
The System II (Yes with irony)

Hello

I am going to show you guys a very simple way to look at the markets, somehow outside of the box. As I mentioned in another thread, this is not a system, not mine or anyone else's. Some people get into this idea that they have invented this or that. Don't get fooled by that predicament. Nobody owns anything on this business. That's why I don't sell anything. Experience traders/investors, takes bits of ideas, from here and there and adapts them to their own style.

Here's another disclaimer: You have probably see this fine print in some brokers, vendor, etc about "there's a possibility of losing in forex/futures/stocks etc. "

Well, I assure you...I guarantee you that...you will lose in this business. It's not a "possibility" it's a "reality"

Yes it sounds a lil' harsh but it's about time for people to stop curvin' fittin' and start facing the truth. Deal with your loses. Stop avoiding them. Losing is an inhered part of this business. Nothing works all the time therefore my irony about "systems" .

But there's good news...yeah you think I am going to let you hanging lose just like that??

Risk control...yeah baby.....We will talk about it. Later on

I am going to use 5 minutes charts.. yes ..small time frame for forex as some good friends asked me some time ago.

First, we need to take it very simple.

Everybody and their dogs are talking about the trend ..ha!

Yeah, the trend is your friend....trade in the direction of the trend...etc

They even show videos, I mean the whole enchilada . Of course somebody has to make money with it right??

You sit, watch the whole nicely done video made on Camtasia, and you ask your self "what the hell they're talking about??

Have you ever experience that. ??

Markets are just a collective state of mind. Everybody pushing to one side, or other..... or lack of interest in pushing. It's a tendency to move in one direction, collectively. That's it

This "push" or move, at any direction, it's profitable, if you're in the correct side of the move. Let's call this move "swings" ok?

So how do we get in the correct side of the move to make money??

We just jump right in as soon as we see the swing developing??

Hold it...not so fast. I'll show you how to deal with it in the next post(s)

Here's a 5 minutes charts on 6BM8 which is the equivalent of GBP/USD in futures.

Not a whole lot of difference, well probably the feed. It's just that I don't trade spot forex.

I will stop right here to see if there's any interest on the thread

PD: this is price only thread. Not snake-moving lines allowed.



feb2865

Apr 9, 2008 18:23

1 Attachment(s)

Great

let's move forward

In the next chart, please notice point A which is the beginning of the swing, point B which is the end of the swing, and the pullback.

Remember this is a five minutes charts on cable.

I colored the charts with Heiken-Ashi for a better view. Nothing to do with the strategy.

I'll let you guys check the charts

no, we don't have entry-exit yet...stay put

Peace



feb2865

Apr 9, 2008 18:35

oh boy I am feeling ligther

let's have a lil' fun here...

let's remove the crutch...yeah..I mean why people need trendlines and moving averages to know where the trend is?? I mean...can you see it??

just look at higher highs/lower lows.....train your naked eye to see that and you won't feel like a donkey with a heavy load no more. I promise



feb2865

Apr 9, 2008 18:51

Wait a minute!!

we have a small problem here...there's a pullback...well in this chart is a small one. but I have seen them very deep.

so, you see a move, and you decide to jump right into because the moving average was telling you to do so.....OMG "I have a stop loss of x pips...and I got screwed up 'cause the market run out of gas....."

You know, there's a huge problem upon you head whenever you see this happening....frustration

Have you ever experienced it??

The trick is (actually an old school trick for those who has been around the block) is to read what the market is telling you and ACT accordingly.

Ok, so it's obvious, the market is moving up

what should we do

There's two possible choices

- 1) get on the bus as soon as we see it moving (picking the low)
- 2) buy on the pullback

mmmmmm what do you think we should do??

(psssst don't tell anyone but as for me...neither one of them) please keep my secret safe

Guys I'm off for lunch so if you're still here...I will let you know how to deal with this situation

stay tuned

peace

feb2865

Apr 9, 2008 19:43

Ok I am back

Let's see....some people buy/sell (for short) trying to pick tops and bottoms . Some other buy/sell on pullbacks. As we all know there's no way to predict what the market will do in the next second...we need to go with the high probability trade...after all we are "speculators"

stay tuned...I need to definitely switch my cel off

BRB

Peace

feb2865

Apr 9, 2008 20:03

1 Attachment(s)

OK here we go (again)

I promise...no more interruptions LOL

ok I want you to look closely on the attached charts.

In my mind as a trader I always consider pullbacks some sort of "spring"

see, the problem I have with pullbacks/retracements is that you can get caught up in the middle of a fire. Also, as we don't know what the market is going to do next, I assume that if the market continues the swing AKA trend now, it's a high probable trade when the market breaks the last swing high and continues.

I will let you observe the charts for a little while...as we're not done yet

Don't you dare to touch that dial!!!! LOL

Peace



feb2865

Apr 9, 2008 20:13

Ok

looks good right??

simple

easy?/?/ no way

There's two issues with this "strategy"

1)trade management

2) risk

3) exits

ah!!! everything looks nice in hindsight...isn't?

For all of you who followed my on the system 1, you know that I don't preach hindsight.

But we had no choice but to show what is in the past.

stay tuned

Peace

feb2865

Apr 9, 2008 20:27

Ok

The first thing we need to do is to qualify the swing. A real headache for some Fibonacci traders(no offense intended please).

Well, I decided to do a lil' research some years ago and it's kinda complicated. See, there's something called "intraday range" well, could be daily range, I mean..any time frame you trade has an average range.

As a part of my research, I have some "guru's " friends who assure me (ha!) that a "qualified"(ha! again) swing on the mayors (EUR/USD...GPB/USD USD/JPY USD/CHF) is between 30-40 ticks

I have to go with that. I kinda mock this type of assurance because if you here me talking I use "high probability "or "most likely" in my language...because is exactly what trading is all about. But anywhere between 30-40 pips are just about right.

stay tuned

Peace

feb2865

Apr 9, 2008 20:37

1 Attachment(s)

Need to go back a lil'

Please look at the atachment. This is just to clear any confusion

Peace



feb2865

Apr 9, 2008 20:54

Just to talk a little more about the initial swing AKA impulse wave

This is not a rule set on stone. Maybe you can get away with a initial swing of 20 pips. Just that you need to be aware of what you do. I prefer anything over 30 to be on the safe side.

Ok....Trade management/risk

for years I've been listening to trader about this so called "rule of 20"

The rule of 20 has been used in forex(majors), some commodities and very much in YM (Mini dow)

I believe the only exception is in dollar/yen as it's swings are smaller.

Rule of 20

20 stop/20 target

or 20 stop/40 target

Does it work?...mmmm surprisingly yes!!

Do you have to use it as a hardcore rule?? no

See, placing the stop-loss is definitely a challenge for many of us.

This is how I manage a trade

My initial bracket is 20/21...20 stop-loss 20 profit and 1 for the landlord

But I need to know how far is the pullback from the follow thru.

I measure this distance and I might place the stop strategically below the pullback

Then I manage my trade / trailing mys top 1 tick at a time. Meaning, once the market moves 1 tick on my favor, my system will reduce (automatically) my risk 1 tick.

If you excuse me I need a small cup of Tea.

BRB

Peace

feb2865

Apr 9, 2008 21:07

Ok I am back

Trade management has many colors/combinations

Some people prefers to scale out a position at x many pips and let the trade ride.

Some others trail stops in x amount of increments.

I strongly suggest to include some sort of trailing stops in your management.

You need to find you own flavor on that particular.

Stay tuned...there's more

Peace

feb2865

Apr 9, 2008 21:12

There's to things we need to talk about

1) Fibonacci Retracements

2) Indicators based on past price action

I will elaborate in the next post

Stay tuned

Peace

feb2865

Apr 9, 2008 21:25

Fibonacci Retracement is a powerful trading yet little understood for many people.

But in my own very biased and personal style of trading, I don't like to sit on my butt waiting for the market to retrace back to 38/61/78 % in order to place a trade. Even for a heads up warning, I don't need any of that. Suffice to say that I spotted a swing high and a failure (pullback) for me to start looking and positioning myself on the market. I trade as naked as possible...only two lines will do the work..trust me

But for those who wants to use fibo's please listen closely

Don't put any weight on what level the market is retracing. Based your view only on how shallow/deep the retracement is. If you notice the market pulling back real deep and then coming back to the original move, chances are, the swing is a weak one.

Stay tuned

Peace

feb2865

Apr 9, 2008 21:49

Trading is stressful by nature

The best thing is to have stress-free chart environment when you trade.

You pull the charts, check the mayors, already have 2 horizontal lines from the day before. You notice that cable has a "qualified" swing and it's retracing...good

Now the market is coming back...you place a stop order a couple of ticks on top of the las swing failure, you have plenty of time to measure risk. You notice that risk is acceptable, the you place your trade. That's it

Past price action indicators makes people "jumpy"..yes that is

I mean....you're in your toes expecting RSI to cross-over the 50 line.

Unfortunately, you can't place a limit order on the RSI. You have to do it on price

isn't?

But there's another problem.

See, market goes periodically into something called "cycles"

This is awfully deep subject that I teach before so I will give you just a peak.

Every time the market goes out of synch, outside it's average range, rest assure that all mathematical calculations that you have inserted on the charts will go down the drain.

How often the market goes into a cycle??? well it all depends....very often in my opinion.

I don't like to bash people for using snakey lines. Just that you need to be aware that building a system off "indicators, cycles will make your system go nuts more often than not.

well, for now I will keep my mouth shut

Thanks

peace

feb2865

Apr 9, 2008 22:46

OMG I forgot the rules LOL..well I have them in one of the charts

Yeah seem like everything have rules in this life.

Here we go

- 1) wait for the market to have a 30-40 ticks swing at any direction
- 2) Wait for a retracement
- 3) set 2 horizontal lines - 1 at the beginning of the swing and 1 at the last swing high/low
- 4) if the market resumes the swing, place a limit order 2-3 ticks above/ below the last swing
- 5) your order gets filled. Now it's pretty much up to the market

wash - rinse and repeat

Peace

feb2865

Apr 9, 2008 23:56

Quote:

Originally Posted by **NowAndLater** 

Just to recap: 5min charts and 30-40 pip swings rite?

Which pairs is this more suited for considering the 30-40 pips, some pairs move more than other so which pairs do you play?

I think EUR/USD - USD/CHF and GBP/USD probably you can go higher with GBP/JPY = 40 ticks

Peace

feb2865

Apr 10, 2008 0:01

Quote:

Originally Posted by **NowAndLater** 

Just to recap: 5min charts and 30-40 pip swings rite?

Which pairs is this more suited for considering the 30-40 pips, some pairs move more than other so which pairs do you play?

sorry I didn't reply your question properly

I play any of them, no preference

I think GPB/USD has given me better results..but any of them are good

you guys are attached to spread so my suggestion go with the lower spread

Peace

feb2865

Apr 10, 2008 1:27

Ok ..time frames

in reality doesn't matter. I believe you can see what's been happening in 1 hour using a five minutes chart.

You can use any time you want, just that 5 minutes will gives you a quicker entry

Just remember, the market doesn't have time frames. Things can start developing in 1 second or in months. Time frames are made up to make your life easier. I use five minutes because I feel comfortable trading with it. But feel free to use any time frame. The idea is to spot the pullback as soon as is developing.

test the waters to see what works for you...just remember, the longer the time frame, the wider the stop-loss will be. In terms of swings on longer time frames, I will have to see

.

Peace

feb2865

Apr 10, 2008 1:28

Quote:

Originally Posted by **shreem** 

Hello DEar Feb2865, Yes i am in. I always have tremendoulsy enjoyed your work and will continue so.

So, another voice saying congrats to have this new thread on your ideas or how you see things

Sincerely


Shreem 

thanks a lot for your kind words..hope it helps


feb2865

Apr 10, 2008 1:31

Quote:

Originally Posted by **HouseTrader** 

Hello, Feb!

Enjoying this "conversation", as would say the samurai Katsumoto 

Same kind of doubt, although I think I got the answer (so why asking?). At this extreme-low timeframe (at least for me...) we still are entering trades only with our favorite friend, the trend, right?

Great job! I really appreciate your trading approach!

well, yes..you can still ride the trend either on low time frames. In my charts, I can have them to show period separators for 1 hour or more even on lower time frames. Actually I have them on 1 hour/five minutes.

Thanks for you kind words

peace

feb2865

Apr 10, 2008 2:30

Quote:

Originally Posted by **rochemb** 

Feb,

How much of a pullback would you consider too much? You had mentioned earlier that a real deep pullback may result in a weak swing. Thanks!

if the pullback goes deeper pass the middle of the swing high/low, there's a possibility of a weak comeback or either a change of direction.

Peace

feb2865

Apr 10, 2008 3:31

Quote:

Originally Posted by **Thenew** 

Hi all, this is my first post at FF an the reason for being so shy is because ENGLISH isn't mother language but today I make a effort cause I feel i owe something to FEB, you are a very kind person, i am still a newbie, and after reading carefully your first thread i became completely naked even that when i came to you i was only looking to stochastic to spot divergences (PRICE IS MY ONLY INDICATOR SO I TRADE PRICE NOT INDICATORS)...I'm getting more consistent as time goes...So really apreciating what you doing here for us, teaching us valuables lessons for free.

Tanks a lot FEB...TAKE CARE...

GOOD TRADING TO ALL...

well come to the thread Thanks a lot for your kind words. your English is fine.

Peace

feb2865

Apr 10, 2008 4:33

Thanks a lot for your kind words and compliments

I received several private inquires about different subjects and concerns.

Listen

Trading is nothing more than a game of probabilities. In the true sense of matter, your title is a speculator. You're assuming based on your analysis that the market will move up/down etc. The idea is to be profitable. But you can't make money if you can't master the art of controlling risk.

On the other hand, we can't take risk a risk protection system to the extreme of becoming a chicken with the head cut off. You need to step-in and get the game going.

The game is simple and difficult. Trading is not complicated, trust me. Especially when you learn to read the market properly, which is my intention here. The difficult part comes out of emotions and risk. Pulling the trigger based on your calculations is simple.

Losing is a big problem for a trader. Many traders are looking for this game to be their bread and butter. Their sole source of income. So when you lose, especially on a live account, all this burden comes to your head..." trading is not worth it" I am wasting my time here" etc etc Some others, come to this business, lured by the promise of quick wealth and the "forex is a 1.5 trillion market" mentality. This makes you feel like you're in a big pool of money and for any move you make, there will be always money at the reach of your hands..oh please!

If you could change your perspective, at least for one day, I assure you that the whole mentality will change, just to look a things from a different angle. Read carefully

The only way you will be successful in this business is:

- 1) to learn how to read the market properly
- 2) to manage your risk accordingly
- 3)to understand that this is a long race. Not a sprint.

Stay focused on this rules, if we can call it that way.

The rest will come to it's own.

Peace

feb2865

Apr 10, 2008 5:09

Quote:

Originally Posted by **kenneith** 

Feb

just question : do you take counter trend trades as well on 5 min and 15 min tf? i have learnt a lot from yr other thread which i applied to my trading and now i trade commodities, indexes and currencies as per this simple system. thanks a lot.

Regards

Thanks for the compliments. I always feel happy whenever I can help a fellow trader

Counter trend trades, if we're talking about counter-trading is the sense of using it as a strategy, yes, sometimes. But I do that on indices mostly. If I turn the other way around and trade the counter-swing in case I get stopped on this particular strategy, yes...as long as I can qualify a move, I am on it.

Peace

feb2865

Apr 10, 2008 5:36

Quote:

Originally Posted by **pipal** 

Or do you think I should "Keep it Simple", and just stick with the 20/20(40) rule, let the market prove my decision right or wrong. And if my probability judgement is right in the long run, I should have more gains than loss.

Here's the answer above.

Just remember two things

1) Don't you ever believe because you had a winner one day, you got it made..again you're here for the long haul

2) If you get a loss, just deal with it..again you're here for the long haul and the markets will be there..always.

Peace

feb2865

Apr 10, 2008 13:34

Quote:

Originally Posted by **ozziedave** 

Hi Feb

This post is a little confusing to me. If I understand you correctly an impulse wave or swing should be 30-40 pips give or take a pip. You state that "you don't like to sit on your butt waiting for a pullback to 38/61/78% in order to place a trade". If you are in an up trend don't you have to wait until price retraces to whatever level before it goes up and passes point B in an A-B up swing? I just found that statement to be a bit confusing.

Ok

I was talking about trading on the pullback itself like many Fibonacci traders do


Peace

feb2865

Apr 10, 2008 13:41

Quote:


Originally Posted by **findcount** 

hi Feb (Fab) 

i've read your original 'the system ' 3 times over regarding entering on recovery from pullbacks and certainly while more profitable since i'm entering at a better price it's riskier since it could lead to a lower high (in uptrend) or higher low (in downtrend) and an eventual reversal of the prior trend.

your 'new' method is much safer though profit is less. the downside is that even if a double top or bottom is avoided, the new swing may still result in a loss if the trend don't run quite a bit more since the stoploss is under/above the previous low/high but still, safer is always better.

there's another Feb here (feb63) with his very interesting 'world's simplest system' where he's also using a very similar entry with a 200ema helping in an earlier entry back into the main trend.

in your original thread, you also mentioned you were trading off daily charts and would go down to 4hour chart looking for a 'discount' so have you changed to a much lower timeframe now ? 

Yes, the possibility of losing is there. As with any other method. Just look at my first post on this thread....losing is part of this business. But if you apply this method religiously, you should come ahead

I trade in many ways, and yes I still use daily charts. I hedge my position a lot to offset risk. I also do a lil' scalping here and there and I also counter-trade moves. It all depends.

Peace

feb2865

Apr 10, 2008 13:46

Quote:

Originally Posted by **jedsman** 

I've read many threads which discuss various ways of trading, and I think this is one of the best in terms of simplicity and ease. Your style reminds me of Jacko's trading methods.

One thing however that I find difficult to grasp is how to spot the patterns when they are forming. A lot of methods use charts to show how price action took place after the fact and show where the changes occurred. Is it possible to discuss your method, but from the right side of the screen as the price is being written?

I am no sure what you're looking for but I'll do my best

In terms of the swing, they have to be formed already with 30-40 pips and the pullback has to be on it's way before you start placing a stop order The "pattern" as you said, has to be formed already.

Peace.

feb2865

Apr 10, 2008 13:48

Quote:

Originally Posted by **jackt** 

Hi Feb,

Got a questions. How to tell a trend is likely to continue?

jackt 

nobody knows for sure....Trading is a game of probabilities....it might it might not

If you lose, deal with it...if you win, stay calm and look for the next opportunity.

Peace

feb2865

Apr 10, 2008 13:53

Quote:

Originally Posted by **ozziedave** 

I see what you're saying. I tried to trade the pullbacks but kept getting killed by jumping in too early. So to clarify when you enter a position in an up trend it is at point 2 after the pullback and the resumption of the up swing.

exactly

here's what I wrote on post #18

"see, the problem I have with pullbacks/retracements is that you can get caught up in the middle of a fire. Also, as we don't know what the market is going to do next, I assume that if the market continues the swing AKA trend now, it's a high probable trade when the market breaks the las swing high and continues."

Peace

feb2865

Apr 10, 2008 14:37

Quote:

Originally Posted by **Contango** 

Hi Feb, thanks for starting this thread. I appreciate you wanting to share your knowlege with us.

I have a question regarding initial swing movement.

You say you look for roughly a 30-40 pip movement to signal the start of a swing then wait for a retracement, well what if that initial swing movement was say 100 pips + (like we have just had on the EURUSD). Would this in any way effect your expectation of a continuation of the movement after the swing

high was broken?

thanks in advance,

Contango.

Good question and yes it might affect...especially when you get into news

a big move like this, usually has a counter-trend move which might turn the market the other way. Surprisingly, sometimes it retraces and resumes the original swing. If that happens, ride the wave, 'cause the tide is going to be high for sure. Just stay put and watch the market.

Peace

feb2865

Apr 10, 2008 15:22

Quote:

Originally Posted by **jedsman** 

On the charts that you've posted, the candles look like Heiken Ashi candles. Am I right, or just seeing things?

Yes they're. I don't use them for a strategy. Just for illustration purposes only

Peace

feb2865

Apr 10, 2008 15:56

Quote:

Originally Posted by **jedsman** 

Illustration for us mere mortals, or to show and confirm trend changes?

hahahaha that's cool...

no, I use them because they look good.....I don't have any bias toward candlesticks, bars etc...

if you want to be consistent in this business here's an advice I got for my mentor on the floor around 1984 " You trade the markets in here and now, mother nature (he was referring to the rest of the market AKA humans and their emotions) will take care of the rest"

Trends swing etc...we don't know for sure how long they're going to live...

who cares??

Don't predict the market. It's a fool's game. If you lose, deal with it. Read my first post. Trail your stops...that's my "secret weapon"

The market hits my 20 ticks stop-loss once in a blue moon. I don't even remember the last time. If I get stopped, I look for an opportunity the other way. Be a player.

Peace

feb2865

Apr 10, 2008 16:38

Quote:

Originally Posted by **jedsman** 

You make it sound so easy, and I guess when it "clicks" it is! I hope to get the "click" soon.

jed

you got to be in the line of fire. It takes time. That's why I don't believe in hindsight.

Trading is difficult. There's many things that will definitely work against you..

the best you can do is to stacks odds in your favor...let the market come to you.

Takes time and practice


Peace

feb2865

Apr 10, 2008 16:39

Quote:

Originally Posted by **Xaron** 

Thanks feb! 

So you trail your stop always pip by pip? If the market went 5 pips in your favor your risk is only 15 pips as you moved your SL?

Regards - Xaron


yep...that's how I do...actually my platform takes care of that.

Peace


feb2865

Apr 10, 2008 17:49

Quote:

Originally Posted by **HouseTrader** 

the best you can do is to stacks odds in your favor...let the market come to you.(feb2865)

Hi, Feb... and others who may not have read the other Feb's thread (I strongly suggest you do )

Of course i read this on your other thread (I'm almost finishing my first reading of

it... Sure I'll read it all again, cause reinforcement is a great learning method, specially for the "mortals" 🤖)

*This is some of the most powerful advices (saying better: knowledge...) that I've heard, and I'm trying hard to follow it. **DON'T CHASE THE MARKET!** Let it come to you. Chasing is way different of watching carefully...*

One question, If I sound too rookie, forgive me please, cause I am (I'm used to trade stocks here in Brazil for a while, but Forex has its own swing, and you are helping me so much to understand it...)

I use the (very lagging) analysis of COT as one of my "ear on the ground" tools, since it can tell us the "footprints" of the big market movers. I just want to know if you consider it useful in some way...

I swear I do not intend to deviate your thread...

Thanks a lot for all your time and willingness to share your knowledge with us!

Greetings from Brazil

Hey..no problem..your question is valid

Intermarket relationship is something I use. But is far complex and I was thinking about starting a thread about it but it's really time consuming.

Forex has it's own swing but there's certain situations which goes a tune with the rest of the world, especially the dow jones.

COT is not very good to use it as a benchmark for forex in my humble opinion

Brazil...so beautiful

Peace

feb2865

Apr 10, 2008 18:10

1 Attachment(s)

Here's a trade I just finished like 10-15 minutes ago

notice that I did a re-entry

can anybody tell me why I decide to re-enter at the same spot ??? same price ??

by the way I am using currency futures. The feed it's not the same, but the swings are somehow similar to the spot.

Peace



feb2865

Apr 10, 2008 19:06

1 Attachment(s)

Another trade

see atachment



feb2865

Apr 10, 2008 19:12

Quote:

Originally Posted by **panos69** 

hi feb

i learnt a lot from your first system.excellent job you do...

i believe you reentered at the same price because the first time it broke you gained 11 pips and stopped out at -9 pips.

so you assumed that the next break would be more powerful.

you are definitely close but let me elaborate

Higher/highs - lower lows...that's a key ingredient in order to read the markets

the market "failed" to move higher...oh yeah I got stopped

so I tell the charts (yes I talk to the markets) "are you're going to move up...huh???" "show me your higher highs mother !@#\$\$\$\$% LOL

" oh so you're acting sissy....oh is that what you want??? so you just fooled me into moving higher???

I am going to getcha down"

You don't have to talk to the charts...it's just my style LOL

Peace

feb2865

Apr 10, 2008 19:15

Quote:

Originally Posted by **mfsloane** 

It made a lower high and then turned down again.

Great thread.

*Thanks,
Mike*

there you go

That's what I am talking about

Peace

feb2865

Apr 10, 2008 19:19

you can scale out a position if you want

I am not a fan of scaling out but some people do it...no big deal..

Just be sure that scaling out increases your risk and minimizes your profit.

The whole idea of scaling out in my humble opinion is to look for a runner.

Peace

feb2865

Apr 10, 2008 19:32

1 Attachment(s)

This is a trade on E-mini S&P (ES)

Just one side note on the charts

the rest it's up to you to analyze

Still ll riddin' the trade by the way

Peace



feb2865

Apr 10, 2008 19:32


Quote:

Originally Posted by **panos69** 

downtrend=lower lows +lower highs

uptrend=higher highs +higher lows

if in a downtrend the pullback doesnt form a higher high + higher low most of the times the downtrend will continue...

thanks 

there you go

that's the idea

Peace

feb2865

Apr 10, 2008 19:44

A side not about the last charts

This not how I trade ES. I use this method today as I felt it is appropriate for you guys to see another market. It works really good, but is not my style on indices. All my trades are live trades..I don't demo trades

Peace

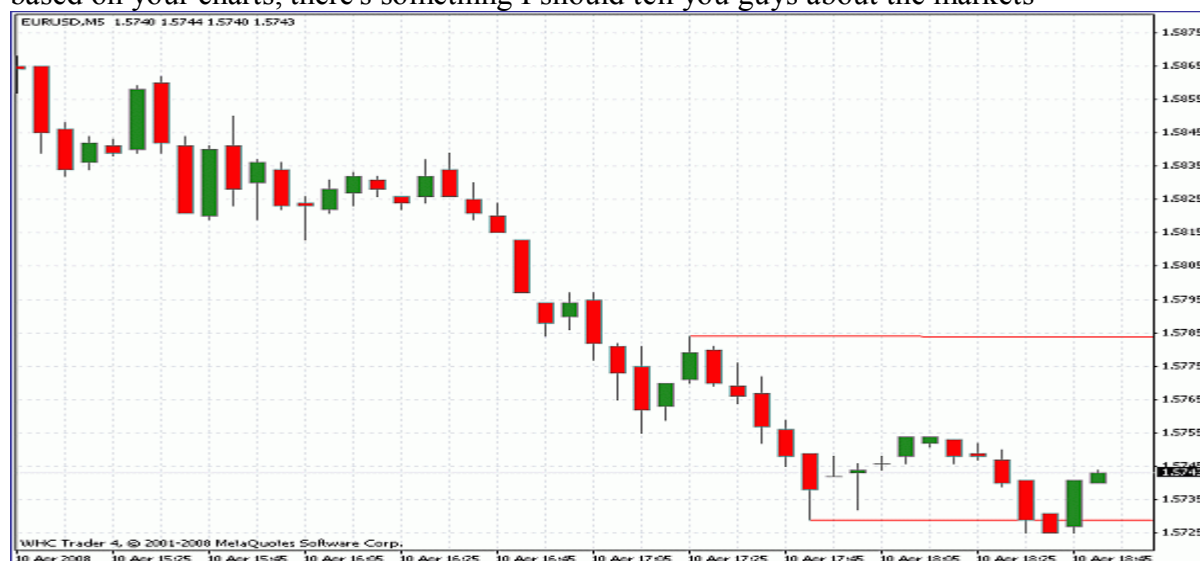
feb2865

Apr 10, 2008 20:14

Shreem

you just made a great observation

based on your charts, there's something I should tell you guys about the markets



swings/trends has pullbacks and corrections

in essence it's just about the same...some guru's argue that corrections are deeper than pullbacks etc...It's irrelevant in my opinion

when the move /swing/trend etc. has been going for quite some time now....it's due for a correction.

Corrections can lead to reversals.

My suggestion is to try to take the first swing of your session, either London, New York, Sidney or Asian...doesn't matter..In my opinion when sessions overlap is where you have the best chance.

Take note of this post.....

Peace

feb2865

Apr 10, 2008 20:25

Ok here's another situation

don't make the "rule of 20" a hard and fast rule. I mentioned this before.


make sure your stop-loss is away from the noise, especially if you're trailing 1 tick at the time like me.

Peace

feb2865

Apr 10, 2008 23:58

Quote:

Originally Posted by **forexdarling** 

being going through your educative post and it seems to be making sense.

i don't know if you have come across this e-book ICWR (impulse corrective wave retracement) your system reminds me of it and it looks great, though haven't really tried it out thoroughly but on paper might work. got to try it out because of the way you have thrown more light to the system.

No I haven't

Seems like you're talking about elliot waves. Yes I kinda relate to that principle, the only thing is that I don't use the 4th and the 5th wave. Also the entry/exit is somehow different,

Peace

feb2865

Apr 11, 2008 0:01

Quote:

Originally Posted by **ozziedave** 

Hi Feb,


Looks like price re-tested this area 3 times and on the 4th try finally broke below the re-entry line. The multiple re-tests show it's a strong support area and once broken it should go down to the next support area.

yep...that's it

very good observation

some people can mistake that for a double bottom, because the support

Quote:

Originally Posted by **clockwork71** 

Well one son is 3 next week, and the baby isn't here yet.....early June it seems.

Meanwhile, the wife is getting really, really, bored with being pregnant.

I really like the way you teach your stuff. As I evolve as a trader, I keep coming back to one undeniable truth:

Trading doesn't have to be any harder than we choose for it to be. 90% of the "difficulty" in trading is self-induced.

I really have seen major improvements since adapting the following:

1) News is for reporters. I have yet to read a economic number that told me "Buy the Yen, and then close out at 110.90". When it does, I will listen.

2) Trailing a run really IS huge. I prefer to use a two bar stop, as in trail behind by two bars. But, ONLY when it's with the overall trend. I shorted the EUR/USD today based on something I saw and liked. You better believe I had a T/P target put in with the order. You can swim against the current of a river for only so long. (Turns out I could have had an extra 20 pips, but who is counting? 106 works well enough for me.)

3) Anytime I begin to think about what's going on in the markets, it's pointless. This is pseudo-similar to #1.

4) And most importantly.....I risk 1% on each trade. I don't say 1% is perfect for all of you, but it is for me. I know, no matter what happens, 1% isn't going to bankrupt me. When I keep in mind it's only 1%, I can let a trade move a little before getting out. (Or more than likely....shaken out.) Losses happen, although not very often. ;-)

Since I have adapted #4.....my win ratio is about 75-80%. I can lose a few pips here and there.

Like you said, it's all about gaining in the long run.

For anyone starting out. Take your deposit and multiply it by 4%/month for ten years.....there's your recipe for success. (Again, it doesn't have to be 4%.....but that's only 1% a week.....which I feel is reasonable.) The biggest problem is that we were all told that Forex can give 1000% a month. It can. Just like I could win the lottery tomorrow.

More than likely, it will take 100%.

Slow, boring, steady gains. Forex isn't exciting. I am sure Feb will agree with that statement.

Ok, off the soapbox.....love the threads.

Clockwork Chris

yeah, trading is boring.. and lonesome for those sitting behind a screen all day!!!

I am really impressed with all your advance and improvement!!!!

I agree with you 100%

come around at anytime I really appreciate your input!!!

Oh man!! i though your wife was due already LOL

Peace

feb2865

Apr 11, 2008 14:33

Quote:

Originally Posted by **jedsman** 

If I'm understanding Feb right, you need to wait for the price to break above the previous high point by a few pips before taking the long.

yes, we need a break of the last swing


Peace

feb2865

Apr 11, 2008 14:35

Quote:

Originally Posted by **skyline** 

I like so much this thread thx Feb! 

Here's my view about EURUSD M5 , any comments ?



you have a pullback formed already in my opinion...kinda deep but it might work

Peace

feb2865

Apr 11, 2008 15:02

Quote:

Originally Posted by **moneda** 

To Feb and others,

This may be a very basic question but do we all agree on what constitutes a pullback/retracement? I am not clear on this one. How many pips does price needs to go agaisnt the swing? Is it just a matter of one candle closing establishing a higher high and a higher low or a lower high and a lower low?

Thank you

This an excellent question, moneda

I believe I mentioned before that if we have a deep pullback, chances are that the follow-thru will be a weak one.

I personally do that just bye looking at the charts, by experience. But I completely understand that, on the beginning we need to train the eyes for that.

Use the 50% level, until you get your eyes trained for the move. If it passes that line, be aware.

But here's a word of caution and please take a note of this

DON'T USE IT AS A HARD AND FAST RULE....DON'T PATRONIZE ANYTHING ON THE CHARTS OTHER THAN PRICE.

sorry for the caps

Just be aware, if there's a follow thru after a deep pullback...take the trade....tight your risk more and use discretion...but take the trade, please.

Peace

feb2865

Apr 11, 2008 15:08

Quote:

Originally Posted by **MJurban** 

hi Feb, can you please have a look at #116 and #119, is this wrong retracement? to small?



not necessarily. I take it even if it's small.. I do prefer a couple of bars or more, but that's a personal preference.

Don't close any trades...never..... let your setup work...if you get stopped out, there will be another chance...deal with it. Remember this is a game of probabilities.

I've been 1 tick shy of being stopped out and then the market resumes the original swing...it happened to me hundred of times.

play the odds.....

Peace

feb2865

Apr 11, 2008 15:20

Quote:

Originally Posted by **Jarret** [➤](#)

Hi Feb,

How does the attached setup look to you?

Looked goodish to me, in at 157.90, went up 14 points, then dropped, I was stopped at 157.84 on a TS.

Cheers



look good to me!...oh well, just try to see if you can get back on board again

so if went up 14 points then your risk was 6 ticks??

that's good.....

I should say...good job Jarret!!!...you cut the loss short

Peace

feb2865

Apr 11, 2008 15:32

Quote:

Originally Posted by **MJurban** [➤](#)

Feb, thanks for answer.

it is my problem , i-m afraid of the stoploss so i leave the market to early, many times.

i have to build up more confidence, stick to the stoploss can make life much more easy - i should write it in big letters infront of my PC ----

I hear you

Takes time to grasp the concept

read my first post

Peace

feb2865

Apr 11, 2008 15:47

Quote:

Originally Posted by **jedsman** 

The best thing to do is use the smallest lots you can trade with. It's real money, but not enough to hurt if you lose. I have found this helps with dealing with the emotional part of trading.

I agree 100%

You guys have a broker that allow trading for pennies of a dollar...oanda???

sorry not familiar with spot forex

Peace

feb2865

Apr 11, 2008 16:48

1 Attachment(s)

a trade I took just some minutes ago

for those fibo's fans

I went down to 1 minute charts looking for a 10 quick ticks...kinda scalp but not quite

the logic behind the trade

1). The trade was filled at 9:07 AM. I have news coming out at 10:00 so you know that the market gets choppy before the news

2) I figure out that if I can lower the time frame to 1 minute, I will have a better view as the market was moving slow.

3) As this is not a normal cycle on the market..well news are coming out, I decided to lower my risk/reward. That way if I lose, I'll have another chance to get back on the bus later on. Also the load was lighter.

notice how nicely that fibo trendline marked the lower highs

this why I don't want you to worship anything you put on the charts...if you had a "rule" that says

"Buy/sell only if the market retraces exactly at 50% or 61.8% fib level...other wise don't trade"

you would miss the bus

Take the market as it is.....imperfect

Peace

see atachment

Peace



feb2865

Apr 11, 2008 17:14

Quote:

Originally Posted by **Pipfox** 

Feb,

First of all thank you for the insights, very valuable!

I would like to ask why you trade futures rather than spot? Are there any benefits or is it just your preference?

p.s. do you not use indicators in order to stay away from any excitement? All those colours can drive you crazy, huh!

Regards

good question

Futures is a zero-sum game. It's what I know as I was a floor trader back in the 80's. Zero-sum means that for any order that you place, either market, limit or stop, there must be a counter-party...another guy willing to buy or sell your position. There's no broker intervention.

I believe that's not the case for the spot forex. I personally don't like for the broker to mess-around with my fills. But there's two disadvantages in futures

1) liquidity. I mean, it's not a big deal if you're trading with 1-5 cars. But if you're a heavy loader - 50 cars or more, then you might experience periods of lack of liquidity, of course, depending on what instrument,

you trade.

2) Cost per tick. Some brokers on the spot, you can trade even for pennies of a dollar. In futures...GBP/USD cost \$6.25 per tick, EUR/USD cost \$12.50 per tick etc.

3) In futures, you're limited only to euro and cable. Yes they have yen futures and swiss franc futures, but they're not worth it in my opinion.

In the spot forex, you have more options to trade in terms of the market itself. Also you can have more control of the leverage , in my opinion this will make or break you as a trader.

I've been looking myself to trade USD/JPY and the swissy but I am not truly convinced about the spot forex in terms of trade management. They need a lot of improvement in this area. Some of their platforms are light years behind futures platforms...

Peace

feb2865

Apr 11, 2008 17:26

Quote:

Originally Posted by **Pipfox** 

Feb,

First of all thank you for the insights, very valuable!

I would like to ask why you trade futures rather than spot? Are there any benefits or is it just your preference?

p.s. do you not use indicators in order to stay away from any excitement? All those colours can drive you crazy, huh!

Regards

oh I forgot the p.s

see, you have a valid point. Some people get excited when they see an indicator changing colors etc. I have mess around with indicators...a lot

I tried all combinations possible..even custom ones.

But I realized that I don't have to use them . I like to trade relax...comfortable.

I don't like to be on my toes waiting for the RSI to cross over 50...or the MACD to give me a "confirmation"

I place a stop order with all parameters already in place. Once I get a fill, that's pretty much it. The "law of probabilities" will play it's part.

Peace

feb2865

Apr 11, 2008 17:29

1 Attachment(s)

Look at this chart

tell me....I mean...don't lie to me...if you don't know...please say it

do you need any "indicator" to tell you this market is choppy??

Peace



feb2865

Apr 11, 2008 18:27

Quote:

Originally Posted by **pipal** [➤](#)

Hi Feb,

Just curious. I know nothing about forex futures trading, but seeing that there are -47 for EurUsd, and -96 for GbpUsd in the future (I guess it's June). Is there any indications for the trend of our spot trading at the moment? Anything worth taking note of the futures market? Thanks.

Regards

I don't have any spot forex charts here sorry!!!

Due differences in data feeds I don't think there's anything worth it to look between spot and futures...but the swings are pretty close. The problem might lie on real time price.

Peace

feb2865

Apr 11, 2008 19:15

1 Attachment(s)

today it's Friday... kinda slow day (normally right?)

this is an EUR/USD chart.. there's a pullback developing

I think we're closing the week and I anticipate a very low and boring afternoon

Just for you guys to see a pullback forming

do you know where to place a stop order???

Peace



feb2865

Apr 11, 2008 19:44

Quote:

Originally Posted by **MJurban** [↗](#)

*here is the spot chart, entry 2 pips below zero line
for me, the stop loss 1,5820 is this not a bit to large to take?*



depends on how much your load is???

feb2865

Apr 11, 2008 19:50

Quote:

Originally Posted by **MJurban** [▶](#)

*here is the spot chart, entry 2 pips below zero line
for me, the stop loss 1,5820 is this not a bit large to take?*

just remember...the "20" rule is not set in stone

check your risk to see if you should lower you load a lil'

feb2865

Apr 11, 2008 19:52

Remember guys, you have plenty of time to decide how much load you're placing on a trade...or if you should ever consider to trade anyways

feb2865

Apr 11, 2008 20:02

Quote:

Originally Posted by **MJurban** [▶](#)

i took this one

small gain but the round numbers like 5800 in spot market its like a magnet

The yellow triangle is the short entry the green dot is the take profit.

The broker place this signs into the chart so you can see what you have traded



Remember this

You're trading on a Friday around 1:00PM EST. normally the market is getting asleep. That's a good trade but you must remember that once you're in a trade, that's pretty much it. You don't touch the limit/stop by no means whatsoever.

I am glad the concept is starting to click in you. Once you get it going, is very much like riddin' a bike.....once you learn how to do it becomes a habit!!!! a good one LOL

feb2865

Apr 11, 2008 21:09

This is for you guys to have something to think about during the weekend

Nothing is for certain in the markets...or I should say on this life.

The smart choice will always be to minimize the risk and look for a high probability.

I've use to teach before...like private mentoring..and many of the traders that comes along were so blurred and blinded on indicators, lines fibo's etc.

I always tried so hard to teach them how to read the market. I succeeded sometimes..sometimes not.

Reading the market is not price action...I mean..common' that's another foolishness I've been listening lately.....like "oh I am better than you because I read price action and you, re not" that's a bunch of crap in my opinion.

Price is just a tool for entry and exit...that's it

Again, don't worship anything you put on the charts...learn how to read the swings...the market is telling

you something...

Some traders I knew when I was a teacher...were trading like a hen running away from a rooster...have you ever see that???

The hen runs like crazy and you see the rooster running behind...oh boy it's hilarious !!!!!

sooner or later, the rooster goes on top...and the poor hen has no choice but to get down and let the rooster do it's thing.

They don't want to lose! ..they "optimize" their "systems" so it can be "adapted to current market conditions"

yea right...stop been a fool!!! you will have to pay the landlord like any of us!!!

trade relax. Take your time. If there's nothing outthere, don't force the trade.

If you lose, get up, shake yourself and keep walking

If you win....don't get excited...the war is not over you don't have it made yet buddy!!!

I want you to feel bored of trading...very much like working inside a government's office but without the chit-chat.

feb2865

Apr 11, 2008 21:33

Quote:

Originally Posted by **Pipfox** 

So you are saying that to be successful in forex is not to be excited about making money. I guess once you are past that then you can focus on becoming the best at what you do without caring about the money, like you are now Feb.

Me and FX have only known eachother for a short while, buy i'm only young and still have plenty left in the tank. I know the road is long and i look forward to the days when i can take a consistent profit from her. But, Feb, should i look forward to these moments or is that making the situation too happy for me? Should i loath FX and think of it as more of a challenge to beat it rather than wanting a sh!t load of cash from her?

Hmmmmmm??? 

ok I might pop a bubble here...but here we go

You win...one time...yeah...of course you get excited...it's normal.

Then...let's say..you win a second time....a third time

now you feel like in top of the world...yeah baby

but.....you lose 1

"it's cool" you say

but....you lose again...oh ..what's going on???

then...lets say you win 1 time...things are leveling..right???

but then you lose again.....now this feb crap doesn't work...I have to run back to the big mac and RSI

Remember, this is a race...not a sprint

feb2865

Apr 11, 2008 21:47

1 Attachment(s)

Do you think the EUR/USD is telling us something after a choppy day??



feb2865

Apr 11, 2008 21:51

1 Attachment(s)

this is a lil hint to see if anyone can get it



feb2865

Apr 11, 2008 21:54

1 Attachment(s)
let's have a lil' fun here



feb2865

Apr 11, 2008 21:57

1 Attachment(s)
the last hint



feb2865

Apr 11, 2008 21:59

Quote:

Originally Posted by [Waterflame](#)



well...finally....hahahahahaha

Excellent job!!!!

Quote:

Originally Posted by **piphitman** 

feb,

glad to see ya back at it. I really liked your original thread and it taught me a lot in terms of looking for those V-fractal confirmations and waiting to get in on a trade for a better price, outstanding stuff.

In terms of this thread it looks to me as if it is just a simple break-out trade in the direction of the trend. I love these types of trades.

I have been trading the 15M/5M exclusively lately with this method you are describing but I will not enter in the "fake-out" zone which is your preferred point of entry (been burned too many times on the false break-out). I will always enter before it hits the entry point because a lot of the times it is just a penetration then reversal before it actually breaks and runs. After the swing hi and lo points have been determined I watch really closely what happens in between the 62 and 38 fib levels and wait for the price to continue outside of these areas before I enter a position.

I have attached a copy of your previous chart with an edit on it as to where I would have entered a short position. I will get in early and set my stop loss accordingly. If it breaks and runs, great. If it doesn't, I'm still in profit from my early entry if I have to exit at the break-out zone.

Thanks again for returning to the threads.



Thanks a lot!! welcome to the thread

I personally don't advocate Fibonacci as I've been burned long time ago many times with the so famous 61/50 retracement. I found out thru the years that a trade 2-3 ticks at the top/bottom of the leg, has given me far better results. Like anything is this business, you're going to get burned form time to time, you know that. But I am basing my results from many years of forward-testing.

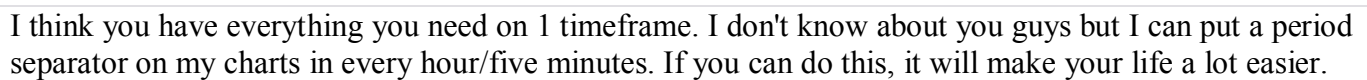
Also, I have more time (during normal circumstances of course) to evaluate many things before the trade occurs. Like for instance, how far/deep is the pullback, how many cars I should trade, etc. Actually on that

You input is always welcome

Apr 14, 2008 15:26

Originally Posted by **MJurban** 

i wonder if its Ok if one schitches the TF from m5 to h1 if it looks better in the higher TF?



Apr 14, 2008 15:28

Originally Posted by **MJurban**

well, I should stay put if I were you. This morning we have 2 announcements

feb2865

Apr 14, 2008 16:56

Quote:

Originally Posted by **skyline** ➤

+48 pips racked today on EU with this good setup , used 20 pips sl and 20 pips trailstop, unfortunately connection to broker was interrupted so trail stopped a little bit early but I'm happy with this result 😊
The more I trade the more I like this simple and effective system , thx Feb 🙏



Het Skyline

that's cool!!!! did you code something???

Sorry but I am totally naive on this stuff!!

Looks really nice

Glad I could help

feb2865

Apr 14, 2008 17:58

1 Attachment(s)

Here's a possible trade for EUR/USD

notice the distance between the pullback and the last low - around 29 pips

If you're going to place the stop stop around the pullback, risk/reward will be unbalanced - in case you're shooting for 20 ticks

There's many thing you could do

1) Increase your limit - maybe 40 ticks with a scale out at 20???

- 2) decrease your stop so it can match 20 ticks
- 3) place your stop behind the pullback, once you get a fill, trail the stop aggressively moving it manually at the top of every bar down
- 4) no trade - you have a setup of 20 and you're not going to risk more than that.
- 5) use an auto-tailing stop 1 tick at the time

old saying on the pits - "there's many ways to skin a cat"



feb2865

Apr 14, 2008 18:06

A side note

I am using fibo's 'cause I think you could have a better view on pullbacks

You can draw just plain horizontal lines and will be fine

Don't make any hard and fast rules other than your money management.

Don't patronize the 50% or 61% ...move along with the market

You don't have to trade every single swing

By the way, I am trading EUR/USD...you can trade anything you like. Just make sure trading cost are included on the risk/reward in case you decide to shoot for something exotic...if you know what I mean

feb2865

Apr 14, 2008 18:19

Quote:

Originally Posted by **skyline** 

Thx for advice Feb ! 

I would add this :

6) You can still use the 'logical' stoploss above the pullback (around 30 pips) and set the lot accordingly so that the risk will be the same X% amount as previous trade (with X not more than 3% of equity).

hey

that's a good one.....

I will definitely put it on the list

thanks a lot Sky!!!!

A side question for you

Is that trailing stop ea send the orders to the server?? you said that it trails the stop 1 tick at a time..so it's adjustable??

I am looking to trade the spot forex. We have on futures yen futures and swiss franc but I personally don't like them. That's one of the reason I am asking as I just started to look for platforms, brokers etc


Sorry for my naive questions

feb2865

Apr 14, 2008 19:01

Quote:

Originally Posted by **skyline** 

Thx Feb 

That EA is designed only to manage a trade already placed manually on the server, btw it's adjustable infact it comes with external parameters : stoploss, takeprofit, trailingstop and risk% , in this way I only send the pending order (buy or sell stop) and the EA calculates automatically the SL ,TP and manages the Trailstop pips by pips.

If you want to test metatrader platform you can download from this link

<http://www.metaquotes.net/files/mt4setup.exe> (it's free!) 

Thanks sky!!

I will look into that

feb2865

Apr 15, 2008 14:40

Quote:

Originally Posted by **skyline** 

Waiting for break 1.5867 on EURUSD to enter long, what do you think Feb , is this a good setup ?



Yes it is...

feb2865

Apr 15, 2008 15:06

in my opinion is better to stay put whenever news are coming out. Maybe you have a setup forming but the whole whiplash will screw it up for sure. I prefer for the smoke to clear before even look at the markets again

feb2865

Apr 15, 2008 15:18

I forgot to post my trade for yesterday
I decided to trail the stop manually



feb2865

Apr 15, 2008 15:23

Quote:

Originally Posted by [skyline](#) >

Yes you're definitely right Feb, infact I didn't look at the news calendar otherwise I would stay out of that trade...ok another lesson learned 🤔

Yeah I hear you.....but don't get discouraged...well I know you have experience and things like this happens.

Actually I have some friends using chandelier stops like ATR stops for their trading. I have never use them but that might be a nice lil tool in order to keep you in the trade longer. Looks interesting

feb2865

Apr 15, 2008 20:39

1 Attachment(s)

Thanks for the indi, sky!!

had this resting order since this morning

filled at 1:32 PM EST Closed and 1:39 PM EST +21 ticks



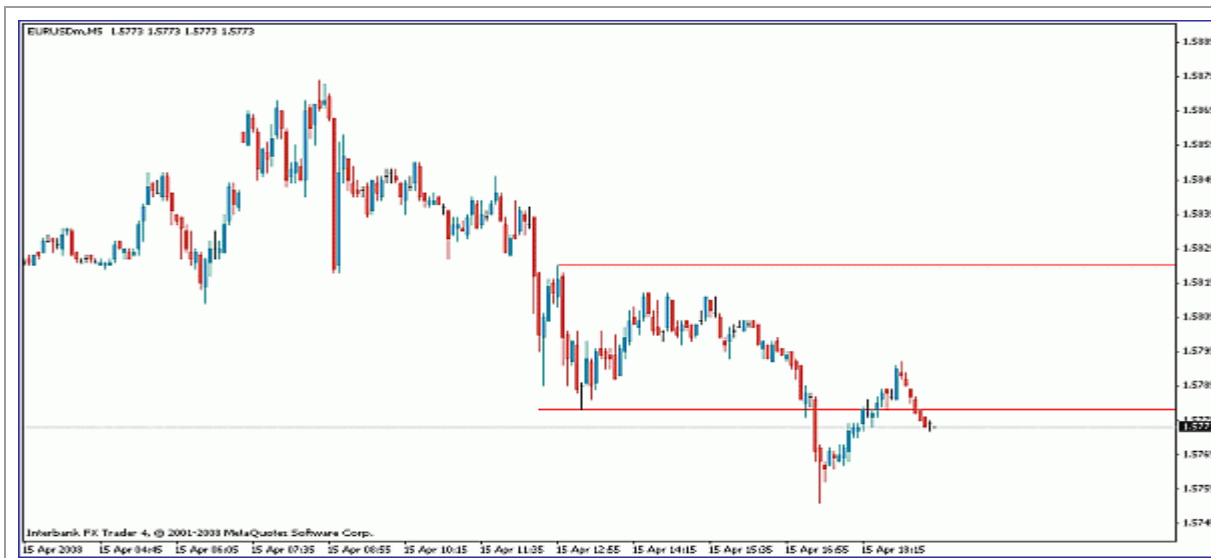
feb2865

Apr 16, 2008 1:44

Quote:

Originally Posted by [rumba68](#) >

*Feb,
I used one of the previous pullbacks as a swing high. Is this still a valid setup?*



It might....might not

The move has been underway . Could be a correction due, who knows. Be careful on what time of the day you're trading this setup. Periods like close to the end of New York session and the beginning of Asia session area somehow erratic, probably good for counter-trade strategies.

I personally try to take the first-fresh pullback of the session

feb2865

Apr 16, 2008 16:28

Quote:

Originally Posted by **MJurban** [↗](#)
im waiting to go long on the fgbl




Good call


feb2865

Apr 16, 2008 16:45

Quote:

Originally Posted by **MJurban** 

*yes , but reatrcement is quite deep now, more then 63% not so good anymore
I dit some backtesting last weekend, normaly the bund has nice and staedy swings.*

Yeah, many times a deep pullback makes the follow thru a weak one. I suggest then look to the short side just in case 

feb2865

Apr 16, 2008 17:06

Quote:

Originally Posted by **MJurban** 

*i should have taken this one. Its the mini Dow Jones, is it the YM ?
I hve this Brokeraccount just a couple of days and haven not backtestet the mini dow jones cause it has 3 pips spread. But it looks good right now, what do you think?*

*The good think with this broker, you can have very small units, like 1 pips (tick) is 0,63 euro
very good to learn and using a real account with real money*



be careful with YM

slippage is very common. Swings are kinda large sometimes and makes it difficult to place your risk. Last time I trade it, I had 4 points slippage with only 2 contracts.

what broker are you using if you don't mind asking??

feb2865

Apr 16, 2008 17:26

1 Attachment(s)

we had an uptrend form London session, then a cpi report which apparently shook the market but not too much. I noticed a small failure around 9:00 AM EST and then a series of lower highs afterwards. Then we had a pullback which is somehow deep in my opinion and seems to be that the market is willing to go lower.

Volume in futures has been very light this morning I assume for the spot should be the same. That puts the market in a slow move in my opinion. Still I have a resting order below the fib line...2 ticks...let's see what happens.



feb2865

Apr 16, 2008 17:41

1 Attachment(s)

I am closing out my short resting order
That long candle doesn't make sense to me
smells like we're getting the chop monster ahead



feb2865

Apr 16, 2008 17:55

1 Attachment(s)

Seems like the market wants to break higher

Notice it failed to go lower down at the bottom



feb2865

Apr 16, 2008 18:03

Quote:

Originally Posted by **jedsman**

Interesting term, can you explain a little more what a "chop monster" is? 🤔

It's something I invented LOL...ok here we go

as you notice I had a resting order 2 ticks bellow the fib line. The swing was good and I had a pullback, kinda deep but I was willing to trade it anyways.

Then at the next chart, there's a long bull candle that screwed the whole downward move. The tendency was to go lower and now we have this candle...out of place.

When that happens, more often than not is and indicative of lack of direction, therefore the chop monster lies ahead. No one is willing to take control of the market

Basic rules on supply and demand applies.

feb2865

Apr 16, 2008 18:07

1 Attachment(s)

Here it is....the chop monster

in the flesh



feb2865

Apr 17, 2008 14:15

Quote:

Originally Posted by **MJurban** >

Feb, again i have to thank you for this System. I have the feeling, i'm on the right way

for targed i took yesterdays top, 19 pips gain

Nice and easy trade



glad I could help

feb2865

Apr 17, 2008 17:54

Quote:

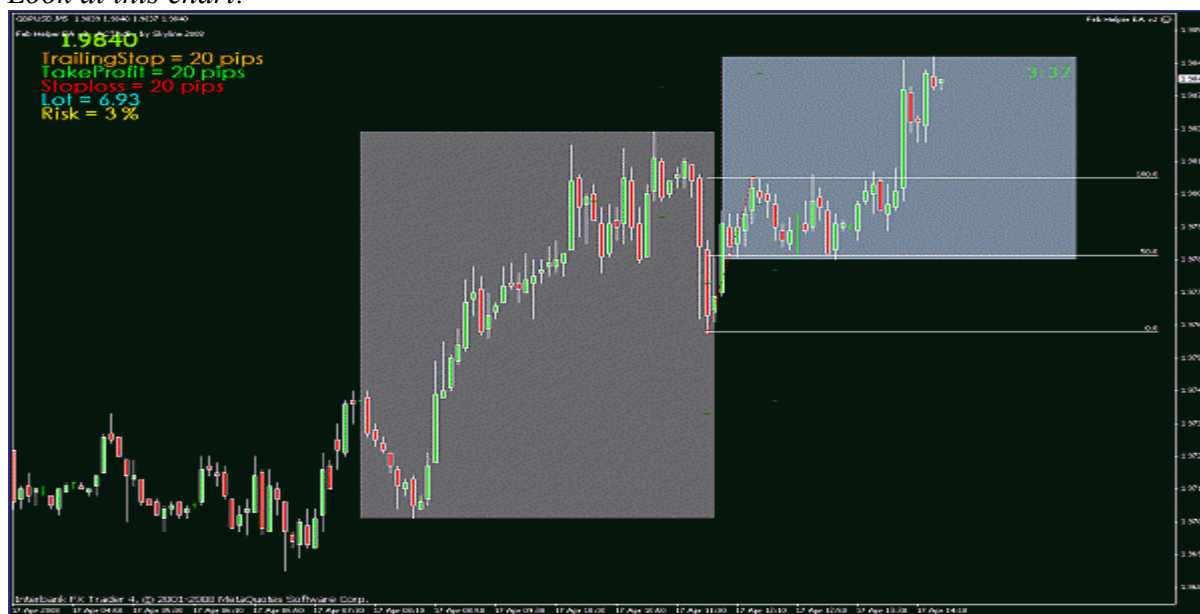
Originally Posted by **moneda** ➤

Feb,

Can you clarify something for me? When is a swing a "fresh" swing? Here is what I faced this morning @around 7am est an upswing on the Gbp/uds that started at around 8:45gmt with a few short pullbacks followed by some choppy action. So I ask myself... if I see a new swing of over 20 pips within the major upswing going back to 8:45gmt, will it have enough momentum or should I wait for a significant change of direction (downswing)?

Thanks

Look at this chart:



A fresh swing is the first one after the session is open. Doesn't matter what market you trade.

Don't trade momentum. Just trade the move.

feb2865

Apr 17, 2008 17:55

The only way you will qualify a swing is when the pullback is developing. You could get away with a 20 ticks move but in my experience is just noise. Remember, you're trading off 5 minutes charts and there will be noise.

feb2865

Apr 17, 2008 18:19

I believe I mentioned this before somewhere in this thread

Don't jump the gun if you see just 1 bar/candle on the pullback. Wait at least 2 bars to start placing your orders.

This is a high-probability trade

The beauty of this strategy is that in many times you will be saved from the chop. If the market is retracing and goes the other way, then go ahead and look the other way. Dance with the market.

Place your stop a couple of ticks top/bottom of the pullback and trail your stop

If the markets don't meet the conditions for your trade - simply don't trade.

Just look at my last charts...from yesterday

I was ready to pull the trigger down, but I was able to detect the chop monster, while the moving average's were giving you all kinds of signals...I am right???

what happened on the rest of the session??

be the judge


feb2865

Apr 17, 2008 21:30

Quote:

Originally Posted by **moneda** 

Feb,

Thanks for the explanation... I am struggling a bit identifying the swing/pullback live...easier when it has already taken place .

One more question....if a pullback of two or more closed candles takes place and price breaks out of it and goes above the previous high/low (our entry point) should we wait for a closed candle? Okay, one more...sorry...I am trying to purge my mind of old stuff.... Did I understand you correctly to say that swings that are less than 30 pips are better left alone?

Much appreciated

No waiting. you need to have a order (limit) already in place, IF you see the market moving toward the original swing.

gotta be there before it happens

feb2865

Apr 18, 2008 15:08

Nice trade moneda!!!!\

I will post a chart very soon
still wakin' up here LOL!!!



feb2865

Apr 18, 2008 15:39

It's option expiration day

the hedge funds are dumping stock big time

a down day probably

I shorted since 5:00 AM...still short EUR/USD
Sorry...since 4:00 AM

feb2865

Apr 18, 2008 15:54

Glad you're making sense on the system sky!! it's not hard

no indicators...no crutches...just go with the flow

Hey guys...here's a hint form an old dog like me

mark in your calendars "options expiration day"

the day before is usually a flat day...all across the markets

usually on days like this, somebody ..somewhere is dumping options..... big time.....usually they dump a lot of stuff including euro's....keep this day up in your calendars and for all of you in the EST zone.....wake up at london time session (3:00 AM) and catch the wave...



feb2865

Apr 18, 2008 16:05

Quote:

Originally Posted by **amenlo9** ➤

hi feb,you mean activities in options,futures could affect forex currency movement as well?sorry for dump question,am not familiar with futures and options. 🙏

Not necessarily with some exceptions...this is one...a lot of big guns (Morgan Stanley, etc) dump plenty of stuff in order to cash it out to keep the ball rolling They hedge billions of dollars in currencies, especially currency options.

Still, swaps are the biggest business in forex

Correlations between markets is a deep subject. I use it a lot but is way complicated for me to put it on a thread. But I least I'll give you a hint form time to time as long as this thread is alive

feb2865

Apr 18, 2008 16:08


I am sorry...they don't necessary dump...they also buy..so it all depends....I know they're dumping euro's today

Contrary to popular belief, the dollar is not in a so bad shape as some "economist" think...it can work both ways, you know.

feb2865

Apr 18, 2008 16:16

Quote:

Originally Posted by **Aad** 

Is this an every month thing or longer?...

stocks and futures is between 15-17 of every month...I have a lil reminder here for the day before, but you might find a calendar somewhere on Google

feb2865

Apr 18, 2008 16:17

Quote:

Originally Posted by **skyline** 

Great suggestion Feb !

From investopedia I can see that Options expiration date is defined as :

'The expiration date for all listed stock options in the U.S. is the third Friday of the expiration month (except when it falls on a holiday, in which case it is on Thursday)'

So we have to sign every third friday , is that right ?


yeah that's it.....I forgot ..I am so spoiled form this lil alarm I have...LOL

feb2865

Apr 18, 2008 16:26

Quote:

Originally Posted by **skyline** 

closed this trade with +9 pips gain 


there you go...see? it's not complicated

feb2865

Apr 18, 2008 16:52

Quote:

Originally Posted by **skyline** 

yes Feb it's unbealiveable simple and powerful ! The thing that I like mostly is that if you are wrong and order is not triggered then you don't lose anything, just delete the pending order and start again to search for a fresh setup. Of course there's no 100% wins since sometimes market could hit the order then go against but this is part of the game 

That's precisely what I like about it...no harm no foul

feb2865

Apr 18, 2008 17:18

I think we're going to have a very slow day. I believe the dumping it's due already. I am going to close my position. 203 ticks. (Which is since 4:00 AM opened)

feb2865

Apr 18, 2008 17:46

1 Attachment(s)

it's worth it to get up early on expirations day



feb2865

Apr 18, 2008 17:53

1 Attachment(s)

My trade was a hint from correlations. Kinda risky in my opinion.

but here's a safer way to get that move..... using this strategy

notice the arrows...possible entries..... shallow pullbacks...sweet

I calculate ATR stops to keep me on the move...



feb2865

Apr 18, 2008 18:01

Quote:

Originally Posted by **skyline** >

Yes Feb that's what I was talking about early 😊 Unfortunately I was able to pick only latest entry point but i'm happy also with 9 pips 😊

the hardest part for us here on USA is to wake up early to be on the lookout on these kinda moves.....I mean you have decent swings on New york session. too

feb2865

Apr 18, 2008 19:09

Quote:

Originally Posted by **MJurban** >

Hi, pervaz

looking at your chart, i would say the stoploss for this trade should be below the 50% Line

It is a very wide stoploss , so i would not have taken this trade

But as skyline says feb is the master we will wait for his comment



I agree 100%..probably won't suit your risk tolerance

Quote:

Originally Posted by **Pervaz** 

Hi

I thought I would post my first System II trade and would love to get some comments/feedback

I used the fib tool to identify the swing points and it was interesting to see the 50% line being used as a support.

Conclusion:

1. The break out happened at 164.42 but i didnt realise i should have put a limit order (I just cannot work out how to put a limit order into Mt4!! - need to spend some time to research that).

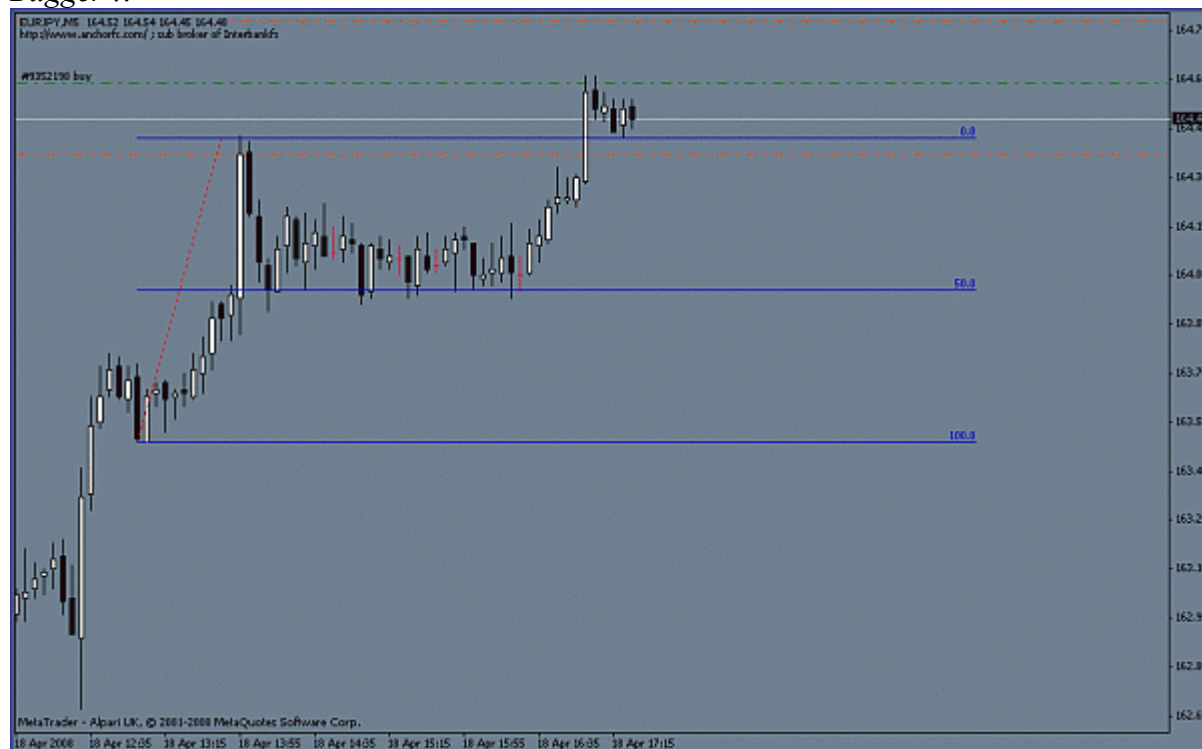
2. I entered the trade manually at 164.59 (with a 20 TP (164.78) and 20 SL (164.37)) with a 0.1 lot

Outcome:

closed at a loss of \$2.10

Lesson Leant: The market just hasnt decided to move in any direction (could be with the fact its Friday afternoon (BST) and the duration of the candles/time it took to "breakout".

Bugger !!



ah...don't worry about it man....It's cool..

Just don't quit. Take the next one.

I believe it takes time to understand the simplicity of trading like this. Once you get it going, it's automatic.....boring LOL

yes always use limit orders...no matter what

feb2865

Apr 18, 2008 19:17

EUR/JPY is a cross...kinda wild 'n out...similar to sterling/yen in my opinion
I suggest to lower your gear...go light loaded if you want to trade a swing like this.
I believe there's a broker who let you trade in units....Oanda???
I don't have any sort of experience so due diligence is a must
But trading units instead of lots will give you an extra kick in my opinion

feb2865

Apr 18, 2008 20:41

I definitely have a bag to tricks when it comes down to the markets. I started as a runner(clerk) on the pits back in 1981. So go figure...long story.

If you guys stick around 'Ill show you some of them. One thing you won't hear form is beggin' for any money like some other people do. Thanks to the divine order, I don't need it. The markets has plenty of money if you develop the ability to milk it consistently. That's why you need to read the market properly. Having your eyes crossed looking at squiggly lines won't make it. I swear.

Some people have asked me before about tutoring. Unfortunately, due health conditions I don't do it anymore. The only people I take on private is floor traders looking to get into electronic trading.

But as long as I stay around and as I said you guys show interest, I'll lay a hand.

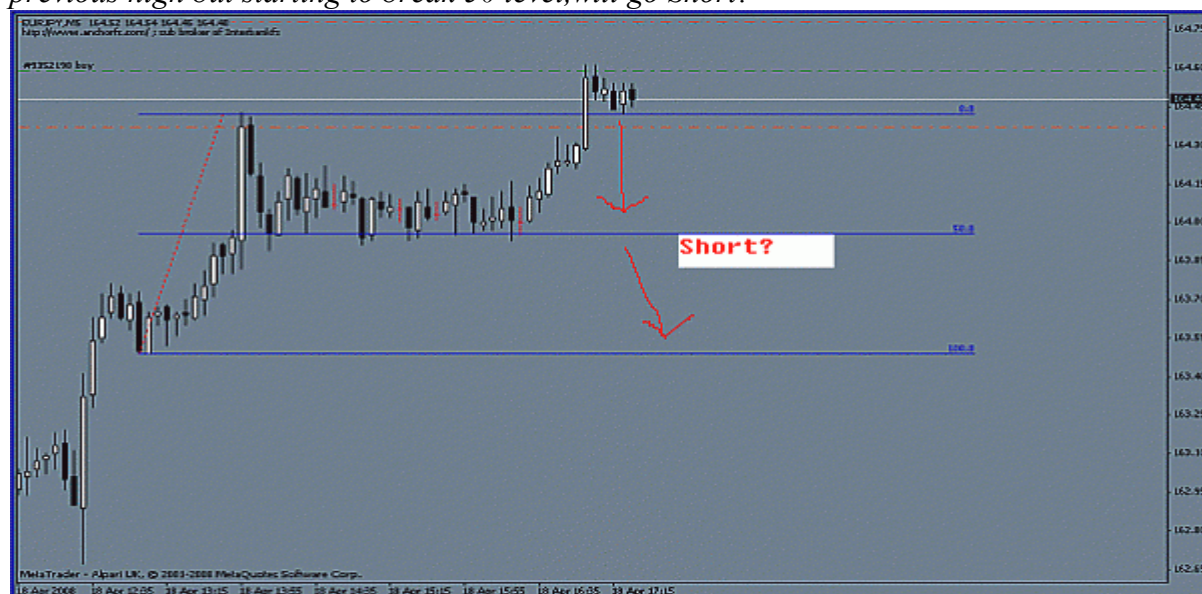
feb2865

Apr 18, 2008 20:46

Quote:

Originally Posted by **amenlo9** 

hi feb,1 question here.account to Pervaz's chart,he is waiting for the Long entry.what if price never break previous high but starting to break 50 level,will go Short?



If I am not mistaking, the swing was shouting long...what you're looking is a small hiccup. You stay put a and let the market decide...if it changes direction you will have the ability to spot it before anyone else. When that happens, place a limit order and tell the market "come to papa"

Remember...it's Friday....expiration day...we had a strong move downwards on London session..

feb2865

Apr 19, 2008 15:02

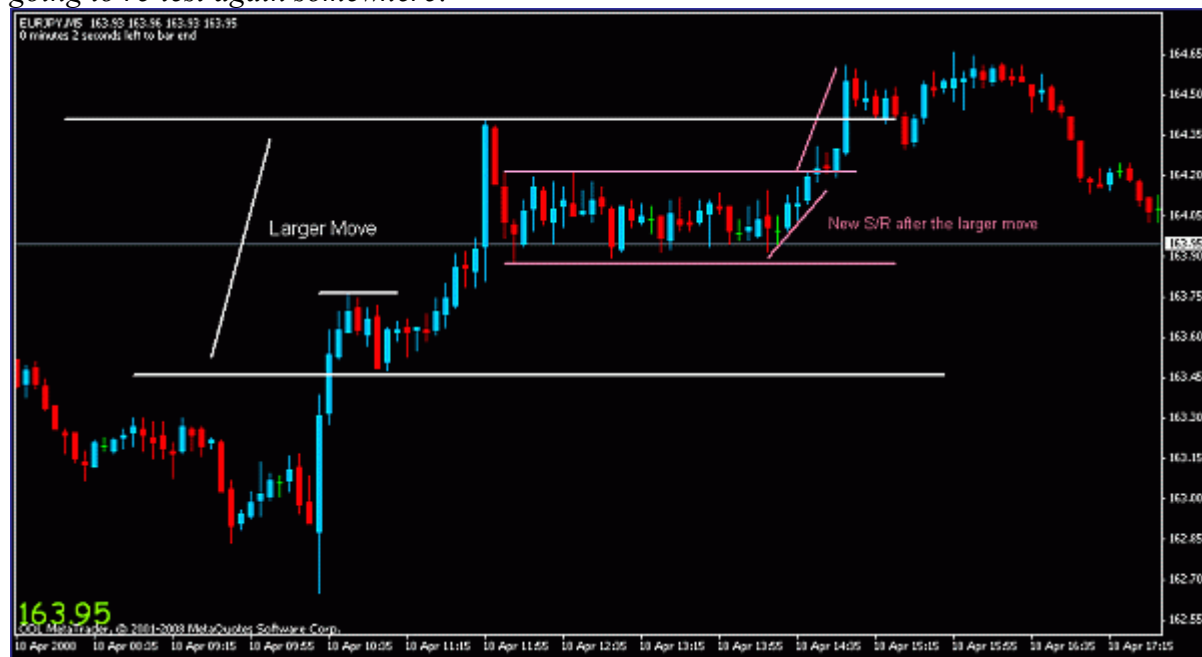
Quote:

Originally Posted by **piphitman** ➤

sorry feb, didn't mean to deviate from the threads main purpose and scope, seriously, sorry about that.

The one thing I noticed on Pervaz' S/R areas/fib was the much smaller S/R range that was developing after that last big high.

That little S/R channel was developing over 2.5 hours just coiling up, we knew that price was eventually going to re-test again somewhere?



Depends on the time of the day...looks like the move was due followed by a change of direction.

The time of the day is important. If you trade this setup close to 5:00 EST when the market is ready to sleep, chances are you will have a counter move as banks are trying to make last-minute profits. Something similar across the markets. If you play this strategy during Asia/Sydney session, you will find that many times momentum is not there. therefore will take hours for a good setup to develop.

In my opinion, the best way to play this is on London/New York session.

feb2865

Apr 19, 2008 15:08

Quote:

Originally Posted by **piphitman** ➤

sorry feb, didn't mean to deviate from the threads main purpose and scope, seriously, sorry about that.

The one thing I noticed on Pervaz' S/R areas/fib was the much smaller S/R range that was developing after that last big high.

That little S/R channel was developing over 2.5 hours just coiling up, we knew that price was eventually going to re-test again somewhere?

Piphitman

If you notice on the line you wrote "larger move" - the line in top of the price, you'll find there was a shallow pullback with a nice follow-thru...with at least 20 ticks

PD: no need to apologize, your comments are always welcome. Just that I would love to keep the thread in line. I personally have a great admiration for your posts, you're part of our naked brotherhood....

feb2865

Apr 21, 2008 15:35

Quote:

Originally Posted by **piphitman** >

Starting the new week, price meandering during Asian session, waiting until Frankie and London to open to get some good price action going.

Price breaks Fridays last support level.....

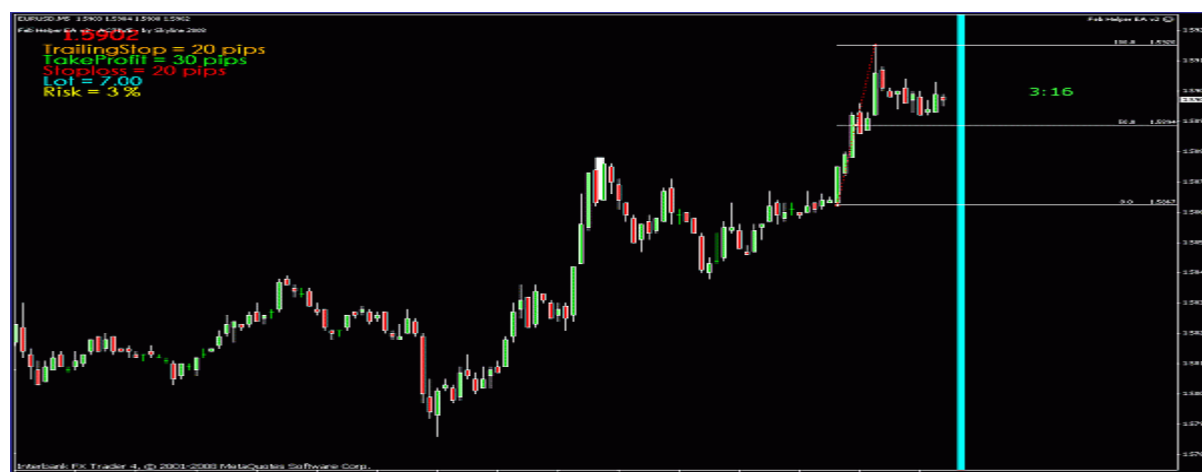


excellent observation on the markets!!! wow

you deserve five stars

Especially your view of last Friday

Quote:



wow

I am very happy!!! finally you guys are applying the concept

Just wakin' up here LOL

excellent setup last two charts!

feb2865

Apr 21, 2008 15:41

Quote:

Originally Posted by **Vantage** 

Thanks feb2865 for this thread. I can't show my normal charts as they have squiggly lines galore but this is the first time I have traded using your method.

You have mentioned previously looking for at least 2 candles for the retracement. This trade from this morning on gbpusd had about 8 candles in the retracement, I sold at 1.9944 and got out 1.9920.

I could have just as easily traded eurgbp, eurUSD, usdjpy or usdchf - lots of opportunities this am.

Anyway is there an upper limit to the number of candles in the chop where you start avoiding trades?

Many thanks once again, suffering from squiggly line withdrawal symptoms, what do they say it takes 21 days to break a habit!! Cheers.

The idea is simple...yes takes time to grasp ...we'll help you out no biggie!!!!

about the pullback...well normally 2 candles..don't make it as a fast and hard rule...just go with the flow

Whenever you see a setup, trade it, that's your job...don't hesitate

I am glad your eyes are opening!!

welcome to the family

feb2865

Apr 21, 2008 16:17

Quote:

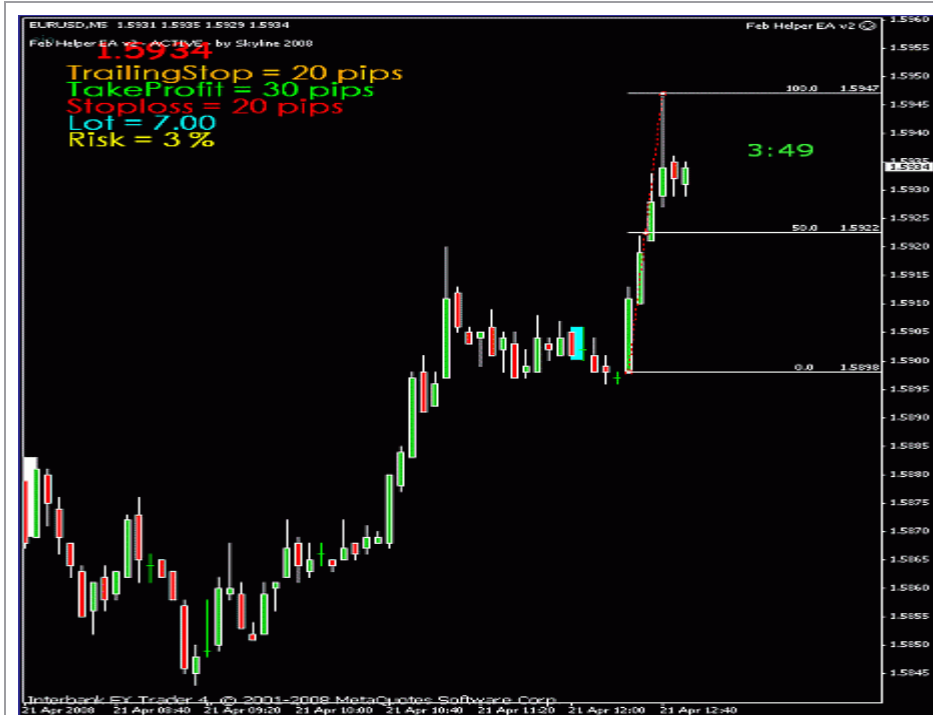
Originally Posted by **moneda** 

Hello,

A new swing for e/u...is this correct Feb? ...and do you use the wicks to set your swing?

Thanks

P.S... disregard the Lot amount...this is only a demo



I don't care about wicks
Yeah seems like there's another swing

LET THEM COME TO YOU! LOL

feb2865

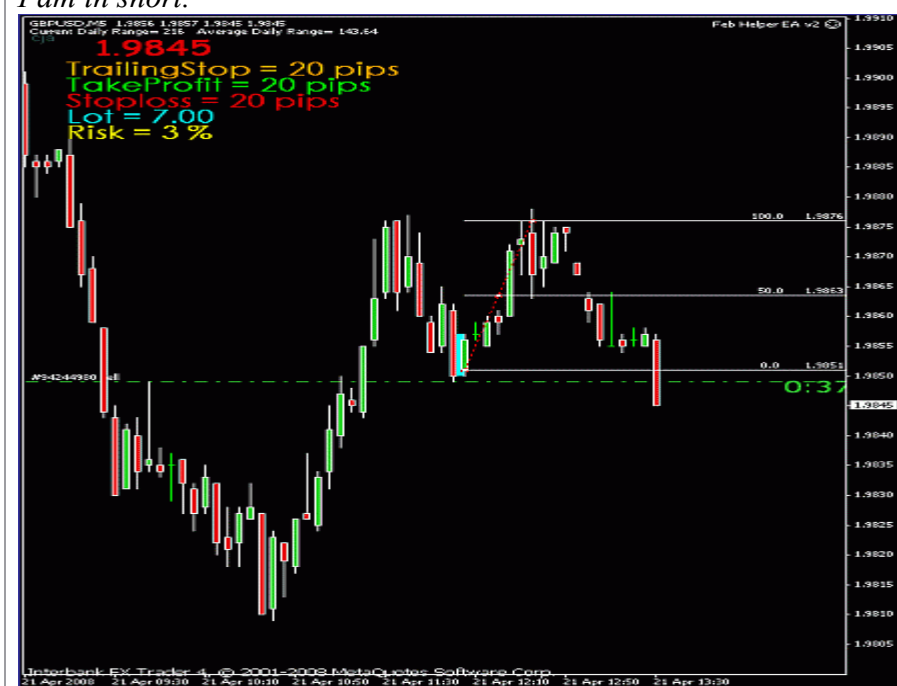
Apr 21, 2008 16:38

Quote:

Originally Posted by **moneda** [View Profile](#)

Hello,

I am in short.



Beautiful trade !!!!!

You'll notice as long as you practice how simple it is!!!

feb2865

Apr 21, 2008 17:10

1 Attachment(s)
could be this setup??



feb2865

Apr 21, 2008 17:13

1 Attachment(s)
Or this one??
hard to choose isn't??
what would you do???



feb2865

Apr 21, 2008 17:19

1 Attachment(s)
can we do this???



feb2865

Apr 21, 2008 18:33

1 Attachment(s)
+ 21 TICKS on the short side....finally the market took some direction
you have this feeling like a predator waiting for a prey
don't you agree??
simple...and effectiveand I wasn't even thinking about currencies today LOL



feb2865

Apr 21, 2008 19:04

Quote:

Originally Posted by **Naijafx** 

Hi Feb and able traders,

Am a big fan of trading the break-out of swing123 at swing2. it rocks! it works and its reliable.

Just went through pg1-9 and 17 till end of this thread and while reading it, i made quick 20pips on GU and another one is running presently.

backtesting before the present trade, I notice three trades today and all a winner.

I use GannZigZag to spot 123swing and i trade it. I love this method and the selected time frame will no doubt increase its winning rate.

Good work feb and nice contributions from other wonderful traders.

wishing you the best.

Thanks

Once you get the hang of it....becomes boring, trust me


feb2865

Apr 21, 2008 19:42

Reality check here


Be aware there will be days that you will lose (please check post #1)

Remember.....in this business you WILL lose

This is the core of a trader...she/he (notice that I used "she" first ) knows that losing periods is a part of this business.

That's why I insist on trailing stops. Whatever you choose..20/20 - 20/40 or ATR...you must cover your butt as soon as that trade goes in your favor.


Don't patronize.worship any kind of line you place on the charts. All markets moves in strange ways. Go with the flow. More than a system/strategy etc, you're beginning to learn how to read the markets.

You know what to do already 

feb2865

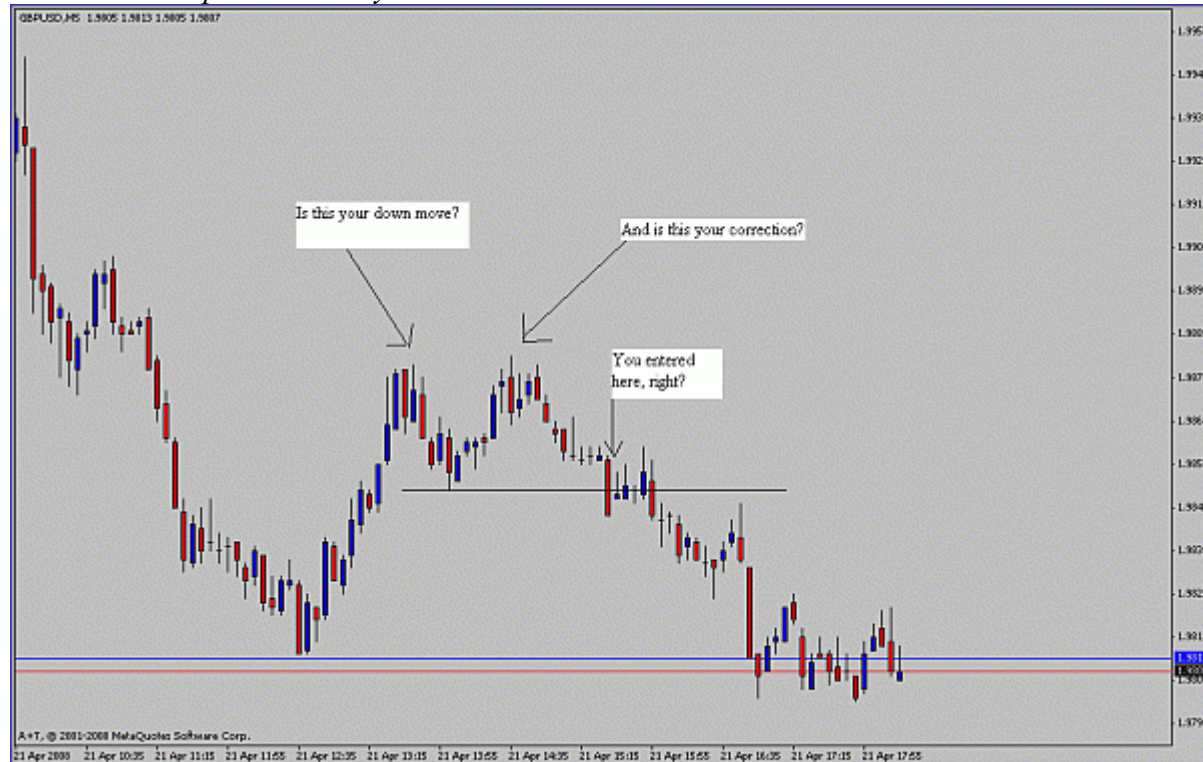
Apr 21, 2008 19:48

Quote:

Originally Posted by **Wallboroff** 

@moneda

i tried to make picture to let you know what i mean.



Walboroff

I know moneda will tell you what he did


Just for you records. please leave 2-3 ticks distance on your limit order, from the last swing high . This is in order to avoid as much as possible, double tops and bottoms.

In that particular trade I assume with all respect to moneda, that his limit order didn't get hit so he pick the short side

feb2865

Apr 21, 2008 19:56

Quote:

Originally Posted by **ChowClown** 

Great advice, i have been in the habit of trading fixed stops and progress has been slow. The trailing stops on a 5min TF will quicken the equity pace and make the curve much smoother 😊

Feb, what time of day do you tend to cease taking 5min setups on GU, EU, UCHF?

Chow

I've been only trading E/U on New York session....I trade currency futures and I am looking forward to trade spot forex in order to take advantage on the crosses like GPB/JPY etc.

London session is king in forex. But I have seen nice setups in Asia/Sidney session as well for yen pairs/crosses.

feb2865

Apr 21, 2008 20:11

1 Attachment(s)

Looking for a loser...yes I want for the trade to be a loser

sounds weird isnt??

I have to go for a moment will leave my setups in place

let's see what happens

PD: I made a mistake on the date of the charts..supposed to be 4-21-2008...I guess when you pass 15 years old anything it's possible...LOL



feb2865

Apr 21, 2008 20:12

Quote:

Originally Posted by **Wallboroff**

hmm, so it was actually a long trade and no regular short trade, is that right?

Yep I assume his long limit order didn't get hit so the natural thing is to look for the other side

feb2865

Apr 22, 2008 1:45

Quote:

Originally Posted by **pipcruiser**

Hi feb, excellent way of trading!

I have a question abt the TS you use.

Let's say you are short GU at 1.9868 with stop at 1.9908 (SL 40 pips).

Will you trade the SL pip by pip when it goes in your direction, say it goes to 1.9848 and reverses on you, then you will get stopped out at 1.9888?

Thank's in advance,


PC

I'll do it pip by pip

feb2865

Apr 22, 2008 14:43

Quote:

Originally Posted by **G33maroon** 

Feb, the trade has been a loser like you have said. think the market retrace somewhere near the london close. anyway, i saw several people following you doing this. so care to explain why & what this post for?

regards.

p/s: not to doubt your credibility, its a honest question out of curiosity.

1) Because I wanted to demonstrate that you need to be prepared for losers like this, therefore the importance of trailing stops, either in the worst case scenario like this one.

2) The reason why I prefer to trade the first swing of the session.

3) The importance of losing as why you must make it part of your business. thus how to deal with it.

You'll find thousands of strategies "systems" etc on the net....many of them free. If you look closely, most of them are giving you a framework but leaving you vulnerable of losing. When someone has a loser, they start "cruvin fittin" which is nothing more than adding and subtracting indicators, timeframes, I mean..you name it...to avoid losing

Losing in this business can't be avoided.....

I want to be different. I want for you guys to stick to your guns even if you lose. Stop looking for alternatives and add-on's. Be disciplined, stick to your money management and when you have a loser like this, close your charts and have a life...there's always tomorrow and the markets aren't going anywhere

feb2865

Apr 22, 2008 15:18

Quote:

Originally Posted by **sphinx** 

hi feb.

could you please put any comments on moneda post #391 and mine.

thanks in advance




looking at both charts you guys are well-positioned in my opinion

looking for a down move...sounds good

feb2865

Apr 22, 2008 15:27

Quote:

Originally Posted by **morton82** 

Buy stop triggered for cable. Moved my stop to break even.

Here is a case i am wondering all the time. How do we take maximum profit from it? I mean, everytime i am in a winning position, i got scared and took profit too early.

Should we just place a take limit at +20 pips as per feb's rule? Or should we trail the stops. As of my typing now, the cable got 20 pips but i didnt take the win. I was thinking, should i trail? should i take win?

And all these are affecting me greatly. But i am the guy who would rather leave money on the table than suffering a losing position. 😊

My platform trails the stop automatically . You could place the stop at the low of the last bar looking down at 1 minute charts, or use a tight ATR stop

feb2865

Apr 22, 2008 15:36

Quote:

Originally Posted by **Pipfox** 

excuse my ignorance, your not a women, right?

LOL!! no

43 years old cowboy here LOL

If you see me you wouldn't even notice that I trade.

The majority of the people I have around thinks that I work for the energy dept or something....some of them thinks I am a farmer LOL

I drive a Chevy truck 1972 in mint condition. I do all the mechanics for that baby!!!

and I believe in peace and love and do anything in your power to help,,,that's why my signature is "peace"

feb2865

Apr 22, 2008 15:43

The market is stalling probably for the 10:00 AM announcement

The announcement could make the dollar stronger, therefore sending E/U on a down move...

feb2865

Apr 22, 2008 16:34

+21 Ticks in EU

of course...currency futures... remember, feed may vary

feb2865

Apr 22, 2008 16:45

Quote:

Originally Posted by **moneda** 

Feb,

Gosh! u r in the zone! can't wait to see you trade the spot. 🤔

As for now, I am doing a research... I want to trade crosses like GPB/JPY ect.
trade by units is a must!!!

By the way, guys if you stick around I was foolin' around with this "units" thingy and I found out something that will help improve your bottom line by far....don't turn the channel 'cause it will definitely deliver a positive twist on money management

cost of seminar

\$000.000LOL!!!!

feb2865

Apr 22, 2008 16:50

Quote:

Originally Posted by **moneda** 

Hello,

Okay, Feb....I had a looser with the E/U (-8)...are you happy now! Looking forward to the new twist on money management.

Thanks

well...it's about time you have a loser.....

feb2865

Apr 23, 2008 15:14

Quote:

Originally Posted by **moneda** 

Hello,

Well, I went for it short and got my 21+pips. I will wait for an answer to my previous question...now the question for me is....will I stop trading for the day and be content with my 21pips or will I get trigger happy and take a chance of loosing my gain... This is a dilemma facing most of us.


depends on your goal and how you're spreading the risk

if you get 21 ticks and something good is developing, reduce the risk at half...meaning...go in with half of lots you did on the first time. The idea is to reduce exposure while you have the chance to make some more dough

feb2865

Apr 23, 2008 17:14

Quote:

Originally Posted by **MJurban** 

i got in this trade on the m5 chart. It was not a very good trade, the swing was already quite long. i follwed the price action on the m1 chart and closed the trade as soon as i saw the first red candle. so 1 pip win insted of 20 pips stoploss, is this teh way one should use trailing stop or do you have tzo wait until price reached the 20 pip take profit range?

if things are stalling I normally bail out...if momentum is there I keep going

feb2865

Apr 23, 2008 17:25

I am a hyper-scalper by nature. Although I am not a scalper in terms of looking for short profits, I follow the same guidelines. In my lil book on futures, which is my bread and butter, I give no quarters. I use very tight stops. I really don't care if a miss a move. But that's me. It takes probably a lot of practice. You don't have to do that.

But...just try it to see if it works.

The main thing about exits is that you must reduce your risk immediately as soon as the market moves in your favor.

Remember that my hit ratio is low....less than 50%... I traded my hit ratio for consistency many moons ago

feb2865

Apr 23, 2008 17:52

Another thing you can do is to move the stop to B/E once you've reached 10 pips.....if you get stopped at B/E no big deal...who said you can't get back in???

feb2865

Apr 23, 2008 21:47

Quote:

Originally Posted by **morton82** 

Hi Feb,

Here is a trade i got in earlier on the pound. As you can see, i got in the trade and lost it. The trade failed to break higher and went all the way down. Would you recommend to reverse the trend and short this trade at the 100 of the fibo? I mean the origin of the swing.

And today had been a hard day. The market was ranging all the time and false breakouts came at least thrice as i seen. 🤔

Thanks!

Yes whenever I lose I always look for the other side to see if there's something cooking


Of course...some discretionary money management is advisable

After 2 strikes...I am out 😊

feb2865

Apr 24, 2008 13:12

Quote:

Originally Posted by **TheLegace** 

Today I made 3 good trades and was very happy. 2 on EUR/USD, where I explained when market started to pull back again, I exited my first position and re-entered. I am not a big fan of the 20/20 rule, I like to place my targets at support and resistance levels. If anyone is interested in that I will post some charts on how exactly I do trades. My trades today were 23 pips with EU, then another 32 pips, then on GU I made another 28 pips, but I wasn't watching markets for long, and I just left my positions open by themselves(not best idea), and for some reason they close. I have only been trading 3 days, but I really like the system and haven't lost yet, but we will see. These trades really can add up.

If anyone wants the indicator for S/R levels I am posting it right now.

The legace

Thanks for sharing. I appreciate your efforts but I would like to keep this thread in line with the original intention of swings and pullbacks. We could open up an discussion about support and resistance later on ...that would be interesting. Just that I prefer not to mix it with this one so people can get the real grasp of the market.

Another thing, it's good that you're in a winning streak, just be prepared for losing. When that happens, stick to your guns and don't change/optimize/ improve etc.

feb2865

Apr 25, 2008 4:00

Quote:

Originally Posted by **piphitman** 

I would like to address a question about trading sessions. Hopefully feb can reply to this based on his opinion of them.

I start looking for entering trades after the Frankfurt open, which is one hour prior to London open....it has been my observation and has been mentioned to me also by several traders who are much more experienced than me that the initial moves will start in Frankfurt open but if you watch very closely you will see a lot of fake outs or reversals at the 1/2 way point of Frankfurt open. I trade primarily the GJ cross but the last two mornings I took trades on Cable that seemed to do an about face after 6:30-6:40 a.m. time passed.

Just something to watch for and be aware of as London open approaches.

feb.... what's your take on the frankie/london opening session, especially the lead up to London from Frankie? do you notice the action that occurs at the halfway point of Frankie?

I used to trade London session, not anymore. But back in the day yes we experienced more often than not some sort of jiggle between both Frankie and London. Many of my friends use it as an edge..as a matter of

fact I know a couple of guys that have a system off that jiggle.

As you say now, it seems like the pattern still exist.

feb2865

Apr 25, 2008 20:52

Guys

I have some interesting questions about exits/limits..etc...rule of 20..all that

20(or any number) stop loss is what guru's consider a "hard stop" ...it's an insurance against a catastrophic move against your position.

Although we're trailing that stop, if you see the market moving like 15+ pips in your favor and all of the sudden it gets down to 6, 5, 4 back...do me a favor and press the panic bottom...please??? Do this as many times as you see it happening and I promise you will get a runner very soon

don't let a winner turn into a loser....

don't "hope" that the market will turn back on your side.....never do that.

You don't know what the market it's going to do next.....

remember you're "guessing" that the market will move that way, more often than not... that's pretty much the end of all technical (and yes baby, fundamental) analysis...if anyone tells you a different story, consider it a "snake oil" tactic.

I've been conditioning your mind since the get-go..'cause losing is part of this business.....you will lose

I lose a lot.....I "test" the market a million times...but I assure you, I get a runner pretty often.

Please look at me at me when I am talking to you....Don't get distracted

I've been in this business for a long time for two reasons

1) I don't take the market for granted - I don't "hope" that my magic "system" will come back and save me from the chop monster.

2) I give a reasonable chance to my position...

Explaining # 2 - Ok....I have "expectancy " that the market will move on my side within a reasonable time frame...at a reasonable "speed" AKA momentum...if that doesn't happen...my ass is on the line....what would I do..."hope"? .."wait"?...no sir...I have no reason to be holding that position..

Daytrading is a cruel environment. You need some sort of an "attitude"...be cocky..arrogant....but humble with your fellow trader and family..

Consistency is the crux of every trader.....you get discouraged,,,,depressed...you are hoping to make it so you can quit your job etc

Take note of this...no system...no strategy...no fibo's..stochs Big Mac..will EVER in your whole life as a

trader, give you consistency.

You must create that..it's in your hands...how you learn to manage your trade it's the ONLY route to consistency...engrave this in your mind.

"So...Feb, I don't like your idea because I will leave some money on the table"

Ok I see the problem...this is what we'll do

so you were shooting for 20 and you only got 5....ok I'll make you a deal

you give me those 5 pips in exchange for -12 lose pips from your trailing stop

deal?

of course not

feb2865

Apr 29, 2008 20:58

Quote:

Originally Posted by **Dave59** 

Feb or whomever....Do you generally favor closing out your trades at the 21 pip TP or to let them run and just be stopped with this method....in general.

Thanks

You could either scale out some @ 21 and let the rest run. Or simple all out @ 21. Just remember that if you're scaling out the risk of loss is increased proportionally.

I personally don't scale out...just a personal preference...I rather trail my stop and let the market do whatever..

feb2865

May 16, 2008 20:57

Hello

System 1 is more like a long-term, position trading style of trading. Here is more fast and hard. It's all up to the trader. I have the tendency of let threads die as I beleive everyone has no more questions/concerns. But I still lurke around. I get plenty of PM's as well.

You could also reach me at tradingrooms.com comunitytrading/system II every morning around 8:00 AM EST.

Still if anyone have any doubts or concerns etc. feel free to post here..I'll do my best to help.

feb2865

Dec 3, 2008 16:41

Guys.

As I said before, I feel grateful with all the good wishes I got. Surely help.

On the following days I'll be following this thread at least once a day. So we're going to keep the ball rolling.

First and foremost, I am a scalper by nature. I feel at the beginning of this thread, my scalper's nature came up and somehow the trade management is not up to my satisfaction. At least in the eyes of some who can't or won't scalp for whatever reason, which I totally respect.

I have some ideas but I will post it later.

Things are getting better healthwise.

Thanks so much to all the guys that kept this thread alive. I promise I will bring more good stuff to all of you. As I said first, we need to work out a more - gentle trade management so more traders can see the benefit of this great simple strategy.

Stay Tuned!!!!

feb2865

Dec 15, 2008 22:09

Quote:

Originally Posted by **feb2865** 

Ok I am back

Trade management has many colors/combinations

Some people prefers to scale out a position at x many pips and let the trade ride.

Some others trail stops in x amount of increments.

I strongly suggest to include some sort of trailing stops in your management.

You need to find you own flavor on that particular.

Stay tuned...there's more

Peace

It's a wonderful feeling to know how many people has benefited form this simple way of look at the markets. My sincere apologies, again for any delay.

Thanks for all of you who pray constantly for my health. I am definitely blessed as I can walk again, slowly but working on it.

Moneda, I still have my pick up truck and not thinking about selling it. I assure you, I will ride that steelhorse again LOL.

I pick this particular post I made above, as a reference. It's extremely important to all of you to look for your own flavor on trade management concerns. As I stated somewhere, don't make this all-so-called 20/20 rule a hard and fast one.

Some people go 2:1 or 1:1 risk reward. That's perfectly fine. Just make sure you add some sort of trailing stop in order to lock in your profits.

Just please, try to pull out of the market more that you're risking. That way, no matter if you have a low hit ratio (like me, yeah baby) you will come ahead on time.

Trade management is a sticky stuff. I am a scalper by nature, well it's understandable, I come from the pits. In my trading (futures) I use dollar figures for money management, which are attached to % of capital.

But that's another story.

The deal is, you need to find your own way on that, risk wise - capital wise. I am willing to discuss that, if you have any concerns. Just make sure you're comfortable in your own turf.

I been asked about using this "system" on bigger time frames. It might work but you will get frustrated on so many opportunities you have lost due missing the bus. The idea is to be "first in line" when the bus comes. **It's a quick entry style.**

A five minutes charts will show you the swing, and will tell you what's going on after that swing drops into a pullback. It's all right there. No need to be cross-eyed- Mary looking at zillion time frames to put a trade. Those who trade currency futures, a 144 tick charts will do the work nicely.

Make losing part of your business. Just make it as a part of your overhead, among with the spread of course. If you see it like that, I tell you, the boogie man(losing) will go away. I promise.

If you're not comfortable trading shorter time periods, I suggest other trading style. It's perfectly understandable. I have another thread, **System I** and I strongly suggest, for anything shorter than 1 day (4 hr), look for Trader V (Vick) posts. True gems in my opinion.

I'll be checking this thread more often. Feel free to post at anytime.


Thanks a lot for all the support and to keep this thread alive.

Peace and good karma to all of you.

feb2865

Dec 16, 2008 15:46

Quote:

Originally Posted by **acetrader** 
moneda

*As we near Christmas volume will lessen & the chops can be wild. Pay close attention & follow the System to the letter. A bounce for E/\$ could be next.
Note the trendlines.*

Good morning everyone.


I completely agree with you on this, acetrader. This time of the year, interbank's volume decreases, hence

the fast and wild swings. Volume on currency futures are drying out by the minute. I suggest to stay calm and if you decide to trade, go with light load and keep the finger on the trigger, just in case.

feb2865

Dec 16, 2008 21:22

Quote:

Originally Posted by **bootsyjam** 

I see, I'm guessing people are scooting away on holiday or just getting drunk at Xmas lunch (I'm in the UK, we do that sort of thing) so trading is less, and there's the big blank period between Xmas and NY that might deter some entrants into the market?

Am trying to do a manual trailing stop, but dangnabbit if I had a £ for everytime I exit a position at +10 points, it reverses back then shoots up 30...

Bootsy

Hope I'm not late to the rescue LOL...I think you got cleared from Ace but just to give you a bigger scoop on the whole situation, simply put, lack of volume are driving the market nuts.


Good time of the year to share cookies and milk 'cause the market is simply drying out (as for me, I've been craving for so long on a Samuel Adams but my girlfriend won't let me sneak one)

Ah Moneda, I didn't see your post. An echo?? OMG that's like running a bicycle with wheels on the side LOL.

feb2865

Dec 18, 2008 19:12

Quote:

Originally Posted by **PistolDave** 

Thanks Ace,

I didn't really think much about the 00 & 50 levels. I have heard they were significant but I didn't know they acted that much like support/resistance. I will start making an effort to notice them on the charts.

I'll keep posting some trades I take so we can all learn from them. I do appreciate the help learning about the system.

I traded a method similar to this several months ago, but I gave it up because I could not tell the difference in price action that would move a lot in a given direction and into profit, and action that...

Dave

I hear your concerns. This is exactly why I've been preaching about not patronizing anything you put on the charts.

First, let me state that you're trading off 5 minutes charts. In other words, you're trading noise. Look for patterns, trends etc on noise trading is completely useless and will lead you to confusion and paralysis-analysis, I guarantee that.

I will probably get some fire for the following statement but who cares?

People lose in this business for two reasons.

1) Paralysis -Analysis

2) Failing to pull the trigger.

Your job here is to shoot, merciless and take no prisoners. You need to ACT when you see your trade. Forget all this support resistance, magic numbers, round numbers sweet spots etc. All of this truly lies in the eyes of the beholder.

If you lose, get up, lick your wounds and keep going.

It's not hard to keep an eye on money management. Once you have your rules set, there's no need for more tweaking. So the next thing to do is to trade. That's it.

This is a **quick style trading ala scalping**. Scalpers, which is a generic definition by the way, don't care a bit about where the market was, but where it is heading on the next xxx minutes.

I have a poor winning hit rate. I test the market a lot. The idea is to be first in line when the wave begins to develop. In the process, as I said, I test the market...many times during the day, therefore my winning hit ratio will be low. That's my style of trading. Just that, when I hit the wave big time, all the past losses are attenuated. Besides, in the process of testing, I definitely have winners.

Here's a couple of things you guys can do. This is just a general example, no specifics involved.

1) Let's say, you have 100 bucks to lose per day. You're looking to at least double the money (2:1) You can limit yourself to 1 winner, or loser a day and quit.

2) or you can use the same 100 bucks and spread it across the whole day, still look for 2:1 per trade, but take without fear all opportunities available. If you lose on the process, instead of being frustrated because your limit has been reached, you just said to the market "sooner or later your ass will be mine today, fucker"

Either one is good. I picked # 2. My personal choice.

Trade with attitude. Be a jerk.

Trading with the fear of losing = Assured failure.

feb2865

Jan 4, 2009 12:24

Quote:

Originally Posted by **AlexFX** 

My medium and long term trades are at least 3:1 and higher ratio. Trades on the M5 using "Febs" method I'm looking for 2:1 at least. A few things to keep in mind for this time period;

1. The time of day you are trading ie. Frankfurt/London/New York

2. Seasonal risk such as holidays, fundamental releases

3. Other surprise risk such as large commercial orders, special announcements

This is important!!

I understand and accept completely that the market can and will move in whatever direction it wants to and it doesn't need my permission to do...

This post by Alex is a great post.

Quote:


Originally Posted **clockwork71** 

If I may:

Think about how little it takes to move 20 or 40 pips. Do the math. It's a tiny fraction of a percent in value of a currency.

Let me ask you this:

What if it were more like....I am risking 150 pips to gain 275? Do you think you could possibly see smoother returns? This lends itself to the argument for trading larger time frames.....I know boring, but seriously.....profit is profit. A penny a pip, a dime, a dollar....whatever. Compound interest is your best friend.

Sorry for butting in feb.....just saw this and spoke out loud again. 

Clockwork

Clock, you will always be welcome . Your opinion is very valuable to me.

Dave, Clock has brought a very interesting line - 40-50 pips is just a fraction of a value in a currency move. That pretty much summarizes in a nutshell this "System II" concept. I could not say this is true scalping, well as I mentioned in another post, scalping is a generic word. But still is a high-frequency trading.

Just remember, the stop-loss/profit target I suggested at the beginning is just a guide. As a mentioned before, not to be written in stone.

I am a believer of the hard-stop concept.

Hard stop = A way for protection in case of unusual volatility base on momentum or any other unforeseen event.

Let's say you have a stop loss parked on 20 pips. As we already established this is a high frequency trading, having a 20 pips stop doesn't mean you'll be at the mercy of the market hoping 'n praying for your stop not to get hit. **No way.** The moment you don't feel good about a trade, the market stalls, or simple, are just coming back against you...please...**Get Out.**

I assure you, there will be more trades ahead, sometimes within minutes.

This is a hard pill to swallow for many traders. I know. I tell you this. The only reason I am a scalper is because I am in control of my trades. Therefore, **I limit my risk exposure as much as possible, with the idea of be first in line when the opportunity comes.** Think about that.

"Every trade begin as a scalp until it proves otherwise"

The "system II" is just an organized framework to be used as a guide for the trader, in order to have a better view and make his life easier. That's all.

Simply put, the concept takes advantage of the follow-thru that **normally (usually)** exist after a pullback. Please notice that you're not trading the pullback per se but the continuation of the move.

High frequency trading = Many trades during x period of time AKA scalping - In reality, are tiny moves within the normal flow of a currency exchange, as clockwork stated. Therefore, expect to be quick and nimble in your trade.

The logic of "system II" is the ability to exploit ebbs and flows that normally occurs at any time frame. Just that we pick 5 minutes as we just want to be quick in and out. The problems lies on, how many times we should exploit this common behavior (pattern if I might say) on the markets.?

I say, as much as possible. But then lies another problem..."oh I am pushing for the all-so-called 2 % risk on every trade."

That's wrong.

If 2% is within your **comfort zone**, instead of using it on every trade, why don't you stretch it out to the whole trading day? That way, you could exploit this "pattern" as much as possible, not to be burden out by your risk exposure.

People get stuck in 1 trade. That's nice if you're trading on higher time frames. But here, it won't work like that. If you get stopped in one way ie. long or short, then look at the other way. Maybe the market is telling you something. Follow the lead. Keep pumping that up 'til your fingers bleed. **Have no mercy of the markets as it will have no mercy of you.**


Don't leave that motha@#\$\$% until you get Da bounty. After all, this is why you're here on the first place, aren't' you??

I have more to say, unfortunately the pain is annoying me a little now. Stick around. I am not going anywhere.

feb2865

Jan 5, 2009 20:41

Quote:

Originally Posted by **bootsyjam** 

Merry Christmas and Happy New Year to everyone-hope you all had a great time and drank too much (if you're English) or ate too much (everyone).

Feb, thanks once again for your thoughts, the insights into the reasoning behind the system really helps illuminate what is happening in the markets. Hope you have a happy, healthy and pain free New Year.

Missed the big move on the Eur/USD this morning thanks to my alarm not going off, but that's my fault so have to live with it-Murphy's law strikes again!

Then I missed the secondary move because my broker...

Currency futures only work on commission. EuroFx is \$12.50 per tick (pip)/contract Normally comish fluctuates around \$4.50 per contract.

Assuming you traded 1 tick = \$12.50 - \$4.50 comish = \$8.00 profit. Not endorsing 1 tick trading by the way. Just an example.

Contract = lots.

Currency futures provides many advantage for short term/high frequency trading. Just on 1 tick you're already in profit. I personally believe the spread put limitation on your trading especially if you are a scalper.

Currency futures also has better platform, better execution, more capabilities.

You need to be capitalized on futures. This \$250.00 minimum on capital do not apply on futures. There's no itty-bitty fractional lots on futures. Actually, you need to be capitalized in order to make a living at any market . Period.

CME has a new product called EuroMiniFx or something like that. The tick moves at \$6.25 and I believe comish is around half, not sure. Good for starters.

I sincerely hope not to be in violation of the rules here. I use Transact Futures for execution. I use Ninja Trader for charting. Also, Sierra charts are good, a bit faster than ninja in my view, only cost 26 bucks a month. I like Sierra graphics better. As for now, Transact has been good. I assure you, the minute I feel uncomfortable or getting a better deal somewhere else, I'll switch in a New York Minute. **Don't get attached to any broker/platform. They're just to serve you.** Make sure you get a good deal or go to the next one.

The trick about futures is, the more you trade, the better comish you'll have. Not endorsing overtrading here.

If you have limited capital, then stay on spot forex.

feb2865

Jan 9, 2009 18:39


Quote:

Originally Posted by **Systray** 


Summarize

1 Attachment(s)

Hi Feb and All,

I will try to summarize few things which in my opinion are the key of the system. (Feb sorry for hijacking ). I am still at the middle of the thread reading...

1.This is essential of a "break out system". One of my best friends and the best trader I know says "Only breakouts give pips".

2.20/20 rule. It is not so important if the stop and target will be 21, 21, 22... The hint is that we are aiming small part of the 5m TF trend, if happen (don't be greedy Lol). Also we are giving the market enough space to breathe (sound like guru's bullshit but true). Everybody knows that! But where is the hint if the RR ratio=1? The hint is in trailing stop. Even in choppy market the breaks give pips. And the trial reduces the risk and increases the RR (magic ). Forex market is a Zero win game with RR=1. Only brokers are taking their spread from the traders. But the trailing is the key in this system.

3.Stop 20 target 21. First that came in my mind – "Why target is not 20?" Believe or not this one pip is the cherry of the cake. If you are full time trader you will make enormous amount of trades every month. When

you earn with your 20p target it usually means you have a trend and the price gave additional 20, 50, 100p. (don't be greedy again). So when we have a winner this pip is only for us as a gift (buy some new toys 😊)

4.Experiment:

I made a small two day experiment on a demo assuming that I am a pro trader and I have to do more trades. Believe or not everything is based on statistics. So I opened few pairs, I took a short view and put the Skyline's EA with individual settings for each – 20 stop for the slowest and 35 stop for the fast (e.g.GJ). If want to be more precise should base the settings on average daily range for every pair (my style). After that I am waiting for the swings, get the lot size from the EA and place the orders (ok I made few mistakes with the size first 🤪). I was not sticking hard to nothing (e.g. 30-40p. swing). Only looking for breakouts in both up and down. Also I didn't care to enlarge the stop depending on the deepness of the pullback. It is only a short experiment right? Here attached is the result. The report says to me: **THIS ONE IS WORKING.**

Enjoy!

P.S.

Feb – great system! I admire you!

Skyline – The EA is working like a swiss watch 😊!

Moneda – I have the same trading simulator. Just saw you already posted it.

P.P.S

Sorry for the boring long post – this is the short version. Lol



[DetailedStatement_systray.doc](#)

Feb, the hit is yours. I only summarize 🤖

The experiment is the best illustration:

-Risk 3% (hard rule) on each trade

-Winning positions: 50% (as I mentioned zero win game).

-9 pairs traded - means I did not "analyze" anything. I even didn't wait of A+++ setups

-More than 10% earning in just 2 days

Impossible is nothing 🤖

Systray

Great Post!!

I think you hit the nail in the head.

Protecting your position from the get-go is very important for this system to work. If you get stopped due the trail, get on the next bus. Don't let the stop fool you guys, there's always another chance to get on board. Of course, that's up to your capital permits.

feb2865

Jan 20, 2009 3:10

A bigger picture

Guys.

I am not posting very often here as , there's nothing on the markets for me. Period. I am not an advocate of hardcore fundamental analysis, but the thing is that big gun investments are dry and out. In order for ALL markets to establish a sense of direction, there's a basic ingredient (I bet the only one) -

Liquidity.

As the lack of fresh funds coming to ALL markets, you're going to have wild spikes. This is one of a few times in human history that the WHOLE world is waiting on a new president to take over. That is affecting ALL markets. I believe, Eisenhower was another president with the same worldwide magnitude impact.

Some people(or institutions) outhere, are just trying to push the market at one direction or another. Unfortunately, none is following suit. This is the culprit on all your wild and fast wings.

I know some of you are trying to make this thing work, at least to make a sustainable living. Unfortunately, this is not a good time.

The credit crunch that started in 2007 is giving birth now. Banks are getting ripped apart. That's another biggie right there.

There's a lot of sealed pockets outhere. None wants to step in. The economy is not fluid, **Worldwide**. Many of them are waiting for tomorrow.

I never make predictions on what's happening next. But I think I mentioned to someone (maybe in this forum, I don't remember) that I rather wait until the end of January to see what's up. I still stand on that view.

My advice to all of you - stay put. Stop trying to corner the market throwing new stuff here and there. Might work for a while but then, you'll be again in this rollercoaster of looking for the next big thing that never ends. You'll be better of keeping your bling in your pocket. Trust me.


feb2865

Jan 21, 2009 13:01

2 Attachment(s)

Quote:

Originally Posted by **systray** 

Doc, 

You are absolutely right. Here are some thoughts: with rule 20/20 or $r/r=1$ statistically you will have 50% winners. If you decrease r/r for example 20/40 this will decrease the winners %. I believe this rule 20/20 has been working on eur/usd few years ago when the average daily vola has been ~120p. This means we are aiming 1/6 from the ADV. Now ADV~240p. In other words for this pair our rule should be ~ 40/40. As per my observations the best now is 35/35. Why that? Because when the market makes a break up it starts

*to ticking around and our trail is hit. The market breath and we should leave him enough space. What should be the swing amount. My opinion - the same - 30p.
I am working on similar break out system and I follow this thread - it gives me good ideas. Thanks again Feb!*

The rule of 20 was invented on Cbot, by the time mini's came out. It was initially applied to ES and then was turned over YM (Mini Dow). Then, many markets adopted that rule including E/U mostly.

When I was looking into metatrader, like a year ago, I found this script which I believe could be very useful for you guys.

If you set the money management parameters to = true and establish a fixed percentage of capital, no matter how far/close your stop is, you'll be risking the same.

I think you'll find it very handy.

Thanks to the author. smjones for this wonderful script.

[autobuy.mq4](#)

[autosell.mq4](#)

nomoretotoxic

Feb 2, 2009 22:30

This system is consistent over the long run. You'll have a little bit of everything: good days, so-so days etc. The key is to play the setups everyday no matter what. Be ready for losses and trail your stops as Feb says.

Whenever you see a thread drying out like this, two things are happening 1) the system becomes worthless after people start experiencing drawdowns 2) the system is consistent and people just don't bother posting anymore, as it becomes a distraction. To me (and for many) # 2 is just happening.

Cheers.

feb2865

Feb 5, 2009 0:32

Guys.

I am so sorry I am not posting here as I used to do. I am currently working on a longer-term framework (as opposed to my daily scalping routine) to precisely get out of the scalping stress. My health requires a low-paced enviroment. Just that I am not ready to retire yet.

As I mentioned many time, I am a scalper. I've been trading like this since I started, many years ago. But scalping requires not only a strong concentration level, but is harmfully stressful. In my situation, I can't have the luxury of been stressed out the whole trading time.

As for the system II, I mentioned few times this is a high-frequency trading routine. **Trading is definitely an art of reading numbers in order to be first in line at the rigth side of the market.**

But if the market decides to go the other way, I simply play along.

I will tell you what I use for my scalping. It's applicable on any framework/timeframe.

I use a hard stop, just in case of a connection failure or an unforeseen volatility. I never let my stop to get hit...NEVER.

Your job is to cut that loser short, no matter what. Don't worry about how many times you'll have to cut that loser, at the end you'll get a runner.

Let's assume you are bullish, you go long at your signal, and immediately the market goes against your position(A very common situation). What you should do?? How far is too far?? Does it feel like a cat in the headlights?

This is where you make trading an art. I cannot tell you specifically when to cut it short. None will. But I'll give you some pointers, from my experience (since 1981)

I use as a reference, how was the market behavior at the past session/timeframe/last bar. Then I have some expectancy/time limit on my trade to work out...or I just simple hit the panic button.

Let's say you'll use the last candle as a reference point. Then , you see the market (assuming you're long) retracing back. If I see more than 50% of the move against me, rest assured I'll be ready to hit the panic button. The point is, you don't know how that candle/bar /time frame is going to end. This is where prediction is useless on the markets.

Trade expectancy is simply put, **the trade MUST go your way within a resonable time table/rythm/distance...or I just quit.**

Trade expectancy is the only thing that will keep your head above the water.

Trade expectancy is the only tool that will bring consistency to your trading.

Money management alone is not sufficient. Having a good entry, is not enough.

You need to go to the basics on what is that you're looking for in trading??

MONEY

Bottom line is all about how many Benjamin's can you pull off the market. If you're not consistent, trading becomes futile and frustrating.

In my life as a trader, I can count how many times I cut a trade short, only to see the market going back my way. It's cool. But I saved my ass way more times. I made some statistics about it from my journal.

Actually, as I have my risk in check with my money management, in this specific situation mentioned above, I just go back and re-establish my position, even if I have to go market.

If you get stopped or just simply bail off a position, as I said many times before, look at the other side, maybe there's a change of sentiment.

The science of trading is simple: You're either on the profitable side of the market or you're not. In order to get on the right side, you use technical analysis (and have your ear on the ground, of course). Then you pull the trigger based on your signal.....that's it...and it's easy.

But how do you transform that into \$\$\$ consistently?

Cutting that loser short. It's more an art than anything else.

The System I and II or any other "system" I put on a thread, is just a framework for you to trade. But if you don't manage the trade, it becomes useless.

I'll be checking this thread more often, as I know for sure questions will arise as a result of this post.

feb2865

Feb 5, 2009 15:30

Quote:

Originally Posted by Yeti 

feb2865... But scalping requires not only a strong concentration level, but is harmfully stressful.

That is why I asked my question - When I pull the trigger and I am already in a trade is it possible to put emotions aside and follow 100% mechanical approach based on trailing stops for example? I know some professional traders use that way of trade management, it is emotionless but requires great discipline - unimaginable for me.

[i][color=darkred]feb2865 ...Trade expectancy is simply put, [u][b]the trade MUST...

Yeti

Trailing stops is something very useful. The trick is how to set it up in accordance to current market conditions. As everything in trading, there's a drawback: Sometimes your stop will cut off a trade too short. I recommend trailing stops but first you must know the average daily range of the instruments you're trading.

About emotions, let's get real. It's impossible to put aside emotions while trading. I've seen this many times from people saying that in order to be successful you need to be emotionless. Excuse my language but that's bullshit. The trick is not to suppress emotions while trading, but to have them under control to a certain degree. In order to get them on check, is to trade ***live*** using small bets. Risking not just a % ratio, but risking based on **YOUR** risk tolerance. That will keep your emotions on balance.

It's well known this all-so called 2% rule. You know, I'll tell you a secret...and please don't tell anyone but..

I don't like to risk more than 1 %

This is where my comfort level is. 1% o yeah, I've been risking that for ages.

Trading demo will give you a false sense of security and fear. People get screwed trading demo, well imagine them trading live?

I had a student who smashed his laptop against the wall because he lost trading on demo. A brand new HP laptop (2006).

It takes time to develop a trading characteristics based on tight emotions. Doesn't come overnight.

Go ahead and open a small **live** account, preferably with Oanda(not a paid endorsement, just the

facts). They let you trade on units, which I think is wonderful. Screw metatrader. They have too many toys to entertain traders. Too many indicators, you will develop the habit of jumping to one on one like a monkey on a tree.

As I said before in one of my earliest post, you just need two horizontal lines to trade. That's it.

Could you afford to lose \$1.00 a day? or maybe 10 cents??

I mean, it's not a big deal. Meanwhile, your giving yourself a mental workout needed to be a trader. This is where your journey should begin.

feb2865

Feb 5, 2009 15:46

Quote:

Originally Posted by **acetrader** 

Hi FEB,

That another great load of trading info & thanks again for sharing....

Thanks for the kind words, Ace.

I love to help others. I truly apologize for not keeping up the thread my I am truly working hard to change my trading style. I must do it, no choice. Actually I thought about having a thread on my scalping stuff, but I am a tape-reader and I really don't know how to translate that into charts. Anyway, I am moving on to higher pastures LOL.

I am bookmarking this thread on firefox to check it out from time to time.

I would like to trade EUR/USD exclusively. I really don't care about the rest, too much hassle in my opinion. The volatility on the rest well maybe excluding the yen, is too spiky for my taste. Besides, for you guys that trade spot, it's cheaper to trade E/U spreads are lower.

About the system II, there's no much more to say.

I'll keep you posted on my new development.

Thanks.

feb2865

Feb 6, 2009 15:31

Quote:

Originally Posted by **acetrader** 

Hi FEB,

*I have read post 865 several x's since you posted it & I keep coming back to this.....Trade expectancy is simply put, **the trade MUST go your way within a reasonable time table/rythm/distance...or I just quit.** This info triggered my memory to a conversation I had yrs ago with one of my first mentors. In this*

*conversation he stated "If a trade has not gone in your trade direction with say 30 mins, it most likely will not". He did say this is **NOT** 100% accurate, but it is something to take into consideration...*

All markets are comprised of ticks(transactions). These transactions are accumulated in many ways. This is pretty much the foundation of charts. They allow you to visualize what's been happening in x amount of time/ticks/range or volume. The most common are time charts.

The more accumulation of data at any frequency, the most powerful the move **should** be. If you spot a possible reversal in 30 minutes, I assure you it has more **probabilities** of keep going than 5 minutes. Same as tick/volume/range charts.

Using 30 minutes as a reference (could be anything higher) If you see a bull bar turned into a bear bar at the next period, **very likely** the market will go the bear route.

Charts were made to make your life easier and for you to adjust your trading to a comfort level. I come from a time that charts were seen as voodoo. Personally, I still scalp on tape.

But charts are good because you can adjust the market on your comfort level. If you're a speed-aholic trader like me, you might be better off trading tick charts. Some people I know prefer trade off daily charts. They want to have a life and don't have the time to have their eyes glued into a screen. That's cool.

Here's something I disagree with many people.

Having your eyes crossed at many charts is pretty much like reading tea leaves. Besides, they keep you on your toes, a bad way to trade, prone to force you to make mistakes...costly one's.

Why in the world people will look at 1/5/15/30 etc , if all data has been piled up in the highest time frame?? Think about that.

You need to choose what is **comfortable** for you.

Trading off shorter time frames, has the advantage of spotting early moves and ride with them. But at the cost of fake outs. Trading span is shorter and you could bring the bounty home in a shorter time. You could get a way with a shorter hard-stop and more load.

Longer time frames will make you miss short moves, but reversals/continuations are more powerful and yield more ticks/pips/points. You need a longer hard-stop and your load should be adjusted accordingly. Less stressful, more time to do stuff.

Trade expectancy is the reason why I been on this business for so long. It is an art. I can't teach trade expectancy the way I do it but I can put people in the right track. It becomes pretty much like a finger print.

Long time ago, my mentor made me choose between expectancy or buy (I was trading stocks, it's all about buying there) and hold (and pray will go your way). In both cases, you won't know the outcome of your position. At the beginning I thought that holding and praying will give me an edge 'cause I am giving the trade more time/room to go. But then I realized that I felt like a cat in the headlights when the market was turning against me especially on momentum.

Then I realize that, it's better to protect your profits are cut your loses short that this extra leeway you give to the trade ***hoping*** that will ***eventually*** go your way.

Oh yeah, you'll miss some moves. But ...do you know the future?

Besides, the market aren't going anywhere, there's always another entry...always.....think about it.

feb2865

Feb 6, 2009 15:43

Quote:

Originally Posted by **moneda** 

Dear Feb,

Glad to hear that you are recovering..... I am still trading System I on the 4hr or 3hr with Oanda. Like you have recommended in the past I trade small units and my goal is to establish the discipline of mind/emotions that will turn me into a consistent profitable trader when my capitalization is big enough to make it a living with Fx..... Your longer term strategy at the moment is it similar to System I?...

O man...I rather be death than not having Arroz con pollo.....LOL.

Yeah I use the daily charts like system I. I combined both shorter time frames and System I. That way I gives me an extra edge as one position(longer is losing while the other(shorter) is wining. Or the other way around.


I am moving away from scalping. I am contemplating 30 minutes charts for my short time trading.

Glad to see you moneda. I'll be around here more often. Keep your strategy. I looks very promising. I believe you have found your comfort level. Stay focus.

feb2865

Feb 7, 2009 15:27

Quote:

Originally Posted by **stevecartwright** 

Hi Everyone,

First I will admit to not reading the whole of this thread as to be honest I finfd that most of the entries, in any thread, don't give much value. I will however say that this is a technique that I have looked at several times, what with Elliot wave and Ross 123 its nor exatly new. I have for a number of years tried to build an automated system without any real success. What I have learnt though are a few basics. The difficulty of trading is not so much in the "getting in" but the "getting out". Its either to early or to late.

After...

No offense at all Steve, your points are completely valid.

I've been playing around with almost every-single "indicator" (which is a truly generic word by the way) available. Even some of my friends have handed me "custom-made" indi's. This is all good, as I like to be open to new stuff.

My problem with indi's (this is very subjective) is that they will go nuts every time that market change cycles. By the time they re-calculate, new conditions in the market, you're in a hole. Then, you get frustrated and the optimization process begins. Some of my friends says " But you don't trade off the indi,

you must "interpret" this indi in order to trade" Well, this is all fine and dandy, but still you must have a condition to get in or out of the market. So Indi's are supposed to tell you "Trend" or "range" "oversold" "overbought" etc. The problem is...for how long?? I am not talking about today's trade ...or maybe tomorrow's...but in the long run....how this indy will perform? will it help me out in my quest for consistency?

About the trend: I really don't care. The trend is deceiving. Does anybody knows the end? Does anybody know how/when/where the trend starts?

So you have a trend in 5 minutes, then you have another one in 30 minutes...but then, daily charts have another one..... to complicate matter most, you use tick charts and 144 has another "trend"who cares?.

When I trade, **I try to be the first in line for the party, and the last one to leave.**

Entries are for me, a way to "test" the market to see if that "swing" will develop or not. I have a low hit ratio, due I test the market many times. But sooner or later I'll be the first in line. That's my goal as a trader.

I use trade expectancy for exits. As I mentioned before, that's an art. I have in my mind a pre-conceived way of how the market ****should**** perform, or I just close the trade and wait for the next one. I give no quarters.

I manage my risk in a way that I am allowed to test the market many times during x period in order to get a runner. Using 2% per trade, as I've seen many people doing, is a recipe for disaster.

If the bolls and the 55 ema will give you this edge you're looking for, trade it to death. Just remember, when you trade, don't live dwelling in the past. Trade on the present looking at what you see, so you can be consistent on the future. Because after all my friend, is all about how many \$\$\$\$ you can pull off the market...**consistently.**


As today, I haven't be able to make any indi work for me.

I talk about stuff people don't like to hear. I bet a lot of them disagree with me. That's fine. After all, my ass is on the line everytime I put a trade. That's a fact. My job is simply to preserve my capital. Eventually, I'll be compensated.

feb2865

Feb 7, 2009 16:13

Quote:

Originally Posted by **cesare76fx** 

Feb, excellent as always, thanks.

I have a question regarding expectancy and cutting loss short on systemII.

We know that price might do a false break of a few pips and retrace, as it might do a decent 10,15pips break and then go back to entry to make that support broken become resistance, or viceversa or just break and fly away.

I understand every trade as its own story, but in general, if the breakout bounce back in a few second to -

10, -15 pips or close to the 50% of a set-up's pullback, will you consider that as a false break because of the...

The panic button should be on all the time.

If the market retraces back to 50% and I see (real time of course) momentum developing against my position. I am out. It's hard to say how fast/slow momentum will be, but I won't second guess.

It's all about how fast/slow the market is moving against you.


You can do it sooner than 50%, it's all about your risk tolerance. But you must remember, you're a trader. You must pull the trigger when conditions are met. So if you bail off, make sure you get on the next bus. Have your risk in check so you can take advantage of all possible trades you can get. Of course, everything has a limit, don't go overboard.

A trick of the trade: Have you ever see a candle/bar, like jumping?? The move is so fast that the bar literally jumps. If that happens against my position, oh boy....I will be out in a New York minute.

feb2865

Feb 7, 2009 22:46

Quote:

Originally Posted by **stevecartwright** 

I am pleased to see I wasn't run out of the forum for my views :-)

The only thing I would say about 50% retracement from my observations is that with the theory, yes theory, of higher highs/lows and reverse is that with a long trend the previous low shouldn't be violated, obviously the previous high for shorts....

My problem with Bollinger bands is exactly that theory of the price enclosed within the bands. Ultimately, the market won't care about that and will expand these bands to death. But, that's my problem, it's subjective. I simply don't like the way the market contracts -expands the bands. Many times will caught you off guard and I like to have control over my position at all times.

My humble advice: Be a master of 1 time frame. Don't need to be crossed-eye looking at various time frames.

Screw the trend - trade what you see. Have control over your trade and don't let the market screw your account.

Steve, I suggest to open up a trading journal. That way you'll have dedicated followers (I will check it out as time permits) and collectively you'll have inputs from different sources. Also if you have notice, people on this thread are precisely pulling away from math-based indi's.

Please don't think that I am throwing you off this thread. Just that in respect of indicator-free people on this thread, I would like to keep the integrity of it in check.

Thanks and good karma to you my buddy!!!

feb2865

Feb 17, 2009 23:50

Important message - please read

My friends.

I've been talking with some of my old school friends this past couple of days about the current economic situation. Although we're technical traders in essence, I've been always an advocate of keeping one ear on the ground.

It's hard to say but the future looks grim. I have never experienced such a solace and frustration, sadness and discouragement among traders, even the sassy one's.

I've been talking to people from all over and the sentiment is the same.

Don't put any high hopes on the stimulus package - the market already expressed (today) its opinion.

I sincerely wish with all my heart I can keep on showing new stuff, unfortunately ALL markets are getting dried by the second.

I am personally worried not just on our domestic situation, but the worldwide economy as a whole. As opposed to the recession on 1929, nowadays many countries have the dollar as a reserve-counterpart to their currencies. I cannot imagine what will happen if United States collapses.

Makes me think on how the Roman Empire after 800 years, collapsed due a huge economic failure.

I humbly apologize to take you guys out of the thread subject, but I needed to express my feelings. I hope I can review back this post later down the road and simply laugh.

As for now, we just have to sit and wait.

You can count with my advice and support, always.

Good Karma.

feb2865

Feb 23, 2009 2:46

Guys.

Some of you have your eyes open already on what trading is, and what is not. The most important lesson of all is not to stay ignorant like millions of people and have an enlightened life based on rational knowledge. The same applies to the whole economy issue. I don't want to sound pessimistic but me and many of my friends are worried about what we have accumulated thru years. The dollar is heading to be crushed like puree. Gold and metals overall is not a viable longer vehicle to park cash. Not to mention real state, maybe commercial rental have a positive outlook.

It's so sad to hear so many 401k's getting shrinked sometimes down to 50%. The saddest part is there's nowhere to run. All thanks to the federal reserve and its unfair interest policy.

On any way you decide to trade, make sure about your broker. Minimize risk. Lower your load and expectations. Hopefully we will get better, although I sincerely don't see how.

Unless the government deal with the biggest white elephant on the room called the federal reserve and all that it represents, I don't see this changing for the good.

People are attracted to the market with high expectations. There's an influx of people coming to the market like seagulls. Unfortunately, as I said before, liquidity is running out, in all markets. Would be interesting to see how their fate evolves.

But you have an advantage - knowledge. Keep your head straight and fly low. Don't expect to make fortunes on a market that's going very slim. Play this game smart. Just keep your head above the water.

Keep your focus on surviving. Let's see if capitalism will save us again.(Irony Included)

feb2865

Mar 6, 2009 16:23

Guys.

Going back to the "system" - This is just another way to look at support and resistance.

Trading has different meanings to different people. In trading, there's not a single pair of eyes but many looking at the same reaction. Some people think support and resistance, some others see MACD'S some other moving averages etc.

I am aggressive trader. My job is to spot the move and be the **first in line before anyone else**. I have control over my risk on all my trades so I know how much I'll have on the line at any particular moment.

Support and resistance is the only "system" that works for me. This is very subjective and I wanted to share with you guys.

Support and resistance is not a perfect science, but many eyes are looking at those levels. Actually I don't follow the "etiquette" of confirming support and resistance (the market has to "test" a particular price many times to be valid) no way. As for me, just a simple price rejection make me curious.

I am going to post some charts in my next post I will go a little deep in some stuff...fair enough?

feb2865

Mar 6, 2009 16:35

1 Attachment(s)

Here's a chart with some examples of price rejection.

Think on areas, not price.



feb2865

Mar 6, 2009 16:43

1 Attachment(s)

Let's make this a trading "system"



feb2865

Mar 6, 2009 16:58

OH no! my system failed

1 Attachment(s)

oh yeah baby...here's a move failure or "false breakout"

just look at the charts and tell me what to do.

If you put a whole 2% in one trade, here's how you get screwed up.



feb2865

Mar 6, 2009 17:35

if

then

Two words you **MUST** incorporate in your trading. We already know markets are living objects to a certain degree.

"If the market reach xxx price/level, then I'll be Long/Short"

but

"If the market fail to go my way, then I'll bail out"

and

"if after bailing out, the market goes the other way"

"then I'll go long/short at xxx price/level.

"After xx trades, if the market is not giving out, I quit for the day"

Risking 2% per trade is wrong. You need to know ahead how many trades you'll be placing and how you're spreading the risk among the trades. Look for at least 1:1 R/R .

It is good to play defensive. But ultimately you're a player and your goal is to make this thing work.

feb2865

Mar 6, 2009 17:57

Quote:

Originally Posted by **RandyFX** 

Hi Feb,

I have read all the posts up to this point. I hope you are doing well.

Your insight is a great value and I give you thanks for it.

I was wondering down the path of trying more and more silly indicators and this thread brought me back to reality! Price action is king!

I started trading stocks, then went to options. I got a call from a Forex Broker about a year ago. I immediately (knew) this is what I wanted to trade.

However... I would win a few then lose more. I reasoned it's ok I'm making back what I lose in Forex with my equity option...

I use pretty much the setup I already mentioned on my posts. I am using MT4 as illustration purposes only. I personally don't like MT4's feed at all. Remember that futures are more expensive per tick. G/U is the cheapest and every tick runs about \$6.00. As for spot forex, I had a brief experience with Oanda. The feed is somehow slow for my taste but I had no bad fills. The time with them was short so I really can't tell.

About the horror stories on MT4 brokers, I really can't tell as I never use them. My neutral-unbiased opinion is that you won't be able to survive in the broker business if you're out to hunt every single pip/stop out there. I mean, people (traders) aren't stupid, you know. In my view, MT4 is not a reliable platform. At least for execution. There's something else you need to consider and is latency.

Soem people might disagree, because the feed they're getting is up to the tick. But maybe someone from other side of the world can tell discrepancies on the tick using the same platform/broker. That's is latency.

Another thing is liquidity. As the spot is not a zero-sum game (like futures) the broker needs sufficient liquidity from his providers in order to honor you any particular price. If not, the broker is going to push you up and down on requotes until he finds a match. That's especially true on fast markets, like news, etc.

On money management, I don't like to risk more than 1% a day. I spread it out to many trades per day as I am still a hardcore scalper.


I apologize for any typos, but my hands feel crampy.

Hope it helps my friend.

feb2865

Mar 7, 2009 1:16

Quote:

Originally Posted by **jgadefelth** 

Hi! Feb

Read your thread with great interest when are you going to teach us more about the 30 min strategy you are mention 😊 also interesting in your new strategy that you have started on this page (62) outbreak from sideways moves hope to learn more of this great thread, while I'm writing I'm going to thread the system I thread I have not done that yet keep the great info up and thanks.

best regards

Jeez!! I really don't know about 30 minutes But you know, levels are present anywhere. I guess it will be hard for me to kick the scalper's habit LOL!!

I trade off daily charts using fractals. That's another story.

The outbreak from a sideways move is not a new strategy. Is just an example on what to look on the charts. I look for failures on moves. There's a reasoning behind those failures and that's a long subject, trust me. The idea is to spot early those failures and be the first in line. Breakout off the failure is what you want. Sometimes the breakout goes wrong. This is when the "IF and "then" comes on handy.

feb2865

Mar 7, 2009 1:35

1 Attachment(s)

This is a 4hr charts.

Note the rejection levels - areas.

The advantage of higher time frames is the accumulation of data normally that's sufficient to sustain a move. On the last bar (red) , I assume a tremendous dumping of euro here on the futures side today on

heavy volume. Probably that move dragged the spot.



feb2865

Mar 7, 2009 1:44

1 Attachment(s)

Somebody ask me about contrarian moves. If you opt to go that route, do me a favor and don't go any lower than 4hr time frame. In order to be a contrarian, you have to be sure that enough data is accumulated on the bar you're using as a reference. Be very vigilant on your stops.

Here's the same layout I used on my last post, from a contrarian (counter-move) view.



feb2865

Mar 7, 2009 15:42

Quote:

Originally Posted by **jtrade** 

Feb - excellent thread, thanks.

I have traded both EC and BP futures and often consider only trading the EC (euro futures); the problem with BP is that although the spread is tight during normal sessions, you can't trade any size.

As you probably know, the advantage of the futures is that a tick chart actually makes sense, as each tick represents an actual trade, whereas with cash fx it represents a change in the bid ask, without necessarily any trade. I like the tight 1 pip spreads, regulated exchange, and volume to use. BUT what always puts...

I like EC better for it's liquidity. I personally had a bad rap with BP.

Some time ago, I decided to check the cash number to see if I can get away with some "up-down tick" advantage, but is not worth it. Some years ago I used NQ as a leading indicator for qqqq. It works very good. The only problem is uncle sam breathing on your neck(from the stock side.) Still need to report on the 60/40 tax rule from the futures side. Tax was killing me both ends. This is the single most profitable strategy I ever had. It's amazing to see how one follows the other. Well, that was 2003-2005 maybe the rules of engagement has changed, I don't know.

The spot forex is a great instrument for the trader that wants to have flexibility on the risk side. I know people with some capital, 25-50k and they're not willing to risk more than 1% a day (250-500 bucks). In futures you can't do that, well maybe trading one contract on EC but you might still be off. Anyway, you have more control over your load, or maybe you want to try something new. Then you can lower your load down to 1 cent if you like.

As you said, you need to deal with changes on the bid and ask instead. of true tick reading, which is real zero-sum game. It's really a trade-off. In my case, I can't deal with it, I rather be with futures and their occasional slippage.

Hey man, thanks a lot for bringing this subject.

feb2865

Mar 7, 2009 17:04

Quote:

Originally Posted by **tdion** 

I just wanted to go back to my previous post about America's addiction to credit...

It seems the older I get, the more I realize there are weaknesses in every system. I was looking at a can of deviled ham a few minutes ago.... and on the wrapper was the PERFECT sandwich, with perfect garnish on the side.

It made stop and think a minute.

In the old days, I would go to dance clubs and party with friends and not have a care in the world. These

days I am wondering if our way of life is going to come to a screeching halt without warning.

I mean,...

Tidion

The Federal reserve system as it is since 1913, It's designed to create an addictive debt-interest based society. There's nothing we can do. No president whatsoever will turn around this problem unless he take the bull by the horns. The american dream is not a house and a car like the 50's anymore, is the more you have, the better. Unfortunatley, this well-designed plan of the feds has made deep roots in american society. There's no turning back unless we take drastic measures.

The true beneficiaries are the Goldman's the stanley's and more recently the Mitsubishis's. I bet they don't even file tax returns.

In my oipnion, there's three things that will turn around this situation for the good.

1) Elimination of Income Tax, which by the way is uncosntitutional as violates the article 6 of the constitution - the law of the land.

2)A less intrusive government. - As a result we will have a smaller goverment. No more big brother-uncle sam stuff.

3) The elimination of the IRS and returning back the currency to goverment's control.

The question is, who's going to dome that beast?

Mr. Obama wants to jump-start this economy with greenbacks...ok

But makes me wonder, if US Dollar bill is the only legal counterfeit currency in the world, why me (Obama) as a comader in chief of this nation, have to pay this back to the feds?....with INTEREST? OH LORDY.

I am fortunate to have a friend, who made a long and deep research of the roman empire, from the economic standpoint. Actually it was a group reserach. It took around 10 years. According to him, the Roman Empire had an estimated liquidity of 800 trillion dollars worth of gold. That's a lotta gold my friend.

Roman Empire had the best army in the world. I mean, they were the best in everything. But the stupidity of emperors and the whole goverment, made that empire crumble like a cookie in a glass of milk.

I don't want to compare apples with oranges, but do you really think U.S is immune for a fallout? I don't think so.

The American people are living in slumberland. They surrendered their will to the goverment, with the hope that everything will be resolved like a magic carpet ride. As long as we are blindfolded by white elephants (The Feds, nuclear weapons, etc) we will always be an slaved society.

"it's not what your country can do for you..." those were words of wisdom. Unfortunately not convenient for the feds...ouch! I said too much....LOL.

feb2865

Mar 7, 2009 17:13

Quote:

Originally Posted by **fxachilies** ➤

Hi Feb,

I am a new member of FF and I find your thread very helpfull and love your strategy. I have been reading the post up to pg 50.

I was just wondering if anything in your original style has changed or is the same?

I also wanted to know what is your opinion in regards to bollinger band for sole purpose of recongnizing the 5min chart range time and breakouts? does it help with your system?

Thank you.

Welcome to the thread.

My goal is for the trader to have a logical view on the charts. There's my irony about systems. I really don't have a strategy, is just a way to spot failures (pullbacks) and follow-thru's.

Bollinger bands, as well as any math-based indicator, are nothing more that a represenation of price in a more -pictorial way. I suggest you train your eye to spot ranges and breakouts. In my expereince, any crutches will put you in a second-guessing mode. That's not good for trading. Use a couple of single-horizontal lines. That will do the work nicely.

Feel free to ask anything. I will be around here more often.

feb2865

Mar 7, 2009 18:22

Case study - moves - impulse waves

1 Attachment(s)

Here's a chart form 3/5/2209

NFP Anouncement - a big mover across all markets.

A counter reaction on these moves are a very common pattern to follow.



feb2865

Mar 7, 2009 18:32

1 Attachment(s)

Here's more



feb2865

Mar 7, 2009 19:07


1 Attachment(s)

MORE.....



1 Attachment(s)

Quote:

Originally Posted by **clockwork71** 

What's up Feb?

I hope you don't mind me poking my nose in here, but seeing your chart makes me remember why I spent NFP Friday painting and not trading.

As you can see, the initial reaction to the NFP announcement was a fast surge up for the Euro. And then, it reverses.....it seems this is the pattern anymore. I cannot tell you how many of these days tend to end up right where they started lately. It's just not worth it for someone like me.

However, I have a two theories as to what's pushing this:

1 - Those spikes at the announcement? Those are home-gamers. Throwing the market around in illiquid times. Those are the amateurs behaving well, like amateurs. It takes less to push price up when there aren't the usual amount of sellers. (Think about that for a minute people.) This is what a spike essentially is. (Under most conditions.)

2 - I think we are starting to see a significant change in behavior. I think trading the news is really not in vogue like it was a few years ago, so it essentially ends in a stalemate these days.

Also, the U.S. Dollar is clearly a safe-haven currency these days. So bad numbers create a demand for the Dollar. (Think Treasuries) So the news traders are getting pissed off because "It's not doing what it should!"

Just a few thoughts your chart made me think of.

Feel free to remove this is I took things off-topic too much!

CW

Not at all my friend. I always appreciate your comments.

You know, It's about time . I couldn't agree more. News trading is definitely fading out. Their nemesis: liquidity.

News reaction is factored across the board and I see a lot of artificial move, especially on the spot forex. Not only that, just try to get a fill for at least 25 contracts on ES @8:30 and you'll be surprised.

I wonder, in a counter move like this, how spot brokers can keep up with that? I mean, I am not an expert but trying to make a living off bid and ask must be difficult if the bank refuse to clear some of your deals at the end of the day?

I have some funds parked on the dollar since 12/19/2008. I am shooting for 1.23 - 1.21 area. Look the

charts.



feb2865

Mar 7, 2009 21:07

A word of caution.

I was expelled from high school on 10 grade. I was terrible at grammar (but very good on math) on elementary school. I literally went from be expelled to work in G.S storeroom, then my way up to be a floor trader. I sincerely apologize if my grammar is not up to be perfect, but this is how I am. Anyway, I trade since 1981 so who cares about grammar?? LOL.

I promise I'll always do the best I can. Also due my sickness, my hands feel crampy You might see some typos here and there.

feb2865

Mar 7, 2009 22:20

1 Attachment(s)
a very interesting chart.

Note - everytime you see a failure, rest assured a level is created.

Failure = the move is out of gas - reversals - some people call them fractals, I don't know. I'm old school...sorry.

You get the idea.



feb2865

Mar 7, 2009 22:52

Many ways to skin the cat

stay put. I will load up more charts. I feel like teaching today LOL.

feb2865

Mar 7, 2009 23:00

1 Attachment(s)

Stepping back a little, we had already mark two levels coming from London session - Level 1 and 2. These levels were formed from failures as I have marked with the arrows - the dotted vertical line is the beginning of NY session.



To skin a cat - instructions

1 Attachment(s)

If you're a contrarian trader - yes I am talking to you, the one who likes to smoke a joint in the bleaches and making out with that skinny girl with black nails - the rebel with the pants hanging down his ass... You could go with something like:

"If the market reverses form x (a top line on the charts) then I will place my stop loss at the other side and I will shoot for the next level."

OR

"If the market reverses form x (a top line on the charts) then I will place my stop loss at the other side and I will shoot for the next level, reducing 1/2 of the load at level 1 and liquidate my position at level 2"

N eed to be careful 'cause if your entry is at the end of the las bar, there's no much room to wiggle. So you need to be aggressive and you might get stopped out 1 or 2 times on the run.

But you're a contraian, who cares? Besides your risk is under control. You're prepared for that.....righ?



To skin a cat - instructions 2

1 Attachment(s)

Oh yeah you, with the spiderman lunch box and spongebob underwear - the one who tries to kiss a girl with his lips closed. the "trend trader on lower time frames" (ha).

yeah you.....wait for the level 1 to be broken. You might wait for a pullback and then go ride the wave all the way to level 2. Stop loss at the other side of the fence of course.



feb2865

Mar 7, 2009 23:53

To skin a cat - instructions - the bully

oh yeah, how could I forget...the bully.

The boy who weighs 250 LB and height 4 feet . He's always sweaty even when sleeping. He's a bully 'cause he will roll over you in order to steal your lunch money.

The bully has a strict risk control. Better than anyone else. He knows that he can get away with anything as long as his risk is in check.


The bully is a contrarian and a breakout trader. He won't care, As long as he spots an opportunity (and risk permits), he'll be there.




feb2865

Mar 8, 2009 6:22

Quote:

Originally Posted by **TradeStar** 

Hello Feb, how are you doing 

I love the way you connect the personalities and the trading style.

I have a question off the topic;

I understand you prefer simple price levels to any indicators /models.

What is your take on the oscillator type calculations /overbought oversold scenarios and divergence etc., which you don't normally see with plain price levels.

Cheers

TS

I like to follow the crowd. I know for a fact levels are watched by many traders and institutions. About overbought/oversold/divergences etc. It all depends on who is considering overbought and oversold at any particular moment in time. I just tried them all and I found out they could be deceiving. Because it works sometimes doesn't mean the whole market is reacting everytime an oscillator indicates overbought/oversold.

I have to give some credit to RSI when it crosses the 50 line. Combined with price could be useful.

About indicators: I have a friend of mine who uses some sort of moving averages and he trades when the markets pulls off them. I should say he's very succesful.


I assure you, I have tested all kinds of combinations available and I simply can't make them work. I haven't found any indicators that keeps my equity line in a healthy shape. They all started going strong and when the market shifts, I get in trouble on my bottom line.


But if you ever get a kick out of them, more power to ya!

feb2865

Mar 8, 2009 6:31

Quote:

Originally Posted by **TradeStar** 

Hello Feb, how are you doing 

I love the way you connect the personalities and the trading style.

I have a question off the topic;

I understand you prefer simple price levels to any indicators /models.

What is your take on the oscillator type calculations /overbought oversold scenarios and divergence etc., which you don't normally see with plain price levels.

Cheers

TS

Just remember one thing - you need to go with whatever keeps your bottom line going up. If you're trading live, you have no time to "experiment" with this and that. You need to be sure of your trading otherwise your funds will be slowly and painfully bleeding out.

word to the wise.

feb2865

Mar 8, 2009 16:33

Quote:

Originally Posted by **Islander** >

Hi Feb2865 - nice thread - naked and using levels, right up my street...😊

I use the sweet spots indy and so always have the 50s and 100s and now also the 25s up on my short TF charts. I also view them as a band of support / resistance, here 10 pips wide...so the white lines that you have drawn were already there and IMO being watched by quite a lot of traders.

I now just watch the PA around these levels - just check out how many times they get used...😊

Also, I'm in total agreement on news trading - a couple of years ago I used to "trade the spike" with a group of other traders and we did well - then the brokers started requoting, opening the spreads etc etc and that killed it.

Regards

Islander



Watching PA around the levels - that's a true definition of price action.

As I mentioned in one of my post - you just need a couple of horizontal lines to trade. You know, I prefer to know what I'm doing instead of relying on and indicator with an on/off switch.

Islander, this is a solid post. Please come around at anytime and give us your thoughts.

feb2865

Mar 9, 2009 18:08

1 Attachment(s)

If you went short against the grin. I would look at the following levels for an exit play.

Please see the charts.



feb2865

Mar 9, 2009 19:24

1 Attachment(s)

Here's a chart with levels coming from London Session.

Please take a closer look on the arrows.



feb2865

Mar 9, 2009 19:31

1 Attachment(s)

Here's a trading "system" based on the last charts.

Pay close attention at the elipse.

I am not done yet.



feb2865

Mar 9, 2009 19:37

But (there's always a but in everything)

Oh yeah baby...we got stopped...
what do we do know??? call Batman or Robin???which one??

feb2865

Mar 9, 2009 19:40

I forgot the charts LOL!

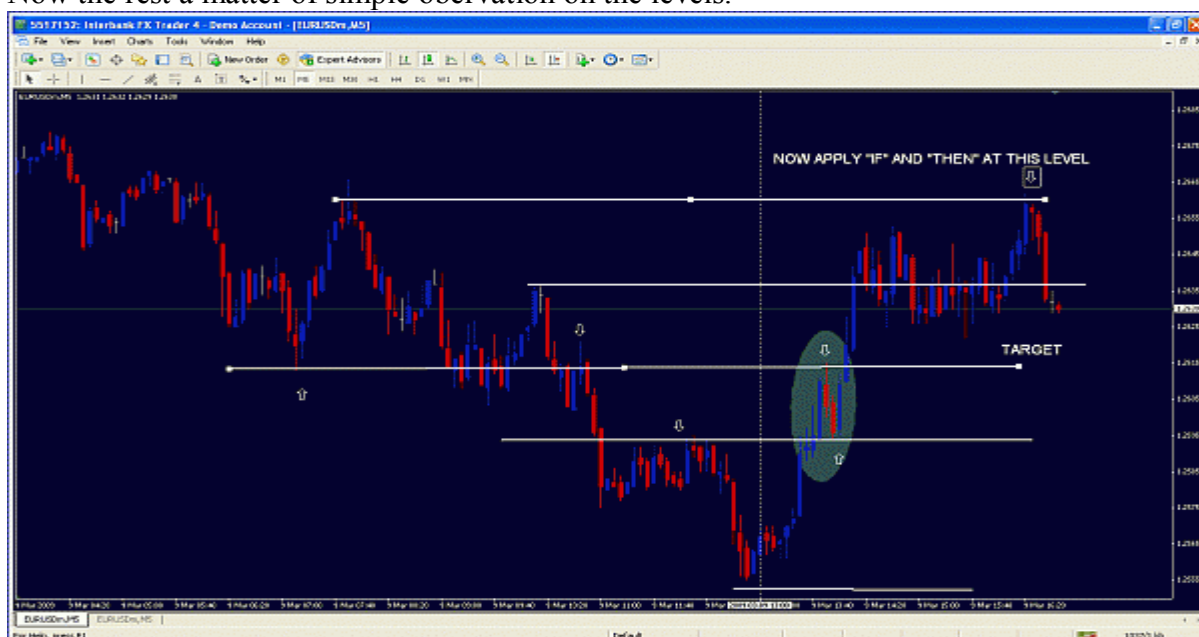
Remember, we're still looking to go long. Just imagine anything after the elipse hasn't happened yet.



feb2865

Mar 9, 2009 19:48

Now the rest a matter of simple observation on the levels.



feb2865

Mar 9, 2009 19:51

Quote:

Originally Posted by **MJurban** [✉](#)

i took this short and closed with 17 pips. To early? Should one better trail the SL. The PA looks like crab at the moment.

Is thats what u teaching here Feb or is it against it?

I made an observation based on futures. But there's no need to go farther beyond the charts. I tend to look at futures but is just my thing, not necessary for trading the spot.

feb2865

Mar 9, 2009 19:57

You can trail your stop at x distance form the levels. Then move it to B/E after x amount of pips.

Like, for instance, you have a stop loss of 20 pips. The distance from entry to the level is 40 pips . You can trail your stop @ breakeven + spread when the market has moved 20 pips. Then you have a free ride all the way to 40 pips . 2:1 R/R sweet ride. This is just an example, of course not all trades are going to be smooth, you know.

feb2865

Mar 9, 2009 20:16

1 Attachment(s)

A level will hold or fail. You job is to be prepared for both - remember - "if" and "then".

Look at the charts.



feb2865

Mar 9, 2009 20:57


1 Attachment(s)
New Dvelopment.



feb2865

Mar 9, 2009 21:13

Quote:

Originally Posted by **wp3vv** 
Feb.

I know you have mentioned somewhere that you look at the futures to trade stocks in the past. It is advisable to look at Futures volume to trade cash?

Thanks.

short answer - no.

feb2865

Mar 9, 2009 21:55

1 Attachment(s)

Look at the choppy area - not a clear winner.

A level is formed after a move - a clear one. In my view the level coming from London session stands. In order (my opinion) for a level to be valid, has for form V shape - fractal. If not, you'll get chopiness.

Look at the last two arrows.



feb2865

Mar 9, 2009 22:27

Quote:

Originally Posted by **fxachilies** [➤](#)

Feb,

Thanks for the explanation. is it valid to trade if the london session level was broken for long?

If you're talking about the choppy area - yes. But remember, you had a previous long. Just remember - we don't know the outcome of the trade. Anything can happen. Just make sure you have plan A, B ,C and if possible D. Don't let the market drag you down. You call the shots, not the market.

If it happens that you fall into choppyland - it's pertty much a judgment call. I (very subjective, from a scalper's point of view) will probably bail out.

feb2865

Mar 9, 2009 22:32

New Development

1 Attachment(s)

a level was broken.



feb2865

Mar 9, 2009 22:45

New Development

1 Attachment(s)

A drop - and level holding on the downside.



1 Attachment(s)

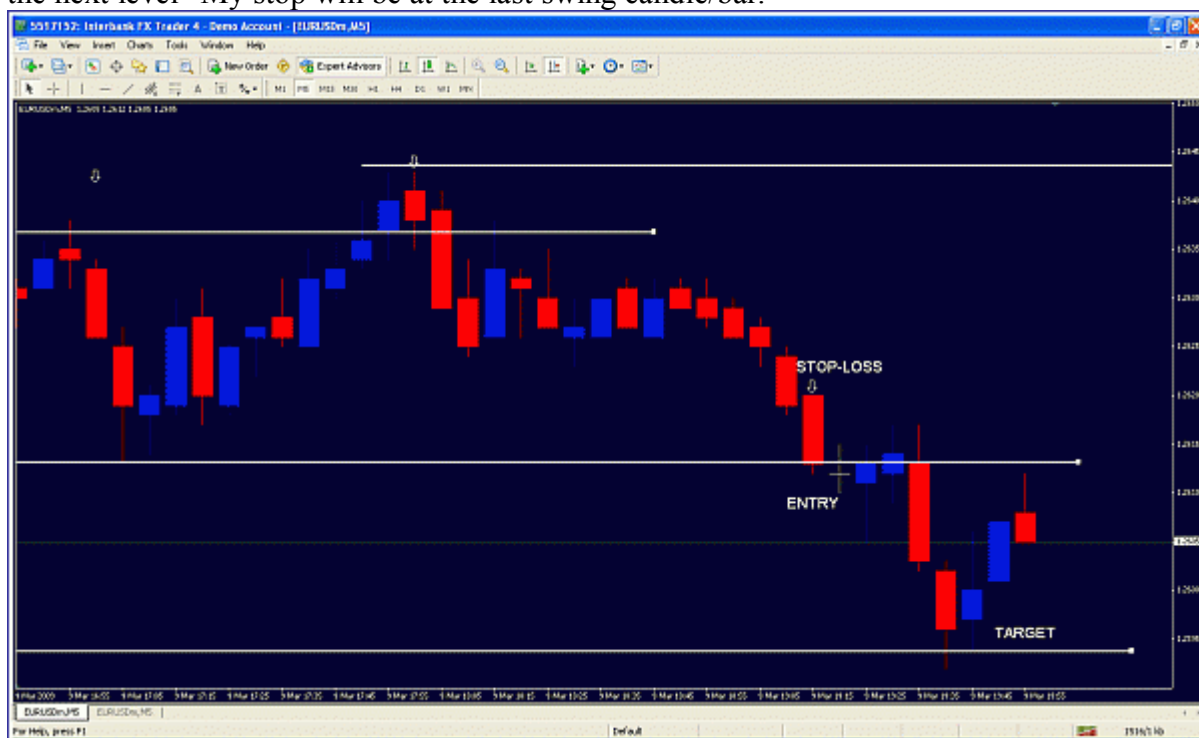
In the last development , here's how you should play that out.

"If the market breaks that level, then I'll be short and my stop loss will be at the last swing candle/bar"

Target/scale out, exit etc. will be at the next level.

BUT

"If the market stop my trade (or I bail out), Then I'll be looking to go long with a target/scale out/exit etc. at the next level" My stop will be at the last swing candle/bar.



Quote:

Originally Posted by **MJurban**

*i took this short before going to sleep.its on demoaccount cause i was to tired to babysit the trade.
this is 1:1 R/R, but watching the trade, a trailing SL would be better:*

1. SL to B/E 1,2610
2. SL to 1.2600 the so called sweetpoint
3. SL to 2,2580 the next sweetpoint



That sounds like a plan. Please, be careful not to confuse it with the all-so venerable sweetpoints 00 - 25 - 50 -etc - Hocus Pocus in my opinion.

feb2865

Mar 10, 2009 5:20

Quote:

Originally Posted by **bpenbert** >

Hi,

I'm new and I really like this system, how do you know if a pullback is actually just a pullback and not going to be a reversal? If the pullback is more than 50%, do you sit back and wait and see? Do you get in on the next candle going in your direction after 40 - 50%? And finally do you always trail your stop? I find that on the 5 minute TF, that a trailing stop of 20 pips isn't worth it when the pair only fluctuates about 100 pips a day anyways, maybe set a target of 30 to 40 pips with a TS, or just go for the same amount of pips that the...

Thanks my friend.

The pullback is just a guide. The most important thing is how you're going to play your trade at the breakout. If you read the last part of this thread, somehow, I am pulling myself off the original post (s) as I am more interested in teach traders how to read the market. I thought about opening up a new thread but I decided to keep this one as I am not that far from the original idea.

I also made the mistake of bringing up my mentality of a hyper - high frequency trader. That's why I am so aggressive with stops. I believe for this slow (for me) time frames, we should give the stops some room.

Here's a good guide for trade management that applies very good to this "system" Please look at post #974.

feb2865

Mar 10, 2009 5:25

Quote:

Originally Posted by **MJurban** >

ure right , one really dont need those points cause if they are important, they would be automaticly market by the highs and lows - the fractals -

what do u think about formations like here in the pic the 1-2-3 Low .

And in generel, is it helpfull to watch candle formations like hammers and stars?

The candle formation at the bottom line gives a much earlier etry then the 1-2-3 formation



Trading on 1-2-3 formation is completely valid. Or you can play both sides of the breakout. Remember, there's not just one way to skin the cat.

feb2865

Mar 10, 2009 5:41

Quote:

Originally Posted by **MJurban** [👤](#)

ure right , one really dont need those points cause if they are important, they would be automaticly market by the highs and lows - the fractals -

what do u think about formations like here in the pic the 1-2-3 Low .

And in generel, is it helpfull to watch candle formations like hammers and stars?

The candle formation at the bottom line gives a much earlier etry then the 1-2-3 formation

I am sorry, didn't reply to your post completely.

I don't beleive in candle formations. I have candles on the charts because they look pretty. But that's my own--super biased opinion.

feb2865

Mar 10, 2009 5:59

1 Attachment(s)

This is probably the most important chart of the day. I promise, I will let you guys be tonight, LOL



feb2865

Mar 10, 2009 15:21

Quote:

Originally Posted by [acetrader](#) ➤

Hi FEB,

*I realize from this post that you are not that keen on the logical levels (00-50), or sweet spots as they are sometimes called, but I have noticed that @ times the S&R Levels can be found near the 00-50 levels. Now when this is seen (the S&R Levels nearby logical levels) would this not have some significance? There are times I have seen PRICE stall & reverse @ the logical levels, but I do see **S&R Levels as being the way to go without the Logical Levels. S&R can stand alone & works well.***

Do you see any value in the logical...

When I got into be an independent floor trader, my "strategy" was very simple - to follow the leader. It was not use to compete against the Morgan's and the Merrill's . No Way. But I had a big problem - I became too technical. I began to analyze too much. In the process, I was inconsistent in my trading.

It's unexcusable as I've been in both sides of the fence. So I decided to strip my head off this crap and simply trade as if I was still working with them.

Despite their current liquid situations, banks still comprises a huge chunk of the trading activities across the board. Futures, bonds, stocks, forex, etc. They're everywhere. I assure you, they're watching these levels like a hawk. If you could only see the huge volume formed on these levels, you will probably have a better idea. Of course, that's never going to happen. The interbank market will always keep this card hiding from the rest of us.

Sweetspots in my opinion have been a little bit worshiped among traders. I don't like to worship or double check or confirm stuff, it takes me to second guessing on my trading. . Besides, I like my trading as simple as possible.

I don't see the interbank giving a lot of weight on sweetspots, at least in forex . In my opinion will be nice to use certain number as a reference.

In my opinion, sweetspots do work very often in the stock market.

BUT

If you find out sweetspots works for you consistently, by all means, go for it.
Maybe down the road , sweetspots are the way to go, everything can change.

This is a definition of pivotal points (not to be confused with pivot points) from the great Jesse Livermore.

"in a market or a stock. Basically, they were: (1) Price levels at which the stock or market reversed course previously--in other words, previous major tops or bottoms"

feb2865

Mar 10, 2009 18:45

Quote:

Originally Posted by **fxachilies** 

Hi Feb,

*based on your experience what is the winning percentage on high probability trade (break of h/h) number wise what are we looking at?
thx.*

Honestly, I don't have statistics for that. But I'll give you my humble advice - don't dwell too much on statistics. Think about this: Whenever you trade, your profit must always be higher than your risk. I should say the least you should be willing to accept is 1:1, under very specific circumstances.

I test the market many times, meaning - during the course of a trading day I place many trades, trying to catch up a runner. If you see my P/L I lose probably 6 out of 10 trades, sometimes more. But when I get the runner, it usually offsets the losses.

Losing is part of my secret agenda . But keep my secret safe please, don't tell anyone. LOL.

feb2865

Mar 10, 2009 21:36

Quote:

Originally Posted by **pwrlexus** 

Hi feb,

I have the following question: are support or resistance levels we used yesterday still actual, when the price passed through all today's levels, should we take into consideration yesterday's levels?

Thanks.

I like to use London's session levels and drag them onto NY session. Also I'm watchful with new levels formed during NY session. After NY session, I like to re-calculate, unless you trade on Asia session, you might use the levels from the past session.

feb2865

Mar 10, 2009 21:41

Quote:

Originally Posted by **fxachilies** 

*Feb,
well said and appreciate your advise.
I have always been dulling on securing the profit let the target to be hit or play the runner game, that's the reason i look for statistics, if it is a favorable one then i can let my sl and tp be untouched and let the probability game play its roll out and go for 7 out of 10 end up winning. (i keep my risk 1:1, 30/30 rule)
i know you have already given me an answer but i'll appreciate a little more input and word of wisdom from your well appreciated market experience, so i can be clear once for all and choose...*

I strongly suggest you re-evaluate that. In my humble opinion, you must have some sort of trade management in place to stack odds better. If you let the market call the shots for you then you're going to have difficulties on your bottom line. I am very aggressive with my stops. But for the idea of this thread, you must have some sort of balance - read post#974.

feb2865

Mar 11, 2009 14:59

[quote=fxachilies;2594613]Hi Feb,

I hope your doing great, Thank you so much for all your help and generosity.

I have couple of a questions if you don't mind.

when we have a clear swing and a pullback (shallow) then its easy to see it and trade on break of H/H. but when pullback goes into price stall, forms couple of V shapes, looks like a chop then we set up levels (correct me if i am wrong).

My question is do you trade off the break of either side or only towards the initial swing? If you do trade the opposite side what do you based on since we did not have a really clear swing?

Thx.[/quote]

I need to see a clear swing. If you see some smaller V-Shapes after a swing, then I will wait for the original levels (formed from the original swing) to trade. I'll trade the other side of the swing if the first one fails, which normally forms a second swing.

feb2865

Mar 11, 2009 15:07

Quote:

Originally Posted by **jgadefelth** 

Hi! Feb everything's looks so easy on your pictures then im lost when im start too look at a chart in real time one of my biggest problem is to see a trend before it has change do you have a little trick the higher high and higher lows are for little bigger trends maybe but how do you spot a minor trend to be able to

trade correction from ?

best regards

Read post #996 and then go back and read from post #917 onwards. Take your time and please make sure you understand the reasons for the change.

Take your time, don't; rush it up.

feb2865

Mar 11, 2009 18:36

Quote:

Originally Posted by **fxachilies** >

Hi Feb,

this is a example of u/c that i was wondering how would you play it out.

thanks. 📊



The first breakout.

Please see post #996.

feb2865

Mar 11, 2009 19:41

Quote:

Originally Posted by **acetrader** >

FEB,

When I see a test of a S&R level I get interested, but usually will wait for the second test of that level to see if a rejection will occur, or if penetration of the level happens. This @ times seems to be a doubled edge

sword as I will miss some nice moves, but @ times it has kept me on the right side of a move. An example has just occurred on the E/\$ 5M chart where the 1.2596 level had been tested as resistance four times & now PRICE is moving down from those rejections. I have taken two short trades from the rejections each time & both gained pips. I know what is working for me, but I would greatly appreciate your valued views on this.

Just trying to learn.

I think your point is valid. Levels are not there to be hold forever. The market will either bounce off or break out. Your job is to be on the right side of the trade.

feb2865

Mar 11, 2009 19:45

Quote:

Originally Posted by **jgadefelth** ➤

feb its about support and resistance and false breakout from congestions , but what about trend ?

best regards

I don't follow the trend on small time frames like 5 minutes. I play the levels.

In my opinion, for a trend to be valid, data /tick/# of trades should be accumulated long enough for the rest of the market to validate the trend (if it gets validated at all). You might see that on higher time frames.

Here on 5 minutes, your trading in the middle of the storm.

feb2865

Mar 11, 2009 19:53

1 Attachment(s)

Currently watching support.



feb2865

Mar 11, 2009 20:19

1 Attachment(s)
WHAT?



feb2865

Mar 11, 2009 20:22

Quote:

Originally Posted by **acetrader** [➤](#)
FEB,

Tks for that response & your latest chart is what I am watching as well.

*I really like your comment.. "**Trading In The Middle Of The Storm**".*

How very true that is on the 5M time frame, but it offers some nice opportunities along the way if one is correctly positioned.

Good Trades & Good Karma To You My Friend.

I will always be happy to help you .

Cost of tutoring - \$00.000.

Included on package - blessings and best wishes to you and your family.

feb2865

Mar 11, 2009 20:26

Quote:

Originally Posted by **fxachilies**

Hi Feb,

the new area line that you just draw. do you take a short trade off that or still wait for the break of orinal sup/level?

 thx

The new area was just a warning light. I noticed that the market was rejecting that particular area and I was on the lookout, just in case. I was looking for a bounce off that area, specifically. Didn't happen . As you see the market, went back to the original support.

This is why i put a ? at the end.

feb2865

Mar 11, 2009 20:34

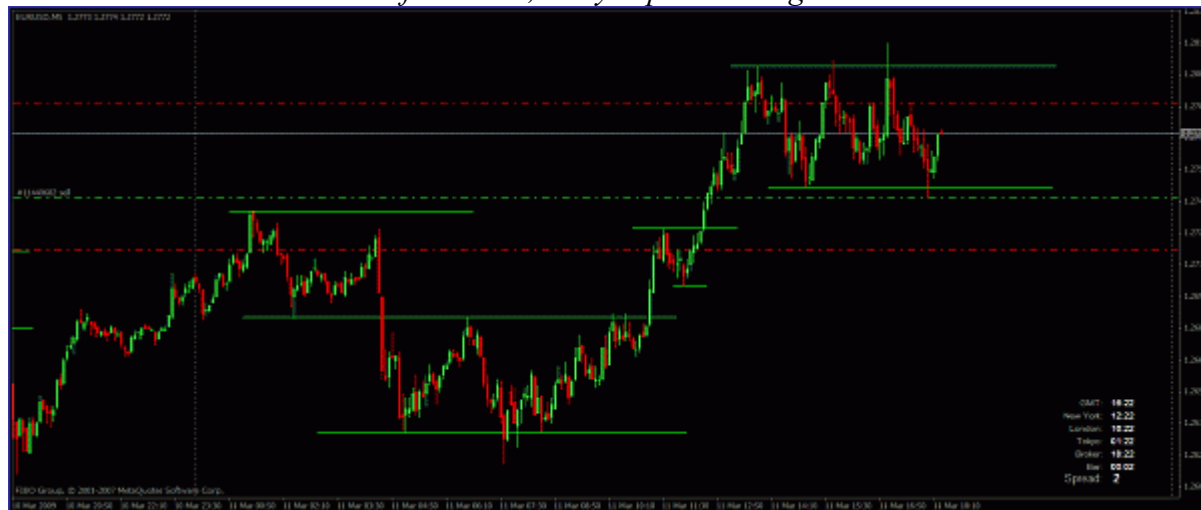
1 Attachment(s)

Quote:

Originally Posted by **fxachilies**

Feb,

I took this trade on the break of the level, is my sl positioned good?



Yep a little wide. You should have place your stop at the last higher bar.



feb2865

Mar 11, 2009 20:35

The market is drying up across the board, folks.

Not a clear winner, for now.

feb2865

Mar 11, 2009 22:16

1 Attachment(s)

Looks like a ping pong match.



feb2865

Mar 11, 2009 22:21

There must be a clown in a suit talking today - this market smells like fundamentally moved.

feb2865

Mar 11, 2009 22:45

Quote:

Originally Posted by **fxachilies** >

*feb,
is there anyway we can protect ourselves from situation such as this (ping pong), 3 false break outs, any solution in term of not getting involve in each one of them or take everyone of them but manage the trade well for lesser loss.*

Thx

The only way is to have a daily loss limit. Like, if I lose x times in a row, I am out for the day. In terms of preventing a day like this , unfortunately no. About trade management, you should know ahead of time what to do in days like this.

feb2865

Mar 12, 2009 1:26

Quote:

Originally Posted by **MJurban** >

hi,
i missed some good trades early in the morning and then i had to go downtown with my wife. (i had promised her yesterday)

So i just came home and for a practise and to have a feeling what can be done i traded the Tuesday with the simulator.

Thats not live trading but a good practise. i realy was surprised , i dint not expect such an outcome.

I dit some useless and maybe stupid trades, and a couple of smal stoplosses.

As MM i closed 50% when more the 10 pips in profit and the candles was becoming smaler.

a look at the equity curve



That's very interesting. Just remember this are the results of 1 trading day. I can see, you're getting the hang of it - that's good. The levels on the charts are well defined.

feb2865

Mar 12, 2009 14:15

Hi Feb, I'm glad I had some pages to read again on my favorite thread, very interesting and amusing.

I have a couple of questions:

I understand that when you are trading the noise (5min) you only look for recent sup/res levels, just on the 5min chart?

5 minutes charts are universally acclaimed by various markets. when you the the hang of it, don't look like noise anymore. I like E/U on 5 minutes because the range is pretty much stable. I only care about the levels on the TF I'm trading.

I ask you that as I'm used to scale down from higher TF drawing lines, TL and fibs, but I can see a point in recent level as we are trading noise and I remember you saying to stick to the TF we trade, I guess I might be over-analyzing as you mentioned you have been in the trading floor.

Definitely over-analyzing. No need to do that otherwise will take you to second-guessing.

Then, do you ever enter on the touch of a level? example in chart posted at #986 #987, where you have some arrows drawn on the levels, would you have entered the touch, in direction of the arrows, or wait for a failure? in the second instance, would you look at the close of a candle, like a price failure to stay on the other side or a tail to confirm a failure or is it something else?

Ok. You can play the game as a contrarian (against the level) as a breakout or both. All of them are valid. Always at the close of the candle. Let the market show his hands. Make sure you have a plan A,B,C and if possible D in case you fail.

Thanks again for your help 🙏

feb2865

Mar 12, 2009 15:04

Quote:

Originally Posted by **MJurban** ➤

hello Feb,

what about diagonal trendlines, do you use them at all?your trading?




Sorry MJ . I don't use them. I don't like them either.

feb2865

Mar 12, 2009 16:31

Quote:

Originally Posted by **fxachilies** 

222 pip 5min candel after level break out, stunning.

I had a order on the both side of the level, it payed off for yesterdays loss.

Thats the runner you were telling me the other feb. lol

Thank you Feb.




wow! nice runner you got there!

feb2865

Mar 12, 2009 16:34

Quote:

Originally Posted by **fxachilies** 

Hi Feb,

you mentioned on post 1057 that you wait for the candel to close on the breakout levels, if we are placing orders 2-3 ticks how can that be possible, and if we do wait for the candel to close it may be late entry sometimes?


thx

Sometimes you have time for a stop order, and sometimes you have no choice but to go market. As long as you don't miss the bus.....

feb2865

Mar 12, 2009 17:09

Quote:

Originally Posted by **fxachilies** 

Feb,

Thanks to you for all your recent help, you have so far completely changed my view of the market and learning so much from you, I am trading naked and got rid of all my indicators.

Now,

I understand the point about not missing the bus and thats why i put orders on both side of the levels, but what i want to know now, should i be keep doing that or not put the order and wait for the candel to close then manually get into the trade?...

1) - if you're going to bracket trading , I strongly suggest a OCO order - I believe you guys have an EA on OCO's or something. OCO - One Cancels the Other. The OCO's will save you from unwanted spikes, especially if the bracket is within a close range.

2) It's a trade off . But many times you'll be able to get on board in time.

If you're using MT4, there's an expert advisor for that. I am sorry, not very knowledgeable on metatrader. Maybe around here on programming discussion you could find it.

OCO will cancel one of the pending orders in case the other is filled.

feb2865

Mar 12, 2009 17:46

Quote:

Originally Posted by **fxachilies** ➤

Feb,

*when news has such huge impact on the price howmuch time do you give it to settle the dust so you can trade again under normall market? as you see after the news couple of levels was broken when do you get in? I was debating to go short on the last level break out but i didn't?
and are my levels drawn correctly?*

Thank you.



Some of you (like MJurban) have posted charts with nice lines on the charts. Are you using an EA in metatrader to draw those lines and if so, is it available for download somewhere. Thanks much!

feb2865

Mar 12, 2009 20:30

Originally Posted by wp3vv 
Feb.

Thanks.

Time frames. Alright.

The whole idea of a chart is to organize the data in a logical way. Otherwise you'll have a bunch of ticks going up and down. Timeframe is just a way to put a time limit on the data accumulation. Could be a time limit , # of ticks, range, volume etc. The most common is time.

Daily chart - Every bar will open and close at the end of the day

4 hr charts - Every Bar will open and close every 4 hrs.

The list goes on.

Some people say - "You trade on 4hr charts on the direction of the daily chart." I've seen that a lot and you might be on that wagon.

As a trader, honestly you don't need that. If you look closely at 5 minutes charts (or any time frame), you'll see all kind of levels available for traders to be taken. Don't need to go to a higher time frame, all the data you need is right there.

BUT

Its' a matter of preference.

If you don't want to be glued at the screen or have a 9-5 job , like to take things slow, don't mind sleep at night knowing that your ass is on the line, then consider a higher time frame. **But do yourself a favor, pick one (1) and become a master of it.**

If you like your money fast, can't sleep at night knowing you have money at risk, comfortable with quicker action and have all the time in the world for trading, then a lower time frame is for you.

A higher time frame accumulates data more, therefore a move or change of sentiment normally holds more. Stops and targets are wider.

A lower time frame normally has less data, therefore a move or change of hearts holds shorter. Stops and targets are shorter.

You need to decide what's more convenient..**for you!**

Second guessing is a big responsible on why people aren't consistent on this business. I stay away on everything that goes like "when you see x turning green, y turning red and z blinking, then you trade"

The problem lies on "how many times z needs to blink? or...why if z stops blinking after I trade....the list goes on.

"When the 1 hour, 1/2 hour, 15 minutes and 5 minutes are in agreement, after x, y and z spits a signal, I trade....oh please!

Make your life easy!

"**If** the market closes above/below this level, **then** I'll be short/long.

My stop-loss will be at (x) level , which is the last swing high/low and my level of risk is acceptable. If not, then I will adjust my load . After x amount of pips, I will trail my stop to B/E(plus the landlord's fee) and I will try to shoot for anything greater than my initial risk"

"**If** I get stopped/bail out etc, **then** I'll be looking at the other way (long/short). My stop-loss will be at (x) level , which is the last swing high/low and my level of risk is acceptable. If not, then I will adjust my load . After x amount of pips, I will trail my stop to B/E(plus the landlord's fee) and I will try to shoot for anything greater than my initial risk"

ALL IN ONE CHART.

Hope it helps.

feb2865

Mar 16, 2009 23:40

Quote:

Originally Posted by **MJurban** 

thanks for the journal.

I will read and watch it but not post there cause i think best for System II users is to continue posting here. From your journal i would likd to learn your exit strategies cause a have no problems with the entry but with exits.

so thanks again for the good work youre doing here, helping other traders !

Exits - I use R:R Ratio or the next level. I'll shoot for R:R but if I see the market stalling on a level , I might consider out. All depends.

feb2865

Mar 17, 2009 11:29

Quote:

Originally Posted by **MJurban** 

Hello

i have a question:

When starting trading session, do you take every new LEVEL or is there some kind of a rule not to take each and every hickup if there is no clear trend

in the Picture i show the first 5 trades from yesterday start GMT 00:00 on demoaccount with the simulator. I missed the very first breakout what would have been a good trade in the hintside but after that i tried to pic up every new level.

What do you think, is there to much action in this kind of trading?

too many trades or is it OK to trade each new High/Low?



only clearly defined levels. But I have an eye on the hiccups.

Instead of trend, think better on swings. But don't attach yourself to any particular bias (long/short) on five minutes is irrelevant.

Taking Chances

1 Attachment(s)

Guys

All you do in trading is taking a chance based on possible outcomes. Some people are confused in trading the breakout or the bounce. It's all up to you.

You can be simply a breakout trader. That's fine and profitable.

You can be a contrarian trader. If you have your R:R in check, although looks risky, in reality is not.

Or you can trade both sides of the coin.

Sometimes, the market blasts off a level, leaving you in the dust. That's alright. There will be another bus. Make sure the market show his hands before placing a trade. Some people like to be the first in line to make a move. I do that for scalping and it works but that's another animal. In a slower time frame(5 minutes), sometimes could play against you. If you still wanna go that route, then I advice to have your finger ready for the trigger. Also be prepared for a sudden volatility against your position.

The trick is to minimize risk all the way. Fake outs are impossible to handle. The only way is let the market make his move. Just wait for the bar to close.

Here's a chart of a fake out. Look at the circled area.



Levels

1 Attachment(s)

Don't dwell too much about this all-so venerable definition of support and resistance on the market has to test x amount of times to be valid blah blah blah crap!.

Although in theory is true, the market will do whatever. I look at a formation called *fractals*.

Fractals is another generic term that guru's don't get finally into agreement (like many of their stuff). As I am a practical guy, suffice to know that levels (created by fractals) are simply changes on sentiment based on hindsight. Then we use this information as a reference for the future. Looks like V- formations. Yes the market could test an area many times. Just don't fall into creating a new hidden cult on that.

Check the circled areas on the charts, please.

Thanks



Sorry guys, I just took the day off. I didn't like what I saw this morning on the market and I had a pile of personal stuff to do. I finally got to drive my truck and oh boy! so much stuff behind it's unbelievable!

About fractals - just take the one you can see a well defined V-Formation. The fractals are the one's who actually form the levels. Don't consider any hiccup a fractal. Don't dwell into this all-so-deep definitions and systems outthere. The info you'll find on the net is mostly useless, very much biased.

feb2865

Mar 19, 2009 2:39

Quote:

Originally Posted by **bpenbert** 

Hi Feb,

I wish I'd heard about the news thing, that got me big time, I had my account at 106K, and got margined out and lost 55K. I thought that I was bullet proof and just let price decline (E/U and A/U) and of course they went the other way big time. It is an extremely hard lesson to learn, but I will now ALWAYS USE STOPS!

My question is; where do you get your news and when do you stop trading? I'm wondering since you avoid these major moves and I always seem to hit them, or they seem to hit me.

One last question do you use fractals in your...

I use econoday calendar. As to when do I stop trading, I think that comes from all screw-ups I had in 28 years LOL. You just get a "feel" of what's going on.

My health is improving. I still use a cane but at least the doc let me drive. Thanks for asking my friend!

feb2865

Apr 30, 2009 22:28

1 Attachment(s)

Quote:

Originally Posted by **tane11** 

Hey [fxachilies](#) can you post that indicator which shows all the different trading sessions. I tried to find it by search but no luck.

try this one

[Trading Session vLines.mq4](#)

feb2865

May 4, 2009 8:09

Guys

Don't matter how you put it, your main goal as a trader is to build equity over time. Doesn't matter how you trade, that's the end of the road. Wining or losing should be just like another day/another dollar. That's it. Trading is not "exciting" or "glamorous" is just a way you make a living.

Some of you are still struggling with losing. That's understandable, no problem. In trading, you need to practice, **with real money**, over and over until you just wake up every morning and do it like a drunken zombie. If you trade NY on EST.

Take it slow. Don't quit. Just practice long enough until you develop a "sense" of the market. Learning this craft takes time, patience, energy and is time consuming. But your effort will be compensated. The real losers are the one's who quit.

You don't "avoid" losing... You deal with it in a very natural way. Emotionless? No baby, you'll fell the

pain from time to time. That's why you need to keep pushing the buy/sell button constantly, every day...every week...every month..

The concept of trading feels somehow awkward when you're starting. Let me give you some "samples" (I enjoy screwing up the Shakespeare language sometimes).

You crank up the car in the morning, Pull off the driveway. But in the middle of the freeway, you hear this BAM!...o shit, you get a flat...So here's the thing...you probably feel like the whole world is crumbling down....have you ever experience that?

You sit down on your brand new lazy boy recliner...oh yeah what a comfort level you have brother!!! What is the next thing you look...ah yeah baby the remote...this magical wand with omni power is so efficient you just crowned the new artificial king of the house. Ah! it feels like the remote is an extension of your arm, ain't right? Then. you push your beloved clicker and...NOTHING HAPPENS!!

So you do all kind of crazy stuff from throwing you "king" on the floor or, you send some "blessings" to the mother of whomever invented this damm thing. After all it's been like 5 years since you replace the batteries.....oh boy so you thing they last forever?...again the whole world crumbles on you.

That's the mentality we bring up to trading. We believe we must win all the trades to look for consistency. Nobody likes to be labeled a loser...right?

You lose. Sometimes once, and the "tendency" is for you to "improve" the "system"...oh well I have news for you, that's an easy way to deplete your account probably sooner than you think.

It's very important for you as a trader to gain experience thru practice. Will be nice if with all certainty I could tell you "buy when x cross y" unfortunately won't work here.

The system I and II are threads based on irony.. After all there's no system....the market won't care about any "system"

This is just a blueprint for you guys to follow. You're taking a chance on the ebbs and flows of the market – fractals etc. They won't work all the time, but they delivers a high chance of catching the wave just in time.

Screw how many pips you make here and there...that's bullshit. Use REAL figures...dollars and cents. You're not getting paid on pips. Use money management based on risk and reward and throw REAL MONEY on the table.

What do you know? You can trade on cents if you want.

Going back to the beginning of this post, any way you trade, any time frame, any method, the road ends on equity. Don't dwell on the day-by-day battle. Look this on long perspective. I get paid every month, when I am trading. That's a good mark.

Good karma to all of you.

I am watching you guys. Still feel a lil' woozy but it's all part of the package. St. Peter kicked me out from the pearly gates....Again.

Keep on truckin'...if your setup fails for whatever reason. a solution is quite simple: **lick your wounds, stand up and keep moving or the next guy will roll you over!!!**

And don't spend much time licking your wounds, the market won't care for ya!!

The next setup..and the next setup...and the next setup...all will become a routine in your life, that's what we're looking for..

Plenty of setups available for the taking! By now I hope you have realized that. Some of them work, some of them won't. Anyway, probability is on your side. Think about it.

feb2865

May 7, 2009 6:52

Quote:

Originally Posted by **denverdude** [➤](#)

From feb (post #42)

if the pullback goes deeper pass the middle of the swing high/low, there's a possibility of a weak comeback or either a change of direction.

This is where some discretion might come into play. Or may be the amount of time one spent watching M5 charts during live trading.

If you're not comfortable, then let those trades where pullbacks have gone beyond the 50% level or reduce your lot size/take profits quickly on such trades.

Hope this helps.

Couldn't say better myself. Excellent explanation.

Listen guys, if you read some of my posts, I am very passionate about not worshiping anything on the charts. The 50% fibo line is just a head warning in case the pullback goes beyond. It's up to you to take the trade of not. Might work..who knows?

Manage your trades on the load(s). If the pullback is deep, just reduce your load an shoot! bam!..or let it go.

Just ask yourself, during the course of a month how many setups were available?? ah??...oh yeah, I know...

The only science you will ever have on this game is 1-2-3 BAM! Stops/Targets...that's it.

The rest is an ART....a craft you must develop every day, in case you wanna be a daytrader, or simple whatever time leisure your choose.

The art of trading consists of how well and fast you can spot a setup and act upon without hesitation.. If the setup fails, then you're on the lookout for the next one....and the next one...and the next one...and the next one..over and over until risk/reward permits.

Attitude is one of the best weapons you will ever have. Be arrogant..yeah!! The market is infamous for screwing sissies!

Once you have all the risk in check, your job is to TRADE!!. You need to pull the damm trigger!! This is 5 minutes/144 ticks charts. No time to double -guessing!!! Is FAST and you need to be there when opportunity knocks.

I had a heated argument with a guy around 20 years ago ,actually he's my buddy now, about the market. Here's the deal: He was so anal about the randomness of the market, that the market is a loser's game, that the market is a controlled chaos, etc etc etc...I said "ok, while you're busy trying to make sense out of the market, I am busy milking the cow to the point of bleed"

Stop trying to make sense out of the market!! That will give ya! analysis-paralysis....Don't over-analyze things...it's time to ACT...NOW!!

Here's a little list , easy to follow.

1) Risk assessment on the trade....ok

2) Load/stops and targets identified by your setup....ok

3) Stops and targets placed....ok

#3 is FAST FAST FAST...DON'T MISS THE BUS...EVEN IF YOU HAVE TO GO MARKET!!!!

#2 Do me a favor please...if is not there don't force it. You either have a setup or not. Sitting in your hands trading wise is good. Trust me.

That's pretty much the end of your "technical (anal)ysis"

I am going to talk or maybe refresh, not sure, some stuff about exit(s) in my next post.

Please allow me to catch my breath, not as fast as I was but getting there.

I will be checking this thread every night (late). There's also a very capable breed of excellent traders in this thread. You have no idea how happy you guys make me feel.

Oh I almost forget...stop counting pips/ticks and start counting ca\$h... Pips/ticks is just a way to know how loaded you're gonna go on a trade, at least is how I do.

feb2865

May 8, 2009 16:50

1 Attachment(s)

Something to think about



More than "buy on x and sell on z" let the market show it's hands. Learn how to read it.

The market is a bitch we all know that. Sometimes it lies but when we get it, oh yeah!!! we get it good.

feb2865

May 8, 2009 17:17

I believe I mentioned this before, if I did, my apologies.

Wild swing on news are normally artificial. A lot of traders are placing orders in various markets, thus creating a big "wave" altogether. In spot forex, that move is crafted by the banks...Is their game. This is why the broker pushes their spreads fast n' high, 'cause banks are refusing to honor those swings.

Don't blame it on the messenger.....blame it on the source.

But (always a "but" in everything huh!?)

Somebody has to take the other side of the swing...don't you think??

Like I said before, not an exact science...more like an art...it works pretty often.

feb2865

May 8, 2009 17:40

Quote:

Originally Posted by **moneda** ➤

Feb,

Nice to see you back on the saddle! 😊

Your observation is looking gooooood!

Take care,

Thank you moneda!!

I was just looking...hopefully I'll be back to full trading on Monday.

To all of you guys, keep the good work. I wish you all the best!!

Good Karma and blessings to all of you...!!

I'll stick around for a little more.

feb2865

May 8, 2009 18:44

Quote:

Originally Posted by **bphone** 

hi

first, sorry for my english.

may i do same on 4h chart?

And:

thank you feb for open my eyes (billive for others to).

Others:

you are doing graet job that keep this thread alive!

I won't recommend this style of trading on 4hr charts. It's another trade management..another animal.

Well, guys have a nice weekend...see ya on monday hopefully

Good Karma!.

feb2865

May 11, 2009 11:53

Quote:

Originally Posted by **wp3vv** 

Feb, welcome back! I sincerely hope you have a speedy recovery.

You said a couple of times something about testing the market. I would like to know, if you can elaborate more about it. In fact I know you're scalper. But if there's a way you can go deep into that testing phase. Of course, without compromising anything you would like to keep proprietary.

Thanks.

Thanks for your good wishes.

I was thinking last night about your question and you might be referring to post #495. Low hit ratio. I've been asked this, several times , privately. I understand your inquiry.

Low hit ratio goes hand in hand as I "test" the market many times. If you see my "trading sheet" you could label my trading as a "failure", of course, just looking at the # of losing vs. winning trades and not looking at the end of the P&L..


As I have many people interested on this subject, I will move it out of here, into a new thread. By no reason I will invalidate any of the threads I have already open, this new thread will address specifically this "test" thingy.


Stay tuned.

feb2865

May 11, 2009 12:23

Quote:

Originally Posted by **AceOfTrades** 

choppy day, -7 +5 -7 

Shake it off and keep running, soldier. You're not done yet.


feb2865

May 11, 2009 15:25

Quote:

Originally Posted by **moneda** 

Hello,

I just thought of this analogy while I sit on my hands... (Feb please set me straight if you think that I've lost it!)  Think of yourself as a hound dog.... candlesticks are like footprints in this vast forest... they show you the direction that your prey has taken but that can change at any moment..... The chop monster is like a bunch of footprints that lead to nowhere until they take a direction again.

ruff...ruff...ruff..!

Couldn't say better myself brother!!!

feb2865

May 12, 2009 15:17

Remember = trade balance @8:30...big guns are looking at it...big time. Be careful.

feb2865

May 12, 2009 15:34

Quote:

Originally Posted by **Ogna** 

Sorry for being a big noob but what is trade balance ?? lol

U.S balance of imports/exports. The big guns are looking at this number to gauge the economy overall. Kinda stupid in my opinion as the economy is comprise of many sectors...oh well, we can't fight them. I think the number is gonna come out good..

feb2865

May 12, 2009 16:08

Quote:

Originally Posted by **ming0168** 

Feb:

what makes you think E/U south "after the dust settles"? Thanks,

- Ming

Experience.....a repetitive pattern. "You have to be there if opportunity knocks"

Many years of doing the same....eventually you get the hang of it.....Nothing mysterious or hidden. Just practice. This can't be taught in a forex crash course.

News are definitely an artificial wave across the board. It's artificial 'cause traders and institutions are pushing many markets at once. Markets they don't normally trade. When the dust settles, somebody has to take the other side of the swing. This is where I trade. The "locals" of every market will push the market to the other side, trying to catch a contrarian move, for quick profits, thus creating a wave.

This is what I do in a nutshell, of course there's some tricks I can't tell 'cause I really don't know how to put it on writing.

is this behavior a sure thing? no..... but, more often than not it will happen.

hope it helps.

feb2865

May 13, 2009 14:41

Guys, I suggest sit on your hands until pass 8:30 - core retail sales report. Investors are very attentive on this report.

feb2865

May 13, 2009 16:12

1 Attachment(s)

Ogna

so we just establish point A to point B - that's a swing right??

then I hope you see the pullback.

Let me know if you're following me or not.



feb2865

May 13, 2009 16:15

1 Attachment(s)

Look at the charts.



now that you have a swing, a place for entry and a pullback...my question is....


where do you think would be a sensible spot to place a stop with a high probability that the market won't comeback there?????

You need to find a place where you stop can't be easily hit. Remember, you already have entry - swing-pullback. On that information, where do you put your stop?

- a little bit above the pullback!

now your homework is to go back on charts and identify 3 conditions for trade - swing/pullback/entry and play with your stops and targets....have fun.

Quote:

Originally Posted by **dim4ik42** 

Dear Feb!!!!

I follow your great thread for a time yet... But still it is for me the BIG QUESTION - "how to determine when to cut the loser short???"... With your clarifications to Ogn I refresh my knowledges... I have read your great post about "EXPECTANCY", about "CUTTING THAT LOSER SHORT"...

BUT I still don't understand clear 2 things:

- 1. Why we need to place our stop loss in sensible spot, if we don't have to wait for the market hit stop loss?*
- 2. I understand - this is an art, but can you give another pointer how to decide when to cut the loser???*

I work about it every day... And it looks for me, that my losses are more than profits... And they happen more often...

I have tried to cut position with very tight stop (3 pips behind horizontal line)... Results were not very good...

So, I am just a little confused for now... It looks like I did myself complicated during my studies...

I did re-read this thread many-many times... Absorbed all ideas... But, I think I "don't see" something "in front my nose"... and I don't know what it is...

Please, Feb, help me to clarify this...

Thanks very much!!!

Sorry for my english...

1)

a) In case of sudden surge of orders against your position.

b) In case you have a disconnection from your DSL or you broker.
Your charts can get frozen, unforeseen events of nature etc.

C) So you have room to wiggle in case you decide to trail the stop.

2) The loser's thread have some pointers on trade management. But, If you have some specific questions, just shoot....

The way I personally manage my trades are somehow different that I have stated on this thread.
Remember, I am a high-frequency trader.
But still, if you have any concerns, let me know...

I lay a lot on the line on the loser's thread.

feb2865

May 13, 2009 17:18

Stop thinking numbers

ok

Please mark this post. If you might, print it out or something.

Stop thinking about numbers!! ah.... it has to be 40 pips swing etc.

screw the 20/20 rule!....ok??

I started this thread with these numbers 'cause many people need training wheels. Especially, some people coming out of the indicator's nightmare. I say this with all respect, please I apologize in advance if I offend anyone.

The rule of 20 was something used a lot on YM (Mini futures) and for some reason forex adopted that rule. Right now, with this volatility, you can't use this rule or any number's fixed rule for that matter.

It's about time for you guys, to train your naked eye. The markets are an ever-changing environment. It's very hard to put a square box in a round hole. The box has to be adaptable to any shape and form.

Trading is an art. You need to move along with all the diverse shapes and form. This is why I prefer to teach people in their own thinking mode instead of giving them a canned set of rules ALA guru's.

Use a basic set of rules. The rest is you perception on the market you're trading.

Be right backstay tuned....my daughter is calling.

feb2865

May 13, 2009 18:05

"Guys.

As I said before, I feel grateful with all the good wishes I got. Surely help.

On the following days I'll be following this thread at least once a day. So we're going to keep the ball rolling.

First and foremost, I am a scalper by nature. I feel at the beginning of this thread, my scalper's nature came up and somehow the trade management is not up to my satisfaction. At least in the eyes of some who can't or won't scalp for whatever reason, which I totally respect.

I have some ideas but I will post it later.

Things are getting better healthwise.

Thanks so much to all the guys that kept this thread alive. I promise I will bring more good stuff to all of you. As I said first, we need to work out a more - gentle trade management so more traders can see the benefit of this great simple strategy."

I think this is post #661 not sure...I mixed my scalping trade management and with this "system II" in my view is hard to deal with.

feb2865

May 13, 2009 21:21

Guys' the idea of this thread is to give you a reference on market behavior.

As I started the thread, I had to use something to give people here a framework to deal with. But eventually, you need to develop your own sense. The markets are moving sand. I think this "system" is a good reference but don't dwell too much in a set of fixed rules..."buy here, sell there" because markets aren't fixed at all. This is why I get ironic about systems, strategies etc.

The best analogy I've seen on trading is just looking at a surfer. In order to catch the wave, he/she will get screwed many times. But that doesn't discourage the surfer. He/she keeps on and on until eventually he gets the big one.

I am not trying to invalidate what's been written on this thread. But the time for the training wheels is over, my friends.

Fxachilles has made a nice way to deal on trade management, based on candles. That's a good one.

Basic observation on the charts -based on the system II.

- 1) swing.
- 2) pullback.
- 3) entry spot.

Trade management - please do me a favor and don't place your stop too close to the heat. If you do, then adjust your load and be aware that the market has recently be there and could be orders still pending on this particular level(s).

Give the trade some room to go. If you follow me, you might go crazy. I am a high-frequency trader and my trade management differs from this one. If you like to take a peek on what I do, check the loser's thread in the journal section.

Use common sense . If you see that big candle coming at you like the cookie monster, something is odd. **But don't go running because you see a hiccup.** Look for obvious reversals. If you apply expectancy, here's where it plays a big role. You have your stops and targets and is evident that you expect the trade to go your way in a reasonable way at a reasonable time frame. ...**But it has to be reasonable.**

Don't trade on your toes!!! I've mention this before.

Observe the speed on the candles!! momentum....

This is an intrinsic part in your path of learning (oh shit, I sounded like Confucius!)

- 1)How fast is coming against your position
- 2) How fast is moving on your side.
- 3)is the market stalling???..I wonder what's going on??

Have this information collect at hand. It will make you more in tune to what the market is trying to do. This is not to "predict" but to "react".

I've notice that some people are forcing the trades. If is not there, just sit on your hands. If your setup is not present, why bother risking your ass??

You can't fight the news!! If you have announcements @8:30 or 10:00 , do yourself a favor and stay put. Liquidity dries up and your beloved broker will put the spread high like a kite on the sky.

I force people to think. If they fell, I pick them up. But you need to walk the walk..yo know??

As I said, from now on, the training wheels comes off . If you want to be profitable on this business, I'll take you to read the market's pulse.

I have the time and my health is improving. If you guys are interested, we take this onwards.

Look at me what I am talking to you!!!No more second -guessing. If you see a qualified setup, act accordingly. Don't wait for me or anyone here. **Place this order without hesitation.** If you fell on the floor, stand up, lick your wounds and keep moving.

feb2865

May 15, 2009 15:02

Quote:

Originally Posted by **dim4ik42** 

Thanks, Fxahilies!...

My question is about MOMENTUM in general...

"If the market retraces back to 50% and I see (real time of course) momentum developing against my position. I am out.

It's all about how fast/slow the market is moving against you."

[font="][size=2]

[size=3]This are words of...

momentum = speed.

Not necessarily on one candle could be the whole market, generally speaking.

On what moneda said, US announcements, especially @8:30 makes the market stalls, sometimes even way back on London Session. Need to be careful on that.

Dim, on my post about momentum, the idea is for you guys to have a better assessment about the market's intentions. Not to be trading on your toes. Hope you know what I mean. If your setup is there, it's your duty to trade. If is no there. stay put.

Guys' you need to know something about me and **I'll say this with all respect.** I don't spoon fed traders. I won't tell you buy x and sell z. You need to interpret and adapt. Of course, if you get stuck, like dim just

did, don't hold yourself and ask ok?? but as I said, you need to do the walkin'....

Markets are based on interpretation...and we all are speculators..

Training wheels coming off...

feb2865

May 15, 2009 15:21

Guys.

Overtrading is another generic word. If you see me trading, I put a lot of trades in 1 day. The key is how to manage the load. If you use a load based on a amount of pips, then you'll be in trouble. The load has to be based your equity, moreover **on how much you're comfortable to risk on that trade.**

Doing this, you minimize the emotional impact and the bankroll keeps in healthy state.

If your risk is located @ 25 pips...adjust your load accordingly...if is 10 pips, adjust the load accordingly.... always keep an eye on the load and you'll be trading with more assurance.

Hope it helps.


feb2865

May 15, 2009 15:49

Quote:

Originally Posted by **moneda** 

Feb,

Sorry for the generic word  your explanation is helpful. My main point is that we all have the tendency to try to wear someone else's thinking cap and turn an investigative process into a dogmatic one.


Thanks,

I see around so many "concepts"...overtrading.....oversold..overbought etc....we need to be careful on not to worship anything on trading. I will be making observations on that matter, not necessarily pointing my finger on anyone, just that we need to take the market as it is....moving sand....and dance the song with it..

feb2865

May 15, 2009 15:51

Quote:

Originally Posted by **denverdude** 

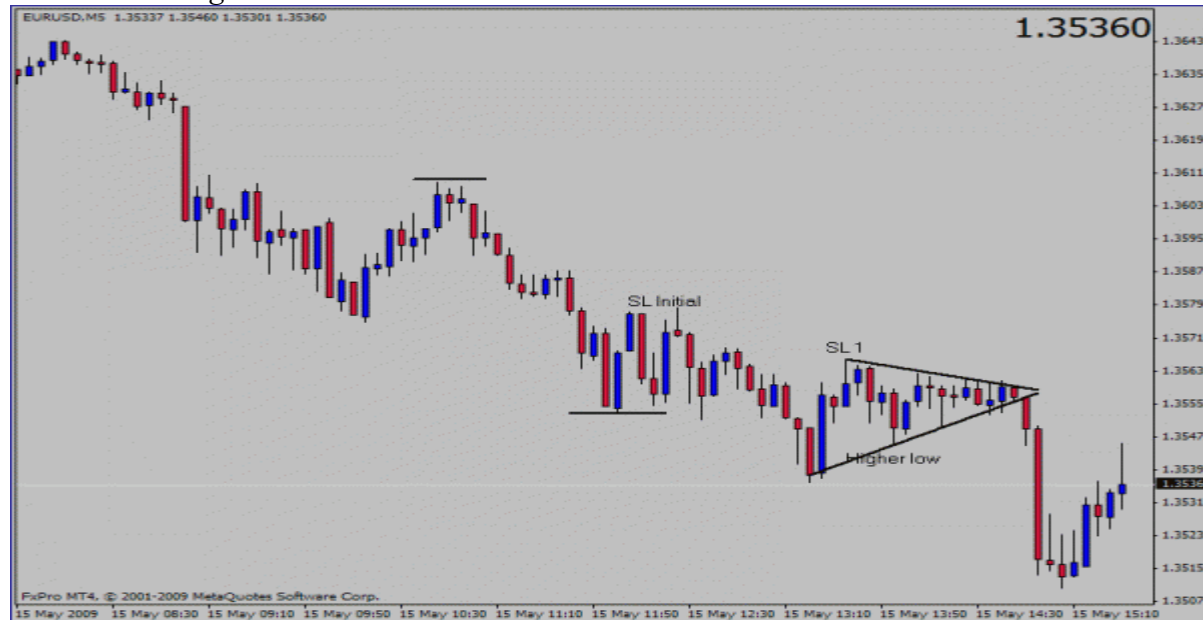
Hi All:

Just got out of the prev. short trade.

I see many of you got out early after the strong bullish candle. I understand that way of managing trade as well.

Some times, I try to give the trade a little breathing room. I've marked the initial SL and the 1st SL move on the pic.

The 2nd candle after the big bullish candle formed a swing high and I decided if price wanted to go higher after making the higher low, it would first have to take out the most recent swing high. To me, that was the area that I thought would make or break the trade....



I give this post 5 stars.....

Just be careful with patterns and stuff...sometimes they're like forming figures on the clouds...no offense intended please....

feb2865

May 19, 2009 19:19

Quote:

Originally Posted by **dim4ik42** ➤

Dear Feb!!!

I have a question about - RUNNER...

Can you give me interpretation of this thing... Or just tell me if I am right that I personally understand - Runner is a strong move that is bigger than move from start swing to breakout point.... Or Runner it is when after breakout point we see not just a 20-40 pips move, but start of new local trend... ???

Which one is right???

a **RUNNER** - is just a big move that you just happen to be in the right spot when it started. In order to catch a runner you need to test n' see if that reversal could materialize into a runner.

feb2865

May 20, 2009 17:21

Quote:

Originally Posted by **Musanto** 

Hello, Feb

As I practice this methode a lot,

I found, not every trade worth to take.

Useless to sacrifice so many losing pips compare to what I earned in one day. (maybe my cut loss technic still bad, I don't know, but that's what I realized so far)

The good trade is only when a lot of trader trapped, in the reverse position, such as when the price moved up 5 pips, and the next couple bar is breaking fractal low. And I trade short

There is more condition, where many trader can be trapped too.

*Why we don't just watch and take this situation ,
and...*

You're stuck in one side of the market.

If you get stopped, simply look at the other side and keep playing the game as long as money management permits.

Don't "filter" the trades. You have a setup, just go and take it, no second-guessing.

You can't win everyday. Actually today 5/20/2009, I am losing big time....

Actually, I had on my back 2 losing days in a row.....should I cry??? should I put some Ma's or stochs to see if I can stop losing. No baby,,

Trading everyday is part of the process of accumulating wealth...equity wise.

Ok, if you have a limit capital profit for the day, and you reach it, then stop trading. Same as losers. If you're in the middle, my humble advice is to keep trading 'til any of your limits are reached.

Hope it helps, buddy!

feb2865

May 21, 2009 14:25

Quote:

Originally Posted by **moneda** 

Good Morning,

Just woke up and found 2 possible entries (see white lines) since the London Open. The difficulty lies in your exit strategy...that is where each of us decides what amount of pips I want to take home. It is very important to have an exit plan before you enter a trade so that you can be quick on the trigger. Yes, get on the bus for sure but do you know when to get off?

Good luck to all

Mon.

You should settle for nothing less than 1:1 R/R.

ok, for instance, if you're risking \$1.00 you should get another \$1.00....preferably more.

feb2865

May 22, 2009 16:11

To all of you looking for scalping.

I've been doing some testing on Oanda during fast markets and I have to say is working very good. I am using 5 second charts. There,s a minor flaw - once your limit/stop is filled, the execution is not instant. I am talking on a fast market. But after a while, the platform resets and honor you limit/stop. Still on the testing fase but for now is good.

feb2865

May 27, 2009 19:34

Guys.

It is good when everything goes your way. But you need to keep focused on your target. As I mentioned many times before, the bottom line is all that matters. You're just building positive equity out of 5 minutes charts. That equity is with a long-term goal. If you trade with your tail between your legs sweating every 5 pips, you're not going to make it on this business. This style of trading is long and cold. You make a kill, load up, and look at the crosshair for the next victim

Just a lil reality check here.

I've been asked many times about timeframes. **This style of trading is not suited for everyone.** You need to find out what's more comfortable for you. Look in my posts here on this thread. I explained how this timeframes stuff works. Trading anything below 1 hr is somehow stressful and could be frustrating.

I repeat, all that matters is your bottom line. Keep your eyes on the target!!

Thanks

feb2865

May 28, 2009 10:47

guys.

I am sorry if my post have been misinterpreted. I am just trying to warn everyone about be euphoric on winners. If you look closely to my post we're just saying the same stuff. I mentioned in one of my posts that is unavoidable to trade without emotions. It's good to win. But we must avoid be euphoric about it. Why? Because we tend to take larger risk due overconfidence.

I am not addressing anyone in particular. This is just a general advice based on experience.

I am also referring to some people that find this way of trading difficult. I get PM's and messages and of course many of them I'll keep it confidential. But some of them are addressing the issue of the frequency and timeframe.

It's simple as you must decide if this is comfortable for you or not. Would be foolish on my part to say that 5 minutes is better than 1 hour or viceversa. It's simply a matter of preference.

Some people just take a 5-10 pips win as if they just won the lottery. Don't fall into that. They sweat every single pip like if there's no tomorrow. Don't mix this statement with your trade management. **Winners and losers are just part of the process of equity building.**

Instead of counting pips, focus on your expectancy on a trade.

I want to make something clear.

I have mentioned many times about me "testing" the market many times until I get a runner. That does not have to do anything with the system II...That's my style of trading (look at the loser's thread). Don't mix the two. 'cause they won't.

The system II is just a workframe for the trader to start this equity building process. It's a blueprint. This is not "buy when the lighth turns green and sell when the lighth turns red" stuff. On this "system II" you still need to walk the walk ya know?

feb2865

May 28, 2009 17:08

here: <http://www.forexfactory.com/showthread.php?p=2728125>

Post #1961

I am not a big fan of scaling out. I do scale out sometimes depending on how many lots I'm trading. You can opt to scale out x amount of lots when the market reach x amount of pips. Then let the rest run.

Scaling out is a valid strategy only if you plan ahead. You should know beforehand how many lots to trade, where exactly you're going to skin the cat, and what to do with the rest of the corpse.

Something like...

" I am going to trade with 12 lots. When the market reach 10 pips I close half (6). When the market reach 20 I close 1/4 (3) and I will let the rest run."

On the last peel, you can move your stop closer to the fire, in case you get stopped, no biggie. You already have some dough...

The above is just for illustration purposes only. Use it at your own risk. Don't quote me like a text book, please. You need to find your OWN way based on risk parameters and tolerance.

Another thing you might consider is : if you get stopped before the market reaching your initial target,

you're losing all the dough. So please be sure that your risk goes in accordance with your initial stop. If your risk tolerance per trade is 1%, don't increase it because you're scaling out. That's a fairly common mistake I've seen around. Your initial stop **MUST** be set in accordance to your risk parameters. Engrave this in your brain, please.

Also, you need to know, profitwise is better to go all in than scale out.

Not to sound negative or anything, just laying all the good and bad on the line, so you have an educated guess 😊

Thanks

feb2865

Jun 1, 2009 14:19

Quote:

Originally Posted by **Ogna** 

Hey Feb,

I have 2 questions for you,

1)How or where did you get the information that the market was going to choppy last friday? (you were spot on!)

2)Once I remember something about every third Friday of the month? Something in regards to stocks, what is this and what effect does it usually have on the market?

Thank you Feb!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

Edit Sorry if these are n00b questions :*

1)Lack of participants on the floor. Lack of interest across the board. Experience? maybe? You know, most of the "big guns" trade many markets. Especially on the floor. Knowing their habits you can anticipate their moves. There's no black and white rule for this, you just go with the flow.

2) I don't recall that.

feb2865

Jun 1, 2009 15:45

Quote:

Originally Posted by **dim4ik42** 

Dear Feb!

I have a question about tight stops... I don't look for clear answer... Just discussion. What I want to know - am I in the right way, or not?

So, in one of your posts I did read these words - "I use very tight stops. I really don't care if I'll miss a move."...

OK.

1) Don't mix the loser's thread with this one. The loser's thread is the best effort I can do to put in writing how I trade. I use tiny stops and I am in line to be the first for the move. As how I know if the move is going to start here or there, I don't know neither care.

2) I mentioned many times on my post(s) that I started this thread with a hyper-frequency trade mentality like I am. That wasn't right. This thread - based on 5 minutes, is not as hyper as I scalp, hence I wanted to pull myself off that in order to give , especially the stops, a lil' more room to go as well a profits.

3) I don't think is a bad idea to put a stop in a level like a resistance line or something. But still remember, you're trading on 5-minutes. Still, don't dwell too much on a loser and also, don't let the market take ALL your profits back.

feb2865


Jun 1, 2009 16:51

Quote:

Originally Posted by **dim4ik42** 

Thanks a lot!

So if I right understand - exit (no initial stop, but manual exit) out of trade in point some lower (no more than 10 pips) broken resistant, and some higher (no higher than 10 pips) broken support by testing the market for breakouts is not stupid idea, and if it suit for me - than I can trade it this variant....

I won't go as fix stop-loss - use a logical stop instead .

Expectancy yes it's definitely an art.

feb2865

Jun 1, 2009 16:58

Quote:

Originally Posted by **moneda** 

Feb,

What about a pip by pip trailing stop?



Yeah you can use that. Just make sure you put the initial stop too close to the fire.

feb2865

Jun 2, 2009 15:16

Please read post #2286.

You guys are probably biased by the "loser's thread journal" As I said before, that's my own way of trading and shouldn't be mixed with this thread.

Here we go again.

Instead of counting how many pips you win here and there, why don't you incorporate # of pips into your risk and reward?

If you have established that your risk for a particular trade is 35 pips, then, at least shoot for 35 pips. 1:1 risk/reward. Or just simply, once the market has moved 35 pips, move the stop to break-even plus spread and shoot for 1 1/2 or even 2 on reward. There you have a nice rundown on positive expectancy. Possible outcomes will be:

- 1) You'll get stopped (booh let's cry together.)
- 2) You get your money back + profits (yeah baby)
- 3) you walk away on a trade that doesn't meet your expectations.

Wash....rinse..and repeat the process as long as your pre-determined risk permits.

Manage your trades based on your expectancy, not what the market might do.

Have this already pre-programed in your head.

Move your stops based on what you're looking for, not what the market is presently doing. If you're going to trail your stop on every single hiccup you're going to go nuts...that's for sure.

You remember my post on "if..and then" ??? remember that??

well, this is exactly what I was referring to.

Guys, I will say this with the utmost respect. Some of your questions has been already answered in this thread and "the system I" I know it takes some time to read but it's worth it. This thread had a change of hearts based precisely on trade management - Read post 2286.

I am willing to lay a hand of course. But a crude reality of trading is that eventually, you're on your own. You're the one who call the shots . This is exactly why I try not try spoon feed people.

You need to stop playing with the market and start trading. The time for experimentation is over. Shape your plan up, use the example I gave on this particular post (or any variations based on your style or risk tolerance) and go for the kill.


Now, from this moment, if you ask me a question about your trading, don't be surprised if I reply with another question. Because ultimately is your logic applied, not mine. I can guide you of course but you need to have your reasoning involved.

I dare you guys to make a difference on this site. A lot of people comes and goes on the threads, frustrated because their stop light indicator just failed miserably. **Trading requires reasoning and thinking.**

feb2865

Jun 2, 2009 21:47

Quote:

Originally Posted by **rockya1** 
hello Feb!

Nice work you are doing here!

I have a question. Recently Oanda broker installed trailing stop function to the platform and i am testing it.

The question is: which pairs are most suitable for using with trailing stop. Some are very choppy and can get you stoped out before going to exit target ?

Thank you for your answer

Other than EUR/USD i don't have much experience(other than random experiment) with other pairs.

I suppose crosses like EUR/CHF won't be advisable to trail stop aggressively.

You have a strong currency (EUR) and a mellow currency (chf) I believe the CHF won't normally move fast 'n hard against the euro. Probably a cross like that is more suitable for counter-trend trading - bolls fan will have a delight on crosses like that.

Hope it helps.

feb2865

Jun 4, 2009 14:04

Quote:

Originally Posted by **lawl** 

Hey Feb, are there major differences from System I and System II other than the timeframe? I have read through all of system II's thread and a lot of system I's. Am I missing something?

It seems that what I've learned on this thread could be applied to any higher timeframe as long as I adjust the stops and load accordingly. However I recall a post where you told someone that they shouldn't trade system II on the 4 hour chart, but I can't find that post now.

The system I is a trend-dependent style. You have a trend, you magnify to 4 hr charts looking to buy/sell at discount. It's a relaxed way of trading. no stress..no biggie.

System II is more intense. You're betting on a move that is happening. You need to baby-sit the trade more. You don't care about the trend.

System I is more like "I put it in there (yawn!) go to sleep, let's see what happens tomorrow"

I use system I for long shot trading.

Stops and limits are different, of course.

I don't recommend the system II for longer timeframes due the following.

By the time you have already pick a possible trade (swing) on a longer timeframe, some traders who believe in "oversold" or "overbought " concept and the "contrarian people (like me when scalping) might see the move already due and will start to push the market to the other side.

In other words, there's a huge risk that you're already late for the party.

feb2865

Jun 4, 2009 16:02

Quote:

Originally Posted by **fxachilies** 

Trail stoped this baby for a large gain.. trade managed it simply based on H/L's... sometimes it works great like this when it never geopardize making no less than 20 pips and ofcourse there are other times ending up leaving money on the table..

not intending to showoff or anyting just an example to bust confidence (new on board people) of how great it can be if one would dedicates himself to things that has been said in this thread by our great mentor feb.



This charts are an excellent view on how this system works...Just a couple of lines, HH/HL or LH/HH that's it. You'll win some, lose some, but with sensible money and trade management, you'll come ahead.

feb2865

Jun 4, 2009 17:20

Quote:

Originally Posted by **DareXau** 

I wiped out (imaginary) all that up & down movement close to the opening of New York session; and looked at it as continuation of what was going on before ... (I know its not a clean 1-2-3 entry)

Thinking outside the box - when trading becomes an art.This is something I can't teach.

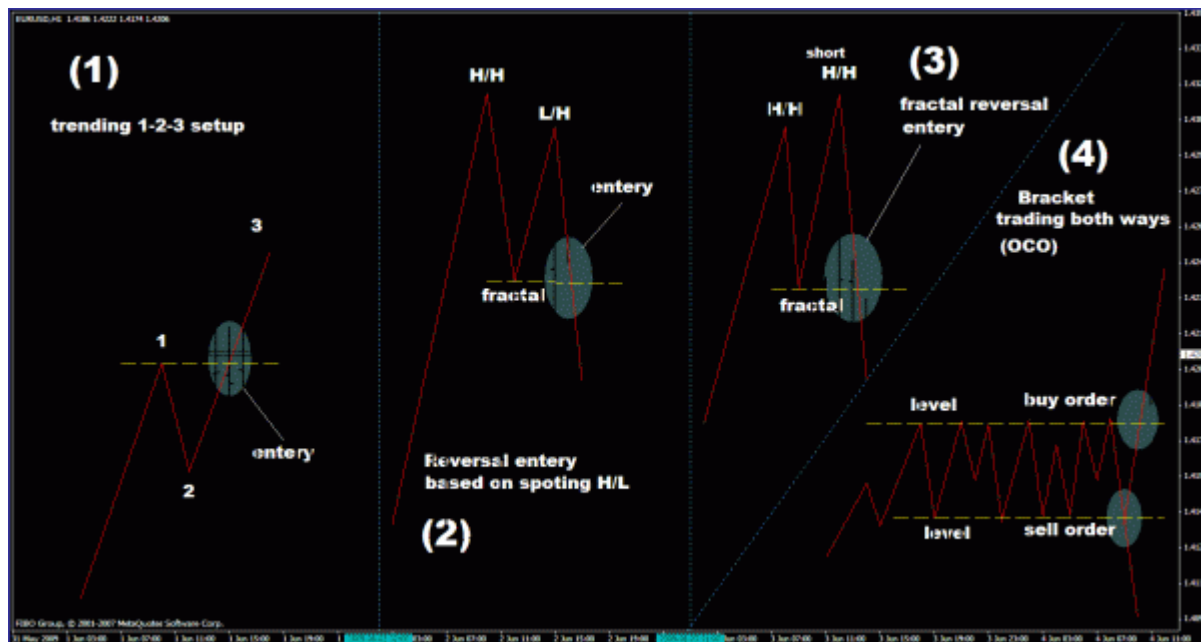
..... Actually the NY opening could be artificially crafted. That's a good point Dare!

Quote:

Originally Posted by **fxachilies** [➤](#)

These are the setups that i keep in mind when i am trading the 5min chart.. and as soon as i see them i place my order and go for the kill.. let me know what you guys think... #1 is the bread and butter and the rest is bulid around that to not miss oppourtunities.

cheers.



Pretty much trading levels. I talk about it somewhere here. Be careful not to fall into patronizing formations. The market is like the devil - a deceiver. Stay focus on what's going on at the level and play accordingly.

Quote:

Originally Posted by **fxachilies** [➤](#)

Thank you verymuch for your input. can you elaborate about the last part so i clearly understand when you say:

Stay focus on what's going on at the level and play accordingly.

Thanks.

You're not looking to play the formation but what's going on at the line.

The breakout after the fact.

The continuation after the pullback.

feb2865

Jun 5, 2009 0:08

Quote:

Originally Posted by **fxachilies** 

“You're not looking to play the formation but what's going on at the line.

The breakout after the fact.

The continuation after the pullback.”

ok as if I understood correctly.. still pull the trigger based on pre planed setups formation (order 2-3ticks) but stay extra alert once the trade is on and use your niftiest trade managment on early stage of the trade for fakeouts sakes.. or.. once the breakout has occured analyze it then pull the trigger?

Thanks for your time.

Yes...formations are just to keep your heads up..

I personally won't be too focuses on that, other than 123 which is very common...

feb2865

Jun 5, 2009 0:24

Quote:

Originally Posted by **moneda** 

Hi Feb,

In your reply to Lawl you said

"I don't recommend the system II for longer timeframes due the following."

Would you recommend the System I for shorter timeframes?The reason I ask (irony included) is that I have been experimenting with that concept.... Give me your perspective.

Thanks and may your health continue to improve.



ahhh..might work but the noise will kill you eventually.

Accumulation of data is not enough to justify a trend on shorter time frames.

Thanks for your wishes buddy!!

My experience is: everything bellow 1 day is noise.

And

sometimes you even have to go further to get a perspective (1 week timeframe)
It's a lot easier to trade big . You just need the dough\$\$\$\$\$ to make it happen 😊.

feb2865

Jun 22, 2009 20:42

Quote:

Originally Posted by **DareXau** ➡

... another day of moving within a range, this is really difficult to find correct entry, because after most break-outs the price is just making another U-turn.

If, I wouldn't decided to keep consistent with 1-2-3 strategy, most probably, I would fade dose break-outs and entering in opposite direction.

Feb, if you around can you please give us any suggestions.

Trade closed, got scared of the red candle. Now trying again in brackets.

Advice.

not all days are created equal. You'll have slow streaks, and good ones.
Take any day as a 9-5 job...be bored.

Trading is just a job. Not glamorous or fancy. When you realize that, you won't really care about the outcome or if one week is better than the other. Keep your eyes on the prize...Keep moving.

as the time goes by you'll find out you're making a living out of it....

feb2865

Jun 29, 2009 17:41

I am here guys!!

Just that there's no much to say lately.

Many of you have digested the idea already. I 've seen a lot of progress on all of you who stick to the idea of thinking outside the box.

Please don't hesitate if you have any questions!

Good Karma!!

feb2865

Aug 11, 2009 18:02

Quote:

Originally Posted by **julias** ➡

After a couple of trades today, again, I'm facing a proper loss of - 35 pips.

Honestly I don't know if I can make this method really work for me.

So many fakouts ! If I'm lucky I will get a run and maybe end up breakeven again or a smaller loss. Hm. Lets see, where the shorttrade brings me now.....good luck to all of you cheers....

So you lost 35 pips today...ok

how much that represents in matters of equity?

what % of loss is related to your total bankroll (the amount you set aside for trading)

for instance - let's think for a moment that your risk tolerance is parked @ \$100.00 a day - and you lost 35 pips or let's say - \$35.00..so why did you put your trading on a halt mode?

you still have 65 bucks on your risk side. Just adjust your load based on 65 instead of 100.

or

You can take your risk and split it in half....let's say that your tolerance is @200 bucks...you split that in half (100) in case you lose more than once, there's still room to go in the middle.

I know...I hear you....I lost you...check this out.

you lost 35 bucks..and you have 65 more to go The idea is to keep the load in check so we don't pass our daily limit.... cool..

If your real limit is 200 bucks, instead of adjusting your load to 65, maybe you can up a notch...75-85..you're just using the half (100) as a psychological line in the sand. If happens that you get a runner before your half-way risk is reached...nice!

Who knows? maybe you can turn 35 into 500...it happens..

People, stop thinking about pips - see things as how much\$\$\$ you will risk today.

You must say "well the market is choppy today" **only after the fact you just exhausted your daily pre-determined risk for the day..Not before.**

You need to be first in line ready to bet...until risk stops you out...not the market.

You need to keep shooting 'til you run out of ammo....or get the prey 🐾

Part of your job description is to be there when opportunity knocks and act without hesitation ...no mercy...no second guessing.


Enough of me....I think I talk too much sometimes.

Good Karma.

feb2865

Aug 31, 2009 11:36

Quote:

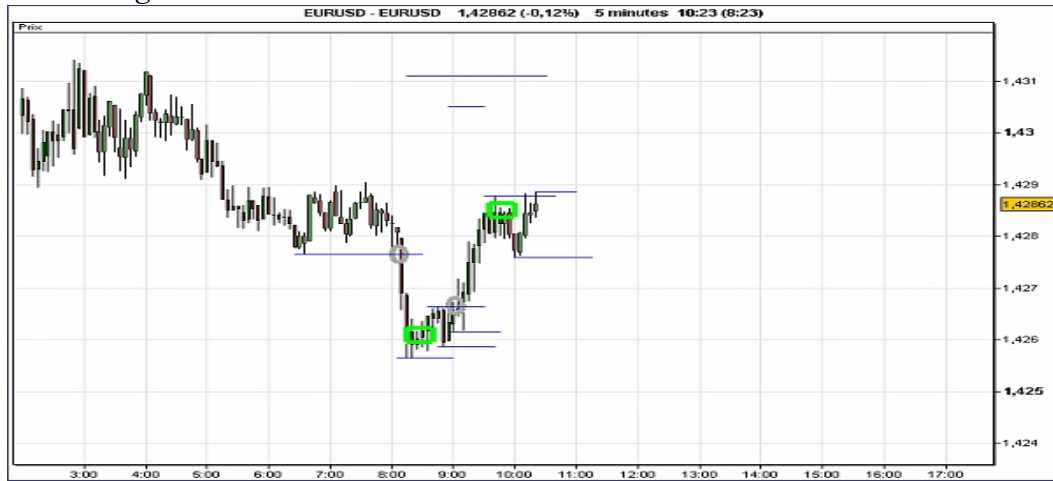
Originally Posted by **anthony500** 

hi guy,

here are my first two trades of the day.

Excited the first one as I nearly got 1% and price was stalling.

Excited the second as price approached that resistance area (which is still holding right now) and also because I got about 0.8% on that one.



That's good Anthony!


A word of caution - Don't pay attention to S/R areas - it will keep you trading in your toes. If the market is stalling there..who cares?? your job is based on expectancy, not what the market is doing....

S/R is an illusion - Ultimately, the market will either reject the area or simply will break it...who knows?? and who cares anyway???

feb2865

Aug 31, 2009 11:41

go with the flow!!!!

I'll be around today buggin' you guys a little!!! 

feb2865

Aug 31, 2009 12:15

Guys...

One thing I will say publicly for the benefit of some who have inquired on the same subject.

This "system" is simply a 1-2-3 entry style. No magic, no red light - green light inid's. No voodoo.....is as simply and naked as it is.

The difference strives on the exit. Here's where you MUST take it personal. You MUST have a pre-conceived way for the trade to follow certain path on a reasonable time span.

If not, then...what would you do??? Are you comfortable holding a position on 5 minutes within 8 -12-24 hours ???

Are you going to let you hard-stop get hit??

how are U gonna trail your stop????

how much room you're willing to give for that trade in order to mature?

Unfortunately, I can't answer that for you...every trader is different.

As I said before, you're trading on 5 minutes charts....This is not for everyone. Be ready to have string of losses....it happens.

If you lose,,,what would you do??? chicken out or keep shooting?? Does risk permits to keep pumping or is your head sending "stop" signs to your ass?

If I trade the "system II" (for those who asked) no, I don't....too slow for me. I just picked a time frame for you guys to be adequate enough time wise...you have 5 minutes to think!!!(more or less you know).

I don't spoon fed people. But I'll make you think until your head hurts on migraine.

In trading, you need to think and react...like a sniper pulling a trigger...not even time to breathe. Once you're on a trade, you need to learn how to sit tight on your ass and let the ride goes. This is trading pretty much in a nutshell.

feb2865

Sep 1, 2009 18:13

Quote:

Originally Posted by **en0x** 

Maybe I am just tired. I didn't trade it on predicting news, I traded on the break as per normal but i hear you about the trading after news release. I never used to trade 15 mins prior to it or 15 mins after it. Just trying the whole trade ever setup regardless, also the news was a minor release, if it was NFP or something along those lines then I would haven't touched. In future I will stick to my old rules of not trading before or after it, this makes a lot more sense to me.

training wheels are still squeaking away.

If you want to be a smarty-ass about news...simply take the other side of the pull.....normally wait 30 minutes and when the move is over take the other side of the trade.

10:00 O' clock news are sweeter than 8:30.



feb2865

Sep 1, 2009 18:51

Fair warning

Guys

Today is Sept 1 -2009 oh crap! Christmas is coming!!! so freakin fast dont ya think??

I know may be is kinda early but.....

December is right up the corner!! This year has been a learning curve for many of you and for some has been probably a good one. The markets normaly go crazy on December. Here's the deal.

There's two thing that might happen on December - 1) the market gets extremely directional AKE one sided (long/short) or gets very choppy. Sometimes I know this by the end of November(a lil ace I have on my sleeve 😊.) On whatever data I can get, I will gladly pass that on to you guys.

You can be miserable trading on December or make a pile of money...or simply limit your load if you don't like to dance the song they're playing..

December has two sides.

1) Big guns are dumping their loads to renew their portfolios for the new year.(directional mode)

2) Big guns are fat and lazy like a frog living in a septic hole(choppy mode) therefore they don't wanna keep playing - the market is up for grabs.

Be warned - this will affect your every day trading.

As I said...this is a fair warning given on Sept 1 2009....be ready ahead of time. Be prepared or be "squared".

Good Karma.....

PD: December is a very entreating month. Just sit and watch all this "indicator freaks" crying out loud as their "systems" stops working(ouch!!!)....for real.

feb2865

Sep 2, 2009 13:28

Boys&Girls

Today is FMOC minutes @ 2:00 PM.

There's some concern at higher levels. I said many times, keep an ear on the ground. I don't trade on my toes due funny-mentals. But still there's some news that carries significance.

Avoid been rolled-over by the herd....be wise.

Fly low today. Use lighter load.

feb2865

Sep 2, 2009 13:36

TIME OUT

1 Attachment(s)

What in the world are you guys doing?

not to be rude but.....this market is flat.....

what the hell you're doing trading in a flat world?? are you counter-trading??

what is the FIRST thing you need in order to qualify a move??



feb2865

Sep 2, 2009 13:56

We need to be careful...not all that glitters is gold.

The first rule of our "system" is to have an adequate swing so we can see the true colors of the market.

Let the market show it's intentions and go for the kill!

Be the predator...not the prey 🐼

feb2865

Sep 2, 2009 14:00

Quote:

Originally Posted by **fxachilies** ➡

whacha saying feb is a good day to go out fishing 🐼

I am afraid so my brother....I wish I was wrong as I got hanged last night trading gold....still on that freaking trade 🐼.

I we get a nice run today I'll be saved..unfortunately the big cats aren't much happy with Obama and the pussycats...oh I am sorry, I meant the feds.

feb2865

Sep 2, 2009 14:20

Quote:

Originally Posted by **DareXau** 

... it's the same story here "down under" - money splash by our Kevin is only small comparing to cash for clunkers ...

oh yeah!!! it's good to know those things. That way you won't waste your precious time starring at the screen for hours...man, trading has become a lonely profession...oh boy I miss the pits so much!!! Unfortunately, they're becoming electronic in a fast pace.

feb2865

Sep 2, 2009 14:29

Quote:

Originally Posted by **fxachilies** 

LOL.. I agree.. specially with the pussycats part..

*But if i still wanted to get a trade in and not go fishing..
question feb,*

when price swings away and breaks out the bracket that you displayed in your chart.. do we..

A) take the trade right away? (2-3 pips above/below)

B) wait for the candel to close above/below?

C) wait for the swing/PB to shape up then traded of 123?

or.. D) the hell with it all and still go fishing?.. lol

Pretty much what I had on the charts is a level trading ALA scalping mode. It's pretty much how I trade. You can wait for a 1-2-3 and still falls under the premise of this thread. But, the swings are weak so a 123 formation is highly risky.

In this particular case, I will trade the breakout with lighter loads, moving my stops aggressively. Hard stops at the other side of the box. If you can catch a runner that way, that's will be sweet 😊.

feb2865

Sep 2, 2009 14:33

Quote:

Originally Posted by **jplo** 

My first opportunity to greet you Feb 😊, and say thanks for starting this great threat and for your pearls from time to time 🙏

You're welcome...I'll be around from time to time. The guys are doing a wonderful job keeping the idea alive, I am just bored today and I feel like talking LOL. I promise I won't bug you guys that much as I am back to full throttle trading.

feb2865

Sep 2, 2009 14:42

1 Attachment(s)

The only difference is that in "scalping", I don't have time to look @ number 3. I have to play between #1 and # 2 due the fast pace of the markets.

My goal in trading is to catch a runner....My true job description.



feb2865

Sep 2, 2009 15:07

Quote:

Originally Posted by **fxachilies** ➤

hey feb can we bug you?.. since your in the mude to talk 😊..

can you drop us with some wisdom.. something out of the box but inside the box of trading our style..

come on let's hear one.. i miss the old days.. lol

you want to hear like some history??? like what I did when I was on the pits??

mmm ok.

1)Back in 1981...we didn't have charts. We had a piece of paper we used to call "flow charts" (HA!) If we want to see some price simulation, we need to become "artists" and draw all the bars by hand...I still keep some of these "charts"...what?? MACD'S???? Bollinger Bands??? oh yeah baby, snap on...do it yourself...

2) I got my ribs broken twice on the pits.

3) countless fistfigths with the monkeys at your side trying to steal a tick out of you (oh please!!! I can believe we were such ignorants) but that was true...

4) coming to work monday morning ... half-ass drunk(or whatever you've been inhaling/smoking) with no sleep at all was a really nice "adventure", especially if you feel like throwin'...oh my God..

ahhhh those were the days...no drug test whatsoever.....

all I can say is that I am grateful to be alive and survive the 80's..

We used WSJ pink sheets - they have S/R and pivot point lines already printed...nice, that was very "tech"

Pivot points were widely used those days. Not anymore.. Actually, that was your "bread and butter" I love to trade the bounces off pivots...low risk, high reward.

we had computers on the floor.. 10 inches green screen wide showing the price.....not bad...

Trading was nice! You made a lot of friends and travel a lot. Trading wasn't so lonely.

The nature of the markets were less caothic than now in my opinion.

feb2865

Sep 2, 2009 15:54

short looks good on if market breaks 1.4195 area...I am talking on euro futures....selling pressure building up on the floor I will be short with smaller load looking for a quick buck 😊

The spot looks similar..... will be wise to wait after 10:00 AM.

feb2865

Sep 2, 2009 16:02

I have the felling that we're going to have a nice run on the fed announcement. The floor is dead. It's wise to stick around for the announcement just in case...and play the other side of the move. 😊

feb2865

Sep 2, 2009 16:58

Quote:

Originally Posted by **beachtrader** ➤

Apologies for posting a cable chart but it's been one of those mornings when she's been performing well, although hard work managing the trades and early doors saw a couple of small hits.

Feb, FX is you'd like me to take this off so you can stick to Euro then I will.

Feb - although I have lurked rather than posted (as I trade only cable) - thank you so much for all that you have taught me and I'm sure others and glad you are in better health.

Cheers Rob

[Attachment 300558](#)

Rob

If you feel you have an edge on cable, by all means, go for it!!!

I prefer Euro..is just a habit I should say

Thanks for asking!!

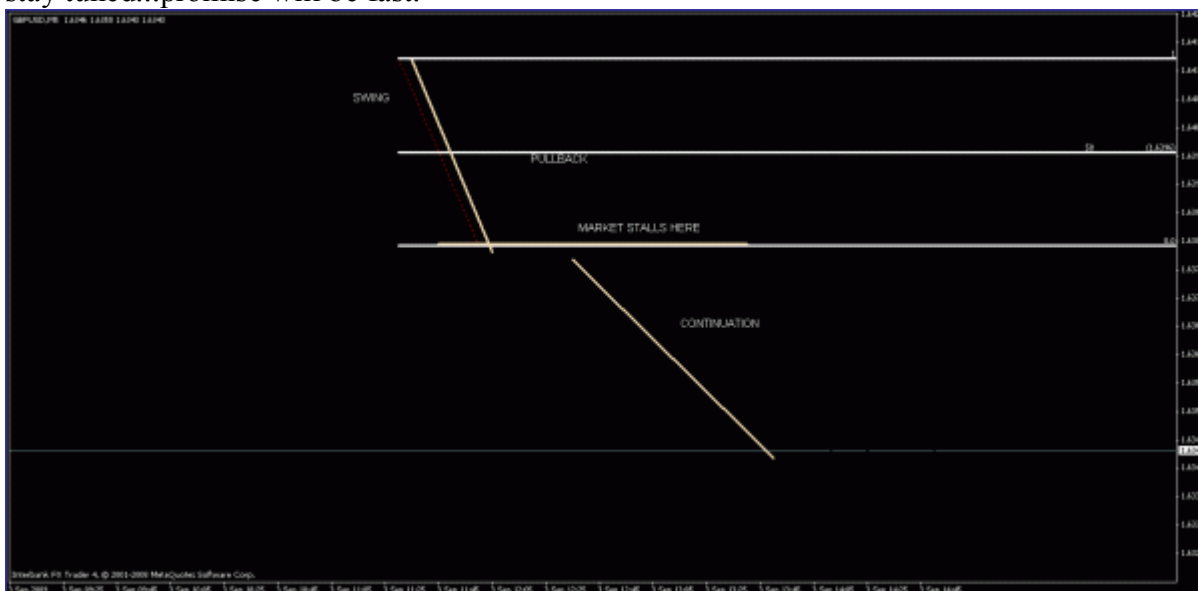
feb2865

Sep 3, 2009 17:58

Don't need to be complicated

1 Attachment(s)
some charts...real quick...

stay tuned...promise will be fast.



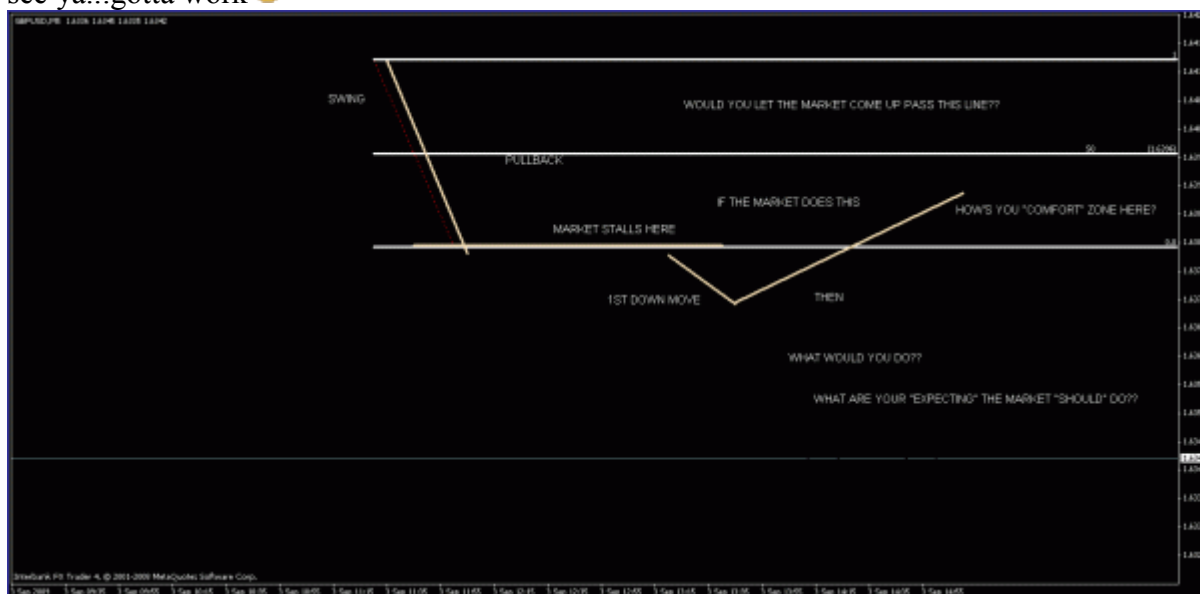
feb2865

Sep 3, 2009 18:07

1 Attachment(s)
Consider a 50% line as a marker.....please no fibo stuff.....just a guide..

Remember... "if" "then"

see ya...gotta work 😊



feb2865

Sep 4, 2009 16:19

Quote:

Originally Posted by **elizo** ➤

A little bit late, but enough to ride down from 24 to 7... +17 pips!

Thanks very much for all your comments and positive bias, Feb. I am still reading the whole thread and the most important thing is the respect to other's approach and the altruism of your whole message. Thanks for sharing your knowledge... and hope your health is ok.

Thanks..

Glad you got some of the nice run down..

Unbelievable that for some of my friends, this is their one trade a month!!

I respect that - everyone is different.

I recoup most of the dough I lost on gold this week plus I got some equity (+) from E/U...can't complain.

carry on guys...I won't bug you today...Just a humble observer. 😊

feb2865

Sep 4, 2009 18:26

save the penny for a rainy day!!

Monday - labor day...the big cats are heading for the Hamptons...you can bet on that....

Bracket trading will be a best shot!!

Look for levels been formed after 4:00AM EST and establish a bracket...play it like ping-pong 😊

If you get a runner....well...that's the idea...

Peace.

feb2865

Sep 4, 2009 18:33

1 Attachment(s)

well fx...now that you asked the other day..

a lil' something for you brother!!!

enjoy!!!



feb2865

Sep 7, 2009 18:13

1 Attachment(s)

AHHHHH what do you know.....
the ancient game of ping pong...



feb2865

Sep 8, 2009 4:39

1 Attachment(s)

This is just fucking ridiculous.....

Even my 13 year old daughter made money (demo) today playing ping pong....

I am sitting here watching CSI Miami (that puertorrican girl is sooo HOT...I like the blondie too..) eating pop-corn playing ping-pong....

how hard it is.....

PD: I am trading with Oanda today for a change...not bad...



feb2865

Sep 8, 2009 4:48

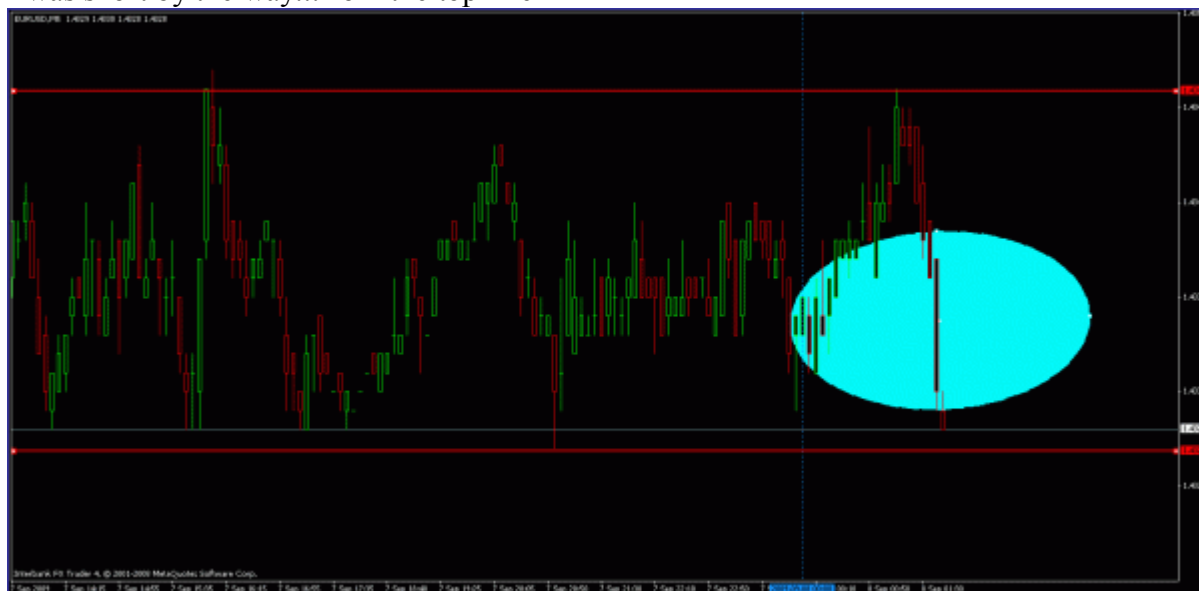
1 Attachment(s)

I couldn't resist post another chart....

sorry.

look at the last candle...

I was short by the way...from the top line



feb2865

Sep 8, 2009 15:53

Death to the bulls....shoot them all

1 Attachment(s)

Somebody kill them...please lol!



feb2865

Sep 8, 2009 17:11

Quote:

Originally Posted by **mac1956** 

Hi Both,

After several years of learning two different methods and failing I have literally devoured this thread in a day, and read everything. I have cleared my system of indicators and started to use the 123.

The principles are simple - however I am unclear having read all the pages you draw attention to what a FRACTAL is in this context - could you possibly explain it one more time for a newby - determined to become an oldie!

Many thanks for inspiring me again. I will do what I can to catch up and have intelligent and useful things to...

Very simple.

fractals or 123 are just guides. Let's say that they're your "indicators".

The real deal is at the time of the breakout. Here is where you need to play.

You can use either, I don't see any problem with that. They're just to keep your heads up for a possible trade. Don't worship them. It's just another tool.

The thing you need to master is the actual unbalance - breakout.

feb2865

Sep 8, 2009 17:31

Quote:

Originally Posted by **feb2865** 

Very simple.

fractals or 123 are just guides. Let's say that they're your "indicators".

The real deal is at the time of the breakout. Here is where you need to play.

You can use either, I don't see any problem with that. They're just to keep your heads up for a possible trade. Don't worship them. It's just another tool.

The thing you need to master is the actual unbalance - breakout.

One big drawback of trading "indicators" instead of price is that you begin to see a trade in every move the indicator makes. I tell you, I don't mock everyone using indicators. Actually you guys are trading off indicators...candlesticks bars ect are simply plain vanilla indicators.

But here's the deal:

The indicator is not the problem.....is how people implement them.

If you see the big picture, you should be able to see a naked chart and spot possible trades as quickly as possible. The rest is just a crutch.

Another thing is that indicators put traders too quickly in the comfort zone.....or trading in their toes.....not good.

Just a lil' advice for you my friend...

Keep on trucking.

feb2865

Sep 8, 2009 17:57

[quote=cunparis;3034238]Feb - after several weeks of practicing euro futures (6E) with 5min chart, I tried 144 tick chart. It seems like I see a lot more noise. Could you elaborate on the differences of trading futures with 144 tick & 5 min?

One advantage I see with tick charts is you could find a good spot to put the stop loss since there could be several smaller swing pivots on the tick chart that would just make up one candle on the 5min.

Thanks[/quote]

I don't trade off charts. But.....

Honestly, as far as I can see, I don't see a whole lotta difference between the two charts other than noise...

feb2865

Sep 8, 2009 18:06

Quote:

Originally Posted by **en0x** 

Need to clarify this, when I say lose, I dont mean a losing trade, or a streak of losing trades. I mean why am I overall so far down below then when I started the day.

Things might help that I know why I messed up today:

Position Sizing , I didnt do it correctly.

Taking too large a load in the middle of the day

Wising and being greedy. Several trades that went wrong actually broke me back to BE but I didnt pull the trigger to close. I hoped to get more profit. A BIG BIG BIG NO NO rule and I broke it.

So, I may have lost money at the end of the...


ohhhh that's a "behavioral" problem LOL.

If you quit now, that will be your biggest loss right there...

feb2865

Sep 8, 2009 18:26

Quote:

Originally Posted by **gevellber02** 

*1. go short at 4467 after 123
2. took the other side at 4495 after breaking the last hh
3.same as 2 (at4501)
4.took the short at 4464 after breaking the last ll
the question is what did i do wrong?
should i take this trades?
thnx a lot*

o yeah.... you should take the trades.

You did nothing wrong. Losing is part of this business....it happens that we're in a middle of a bull run....

Remember, we don't have a crystal ball. If we do, we won't be posting here instead we will be forming a secret cult called "The Wet Junkies" or some sort of a crazy name like that 😊.

capishe???

on the other hand....give me one reason why you shouldn't take those trades.

??????

feb2865

Sep 8, 2009 18:47

Quote:

Originally Posted by **cunparis** 

Because Euro was in a trading range and it's bound to poke out a few ticks and have false breakouts??

I didn't take any of those because I was waiting for a swing to develop. I finally entered long at 11:30 (EST) on the breakout and just exited for a small loss cause cable fell down hard.

there was a swing down from 9:00 AM EST to 9:20 worth around 35 pips . I am talkig E/U here. If I were trading, I'll take it in a heartbeat. The pullback, from 9:20 to 9:35 was worth 12 ticks aprx. That was a good setup in my book.....it went north,.....who knew righth?

who cares??? There will always be another bus....

Guys, don't expect to win every trade...in fact don't have any formed bias about any trade.....if your hard stop is taken out, deal with it. It's not pretty but is a stop. You got protected, be grateful.

Just in case:

Don't mix bias with expectancy....two different mammals in the flesh!!

feb2865

Sep 8, 2009 18:53

1 Attachment(s)

SO what are you gonna do now???

Don't look at me...think for yourself



feb2865

Sep 8, 2009 18:59

Quote:

Originally Posted by **lufkindog** [➤](#)

Feb

Excellent Thread, you have really opened my eyes up to trading Pure Price Action without the indicators as a crutch.

In regards to Trailing Stop...

I know every trade is different but do you still trail your stops Pip by Pip as mentioned earlier in the thread?

Lufkindog

At the begining of the trade I made a mistake - I mixed my hyper scalping trading with this "system" which obviously is not hyper scalping.

I don't recomend trailing the stop - pip by pip.

On hyper scalping it works but that's a long story.....

My apologies if I caused any inconvinience.

feb2865

Sep 8, 2009 19:04

I went short @1.4490

Stop loss - 1.4524

target - 1.4421

will move my stop to B/E @1.4459 Around that area.

fuck the bulls!!!! if I lose, I deal with it....

FLAME AWAY!!!!!!

feb2865

Sep 8, 2009 19:09

Quote:

Originally Posted by [gevellber02](#) >

expectancy:

*can you tell my, in these 4 examples, where you exit (if you in this trades)
cos i stop out at the original sl. (i wanted to give it a chance)* 🤔

ON #3 who did you qualified that as a pullback??

I'll be back in a few...out to lunch..

feb2865

Sep 8, 2009 19:54

Quote:

Originally Posted by [gevellber02](#) >

on #3 i did not qualified a pullback. it was a break of the rang and the last hh




then why didn't you hold for a clean pullback? - which is the base for a 123 formation...

at least a hiccup will save you from the fakeout.

feb2865

Sep 8, 2009 20:24

Quote:

Originally Posted by **gevellber02** 

cos i didn't want the price run away

and i had the bottom of the range as a sl

the question is where should i exit manually according to expectancy

I suggest to read the thread carefully.

You can't talk expectancy if you don't know how to handle a trade first. You need to re-evaluate your trading.

Fxachilles, DAR, Moneda etc. post here almost everyday with all the nitty-gritty involved. They've been successful. I suggest you read their post/charts etc carefully.

Fxachilles made a nice summary yesterday.

You need to do the walk you know..

Again I say this with the utmost respect.

Peace.

feb2865

Sep 10, 2009 15:43

Quote:

Originally Posted by **mac1956** 

Long trade at 14570

need to be careful trading in the middle of news!!!

better to hold while the dust settles...

the long is nice but was a risky move.

feb2865

Sep 10, 2009 16:31

News

Trade balance was positive...

what do you do??

Wait for the dust to settle...and go short...

That is the closest you'll get to funny-mentals.

feb2865

Sep 10, 2009 16:50

Quote:

Originally Posted by **mac1956** 

Sorry Feb, is that comment for me? If so can you explain a bit what you mean? Thx

no problem..

If you see any significant announcement, check if was positive or negative, wait a lil bit and when you see signs of the market turning the other way, wait for a pullback (preferably but sometimes you have to go with the flow) and place the trade. Of course, money and trade management rules applies.

A lotta money goes into that particular move, trust me...

hope it helps.

well I am done for today.....FX, let's go fishing!!!!

CYA guys....

feb2865

Sep 11, 2009 16:35

I think there's a clown in a suit speaking @ 9:30... They have the talent of screwing up the markets.....be aware....

feb2865

Sep 11, 2009 16:56

Quote:


Originally Posted by **jplo** 

Hi Feb,

Nice to see you around your threat, more often these last days... 

Let me ask you a question about "news announcements"...

Which ones should we pay attention to?...

I was only paying attention to those "red" ones... 

all depends.....news are very much like the "flavor of the moment"

FMOC's....the non farm payroll is definitely a money maker, for now.

The red ones could be kinda subjective.

You have to handle news in another way....check one of my last posts (I think was from yesterday) and keep it in a safe place (save or print). It's is pretty much how I handle news. My bets are really high on news, especially on NFP.

Hope it helps brother...

gotta go....going long in a few..

feb2865

Sep 11, 2009 16:58

oh crap!!! I missed my long scalp

oh well...it was a good week anyway

carry on guys!!

feb2865

Sep 11, 2009 17:02

Quote:

Originally Posted by **feb2865** 

all depends.....news are very much like the "flavor of the moment"

FMOC's....the non farm payroll is definitely a money maker, for now.

The red ones could be kinda subjective.

You have to handle news in another way....check one of my last posts(I think was from yesterday) and keep it in a safe place (save or print). It's is pretty much how I handle news. My bets are really high on news, especially on NFP.

Hope it helps brother...

gotta go....going long in a few..

oh...be careful with this FMOC's president(s) bullshit talkers.They normally "screw" the markets in a special way...like today for instance.....

feb2865

Sep 11, 2009 21:03

Quote:

Originally Posted by **mac1956** 

One final post before the weekend.

This system is a DIAMOND.

I discovered this only on wednesday. I have come out of my first three days + 84.7 pips profit - not a fortune, but in the circumstances highly significant. This includes some stupid mistakes and denseness on my part and losses. Every other trading system I have used has taken months of study and hair tugging. This is a total Jewel.

Feb and Fx are the Mother Teresas of the trading world - if you know what I mean!

thanks...

You'll fall flat in your butt sometimes. Be prepared. The trick is to stand up, lick your wounds and keep going. Before you know it you'll be in profitland.

Build your equity day by day. Stay focus on your everyday trades. In time, you'll see consistency, which is the real goal of this business. In my particular case, it feels so good when I see people like Dare, Fx, Moneda etc, opening the doors of profitland.

If they can do it, I believe you can...just be aware of the "side effects" LOL.

Well, it's Friday. I had a wonderful week. Now is 1:58 PM EST This is my first day as a cook in a long time....will do something nice for the family...but, to get inspiration, I have parked somewhere a bottle of Mondavi screaming to be open, one of my favorites..

So to all of you I wish a happy and prosperu\$ life and excellent weekend.

au petit salut!!

CYA

feb2865

Sep 12, 2009 14:24

Quote:

Originally Posted by **hoichoi** 

Market is not f b at all.. market cannot trend all the time.. this is where this system fails.. market trend 30-40% of the time and 60% of the time it is in ranging mood. so ppl swear at market when they range..

Excuse me brother but I have to reply here.

1) What system are you talking about??

2) Who told you we're looking to ride a "trend"?

3) Where do you learn about market statistics?

4) Have you tried this "system" long enough to put a seal of "failure" already?

Need to read and get informed before talking out of your ass, ...no offense intended just relying on facts you provided.

Thanks

feb2865

Sep 14, 2009 14:24

Ear on the ground

If you're trying to survive in this business, you MUST avoid been crushed by the herd - a typical scenario.

ALL markets has two characteristics in common - Monday and Friday.

First I should say that our "inside scoop" is to mimic what the "big cats" are doing...I mean, please there's no reason to fight them at all.....unless any of you have a hidden treasure chest worth 1 billion dollars...in that case, please PM me for further instructions...seriously , you have no idea the things I found on this business...long story I'll tell you another day....

Here's how the big cats play this game...yes is a game for them, especially when you have all the money in this world to burn (Goldman & Sachs).

Monday - Asia Session and London session - sometimes it goes pass beyond 8:00 AM NY session - The clerk (the guy who pushes all the order that the big cat traders left written on Friday afternoon) is pushing (placing) orders on various markets. This is a slow process, and the market that goes last is the spot. So usually you'll have a slow moving - a tight market range.

Monday from Asia to london session - **you need to fly low and use a narrow range - don't expect too much. Don't force yourself into see FCR'S or 123 if they're not there. Be picky on your trades.**

Momentum is normally dry. If you're trading currency futures, be aware of liquidity issues as your order could be bouncing off for a long period before gets filled - not pretty.

Same thing happens to Friday after lunch - the big cats are heading for the hamptons, with their belly stuffed on philly sandwiches and beer - you know, very healthy for the heart. They're just in a hurry to leave the building, so don't expect too much on the market - again you'll find some pushers taking positions for the next week.

About the news - As I said in one of my last post., the news is a matter on what is the "flavor of the month" Right now, keep and eye on **trade balance , ISP manufacturing indexes FMOC and the FMOC clowns** whenever they speak and of course the **NFP**. The red flags on FF are not well accurate in my humble opinion - no offense intended to FF.

Do me a favor and AVOID TRADING DURING THE NEWS EVENT. You have no business there and most likely you're gonna get crushed. Mark your calendar and keep the eyes wide open...and one ear on the ground.

That's it for now....keep rolling.

CYA

feb2865

Sep 14, 2009 17:02

Quote:

Originally Posted by **gevellber02** [➤](#)
moved sl to 4602. to soon?



I think you should give a lil room to breathe...

feb2865

Sep 28, 2009 22:54

TIME OUT

Listen guys.

The thread is blowing thru the roof!!! congratulations.

There's something I've seen people doing and is not keeping an eye on their bankroll. Trading without fear is the way to go but you must draw a line between winning and losing what you just earned. The idea is not to start with 100 bucks on Monday and end up with 100.01 bucks on Friday. If that's happening to you buddy, I assure you, there's something wrong in the middle. You must play this game to win \$\$\$, not to win pennies.

Break-even is inevitable but don't hold yourself to that like is "acceptable".....would you rather be "A" student or a "C" student??

"C" Doesn't win money in this game...only waste your time....you gotta be "A" in order to make money.....

I said this before...keep an eye on your equity...that's the true goal of this game. You're trading fast in order to build equity as the time goes.

If you feel that by Wednesday you're below your numbers, lower your load and fly low. Load control is a **MUST** on this business-game.

Don't take accounting out of trading. It's part of it.....

Ultimately the whole show is a numbers game.....

Carry on...good luck.

feb2865

Sep 30, 2009 16:29

1 Attachment(s)
Good Morning.



feb2865

Sep 30, 2009 17:36

Quote:

Originally Posted by [gevellber02](#)

hay

did it not bother you that giant green news candle after your in profit poz?

*did you just place your SL above the 50 ?
tony soprano or don corlione?
thx you
please come more often
short 4605*

nah! I don't get bother by anything...the market is a bitch anyways!!!! My attitude today was like "make it or bust" Actually, after placing the order, I took Jasper for his "morning walk"

I took a chance on the failure made by the double top....not to be worshiped by the way...I could go and take the chance at the other side just didn't feel like it..

I left some leftover lots on the running when the market hit my 24 mark. It worked out nicely!!

I was heavy-loaded by the way.

Moneda, I clear with Oanda today...so far so good....I am going to shelve scalping for a lil bit. My eyes are hurting..

I might join you guys here from time to time with a silent chart.....Don't wanna make too much noise you know...

Where the hell is FX???

Tony soprano or Don Corleone....ahhh hard to say...

Guess I have to give it to Tony.....LOL..

feb2865

Sep 30, 2009 17:46

Just in case - long looks good, not for me I made my daily dosage already!!

good luck whomever goes long!!

Be careful on 1.4620 area there's a lot of bears watchin,,,

feb2865

Sep 30, 2009 17:51

Quote:

Originally Posted by **fxachilies** 

I am here feb..

whats up my friend..

loved the chart post earlier.. i did exactly the same thing..

I agree.. i have to go with big bad tony S too.. lol

how is your health?

Hey Pal...I haven't see U in a while....well my fault. I should stop by and say hello more often.

My health is improving, thanks for asking.

How's this bitch...ahhh sorry...market is treating ya!!??

How's the bottom line???? not need numbers, just if falls within your expectations...

feb2865

Sep 30, 2009 18:02

Just for clarification.

When I say "the bears/bulls" are watching please don't jump the ship....just excise caution and watch your back.....

Always remember...you call the shots...

I have a direct line with the floor and lately there's a full container of traders dumping cash on both - the spot and futures.....kinda fashionable you know.....

ahhh let's see what happens.

feb2865

Sep 30, 2009 18:09

Still....don't take this market for granted...you know what to do....

feb2865

Sep 30, 2009 19:24

Quote:

Originally Posted by **david4u** 

Hello Feb

God bless you Sir !

When there is a BB like in your post ...

Do you generally set your SL at 50% of the hight of the bracket ?

(and not on the other side)

Can you pls explain the reason ?

Tks

David

Hello David.

If I see the 50% of the move within a reasonable reach, I'll use it - Trading EUR/USD has a 20 pips range average. So I'll go with that.

A reasonable distance is between point of entry and 20-30 pips at the 50% line. In this particular stop was

around 10 pips so I gave a leeway of 12 to avoid a double-top.


This is not a rule set in stone. Every trading instrument has his own rules of engagement. As we're looking for a pair average range (not to be confused with a daily range) we will try to stay around that mark. That includes anything over 1:1 R/R Ratio.

This bracket is just a guide. Just a tool. You need to exercise caution.

feb2865

Sep 30, 2009 21:13

Quote:


Originally Posted by **gevellber02** 

*hay
in this particular you reference only to the 50%, because there was no swing high that you put your SL
above it???
am i right ???*

Yes, exactly....actually we had a triple top on that trade...

You can look either 50% of the move or a last swing...whatever comes first.

The idea is to keep the stop out of the noise as much as possible.

Base the trade on your naked eye and do a calculated risk. I tell you, there's nothing more you can do. I like to see the relationship between the 50% line and the last swing..I mean, it's just me...use whatever flavors you like...just keep the stop out of the way brother!!! 

and pull the trigger...that's your job don't forget....

feb2865

Oct 1, 2009 0:19

Quote:

Originally Posted by **PaulLangham** 

Hi Feline,

Thanks for the comments - by the way I have seen some stuff being posted by yourself which suggest you are on your way so well done.

About that trade, well you are the observant one, because you will have noticed that I normally try to close very fast at BE or BE +1 if price comes back at me. In essence this can mean that I might be over aggressive and miss some trades which retest their entry before shooting off in the right direction .

Now a couple of days ago FEB mentioned about BE`s and allowing yourself some -10`s in order to...

Paulie made a good point here - don't get distracted by posting here.....trading is first...

By the way, Paulie I do have a quick question...how are U managing the load on those trades???

feb2865

Oct 1, 2009 13:33

Don't get yourself hanged into candlestick stuff.....to be honest it will keep you trading on your toes and that's not what we want...

turns out to be pretty much like reading tea leaves...

no offense intended.

feb2865

Oct 1, 2009 13:39

why in this freakin' world you guys still dwell on trading every single hiccup outhere??

All I see, before the big ass red candle, is just a small hiccup.....

Repeat after me - The basis of this "system" is.....???

Ok....good..... now you know.

feb2865

Oct 1, 2009 13:52

Another thing - I see people here trading every single move outhere and only a few are talking about "stoping" due money management rules(either winning or losing). Don't take this wrong but this is not what I teach here. It's good to know the mechanics of the trade but you need to take care of your bankroll.

I sincerely hope by this time, nobody plays on demo anymore....

This is not a demo thread anymore. I told you guys sometime ago that the training wheels are off.....remember?...

Don't take this the wrong way but if you guys want me around here with some advice and guidance, I have a big mouth, especially when things are kinda twisted.

feb2865

Oct 1, 2009 15:33

Quote:

Originally Posted by **mac1956** 

I absolutely understand how surprised you must feel after all that work and thought. YYou've obviously worked bloody hard at it and you want to contribute. But I'm not surprised at Fx's reaction, nor my own, or anyone elses' for that matter - and I mean you no offence at all I promise you - I'll tell you why if you'll humour me.

I initially trawled through the thread thinking as you, "This could do with putting into a manual - trim it down a bit, make it cleare and more accessible"...I asked dumb questions and did dumbarse things (still do

as a matter of fact!) and the longer I kept turning up the more I began to think that was quite wrong. The principles are simple - in fact Fx sums it up in one short post. I reckon they are only 10% of the process, and that's probably an overestimate. Practising them in the heat of the market seems to me 90% of this methodology/philosophy/slant-on-things call it what you will. I know what an FCR is, and sometimes I hallucinate one that just isn't there - or miss one the size of an elephant that is - I DO THAT, the 'system' doesn't. Sometimes I know it's time to get out on a #2 at BE, but my fantasy future kicks in and I lose 21 pips in a blink. I MAKE THE CHOICE the system doesn't. The older traders, the experts here make better choices more frequently than us newbies using the same charts, same principles, same basic approach. Now that's really odd for something that should fit into a neat manual so everyone can have easy access to it.

But it is misleading to imagine that it would be sufficient. This is a journey - and this thread is the evidence that it takes place every day and night and even at weekends. If you want to benefit from the twists and turns that each person who posts has been through, the self-doubt, the fuck ups, the wins, the losses then this wonderful living archive is that story - and anyone who has the wit, wisdom, patience and commitment to can sit and trawl through every moment - it's a drama - and in the centre of it lies the 90%! A manual strips all that away. So get on the journey - get up to date and then contribute. Or go and write a lifeless manual that tells you stuff that is already out there in one form or another - 'swing trading' blah blah blah all sort of names. There is a powerful transfer of learning that occurs on this thread that defies communication by any other means. I will probably never meet Enox, or Jplo, PaulM, Moneda, Fx ro Feb (to name just a few) in the flesh, but I am privileged and so so lucky to spend every day I do with them as they put their asses on the line and that teaches me more than I could ever write down in words. This is precious, rare and is what it is - a JEWEL.

No manual can let you in on this - only the thread with all its blind alleys, diversions, rough patches, struggles... if it is a system, it's too deep to be distilled. As Fx says - it's a family.

Just my opinion for what it's worth.

Excellent post!!!!!!!!!!!!!!

feb2865

Oct 1, 2009 16:08

Guys

keep an ear on the ground...we might have a rocky morning.....be careful.

feb2865

Oct 1, 2009 16:18

I am going to hold probably passing 10:30 AM . Maybe I'll take the other side of the ISM....all depends....I'll let you'll know....

feb2865

Oct 1, 2009 18:59

Guys

it is the first of the month.....take it easy...don't force yourself to trade...

If is not there then sit on your hands.

Watch Seinfeld bloopers on you tube or something that makes you laugh!!!!

feb2865

Oct 2, 2009 15:07

Good Morning.

I hope you're not taking this market seriouslyat least for now.

I am looking to trade the other side of the news today and scalp a lil' afterwards...not my regular scalping but to look for small ticks.....

Good Luck!!!!

feb2865

Oct 2, 2009 17:23

Quote:

Originally Posted by **fxachilies**
result of taking the pull of other side. feb

riding the fucker to death now..



Good Job Fx!!

Guys take a note - this is probably one of the easiest moneymakers in the market....Not a guarantee but is consistent....

feb2865

Oct 2, 2009 18:01

Quote:

Originally Posted by **en0x** 

Feb, with your experience in trading this "method", do you only use it on NFP and rate news? I know the world watches NFP so its a lovely event (party hats all around)

Yeah..just for them...I am not happy with the rates lately...

feb2865

Oct 2, 2009 18:06

Fx and some others had a "Bears slaughter party house" today..... I had a fair share on the carnage as well... I wish I knew how to scale out with Oanda.....now, I know thanks to my friend Moneda...

congratulations!!!! 

feb2865

Oct 2, 2009 18:09

Quote:

Originally Posted by **en0x** 

I have had a torturous week. Just when last week I thought I am starting to get a hang of things, somehow on Monday the market decided to say this to me "Buster, I gave you a glimpse last week, this week I am going to teach you a leason for being cocky with me... and this time I am not going to spare the rod.." and it did. It wasn't the market since you guys made a killing on a few days. I battled and battled to make a positive trade. I was pulling my hair out, whipsawed one, whipsaw two, whipsaw 3., leaving trades to breath then getting hard...

Monday was tough on everyone including myself!!!

It's part of the game brother!!!

Hang in there....I've been there a zillion times.... The only big lost you will ever have is to quit ....

feb2865

Oct 2, 2009 18:39

Quote:

Originally Posted by **en0x** 

Yes, I really felt deep in the pits today. I was almost ready to throw in the towel and go, heck I will just pay someone to trade for me (managed fund or some rubbish), but that is not the winner's attitude. The winners attitude is to take it on in the face of defeat. To have your face rubbed into the ground over and over and over again , and then standing up and taking it on again.

The only problem is , you get that nagging feeling (its a self doubting feeling I am sure everyone has had in any endeavor they have done and if you haven't then screw...

I've been on this game since 1981 and I lost count on how many times I quit!!! or wanted too...I tell you brother, the feeling will never go away....

Just look at me now!!! I am still here LOL!!!

feb2865

Oct 3, 2009 14:04

I am lost.....

why is the whole deal about FCR's...1-2-3's etc....

We actually don't trade 1-2-3 but the RESULT of it.....

If we're playing a true 1-2-3, we will place an order on #2 which could be for the fibo freaks the 50% or 61.8% line....but we're not.

Ok children let's repeat after me...

1)initial swing

2)retracement (pullback)

3)continuation AT THE BREAK of the initial swing...yes here's where you should have your limit in place already....baby!!!!

So U have 1-2-3 - the dow theory...whatever U wanna call it...I don't know..

The 1-2-3 is our only "indicator"

#1 = initial swing - heads up

#2 = pullback - place your limits...

#3 = continuation of the swing..... trade....



If there's anything else, please someone enlighten me.....

feb2865

Oct 3, 2009 16:49

Quote:

Originally Posted by **en0x** 
Hi Paul, FX, Feb, Moneda,

I am certainly not quitting. I have a long way to go before I can look myself in the mirror and say I have tried and given it my all.  dont worry, I will be here Monday morning taking those Asians down one trade at a time 

My wife considers me one of the most stubborn persons she has ever met (I take it as a compliment, I don't

think she takes it that way sometimes). Stubbornness = tenacity. The little pitbull that bites and does not let go.

Let the new week come around. I love Mondays 🤪

Here's a winner's attitude....if he keeps this way, sooner or later you'll gonna hear him saying " oh man this thing about making money is soooo boring" (yawwwn!!).

feb2865

Oct 4, 2009 6:39

Listen everyone.

First I would like to suggest to anyone coming to this thread to take time and effort to study the materials. The basics at least. It's really frustrating for one whenever someone go with something like.... what is 1-2-3?...or what is a swing??? where I suppose to place the stop...how many pips? I mean, please gimme a break will ya? These questions has been answered to death on this forum...

I believe I wrote my stuff clear and concise. You need to know beforehand what is this thread all about and what is not. **Stop this pm's crap about backtesting and how long I've been trading this "system". I am not going to reply on that anymore.** It's time for you "backtesters" to stop the shit and start making money. You're not getting paid to be a "backtester". You're here to make money and know when and where to cover your booty...got it???good..

I do appreciate newbies. In one point in time we all were newbies. Unfortunately (and I wrote about this somewhere on this thread , please look) I don't intended for this thread to be directed to newbies. If you don't know what is a swing or a pullback, I am sorry but you need to go back to babypips or something like that. No offense intended please..

My idea for this thread is to share knowledge in good faith with everyone. I am sorry but I won't make a "private club" with anyone here. If you're starting but you feel you can catch the drift of this thread, just put yourself up to date, read all the stuff you can, and dare to yourself to be ready to start pumping up charts and everything.....no big deal...just don't be lazy...

I don't even know why in the world I have to explain this but here we go...

FCR'S and 1-2-3...to be or not to be??? to be gay or to be straight... listen guys, it's the same....no biggie....123 is your "indicator" and FCR is the fractal formed after the pullback....that's just another "indicator"...capishe??? Your job is to be first (1st)number one.....numero uno.....in line to get on the bus...

The mechanics are simple. You either have a possible trade or not..the rest is just sitting on your hands doing whatever(jerking off?)....

About the harsh environment.

Listen, If you're a newbie working for any investment firm in the CITY (London) or Wall Street, I assure you with all my heart that you're gonna get bumped , pushed, satirized and possible screwed in your ass (if you're not careful) to death. If you're trading on the floor, the people around you won't give a fuck about , they will try to rollover you and screw the hell out of your soul if they can. That is, amigos, the nature of this business.

If you're going to any of these places to get a mentorship or to be a intern, your "teacher" is going to be and asshole...I guarantee that...He/she will treat you like....what's the word?..... **shit**....

If you're willing to get a private tutoring with me, if you dare, I will push you so hard that you will hate the day I was born. If you don't believe me, ask a guy here on this forum by the nick of nomoretotoxic (sorry Tom) He will tell you how "nice " I was with him in person.

It has to be that way. I mean people...wake up....this is money we're talking about. Not only that, it's your life....your family, your ass is on the line everytime you place a trade...there's a lotta stuff involved on that trade....mentally, financially, spiritually.

I am not in the mood to be disrespectful to anyone here. But I am not good at babysitting either. If you read some of my post, many times I reply to your question with another one. I will make you think. I will confront you. Just realize, I am not trading for you. You're the one who ultimately call the shots.

Why I have to be like that??? because what you're facing outhere is not a sugarcandy engulfed in moving averages and big Mcadaddy's....Repeat after me children:

The market is a bitch...

Trading is hard....extremely hard. Trading is not for everyone. You need to look inside to see if this is for you or not. You want to follow me, you need to dance my song. I don't sugarcoat stuff. But I am proud to say that many of my people are making a nice living by themselves in this game.

Do your homework, you're gonna have some missteps at the beginning...that's ok no biggie...we'll take care of you. Throw the charts and place notes where you think you're stuck.

Successful money maker develops some sort of attitude. It's normal and you won't be different. But at the other hand **I will not endorse any disrespect at any member of this thread.**

One more thing - please, don't come here crying about having a couple of rough days or a week...well, you know....and then boooooha I am quitting!!!

You're quitting huh?....hey, look at me when I am talking to you.....you can't quit...this thing is inside your blood already...you quitting? 🤔...yeah right....I dare you..

You know this "system" is consistent. You know there's money to be made in this market...you know is there...you smell it...you can taste it...and you wanna quit???? 🤔 you're an addict already...too late brother/sister.....

oh wait a minute...didn't you know that trading is addictive????

Oh man!!!!

You can stay out for a couple of weeks...yes...but there's a little worm inside you buggin'...."ah, I gotta check out the guys on the thread..... " ah...oh I am sweating".....I need to know....."I gotta see the charts"...."I need to know what FX just said to that guy".....

common , face it....you can't help it....there's no turning back.....Trust me, I tried many times (since

1981)..... but when I stopped trying, my bank account began to get bigger and fatter....

Sorry for the long plane but I need it to relieve some pressure.

Now, lets patch it up and make some dough together.....mucho dinero...

Good Karma....

feb2865

Oct 4, 2009 7:09

One more thing(before I go to sleep)

Stop optimizing the "system" everytime you face a loss....The cat only have 4 legs, not five... 1-2-3-4...the fifth one is the tail....

If you lose, deal with it...accept it...stop this" ahhh I forgot the trend was up/down....who cares ???

I assure you, no.....I guarantee you that, mmm everytime you optimize this "system" you will be digging a deeper hole around you. You will be landing on the "Spaghetti land" in no time and then...pop goes the weasel...I mean... the money.

Deal with your loses...If you have a shitty day (like past Monday)..there's nothing you can do but to close the charts and go do something else.

feb2865

Oct 5, 2009 13:24

Good morning guys 🍌

Monday morning blues.....good for scalping and short range shooting....

The pusher is pushing daisys and the big cats are sleeping...

ISM @ 10:00....I could trade the other side....I 'll let you'll know.....

feb2865

Oct 14, 2009 14:10

OMG ...

What the hell you guys are doing in a market like this???

didn't U check the calendar??

Nobody is trading man!.....you won't have any pull if the big cats are sleeping.....all you have is a rough morning with the market up and down like a jumping bean.... and then on the news, this people are gonna try to slit their throats to each other..... so for me...I don't have the money to be in that league...better to stay off...

Unless somebody here has a least 1 bil to burn.....if so please PM me...

feb2865

Oct 14, 2009 17:54

clowns in a suit talking.....

didn't I ever tell ya ???

time to watch The sopranos

feb2865

Oct 14, 2009 17:59

Quote:

Originally Posted by **moneda** 

Feb,

 2:00pm USD

FOMC Meeting Minutes



Yeah..... bananas anyone?

oh yeah...that's another story....I am gonna play that for sure.....

feb2865

Oct 19, 2009 20:16

Quote:

Originally Posted by **emtee** 

Hi Sedonapipper

Good question

I think my sell signal was correct. Please let me know what you think about my entry point.

My big error IMHO was I let my stoploss be hit. I very rarely let a stoploss be hit. I normally cover my position earlier and hence limit my losses. On smaller time frames, I was getting a buy signal at 4942, so I would have covered around 4942 to 4944 but I was busy posting or reading posts so I paid the price.

Also it is possible that I should have been adjusting my sl in 1 pip increments as advised by feb2865 and this involves...

Welcome to the club emtee..

A lesson you should learn is to stay put in a market like this. Unlce Ben's is talking and he has the uncanny ability to put everybody on hold. I don't advocate trading based on fundamentals but it pays to keep an ear on the ground. Whenever you see on the calendar any of this fed's clowns talking, they do screw the market. Today, we have the biggest of them all....

This is why you see the motion on the bars so slowly - that's is called lack of volatility....something that for us is necessary in order to keep our trading short and sweet 😊.


Back to my hole..

Good luck

feb2865

Oct 21, 2009 21:15

Quote:

Originally Posted by **PaulLangham** 

Still holding guys.

I am now in DOUBLE PAULIE LAND 🤖

*Thanks to the mentors MR FEB 🤖 and MR FX 🤖 FOR THEIR ENDURING
INSTANCE IN TELLING US ALL:*

" WE ARE HERE FOR THE RUNNERS"

Currently +108

save a penny for a rainy day!!

remember...all is good but still is another day/ another dollar....

There will be down days ahead.....not trying to be pessimistic here just realistic....enjoy today's run, pack the bounty...shake it of and come tomorrow with a boring attitude....😄

feb2865

Nov 6, 2009 15:01

Quote:

Originally Posted by **fxachilies** 

same advise that i give on all major news/announcements.. and that is to sit on your hands till the dust settles, then take the pull on the other side if the setup is there..

I know that we have had some people trading at the release or only 5-10 minutes after.. but its not what i have advise or feb..

its a free country though brother.. lol

my advise is for all levels.. but maybe the very newbies are better off to sit it out..

That's the plan...this one is suppose to be big....let's see what happens....

feb2865

Nov 6, 2009 16:47

fools like to put stops @ odd numbers.... 00, 50 etc. This is exactly where the sharks got their feast (myself included). Similar to pivot points in futures....

feb2865

Nov 6, 2009 16:49

Quote:

Originally Posted by **feb2865** 

fools like to put stops @ odd numbers.... 00, 50 etc. This is exactly where the sharks got their feast (myself included). Similar to pivot points in futures....

oopppsss....I spilled the beans.

sorry....

I won't take it back anyways....🤔

feb2865

Nov 6, 2009 17:18

Quote:

Originally Posted by **fxachilies** ➤

*feb,
the break of the stupid round # looks weak.. how do u assess?
a lack of push....*

feb2865

Nov 6, 2009 17:20

Quote:

Originally Posted by **feb2865** ➤

a lack of push....

Some people are bailing out their shorts...that's for sure....Gold is bearish that's another hold up...

feb2865

Nov 6, 2009 17:54

Quote:

Originally Posted by **en0x** ➤

I Feb,

Question, do you use an ECN broker to see this? How do you see orders ? I don't get it. I thought the only way was to use an ECN broker.

Just curious :P

I trade currency futures.....sometimes the spot (Oanda) The currency futures shows the DOM (Deep of Market) or a ladder. You can see the orders piling up there. Nee to pay attention at the recent ones.....I barely use charts....

feb2865

Nov 6, 2009 17:57

Quote:

Originally Posted by **feb2865** ➤

I trade currency futures.....sometimes the spot (Oanda) The currency futures shows the DOM (Deep of Market) or a ladder. You can see the orders piling up there. Nee to pay attention at the recent ones.....I barely use charts....

Currency futures moves around 1 billion dollars a day - that's good enough for me to read the market's intentions...no you don't need to see the whole spectrum of the volume but normally the big sharks trade both - the spot and futures....Lately, I've seen the futures moving the spot constantly.

Besides I swim with themnot against them 😊

feb2865

Nov 6, 2009 18:02

Quote:

Originally Posted by **feb2865** ➤

Currency futures moves around 1 billion dollars a day - that's good enough for me to read the market's intentions...no you don't need to see the whole spectrum of the volume but normally the big sharks trade both - the spot and futures....Lately, I've seen the futures moving the spot constantly.

Besides I swim with themnot against them 😊

I am thinking about trading the spot using futures as my leading "indicator" I used to trade QQQQ using NQ (mini Nasdaq) as my leading indicator....it was like having your own private ATM machine in your house...everything was nice until Uncle Sammy busted me with 50 large ones.....Then I sent the whole stock market to hell...

feb2865

Nov 6, 2009 18:15

Quote:

Originally Posted by **feb2865** ➤

I am thinking about trading the spot using futures as my leading "indicator" I used to trade QQQQ using NQ (mini Nasdaq) as my leading indicator....it was like having your own private ATM machine in your house...everything was nice until Uncle Sammy busted me with 50 large ones.....Then I sent the whole stock market to hell...

I know this is beyond the scope of this thread...if you want to really see how I do it, let me know and FX or someone could put a classroom together. I just prefer to take this out of this thread so people, especially newbies, won't get all mixed up. So if you guys are interested, please let me know and we take it from there....

feb2865

Nov 9, 2009 13:18

Market is banging @1.50 area.....if it holds I am short...still gonna wait...no news today is a high probability that area holds....

Quote:

Originally Posted by **emtee** 

I am directing this question at Feb2865, the man with the vast experience.

Today has been a disastrous chopp monster day.

Is there any way that you can recognize what is happening?

When should you stop trading? Any clues would be appreciated.

Trading in this environment will part you from your dollars in the wallet in a hurry.

Hope your health is excellent and look forward to your comments if you have the time

regards

emtee

It's all based on expectancy.

Ask yourself this questions before putting up a trade.

- 1)How much I am going to risk on that trade?(comfort level)
- 2)How many trades I am going to make.?This is just due a market reversal.
- 3)How much time I am leaving this trade open in order to mature.?
- 4)Where is the point for me to bail out (not to be confused with a hard stop-loss)
- 5)What is going to be my R/R for this particular trade? 1:1 or 2:1?

as a side note:

Limit your risk in \$\$\$ not in pips.

Adjust your load accordingly with your stop distance.

You're playing your game. You call the shots. In a day like this. if you're in a trade already and the time of closing is near, you know that the spread is gonna increase...what would you do?? will you leave the trade for the asia session or will you bail out?

If you're sitting on your hands...will you check the Asia session to see if is worth it?? do you have the time???

Will you trade overnight?

Choppy markets are synonymous of lack of volume, especially in forex. As for why, well many reasons. How to spot that early, it's another story which is away from the context of this thread. But still, you don't need to know in order to make it in this business.

Doesn't matter what the market is or do etc. Is what you do in order to stay afloat.

I don't know if you're a guy or a girl, but normally women wants to make things to men "difficult"...you know...she will say "no" but she will be smiling looking at the floor.....at the other hand, there's some that just say no because they don't want anything with you.

The market behaves similar.....sometimes it say "no" but....you know there's something in there.... or the market is acting up and simply don't wanna give ya money. The question is..... what would you do??.

it's 3:40 PM EST..... yes the day has been choppy but.....don't you think this market could go short...big time???

what would you do??.

hey, you can opt to do nothing and that's ok.....but...is that what you want?? Your MM allows you for another trade or...your risk limit has been reached already?

Hope it helps...

feb2865

Nov 9, 2009 23:29

Quote:

Originally Posted by **PaulLangham** 

Hi Feb,

Can I make an observation - of course very simple after the event but take a look at today's activity, agreed concerning the NY session there has been some sideways action, but don't you think that once price tries for that breakout at the high then fails, we then drop into a trading range and peoples queue to the next trade should be a close outside the BB ? See my red trading range indicated.

Likewise, again depends on your time zone, but today has actually been very good from the Aussie and London session, just maybe that the swings...

a fakeout is always like a ball of shit. Sooner or later, someone has to put the gloves ON and pick it up. Today in particular the market hover around 1.50-1.5020 area - the logic dictates that many Small guns and some P.I's were trying to break that level for the next logic stop which should be 1.55. In my opinion, the big guns are not in agreement with that 1.50 number - it's too high for their taste....normally a big push down like the one we had this morning will send the market down but there was no interest whatsoever. Nobody was bidding heavy.

The big guns are aware of that surge. They will take the other side of the trade hitting stops, making money from all the "long" lost souls. Then the market was "suppose" to go short in anger...but it didn't happen.

Maybe...you know...someone in Asia seize the opportunity. As for now, the market is up for grabs.

The overnight session was good because the big guns were clearing a lotta euro's from the DAX, which went to the ground short and logically, took the E/U to the roof. . This Monday was unusual in my opinion. ah man!! I was sleeping....you should call me we could made more LOL!!!!

feb2865

Nov 10, 2009 0:01

Quote:

Originally Posted by **emtee** 

thank you Feb2865 for your words of wisdom.

No I don't wear a dress and I am male.

I only trade for 5 hours from the start of the NY session.

Why?

It is a stressful business and I feel it is not healthy for me to trade any longer as I also have health issues.

So I have to live with what the market gives me during those 5 hours. I must admit, I would prefer to trade

the London session as there it appears to have more certainty during most days.

You quoted that """"..."

I have to be brutally blunt.

There's nowhere that I can point you out. The information books etc, other than Jesse Livermore and Nicolas Darvas, is simply : biased. The internet is 100% biased. crappolandia in my opinion. If I knew something worth it, I will send you without hesitation.


Markets have certain inter-dependency which is beyond the scope of anyone's view. This is where trading becomes art literally.

Guys, I sincerely wish I can put something together on this and some other subjects. If you bear with me, I have 2 open classrooms already. But I will announce something as soon as possible.

feb2865

Nov 10, 2009 1:27

Quote:

Originally Posted by **PaulLangham** 

Exactly this is what I was saying earlier in my post, if it breaks to higher ground and doesn't make it - you pay some education fees to the market and you then wait for it to break the BB

oh I definitely I agree with you guys. I was trying to tell him that the chop monster in the bigger scheme of things is totally irrelevant - is your action what matters - will you carry the monster in your shoulder or simply will leave the mess behind???

The market can do whatever, is your game plan what matters. If you plan ahead, the chop monster should be in your list.

remember if the market does xx then I'll do xx....

If somebody ask me what to do on a chop monster situation, obviously you need to asses(oh I like this word for some reason) the situation and address the problem accordingly..

feb2865

Nov 10, 2009 3:11

Quote:

Originally Posted by **tghf8t8** 

Feb,

Is there any correlation between SP 500, DJ and euro?

If it is big day on New York exchange would it take money from forex?

S&P is the big daddy of all.....the rest just follow...

New York Exchange is just for stocks - S&P as an index only can be traded in CME...

feb2865

Nov 11, 2009 12:30

Good morning

got bored of longer time frames (except daily) ...got back to my evil ways 🐱

Yes, I trade depending on my mood....

Hope you got that long tail last night... I traded currencies/gold and bonds....they were awesome.

Shorting Eur as we speak....

feb2865

Nov 11, 2009 12:41

Quote:

Originally Posted by **DesertFX** ➡

Hey Feb ... where you been man? We barely see you speaking to us anymore 😊))

I have 3 open classrooms plus the boy's chatroom. But today they took the day off(the students).....My girlfriend already put me in the list for shit mart so I have no choice... But that's like some hours from now so I'll be bugging you a lil' meanwhile.

feb2865

Nov 12, 2009 13:10

Guys

I'll be open two new classrooms starting January. One would be for floor traders/experienced who are in the process of leaving the floor and coming into trading electronically. The second will be for traders looking to improve their skills or learn new tricks. I don't teach newbies. I will probably use skype, not sure. Space is limited so be ready to sign up early, don't like to teach a zillion people. I am not decided yet into what exactly are going to be the subject..

Leave me a PM with your e-mail and I will contact you as soon as capacity is reached..

Of course this is based on my health...hopefully everything goes good by then..

thanks

feb2865

Nov 12, 2009 15:16

Gotta go....I made my day today....trading is boring.....

I git my box packed already LOL!!

be back later on today.....

Like nomo says "cheers"

Quote:

Originally Posted by **Reesy** 

Hi Guys,

I'm a newbie to the thread and I'm currently trying desperately to catch up and currently I have only read up to page 108. I'd just like to thank Feb (and also everyone else who contributes) for his generosity in sharing his knowledge, experience and expertise with us. "Give a man a fish (system) and he will eat for a day, teach him how to catch a fish (read the price action of the market) and he will eat forever!!! That is one hell of a gift Feb!!

The simple steps taught by this thread have revolutionised my mindset towards the markets...

Reesy

Welcome to the family. Please feel free to bring any doubts - concerns etc.

In your particular case, the AUS/USD (the aussie) has decent volatility during your trading time. The loonie USD/CAD also bring some decent volume during this time. If you're in a mood for range trading, then EUR/CHF is the best of the breed.

This is not a pure ERU/USD thread. I made that my personal choice. You're welcome to trade those pairs I mentioned and post charts if you like.

If you trade any pair during your available time, pay close attention to the news related to that pair. They tend to be very touchy.

hope it helps.....

Guys.

For the classroom, is imperative to leave your own personal e-mail. Right now I am putting on a list those with e-mail addresses.

One thing I want to make clear - we will keep this thread alive. I am grateful to twee which is my dear friend and the big daddy here ta FF, for the opportunity but we need to abide the rules. I am not selling books nor putting up a website to sell anything. I will explain in details how we're going to deal with the classroom so we keep everything orderly.

I will let you know the subject(s) we're discussing on that seminar...

Is getting pack already but I will leave some room, so hurry,,,very soon I'll close the door.

Quote:

Originally Posted by **PaulLangham** 

Hey Fx,

First up, just so that we don't get things wrong - this is not a critic, we don't need that here, this is a question which hopefully might bring some learning or raise another question which might help one or all of us.

I am not going to go down yesterdays road about my trades - but I do want to use an example of one of the type of trades I have done recently to pose the question, open the discussion and or get your reaction or anyone else's if they feel they would like to contribute .

First diagram - let's take upside - of course the example will work for downside as well.

So first example is what we would all like to play all day long, please correct if anything incorrect in my assessment - Long on the break, nice 30 pip run up one extra push to the top - push fails - market moves down breaks FCR - out on the break and short 3 pips lower - easy right 😊 OK thats what we would like but as we know Mr Market does not always give what we want.

Second example and I make no secret of the fact this example is based on where it all went wrong yesterday.

Same long entry and same number of pips - except this time we get a very tight range for a bit which extends a little more, but time goes on and price doesnot really retract - thinking now of the original Feb quote concerning the actual retracement amount - OK we don't measure but larger retracement more chance of double top failure or not even double top. So here we have say 10 pip retracement gradually extending, whcih is small, but never pulling back 50% or any of those silly numbers they all use . So I am thinking upsides and pip saving.

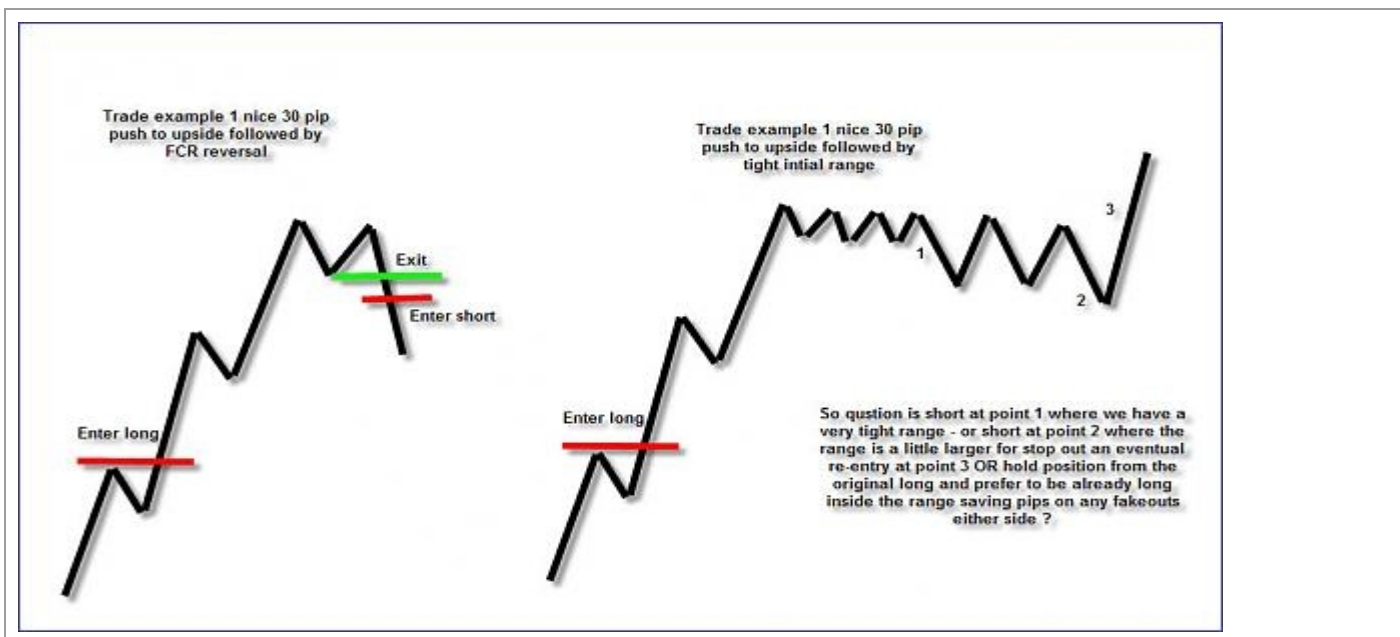
At this point I have two things in my head based on what we already said back in the thread - I can stay where I am in the knowledge that I am long from down below, keep out of the heat - accept that price can't retrace very much seems supported and the longer it goes on we should get upside - an attempt at it at least OR I can say play pure FCR reversal take the most important one I can find say point 2, take that one get faked out then reverse again into the upside as price takes off again north.

Now this is my question how to resolve the juxtaposition between taking the reversal - to quote you "You believe in this trade" answer "Sure I do if the reversal signal is properly defined" as opposed to what we have said and that is save pips during these range patterns, keep out of the heat and wait for at least the second push to the upside and maybe the break north again.

OK so as you can see no critic, cos that won't get us anywhere - but hopefully an intelligent question which will get people thinking 🤔

I am fully exepcting you to say there is no right nor wrong answer LOL 😊

Just finally this is something which caused me an issue yesterday and it is obvious that sometimes I do one thing and sometimes another. Which I think u will have gathered.



As you invited anyone to contribute,

I am reading over and over and I perceive that your problem is what to do when the market goes in a range while you in a trade.

A true cold hard fact is that ALL markets goes in a range due lack of volume. The disadvantage spot trades has is no way to quantify volume. My opinion, screw the volume, will only make your trade on your toes.

In my experience....all the time...the market is up for grabs when it gets on a range. In that particular graphic you posted, assuming you bagged 30 pips already, and now with the fact that you know anything could happen on a range.....what would you do?

1) A B/E trade? Of course you're not gonna let that winner turn into a loser...

2)Close the trade, take the bounty and look for a re-entry??

If you chose # 1 is not a big deal. You play defense and that's completely valid. There will be another bus somewhere down the road.

#2 is a bit tricky. See, as we already established that the market is up for grabs, anything goes. So, here's the deal.

a) you re-entry at the same direction as you were - but....what if is a fakeout?....could be the end of the move - some sharks faking out to get new fresh meat. A very common pattern.

b) you re-entry in a new direction possible fcr and everything...oh yeah that's cool....but what if is just a hiccup form the original move???? Could be stops getting hit (possible sharks involvement...yeah baby!)

This is what I do.....always do in a case like this (yes my personal biased view and action)

I bail out brother.....30 pips in my back are good....yes.

Whatever the market do next, I'll sit on my hands until I see a clear cut, quantifiable move. Then I play

accordingly....there's no rush I already bagged 30 pips. I have the upper hand.

If I can quantify the move, I could get on a trade but there's something I do...always do...

I cut my load. Yes baby, I already have some \$\$\$ in my pocket. Risking the same load is a big mistake...as I stated, I don't know what's next....not even if I could quantify a move, I could get on a bull/bear trap(yes sharks induced traps). Many times I cut my load in half...but you can go as high as 3/4 and will be fine.

My mentor told me many times "you're not a trader but a capital preservationist"

Having complete control on my load plus having some \$\$\$ on my side are big winners on a psychological level. Instead of chasing the market (like many traders do) I'll wait patiently for the swing.

I suggest don't dwell into market signals. Instead, read their intentions. At the beginning of this thread, on my first chart posted, I stressed many times the importance of quantifying the initial move - impulse. Evidently, this initial swing is coming from a period of consolidation. Somebody is taking one side of the market...sometimes in anger. This is where you want to be.

In the 2nd graph, the moves within the range are irrelevant. I can't read the market that way. I need a swing...a reasonable one.

A range really lies in the eyes of the beholder. Lack of interest, traders on hold to let the stops go, I mean.....I can make you a huge list. But there's no volume = light trading. That's for sure.

Sometimes I hold in ranges. It all depends. Pretty much all comes down on how much I have bagged already.

feb2865

Nov 13, 2009 12:31

Quote:

Originally Posted by **tghf8t8** 

Feb,

Which futures do you look when you trade EURUSD? Full EC or mini ZE?

Thanks,

/t

Full EC....All the way...

feb2865

Nov 13, 2009 12:38

Quote:

Originally Posted by **tghf8t8** 

Is this "official"?

Are GBPUSD, AUDUSD, USDCHF welcome here 

Well, I don't have any problems. Just that EUR/USD is now "standardized" by our dear family. But you can trade whatever you feel comfortable with brother.

Apart from E/U I believe AUD/USD and USD/CAD are great instruments to trade.

feb2865

Nov 13, 2009 19:11

My answer in bold

Hey Feb,

Thanks for your reply. Maybe you have a second or two to look at my further questions/replies ? I put your points in italics.

As you invited anyone to contribute,

No problems, thanks for your reply I appreciate it.

I am reading over and over and I perceive that your problem is what to do when the market goes in a range while you in a trade.

Indeed. I would qualify just one point though and this wasn't supposed to be a trick or anything like that but the push I gave in the example was for 30 pips – reason being that originally it was said that 40 pips 'can be considered as a runner' and it is OK to bank etc... Now with 30 pips obviously this is less than the 40, and in fact the market is teasing us, because we are thinking ok, maybe she will push again or maybe I am going to leave pips on the table and my 30 will become 10 or something – there is some market tantalization going on.

A true cold hard fact is that ALL markets goes in a range due lack of volume. The disadvantage spot trades have is no way to quantify volume. My opinion, screw the volume, will only make your trade on your toes.

Ok this is an interesting point and I am sure that this is going to be another reply to bookmark for people from you. Can I ask another question relevant to why prices go into a range? I had always understood that prices go into range as the buyers and sellers agree on current prices, there is no one party who is unhappy to pay – buy or sell – at the price that is currently available. Is the resulting decrease in volume then a by product of the ranging price or the original reason for it?

Maybe an analogy from outside the market might work for us here – take the cash for clunkers thing they have recently been doing world wide – you get some cash for your old banger and then walk off with a new car – in simple terms they been knocking out cars at much below normal prices, with government sponsored incentives. What happened? Many people stepped up to the plate and took the deal, I did it myself. Volume increased because the deal was considered good and everyone got happy- for a time at least. In this case the volume at the old prices trickled off to very low historical levels but increased dramatically at the new ones.

For me the reason in this case then that the volume trickled to below average was that prices were considered very unattractive and to bring the buyers back in again price had to fall. So volume - if you could quantify it - could help in determining the end of the range - vol gets so low - by implication the market will have to adjust price wise in order to find good two way business.

(This theory about buyers and sellers in agreement is simply nonsense. Ranges are simply lack of participation. That's it. Simply look at volume in stocks, futures etc. Works like a clock. Everytime you see lack of volume, the market shrinks. There's few exceptions on where the market surges in low volume and that is an artificial move based on something else. That's very rare but it happens. Buyers and sellers need to see something of value before step into the plate. Nobody wants to be the first in line. This is where the big guns comes and push the market somewhere. That's their job. Markets are simply a bunch of people working under a collective state of mind. Someone shouts "buy" "sell" and some people will follow. Some will fold(pullbacks) some will keep going)

In my experience....all the time...the market is up for grabs when it gets on a range.

Ok this is an interesting point as well - just to clarify and ensure I understand you correctly you mean that it can go either way - price could be pushed sufficiently by larger enough players to draw in and create follow thru from the rest of the players ?

(exactly)

In that particular graphic you posted, assuming you bagged 30 pips already, and now with the fact that you know anything could happen on a range....what would you do?

1) A B/E trade? Of course you're not gonna let that winner turn into a loser...

Agreed; I have to say that until now I have let trades run 15 to 20 pips and come right back down at me and taken BE - bit I would not accept 30.

2)Close the trade, take the bounty and look for a re-entry??

If you chose # 1 is not a big deal. You play defense and that's completely valid. There will be another bus somewhere down the road.

OK I find giving 30 back quite a bit though as I said above.

#2 is a bit tricky. See, as we already established that the market is up for grabs, anything goes. So, here's the deal.

a) you re-entry at the same direction as you were - but....what if is a

fakeout?....could be the end of the move - some sharks faking out to get new fresh meat. A very common pattern.

Yes this is exactly my point for holding – you say fakeout pips to the upside if and when they push it higher which as you said happens very often.

b) you re-entry in a new direction possible fcr and everything...oh yeah that's cool....but what if is just a hiccup form the original move???? Could be stops getting hit (possible sharks involvement...yeah baby!)

Agreed again this is the original dilemma – reason why I wanted to give plenty of room to allow for possible fakeout downside – keep out of the heat and as you say let the market show its real hand.

This is what I do.....always do in a case like this (yes my personal biased view and action)

I bail out brother.....30 pips in my back are good....yes.

OK I am noting this – it will be a newer style for me as I have been holding on for grim death previously but I will put it into action – ladies and gentleman the 'Demi Pauline' trade has landed = 30 pip banking on arriving at range.

Whatever the market do next, I 'll sit on my hands until I see a clear cut, quantifiable move. Then I play accordingly....there's no rush I already bagged 30 pips. I have the upper hand.

If I can quantify the move, I could get on a trade but there's something I do...always do...

I cut my load. Yes baby, I already have some \$\$\$ in my pocket. Risking the same load is a big mistake...as I stated, I don't know what's next....not even if I could quantify a move , I could get on a a bull/bear trap(yes sharks induced traps). Many times I cut my load in half...but you can go as high as 3/4 and will be fine.

Ok again this is a very important point then, your cutting the risk as you know the likelihood of fakes and trouble ahead increases because price is in the range and to get out of it will take more than one go ?

(That's what I do on ranges(other than playing ping pong)....)

My mentor told me many times "you're not a trader but a capital preservationist"

Yep I have also been told 'If you don't have any money left over you can't go back to the table the next day" a logical result of ignoring your mentors quote.

Having complete control on my load plus having some \$\$\$ on my side are big winners on a psychological level. Instead of chasing the market (like many traders do) I'll wait patiently for the swing.

OK – in practical terms does this mean that you are going to wait for the eventual breakout either way - a pull back and continuation in order to form that swing – or I am misunderstanding?

(Whenever that happens, yes that's what I do, with lighter loads. I don't follow the breakout, I sit on my hands waiting for a pullback)

I suggest don't dwell into market signals. Instead, read their intentions. At the beginning of this thread, on my first chart posted, I stressed many times the importance of quantifying the initial move - impulse.

Yep OK

Evidently, this initial swing is coming from a period of consolidation. Somebody is taking one side of the market...sometimes in anger. This is where you want to be.

In the 2nd graph, the moves within the range are irrelevant. I can't read the market that way. I need a swing...a reasonable one.

Yes this was my point – it is very difficult to decide or determine what is an FCR what isn't and what the real formations are there.

(I will reply on this at the bottom of the thread.)

A range really lies in the eyes of the beholder. Lack of interest, traders on hold to let the stops go, I mean.....I can make you a huge list. But there's no volume = light trading. That's for sure.

Sometimes I hold in ranges. It all depends. Pretty much all comes down on how much I have bagged already.

OK sincere thanks for your replies – sorry to have been a bit long with my questions, but as we said maybe everyone will find something of use. I will certainly start to close all or 50% where I can, if I detect that a range is forming

Read this very closely.

FC'r's are important. Most definitely. But if you trade any FCR outhere, you're going to be one step close to the nut house. Besides, you can't possibly sustain a healthy MM just trading anything you see.

About swings/moves etc.

At the beginning of the thread, I put a 40 pips swing as a benchmark. I started this thread because there was an incident with some other guy (at this point I won't mention his name) and I simply felt compelled to give all

this poor souls that were ...what's the word...screwed!, some guidance. In that light I have to use some "benchmarks" (the 20 pip rule, 40 pips swing etc) so at least they have something solid to hold on. Very much like training wheels.

Qualify a swing is a task by itself. My rule of thumb is not to rely only on # of pips but to look closely how this bar(s) are formed. A momentum play. See, you're not the only one looking, there's many more looking at the same charts.

Have you ever tell how fast the market moves at any particular level, especially FCR'S? Oh yeah, that's what I am talking about.

Market going up/down in anger yes brother, this is where I want to be. If a pullback begins to fade, more often that not there will be a surge of traders at the other side – continuation of the initial impulse swing.

Pay attention to momentum - look how fast/slow the bars are formed...I swear you'll learn a lot doing that...


Knowing where resting orders are is another true advantage(one of my cornerstone edges), but we'll talk about that later on if I don't forget LOL....I am tired brother!!!!

Hope it helps!

feb2865

Nov 13, 2009 19:26

Quote:

Originally Posted by **dim4ik42** 
Dear Feb!

I have a question about swings...

I see, that swings on EUR/USD are now not so strong as like for exemple in summer or spring... From spring of year 2009 I start trade with your great approach, and after some time I made some resultats. But now (autumn 2009) EUR's swings are more weaker and smaller. At least my bottomline talks me about this. I can be wrong, but I think this period now is more for bracketbreakout trading. Like Fxahilies and other people here do. Or I totally wrong and can't see swings more????...

Market goes in cycles. That's normal.

I don't think FX and the family is trading range - he knows that the volume is drying out an he just adjust himself accordingly. FX and the rest of the family are still trading swings and FCR'S There's not a hard and fast rule but if you just need to play along. Keeping an ear on the ground is just that - learning the market's language. As a trader , you need to be adaptable. I barely traded currencies in 2006. I simply didn't like what's been happening back then.

Another thing we need to look is how you're managing your trades....are you playing this game aggressively if so how aggressive is your play?? Or you're simply let the market take his course..I mean...all of this could affect your bottom line....

we need to know more, brother...

feb2865

Nov 15, 2009 22:26

Wow this is unbelievable.....

FX – Listen. There's something called "freedom of choice" or "free will" You can opt to do whatever you want But if I were you, I won't let trolls have their feast. My mother used to say " The best weapon you have against your enemies is simply ignoring them" She also says" whenever someone is trying to hold you down in anger, simply smile at him"

FX, you're a successful trader. You know the nuts n' bolts of this "system" I assure you, there will be always a troll trying to debunk your views. You have confidence, you are straightforward and you have more admirers here than enemies(if any). Nobody is pushing you away from this thread nor me.

You learn how to call the shots on this game. I am afraid you have to do the same on this forum.. There's some guys around here that tells stuff sometimes in a hard way. I am not applauding nor condemning them, in my particular case, I am here to help. I really don't give a rat ass if anybody doesn't like my grammar, my attitude etc. I simply don't care. I don't reply either. I get PM's from people saying that I am crazy, that my systems are a failure, etc etc. Do you think I reply? No way. I simply ignore them like a bag full of shit. Oh yes, I replied a few times, but brother, I have a silver -long tongue and I am literally invincible in verbal arguments. Trust me as I had to survive three trading floors.

There's something else.

I am not a religious guy. But I do believe in the esoteric. I believe one has a purpose and a definition in this short existence. You were brought here not by pure luck, but there must be something else. I believe in awareness. I am not superstitious, but I am very attentive on the little things in life. Helping others, you're bringing good karma to your life. Who knows, maybe you'll need it on the future. Look at me for instance. I was DYING back some months ago. I really though I couldn't make it. Here I am now. What the hell happened? I don't know. In my opinion, there's more than trading involved here.

Let's be blunt here.

I read Wiztrader post. It's hurtful, I know. He's like the devil. He disguises himself like an "angel of light" to spread his poison, slowly but in a classy way. He's throwing little darts to you, Paulie and me to manipulate the situation at his convenience. This supposedly "beef" between you and paulie is simply a little scratch. He just made it

bigger.

Wiztrader is not banned from this forum because ..well. ..although we don't like it, he's a necessary evil, like he says. People like him and others (yes they're more) are just luring people into playing their wicked games. He's putting you down and putting me on a pedestal in order to receive a "presidential pardon" for his actions. He screws you hard but using KY lotion to be more pleasant in your ass.

Brother, you're better than that. Don't play his or anybody else wicked games. As I always said, you call the shots. Simply ignore him and anybody who come in that manner.

As I said, you have freedom of choice. You can do whatever, Just think if is worth it to let them win. Maybe somebody has a "hidden agenda" ...you never know..

As for the rest of the family:

You're here because you found something of value. Please evaluate your own personal reason to be here. If is worth it, then don't let the smog blind your eyes. Keep going.

Good Karma to all of you.

feb2865

Nov 16, 2009 23:56

Quote:

Originally Posted by **tghfht8** 

Feb,

Are you talking about EURUSD.

+74 pips today.

And i missed 100 pips drop down under.



well you got it - that was before he start talking LOL!!! On the rest of the day was flat....

feb2865

Nov 17, 2009 16:04

Quote:

Originally Posted by **mac1956** 

In the thread you'll find a number of instances where this explained. One pair-one time frame. EURUSD is the preferred pairing - it has a lot going for it, good movement and it is a great practice ground for this philosophy.

Posting charts from other pairs leaves everyone with a bit of a messy thread to contend with. By focussing on teh one pair (unless Feb gives permission otherwise to specific people) everyone gets to learn and apply lessons to the same charts. YOu make everything a whole lot easier.

Read the thread through thoroughly and you'll...

I pretty much let that pair preference option open.

I prefer EUR/USD for the following reasons.

- 1) Liquidity - Believe it or not is better to keep your spot broker happy!! if you trade EUR/USD consistently, would be easy for your broker to clear your transactions by the end of the day. Those who trade currency futures. EUR/USD can easily holds 100 contracts in one shot(on high traffic hours of course). Very liquid.
- 2) EUR/USD has predictable ranges. Normally you won't see huge spikes. In my opinion is easier to trade that way. Placing your stops/targets are definitely easier. That also provides room for be more creative.
- 3) Cost of trading - if you trade with Oanda is normally 1 pip. Very close to what we have in currency

futures.

4) momentum - something I've been teaching lately - I found out that momentum in EUR/USD is also predictable to a certain degree. It's easy to spot sudden burst in price and either jump in the bus or don't get caught with your pants down(just for people to see that you're not wearing undies).

feb2865

Nov 17, 2009 16:20

Quote:

Originally Posted by **sam69** 

hi feb,

thank you again for your great work to help others,it must be hard work for a long time to have such a trading skills,its a honour for me to learn from you!,thanks and many pips to you!🙏

no problem!! the pleasure is mine.

Listen guys, I want you all to feel like home here. Sometimes I am lil' tight but still I take time to check this thread and reply any questions. Still, is wise to read the thread and take notes in case you get stuck somewhere. I know it's a bit long but is a pleasant and sometimes funny reading. There's also plenty of experience guys here that are in the same attitude as me: to help your fellow trader.

Be aware that sometimes you'll be confronted with your own charts. Although we do it with respect, it is part of the learning process. We don't spoon feed people. Trading is hard and cold. You have another disadvantage that is called loneliness. It's only you and the screen (boring) but is nice to have a place like this where you have not only friends but a place to lean on in case you fall ('cause you will).

One more thing: I will enforce heavily any lack of respect to anybody I don't care who your are. If you have any troll upon your ass, leave it to me....I assure you I'll take care of it.....

Now back to my trading board.

Love, and good Karma to ALL of you....

feb2865

Nov 17, 2009 16:23

Quote:

Originally Posted by **fxpilot** 

I prefer EUR/USD for the following reasons.

1) Liquidity - Believe it or not is better to keep your spot broker happy!! if you trade EUR/USD consistently, would be easy for your broker to clear your transactions by the end of the day. Those who trade currency futures. EUR/USD can easily holds 100 contracts in one shot(on high traffic hours of course). Very liquid.

2) EUR/USD has predictable ranges. Normally you won't see huge spikes. In my opinion is easier to trade that way. Placing your stops/targets are definitely easier. That also provides...

Hi Feb,

With your every post comes a wealth of information that is experienced based. Thank you for sharing so willingly. In point 4 above, you said that momentum in EUR/USD is predictable to a certain degree. How do you determine this and what exactly are you looking for to anticipate or predict momentum. Thank you.

fxpilot[/quote]

In my case, well....looking at how price moves. I barely use charts for trading. In case of the spot, simply observe how candles/bars are formed. Check the speed as they form. It takes time but you'll get familiarized with that rhythm.

feb2865

Nov 17, 2009 16:45


Just a reminder guys. !!!!!!!

"The trend" is pretty much a macro view of the current market situation. We pretty much trade in short - confirmed changes AKA swings, which are not related to higher moves (trends...tendencies etc.) I have some post on that subject....

feb2865

Nov 17, 2009 17:03

Quote:

Originally Posted by **coronajazz** 

Hi all!

I am really sorry for my ignorance, I ve read the thread until 57th page now so I am not really up to date. However I have traded something like this in the past, among many other things (i am not thinking of it as a system too) and it is my choice of preference now I ve decided to filter out everything else and stick to only one type of trade so I can more easily evaluate my results when time comes (at the end of week, month or whatever).

I closed the EURUSD trade today with +14 pips when it started to consolidate. The USDJPY never developed...

Please be careful - as you choose to trade more than one pair, both, the risk and the profit will be spread out.

feb2865

Nov 19, 2009 12:59

Quote:

Originally Posted by **highroller** 

until we get onto the ECN Brokers, we're stuck with the bucket shop brokers unfortunately, so we gotta grin & bear it till we makin some good coin...

Cheers

HR

better to trade currency futures.....the cost of trading is half plus you get to swim with the big boys

of course you gotta have \$\$\$\$ the tick tag is \$12.50/per move.....but you guys are gonna pile up serious cash very soon...

feb2865

Nov 19, 2009 13:12

Quote:

Originally Posted by **en0x** 

Oanda didnt even tick me in, my order was 4885, my charts so max at 4882 . , still waiting for it to get hit. Oh well, no practice today.

Oanda behaves pretty much like a futures platform...if you're short(bid) waiting to get hit @4885, there must be an order 4885 ask (buy) in order for your to get a fill.. if the market goes 4885 bid, your order won't get filled....


does it make sense brother???

PD: still is a market maker...no zero sum games..

feb2865

Nov 20, 2009 14:54

Quote:

Originally Posted by **coronajazz** 

I know we are not looking at 1h charts, but just took a glance. If it brakes bellow 1.4800 it is a black hole there, nothing to lean on.

You can do the same zooming out on 5 minute charts.

feb2865

Nov 30, 2009 1:35

Quote:

Originally Posted by **fxachilies** 

The fault lays in the word "system" itself.. Markets go through cycles and in a such a constant changing enviroment you can not put a square box around it and threat it the same all time..

there is give and take in any style and flaws are a given..

thats the way i see it brother.

Yeah brother that's one point - the chaos theory and I definitely believe in that.

But see, one of the problems I had when I started trading the spot is the pips count.

People, you need to stop counting pips and start counting \$\$\$\$

lets say, 20 pips stop - 40 pips target...what's the deal??

The pip value is what matters. I talk about loads, not pips...I could have my stop situated and 40 pips or 10 pips...it really doesn't matter.....the thing is how much value this "pip" has?

Let's talk about this 20/40 pips countdown - although is a 2:1 ratio (which is my favorite) if you're trading mini lots....do you honestly think you can make a living off that??

I understand some are still learning the ropes. But you need to base your discipline in your bankroll rather than pips. Even if you have a small account. If you have (for instance) a 5k trading account (not recommended if you wanna make a living) and your risk comfort (look at me, risk comfort, yes repeat many times) is situated @1% of your bankroll PER DAY (yes, repeat many times...PER DAY...NOT PER TRADE LIKE SOME BOZOS ARE SAYING)that been said, then you have to trade under 2 conditions.

1) Until you get your bounty or

2) you have exhausted your DAILY RISK LIMIT.

Anything in between (you're cutting the trade short etc,) has to be under these two premises I mentioned. There is no black and white area on this, trust me...some days you will get your WHOLE bounty...some days you won't...some days you just simply have to say "screw this market" and maybe close the day with a scratch.....

I have a low hit ratio because I use tight stops - not for the system II but for what I trade.... Just picture yourself fishing on a shore...you throw the thing (I forgot the name now..shit) and you throw it over and over and over until you catch the fish or you go home because you're getting hungry(or running out of beers)....

Oh man I sincerely wish I can keep talking to you but I am so tired.....You have no idea how much hurt to have lymphatic issues..

I'll get back tomorrow.....promise...

Carry on brothers...

feb2865

Nov 30, 2009 17:27

the end of the month blues.....oh yeah baby..

traders are either counting their benjamin's or licking their wounds.....

The last day of a month is for bounty assessment - the first day(s) of the month is like, none want to be in front of the line....

ah the markets!!!! human behavior at it's finest!!!

feb2865

Dec 1, 2009 14:17

Quote:

Originally Posted by **elizo** 

Guys...

nothing against your entries but... did you notice that we are in the middle of a range?

My orders, long @ 86, short @ 54

In the middle, it could work or you may face the baby choppy monster... but you must recognize the patterns and understand that this is a risky one.

Remember: your resources are your capital and your time. Invest them properly. Don't waste them on lower probability entries. I faced a fake down and a fake up. 2 entries to define the bracket. I just paid my money to recognise it; now, why should I pay more inside it?...

This is the only reason I don't recommend to trade the system II at this time of the day...

The system II need momentum in order to be effective. At 7:14 AM EST I assure you, momentum is dry.....clerks are punching orders..

The forex market is active 24 hours a day 5 days a week.....but that doesn't mean you can trade any time you want. Unless you're a range trader and still you need to be away from volatility.

New York/London overlap is good - 1/2 hour after London, when the stock market opens - 9:30 AM EST - this is not like you're gonna trade on that very exact hour.....just that these times are when normally - usually volatility increases...

feb2865

Dec 1, 2009 15:03

Quote:

Originally Posted by **coronajazz** 

Happy to hear that! 🙌 And good morning to you!

Hey thanks man!!!


Listen guys, you can't trade any possible FCR available. You need to be picky about it.....don't rush yourself into trading. Remember, you must keep an eye on the bottom line. There's a time to hold and there's a time to fold....

Pick a right time to trade - don't jump yourself in the bus if you have not made a clear assessment first. If the market is choppy, better to stay put 😊

feb2865

Dec 1, 2009 15:10

Quote:

Originally Posted by **coronajazz** 

Feb!

I am glancing through different charts (old habbit, cant help it) and I notice. Last two weeks system 2 would of perfectly worked on indexes,DJIA and S&P, 5 min, much sharper moves then EURUSD, much less fakeouts. On hindsight of course 😊

Is it just coincidence (chaos working), or is the nature of the instruments.

I am not trying to alter the course of the thread, nor will I try to trade anything else for the time being. Just curious???

That is part of the market cycle - like a year ago the dow was shooting 60-100 points ranges - completely untradable on the mini's. At least for people with limited capital.

Don't be surprise if E/U gets very directional (trendy) now on December....heads up....

feb2865

Dec 1, 2009 15:16

I know some guys trading the system II by Dec - 2008 that made a fortune - I can't guarantee we're gonna have the same this year but it's highly probably, especially if gold keep on 1k range....

feb2865

Dec 1, 2009 19:03


Quote:

Originally Posted by **jplo** 

Today it hasn't been a session.... It has been a punishment..... lol

A fee to be on line to catch major runners...

But..... I wanna see this bitch when I have it by his balls..... 

I'm not gonna leave it till he could sing opera in several idioms.... lol ... 

You're not the only one Jaco!!!

I got my booty kicked today!!!! oh well, lick your wounds and keep walking.

feb2865

Dec 2, 2009 20:09

I gave all of you a fair warning about December some moons ago - December is like a jackbox - could be a life-saver or an account killer....

Actually, I made that warning twice...none acknowledge me as far as I remember...

Last year was very directional - Dec 2007 was a mess...etc....

feb2865

Dec 2, 2009 20:22

Quote:

Originally Posted by **fxachilies** 


hi feb,

*this just a bump.. one day is good, one day is bad.. one yr is good one yr is bad..
so we don't know for sure?*

*isn't better to screw all that and just stick to your own game plan and take it from there?
just a humble question brother?*

1) many big guns take Dec off - this year it might be that case...not sure but looks that way. We need them in order to make a push...actually is not on vacation necessary, they migrate to other markets.....then...

2) Forex could be bad but there's some other markets.....not everything is dry.....Gold looks good for Dec.... The problem with all markets beyond the spot is that you must be well-capitalized in order to make a living...that's also true in the spot but still you can manage to make some coins while you're getting on the profit side..

3) You don't like to play ping pong but as you see....in this market becomes handy 

feb2865

Dec 2, 2009 20:49

Quote:

Originally Posted by **fxachilies** 

ah ping pong.....

You don't know, that's ok..... but I am giving you the hint - right now...in the flesh.....just put it on your stickyYou know me brother..I won't hold any info like that...As for any changes on market behavior at higher levels, you'll know first...that's a promise...

Well the hint is also public...our idea is to help everyone right?

Just make a good assessment on the situation and take ur best shot....

Yes, is good to stick to your guns but also remember that I said many times market goes in cycles...well here you have one....if forex gets directional like last year we're gonna have new millionaires on the block...if not.....

too early to tell.

feb2865

Dec 3, 2009 14:11

Quote:

Originally Posted by **fxachilies** 

well.. looks like market has gone to sleep ahead of ECB.. its wise to stay put till then..

expect a rocky day brother..... - uncle ben is opening his big ass mouth today.....

feb2865

Dec 3, 2009 15:19

Quote:

Originally Posted by **fxachilies** 

oh don't i know about his big ass mouth.. lol.

Planing to go big here.. is it wise?

are we taking the pull on the two big mouths?

Uncle Ben has the uncanny talent to screw the markets- don't know why really....

The fed should be abolish...

feb2865

Dec 3, 2009 16:01

today we have a bunch of eur news - ISM manufacturing and the mother of all clowns talking....

I tell you a rocky day...it pays to have an ear on the ground....

Talking about clowns.

The other day someone got really pissed 'cause I called one of his idols a clown...The "idol" is an author of something..I am sorry but I don't read trading books...

Probably my bad calling him a clown.....Gotta cut him a slack 'cause he's trying to make a living off selling books about how people should trade...don't ya think?

feb2865

Dec 3, 2009 16:12

Quote:

Originally Posted by **dim4ik42** 

Wow... rough week.... rough day.....


Yes I play ping pong a couple of times today - not a whole lotta money but it works.....I will put it on the January seminar.....don't wanna mix it with the system II....

hey - sitting is your hands is a good "system" too.....

feb2865

Dec 3, 2009 17:30

Quote:

Originally Posted by **coronajazz** 

Feb!

Some thoughts about ping pong and System 2!

I do not know about any other ways to trade. You can either trade System 2-like way, or ping pong. In a way if you manage your trades properly, over the long run you can be succesfull with trading either of these two. But you must stick to the way you chose, at least at the stage where I am now.

The main reason I havent been consistently profitable I find in my endless scrolling between the two. The moment one stopped working I would jump to the other and so back and forth. The market cycle idea,...

Yes you're signed - I am just collecting e-mails so I can notify you up and personal all the details. I'll shut the subscription by mid-december...

The ping pong trade is just another animal.....I don't want to go deeper 'cause this is the thread for the system II.....actually the ping pong trade is not a system...really.....but it has it's manners...it has it's own market conditions...

It's fun for me.....I trade for fun honestly..... and to be around you guys talking about stuff...

Gotta get something to eat....

Keep and eye on Uncle ben.....

feb2865

Dec 8, 2009 22:57

This is to the "ziggie guy" listen bro, coming here saying that you can do this and that is pretty much shooting yourself on the foot. I am not banning you or anything. Winning or losing are really irrelevant. Consistency is what you need to show. If you found something of value on this thread, simple learn the language (FCR'S 123 G'S BB's ETC) If you get stuck somewhere, of course we're gonna lay a hand, no biggie. But stay humble.

December could offer an interesting ride. Just buckle up in case we get a choppy month. I have indications of decent liquidity among the floors (take note please) but some of the fat cats are betting in gold. That could bring mix results.

carry on.

feb2865

Dec 9, 2009 19:35

I started this thread due a big fiasco from a guy who try to rip a bunch of people off...I can recall his nick..I know he has a tiger for avatar...

I honestly and with all my heart felt compelled with this atrocity. I decided to begin this thread with at least serve as an antidote to that stuff.

My idea is to have an open forum, learn the "system" and give people at least a true framework to work upon. I think it has served well as many people has benefited from the teachings.

After a while I got really ill. Besides I wasn't interested in pursue this teachings as I believe (I still do) the thread has come to it's fruition. FXachilles visualized something more and he (with my authorization) decided to continue. I am eternally grateful for that.

People, everything in life - good or bad. has to come to and end. I am truly grateful for those who has best wishes and prayers on my health.

I was just giving sporadic advice in order to keep the flame alive. Now after a careful consideration other than the unfortunate situation I have experienced today, regrettably I must decline.

I probably had the wrong idea of making a nice community in which we can share knowledge in a courteous manner. I never intended for this to be a discussion thread. I have health issues people and I don't have the time the energy nor the patience to deal with trolls.... Unless you're trying to sell uttery crap like Trader V was doing not long ago, the most effective way to deal with a troll is simply ignore it. Sometimes you even have to play his game in order to win...at least that's what I do..

Talking about discrimination and racism I am a yankee doddle. I don't have blond hair nor blue eyes and my accent is very brooklynish. I tell you. I got pushed, mocked, satirized almost everyday in the 80's. I know what's feel to be discriminated. Now I trade from the comfort of my home while those "white supremacists" are washing dishes in The Ritz Carlton in New York. (true story). I love white people by the way I have true white friends and this is just a sector....

Just that in my own experience, is just a waste of time trying to defend your color race or creed form people who are simply illiterate and don't have any sense of culture. Trust me is a true waste of time. I've been there many times that's why I don't bother..I assure you guys, you have many of them here at forex factory...plenty of them.

Learning about your culture and others is synonymous of intelligence. If you're not open to that, you're an ass.....trust me.

To wrap this up most likely, I'll turn the switch off on this thread. I believe it has served well, but unfortunately due so many events I don't think it's worth to keep it running longer.

I still have plans to carry on the seminar. Just that I have to wait for Twee which is the administrator here at FF for further instructions.

It's 12:33 EST - I'll be here for a while in case someone wants to say something. Then I'll go get some needed rest.

feb2865

Dec 12, 2009 1:53

Just for the record..

I am not kicking fx out of this thread. You have open doors at least from my standpoint. If you choose to give up on the thread, it is your solely and sound based choice.. If you have a vision on helping others, honestly there's more ..many more people here willing to keep following you on this thread, as you already have a rich database of information. I am not a selfish guy, I think you know me enough. I was about to close this thread for good and I found out that in that action I will be acting selfish. You need to evaluate that because this thread is not only you or me or anyone. it's pretty much a people's thread and if we're gonna preach good karma and kindness ,we need to also do the walk you know...

I am not putting any pressure on you by no means. But as I had second feelings on closing down this thread, you should evaluate your involvement on this thread and how that will have an impact on your

involvement on the universe...You became profitable on this business because your eyes were open on my teachings..something mystic happened and you got the knowldege and not only that, you placed it on a logistical language. Just think deeply if this makes sense or not.

Just to be clear - this is not me trying to convince your to either stay or go - I am just relying on facts.

On a personal level, I have no authority, nor desire for you to leave off this thread....again for the record. Oh yes, I am deeply hurt. But that's something we should discuss in another time.

I am not a religious guy I will never be.....but I am a vivid testimony of today 12-11-2009 I am STILL alive despite the doctors gave me a prognosis of 3 months on December 2008.....I have to attribute that solely to my desire to help others in good faith.

As I said, this is already a people's thread. But trolls will come around because jealousy and envy abounds everywhere. I don't have the time nor the energy to keep dealing with every troll that comes around. But theres an easy way - do you see like a little paintbrush button on the top right corner?? that's a cleanup report. I assure you, our dear friend twee is watching this thread closely and he will take action upon the trolls.

My involvement on this thread will be an occasional advice maybe some kick in the butt, but as a trading or posting charts etc. I believe I had my share already.

That will be sad to see this thread reaching 12.5k post, to come to an end because some people put a bad rap on it. It will be pretty much let the trolls win and not teaching them a lesson...what a shame!

The press will read "The system II(Yes with irony) was shot down by the trolls" Can U take that??

It's all up to you guys.....I'll be evaluating the participation, .if the pillars of this thread keeps around, the amount of post per day... and then I'll make a decision.

feb2865

Dec 13, 2009 16:44

Quote:

Originally Posted by **moneda** 

Hello Corona,

Your are absolute correct that risk management is key to our success not to confuse that with an unwillingness on our part to accept loosing as part of trading. My only suggestion to you,...

I have to agree with my brother here -

Corona, you could lower your load per trade that way you'll be participating more in the market. As you migh know already, the forex market IS NOT a true 24 hr market - there's periods of consolidation etc -

The system II is more effective when volatility is high.....

feb2865

Dec 13, 2009 17:17

Corona,,I was thinking and I would like to tell U a lil story if you don't mind..

My uncle was a professional poker player. He traveled all over. He show me how me and dad how to play poker. He was very talented and he never had to count cards or any of that crap. He made a nice living and when he died he left a decent state to my cousins. Of course he invested in some other ventures like real estate etc.

one characteristic he show was a high level of comfort when playing. Simply put he always play with money he was comfortable to lose. I had the opportunity to watch him playing a couple of times in the VIP section. His secret was to bet on the law of probabilities. But he needed to stay in the game long enough to catch the good hand. Is not only risking x percent of capital or risking comfort money but to distribute this \$\$\$ in a way that you can capitalize to the max every move you make.

The part people don't like about is is that there's not a golden rule. You need to play discretion. In my particular case all depends. Sometimes I don't use the same load on very trade. It all depends on the time of the month, what day of the week, etc....

Just for the record - I am not trying to say that trading is like gambling.....

feb2865

Dec 13, 2009 22:29

Quote:

Originally Posted by Yeti 

Fed do you use different size on particular day or days or do you use different size than usual on particular trade? Cos I think that changing size based on trade is very difficult - you do not know if the next trade will have more chances to win.

changing load based on a trade - it's complicated yes...But is all based on equity.


All I can tell you that my first trade is normally....usually the most aggressive....my second trade could be as much as aggressive as my first one depending on my equity. But as I said, there's no golden rule.

Oanda provides an excellent tool - measuring units instead of lots. Have more control over the load that way. If I am trading futures, well the contract value is fixed so I use another form of calculation. But the spot gives you more flexibility.

Just that I keep my equity in front of me at all times....And a calculator.

My tools are 1) a calculator 2) a simple notebook for record keeping.

By record keeping is simply math calc based on equity...for instance "my bankroll is \$1000 I put a trade, lost \$10.00 = $\$1000 - \$10.00 = \$990.00$ and I keep track of my equity that way...no I don't have the time to write that on excel...I trade super-fast.

I don't base my trades on winners or losers rather on how much equity I have left. 

feb2865

Dec 14, 2009 2:21

I am sorry but I can't keep repeating myself no more....

Just for clarification - a high probability for a trade is solely based on a very individualistic observation - it is just a heads up - a warning - a FCR formed etc....don't make it any bigger than it is....it can be shared collectively but by no means is a definitely assurance for trading.

The conditions are met for a trade.....so you need a course of action..or not....here's where discretion plays a role...

are you gonna let a high probability for a trade slip? Yes/no and why???

nbvehrfr you're making some questions but they're based on a poor lack of knowledge due lack of reading. I know it's hard but if you want to grasp this concept, unfortunately there's more reading to do before you pump up more questions. Unfortunately for some, I created an environment that won't allow for babysitting.

I know we lay hard on people. I personally do it on respect but still we play hard ball here. The idea is for you to make sense on your own trading and build trading character rather than go with the same old "buy when the x cross z etc"

You're asking questions based on what you read so far and that's alright. The problem lies on lack of knowledge...need to go deeper buddy!!!

feb2865

Dec 14, 2009 14:46

Quote:

Originally Posted by **skris** 

I've had 2 trades on the Euro thus far, one before london open, was a BB entry, played 2G, lost -12pips (first blue box). Second trade was a nice 123S, out of the bracket, low and behold it was another fakeout, - 12 pips. Had a winner with the AUD this arvo, so only down -13 for the day. Now waiting for a bit more direction from NY.

Another thing i've been struggling with is how to deal when we 're-approach' the bracket, such as it looks like where doing now, if there is a valid FCR just before the bracket do we take it, and hope we shoot straight through the chop monster etc.



Thanks Skris for posting your charts..

Just remember guys - the last couple of hours before NY open are normally choppy...always keep an eye on that....

feb2865

Dec 14, 2009 14:52

Quote:

Originally Posted by **fmarcia** [➤](#)

So, let's go:



My analysis: I did not consider the whole swing in my exit strategy but only my entry point. I should have play #1 instead of #2G+ (so easy once done).

This is a healthy practice - post your charts and comments even if you get screwed up...we all get screwed including myself....so don't be afraid to speak up.....

feb2865

Dec 14, 2009 15:35

on my side the day looks slow.....but Monday gives surprises so stay put....who knows....wall street opens in 1 hour....that's a another rush....

feb2865

Dec 14, 2009 18:40

Quote:

Originally Posted by **MJurban** 

hi Stoffer,

at the beginning of this thread, long time ago, we used the M1 Chart to trail our stoploss. I still do this but i dont know if it i still legal with th System II, so i do not show Charts

Feb, do u think its still ok with the Syste II to use M1 Charts for Stoploss Trailing?

not recommended....the noise is some how different...

feb2865

Feb 5, 2010 16:11

hope everybody went short on that one....

NFP- the money maker....if you know the secret...hey that's a good title for a book..

see ya later guys.

Peace and good Karma.

feb2865

Apr 28, 2010 22:58

Farewell

They key for my success in life, generally speaking, lies in the process of doing things. This will sound complicated but if you think long and deep you'll catch my drift. When I was a kid , there's one forbidden phrase in my house "I can't do it" You have no idea how many slaps I got in my face because of that. Eventually I bite my tongue. I have to literally bleed in order for my father to help me out with any situation. Yes, I bled a couple of times doing stuff that I really don't fell comfortable talking about. I brought this mentality to my professional and personal life.

Was my daddy a bad guy? No way!! I can't thank him enough to show me this way...

On this, I learned the following:

Results are irrelevant...really, trust me it works that way. Here's some food for your brain.

People play the lottery with the idea to pick the winning numbers...sounds logical right?

They cross the fingers "hoping" to get it right this time..." I wish I get the winning numbers" They talk about "the numbers" like if they are already made. Like if someone already decided what the numbers will be...wrong!!!...that's up in the air.

Some traders too focused on catching the wave in x direction, like if that was already decided..."the market is long/short etc.....see, I really don't care on what direction the market ***should**move. My only concern is ONLY to be there when the opportunity knocks...that IS the process....which is more relevant than the results....

The process of doing things will mold the results sooner or later. I can't explain this in simple words because this is one instance in what you must do the walkin, I really can do it for you. But as long as you get stuck in the middle trying to get results AKA winners, you will be crippling the process of doing, which is where you need to put ALL your effort.

When I trade, I win every time, even if the outcome is negative...why???. The gap between the two(process and results) will grow closer and closer to the point that you will come ahead every month and trading will be...what's the word???? Boring...

I am not intending to impose my beliefs or preach religion etc. I do believe in frequency, vibration, light, the law of attraction and interaction within the universe.. I believe humanity complicate things too much. It is simple, there's no other way to put it.

I will probably sound arrogant but here I go: When I started trading I knew I was going to be successful. I told my mentor that I was gonna be succesful. He rolled his eyes but after a couple of years he realized I was right. Here's what I did:

I didn't wish to be the best. That wouldn't be right. You don't have to beg, you just simply have to go thru the process. I knew that my process would not be an easy one, but I saw the whole picture: Process and results. But as I began trading, focusing on results faded away and I submerge entirely in the process.

Everytime you "wish" for something, you're simply begging. Nobody is gonna give ya something for nothing. So the effect will be a whole bunch of people (who are actually doing the process) stepping on your toes...and probably on your head if you're on the floor.

I mastered the process. I learned valuable lessons via the process. Then I became successful.

In this game, whoever is numero uno won't stay at the top for long. Very soon, they crash and burn. The idea is to stay at the middle, enough to make a living and save some cash.

My daily routine

My guide are my hands. Every morning (no exceptions) I close my eyes for a while, and I touch my hands

gently looking to feel the softness. I get in contact with myself before anything. I drink a full glass of water as soon as I wake up – no exceptions. I meditate . Simple stuff. I don't pray , I just look within myself.

Whenever I sit in front of the screen, I make sure is me in 100% because I know the task at hand will put me in the risk of a total drainage.

I will not tell you that it woks like I just discovered gold or something. I know it works magically for me. But it's important for you to be 100% when you do something. If not you'll be screwed most likely.

Trading is one of the most difficult jobs in the whole world. Put a lot of stress in your heart. But if you choose to get this business going, you must know, in top of everything that losing is not bad. Is like breathing to life. Take another perspective and embraced. Once you conquer the cookie monster, trading just become a walk in the park

This is most likely my last post(s) in this forum. Everything come to pass and my postings are not an exception. I sincerely thanks everyone who contributed to the thread(s). I sincerely hope for you all the best and I am honored to help so many people in this site.

I will stick around for a couple of days, just in case someone have a question. Then I'll move on.

Who knows I might comeback one day.

Good Karma.

feb2865

Apr 29, 2010 10:49


Thanks for the kind words - it was a true honor helping you guys out.

Treasure the good things. Keep in mind that this game is not for everyone but you guys are already in the ring so there's no other way to go but up. Give the good fight and master the craft.

feb2865

Jul 30, 2010 19:12

Quote:

Originally Posted by **chiba_san** 

Just to be very honest, I have very little experience with forex. like 2 winning trades and one losing. if anyone can shed some realistic light on this matter... from my point of view, if i dump my entire capital on something simple, like a jardine fleming eastern fund and leave it untouched for a decade, the end result would be like +10% -> +17% on average, every year (on average).

I've spent around 20+ hours reading this specific thread. do u guys really reckon that after taking all the good and all the bad, that we can make like +40% per annum...

A realistic feedback would be none of the above.

In my experience statistics + trading don't match.

I don't like to use the word random 'cause some people are kinda sensitive on that word. But markets are some sort of "organized chaos" in my opinion. You need to take what the market gives. You could have a week 9 out on 10 winners, the other one could be 5-5 etc.

People try to predict the markets. It's more profitable to react.

The only route to profit is be there to capitalize on the opportunity and manage your losses to keep them in the minimum.

Trade on a short timeframe always looking for the long expectancy. Trade off 5 minutes, 1 minutes etc keeping your eye on the results after 30 days.

feb2865

Jul 30, 2010 19:14

Quote:

Originally Posted by **umbro** 

Ok. I'll post the question... without going too deep in the technical stuff... what's your opinion about this market ? I mean, Do you still think one can be profitable with one pattern (I don't want to say which one) ? Personally I extended my patterns (I took some teachings from you from the System III system and applied to the 5M) ... but I suffered these latest months.. I'm getting back my money and I'm positive recently. I figured out that a pattern is just a pattern, what's your opinion Feb ? Thanks in advance with most of respect. Don't give...

This market = summer .Volume decrease on the bank's books.

feb2865

Jul 30, 2010 19:36

Thanks

Thanks to all of you who have inquired about my health. My recovery is positive and my prognosis looks very good. I am still on chemo.

I retired from this site because I feel like I gave so much for the community and everybody flocked away from my forums. So I thought that people don't need my assistance anymore. I am ok with that.

On the controversy that Mr. wiztrader brings, I have never gave out authorization to anyone to put this teachings in commercial mode.

ALL the "systems" are nothing more than frameworks you need to built upon. Make them comfortable for you. In the next weeks I'll be open up site. Google it as my nick feb2865.

Oh about FCR vs. My teachings - you need to decide what's right for you. I am not in position to approve nor criticize FCR stuff All I can say is that my teachings are simple to apply and very intuitive

Well, back to my cave again...

feb2865

Jul 31, 2010 14:19

Quote:

Originally Posted by **chiba_san** 


thanks for the reply feb. not to try to piss off anybody. but i just want to ask one more similar question....

don't dwell that much into numbers. Once you're in a trade there's nothing you can do. The numbers I gave out are just an example of a possible scenario. You just put the effort in the process of making(trading) and let the results come by itself.

feb2865

Jul 31, 2010 14:23

Quote:

Originally Posted by **StoragePro** 

Glad you are feeling better....

About statistics and what happens next - I don't believe in any of them..

feb2865

May 17, 2011 22:52

Out of my cave for a few minutes...

Love your losses.. embrace them...made them part of your investment in this business.. This system is not for everyone, hence I have other threads. I am a scalper and I read tape. Is easy for me to put 100+ in one day...

The world of trading is not black and white... shades of grey are always present.

Order flow - I dunno who the hell mentioned this but that is just how the tape goes back and forth. Nothing to do with graphical(charts) trading. Don't get yourself prey of "fancy words" mmm be practical.

If you guys are going to load charts do yourself a favor and don't bring anything in hindsight. Do like I did many times.....load the charts BEFORE a possible trade... If you lose, well, deal with it... show your charts before and after...let's be real please..

Explain your reasoning behind a possible trade. Let the community know what do you expect to be the outcome of that particular trade. If the trade fails. what would you do? re -entry? quit?

Good luck guys..