... But before we do so, we really need to think about the fact why around 90 % lose money in this business and why it is so hard to be consistently successful. We will discuss this later on in more detail.

If you have a +ev system and if you are 3 months a row in profit you are definielty on a good way

I really hope that the following pages will be useful and helpful for your trading and that you can improve your trades in the future with the content intended.

If so, please let me know and write on my pinboard at forexfactory.com/member.php?u=151785 . If not, let me know where the deficits are.

Risk disclaimer :

Investments in financial products are subject to market risk. Some financial products, such as currency exchange, are highly speculative and any investment should only be done with risk capital. Prices rise and fall and past performance is no assurance of future performance. This E-Book is an information pdf only. Accordingly, Jonas Blicke, makes no warranties or guarantees in respect of the content. The publications herein do not take into account the investment objectives, financial situation or particular needs of any particular person. You should obtain individual financial advice based on your own particular circumstances before making an investment decision on the basis of information in this book.

The high degree of leverage can work against you as well as for you. Before deciding to invest in foreign exchange you should carefully consider your investment objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your initial investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading, and seek advice from an independent financial advisor if you have any doubts.

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Whatever is the manual trading method, or the automated trading strategy, don't forget to test it first in demo. Also be aware that past performance is no guarantee of future results.

Only dead fish swim with the stream

Forget everything you read in forums or across the internet. All you need to become successful will be in this book.

There are more guys earning tons of cash by selling scam stuff than by trading.

Sad but true, that's the reality.

Never believe someone telling you that you need Expert Adviser X to get wealthy or that you have to buy indicator X to make millions.

Bullshit. Everything.

Please do me a favour and never never never spend any money on EA's or indicators etc.

There's definitely no such thing like a holy grail in trading. There's no indicator that tells you where price will go in future or where price will be in X days et cetera.

I promise you.

You might jump around in some forums to get a brief knowledge about markets and the technical analysis, but don't call any trade setups posted in forums or s.th else.

Do your thing, do your own analysis and become comfortable doing so.

You shouldn't spend too much time in forex forums or at forex websites.

I made bad experiences doing so and you will as well.

You'll be completely affected and linked by the inputs and posts of others that you can't develop your own sense how to analysis a chart.

You might watch hundreds of charts from a couple of traders that can't trade and you might start thinking, well this looks ok... i'll trade similar to this kind of ,`strategy`,

you can't watch 100 soccer games and say well, i will also kick like Messi now...it doesn't look difficult at all...i'll just copy his moves into my style of kicking.

---> This won't work.

Only dead fish swim with the stream

That's why you have to develop your own style, develop a firm character and search for a comfortable trading style that you feel satisfied whenever you enter a trade.

Trading does have a lot to do with emotions ! (I will discuss this in more detail later)

So you always should know what to do in each certain situation, and if just copy a strategy you won't be able to adapt your decisions to more complex setups.

I will talk about the essential tools in trading.

What tools you need, how to use them.

How to manage trades, how to identify possible trade setups.

We will talk about the virtues of trading, why trading does have a lot to do with fishing and why emotions play a significant role in this business and a lot more...

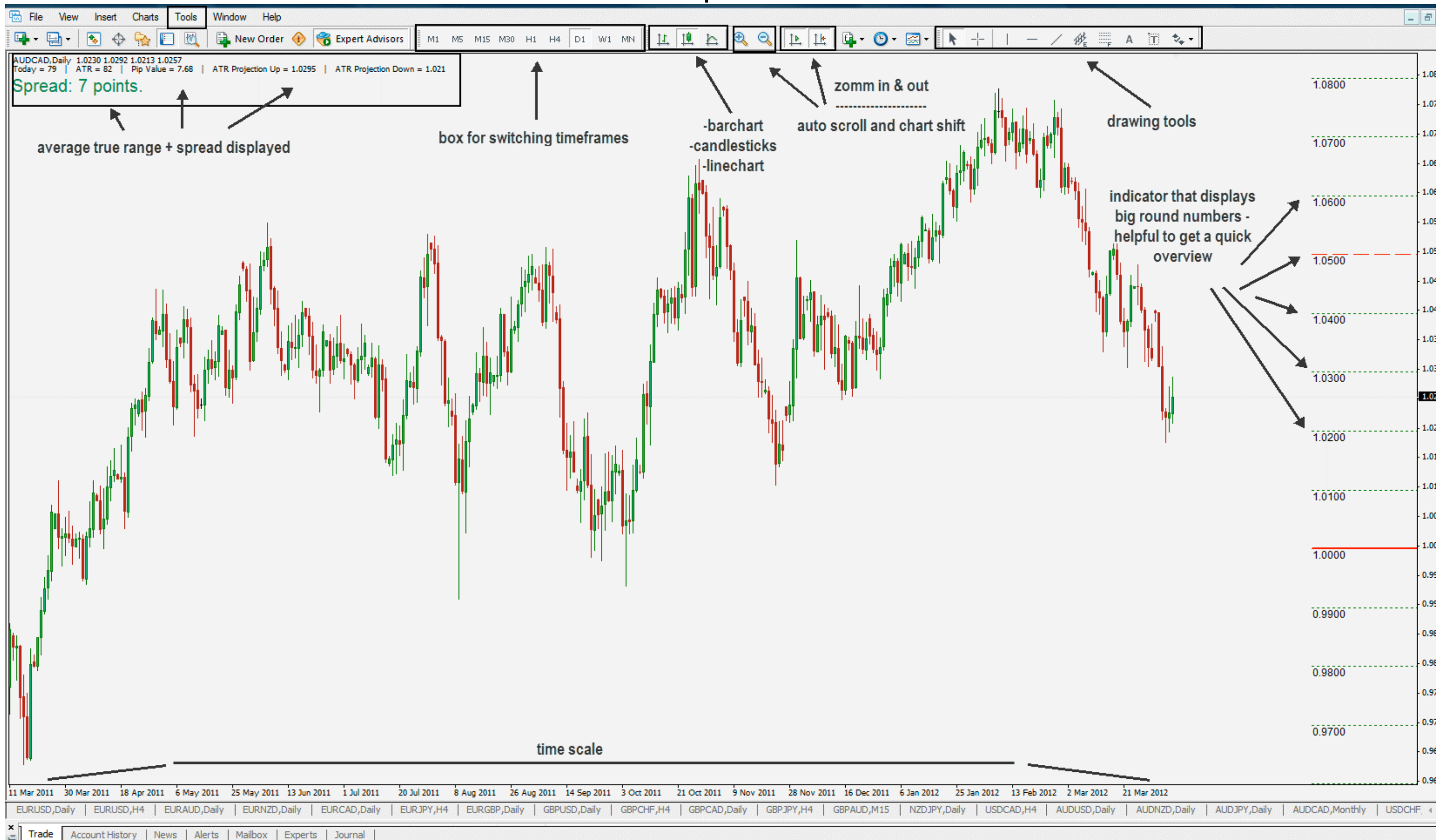
Forex survival kit

So first of all we have to set up your trading desk.

Stuff you need to get a good working trading desk :

- good internet connection
- serious and cheap broker offering the instruments you want to trade
- a opened demo account
- 1-2 screens connected with one graphic board, preferable wide screen
- MetaTrader 4 (we do use MT4 here , there are several other good trading softwares though)
- neat trading template (i'll share mine with you but it's completely ok if you develop your own one)
- interest, motivation and time
- willingness to learn

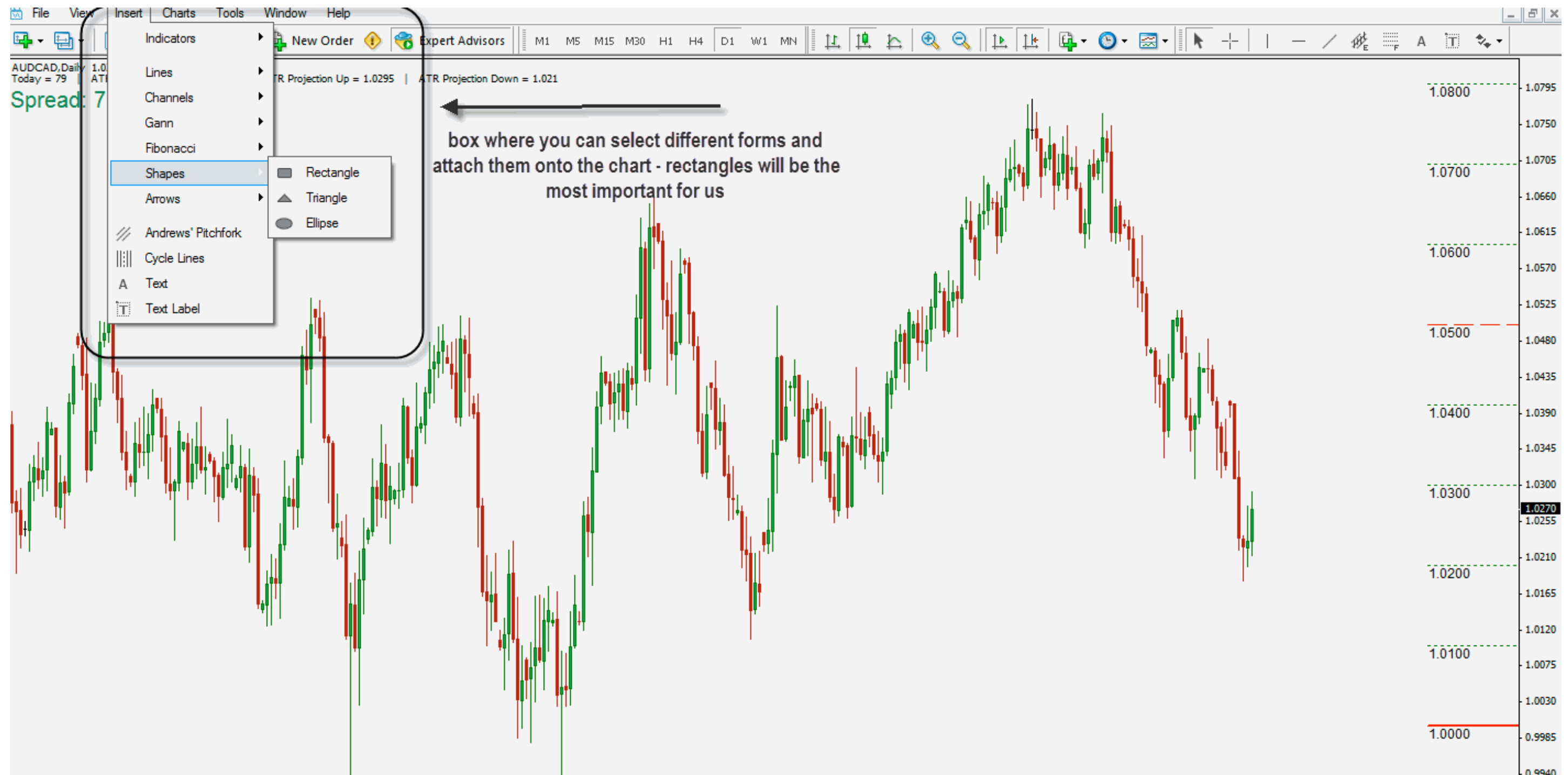
How to set up MetaTrader 4



This picture shows you a brief overview of the MetaTrader 4 layout. I boxed and described the most important tools. Should be self-explained.

I highly recommend to move all of the tool boxes into one bar like i did it at the very top. You will save space for your chart itself and the chart will be displayed decompressed.

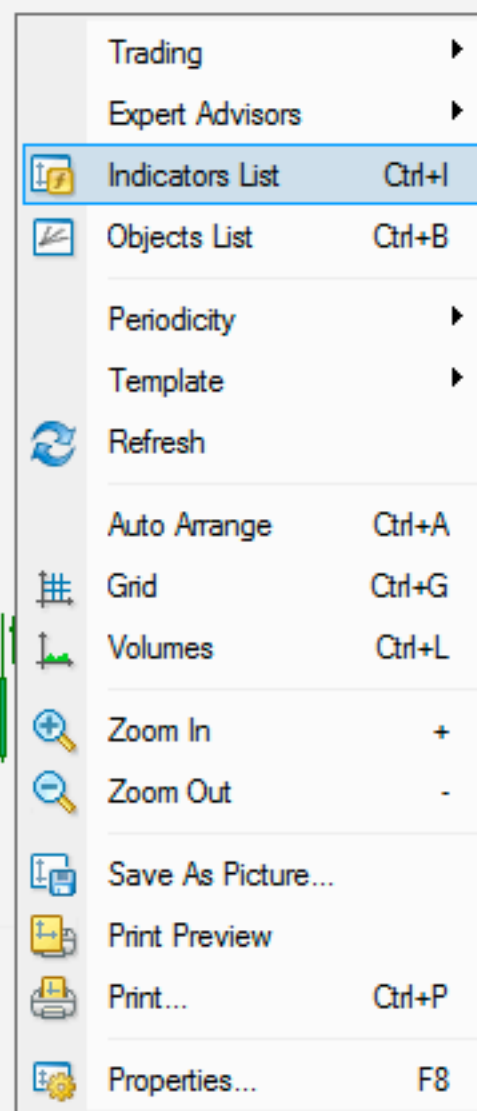
Please note that the information in the left upper corner is an indicator i use. It displays the average true range (daily range in pips) and the current spread on the pair, just to get a some quick additional information. Also the horizontal price labels on the right should provide us a quick information where we currently are.



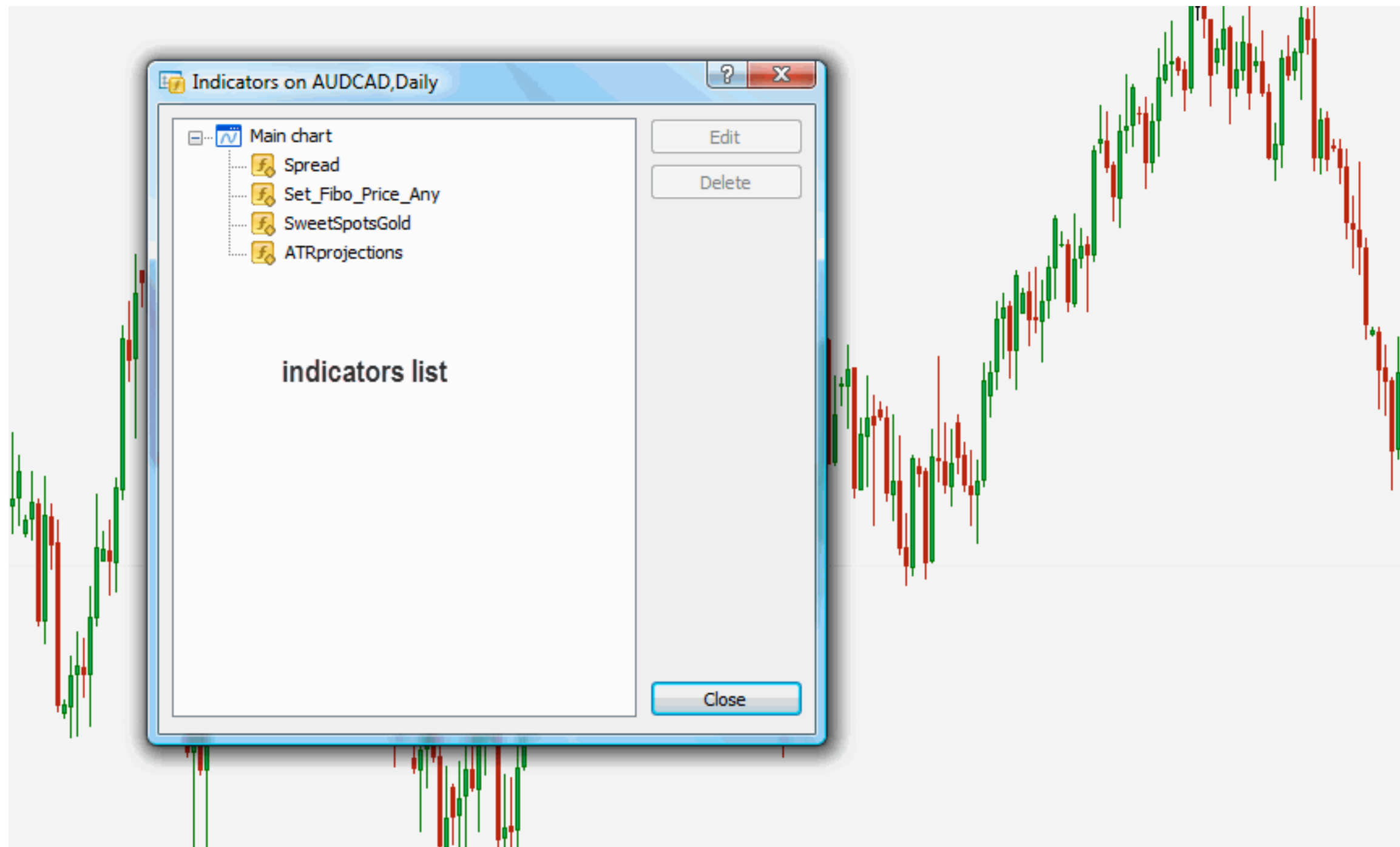
In this picture you see the popped up tool box. There are a lot of options like drawing a rectangle, ellipse or fibonacci level. This one shows you the right click menu. We need it to open our indicator list to adapt the indicators to our chart and save charts to our hard drive.

ATR Projection Up = 1.0295 | ATR Projection Down = 1.021

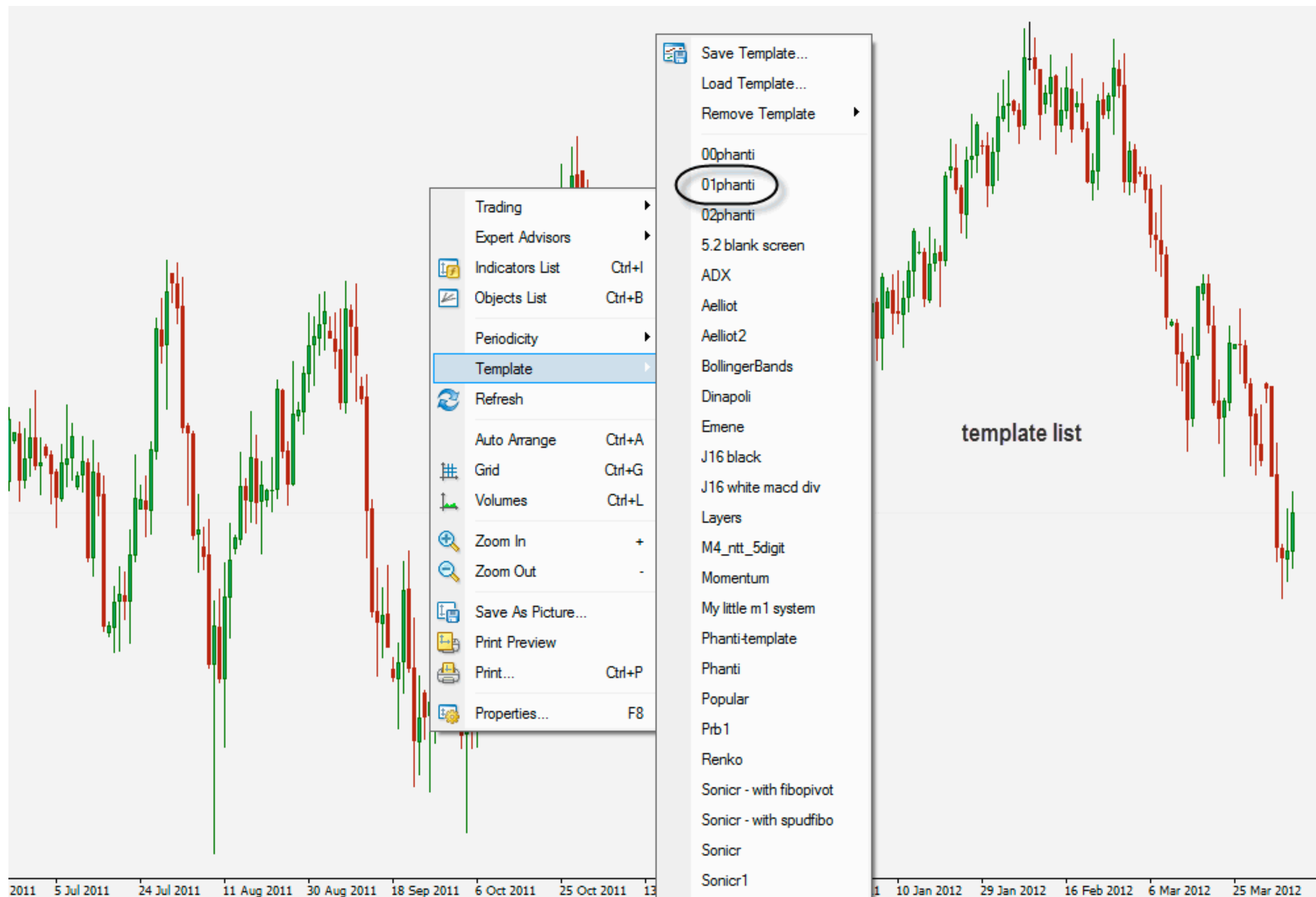
right click menue



the indicator list displaying all attached indicators. Select one and go to edit to change the indicators inputs.



also in the right click menu we do have a option called templates. After inserting the template file into your MT4/experts/templaes folder you can attach it to the chart.



These are the most essential tools of metatrader.I personally dont need any other to prepare my analysis.

Supply and Demand

--> general importance and meaning of S & D

Doesn't matter which market you are in, they do all have supply and demand.

We have supply and demand at the fruit-market, at the supermarket, at the gas station and even at a onlineshop selling concert tickets.

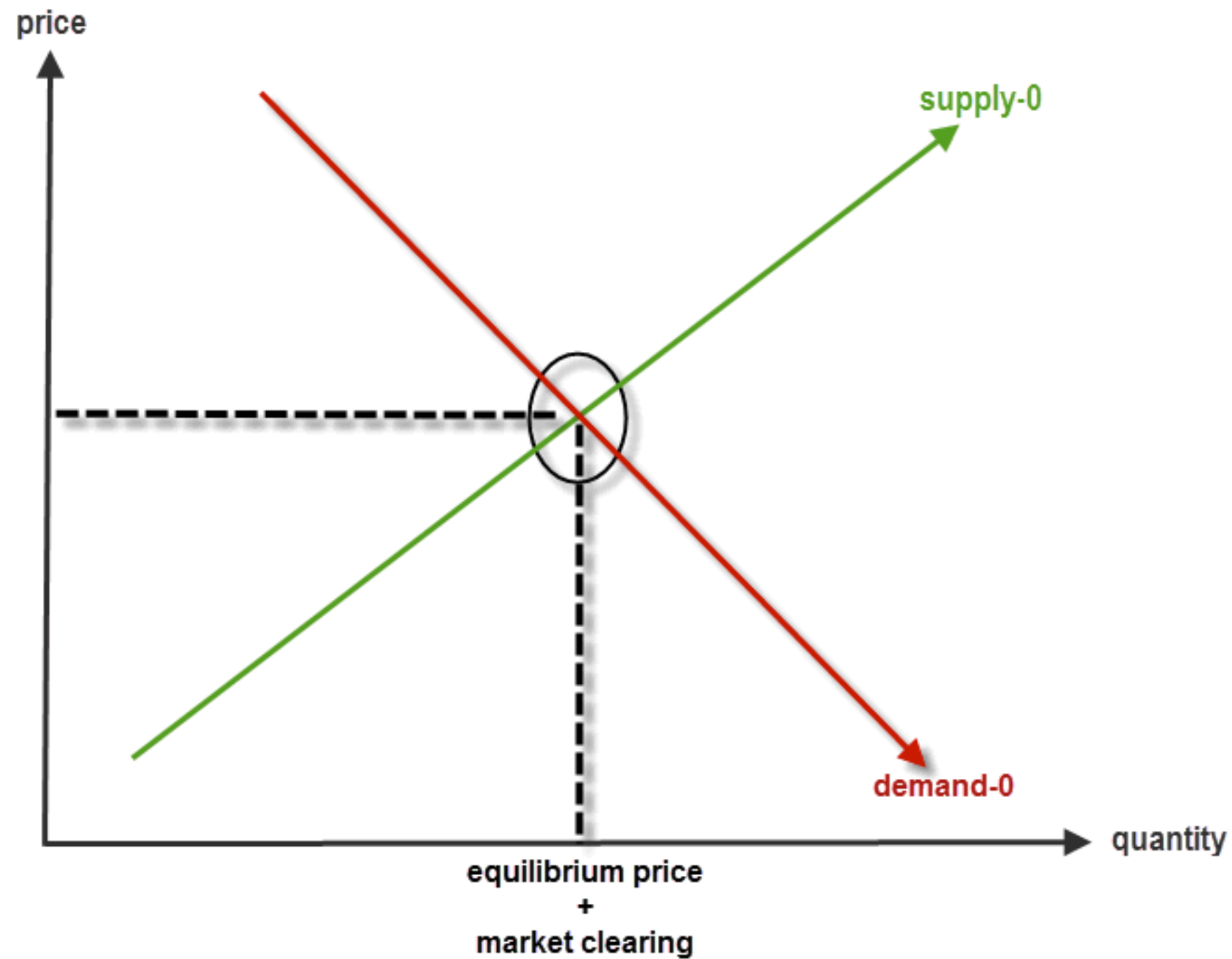
How does price actually come about ?

Supply and demand cause price.

For example if there's a heavy demand and low supply price will be pretty high because the merchant exploits the high demand to increase the price of his goods to earn more money. A market clearing is , even with high prices, very likely because we do have a lot of demand.

Vice versa we do have lower prices if supply > demand, because customers do have a wide spread of supply and can choose the goods with the lowest price. Merchants need to lower prices to stay competitive and to be able to sell their goods.





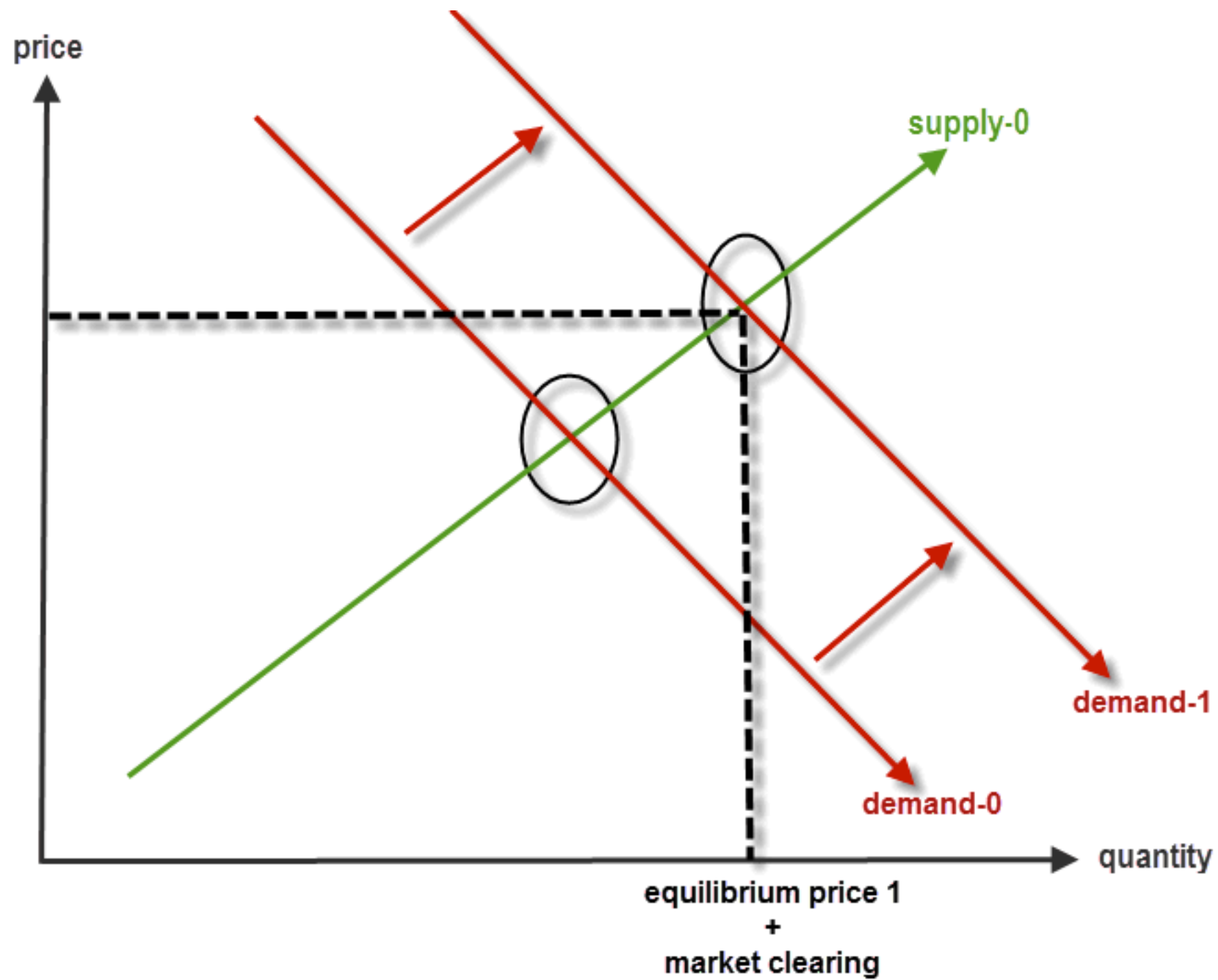
This is the basis supply/demand chart.

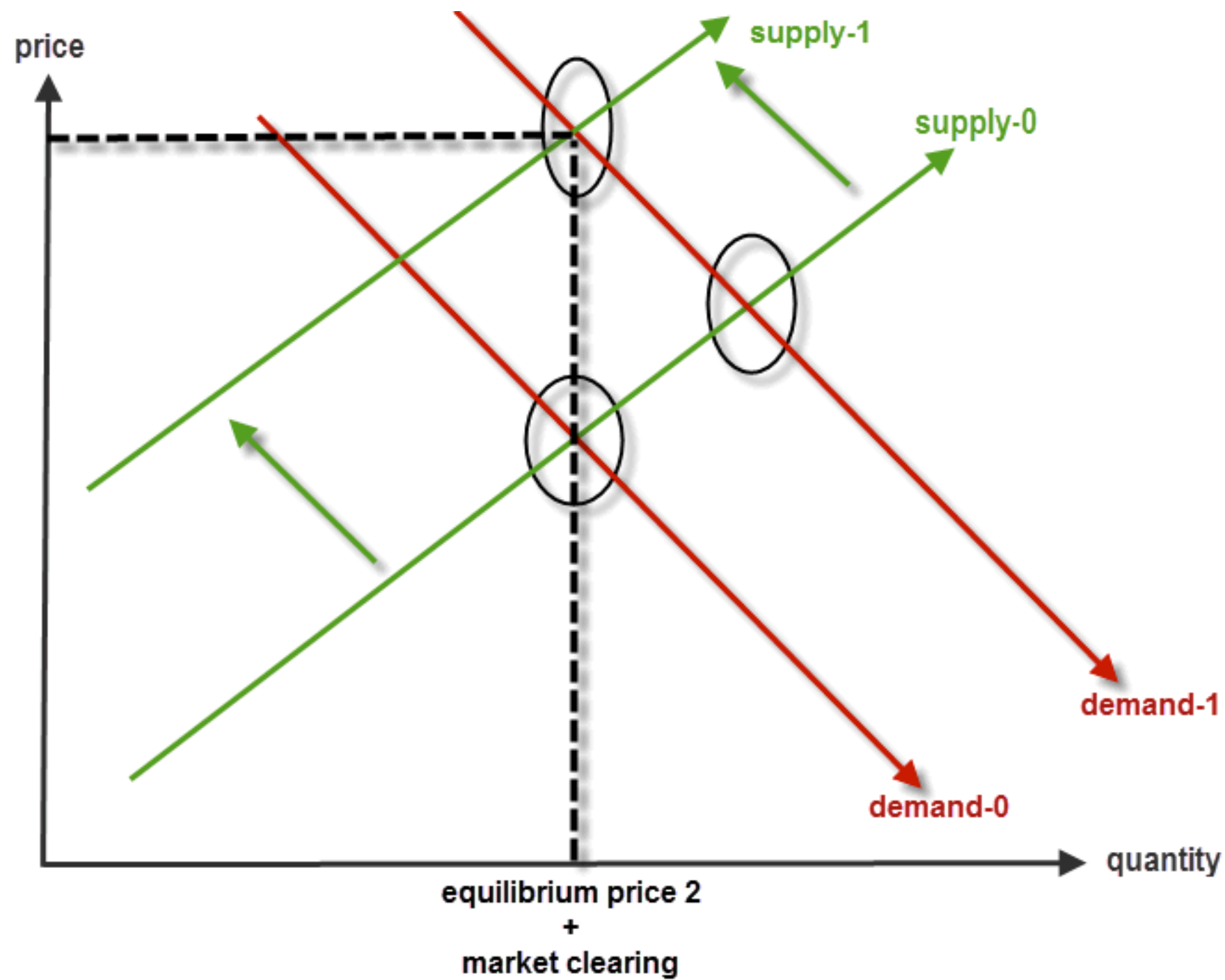
X-axis displays the quantity while Y-axis displays the price.

If we attach a demand line and a supply line we do get the equilibrium price. Exactly where the two lines cross each other.

If we then move on and increase the demand we do get a higher price.

I simply moved the previous demand line to the right (increase of demand) and circled our new equilibrium price in black. At the equilibrium price we do have a market clearing. There are no goods left and everyone is satisfied.





If we now decrease supply (moving supply line to the left because it depends on the quantity scale at the x-axis) we do get a even higher price. See new circle. I only want to show you how price behaves or changes its value if we do have a change in demand or supply.

Demand > Supply = price is going up.

Supply > Demand = price is going down.

(theory and basic concept, we do have several other conflicts in trading)

Well this was a very very short excursus into economics.

I think this is enough to give you a brief feeling of how supply and demand interact and how price develops if demand and supply change their value.

How to spot supply and demand areas

After doing some economics and researching some supply and demand charts we now turn over to our forex charts.

If we open a chart, we want to spot supply and demand areas to get areas where price is likely to turn. If we do have these zones we are able to plan our trade.

Please note: We always **expect** price to move in one certain direction , we never can be sure where price finally moves.

Alright, so if we open a chart of any pair and any timeframe we should be able to spot the major supply and demand areas to see where price might be able to turn again.

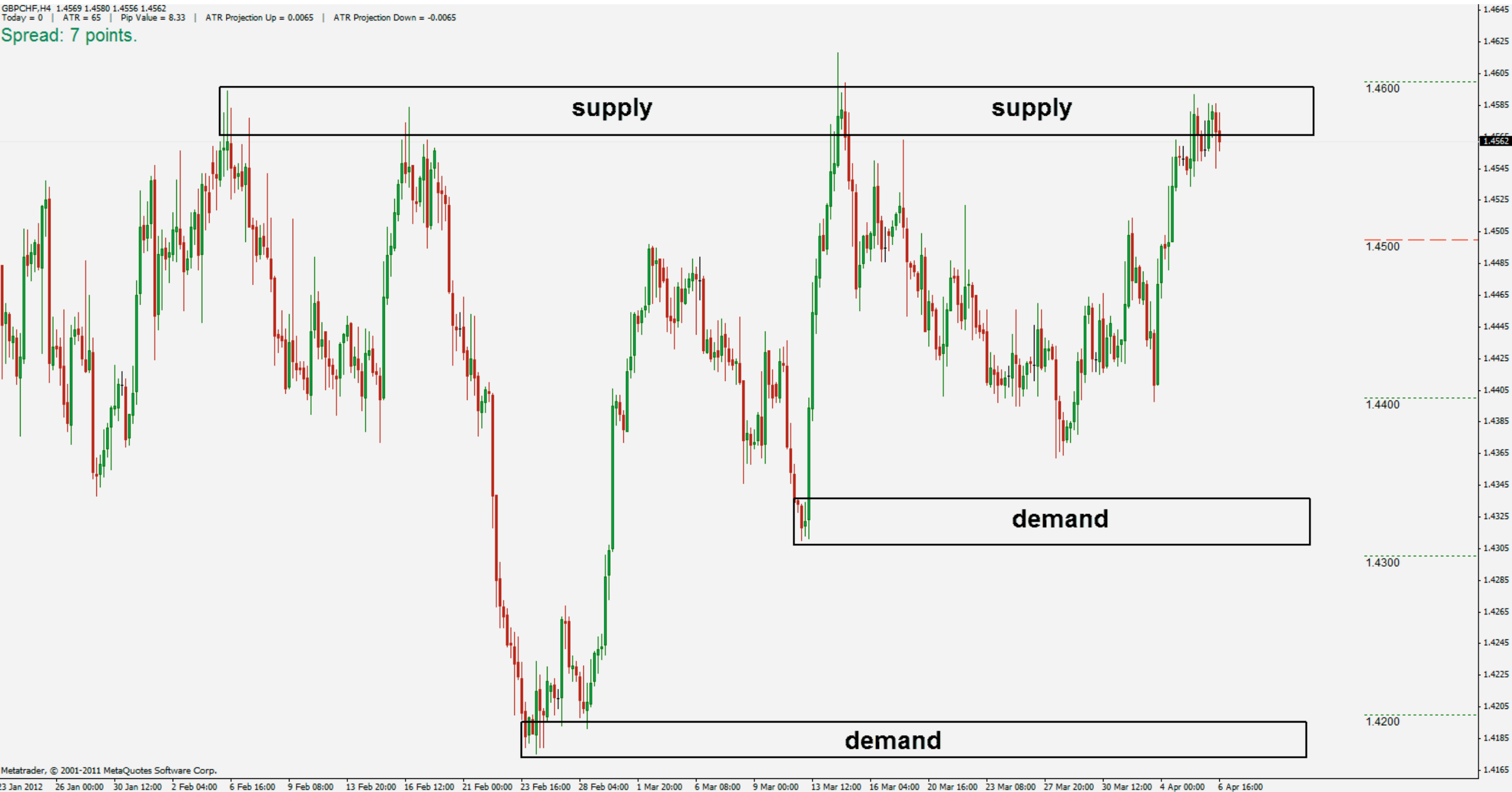
I'll let the charts speak now.... below i share a couple of examples of spotting supply and demand.

Open your MT4 and try to find some as well. Ain't that difficult, i promise ;-)

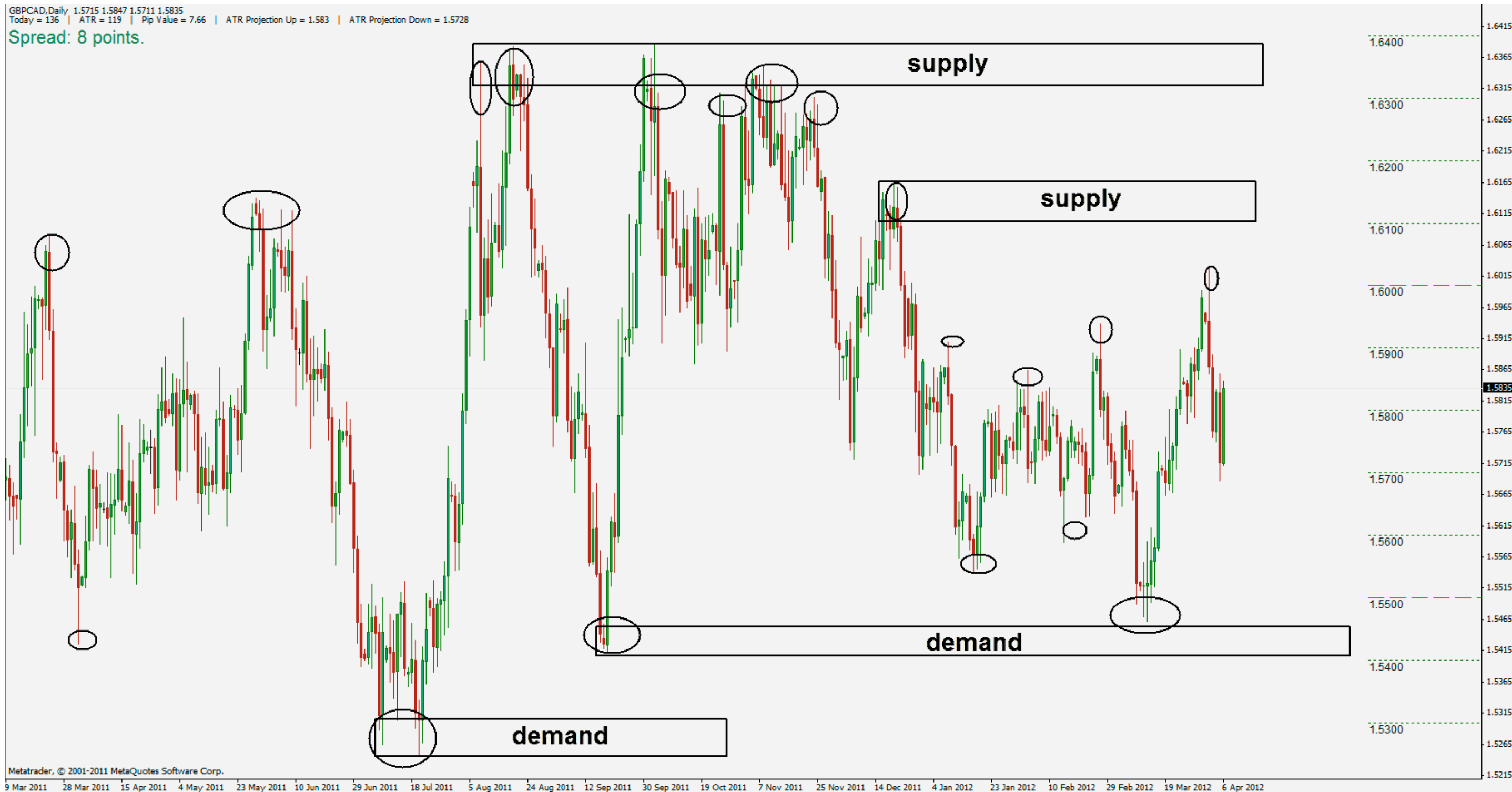
While you're practicing to spot these areas you even can take some looks at these areas and check how price behaved there....

You will be impressed.

GBPCHF,H4 1.4569 1.4580 1.4556 1.4562
Today = 0 | ATR = 65 | Pip Value = 8.33 | ATR Projection Up = 0.0065 | ATR Projection Down = -0.0065
Spread: 7 points.

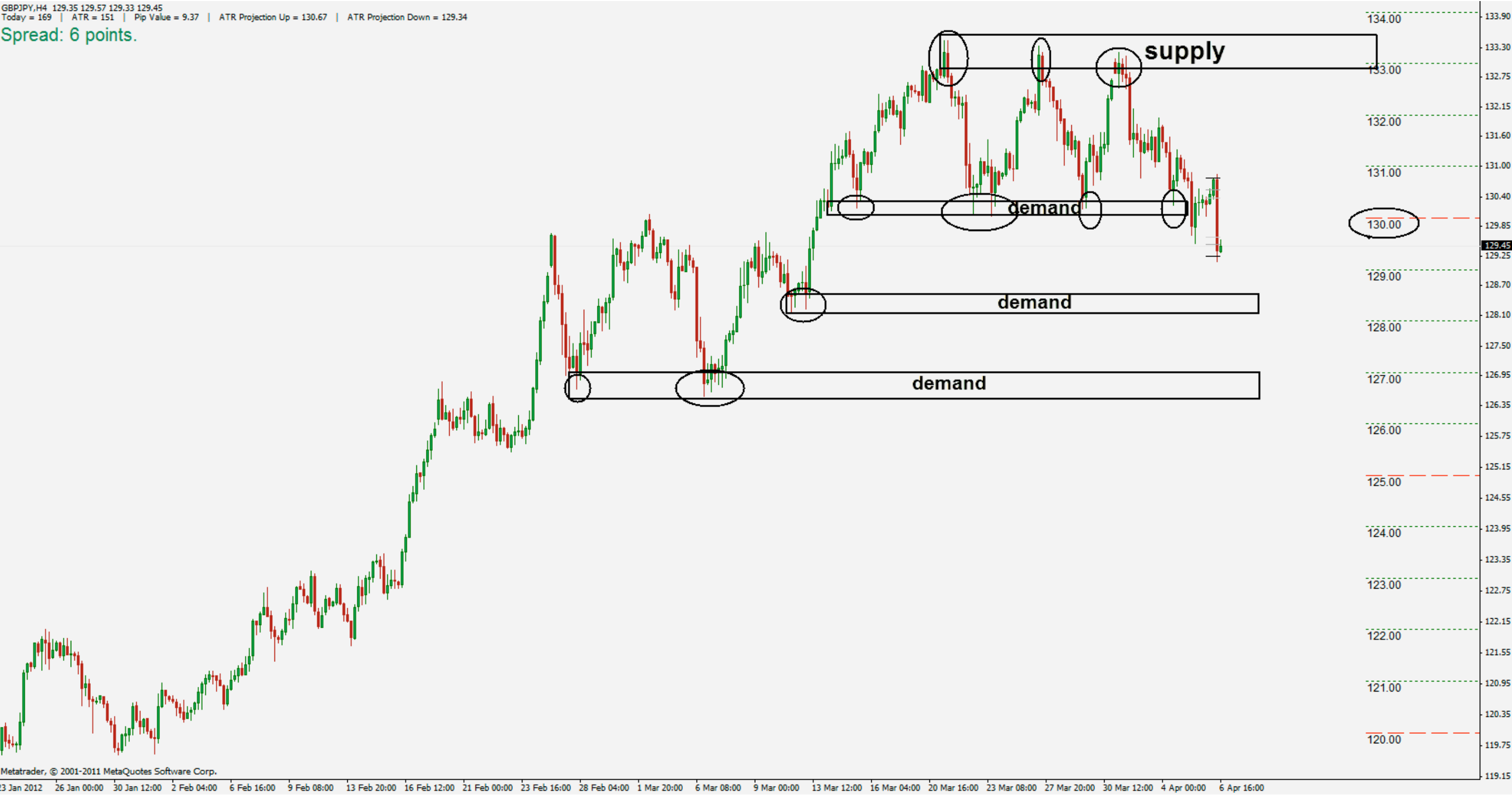


GBPCAD,Daily 1.5715 1.5847 1.5711 1.5835
Today = 136 | ATR = 119 | Pip Value = 7.66 | ATR Projection Up = 1.583 | ATR Projection Down = 1.5728
Spread: 8 points.



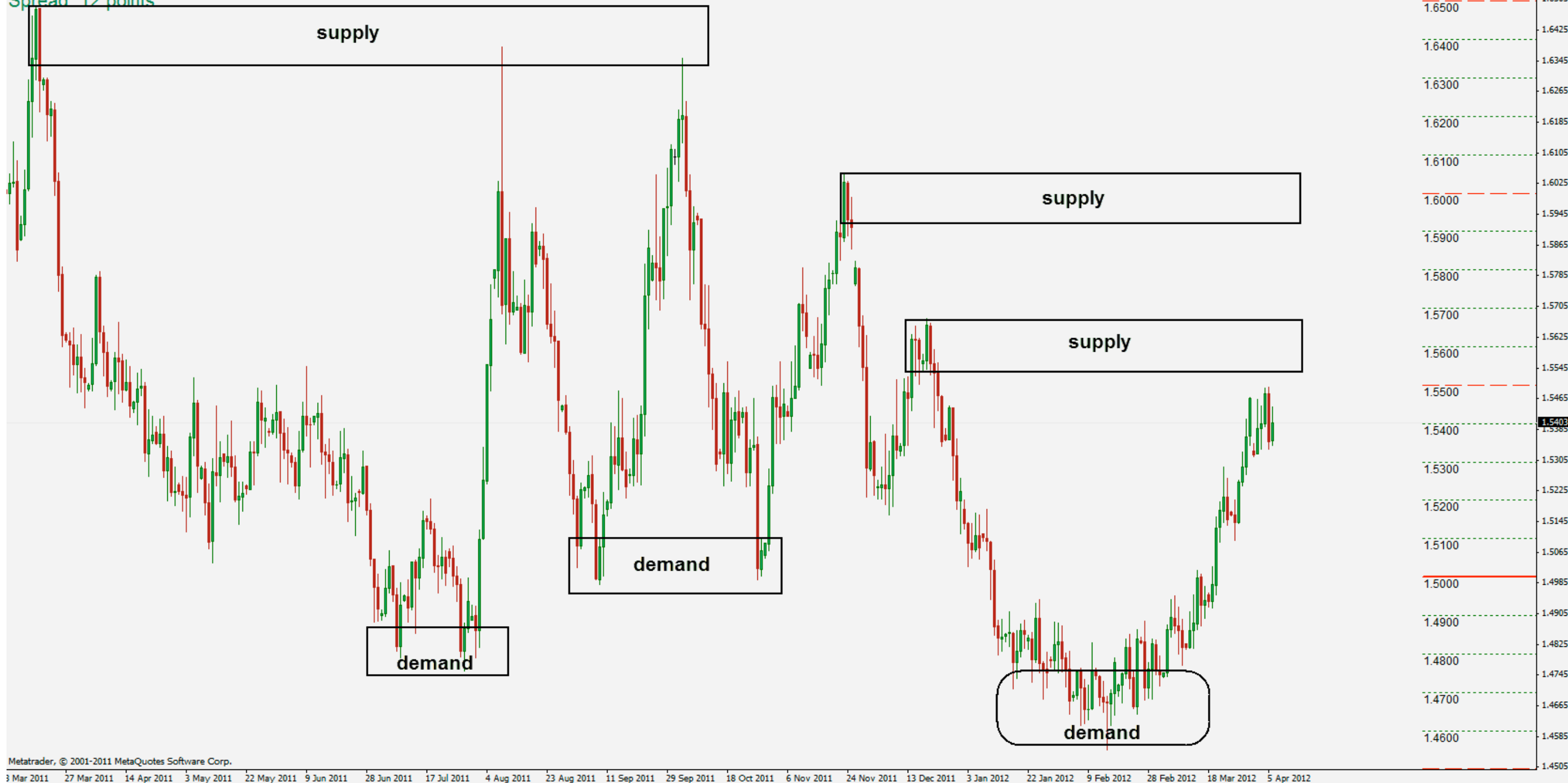
GBPJPY,H4 129.35 129.57 129.33 129.45
Today = 169 | ATR = 151 | Pip Value = 9.37 | ATR Projection Up = 130.67 | ATR Projection Down = 129.34

Spread: 6 points.



GBPAUD,Daily 1.5355 1.5444 1.5342 1.5403
Today = 102 | ATR = 128 | Pip Value = 7.87 | ATR Projection Up = 1.547 | ATR Projection Down = 1.5316

Spread: 12 points



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Guess this is enough. There are thousands of examples out there. Just zap through your charts and search for them.

Include supply and demand levels into our trading

After learning how to spot supply and demand areas we should now start to collect some ideas of how we can include them into our trading decisions and how we can develop trade setups by using these zones.

Well as you see above price mostly reacts at such areas.

Do you remember the supply demand charts a couple of chapters before? We increased demand and price went up, we decreased supply and price went up as well.

So try to transfer this way of thinking to your chart.

If price hits demand, there are (in general) more willing to buy at this price than selling here. There's a key quote in trading called , *' buy low - sell high , '* ,

means that we always try to pick low prices for buying because we need a higher price to make profit out of our longs.

We do also use the term : Buyers overexceeded sellers , means nothing different than price is going up again.

Below you see my common line, how i start searching for possible setups. I will explain it in detail below.

Also open some charts and try to analysis any pair in any timeframe. Time by time you will spot similarities, ever and ever repeating shemes and patterns.

EURUSD,Monthly 1.3361 1.3379 1.3035 1.3058
Today = 129 | ATR = 101 | Pip Value = 7.66 | ATR Projection Up = 1.3136 | ATR Projection Down = 1.3063

Spread: 2 points.

The following pages will describe my way of analysing any pair to get the necessary information to place reliable trades. In this example we will take a closer look at EURUSD. We try to find spots that offer us reliable trade setups/opportunities.

Please note that this is my way of handling this business. There might be other views/opinions etc. , i do it this way and it definitely works...
If you think supply/demand and price action is non-sense please move this presentation immediately into your recycle bin.

and now let's get it started.... please open a neat EURUSD monthly chart

EURUSD,Monthly 1.3361 1.3379 1.3035 1.3058
Today = 129 | ATR = 101 | Pip Value = 7.66 | ATR Projection Up = 1.3136 | ATR Projection Down = 1.3063

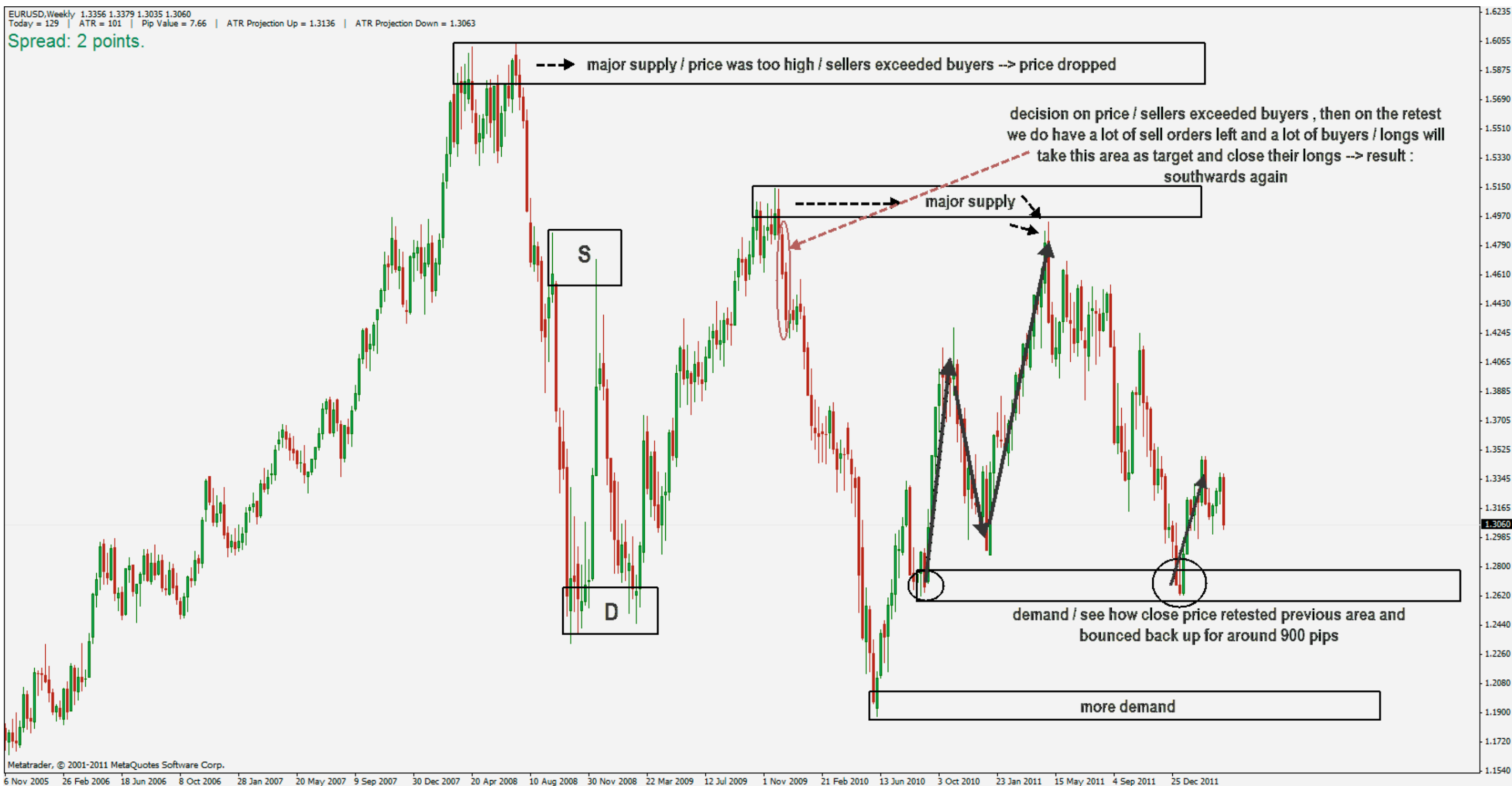
Spread: 2 points.

First of all i open a monthly chart to get a brief overview of how price moved in the last 1-2 years and also see in which area we are right now according to history data...is price low or high right now? Is there more space to the upside or to the downside ?

draw 2 trendlines , draw the most significant horizontals to the downside (green) and to the upside (red) to get a rough overview of the pair you want to trade. Also you can check the chart for major supply and demand areas. I'll draw them on the next page for you that we dont lose the clarity here ;-)

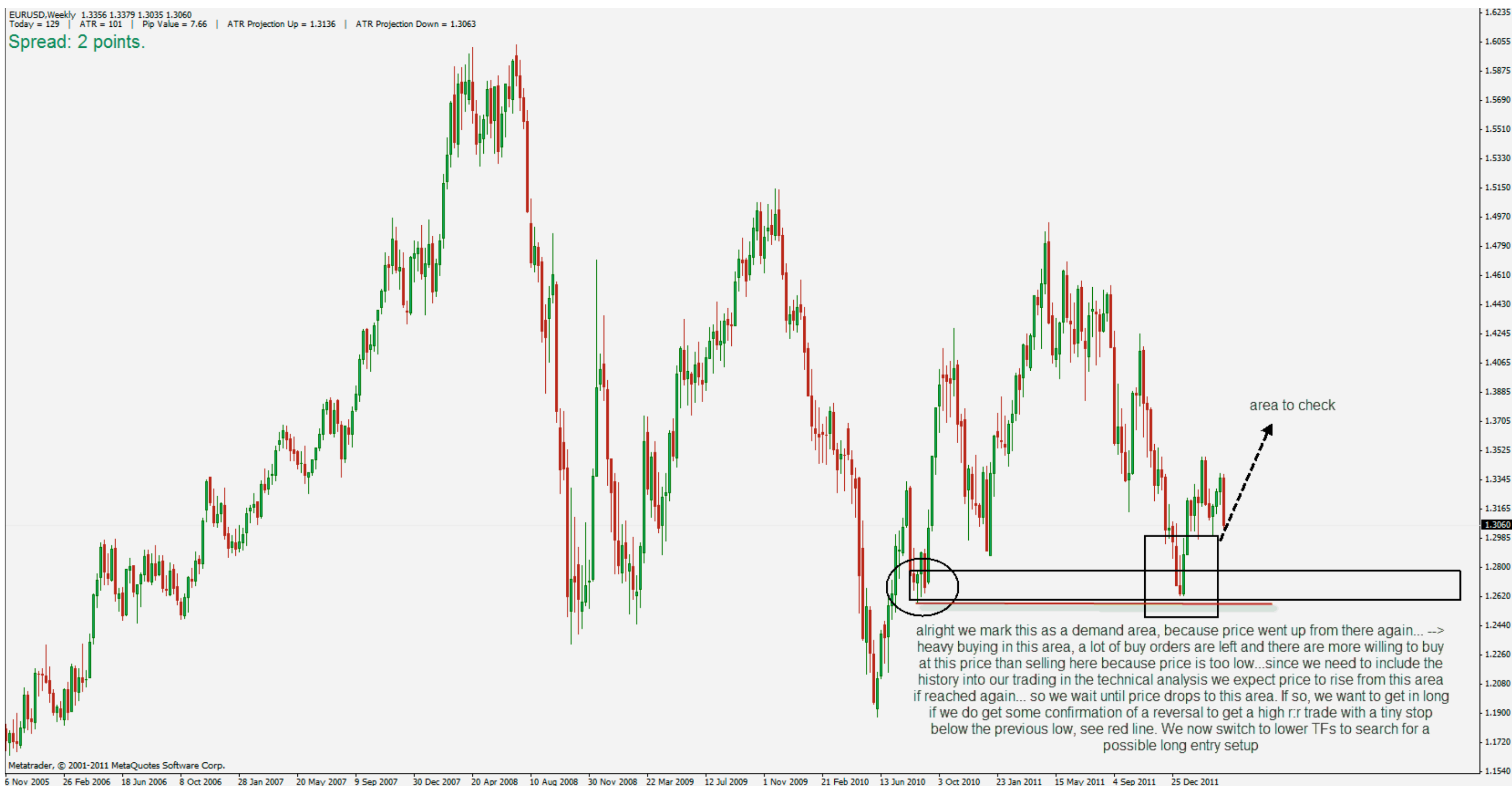
EURUSD,Weekly 1.3356 1.3379 1.3035 1.3060
Today = 129 | ATR = 101 | Pip Value = 7.66 | ATR Projection Up = 1.3136 | ATR Projection Down = 1.3063

Spread: 2 points.



EURUSD,Weekly 1.3356 1.3379 1.3035 1.3060
Today = 129 | ATR = 101 | Pip Value = 7.66 | ATR Projection Up = 1.3136 | ATR Projection Down = 1.3063

Spread: 2 points.



EURUSD,H4 1.3061 1.3073 1.3051 1.3062
Today = 129 | ATR = 101 | Pip Value = 7.66 | ATR Projection Up = 1.3136 | ATR Projection Down = 1.3063

Spread: 2 points.

price dropped around 3 times into our marked demand zone. Price could always bounce back and we did get a confirmed double/ or even triple bottom. The circled bar would've made me buying here since bulls were in control again. Target next supply to the upside. stops below previous major low as shown on the page below.

target

double/ tripple bottom

Metatrader, © 2001-2011 MetaQuotes Software Corp.

25 Nov 2011 29 Nov 16:00 2 Dec 08:00 6 Dec 20:00 9 Dec 12:00 14 Dec 00:00 16 Dec 16:00 21 Dec 04:00 23 Dec 20:00 28 Dec 20:00 2 Jan 20:00 5 Jan 12:00 10 Jan 00:00 12 Jan 16:00 17 Jan 04:00 19 Jan 20:00 24 Jan 08:00 27 Jan 00:00 31 Jan 12:00 3 Feb 04:00 7 Feb 16:00 10 Feb 08:00 14 Feb 20:00 17 Feb 12:00 22 Feb 00:00 24 Feb 16:00

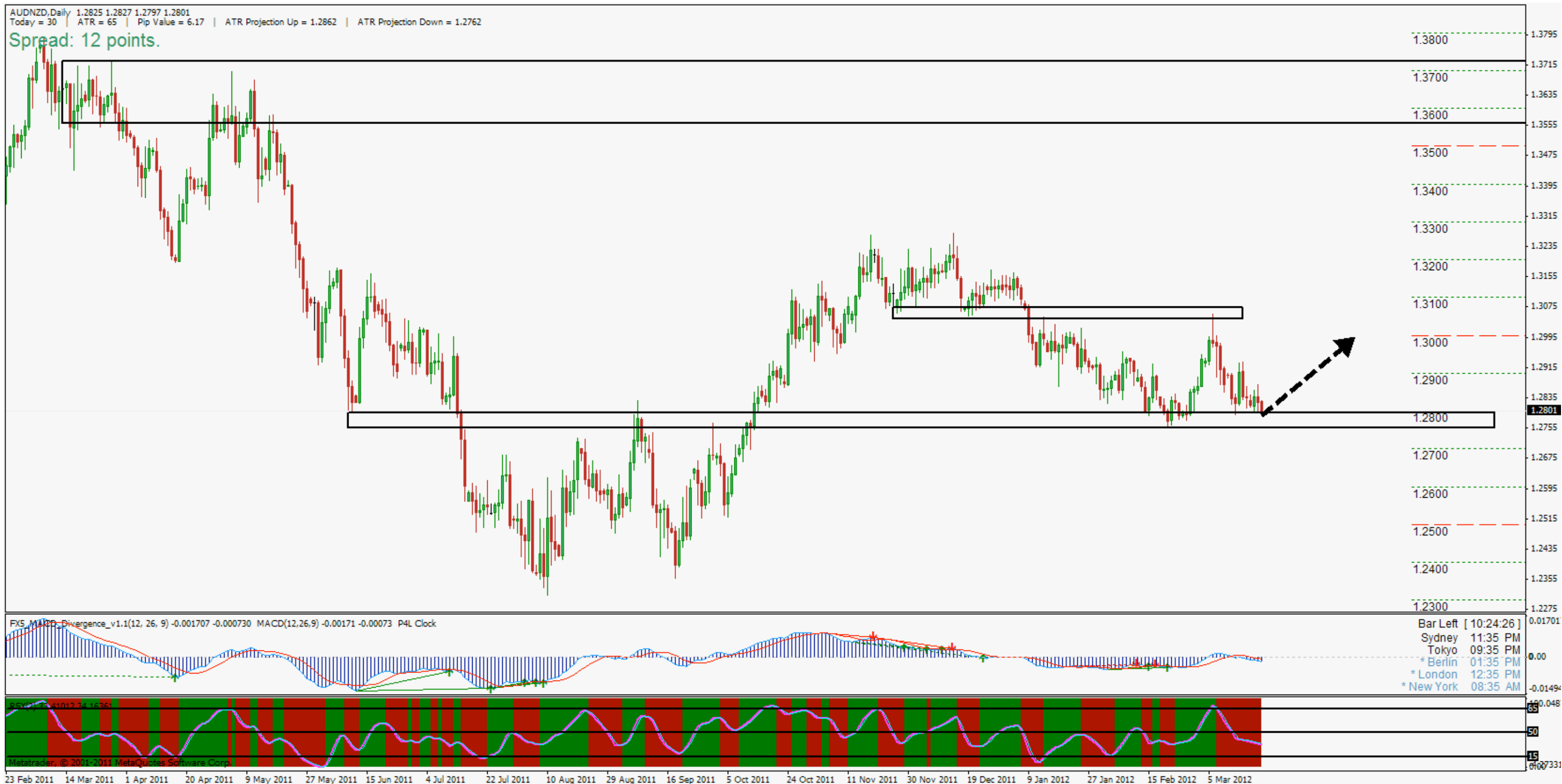


Please take demand instead of support and supply instead of resistance. Actually it's nearly the same, but there are still some differences between these terms. But this doesn't care us at the moment ;).

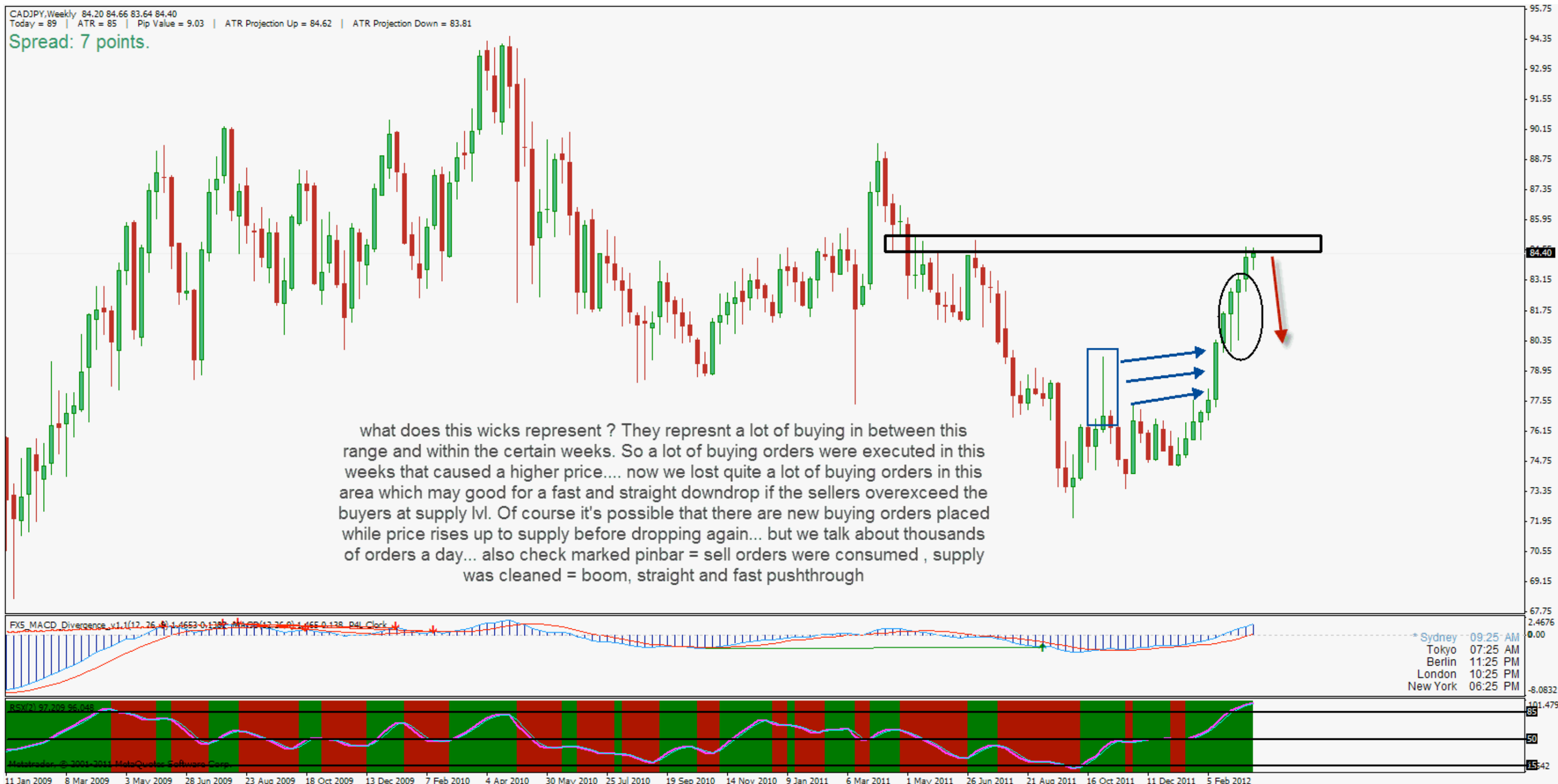
In the chart above we did have a major demand area in between the black box. When price broke this demand with a huge and straight red bar to the downside we expect this area to turn resistance/supply in the future.....and so did it.... see chart below



Here i zoomed a bit into the previous chart to show you the bar that reacted pretty quick to our previous support area. Now we got our confirmation that this area turned into resistance. Here we go in short easily with a stop above the top of the black box. Targets, as even discussed, lower demand levels or in this case maybe the ascending trendline as well.



This is a very nice example of support turning resistance and vice versa. First of all we do have a major supply level at the very top boxed black. Then we do have a support lvl turned resistance and a resistance lvl turned support again. See how price breaks through these levels and take it as support/resistance then. Currently price is at demand again and we expect it to rise. Possible target around 1.3000 since there is a lot of resistance and it is a very big round number (VBRN). Stops below the bottom of the middle box. Great r:r , great trade.



Great example of order consumption. Little addition to the attached text : Check the blue boxed bar, price went up and dropped again , = sell orders were triggered and taken out of the order book. Means that we are able to rise up very very quickly later because there aint any sell orders left. And so we did, one big green weekly bar and we crossed the previous range of the pinbar.



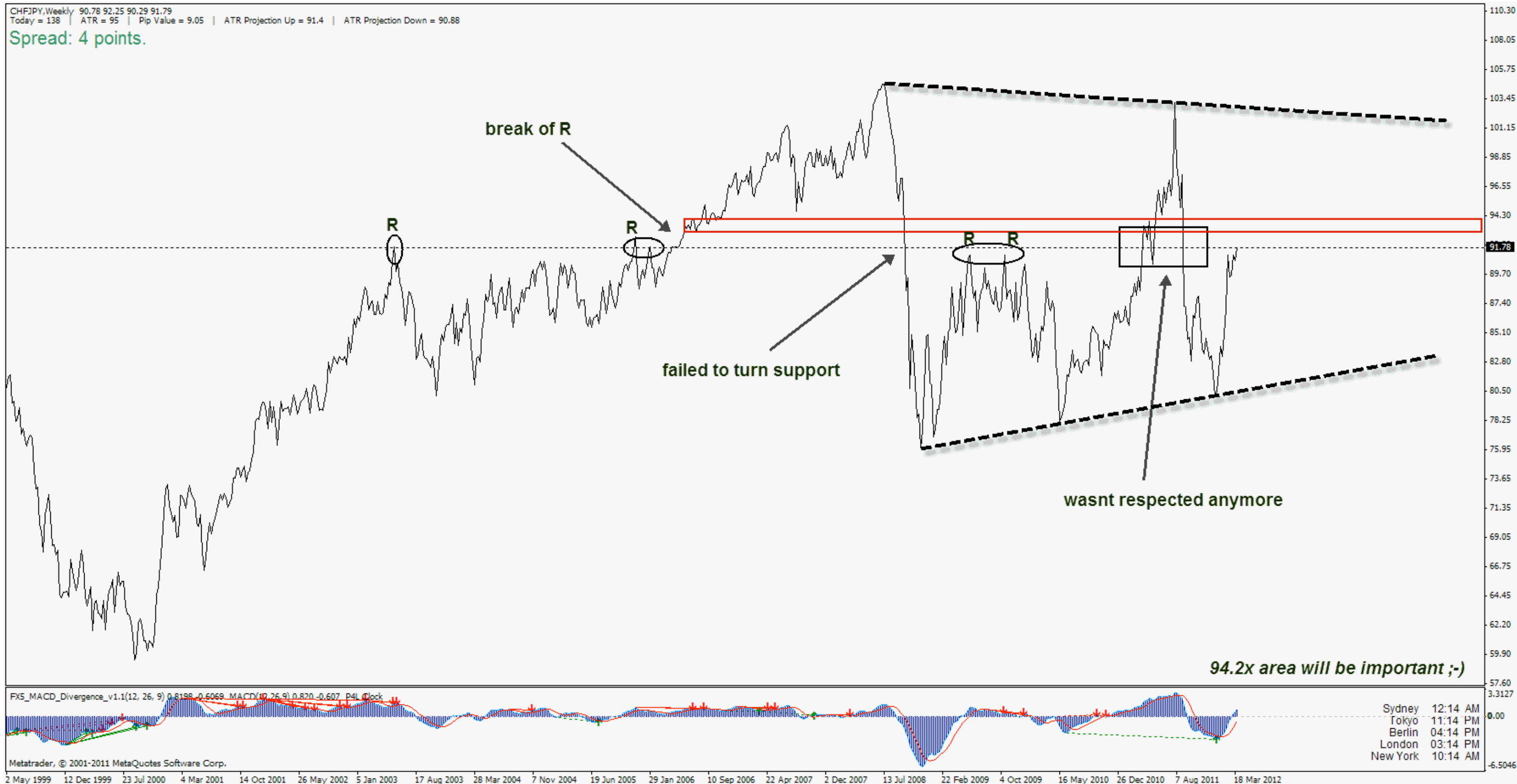
This is one of my most favourite trade setup. A straight 950 pip upmove without any certain correction to the downside. Approaching major supply and a BRN (85.00) . Here i dont even wait for confirmation patterns of a reversal. I simply sell this baby and place my stops above the supply area. Target would be around 80.00. Here i get my stop to breakeven in at least most of the trades (i guess around 90 %).... perfect setup.



more information.



we do even see weakness in buying. Now we are in 100 %. awesome short setup.



The power of line-charts. I circled resistance levels. Discussion on this one was whether the circled resistance levels will be resistance again in the future or not. My answer was no.... as you can see in the black box price didn't react again to the previous resistance levels. So this area isn't significant anymore. My next trouble area would be the red rectangle.

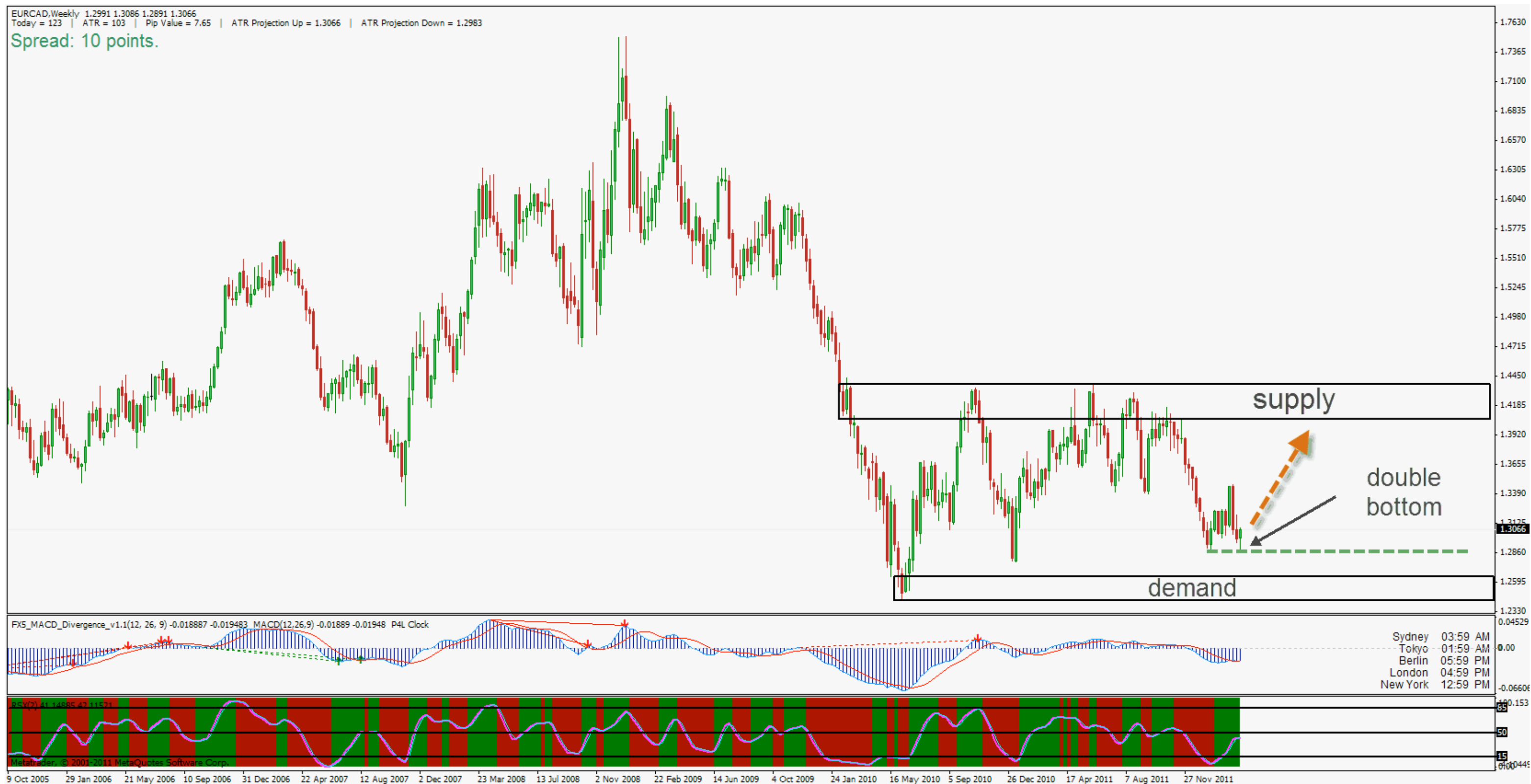


Easy business here..... support, support, then price break to the downside and we expect support to turn resistance. We sell. Targets around 1.2700 and 1.2500. Check ya charts what it did, but i guess it dropped a lot. Can't remember.

Note : We never have a 100 % guarantee that price dropps here at resistance, but we do get a tiny stop and a high target, offering us awesome r:r trades. In the long run we earn a lot of cash with these.



Weekly chart to the daily one above. See what i mean by support turning resistance and sell it ? ;-)

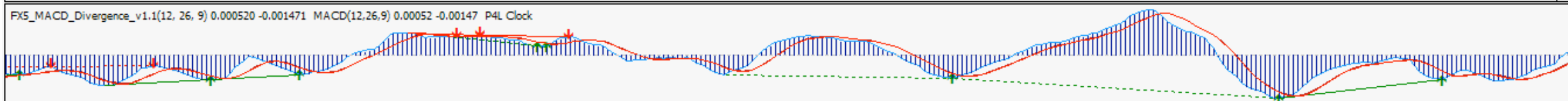


Check out this fantastic supply area. We would've got 5-6 awful entries to the short side with hundreds of pips profit each. Although we do have a limit to the downside (demand level) we see a double bottom here. In this case i would jump to the lower timeframes to search some reversal patterns to go long. Definiety not a nut trade. Just checked my chart, it went up 280 pips and is currently at this bottom lvl again.

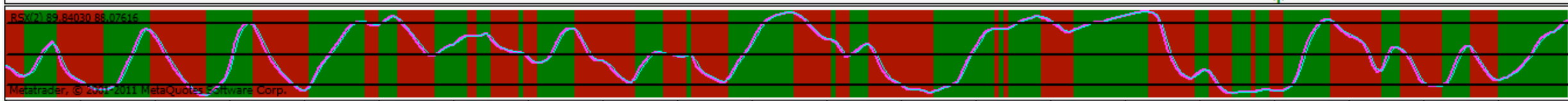
EURCAD,H4 1.3058 1.3066 1.3053 1.3066
Today = 123 | ATR = 103 | Pip Value = 7.65 | ATR Projection Up = 1.3066 | ATR Projection Down = 1.2983

Spread: 10 points.

we got a pretty big n straight bullish bar that break right through the 1.3000 level. green dashed line - 1.3000 lvl should act as support now, we should have a good chance here to see a touch of supply zone again.



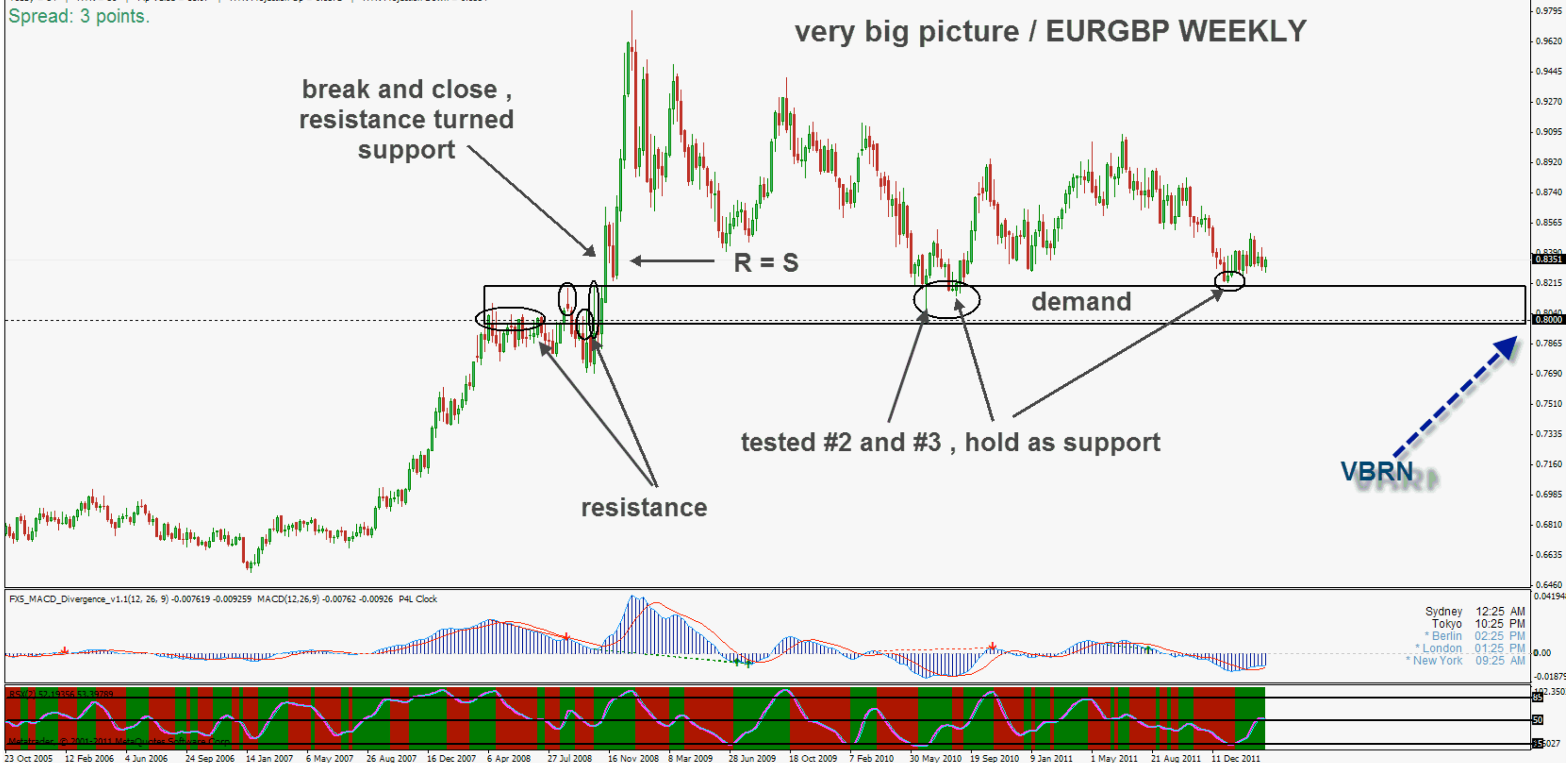
Bar Left [01:00:52]
Sydney 03:59 AM
Tokyo 01:59 AM
Berlin 05:59 PM
London 04:59 PM
New York 12:59 PM



EURGBP,Weekly 0.8316 0.8370 0.8283 0.8351
 Today = 34 | ATR = 36 | Pip Value = 11.97 | ATR Projection Up = 0.8372 | ATR Projection Down = 0.8334

Spread: 3 points.

very big picture / EURGBP WEEKLY



this should be clear. first of all we had a lot of resistance. Then we broke straight to it and closed above. resistance turned support. Support was tested around 3 times and still holding... --> we keep searching for long entries around this demand/support area. Note that this is a weekly chart, there are tons of cash to make.

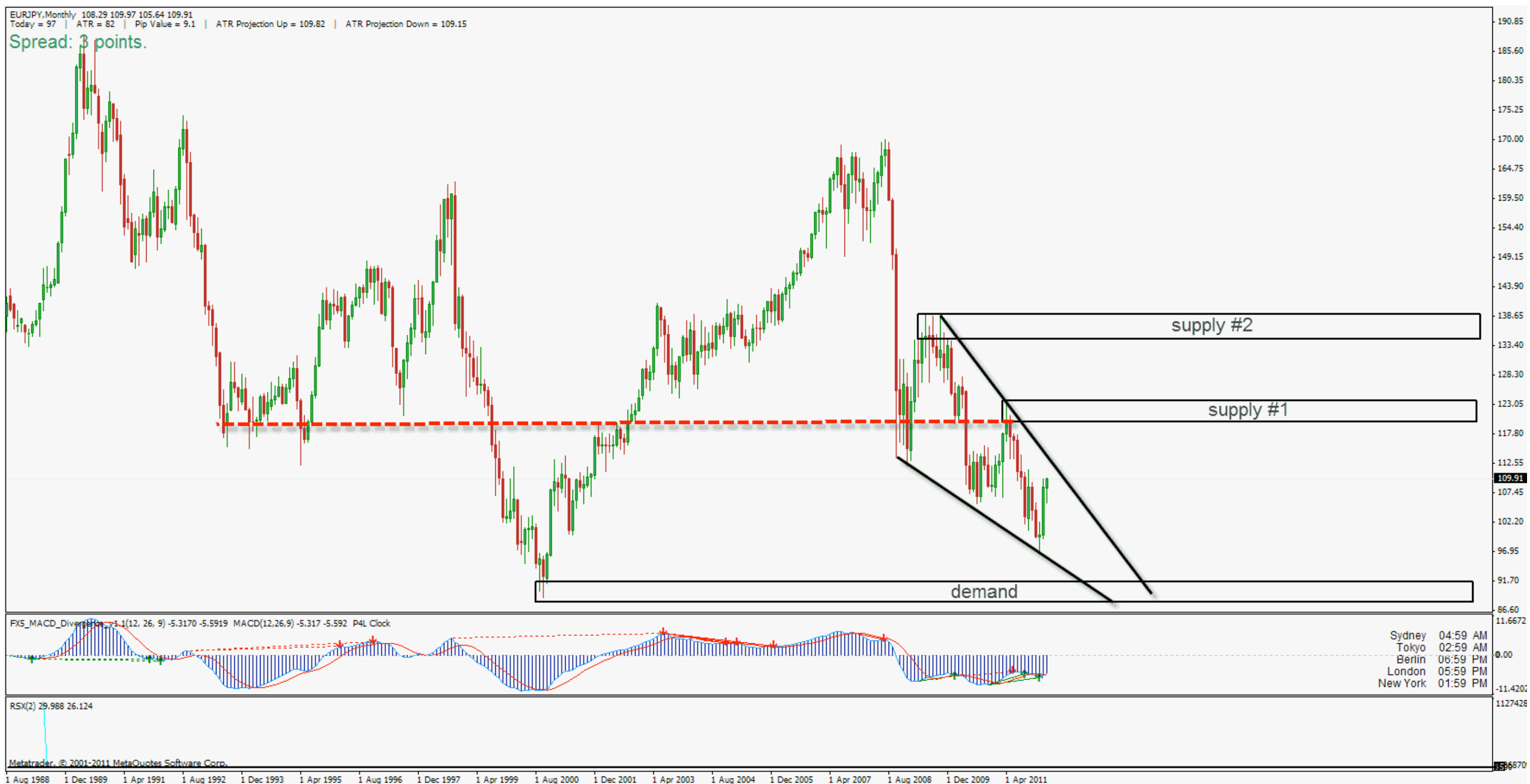


make up your own opinion chart says it all :-)

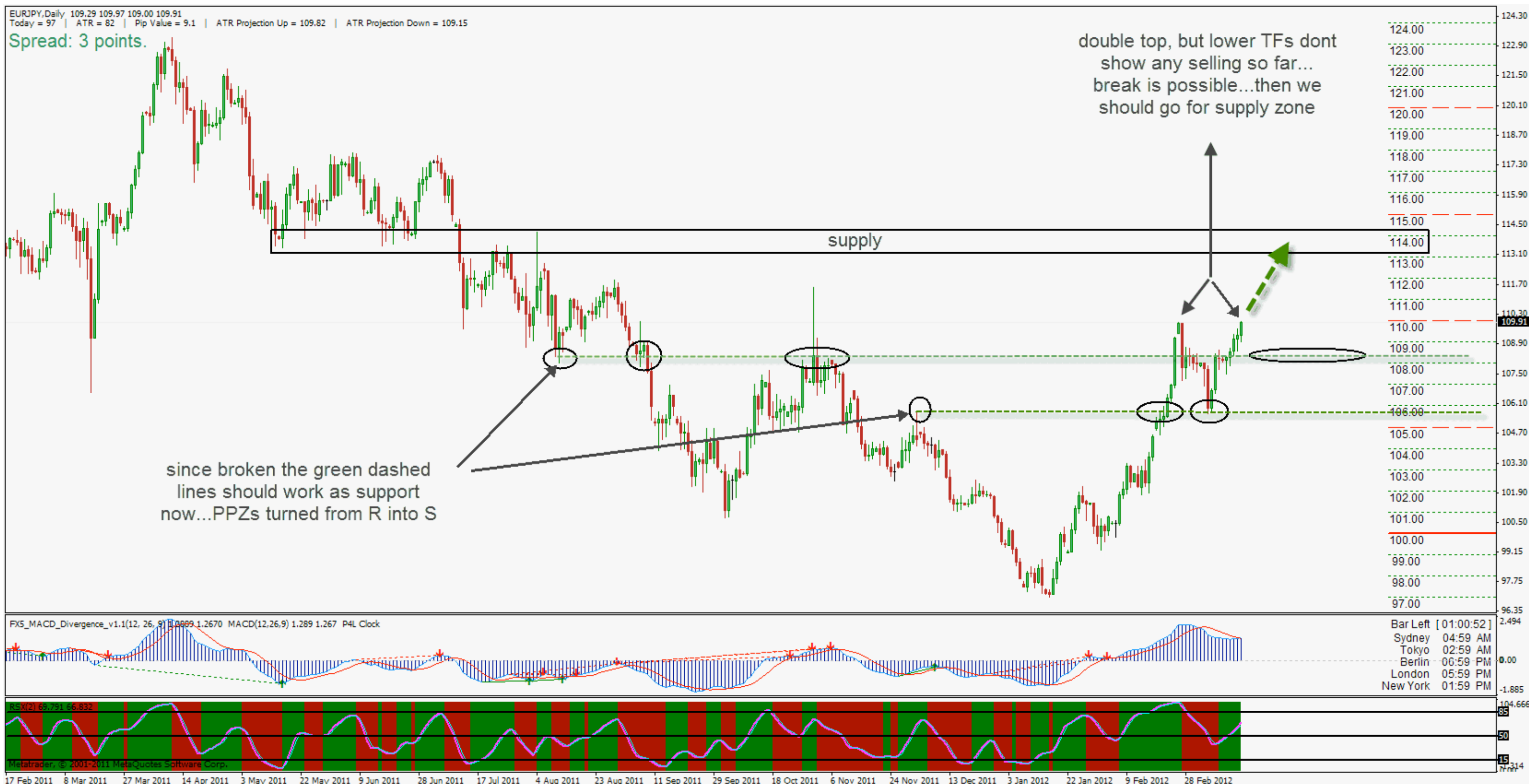


clear demand level.
 clear supply level.

Just wait for price touching them and place your trades.



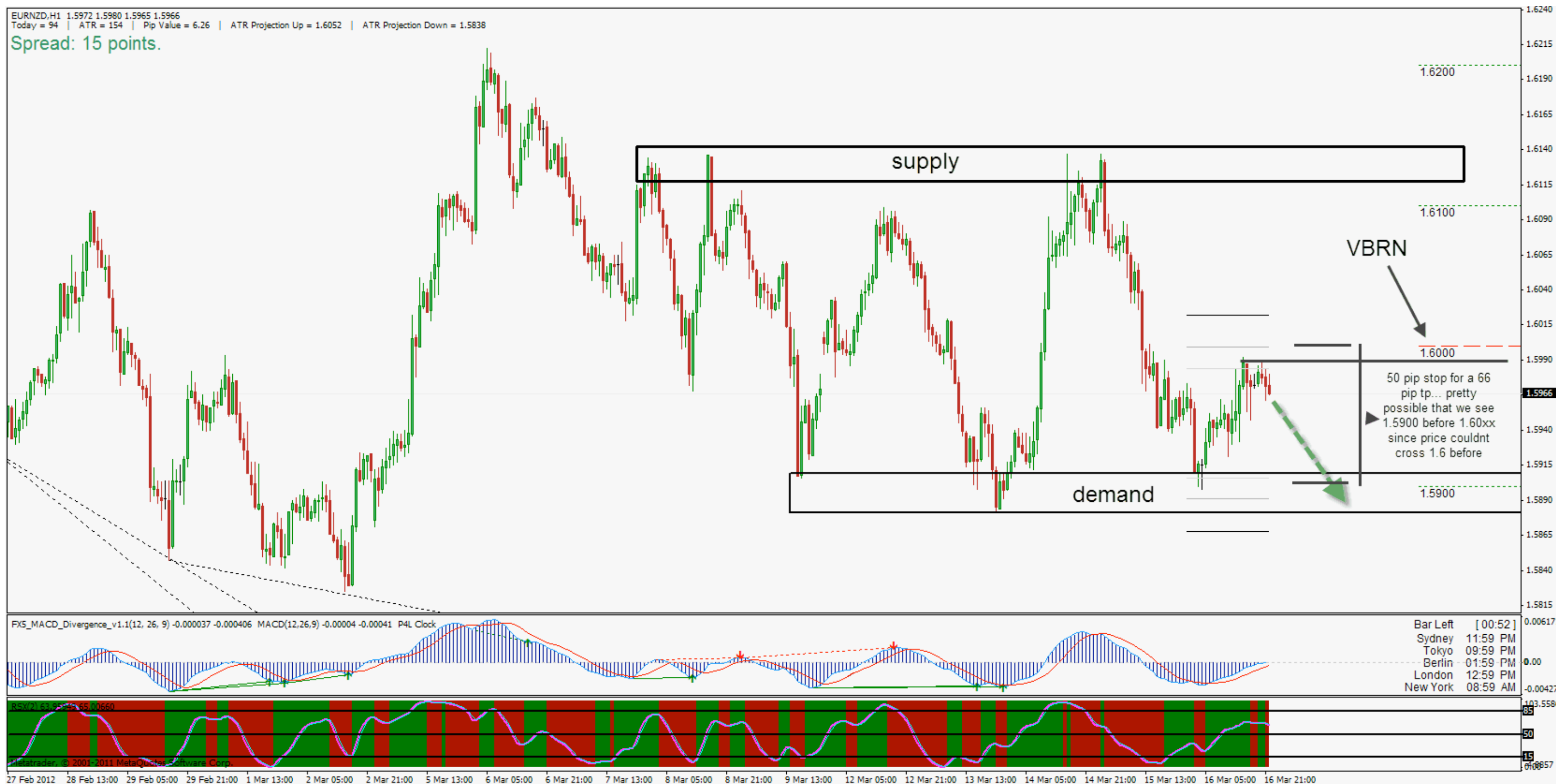
Monthly chart ! Always good to start from the monthly or weekly chart to get a quick overview of current situation. 2-3 supply/demand boxes, 2 trendlines and you are up-to-date.
 Essential part of technical analysis.



explanation attached.



chart tells the story.



Trade what you see.

some intraday action, good short setup in my opinion. But i dont like to trade inbetween boxes (demand and supply levels). I love to trade the lows and highs to maximize my r:r .

--> Patience is the key.



Chart tells the story.

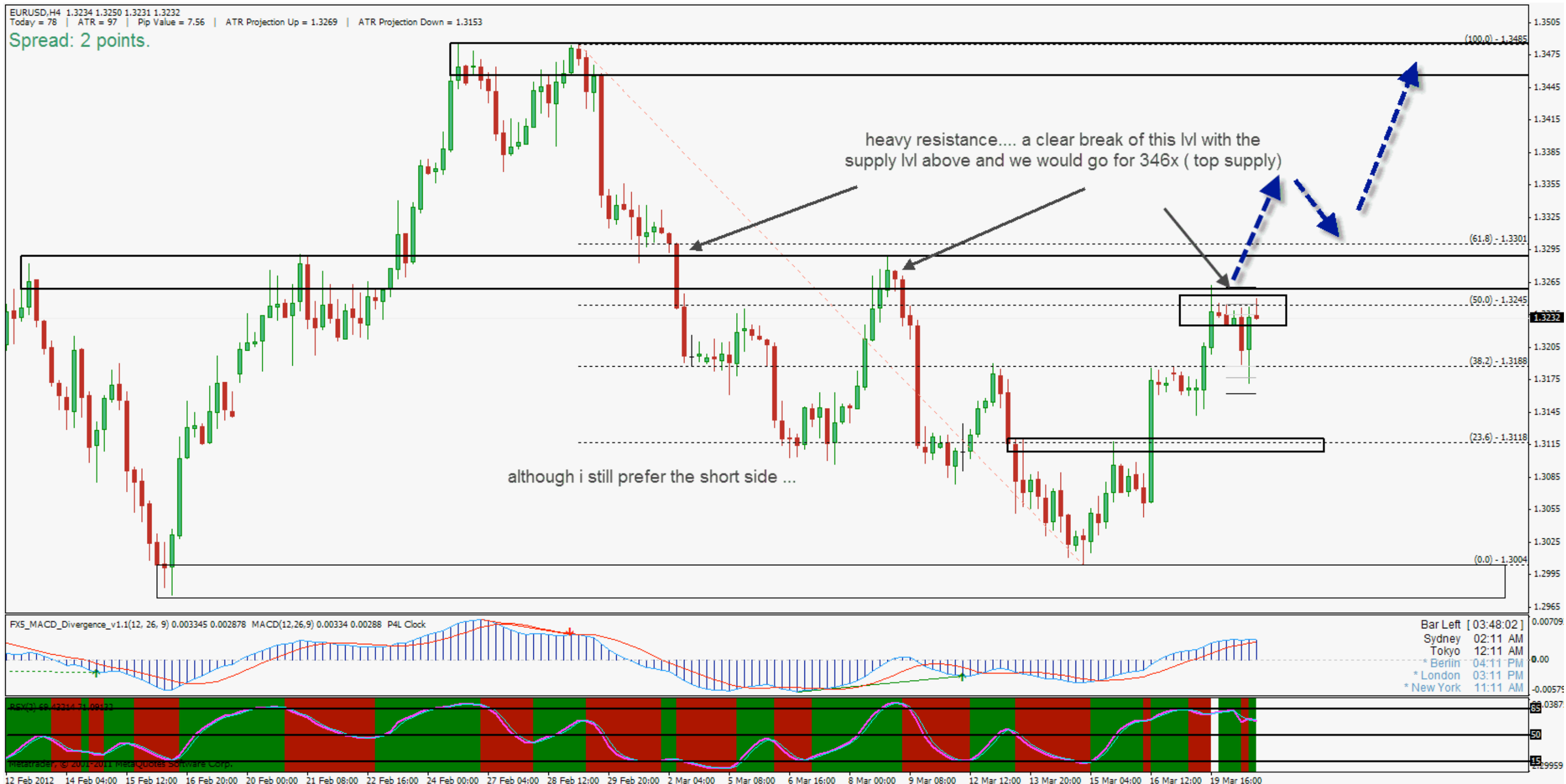


Chart tells the story.

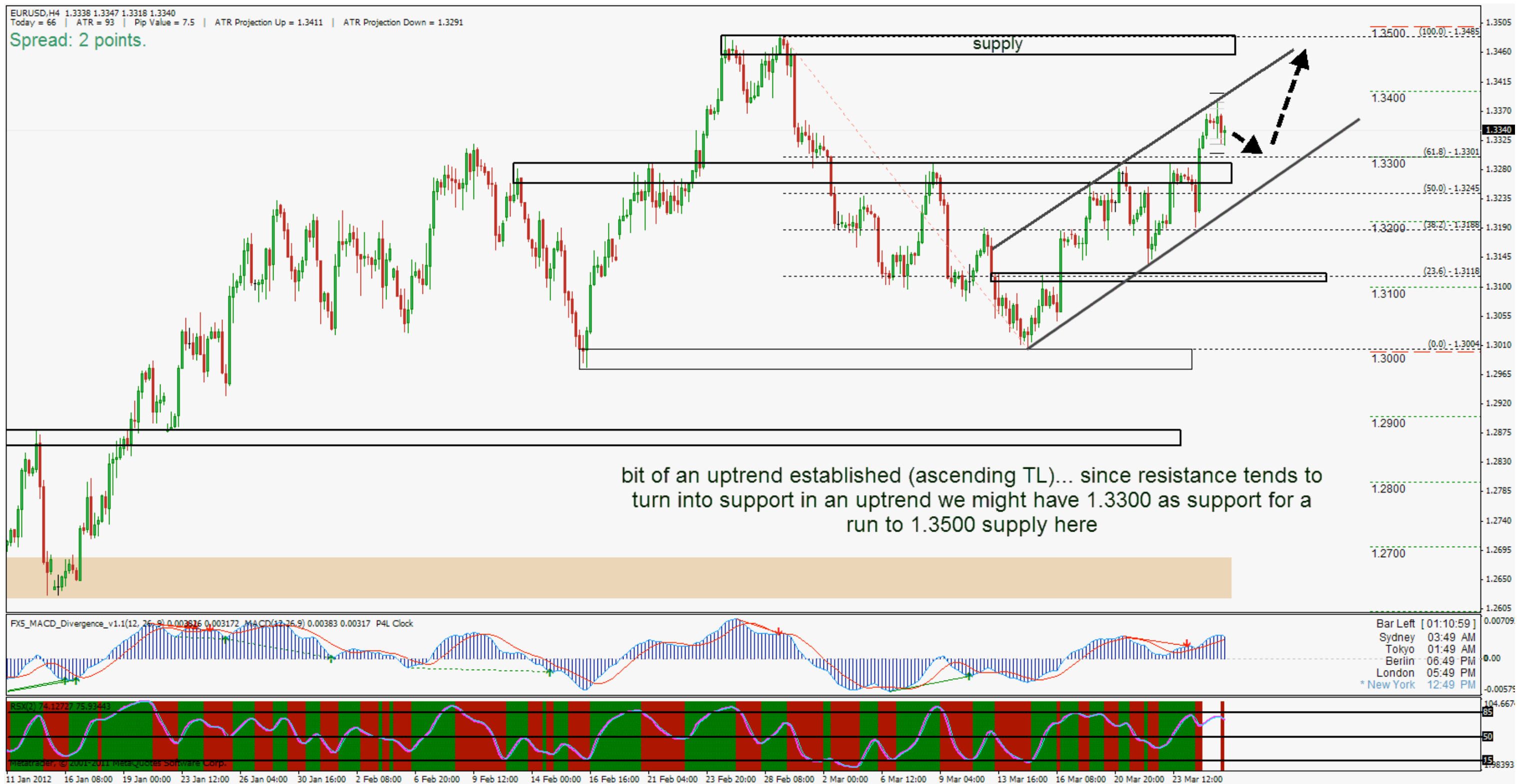


Chart tells the story.

EURUSD, Daily 1.3356 1.3384 1.3318 1.3342
Today = 66 | ATR = 93 | Pip Value = 7.5 | ATR Projection Up = 1.3411 | ATR Projection Down = 1.3291

Spread: 2 points.

just not to lose the big picture....





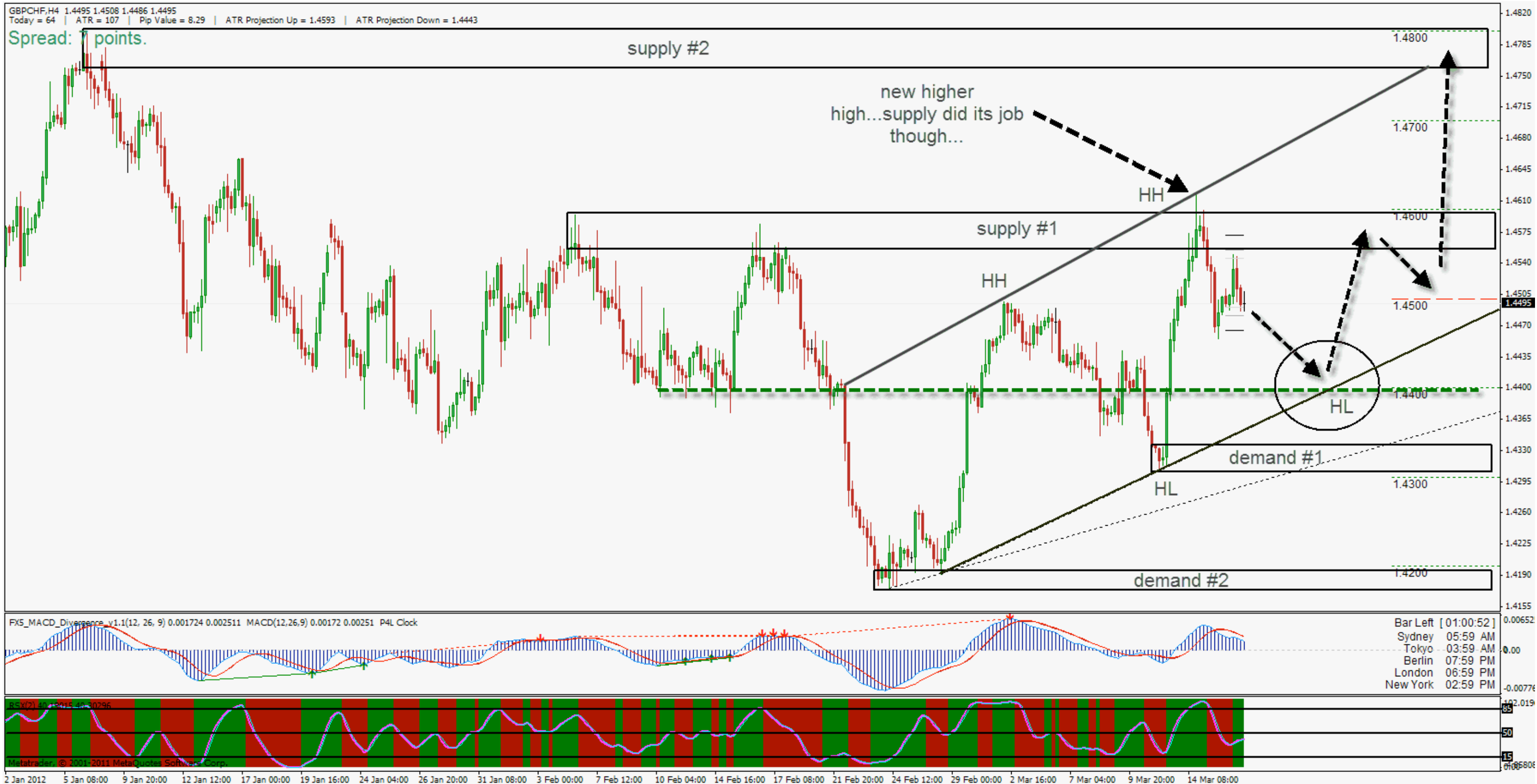
Never lose the big picture.



Ahhh interesting example. I got stopped out on this one. When price crossed and closed below the previous low i waited for a retest and went in short with a tiny stop above the s turned r area. I was targeting for 1.5300 level. Several days later price went up again crossing resistance. Shit happens, setup was ok for me though.



addition.



addition.



check this one out at your up-to-date charts.....this one worked perfectly.

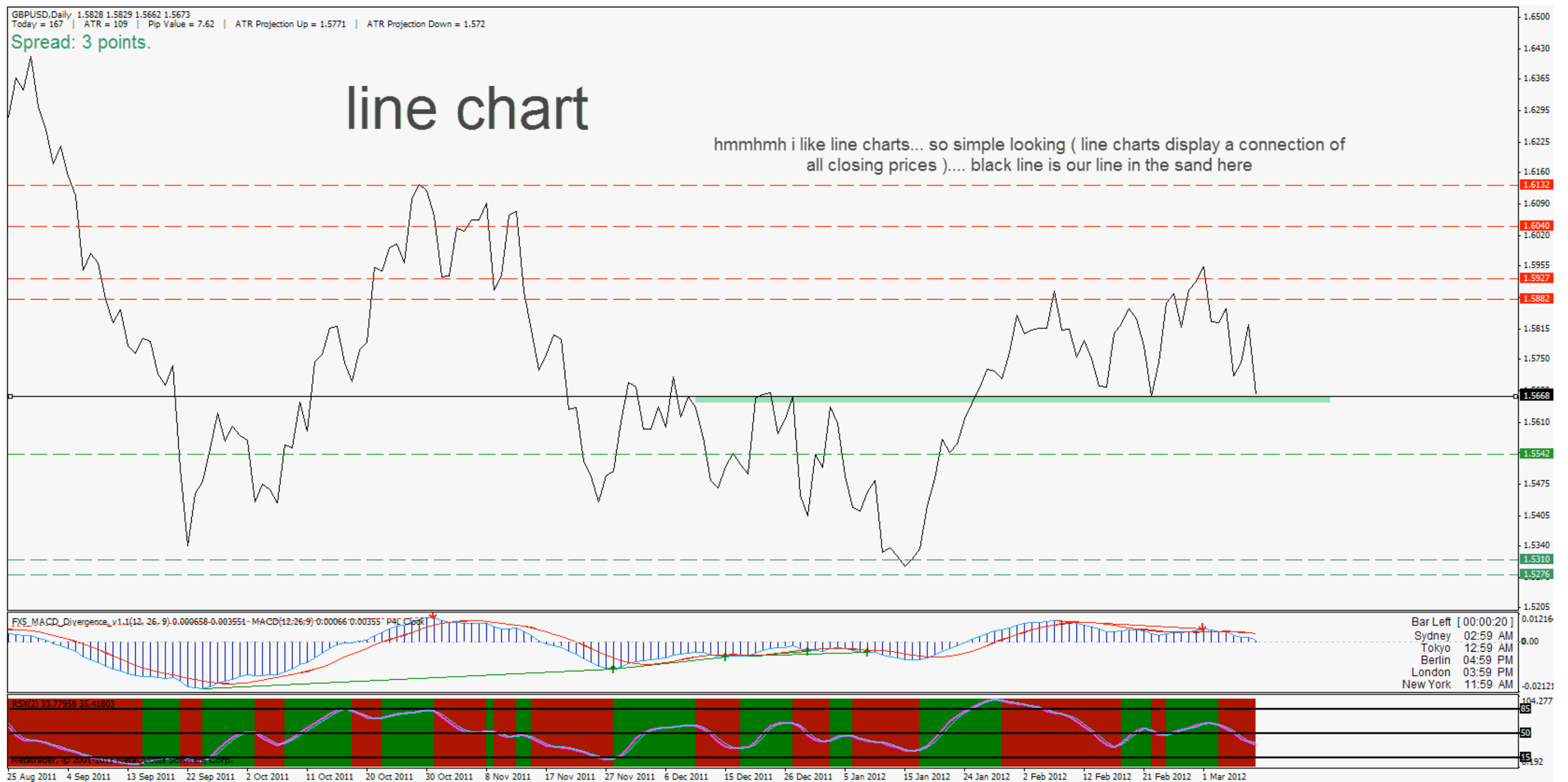
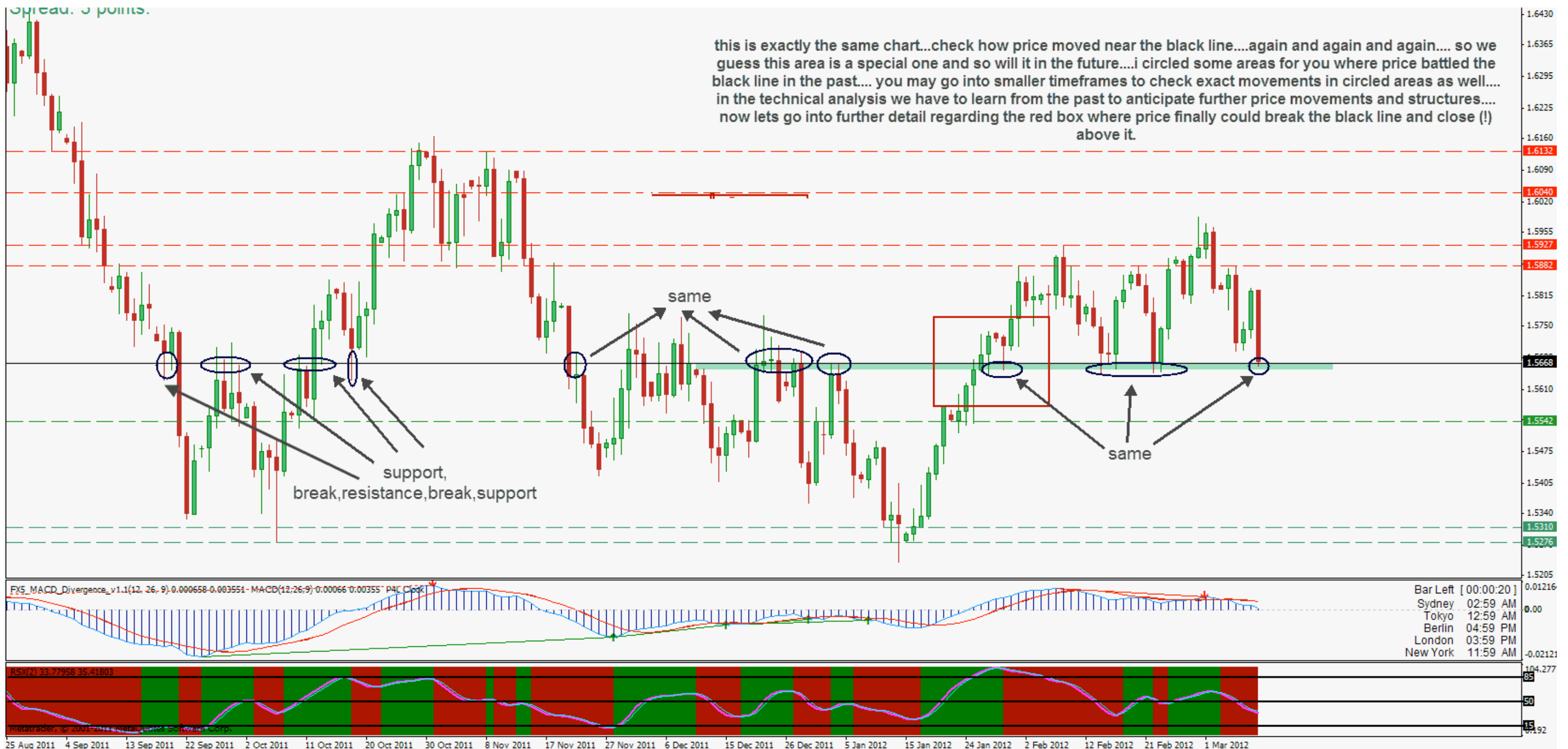


chart tells the story.

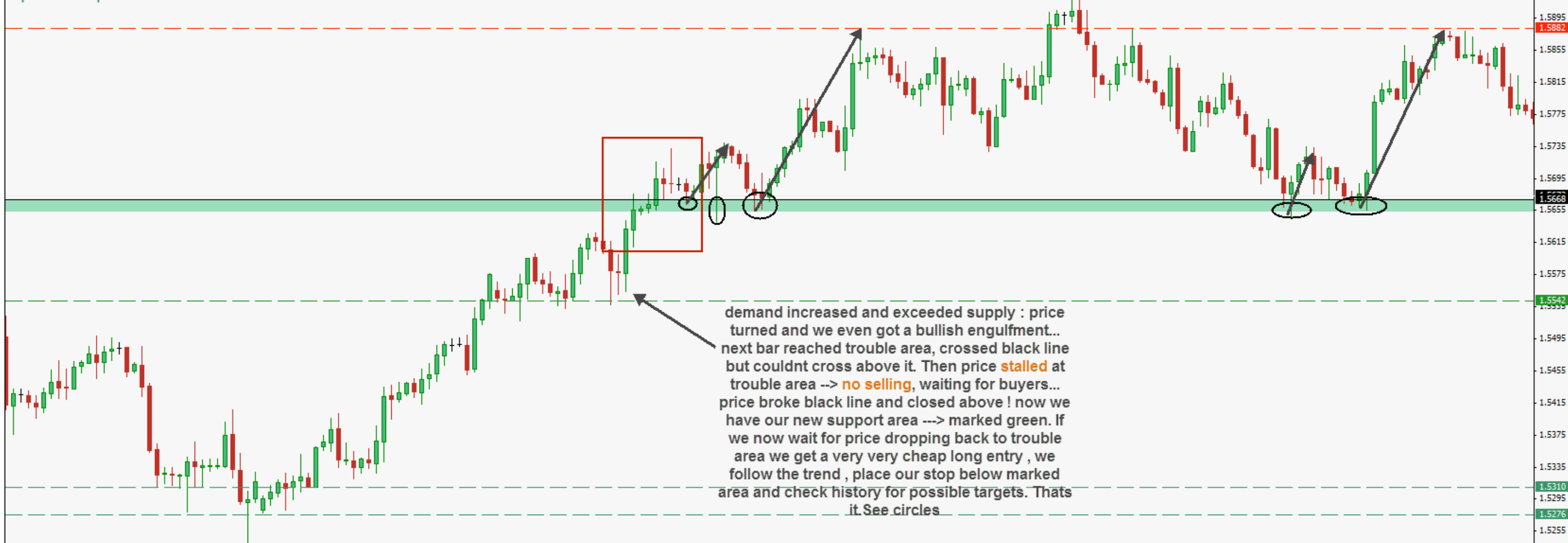
Spread: 5 points.

this is exactly the same chart...check how price moved near the black line....again and again and again.... so we guess this area is a special one and so will it in the future....i circled some areas for you where price battled the black line in the past.... you may go into smaller timeframes to check exact movements in circled areas as well.... in the technical analysis we have to learn from the past to anticipate further price movements and structures.... now lets go into further detail regarding the red box where price finally could break the black line and close (!) above it.

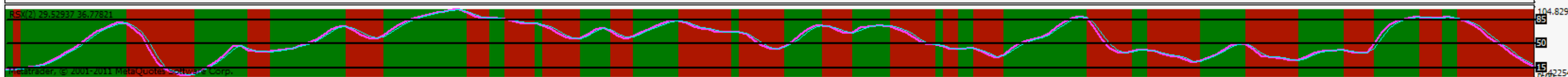
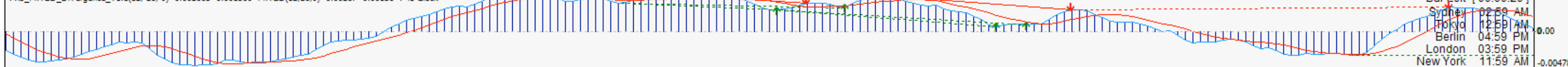


GBPUSD,H4 1.5668 1.5684 1.5662 1.5673
Today = 167 | ATR = 109 | Pip Value = 7.62 | ATR Projection Up = 1.5771 | ATR Projection Down = 1.572

Spread: 3 points.



FX5_MACD_Divergence_v1.1(12, 26, 9) -0.002665 -0.001560 MACD(12,26,9) -0.00267 -0.00156 P4L Clock



MetaTrader 5 © 2001-2011 MetaQuotes Software Corp. 6 Jan 2012 9 Jan 16:00 11 Jan 00:00 12 Jan 08:00 13 Jan 16:00 16 Jan 20:00 18 Jan 04:00 19 Jan 12:00 20 Jan 20:00 24 Jan 00:00 25 Jan 08:00 26 Jan 16:00 29 Jan 23:00 31 Jan 04:00 1 Feb 12:00 2 Feb 20:00 6 Feb 00:00 7 Feb 08:00 8 Feb 16:00 10 Feb 00:00 13 Feb 04:00 14 Feb 12:00 15 Feb 20:00 17 Feb 04:00 20 Feb 08:00 21 Feb 16:00

Bar Left [00:00:20]
Sydney 02:59 AM
Tokyo 12:59 AM
Berlin 04:59 PM
London 03:59 PM
New York 11:59 AM

GBPUSD,H4 1.5668 1.5684 1.5662 1.5673
 Today = 167 | ATR = 109 | Pip Value = 7.62 | ATR Projection Up = 1.5771 | ATR Projection Down = 1.572

Spread: 3 points.





,` pigs get slaughtered ,`

NZDJPY, Weekly 67.53 68.30 66.84 67.72
Today = 100 | ATR = 72 | Pip Value = 9.17 | ATR Projection Up = 68.43 | ATR Projection Down = 67

Spread: 6 points.



USDJPY, Daily 83.49 83.56 83.01 83.32
Today = 55 | ATR = 70 | Pip Value = 9.07 | ATR Projection Up = 83.71 | ATR Projection Down = 82.86

Spread: 2 points

supply

700 pips without a recent correction wave
so far, 85.00 major with supply area above
= this is a no no buy for me, id better wait
for some higher prices to sell the
correction. Also check weekly for possible
resistance levels

700 pips

demand

FX5_MACD_Divergence_v1.1(12, 26, 9) 1.1219 1.0739 MACD(12,26,9) 1.122 1.074 P4L Clock

Bar Left [03:07:40]
Sydney 06:52 AM
Tokyo 04:52 AM
Berlin 08:52 PM
London 07:52 PM
* New York 03:52 PM

RSI(7) 50.275 51.145

Metatrader, © 2001-2011 MetaQuotes Software Corp.

20 Feb 2011 10 Mar 2011 29 Mar 2011 17 Apr 2011 5 May 2011 24 May 2011 12 Jun 2011 30 Jun 2011 19 Jul 2011 7 Aug 2011 25 Aug 2011 13 Sep 2011 2 Oct 2011 20 Oct 2011 9 Nov 2011 28 Nov 2011 16 Dec 2011 6 Jan 2012 25 Jan 2012 13 Feb 2012 2 Mar 2012

Money-/riskmanagement

I hope you did get some ideas of how to trade demand and supply ?!

If so, open a demo account and develop your own style of trading supply/demand areas, there are hundreds of lines.

Another important aspect of trading is your money-/riskmanagement.

Before you start trading live, with your **own assets**, you definitely should give yourself a goal or something like a line to follow.

You definitely can't start trading with 5000 \$ and say, well ok i try to make a living out of these 5k. Also you cant make a million within 3 days out of it. (Possible in theory though....but hey, lets keep realistic). You need to define a level for yourself like saying ok todayi start with 5000 \$ and i dont gonna risk more than 1 %/trade and in maybe 3-4 years i want to trade full-time. Thats ok.

Nobody can say that she will earn 1 % /day.... we never have the same market conditions, sometimes we do have days of no-trade, sometimes we execute 3-4 trades a day....and the outcome is different as well.

In my opinion it's pretty hard to define a time span in which we plan to earn X \$. We should divide ou business plan into levels like saying when i reach 10.000 \$ i increase my risk/trade from 1.0 % to 1.2 % or i will take 10 % of each profit trade and put it into a virtaul risk pot. Then if the pot reaches x \$ i take the whole amount and add it to my next trade as additional risk.

There are hundreds and thousands of different money-/riskmanagement strategies.....

Important is to stay on the ground and make up your own mind about what to reach,how to reach.

Also there are some golden rules in trading regarding riskmanagement like **never trade with money that you cannot afford to lose** or never trade with loaned money.

If you trade with loaned money or money you definitely cannot afford to lose you won't be successful because your mind blocks your trading skills.

This is where the emotional part of trading comes into play.

First of all you shouldn't think about bucks, tons of cash et cetera.

At the verybeginning you should think in pips. Try to earn as much pips as possible , month by month, trading peanuts. After being in profit for about 3 months you can start to place higher lots and start earning real cash.

This whole process sums up pretty pretty quick and with no shake you trade with standard lots, trading 1.0 lot, trading 2.0 lots. If this takes 5 years, well ok doesnt matter, than it takes 5 years. But in the end you get wealthy, doesnt matter what happens.

The Forex trading mindset you need to succeed is one very few traders can get. It's a fact that 95% of traders lose and they don't lose because they can't learn to trade, they lose because their mindset is wrong...

Forex trading success is all about mindset and most traders go wrong straight from the start, by thinking they can follow others or trading is easy and they buy a junk Forex robot or some other system. They think these systems will lead them to success with no effort and all that happens is the system loses them money. If Forex trading success could be achieved easily 95% of traders wouldn't lose!

So first part of your mindset must be to accept you have to work, learn skills and accept responsibility for your destiny. Success lies on your shoulders and no one else's.

Next you have to accept you are going to have to make your own rules and apply them. Most people have a problem with this because in society, we are used to following rules made for us. In Forex you have to get a good Forex education and learn rules and have the confidence and discipline to apply them.

Discipline is the real key to success, as you are going to have execute your trading signals, in line with rules and when you do, you are going to hit periods of losses. When these periods occur you must remain disciplined and keep going - this is hard.

All traders have losing periods (don't let anyone tell you otherwise) and the key to success, is getting through these periods. You need to take your losses and keep them small, until you hit a home run of profits. Sounds easy?

Well its not, as the market wrong foots you and takes your money, you will feel like deviating from your plan; this is where most traders go wrong, they can't stay on course. Always remember, if you cannot execute the rules of your system with discipline - you don't have a system!

Trading Forex requires a totally different mindset to succeed than most people are used to in everyday life and that's why most traders lose.

If you want to win, you need to take responsibility for your actions, get a good education, confidence in what your doing and trade with discipline. While at times Forex trading can seem lonely as you're on your own, it's the only way to win and the good news is:

If you can get the right Forex mindset, you can enjoy currency trading success and earn a great second or life changing income. Always keep in mind in Forex trading the trader doesn't get beaten by the market, he beats himself.

This is a key post/note according to mindset aspects. As even mentioned before trading does have a lot to do with emotions. Mindset. Greed. Addiction.

This is a quotation by Mark Douglas :

If we start from the premise that to create consistency traders must focus their efforts on developing a trader's mind-set, then it is easy to see why so many traders don't succeed. Instead of learning to think like traders, they think about how they can make more money by learning about the markets. It's almost impossible not to fall into this trap.

Isn't it curious that you may have a good trading method? good entry and exit strategies? that you make a lot of pips but can't survive in financial markets?

Trading is inherently risky. To my knowledge, no trade has a guaranteed outcome; therefore, the possibility of being wrong and losing money is always present. So when you put on a trade, can you consider yourself a risk-taker? Even though this may sound like a trick question, it is not.

The logical answer to the question is, unequivocally, yes. If I engage in an activity that is inherently risky, then I must be a risktaker. This is a perfectly reasonable assumption for any trader to make

Mark Douglas

Cliffnotes :

- Don't be or get greedy
- ALWAYS stick to your plan
- be patient
- eat some cheese nachos before start trading

Below i created a equity growth table for you....

This is the very best scenario to be of course. Also it shouldn't offer you a possible moneymanagement plan etc.... I only want to show you what is possible if you keep on the ground, if you treat trading as a real business day by day...

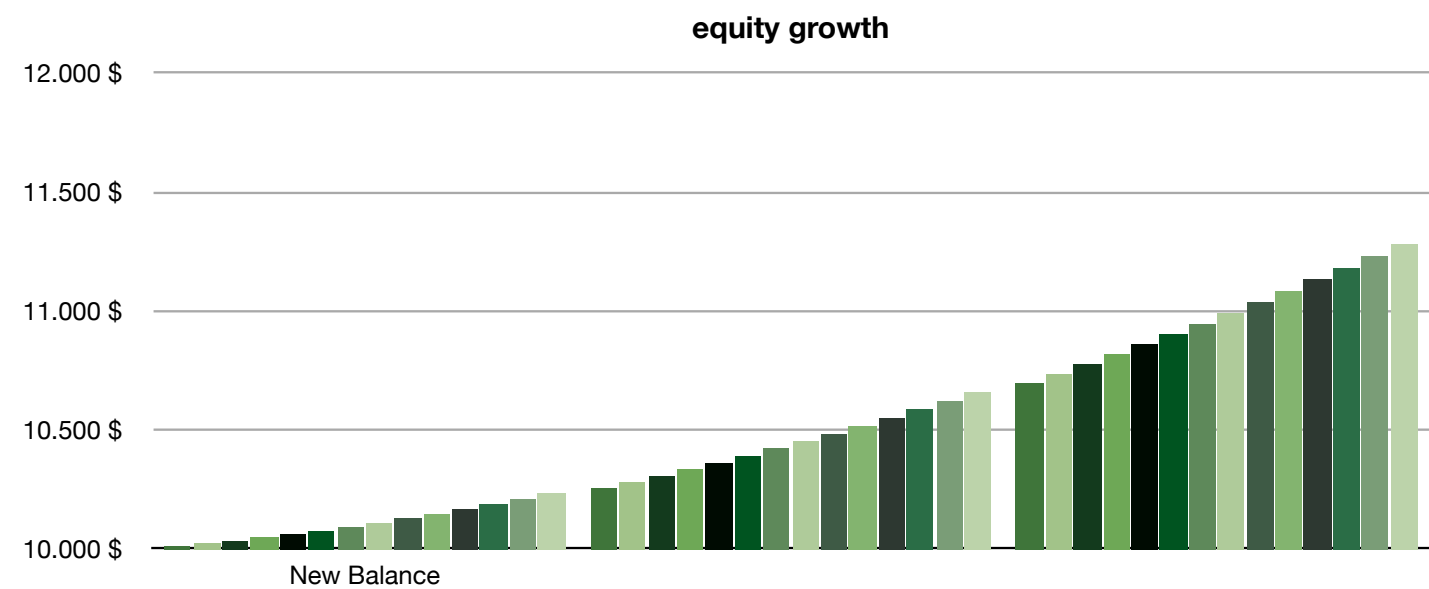
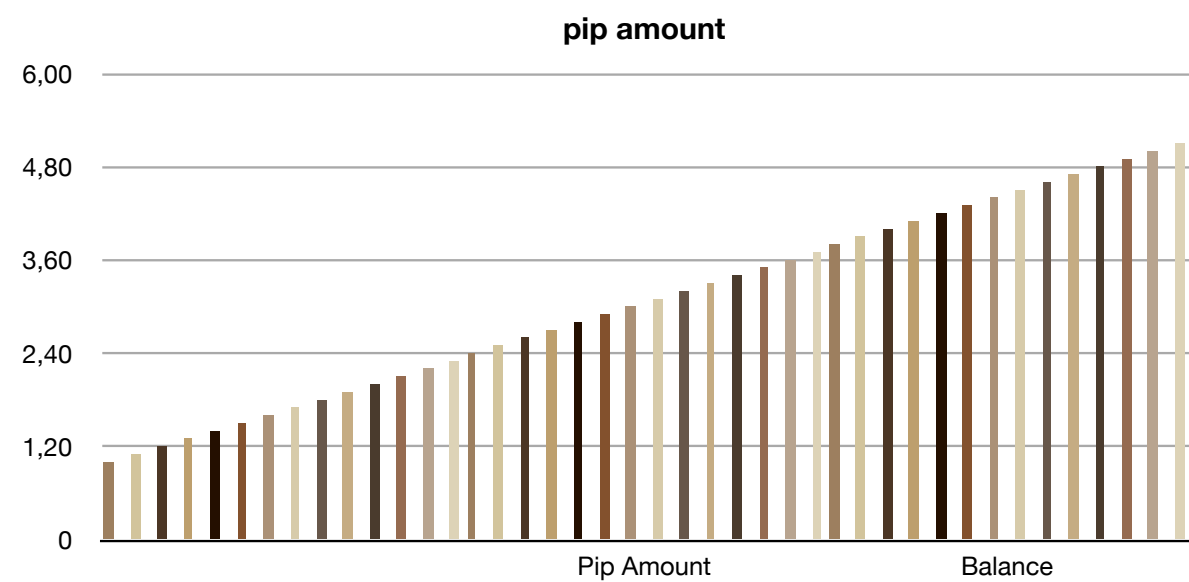
10 pips a day, slowly increasing units..... consistency....if you cann fight off the greed and stay patient.

Also don't set yourself under pressure by creating impossible goals ike reaching 20.000 \$ equity in the next month to be continued....

If the market doesnt offer us trade setups we shouldnt take entries we are not satisfied with.

Starting balance : 10.000 \$ / increasing lotsizes by 0,10 \$ a day / 10 pips a day on average / the example shown below is best case scenario

	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	Day 10	Day 11	Day 12	Day 13	Day 14
Number of pips	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Pip Amount	1,00 \$	1,10 \$	1,20 \$	1,30 \$	1,40 \$	1,50 \$	1,60 \$	1,70 \$	1,80 \$	1,90 \$	2,00 \$	2,10 \$	2,20 \$	2,30 \$
Balance	10.000 \$	10.010 \$	10.021 \$	10.033 \$	10.046 \$	10.060 \$	10.075 \$	10.091 \$	10.108 \$	10.126 \$	10.145 \$	10.165 \$	10.186 \$	10.208 \$
Profit	10,00 \$	11 \$	12 \$	13 \$	14 \$	15 \$	16 \$	17 \$	18 \$	19 \$	20 \$	21 \$	22 \$	23 \$
New Balance	10.010 \$	10.021 \$	10.033 \$	10.046 \$	10.060 \$	10.075 \$	10.091 \$	10.108 \$	10.126 \$	10.145 \$	10.165 \$	10.186 \$	10.208 \$	10.231 \$
Number of pips	Day 15	Day 16	Day 17	Day 18	Day 19	Day 20	Day 21	Day 22	Day 23	Day 24	Day 25	Day 26	Day 27	Day 28
	10	10	10	10	10	10	10	10	10	10	10	10	10	10
	2,40 \$	2,50 \$	2,60 \$	2,70 \$	2,80 \$	2,90 \$	3,00 \$	3,10 \$	3,20 \$	3,30 \$	3,40 \$	3,50 \$	3,60 \$	3,70 \$
	10.231 \$	10.255 \$	10.280 \$	10.306 \$	10.333 \$	10.361 \$	10.390 \$	10.420 \$	10.451 \$	10.483 \$	10.516 \$	10.550 \$	10.585 \$	10.621 \$
	24 \$	25 \$	26 \$	27 \$	28 \$	29 \$	30 \$	31 \$	32 \$	33 \$	34 \$	35 \$	36 \$	37 \$
	10.255 \$	10.280 \$	10.306 \$	10.333 \$	10.361 \$	10.390 \$	10.420 \$	10.451 \$	10.483 \$	10.516 \$	10.550 \$	10.585 \$	10.621 \$	10.658 \$
Number of pips	Day 29	Day 30	Day 31	Day 32	Day 33	Day 34	Day 35	Day 36	Day 37	Day 38	Day 39	Day 40	Day 41	Day 42
	10	10	10	10	10	10	10	10	10	10	10	10	10	10
	3,80 \$	3,90 \$	4,00 \$	4,10 \$	4,20 \$	4,30 \$	4,40 \$	4,50 \$	4,60 \$	4,70 \$	4,80 \$	4,90 \$	5,00 \$	5,10 \$
	10.658 \$	10.696 \$	10.735 \$	10.775 \$	10.816 \$	10.858 \$	10.901 \$	10.945 \$	10.990 \$	11.036 \$	11.083 \$	11.131 \$	11.180 \$	11.230 \$
	38 \$	39 \$	40 \$	41 \$	42 \$	43 \$	44 \$	45 \$	46 \$	47 \$	48 \$	49 \$	50 \$	51 \$
	10.696 \$	10.735 \$	10.775 \$	10.816 \$	10.858 \$	10.901 \$	10.945 \$	10.990 \$	11.036 \$	11.083 \$	11.131 \$	11.180 \$	11.230 \$	11.281 \$



this business is a great opportunity to become
independend..... can you fight off the greed ?
creat a business plan and follow it to get wealthy...

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to my brother Max

trading style of a 21 year old forex trader

*created and developed in 2012.
Tables,charts etc. are completely created by myself.*

*Author of this E-Book is Jonas Blickle a.k.a PhanTi from forexfactory.com
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