

Trading Made Simple(r) by Uncle R (Robinhood)

I have named this thread as such because I learned so much from "Big E's" thread "Trading Made Simple" and I incorporated in some of the ideas and indicators he used, and some of how he used them. Furthermore, I would like to dedicate this thread to him, and may he rest in peace.

Although my templates do not include his main indicator which was the TDI, they do include other indicators that I find easier to read than the TDI. For example, Big E (Eric) would talk about when the TDI started to bend, or arch, or flatten out, etc. as exit signals which I found to be way too subjective for me, so I eventually dropped it. And, he mentioned that he might drop it also because he could still trade very successfully without it. In other words, he didn't really need it either.

He also seemed to mostly like trading the 4 hour charts the best, and the daily charts to a lesser extent. He practically begged people to stop trading the lower time frames because you get whipsawed so much. I completely agree with him and suggest that you do the same. However, if you MUST day trade, I would suggest only day trading the 15 minute charts. But what you do is on you. These templates work just the same on any time frame.

For those of you who have not read Eric's thread "Trading Made Simple", I suggest you read it if you have not already.

Eric actually started talking about his method to a great extent in one thread, and then eventually created his own thread. Here they both are if you are interested:

Craig Harris Stochastics Method

<https://www.forexfactory.com/showthread.php?t=211188>

Trading Made Simple

<https://www.forexfactory.com/showthread.php?t=291622>

Big E PDFs:

Here are some .pdfs someone else made that contain most of the significant things Eric wrote in those threads.

Attached File

[Best of Big E I.pdf](#)

Attached File
[Best of Big E II.pdf](#)

Moving On...

I am creating this thread as a way of hopefully giving something back to this trading community, and to the many traders on this forum that have unselfishly given me the opportunity to learn so much from them. EVERY custom indicator I use (as far as I know), I downloaded for free from this forum.

The two templates that I am providing have evolved over the course of more than a decade. And, they may continue to evolve even more over time if we find useful things to add or change. Nothing here is set in stone, EXCEPT my way means always trading with the trend, and that means: at the start of what appears to be a new trend, or the resumption of a previous trend.

Now, what's UNUSUAL about my templates is that there is not just one, or just two or even 10 ways to trade them. There are MANY, and I am sure that there are more that I have not even uncovered yet.

Currently, I use 7 indicators to show me things like: where and when to enter and exit, where to place my stops, and sometimes where to place my profit target, market direction, turning points, trend, convergence, divergence, etc.

I will start off for now by explaining just two of the ways that I trade using the templates, but I suspect that over time other traders here will expose some of the other ways they discover, as will I also.

What you must understand is that what's presented, as it's presented, is NOT a trading system. A system has concrete rules with no variables. Methods don't. What I am presenting are trading methods, tips, and suggestions. Multiple trading methods about ways to enter and exit trades (with others likely to follow). The only concrete rules there are, are the ones that you decide to make and follow.

I have attached a zip file containing both templates and all indicators

I am sure that I have forgotten to mention or make clear lots things and so I'll add, correct, or clarify them as we go along.

And keep in mind, there is no Holy Grail trading system, and there is no winning without some losing.

At this point, I don't visit this forum every day. I trade, I own a business, and I travel quite a bit. I have done all 3 for more than 20 years and so I am often unavailable or too busy doing other things to be on the forum. If you have any questions for me, and you don't hear from me, I will be back as time permits.

My hope is that other traders will recognize the power of these templates and contribute even more ways to trade them, hopefully in ways even more effective than I have presented, and that they help traders make a lot more money trading the Forex.

Templates:

1 (Used on 4 Hour, Daily, Weekly and Monthly Charts)

2 (Used on 1 Hour and Lower Time Frame Charts)

* The only difference between the two templates is that Template # 2 includes a market Open and Close times indicator, which would mainly be used for intraday trading. Mine are preset with the London Open and Close times and the U.S. Open and Close times (based on Eastern Standard Time). They can easily be edited to suit your preferences and time zone. I like being able to visually see when different markets open and close.

* Personally, I only trade 4 hour charts and daily charts and I only use Template # 1.

Templates and Indicators

Attached File

[File Type: zip # 1 and # 2 Template and Indicators.zip](#)

Template # 1

Indicators Used

Upper Window:

Yellow Line = 5 EMA, Shift + 2, Close

HMA Line (Hull Moving Average) = Period: 12, Method: 3, Price: 0 - Colors Lime Green and Deep Pink
Heiken Ashi - Blue and Maroon
Synergy_APB - Doger Blue and Red
Bar Clock - DimGray
Magnified Market Price

Lower Window:

RSI 14 - Sienna/Brown
Stochastic - 8,3,3 - SlateGray (Thinner Line), Lime, Gold
Stochastic - 14,3,3 - SlateGray (Thicker Line), Blue, Red
50 Line - BlueViolet (I refer to it as Purple)

Template # 2 (Only Used for Intraday Trading or Chart Watching on lower Time Frames)

It is exactly the same as Template # 1 but it also includes an indicator called: JF_TradingTimes that shows you when particular markets open and close.

Note: None of these indicators repaint after the bar has closed.

Two Basic Trade Entry Methods Explained

Please Note: At first, it will seem like there are a lot of indicators and things to remember using these templates, but I can assure you that once you understand how each indicator works, and what the colors are telling you, it all becomes VERY simple. I will post some charts showing examples of each, and show some ways that I use them.

Indicator Colors

- > Green and Blue Colors Always Mean "UP"
- > Reddish and Orange Colors Always Mean "Down"
- > None of the Other Colors Used Have Any Meaning

1. Crossover Trades

2. Continuation Trades

Crossover Trades:

1. The HMA Line is Lime Green and crosses above the Yellow Line for long trades OR the HMA Line and is Deep Pink and crosses below the Yellow Line for short trades.
2. The candles must have just changed from Dodger Blue/Blue to Red/Orange for short trades or from Red/Orange to Dodger Blue/Blue for long trades.
3. After both # 1 and # 2 above have occurred, preferably, you want to initiate a trade after the 1st bar has closed on the same side of the Yellow Line as the direction of the trade or on the 2nd or 3rd candle. Entering any later than that is more risky.
4. The trade set-up bar is the 1st candle to cross over the Yellow Line AND is the opposite colors of the previous candles. Both bars must either be: Red/Orange or Dodger Blue/Blue. Red/Orange for short trades or Dodger Blue/Blue for long trades. The set-up candle must close before you enter a trade.
5. The 2 Stochastic Lines must be above, or crossing above the Purple 50 Line for longs OR below for shorts.
6. The RSI Line (Brown) must be on the same side of the Purple 50 line as the direction of the trade at the time of entry.

Continuation Trades:

A Continuation Trade is when there has already been a trade in that direction, but you were stopped out OR got out for some other reason and then you get another signal to enter in the same direction.

You can go long again if a bar turns back to Dodger Blue/Blue after being Red/Maroon or Red/Blue AND the Dodger Blue/Blue bar's close is above the Yellow Line and all other indicators agree.

You can go short again if a bar turns back to Red/Maroon after being Dodger Blue/Blue or Red/Blue AND the Dodger Red/Maroon bar's close is below the Yellow Line and all other indicators agree.

Variation(s):

If all indicators imply long, and the RSI 8,3,3 (the thin SlateGray Line) retreats below the Purple 50 Line, then it crosses back above the Purple 50 Line and all indicators still imply long, you can enter long.

If all indicators imply short, and the RSI 8,3,3 (the thin SlateGray Line) retreats above the Purple 50 Line, then it crosses back below the Purple 50 Line and all indicators still imply short, you can enter short.

Plus, Remember This Too

There are MANY different indicators included or combinations of indicators included that you could use to enter trades. For example, you could use:

1. Just the Yellow Line
2. Just the HMA Line
3. Just one of the Stochastics, or a combination of both
4. Just the candles changing colors
5. Just the candles and the HMA Line
6. Just the HMA Line and the Yellow Line

Etc. etc. etc.

Exit Methods

Just some of the possible ways...

1. Candles change to the opposite color(s)
2. RSI crosses the Purple 50 Line in the opposite direction
3. HMA Line turns the opposite color
4. A candle closes on the opposite side of the Yellow Line
5. One or both Stochastics cross the Purple 50 Line in the opposite direction
6. The HMA Line and the Yellow Line cross to the opposite direction
7. Stop Loss (including a trailing stop) gets hit

8. Profit Target is reached

9. The market stalls, or slows down to a crawl, or gets choppy

10. The trend changes direction

11. Plus many others, such as: Fibonacci spots, support and resistance areas, retracements, time of day, holidays, weekends, etc.

Stop Placement Methods

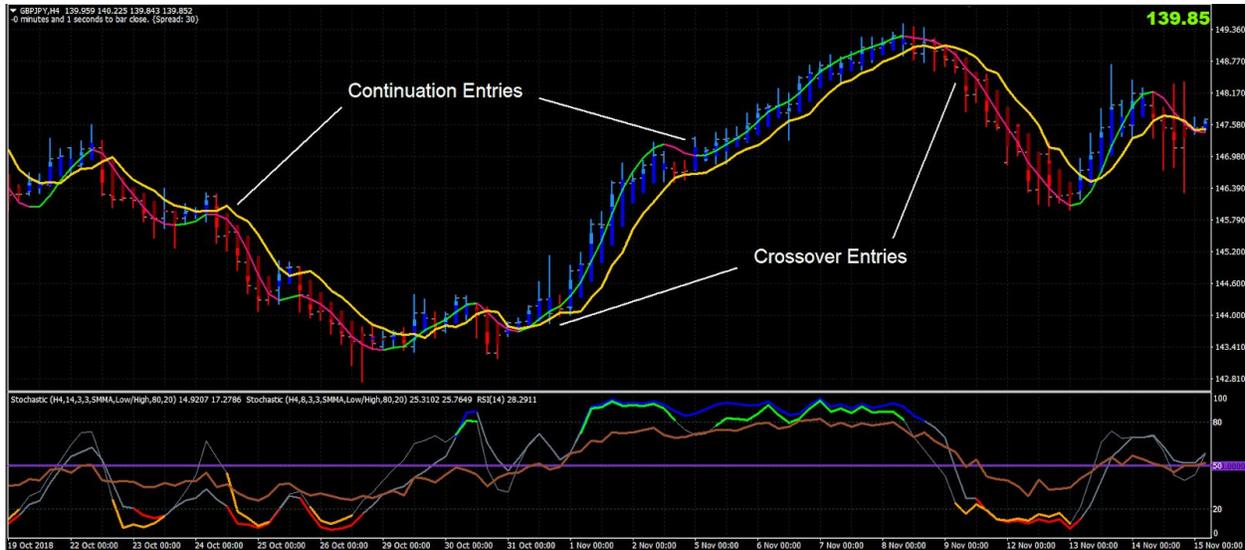
For Long Trades: Just below the low of the 2nd candle back behind the bar you entered on

For Short Trades: Just above the high of the 2nd candle back behind the bar you entered on

Note: You can put the stop at the high or low 1 candle back, but it will get hit much more often

Charts





Trading Tips:

When using the Crossover or Continuation methods for entries, it is best to enter on the 1st, 2nd, or 3rd candle after the HMA Line crosses the Yellow Line. Otherwise, it is usually better to wait for the next trade set-up. This is because, as Big E used to preach, most often candles only run the same colors for 3-8 bars.

When using the Crossover or Continuation methods for entries, ideally, you should only enter if BOTH Stochastic have crossed the Purple 50 Line (in the direction you are trading), or if one has crossed and the other is very close to crossing the 50.

You MUST wait for the set-up candle to close before you enter OR exit a trade, otherwise it may close the wrong color(s) and you don't want to trade that.

It's often much riskier to enter a new trade immediately after an exceptionally large bar. So it's not suggested that you do it.

Whenever you enter a trade, make sure that the last bar has closed on the same side of the Yellow Line as the direction you are trading in.

When the two Stochastics cross in unison (or very close together), it's usually a better than average trade set-up. But, you also need the other indicators to agree before you enter.

Always enter a stop loss immediately when you place a trade.

Forex Pairs I (Currently) Like to Trade Most:

GBPJPY - 4 Hour

EURAUD - 4 Hour

GBPAUD - 4 Hour

USDTRY - Daily

In Conclusion...

This may sound harsh, but I really believe that if you cannot eventually learn to make money trading the Forex using these templates, then you should probably just give up trading the Forex.