

In relation to recent posts, and in an effort to help others quietly suffering in the background, I submit the following.

A couple of weeks ago I was going along nicely live trading M5 and demo trading M1. My plan was to wait for RJs pdf to come out before live trading M1.

Well, I got impatient and went live w M1.

A few days later I had traded away all of my profits, and ½ of my capital.

The words of Marcel Link rang out in my head, sanity prevailed and I stopped trading, and undertook an investigation into what had just happened.

The investigation turned into a full and honest self evaluation of myself as a trader.

I think I like trading so much for the same reasons I like golf and love fly fishing.....its a contest more with yourself than anything else.

Out of this evaluation, I learned what I was good at and vice versa. Now I could formulate my trading style, which I didn't really have before. I was trading Genesis Matrix as one should, but also making little adjustments and tweaks to customise the system to fit my own style and comfort level and time parameters.

I finally worked out my trading style, my way of trading the system w confidence and profits, to take trades where not only great signals were generated, but gut feeling was behind the trade as well.

“As with any system, there is a degree of discretion required....call it experience of gut feeling or whatever. It's not something that can be built into a system,”

The most important thing I learnt about my trading, and Ive known it for a while, is that I cant look at candles when waiting for good trade set ups. This was my undoing w M1.

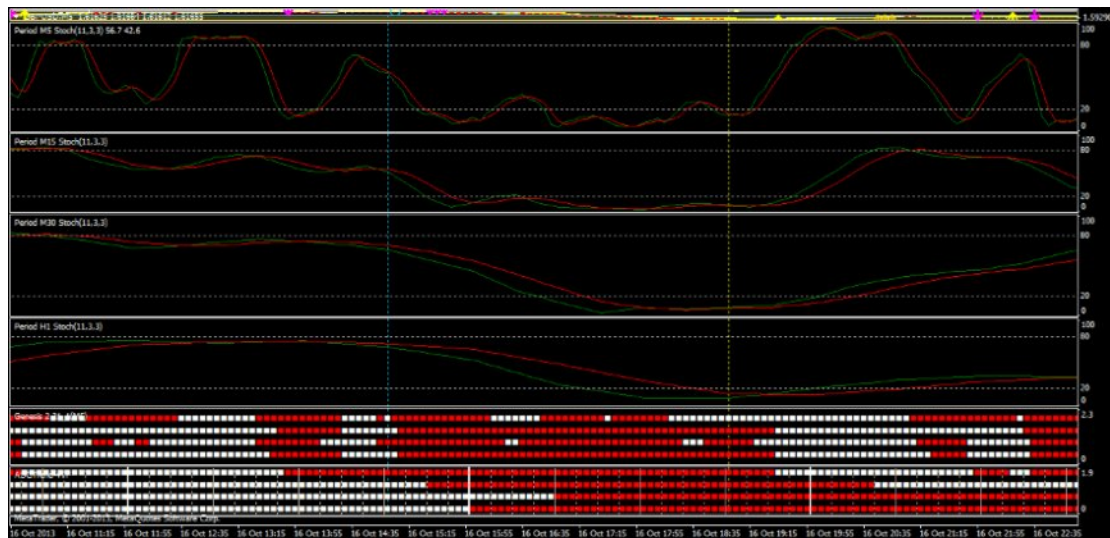
The candles are mesmerizing, like the sirens in Homers Odyssey, wooing me in.

As soon as I start candle watching, I start chasing PA, and it all just unravels from there.

M1 requires candle awareness as much as Stochastic and DP/BRN/SR

awareness.....so.....M1 just isn't for me, at least not now, not until I am a better and more mature trader.

My trading style is based on M5 trading. For each pair I have a chart w multi-TF Stochs and the Matrix only. This is my watching chart. I can tell at a glance whether something is building or not.



The second chart is the M1 chart.

Here is where I place stops/TPs and early monitor the trade, especially when PA is jumpy or erratic. When the trade is underway and travelling ok, I change the M1 to M5 to manage the trade, and then to M15 if it gets that far.



Chart 3 is a general picture of the pair. I look at this on H1, H4, and above. Here I plot S/R and do a bit of long term analysis. The blue dotted line is weekly pivot. I don't really use it for anything yet, just something I like to see PA react to.



So that's my set up. I pay close attention to the MTF- Stoch chart as the trade progresses to analyse pullbacks, reversals, exit points etc etc. Aside from protecting myself from candles during the wait, the MTF-Stoch chart provides a lot of extra information. Ive always liked Stochastics because they make sense to me, I like the way they move and the characteristics they display. Stochs are not just a matter of O/B or O/S. The way they rise and fall tell a lot about PA.

PM1s "mouth" analogy has stuck with me. It sums up a Stoch characteristic perfectly. PM1 also points out in a later post the danger of a fast moving Stoch with a very wide mouth, indicating a spike in PA.

So, now I had my trading style defined, but not quite finished, and I felt good. This style puts me nearer the sweet spot of "cautious optimism" more than any other style I have tried. I'm in my comfort zone.

But what to do about jumpy and erratic PA like we have had the last few weeks? Will I find any trades on M5 in my time zone (NZ)? And, money management to compliment my trading style?

I usually get a week day off, and Ive noticed that when PA has been performing poorly like the last few weeks, NY provides some nice, smooth, reasonably strong moves when LO doesn't kick into gear. So one night a week I now miss LO, get a few hours sleep and trade NY on say a Tuesday night and make up the sleep on the Wednesday (day off).

The rest of the week I watch Tokyo and London where possible, and if a set up occurs Ill take it. The really good set ups get M1, M5 and M15 Matrix signals almost simultaneously, and the stop loss is 10 – 25 pips, which I'm comfortable with

because the set ups are so strong. There are a few other basic rules I stick to regarding BRN/DP FF open etc etc.

For LO and TO I trade EA and GJ

For NYO I trade GU and AU, but monitor all pairs all the time, just in case.

If the trade is CT, my expectation is 15-20+ pips.

For trend trades 20+ pips

MM:

I only need 1 trade per week of 25 pips to make good progress because I compound my profits and risk 5% per trade. I know that if I keep to my trading style/plan, I can make enough money in 1 year to quit my job and pay myself my current salary for a year and have capital to trade with.

The trade calculator xls that PM1 posted has been a vital tool for me.

I'm quite happy to sit back and watch all week for one good set up. That might sound over cautious, but when the set up presents itself I'm not afraid to invest 5% risk in it. That's the trade off, and it suits my personality.

Anyway, the point of all this is that I have developed my own trading style around the Genesis Matrix system. Ive concentrated on what I'm good at and cast out what I'm rubbish at.

Perhaps this is what some less experienced traders, like myself, are missing in their trading, and why they are having inconsistent results, or worse, losing all the time.

Ill stick my neck out and say that it doesn't matter how good a system is, even one as robust as Genesis Matrix, your chances of succeeding are slim if you don't develop your own trading style and make a trading plan.

My situation is a perfect example of a great system being poorly executed, until I accepted the realities of my trading personality.

I am by no means advocating my trading style as a model for others to use, more that traders need to find their own.

J.