

BIG E COMMENTS

--Compiled by Otiose

I'm going to post here the 2 templates I personally use to trade:

1. 5 Method --- (Most simple strategy but works great)

Use Heiken Ashi candles

TDI Indicator set at default

Stochastics set to 8,3,3

5 ema, Shift set to 2 or 3, Typical

When PA crosses 5 ema and closes... that is the set up candle. The entry is on the 2nd candle if it's the same color. Works on all timeframes. I use 5 pip SL on the 5 minute chart. Works great short & long. Templates on pages 169, 170, 171.

2. 21/233 Method ---

Use Heiken Ashi candles

TDI Indicator set at default

Stochastics set to 8,3,3

21 ema, Shift set to 3, Typical (yellow, thicker line)

233 ema, Shift set to 5 or 8, Typical (Blue, thicker line)

I trade as PA moves away from the blue & yellow line. Example: Long Trade -
When yellow line moves above blue line...and when PA breaks above the yellow line and closes above it. That is your set up candle. Enter long on the 2nd candle if it's the same color going long. Short trade is the opposite. Templates on pages 169, 170, 171.

I don't use pending orders or hard S/L. I get out with a 5 pip loss about 25% of the time. My timing was off evidently so I re-enter when it looks right and there

is more momentum.. Just my style.

I don't enter trades just before news .

The longer you trade the more you'll refine your system until you gain confidence... keep at it.

I use the 5 pip S/L on the lower timeframes...

Otherwise I use a hard stop on 1 hr timeframe and up if I'm not monitoring the trade. Usually the top or bottom of the previous candle depending if I'm going short or long. Sometimes the swing hi or low depending upon the momentum of PA.

I prefer 1 & 4 hour charts. When the trade is up 10-15+ pips above break even... I move the S/l up to break even + the spread so if it drops I don't lose any pips.

I have over a 75% winning rate so on the long timeframes if I take a 50 pip loss as an example... it's no big deal... at night I'd rather sleep than watch the charts. I normally start trading at 5 am Pacific time.

I like trading 4 hour charts at night. With the HA Candles it normally runs 3-8 candles per trade average. So if I can enter on candle two... it's usually good by the time I get up in the morning...
(4 hours per candle... trade is candle 2 & 3... 8 hours).

I'm usually awake every 1 -1/2 to 2 hours at night so I'll do a quick check for any possible set-ups on my 4 hour charts. I monitor 8 pairs. I'm looking for set ups on the 4 hour charts that late at night.

Don't trade in consolidation. The 5 method is the most simple . PA is either above or below the line for long or short trades.

The candle body must cross the ema and close to be a set up candle. When the next candle opens and is the same color... enter the trade.

Remember that HA candles average 3-8 candles per swing .

This mornings trade G/U - 6 am pacific -Again I entered a little late. traded short 1 full lot. Entered at 1.5945 and waited for 15 pips profit and then placed S/L at break even and turned off the computer. Came back online at about 8:50 am pacific and closed the trade.

You won't be happy with your profit until you start trading full lots. However... you need experience and confidence in your method. Practice Demo Trading... learn tax free... lol Todays profit is \$728.00. Click on the chart to enlarge.

When the next candle appears after the set up candle it's either red or green. If it's the same color as the set up candle... I'm usually in the trade.

Bear in mind that if the candles are small I wait to enter until candle #3 or pass on the trade. Double check tdi & stochs with your cross hair on the chart.

I'm very weary of trade set ups near the 32 & 68 on the tdi. If they are larger candles I may enter the trade... small candles is a flashing light to wait and see... reversal coming soon in most cases. Trade on the reversal is best.

STUDY OLD CHARTS... for your favorite time frame count the **AVERAGE** number of candles per swing. Put the odds in your favor. 99% of my trades are between Midnight Pacific time until 10 am Pacific. As far as I'm concerned the rest of the day is a waste of my time to trade.

I have 8 pairs/charts on my screen and with a quick glance I can see the set ups coming and about how many candles away they are. (5 Method).

Smaller candles... but ... The 5 ema was still heading up, the green line & yellow dots were heading up as well on the tdi and the stochs line heading up so I figured the odds were in my favor. Good for 83 pips... 1 hour chart...

Yellow line on the tdi isn't that important to me personally.

Generally... the best trades (long example) is when green is above red, yellow and 50 lines and then enter... and vice versa. (tdi)

With experience, knowledge, skill and confidence you'll be able to make money on a trade when others fail and lose money on the same trade... because they don't read the signs like you do or have your skill level. Same info with different results.

If you needed brain surgery... would you want a doctor who skipped classes here and there, never did his study and homework, etc. Of course not.

Traders throw 300-1,000 bucks in an account and after reading a few things can't understand why they are losing money when they trade... but the trader next to them who put in the necessary time to learn to trade is making money hand over fist...

Pairs on my main screen I monitor.

e/u, g/u, e/j, u/c, a/j, a/u, e/g, u/j

On the 21/233 method... trade away from yellow and blue lines. Make sure your shift # is correct and it's set to typical.

On the 5 method... Trade away from yellow too.

Follow the simple rules for entry and exit.

HA Candles average 3-8 candles per swing.

Something I shared with him... when trading the longer time frames...

if a candle wick pulls back 5 pips... I exit the trade. Why, because on higher time frames when the wick pulls back it's often 15-30 pips or more.

I can exit at a 5 pip pull back and keep the other 10-25 pips for myself. And if the trade continues ... the pips I kept are more than it's cost to re-enter. On the longer timeframes I might enter and exit each candle thats long... even if their side by side candles.

If you do this every month you'll earn a hundred or more pips you get to keep. It adds up fast.

This always works... especially on longer candles...

When you first enter a trade many candles have a small wick... the trade is working... but as the candles get larger and larger the wicks normally get longer and longer... we give the dealer back a lot of pips.

This is not a rule !!! but rather something I discovered years ago and it's made me a lot of additional pips over the years.

Again - go back in the charts on the time frame you normally trade. Using the cross hair... check the wicks on longer candles. If you would have exited when the wick came back 5 pips... would you have made money and saved pips? This isn't rocket science.... just an observation on my part.

Quick question about your 5 pip tip:

When you say you exit a trade if the wick moves against you by 5 pips, is this only just after you've entered the trade. I couldn't exit unless I was already in a trade. How long do you follow this rule for in a trade e.g. if your 10-15 pips up in a trade and it moves back 5 pips do you exit? Usually but

I see what PA is saying. It normally doesn't happen at the beginning of a trade... you got to stay sharp when in each trade. at what point do you relax this rule?

I never re-enter on the candle I just exited on. I'll wait for the next candle and then refer to the TDI & Stochs for what its reading. If they look strong I'll usually re-enter... unless I see consolidation forming on PA.

2. After 5 candles ... again I'd refer to the tdi & stochs to make my decision.

1 hour chart. Take a look at this chart and the area highlighted... Note the smaller candle before the blue box. It only pulled back 5 pips but the highlighted candles pulled back 11 pips & 13 pips.

If I would have exited +5 pip pullback I would have kept an extra 10-13 pips total... minus the re-entry spread... It really adds up over the year...

Out of the 8 charts I monitor it **IS NOT UNUSUAL** to have 4-6 good trade set ups going on at the same time between the London Open and 10am Pacific time (-8). Check different timeframes too on your charts.

It's quick if you'll set up your charts on each time frame and put it in your PROFILES... top left on toolbar. Works great.

For those who don't know how to set up your chart page... as an example: Delete (X) all the charts on your screen. Now I clicked the 8 pairs I monitor and just let them stack up on the page. Now go to WINDOWS on your toolbar and click VERTICALLY. now I have all 8 charts evenly spaced on one page. I make all charts 15 minute as an example... then I go up to the profiles on the tool bar and copy it there... then I go back and change all the charts to 1 hour...go to Profiles again and copy it... and do the same on all timeframes I want to monitor, etc.

So when I open my MT4 platform... I just go to Profiles and click on my chosen timeframe.. I check them out... then I go to profiles again and select another timeframe. This way I can check out 30 charts in about 5 minutes looking for a trade set up.

I prefer 12-2 and 4-6 green line on the tdi if possible...

Lets say as an example I exit a trade on candle # 5 because it's a large candle that is pulling back over 5 pips on the wick. Instead of just re-entering... I'll check out the tdi & stochs for a good angle (12-2 or 4-6 if possible) and make sure I'm not sitting on the 32 or 68 lines on the tdi. If I am... I probably won't re-enter because I know a reversal is coming soon.

Before entering a trade it's important to have a solid set up candle. Glance at the tdi & stochs to see that the angle up or down is sufficient so it gives you a heads up guestimate that you have momentum.

#1 in importance is PA, #2 is the TDI for confirmation & Stochs is just an indicator I note. If TDI & Stochs are oppositre... I may pass on the trade...

On the pair you like to trade... use that chart and the cross hair and measure how many pips an average candle runs on your 1 hour chart.

I've stated many times before that I don't often use a S/L, however if the trade looks a little shakey I might set a S/L between 20-40 pips on the 1 or 4 hour charts.

When I enter a trade I don't think about a loss... only about how much I'll make. The only time I'd use a S/L too is if I'm not monitoring the trade... like the 4 hour chart over night.

If I wake up I'll check the chart fast, move the S/L up to break even or better and go back to sleep. I'll then check it when I get up.

It's not right or wrong... It's just my style of trading...

Dean Malone from compassfx.com recommends:

Long Trade on TDI - Green over 50 line, over red & yellow lines.

Short Trade - Vise Versa

1st candle to cross the 5 ema and close is the set up candle... if 2nd candle opens the same color it's the entry candle... check your tdi also. This is the safest method...

If I have an earlier entry it's due to my experience using the 5 method and tdi readings... As you gain experience you may enter a little earlier too on some trades..

Remember the odds are on your side that the HA Candles will go 3-8 candles on the reversals...

What I look for if I'm on the chart to exit:

If the wick on the top candle has withdrawn 5+ pips I exit.

Is the last candle weak... no momentum to speak of... I exit

If the green line is starting to go flat or hooking over.

You've mentioned not trading during consolidation, what methods do you use to determine whether conditions are right for you to start trading on a pair. Do you look at the todays daily range, if your trading M15 do you look at the 1HR and look at the size of the candles.

Answer: NO

I look at the yellow line to the left of my cross hair and mt TDI... is it running pretty flat? I look for a curve up or down on the 5 ema and/or green on the TDI for best results...

Study older charts... I can't express how important that is for your success...

Any more most of my trading is on 1 & 4 hour charts

At night I use a 20 pip on 1 hour & a 40 pip on 4 hour normally... after studying the chart & TDI... I give it my best guess as to momentum, trend strength, etc... and let her fly...





This is a trade I normally wouldn't have taken so I took it on a Demo account. Look how many hours it took to make a profit... This was entered up by the 68 line on the TDI... and the entry candles were very small... just luck it made a profit...

As you know... each trader creates a method and style that fits their own personality.

Usually I don't use a S/L on 5 & 15 and 1 hour charts if I'm actually monitoring the trade in progress. On the 4 hour chart I'll often use the hi or low of the previous candle. These are general rules for me and my style.

How can I explain this so it makes understanding it easier.... 🤔

Remember first that this is not a rule or cast in concrete... it's my personal understanding of the market...

Each trade is different so those rules can be manipulated to fit what's happening on PA.

On the 5,15 & 60 minute charts when I 1st enter the trade if it drops back 5-

6 pips... I figure I didn't judge my entry too well so I exit the trade so as to not take a bigger loss.... my timing was off. I'd rather take a moment to check out PA, TDI & stochs again and then re-enter when I feel it's the right timing... that's all.

I use to use a SL and let it draw back 15-25 pips hoping it would turn back to my expected direction. Some times it did and other times it didn't.

When it stopped me out I'd be pissed off. I wondered how in the world could I lose less money. Then I tried bailing out at 5-6 pip loss and re-enter again. I tried this method and found it saved me money doing it. (Hairbrain idea)

Once I started trading full lots a 15 pip loss was \$150 loss. Too much for my blood.

I've had 3-4 times I made a picture of a chart showing the actual entry line, came to this thread... wrote about it and put the chart here and then went back to the chart and in that short amount of time... and it's dropped back 10 to 15 pips costing me \$120 - \$150 in profit. No more! Now I close the trade first, take the picture and show you where I entered and exited and post it.

Just trying to keep more of my pips earned.

Does everyone understand now?

Don't trade during news releases... it can kill you.

When trading the 5 method I only use the 5 ema... if I'm trading the 21/233 for multiple entries I only use the 21/233 lines as outlined.

I personally don't add any other m/a lines. Some do and some don't... it's your choice and what works for you. If I did use one on the 5 method I'd probably use the 21 ema. Why? Because when PA cycles... it normally cycles to the 21 line

and bounces off the 21 line... if it broke thru I'd exit the trade expecting a reversal coming soon.

Only use Stochs between the 20 & 80 lines for entries or trade direction. Doing trades above the 80 or below the 20 lines will kill your account generally.

I've done it both ways on a mini account... exited or use the 15 pips as a pad and let it play out... exiting at B/E if necessary. But when I'm trading full lots.. and I'm up 15 pips... and if it pulls back 5 pips... I exit. Why? I've still have a \$100 profit to protect... where as on a mini account it's only 10 bucks normally.

As I've said before... When I enter a trade I put up the close box on the left side of my screen so if I need to exit fast to protect profits... it's just a click away to exit the trade.

Hey buddy. I know a lot of people who go to lower time frames to look for a better entry. It's just part of their trading routine. I know others that don't. I guess it's a matter of confidence... their style works for them.

If I trade a certain time frame... I almost always just use that time frame for entries and exits with the TDI... it works for me.

As you know when you switch to a different time frame all your lines change. If I'm trading X time frame and the line is close to 80 on stochs... I'll really double check the PA and TDI closely... as well as previous Hi's and Lows looking for how much room I've got left and make You can trade the 5 method without the *TDI if it's a problem...*

PA is HA Candles, PA crosses the yellow line and closes... enter on the next candle if it's the same color. When candles flatten out... exit. Stay in the trade as long as it doesn't cross back over the yellow line and close. The TDI just gives me a lot more information for making my entries & exits decisions.

Your Question:

1. When you get the setup candle and you're happy with all you're indicators, do you pick a price to get in at or do you go in at market on the open of the next candle (same colour)? You mentioned timing your entries, i'm just curious how do you time your entries if you are just prepared to give it 5 pips risk initially?

2. Without over simplifying things, is your exit strategy a 5 pip trailing stop? It's just that i noticed on many of the winning trades there was often a 5 pip pull back in the candle even though the price continued on trending.

1. At the opening of the second candle I enter a market order. Ya... sometimes it comes back on you but not too often... look at old charts to see what I mean... usually 3-8 candles per reversal...

2. No but you could. I'd probably get out at 5 pips hoping not to lose more....then re-enter would be my first choice. I generally trade the 1 & 4 hour charts so when a candle pulls back it's usually 15 pips or more you give back... sometimes 30.

This is not a rule however... depending what I'm seeing on PA, TDI, Stochs, line angles... and if they all look strong I will enter on the second candle and as long as PA doesn't close below the yellow line, I'll stay the trade until it's yelling "get out" ... therefore ignoring the 5 pip pullback rule. Depends on *how much brass you have...* how much your willing to bet on that trade.

It's always a good idea to move your SL to B/E when your in 10-15 pips profit. I normally only use a S/L if I'm away from my computer otherwise I exit by my personal rule... 5 pips pullback.

Congrats on the CH Method trade buddy. I love to see traders win. I haven't used the AO Indicator for some time now. Look at PA when AO crosses 0.00 line on the indicator for a possible trade.

Check out this 1 hour chart. Look at the TDI: The hook on the green is telling you to get out.. confirmed by the trade reaching the 32 line. 90% to exit trade and 10% chance it could be a bounce continuation... But as you look to the left bottom of the TDI you'll notice you have all ready reached the other lows too... [click to enlarge...](#) up to twice...

Something I need to clear up...

When I'm trading the HIGHER TIME FRAMES I do not exit if it draws back 10 pips. I only use that rule for charts 5 min.-15 minutes.

Even on higher timeframes I don't use a S/L when in front of the computer. If I'm going to bed I'm almost always in profit so I'll place the S/L at B/E + my spread...

Android 38 - I glance at the yellow line for angle mostly. As an aggressive trader I often enter early. Safest is (long Ex.) green over red, over yellow and over the 50 line... I'm sorry but I don't get involved with others money or their money management.

Snarlyjack - If I'm not completely sure what the TDI shows me I'll take a quick peek at stochs.

Here are two trades I'm in... both are down but I think they will be in profit soon... sometimes you have to be patient and stay the trade.

The stochs is like comfort food... makes me feel more sure of my trade when it & the TDI agree... If they don't... I hesitate and take a closer look... smaller time frames, older PA, trend lines... things like that... just do more investigation before taking the trade...

The only time I use a S/L is if I'm going to bed and the trade is still open. Often in profit I set the S/L to B/E + the spread on the 4 hour chart. I don't use a S/L when trading the Daily... my entries are very careful. I don't use T/P's.

It's difficult to trade the 4 hour and go to bed. Many times you were up 50-70 pips and while you were sleeping it reversed and you end up at B/E. If your entry is correct on the Daily chart... rarely does it come back to entry within that 24 hour candle.

It's safest to use a S/L on all timeframes. T/P's are a personal choice based on your experience.

If before making a trade... say on the 4 hr. chart... and you check quick the 1 hr. chart... if your going long on the 4 hr. and the 1 hr. is hooking over to go short... you have to realize you may have a pause in PA or possible small pullback coming on your 4 hr. chart... if the 1 & 4 hr are heading the same direction then you have momentum going for you.

Please take some time each day to study old charts with the TDI. Look at successful set ups on PA and then look at the TDI to train your eye. What is one doing in relation to the other. You'll learn to spot trades...

You can scalp on all time frames but to kill boredom most who scalp trade the 1 & 5 min. charts. The 1 min. is very fast and can skin you alive until you get use to it. Demo trade until you get a feel for it. 5 method works there too.

Usually by 7pm Pacific time I'm so tired I don't come on the thread to answer questions... that's one of the reasons I need your help.

I'll update the Daily charts between 2-3pm daily Pacific time when my charts update... I'm hoping this is helping...

Why is it important to mark your OO lines (orange Dotted line) on your chart? Because there like magnets and PA tags those lines... see below... click 1 or 2 times to enlarge...

When I'm online trading... I look at the 4 hour and daily charts for set ups. When I find one I look at the overall trend on different time frames to make sure they are going in the direction of my intended trade, I look to see the last hi or low and how close I am to the last... I look at my sheet of news announcements and their times, I look at my TDI and stochs for alignment ...then if I'm satisfied with what I see, I enter the trade. I'll come back every 10-20 minutes and check my Terminal box for it's progress... If I'm up 20-30 pips I'll set a S/L at B/E + my spread and just keep checking back now and then until I decide to exit the trade...

I'm off and online here and there all day. First thing I do is go up to PROFILES... select the my 5 minute set and 8 charts pop up... if no trades I go to 15 minute and 8 charts pop up... if no trades I go to 1 hour in my Profiles and 8 charts pop up, 4 hr & Daily. **That means I can look over 40 charts in 3 minutes or less. Do you know how to do that? You'll find trades. Follow the rules.**

I normally don't trade during the Asian session because it is slow... we want momentum in our charts when we're trading if possible. Look at old charts and discover the times during the day when momentum happens over and over and look for trades during those times each day.

We look for a candle to cross the 5 ema and then close (set up candle), When the **next candle opens** being the same color as the set up candle... we enter the trade... check your TDI for confirmation...

Knowing that the odds are in my favor that the swing will average 3-8 candles on the HA Candles... I enter as I stated above knowing if nothing else I'll profit on the entry candle or more. A 3rd entry candle on the 5 min or 15 min. chart might only be 3-10 pips while on a 4 hr. chart it is 20-40 pips normally... therefore room for profit.

As you know nothing is 100%... but the odds are high in my favor. My odds increase the higher timeframe I go...

Lets say I see a trade set up on the 4 hr. chart... I'll look down at the 1 hour chart to see what it's doing before entering. I don't check all time frames below the 4 hour.... just one time frame below the chart I want to trade

I don't use the 89 sma. If a chart is bouncing back and forth over the 5 ema... it must be pretty flat. I'd look for another chart to trade.

Just at the time your broker updates the charts is the best time to place any trade on the Daily Chart..

Even during the day when I place an entry on the Daily chart I don't use a S/L... but I monitor the trade and when it moves up 20-30 pips I put in my S/L at B/E + the spread normally.

Most traders on the Daily chart who place a trade and walk away use a 75-100 pip S/L.

I hate losses... why? Because it's my fault... I didn't read the current market correctly. I always feel like I should have known better than to enter at that particular spot and I review it... why I did it. I'm tough on myself for screwing up.

I trade full lots: \$10 a pip. When I trade the higher time frames I will only allow

a 10 pip or less pullback before exiting. I make every attempt possible to lose \$100 or less when I'm wrong as I monitor the trade...

Sometimes I just take bites out of the market... Example: Enter a trade and it goes up 17 pips but then starts to pull back 5 pips lets say. I'll exit and keep the \$120 profit and re-enter when it looks right

The new Skype... The5Mehod room is working great... lots of traders too... Groups name is The5Method on skype just add to contacts and let them know you are from the ff thread.

OK everyone... I want you to better understand and see what I see... On this 4h chart... Normally we want to enter on the second candle that crosses the 5 ema right? Well, that would be candle #4... I would have lost my edge and a large part of my odds for success knowing an average swing move 3-8 candles using HA Candles.

Look at the red verticle line... I'm half way up the Stocks on candle #2 and by #2 my TDI has already crossed going long. That is where I would have entered this trade... Open at 82.06 to buy.

Seriously... how many pips a week would you like to earn consistantly? Are you making 25 pips total, 40, 60... what? The more trades you take on the lower time frames the more losses you'll have... Your putting the odds in the Brokers favor... Why not wait for the perfect set up on the 1 or 4h chart. I made only 2 trades last week on the 4h chart and made over 150 pips. So what if your trading mini lots... two good set ups and like me you would have made good pips... Don't be so desperate or in a hurry to get into trades... good ones come along all the time... wait until it appears, then grab it.

I don't know what else to share... I've said it all a dozen times from different angles...

When I trade and am not at the computer I put the S/L at the last hi or low. I actively trade without a S/L as you know.... I got tired of getting stopped out... If I judged my entry poorly I'd rather exit and re-enter when it's better even if it's on the same candle...

On the 4h chart showing the 1 loser... on a 5 Or 15 minute it would have been a loser but on the 4h chart you would have actually made about 30 pips...

Your S/L question... On your 5 & 15 minute charts... place your S/L 3-5 pips away from the previous hi or low on your chart. **You will rarely ever get stopped out that way so don't worry about how many pips away that is...** 5 & 15 m charts are for *Gladiators* because the brokers take most of those traders to the meat

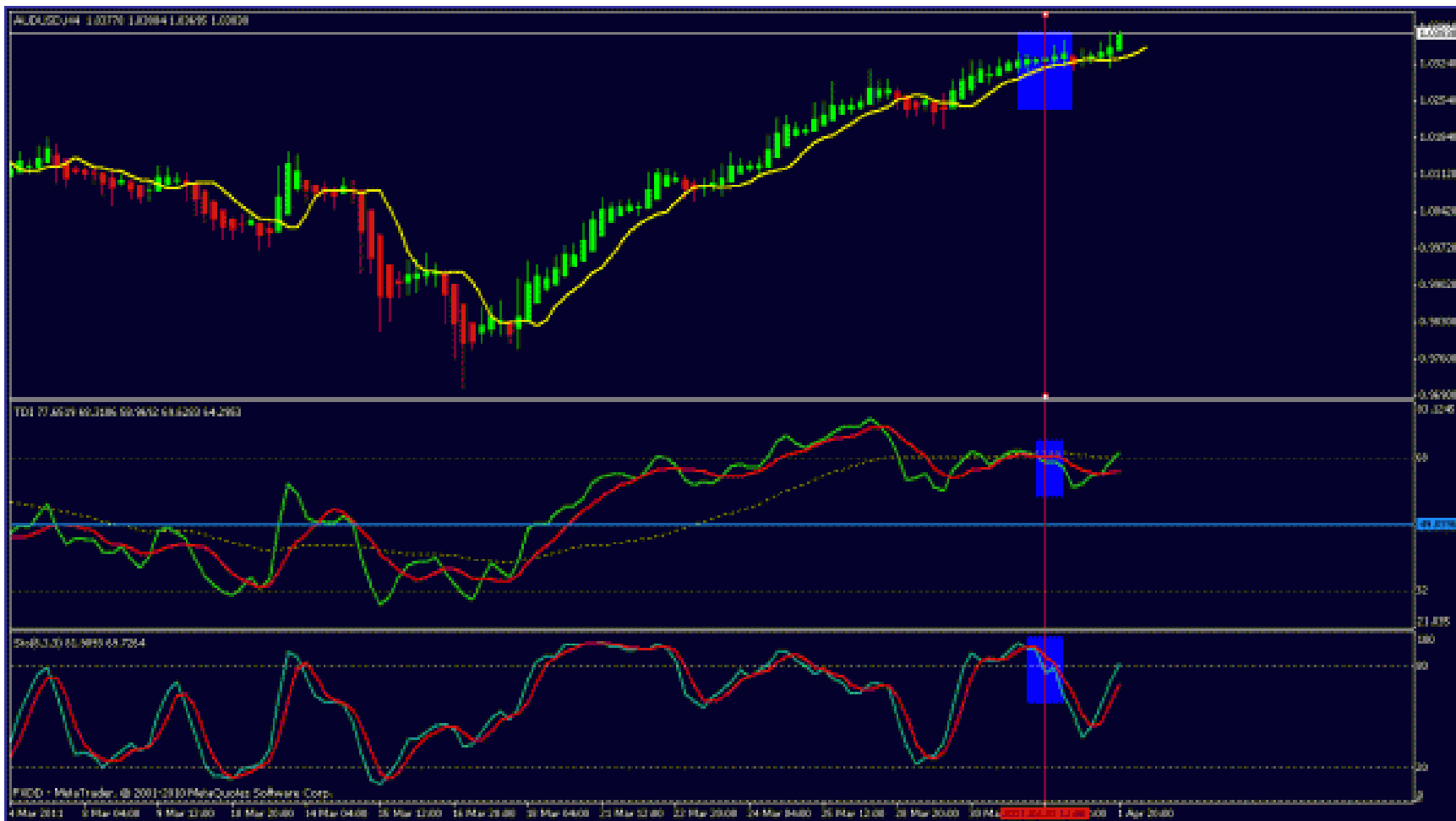
market as road kill... and that's why I prefer not trading those timeframes... I got tired of the horses dragging me from the arena... 🏠

Without wick = dead PA

Compassfx has opened a **free trading room** from the European open until the London close. Dean Malone and other Pro Traders run the room. Register and check it out... normally trade 15m charts...

<http://compassfx.com/forexsignals/>

This is a good lesson chart... u/chf 1 hour... Note the short entry. It obviously took some time to develop. **I look at two things while the trade is in progress:** On P/A is the red candles continuing below the 5 ema and on the TDI is the green staying below the red on a short trade. If so I stay in the trade... if P/A crosses the 5 ema or Green crosses back over the red I'll exit and watch for a continuation to re-enter at a later time ...



OK... this training chart will show you where you could have added to the original new trade but instead your just adding to the current trade and you gain many trade... See how the TDI arcs back to the red going short... it's like starting a more pips.... sweet deal...



I've shared the [Conservative rules](#) for the 5 ema method as well as [my personal more aggressive rules](#). The previous training charts show the more aggressive trading.

I don't pay much attention to news when trading the 4 hr or Daily charts. On

the 5 & 15m charts it can kill you however.

If I've got a [strong set up](#) on the TDI when close to the 32 or 68 lines... I'll take the trade and scalp the 4hr for 20-40 pips [while monitoring the trade](#)... I've seen it go 80-100 pips sometimes...

On the more aggressive style... I like to just trade the chart I'm on rather than dropping one timeframe for entries which is more conservative.

Remember... 80+% of the time HA Candles move 3-8 candles per swing (depending on the time of day and which session). If I'm entering on candle 1 or 2 I'm expecting some pips to fall... you should too. If you don't like HA Candles then trades the Japanese candles. They will screw up your emotions and decisions though... You're the man/woman, it's your money... do what you want. When the bleeding stops you can come back to the HA group.... honest.

I keep telling you that the market is there for the taking. Make your daily withdrawal... don't be afraid. When you're afraid you make more mistakes and bad decisions... Just slap the crap out of it and fill your wheel-barrow up with pips...

Notice how PA is attracted to the 100 lines...

I just trade what I see on the chart/TDI. If they don't line up I go to a different chart... no big deal.

Knowing the odds say each swing on the HA Candles run 3-8 candles gives me a lot of confidence. Now and then I take a hit... so what... that's trading... but the odds are still in my favor...

I study any losing trades to avoid the same thing in the future...

Forex Trading is easy

Wow... kind of a tough question.... big diff between 1hr & 4hr charts.

During the day time: If I'm in a 1 or 4 hr trade I monitor the trade by glancing at the active chart every now and then... every 5 - 15 or 30 min. When I'm up 30-40 pips I usually drop in a S/L at break even + the spread and don't check back

for an hour or so....

At Night: I only look at the 4hr charts. If there is a set up I'll take the trade, place a S/L at the last hi or lo and go to bed. I check it again in the morning when I get up. If I wake up during the night I'll take a peek usually... moving my S/L up to lock in profit and then check it again when I wake up.

Remember I'm expecting a 3-8 candle move. I like to enter on candle 1 or 2 of a reversal if my green has **CROSSED** the red on the TDI. I don't like to enter on candle 4 or more unless it's to add a second lot to the current trade... This is my aggressive style...

Re-entries are more a part of the 21/233 method (page 202).

However... Take a look at the TDI green line as it moves up or down against the red line. Often it arcs away from red and then comes back to red and arcs away again.... This is on the 5 method.

On the 21/233 the PA arcs away from the 21 ema and then returns to the 21 line and then arcs away again until it finally comes back to cross the 21 ema or red TDI line on the 5 method.

Re-entries happen when the arc comes back to the line and then arcs again. Your adding lots to the original active trade...

Showing where the initial entry would have been (bounce off the red line on the TDI) and the original exit (where the TDI went flat). I might have exited 6 candles earlier where the TDI first went flat. Then I show two different areas of re-entry. I would have exited both of those trades when I saw the TDI go flat, hook over or check mark reversal... easy to determine exits on any chart. Entries are always when green **CROSSES** red on the TDI... Over 80% chance of success...



I went back to page 202 where I introduced the 5 method and the 21/233 method and read forward. I have made a lot of live trades since that time and I find it interesting how I started out sharing a very conservative 5 method to how I now trade the more aggressive way I do. What I discovered was that I gained many pips and yet I didn't increase my losses so why not be more aggressive...





I know a lot of you are afraid to trade the 4hr charts...why?... cuz someone sold you a bag of crap about your S/L being too far away... 50-80 pips, etc. In your mind your thinking I can't afford that... like chicken little running in circles... get a grip gang. Seriously now... Look back at any [4hr chart](#) where there was a


reversal where you would have entered a trade using the 5 method. If you had entered the trade on the 4hr chart... and put your S/L at the last swing hi or low... even 100 pips away... how many times has it come back to hit your S/L in the next couple of candles? I can't find one example of that happening anywhere... not one...

So the larger S/L really means nothing except if the sun don't rise and the chickens don't lay... it would save your account but I've never seen that happen on a 4hr chart... probably has once ever 1,000 trades.

What I'm getting at is don't be afraid to enter a 4hr trade at night if your

going to bed if the TDI gives you a set up. At least try it on Demo. I'm telling you that once you start trading 4hr and Daily charts you'll fall in love with them and the pips you make... You'll wonder why you ever traded on the lower timeframes.... That's where the dealers steal the most money from traders who don't know better...

I'm retired but suppose I was a working stiff from an 8am-5pm job. I entered at night (took 4 minutes) and went to bed... didn't have to watch , no nail biting , no pulling hair out , you get the idea... just sweet dreams . Before going to work you close the trades... simple, clean and easy. Practice on Demo to build your confidence... it's free and you know everyone loves free things. I've been there... step out of your comfort zone...

No excuses... get off your poor me pity party and just do it... forget the excuses if you want to become a more successful trader... if not, just take a nap and call it a day. 

I'm usually only on the charts at late night or early morning... so I only catch 2-3 candles a day. On that chart it was an obvious up trend... but when I caught green Crossing red... I took the trade... remember I'm expecting a 3-8 candle move too.

Training Chart... It's 8am here and I won't take any 4hr trade at this time... I don't normally trade during the day... but when I do I trade the 1hr charts...

When the candle closes I check the TDI if I'm online. If the green is now flat, fish hooked over or check mark reversal... I'll exit the trade. Otherwise I stay in the trade for more pips...

As I've said many times: When the TDI goes flat, fish hooks over or does a check mark reversal... I exit immediately. I've also stated many times that I always look for re-entries if the trend continues.

On Daily charts: It's best to enter when your broker updates once a day and get in at the beginning of the new candle (if you have a signal)... other wise you set yourself up for the draw back on your entry candle. Keep that in mind while trading the Daily charts.

Sorry I missed or didn't answer your question.

When the TDI green/red are moving towards the 68/32 lines... don't panic. Just become more aware that your TDI signals will be showing an exit pretty soon. I've recently posted some charts where green was over 68 and yet moved another 100+ pips long. I've posted a million charts showing TDI entries... it's simple/easy, never changes and is good on all time frames...

Dean Malone takes trades when the green crosses the 50 line because it is safest and most conservative. I found I missed entering a lot of trades when I did that so I started entering when green crosses red.

Night Trades: You just have to look at your new 4hr candles when they appear. If they don't give you the set up your looking for... just go to bed. 2-3 times a week there will be a solid set up and take it then... be patient and not so itchy to be in a trade all the time. Wait for the best set ups and you'll make lots of pips.

Entries... see post #4188.

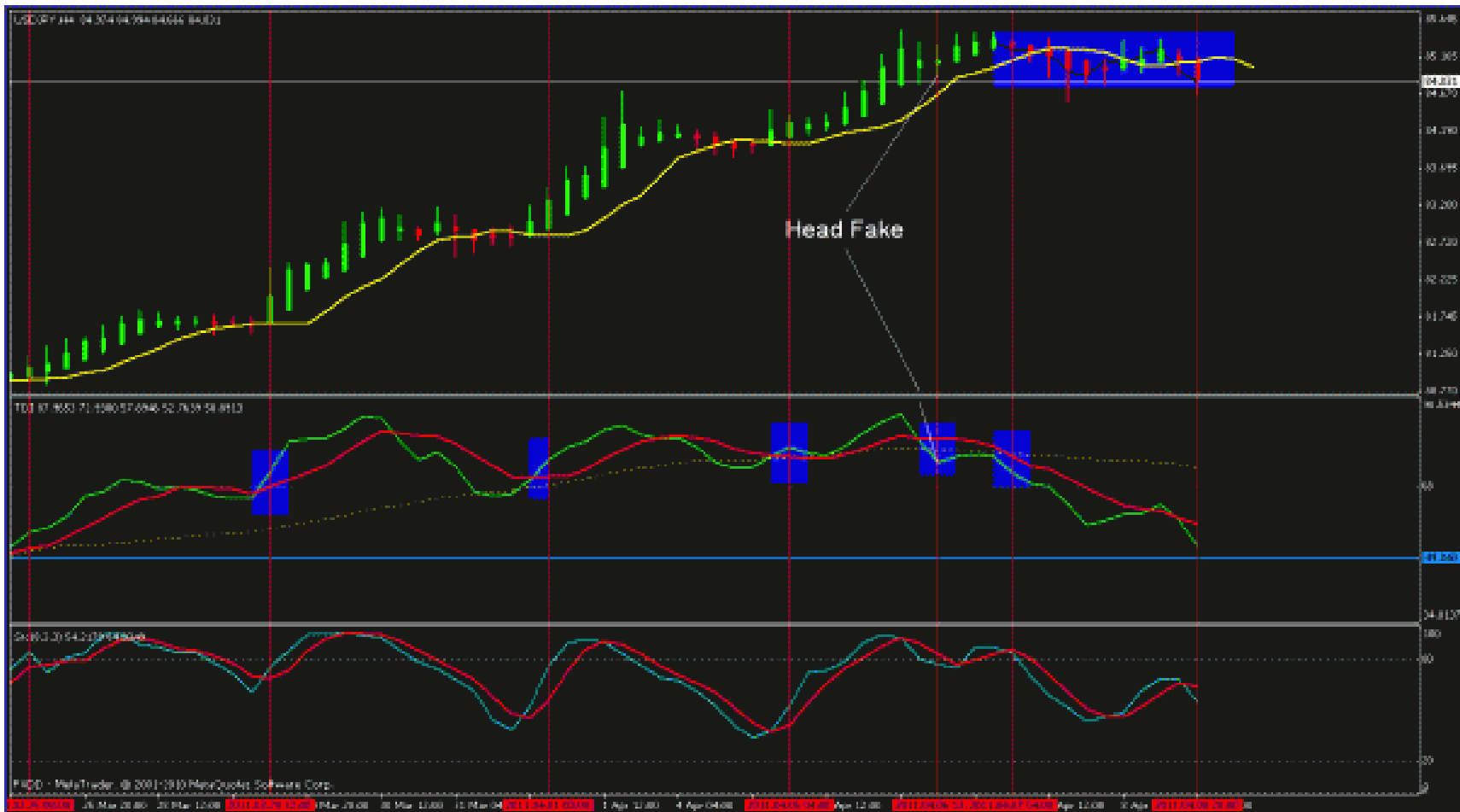
My personal style is to exit the trade if I see the TDI green go flat, hook over or check reversal.... usually at the beginning of a new candle.

This is another reason I don't trade during the day. Both charts have been in play about 7 hrs on the 4hr charts... little momentum... I entered about 10am this morning... 5pm now.

At this time this 4hr chart is looking pretty tired... I'd wait for a current entry. Note all the vertical lines marking older entries and re-entries off of bounces...



Hummmm... U/J 4hr.... Look at PA top right on the chart... pretty flat. This chart trades you've seen in these charts and bang!!! One head fake to take a few is in an up trend but notice how small the red reversal candles are... I wouldn't have taken any of those shorts for that reason. Look at how many successful your favor?



Hey big guy. Evidently you haven't studied the charts I have been posting... showing where to re-enter trades...

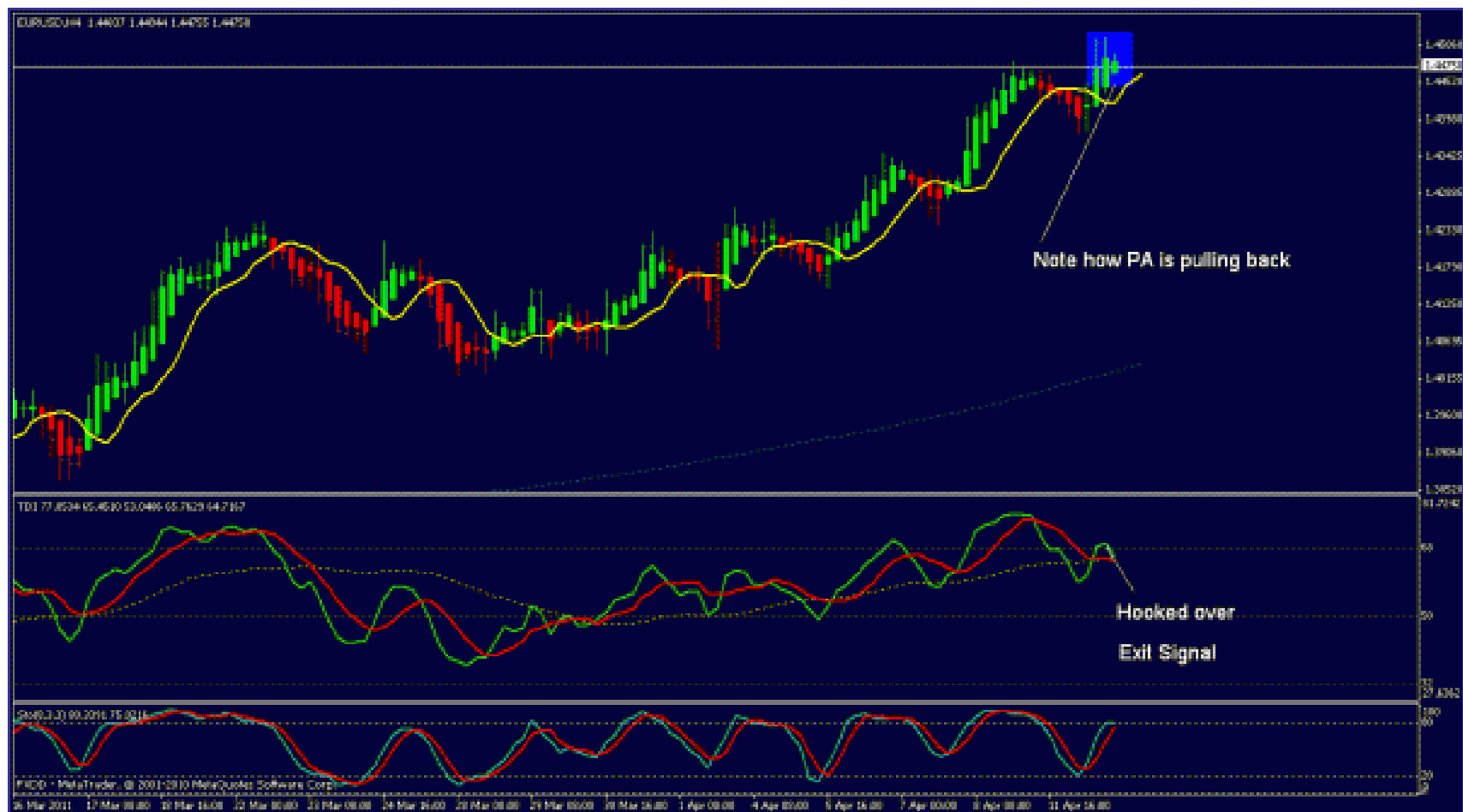
In the chart you posted... note how PA dropped away from the 5 ema and arched back to the 5 ema and dropped again... When it starts to drop away... that is

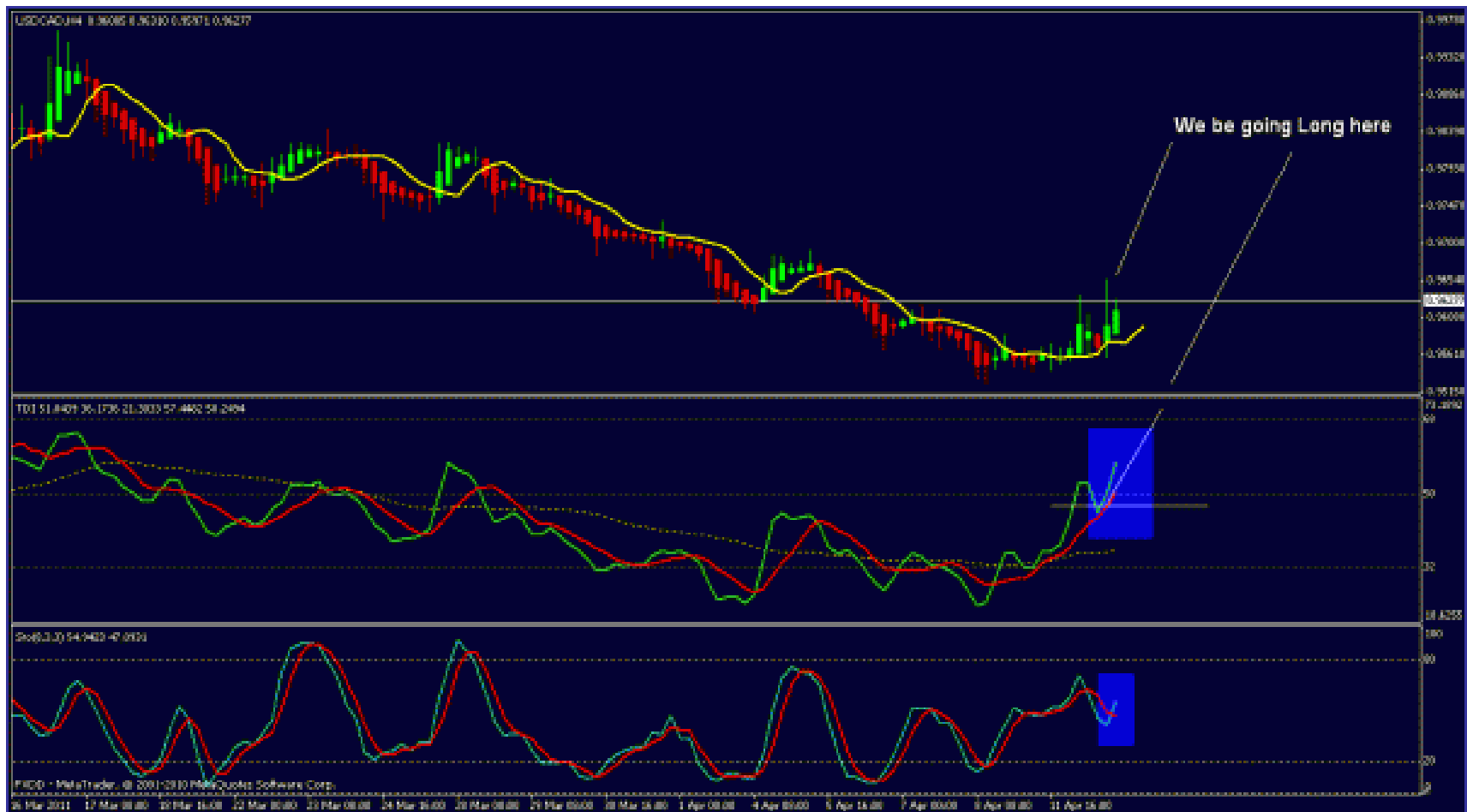
where you re-enter (also check your TDI for confirmation).

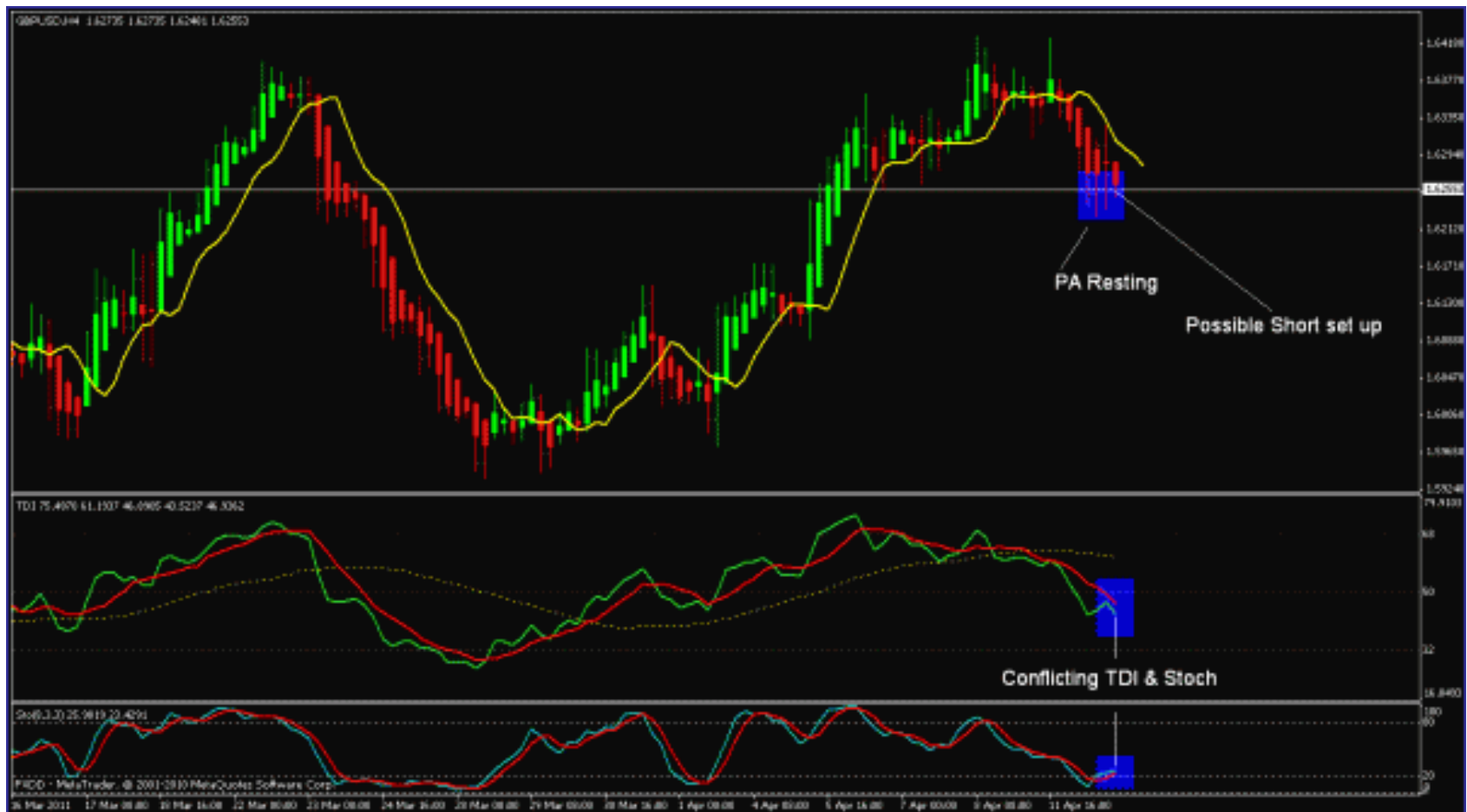
Go back and study my old charts where I discuss re-entries.

Also: "Also, do you ever take partial profits and move s/l to BE". **YES I DO...**













Notice in the charts above the Stoch lags behind the TDI signals in several cases... pay attention to any small differences when looking at a chart and before entering a trade. Small differences should be like a flashing light telling you to take another look... or wait on your entry...

Like: Is PA resting (no momentum), Is TDI close to the 68 going long or 32 when going short, is the Stochs confirming an entry, etc...

I don't trade charts under 1hr because lower than that there are too many false signals or head fakes. However, Dean Malone trades the 15 min charts and normally makes 50 pips or more per day. He usually starts trading at 8am EST

for 2-3 hours.

I don't like to trade during the day because the PA is more jerky... I trade the 4hr charts. I check my 8 pairs (as posted) at 1am Eastern time and 5am eastern time. Those times are 10pm and 2am for me. I don't monitor the trades... I go to sleep. I get plenty of signals and the market is generally smoother... and I make more pips during those hours.

I expect each trade to move 3-8 candles. I like to enter on candles 1 or 2 only unless it's a bounce or re-entry trade.

When I'm in a trade and I see the TDI green line go flat, hook over or do a check reversal... before exiting I like to look at PA in relation to the 5 ema line. If PA still looks strong I'll consider staying in the trade but **monitor it from that point on.** If I see PA reversing I'll usually exit.

I want you to note the three main areas on PA where it rested...

Look at the TDI where green went flat several times (arrows)... normally an exit signal...

But look at the distance from PA to the 5 ema line and the distance from the green/red lines on the TDI... looks pretty strong since neither is coming back to cross over... Keep this in mind as you look at your charts... and sometimes you'll be able to squeeze the last pip out of a trade instead of jumping in and out over and over... just something to pay attention too...

Also note that the Stochs is worthless *outside* the 80/20 lines...

If you had stayed in this trades it was worth 111 pips...



Pay attention to previous swings (# of candles) and your current support and resistance levels. Why would any trader want to trade a chart that looks

like this... It's not flat but pretty pitiful... 9 pip channel.... look for another chart to trade at a higher timeframe...



where it's heading before it pauses/rests... Just always remember that if you don't get in on candle 1 or 2 (green crosses red)... your taking a bigger chance and your odds for success are lower... and make sure you monitor the trade in progress while moving your S/L up...

Where are all these extra indicators coming from? This is a powerful simple system that works just like I've shown you. I remember posts where I was told that it just had to be more complicated... but it's not. Any additional templates or indicators will influence your decision making..

On the TDI I enter when green crosses red after checking out the PA, hi/lo, Stoch and then make my decision...

One chart above had 40 hours in a small channel but the TDI was pointing up a little from the 32 line... Personally I saw flashing yellow lites on the PA. Right or wrong I would'nt have entered at that time... I'd find a cleaner chart... There are lots of trades always so if you miss one... so what. Bet on the safer charts.


The reason I want you to enter when green first crosses red or when it bounces is because that's when you have momentum normally... better odds in your favor.

If you select the right chart and crossing you won't settle for 10 pips profit unless your neighbor is out front giving out free gold bars. I've taken a few like that while I was learning.

Am I right in saying you advise setting your SL a few pips above/below the high or low of the previous swing. Yes on the lower time frames (5min-1hr) otherwise on the 4hr IF I USE ONE which I don't normally do I would put it above/below the last candle. That's not a rule _ just my preference.

Monitor the trade on the formation of each 4HR candle, if there is any "hook/flattening" of the TDI strongly consider exiting. Yes

If you cannot monitor each 4HR candle move your SL up to BE... Yes...and set a 50 pip TSL. Humm... I don't personally use Take Profit levels to shoot for but that sounds reasonable...

I know your all totally dedicated to fx research...  Has anyone noticed on a 4hr chart... candles made as small as you can that it tends to cycle every 8-12 weeks with previous PA levels being re-visited? Found this while looking at the E/U chart. Put your crosshair on it and check it out...

What's that mean? Look for areas of major turns and look at those previous areas as targets \$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$

Your grabbing a rule from the 21/233 method 1st of all... I would have entered at the beginning of candle #2 on your 1hr chart trade. *When your on that timeframe you have to monitor the trade all the time.* If green goes flat, starts to hook over or does a check mark reversal you should consider exiting.

The market has been bad for trading generally since last Thursday because people leaving for the Easter holiday and it probably won't pick up good until Tuesday this week with a few exceptions here and there.

Best not to trade a day or two before any holiday and return a day or two after the holiday... look back at old holiday charts...

And yes... if it starts to pull back on me I'll jump out to save my current profit and re-enter if it's continuing. It's easy to lose 10 pips. If I'm trading the E/U it only cost 2 pips to re-enter as an example.

If candle #2 had a pullback and I'm in on candle 3... Right away I'm checking to the left to see if I'm at Supp/Res levels... if so that may mean were going to get another pullback on candle 3.

Keep it simple... When green crosses red... enter at the beginning of that candle. Make sure it's candle #1 or 2... otherwise pass and find another trade *unless it's a bounce trade*. *Always look left* to make sure your not trading into a close supp/res level. You know the exit rule from the previous post... hope you trade the 4hr chart and make gobbs of pips... Big E

Have you read the thread completely? For about the 3rd time... I don't use a SL on the Hour charts and on the 4hr charts I use the last swing/reversal hi or lo...

The main entry rule is: green crossing red on the TDI within the first 2 candles for an entry...

I don't care what the red TDI line is doing.

Did Stoch's confirm the TDI signal between the 20-80 lines...?

The 12-2 and 4-6 is for the TDI and not the 5ema... that would just be a bonus...

If you meet the TDI entry rule it doesn't much matter where the 5 ema is in relation to the 1st two candles...

All this extra crap does nothing but confuse other traders and their success rate drops and they can't figure out why..