

# Alien's Extraterrestrial Visual Systems

## EXAMPLES CONTINUED



Here is the EU M1 and M5

**M1 , Another way to see divergence coming and a price direction change, is to look at the RSIOMA and is it falling lower on the next cycle while the price is at the same level or higher? You will also see divergence in the Green sto where the tops are lower as price goes higher or can't break to the new high.**

You can also use the next time frame higher M5 and see that there might be rsioma DS divergence coming out of a BB Squeeze.

This example only moved 20 pips, but hey , it's Friday less then 2 hours from close.....

Attached Image (click to enlarge)



[Quoting vspatrick](#)

EURCAD M15 Short trade with confirmation on M5 {image}

Ignored

Good job with this trade !

Did you stay in for the 25 extra pips? It would have been hard to see that. 1H and 40 minutes to get the last few pips.....

It looked like it could keep trickling a bit more , but I called the bottom just short of it, price is now back to where I called the bottom at this time 6 hours later.....

The adx's were still with power, the green sto turned down after I had gone.....

A delayed stochastic trade setup, and where the yellow line is ,the adx 89 and 144 turned down losing power.....

Attached Image (click to enlarge)



### Quoting jpadvisor

{quote} As Alien is always saying humans are not able to keep the trade. I would have made 50 more pips with this trade. 🤖

When did you enter and get out ?

USDCHF H1 was screaming long !

with BB squeeze

green sto turning long again,

adx all 5 LONG

you even had a rsioma divergence to keep you in !

A Grade "A" trade .....

Attached Image (click to enlarge)





### Quoting forexalien

{quote} When did you enter and get out ? USDCHF H1 was screaming long ! with BB squeeze green sto turning long again, adx all 5 LONG you even had a rsioma divergence to keep you in ! A Grade "A" trade .....!

The M15 backed you up with the same info.....

**TIP: The key to staying the trade is the 89 and 144 ADX lines, if they are still climbing , YOU STAY THE TRADE !**

**This is the most simple trade EXIT ever created !** Most humans don't know when to get out , but with a handful of pips or large losses.....

**And all 5 ADX powering up Together, is One of the Better Trade Entries you can get !**

**At the beginning of the Trend, is that not what we wish for ?!?!?**

Attached Image (click to enlarge)



## FURTHER CLARIFICATION ON ADX WINDOW

### Quoting buytosell

{quote} . . . {quote} . . . {quote} Please see attached...This is ADX 42....It seems huge misunderstanding between us...I gave up on asking you anything anymore. {image}  
Ignored

Alien gets tired sometimes and does not see the obvious always, please have patience with me.....

30 , 60 , 90 levels , use on only 1 ADX and keep the others blank.....

### Quoting dot

Hi Alien, Appreciate your energy and willingness to help everyone. Can you please explain one more time for earthlings (those without the ADX dashboard) how to read the ADX indicators. Do you assign green colour if it is pointing upwards and red if it is pointing downwards? Does the ADX levels (being above 20 for e.g.) have any bearing on whether it is green or red? If it is flat but say above level 20 or 30 will it stay green? I trust you get the drift of my line of questioning. Another question I have is to do with trading long term charts. say...  
Ignored

Hello Dot.....

Momentum is only when all the adx lines are climbing. Long or Short trades, ADX climbs on both long or short trades....The histogram color tells you the red for short or green for Long.

*When All the lines are dropping away, momentum is resting. No Long or Short trades to be taken.*

I do not trade the levels or worry about them, keep it simple. **I do look for ADX compression, which an example will follow this post.**

*If you are trading H4 or daily charts, you only need to look at them once every H4 or Day.....But , if possible, I would look at the H1 for changes in the H4 as time goes on. And the same for the Daily, look at the H4 for changes to the Daily as time goes on.....*

***TIP: This example below is an ADX Compression that I have circled. Any time you see this area***

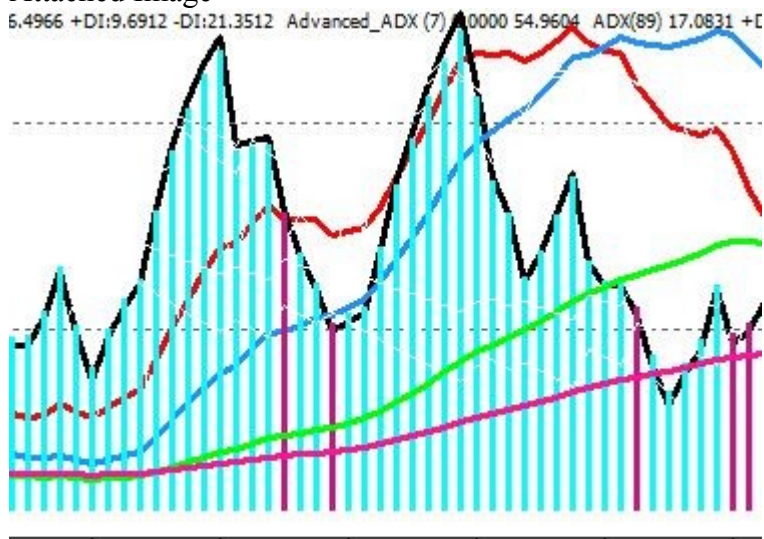
*where All the ADX lines are quiet, Something BIG is going to happen, this in it's self can be a trade setup. As you can see afterward a giant long came into play.*

Attached Image (click to enlarge)



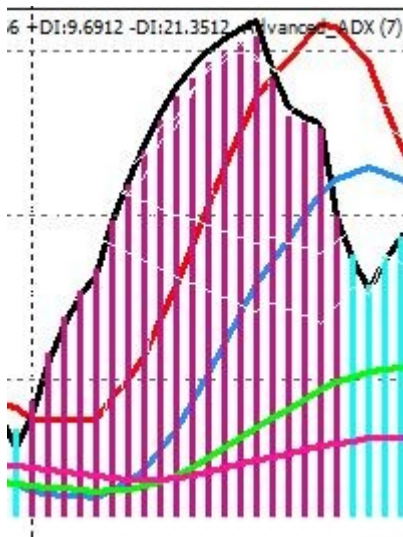
long example

Attached Image



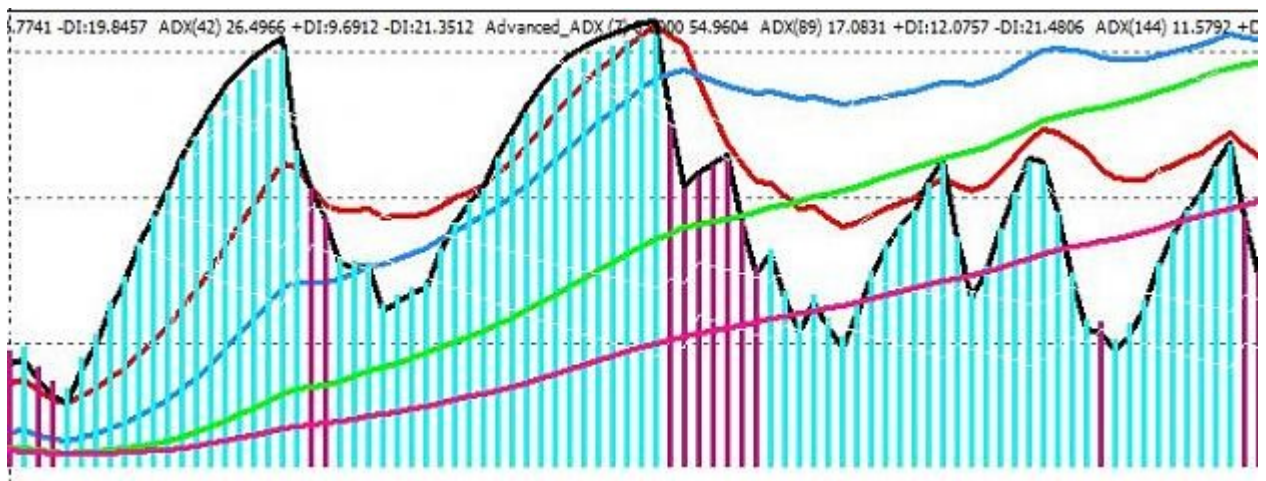
Short example

Attached Image



2<sup>nd</sup> Long example

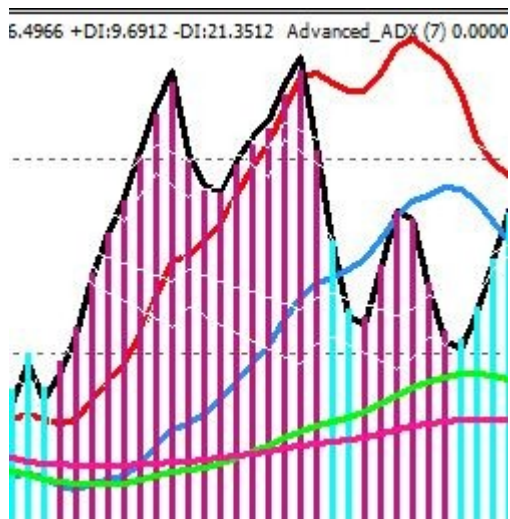
Attached Image (click to enlarge)



Another Short Example

Attached Image





All 5 ADX's are powered Short

Attached Image (click to enlarge)





All 5 ADX's are powered Long.

Attached Image (click to enlarge)



All 5 ADX's are contracting and NO Trade to be taken

Attached Image (click to enlarge)



You can also have the ADX speeds start at different times.

At the first black vertical line the 7,21,42, adx are expanding for a short trade.

the second black vertical line the 89 adx started rising for more power to the short trade.....

the third black vertical line is where the 144 adx started rising for more power to the short trade.....

you would stay the trade as the momentum increases.....

Attached Image (click to enlarge)



Another ADX compression Example, you can make this a trade setup all in it's self  
 Attached Image (click to enlarge)





This is an Advance ADX trading Example.....

*The ADX 21 and 42 are floating above the 7 adx as it chops along.*

This means more down side to come , stay the trade for 20 more pips.....

Attached Image (click to enlarge)





[Quoting vspatrick](#)

{quote} This is something I struggle with as 89 and 144 ADX could be going down on M5/M15 and still be rising on Higher TF..... isn't it ?

Thank you for your question, please for now, learn the adx on one time frame for now. you can look at more TF's if you like.....

*If we can get the basics burned into our head*, we can then get into **Market Timing on Multiple Time Frames** , but we are not there yet.

**we can't put the cart before the horse and expect the cart to go straight for very long.....**

The other Day I picked the AUDUSD to go long, when the H4 to monthly TF's were all Short, And some traders did not understand how I knew it was turning long.

This is **Market Timing on Multiple Time Frames**.....To learn to lead the up coming market turns.....

Attached Image



[Quoting jeffmichaels](#)

{quote} I was actually thinking about that a day or 2 ago, whether it should or shouldnt have a fixed min/max, so i tried it then and noticed that the results are very different. A fix gives ADX's almost below that 30 level all the time as the 144, 89, and even 42 hardly ever even make it up there, and it also remains very flat in general. So i left them unfixed, and put the levels on the ADX 7 which seems to work quite well although i havent used this in trading yet. Alien, how do you do it? {image}  
Ignored

Thanks FerruFX for pointing out the fixed and unfixed ADX settings,

Thanks jeffmichaels for posting the 2 examples.

Alien had not looked into these 2 options until now that they were brought to my attention.

Alien has been running with the ADX , UNFIXED..... After review of both Unfixed and Fixed settings, Alien Finds that either can be used.

**The differences that I can see are the UNFIXED adx shows the eyes, a faster upward movement if you are scanning many charts, steeper 42,89,144 alert us quicker.**

**The FIXED adx is OK to use also, but in the examples below, the flare or expansion of the slower adx's are not as apparent.**

**You may set the charts to which ever you like, but UNFIXED is Alien's choice.....**

Also in the upper chart, I circled where in the unfixed mode, I could see the 89 adx dipping below the 144 adx before expanding, and this is a early sign of a strong movement to come.....

Attached Images (click to enlarge)





### Quoting Goodgame42

The main problem of ADXs is that we don't see very well the movements of ADX(89) and ADX(144) so when you want to take a trade you don't see if green is up or down and if pink is up or down too. Hope you have understood what I mean.

Hit the + key after the chart is highlighted, you will zoom right in. The - minus key will take you back out.....

The Chart data window will get you exact info, place your pointer over the candle before the current candle and then look at the current candle and you will tell by the numbers if it is going up or down.

If the 89 and 144 ADX lines are that flat, it's probably not that great of a trade anyway.....

In time you will pick GRADE "A" trades all the time, because you will not want to give pips back.....

Attached Image



Fast	20.6154
Indicator window 2	
ADX(21)	18.8408
+DI	32.8283
-DI	13.0879
ADX(7)	57.4704
+DI	42.8489
-DI	4.0678
ADX(42)	12.2141
+DI	27.4481
-DI	17.8577
Advanced_ADX (7)	57.4704
Value 2	0.0000
ADX(89)	9.4726
+DI	23.4110
-DI	20.6208
ADX(144)	8.8848
+DI	21.7925
-DI	21.3496
Indicator window 3	

[Quoting angelofx](#)

Hi Alien, just to remind you of the EURUSD call you promised to review this weekend.  
Ignored

OK Angelofx.....

Study this one good ! You will begin to see more like this in time.....

Pull up the chart to full size and we will look at it closer.

Trading becomes an art in time and you too will be able to paint your own picture.....

**I always do a top down look at the time frames, H4 to the M1**

It looks like 2 hours earlier, I gave EU a Mixed rating, on New Years Day.....<http://www.forexfactory.com/showthread.php?p=38#post7184038>

Looking at the H4 I see the green sto crossing the 50% downward, the 8,3,3, sto was already down there, I saw 1 red adx bar on the end, and **the biggest factor was the RSIOMA turned down**

**pretty hard with the DS leading it.** This chart told me all was a sell.

Now you need to confirm what we just looked at by going to the next time frame lower, the H1. The Green sto was laying there FLAT and not getting long anytime soon, the 8,3,3 sto also was in the 20% area for a sell, the adx was mixed , but it had 2 red bars for a sell , **Again the biggest factor was the RSIOMA heading straight downward, see the smaller RSIOMA cross over line, just above the red arrow I drew, it is pretty smooth and straight, and that means it's steady to Alien.** This chart told me all was a sell.

Now you need to confirm what we just looked at by going to the next time frame lower, the M15, the green sto had turned down sharply crossing the 50% line, meaning momentum was in the air. All 5 ADX lines were powering up and expanding = MOMENTUM. **Again the biggest factor was the RSIOMA heading straight downward below the 50% line, But the icing on the cake was the DS was high and sling shooting downward also.**

**This was the start of the H4 coming down for awhile, as the Daily was showing divergence for a sell also.**

Now you need to confirm what we just looked at by going to the next time frame lower, the M5, the green sto had turned down sharply, crossing the 50% line, meaning momentum was in the air. All 5 ADX lines were powering up and expanding = MOMENTUM. **Again the biggest factor was the RSIOMA heading straight downward below the 20% line**

**I won't get detailed with the M1, but it showed a DS swing down also.**

**When you have all these time frames , all showing the same downward pressure on the EU , along with the Daily showing divergence that it was getting softer for a sell. It is time to react and place a sell on the EU.**

**currently the H4 EU ADX lines are ALL 5 expanding still, 2 days after I called the EU short. And this could be only the beginning, as price and the adx 7 will rest and then keep moving down for another wave of selling.....**

looks like this post won't pull up the full chart , here is the link for the chart and click on it.  
<http://www.forexfactory.com/showthread.php?p=7184108>

When all the pictures point to a sell, it's time for the ART of SELLING.....

Attached Image



- Jan 4, 2014 8:20pm (5 hr ago)
- [golferguy99](#)  
| Joined Jan 2006 | [147 Posts](#) | Status: Member

Here is another potential setup for a long term trade potentially. AUD/JPY potential long. Lets break it down.

Weekly:

Getting a squeeze on the bolinger bands

Compression on ADX's

Daily:

ADX's on the rise except for 7. Looks like a potential first wave is in from the look of the 7 ADX  
RSIOMA is on the rise along with DS

4hr:

ADX's are contracting

Stochs 8,3,3 are high with 21,10,10 falling

RSIOMA is rising with DS trying to diverge

1hr:

ADX's are compressing

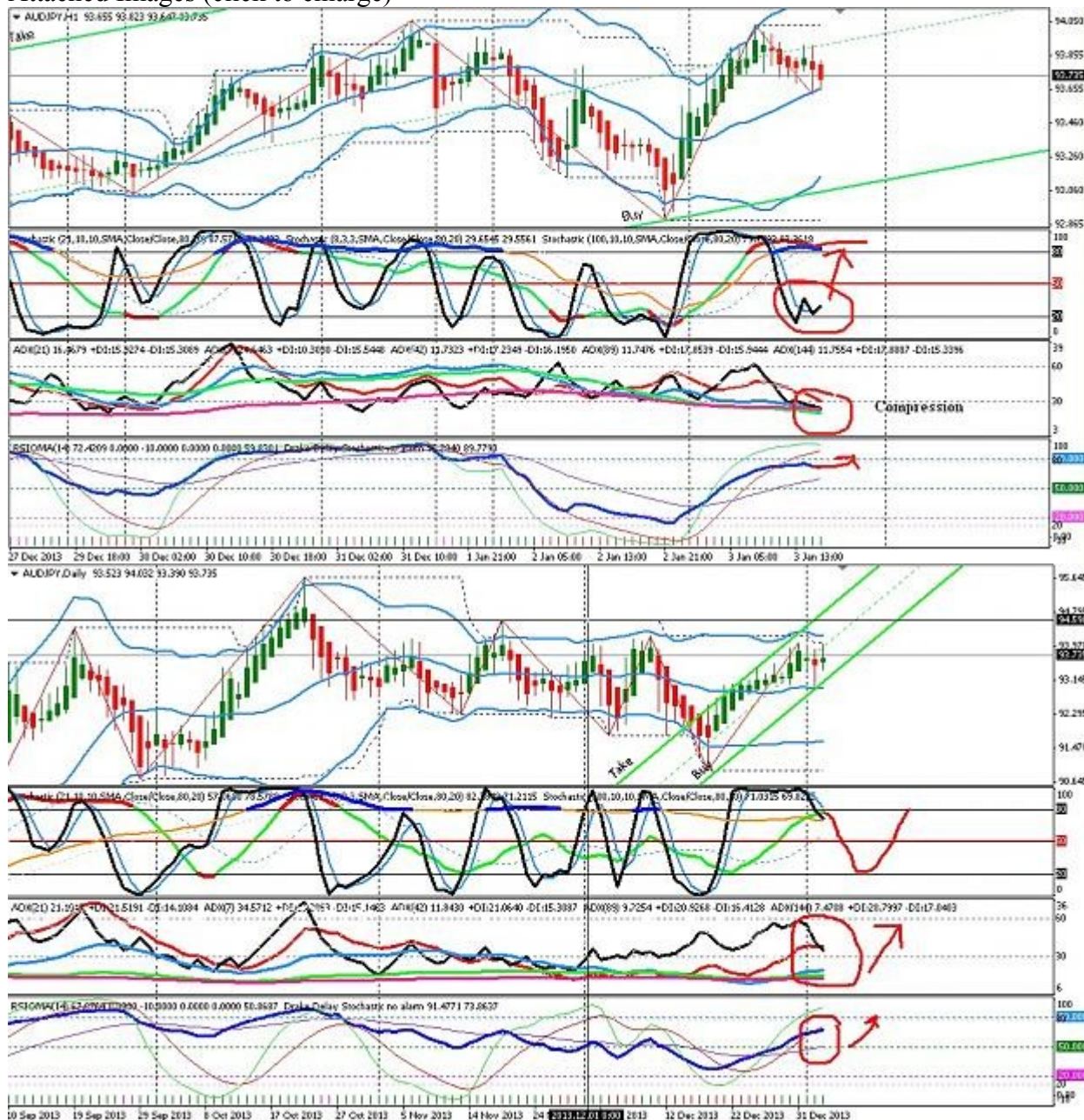


Stochs 8,3,3 are bottoming out with longer term pinned above 80.

RSIOMA is close to 80.

I would be looking for a long setup from the 1hr or 4 hr to see if we can catch the next wave up on the daily. Will be watching this one upon the open this week as well. Comments?

Attached Images (click to enlarge)







### Quoting golferguy99

Here is another potential setup for a long term trade potentially. AUD/JPY potential long. Lets break it down. Weekly: Getting a squeeze on the bolinger bands Compression on ADX's Daily: ADX's on the rise except for 7. Looks like a potential first wave is in from the look of the 7 ADX RSIOMA is on the rise along with DS 4hr: ADX's are contracting Stochs 8,3,3 are high with 21,10,10 falling RSIOMA is rising with DS trying to diverge 1hr: ADX's are compressing Stochs 8,3,3 are bottoming out with longer term pinned above 80. RSIOMA is close to 80....

Monthly I see as Long.....

gg99 - Weekly: Getting a squeeze on the bolinger bands Compression on ADX's , [Alien sees ADX](#) are expanding by one bar or week. DS is high and not so good the RSIOMA is flat at the 50% level.

gg99 - Daily: ADX's on the rise except for 7. Looks like a potential first wave is in from the look of the 7 ADX RSIOMA is on the rise along with DS , [Alien sees the same with the RSIOMA over 50%](#), and green sto nearing the 80%, Good !

gg99 - 4hr: ADX's are contracting Stochs 8,3,3 are high with 21,10,10 falling RSIOMA is rising with DS trying to diverge, [Alien sees the same](#) , Mixed and resting for now.....the 89 and 144 adx are still climbing for now, another wave may be in the picture.....

H1 - [Alien sees green sto high and flat over 80%](#) for possible another wave long, the 8,3,3 to maybe come up and meet it would show good price action long,

ALL ADX speeds are contracting for the next big move, RSIOMA is long and over 50%, there is room for another push long on the H1 RSIOMA, if it can go over 80% and stay long for quite some

time maybe.....

Something to keep our eyes on, Thanks gg99

Quoting golferguy99

Alien, Question for you. What is your definition of, or picture of, resting? I think I have a idea of what it looks like but want to double check with what you consider resting.  
Thanks! gg99

After a big move you get ranging / resting. or market indecision

Signs of resting :

ADX's with no momentum on 1 or multiple time frames...

Stochastics flat with no true direction

the RSIOMA going the opposite directions on multiple time frames

the RSIOMA sitting FLAT near the 50% line or level

The green sto Flat at the 50% line

These are a few examples, I will come up with more to look for.....

I have talked about it in the near past.....

Quoting msiamd

{quote} Greetings, I understand your explanation that rsioma M1 long will turn rsioma M5 long and M5 rsioma will turn M15 long etc. Just wondering when is a turn finished?  
When M1 rsioma short will turn M5 short and M5 rsioma short will turn M15 short? Or are there other signals which indicates a trend change or a retrace? And does M1 turn M5 and M5 turn M15 and M15 turn H1 and H1 turn H4 and H4 turn D and D turn W? Or can there also be a situation that after H1 is turned by M15 a new "wave" is started where M1 turns M5 and M5 turns M15...

**These are both the same questions and very good ones at that. I have not gotten to teaching this yet, but will answer some of this now.**

**TIP and Definition: RSIOMA Time Frame waves , Lower time frames drive the higher time**

**frames until one of the time frames FAIL.....When the RSIOMA crosses the 50% line to the other side of whatever time frame, it needs to be watched and see if it stays there. There are other indicators like the green sto and adx should confirm the change.**

Let's say M1 to Month charts are all Long, rsioma, ( I really need to get a picture of this for a visual )

At some point in time the M1 will start unwinding to the short side, bringing the M5, bringing the M15 etc.

Now we don't know how far this is going to go, it may stop at the M15 and reverse back to the direction of the Long trend **or** this may go to H4 and then again starting with the M1 will reverse going back to the same direction as the trend again.

I know it sounds mind boggling right now , but at a glance you should be able to look at the RSIOMA and see that H4 - Month charts are all Long, the H1 is short, the M15 is short and the M5 and M1 are long. So.....

Main trend is Long H4 - Month, reversal or pull back on the H1 and M15, and the M5 and M1 are long showing us a possible direction change of the H1 and M15 back to the Long side again, this would be how you read that. It becomes easier in time when you have trained your mind to look for those things.

Trading is not easy, most are losing money all the time, I am just trying to get you up to that next level so you might be able to break even until you can master some more concepts.....

#### Quoting FerruFx

We have a nice Short signal on **AUDNZD H4 chart** (GMT). The ADX expansion is starting, DelayStoch just crossed down with RSIOMA pointing down close to 20, Green Stoch pointing down. All this at the last candle on friday closed. Let's see how the market starts in few hours. BTW, all other TFs are well in short territory and Daily has a nice RSIOMA/Stoch separation (waiting for the stoch reverse back down) ...

Nice find , the Daily supports the H4 going further short.....

**TIP: or New small lesson here : Look at the GREEN sto's I highlighted , anytime they remain below the 50% line and the 8,3,3 Sto cuts through the green sto at a fast rate and angle ( 90 degrees ), you can expect further downside.**

The first attempt on the far left the green stoc was low and the DS had just started to go long,

The second attempt in the middle, the green stoc was near the 50% line and the DS was far away from the RSIOMA, good move down and notice the ADX was FLAT at the time.

The far right example is in progress , green stoc down and under 50% line, adx as FerruFx stated is expanding, both RSIOMA and DS are turned down and below the 50% line.....

Thanks FerruFx.....

Attached Image (click to enlarge)



#### Quoting rglenn

Master Alien Could I Just ask you when do you stop trading during the day. Do you go for a certain number of pips or amount per day or do you just keep going until you can't see anymore setups. Thanks

I only trade what the market gives me.....

I like scalping when I am here.....

Day trading and swing trading when I am gone from the computer.....

and are Long Term Trend Trading when I see good setups for staying the trade.....

NY 5am to Noon when I can

Asian for a few hours in the evening

London some of the time.....ZZZZZZZZZZ

#### Quoting Goodgame42

In what timeframe do you enter trade alien ? What are your results using your system since you started ? Thanks friend.



All Time Frames I enter trades in, but for newbies or those not being profitable, I would look at the M15 or higher and make sure the M5 and M1 are in alignment for that trade. or H4 and make sure H1 and M15 are in alignment with that trade.

I wouldn't teach something that didn't make me money, or I would be found out in a heartbeat,

If you don't over trade, Don't trade during flat markets, Don't enter trades too soon.....and use all the signals for a Grade "A" you should be making money too.

Most humans don't have self discipline, they over trade, trade during flat markets, enter too soon, and don't follow entry rules well.....Alien

#### Quoting jeffmichaels

{quote} **A set amount of pips to be made may lead to extra losses**, as some days there won't be that many pips in the market and you will lose trying to still make your target, and other days when there are more pips in the market you may miss them as you will stop after reaching your target. Trade the opportunities and try to make the most from them.

Again, only take what the market will give you, some days it's nothing, some days you can't believe it.....

Alien does not sit in front of his computer all the time , 20 to 40 pips a day is OK, 70 - 150 pips is better on a good day.

If you are not up to speed with trading , maybe 20 pips a day, if you are getting the hang of trading , maybe 20 to 40 pips a day, if you are starting to master trading, 40 to 80 pips a day , If you are in the Zen master level, 100 + a day.....

#### Quoting rglenn

{quote} I hear what you are saying Jeff I have been looking at options. I have been looking at trades taken from when you get a Bollinger squeeze and each time it produces around 35 pips plus before it retraces so if I took a portion of that I should be fine with a 1:1 stop loss. Another way- which I think is Alien's preferred option is to bring it to break- even at 30 pips and let it ride. This way you will also catch the longer trends.

Very true, even at 30 pips profit, ( because I don't know the TF the trade took place ) you could lock in 10 to 15 pips of profit and let it run.....

Many times Alien will lock in 50% profits after 30 pips , it builds confidence when you at least collect something for the trade.....IMO

[Quoting golferguy99](#)

Just took the USDCAD short at 1.0631 for a short scalp. Beautiful setup on the M1 Rsioma and DS divergence.  
Ignored

and now the M5 USDCAD might give us a few pips.....

wait for the adx to confirm a sell

Attached Image (click to enlarge)



[Quoting angelofx](#)

{quote} well explained, thank you. Is it safe to say RSIOMA has more weight than other indicators you're using? Things happen very fast on this thread, keep up the good work.

Ignored

RSIOMA and the green sto and then look at the ADX, but this should only take seconds in time for your scanning.....take the time to look at it all, 1 minute might save you some pain, if un-sure , don't trade it.....

[Quoting FerruFx](#)

{quote} Just a follow up of the **AUDNZD** ... the short is now preparing on M15. **BB is contracting**, ADX started expending. I am waiting the Green stoch to close below 50 ... I have also an eye on the indexes. AUD and NZD aren't expanding in the right direction.

Ignored

The month and week are short.....

Now the daily is looking Good for a DS short in a few days.....or wave 5.....adx 89 and 144 are still in play for a short.....

H4 mixed

H1 mixed looking to go long again

And FerruFx M15 needs some more time and confirmation yet, adx's are resting, this trade will be ready in a few days for a big short with more confirmation.

Attached Image (click to enlarge)



### Quoting FerruFx

{quote} Just a follow up of the AUDNZD ... the short is now preparing on M15. BB is contracting, ADX started expanding. I am waiting the Green sto to close below 50 ... I have also an eye on the indexes. AUD and NZD aren't expanding in the right direction. Ignored

Just a follow up on your AN M15 trade.

BB squeeze

green sto did cross the 50% all the way

adx were expanding ever so slight and flat

rsioma crossed the 50%

this trade struggled and trickled for 8 hours , but non the less, up pips, Thanks FerruFx

The daily is still showing a nice rsioma DS divergence setting up in a day or so.....

Attached Image (click to enlarge)





USDCAD seems to be moving long on multiple time frames.....

not really any trade setup at this time, M1 - H4 all pointed long is all.....

Attached Image (click to enlarge)



### Quoting rglen

Anyone trading EURUSD today should try and catch a reversal on a lower time frame maybe 5 or 15 mins as it is still in a down trend on the Daily chart. Green Stoch heading down towards the 50 level, RSIOMA heading down towards the 50 level and DS below 50. It could be going down for a while {image}

We might get a H1 rsioma , DS trade on EU for confirmation later today to further help this idea of shorting, rglen, thanks

Attached Image (click to enlarge)







- [forexalien](#)

#### Quoting ShepherdL

{quote} Here is what I think: D1: RSIOMA staying above 80 area, long; ADX 7 and 21 losing power, but 42,89 and 144 still powering up; STOs: Although 8,3,3 going down, 21,10,10 and 100,10,10 are still above 80 area. H4: only time frame bothering me. RSIOMA: below 50 area but turing up; ADX: All speeds except 89 pointing up; STOs: 8.3.3 going up, 21.10.10 turing up, 100, 10, 10 staying above 50 area. H1: RISOMA about to entering above 50 area; ADX: All 5 speeds powering up; STOs: 8,3,3 above 80, 21,10,10 and 100,10,10 turing up but still below 50....

It looks like your reading it right.....



the daily 8,3,3 sto that is below 20% line can be like the rsioma DS divergence trade, where it will come back to the 21,10,10 and other sto since they are flay in the over 80% area. confirm with lower time frames if and when you see the turn happening.....

**TIP: Imagine the H4 RSIOMA as the 8,3,3 sto on the daily .....as the rsioma on the H4 turns long , so will the 8,3,3 on the daily.....**

**Aliens looks at things Out of the Box and sometimes (not to confuse people ) corresponding indicators in other time frames, line up giving you even more confidence in a trade.**

**I will show you an example in the next post how I see the waves from one time frame to the next using the stochastics window, .....**

#### Quoting forexalien

{quote} It looks like your reading it right..... the daily 8,3,3 sto that is below 20% line can be like the rsioma DS divergence trade, where it will come back to the 21,10,10 and other sto since they are flay in the over 80% area. confirm with lower time frames if and when you see the turn happening..... TIP: Imagine the H4 RSIOMA as the 8,3,3 sto on the daily .....as the rsioma on the H4 turns long , so will the 8,3,3 on the daily..... [b]Aliens looks at things Out of the Box and sometimes (not to confuse people ) corresponding... Ignored

more advanced thinking here, but not required to learn , but my help you turn to master trader sooner.....

**TIP: Alien when created his systems, he tried to match the flow of indicators from one time frame to the other.**

**The below example on the M15 chart I highlighted the green 21,10,10 sto, this sto most times mimics the 8,3,3 sto on the next higher time frame, which is the H1 here on the right chart. you can see they both come down, flatten out, both take a dip and then go long again, go flat over 80% and both take a small dip up there. This is Great for Wave Counting and watching price action rest, as so you do not get faked out thinking price might come back down.**

Attached Image (click to enlarge)



### Quoting Mafia

Hi Alieno, I was busy in investing into real estate (the profit i earned last month 😊). I got time today and i read your thread from the start, you are awesome man. I put ur indicators in my trader and they look excellent. All profit I earned last month is on **GBPNZD**.... What a pair to trade on. Any thoughts GBPNZD right now?

Oh No ! the Mafia has found me out.....

GBPNZD

month is long , trying to go long,

Week is long with signs of resting

Daily just had a retrace sharper than the last one, and rsioma and price divergence

H4 is nearing a bottom , so a possible long , when it goes long, another day or 2

H1 says No Trade and to wait out it's next movement.....

Are you packing that Alien Firearm still ?

Quoting occamsrazors

{quote} Hi Alien. I've been lurking for a week and you have drawn me out of the woodwork (must be that tractor beam in your spaceship). I must say you give great explanations on how to use MTFs and the waves. At the time of the EJ trade that Cenky mentioned, the GJ started a 150 pip drop (from near a previous high on H1). The EJ gave a nice BBSqueeze signal on the M5 that Cenky showed but there wasn't something similar on the GJ to signal an entry. H4 was short, H1 RSIOMA was flattening out below 50% and Green Stoch was still pointing up but below...

**TIPS:** You did Fantastic on the M1 picking up the divergence / price going extra high and the rsioma and the green sto going lower < I look for these a lot !

I call this trading the direction price is not going to go anymore.....

Also the original move was long, the 89 and 144 adx are still climbing showing momentum long. Circled in the red. Now high lighted in the Yellow Marker are the ADX 89, and 144 Turning downward, this happens at the peak of the price action and now tells us the momentum is gone from the long price action. **Game over for the Longs !**

**This last clue,** I have only talked about this once before, as it is an advanced pattern. The stochastic window has the GREEN stochastic turning down with price action and the adx's at the same time together, (Marked in Yellow Marker ) most times this Green sto is steady to the bottom. Now look at the 8,3,3 stochastic, it was climbing while the green sto was falling and they crossed each other. **the 8,3,3 sto going long was ALSO price action divergence !** and as it turned back down the same direction as the green sto, PRICE picked up speed to the downside as both stochastics were now traveling together the same direction.

**All these clues to give you the turn !** The rsioma and DS were traveling together both crossing the 50% line to the downside ! Icing on the Cake.....

With some seat time these will become more apparent to your eyes as they appear.....

We will go over the M5 clues quickly now.....next post

Attached Image (click to enlarge)



- [forexalien](#)  
Joined Nov 2012 | [8,825 Posts](#) | Status: Member

GJ M5

Interesting how the price started on the Left side , climbed , dropped, over dropped lower, and then returned to the same 171.00 for the day on the right.....

Divergence in price and the indicators ( sto's and adx )

BB Squeeze

the adx power is gone from the climb

the smaller adx's start to climb for the short

sto cross over's

rsioma fell fast.....

movement was in the air.....

**TIP: The M15 also basically peaked with the M5 and M1, because the M1 , M5 , M15 are so closely related , they are pretty much all connected together in their peaks and movements. It takes all 3 of them to find the tops and bottoms that the market is looking for, limits to range.....**

Attached Image (click to enlarge)





ForexAlien

- Joined Nov 2012 | [8,825 Posts](#) | Status: Member

AUDUSD just now .....late posting the action

Stochastic Price Divergence on the M5 and M15

adx's are expanding

Attached Image (click to enlarge)



- [forexalien](#)  
Joined Nov 2012 | [8,825 Posts](#) | Status: Member

USDTRY M15

Not quite ready yet.....

missing adx expansion

missing green sto below the 50% line

Attached Image (click to enlarge)



[Quoting golferguy99](#)

Well, I decided to pass on the AUDUSD and I got in short on the GBPUSD at 1.63941. Love the expansion on the 1hr chart the 4hr is resting but could start the expansion with the down move from the 1hr.

Ignored

and my next example was the AU M1 lol

too small a time to trade on but, the compression was a good example.....

Attached Image (click to enlarge)





[Quoting RougeTrader](#)

EURJPY M5 adx compression and dd stoch divergence {image}

Trade Review

Hello RT,

The left RED vertical line was your trade last night during between sessions, Green sto never held over 50% adx compressed, but all 5 did not give signal, rsioma was out of the 80% level. also the black 8,3,3 sto came down against you. The trade did go for 10 pips in your favor.....



Later in the London session, the red vertical line on the right, We had a early warning the price divergence was happening where the 8,3,3 crossed the 21,10,10 the opposite direction and then turned to go the same direction , which makes price really move. **I am now going to call that the Cross X divergence trade** .The Green sto crossed into the 80% area with the 8,3,3 sto. This always brings some price action into the game.

The adx expansion long took off as the rsioma crossed the 505 and then the 80% levels

**TIP: If you take the time to high light the 20% and 80% levels as I have done, it is easier to make your choices.....**

Attached Image (click to enlarge)



#### Quoting 4xxxx

{quote} Hi Alien, Enjoying all the teaching and wonderful ideas and tips. You are incredibly generous and patient to offer so much time and effort to all of us especially newbies. I do have a question. You mentioned above that the trade can only be acted upon when Green Stoc (on RougeTrader's 5min chart) goes above 50%. Would you apply this "trigger level condition" to other time frame as well i.e say 50% level on 15 min chart? I am not asking for specific number as such but more a generalisation; I am wondering if you have found any "sweet levels"...

Ignored

welcome 4xxxx,

The 50% level can also be the fake out level, make sure most all of our triggers are in place, and only then, once the trade is moving , jump in.

As far as sweet levels, if you review the charts more, a 50% cross is a good sign, crossing the 20%

or 80% is a Great Sign ! and if you can get all 5 adx's to expand, this is the sign !

All I have done , is line up the indicators to areas, I see that price action are going to start racing off to is all.

The Green sto is a great trend following line to follow, it helps smooth things out, and if it turns sharply, movement is in the air. Don't just count on 1 indi to work all the time, this is why I have several things to look at to give trade confirmation.....

And if you can see these setups and same directions on a few different time frames together, momentum should be with you..... I will point out any sweet spots as time goes on and let you know.....Thanks

### Quoting forexalien

{quote} USDCAD daily might be ready it is looking like.....

Price is holding on the M1 cad as the indi's are falling , this is a good sign of higher.....

Attached Image (click to enlarge)



### Quoting forexalien

{quote} Price is holding on the M1 cad as the indi's are falling , this is a good sign of higher..... {image}

Ignored

Cad update after price was holding .....

Attached Image (click to enlarge)



### Quoting forexalien

{quote} Cad update after price was holding .....

Ignored

cad update again .....

Attached Image (click to enlarge)





[Quoting jeffmichaels](#)

Took USDCAD short on M1 & M5 divergence. {image}

Ignored

You do live dangerously counter trend trading.....did you break even.....?

Don't let price action suck you in.....

Attached Image (click to enlarge)





Hello Alien. Back to battle field again 😊

this trade if it's right call of course .... {image}

H4 is all long !

Great student !

The screenshot shows a trading interface with four panels. The top panel is a price chart for AUDCADFXF.H1, showing a recent uptrend with a red arrow pointing up. The second panel is a Stochastic oscillator, showing a crossover. The third panel is the ADX indicator, showing a peak. The bottom panel is a custom indicator, showing a red circle around a peak. The chart is annotated with 'Buy' and 'Sell' labels, and a red arrow pointing up.

[Quoting forexalien](#)

{quote} All day long it has been, **pull backs are in order , wait for the next wave longer USDCAD.....**pair

posted 24 minutes ago.....

Attached Image (click to enlarge)



- [forexalien](#)

Joined Nov 2012 | [8,884 Posts](#) | Status: Member | Online Now

And the USDCAD M15 for a DS setup.....

Attached Image (click to enlarge)



- [forexalien](#)  
Joined Nov 2012 | [8,884 Posts](#) | Status: Member | Online Now

EJ Example is a M5 resting, while adx 89 and 144 are still expanding

Price was resting downward, found the bottom with our setup, and took off running for the moon.....

The M1 showed the beginning of the way.....

The M5 resting was the BB Squeeze, the change in direction of the Green Sto and the RSIOMA DS

divergence

ADX contraction and then expansion of adx 7, 21, 42.....

GRADE "A" Trade.....

Attached Image (click to enlarge)



### Quoting forexalien

EJ Example is a M5 resting, while adx 89 and 144 are still expanding Price was resting downward, found the bottom with our setup, and took off running for the moon..... The M1 showed the beginning of the way..... The M5 resting was the BB Squeeze, the change in direction of the Green Sto and the RSI/MA DS divergence ADX contraction and then expansion of adx 7, 21, 42..... GRADE "A" Trade..... {image}  
Ignored

This is also how you find the waves as they rest and power, rest and power.....

### Quoting forexalien

{quote} posted 24 minutes ago..... {image}

posted USDCAD long 5 hours ago after M5 resting and finding bottom.....current market.....



Attached Image (click to enlarge)



- [occamsrazors](#)  
| Joined Nov 2007 | [248 Posts](#) | Status: Member

Like RGlenn I also have summarised Alien's posts with charts (and included a few other pertinent posts) for my own purposes as I find it's a great way of learning the theory behind a method. Yes it takes a long while but for me there isn't a substitute if I want to come to grips with something like this. It forces me to understand the principles and ensure I don't miss anything. It also gives me a document that is easily searchable if I want to check up on something.

I also include the Post number and date so that I can find it easily in the thread as sometimes the charts can be hard to read in the PDF although I've put the chart TF above most charts. I've attached my document below for those that are time poor and might be struggling to get through the thread or need to get some basic questions answered. Just search a keyword re your question in the document (eg ADX, Dashboard etc) and you should find the posts covering it.

Here's a tip...Search on the word 'Tip' in the document and you'll come up with many of Aliens Tips (besides finding that the word 'multiple') eg...

TIP: RSIOMA - When H4 is long and H1 is short and M15 is Long and M5 is short, this equals "Ranging" or

a lot of chop. Sit on your hands at this time.

Last TIP : When the RSIOMA is FLAT with no strong direction or is just hanging around the 50% line with

no direction. Don't trade.....go find another pair to look at.

**TIP : I feel it is great to have the month, week ,and day all short, because all you have to do now is just watch the H4**

**TIP : Do not counter trend trade when the market is resting and not moving , this is death !**

*TIP: The market is at rest when the RSIOMA stays long above the 80% and the delayed stochastic slowly drops away to the other side of the chart, before the next push long in price action.*

*TIP: The green stochastic also is turning back long with the delayed stochastic signifying that the bottom has been found, so the trend can now continue long again, as the ADX has already been doing.*

*TIP: These resting wedges of indecision, point to the bollinger band squeeze, and are a leading clue that we are going to have that next BIG move.*

*TIP: The delayed stochastic moves against the trend before a trend rebound happens.....*

*TIP : Study this turn so you might find one yourself, many time frames turn together , you can slowly watch the m1 turn and the m5 turn and the m15 go and now the H1 is turning, this would be how to find reversals.....and the DS pulling down would be retracements*

Here's the summary of up to Post 942 of the thread... (a few of posts might be out of order and please note it's not all of Alien's posts in the thread eg responses to questions that don't have charts aren't always included but I think most of the important things are in there)...

Attached File

 [ForexAlien Post Summary 1.pdf](#) 9.7 MB | 11 downloads

### Quoting FerruFx

USDCAD on M1 is preparing for a new jump higher. Nice BB and ADX contraction and RSIOMA/DDstoch separation.

I love when the price action stops resting and goes north.

Computer Robots, We can stay ahead of the pro's.....

Attached Image (click to enlarge)



### Quoting Islander

{quote} hardly worth showing that chart as the move was only 10 pips! - remember my post yesterday about the important US data due out today, so moves before then will probably be subdued..... EJ is worth a post.....as its a cross, its good to keep track of its constituents - EurUsd and UsdJpy. EU headed south at FO, whilst UJ continued on up, giving that nice buy in GJ. However, at LO UJ turned down and gave this nice sell in EJ. I noticed that the BB Squeeze Light only showed 1 red dot, so I have changed the kelt factor from 1.5 to 1.6 which...

Nice find Islander,

and not as easy to see coming.....

M5 price divergence, the Green sto stayed under the 50% level after your trade, a must stay short.



ADX contraction began after the run up. (end of yellow marker area )

and then the ADX started to show signs of further dropping as the green sto turned back down and RSIOMA also both dropped into the 20% level for a ( you better be in Sell )

thanks for posting.....

Attached Image (click to enlarge)

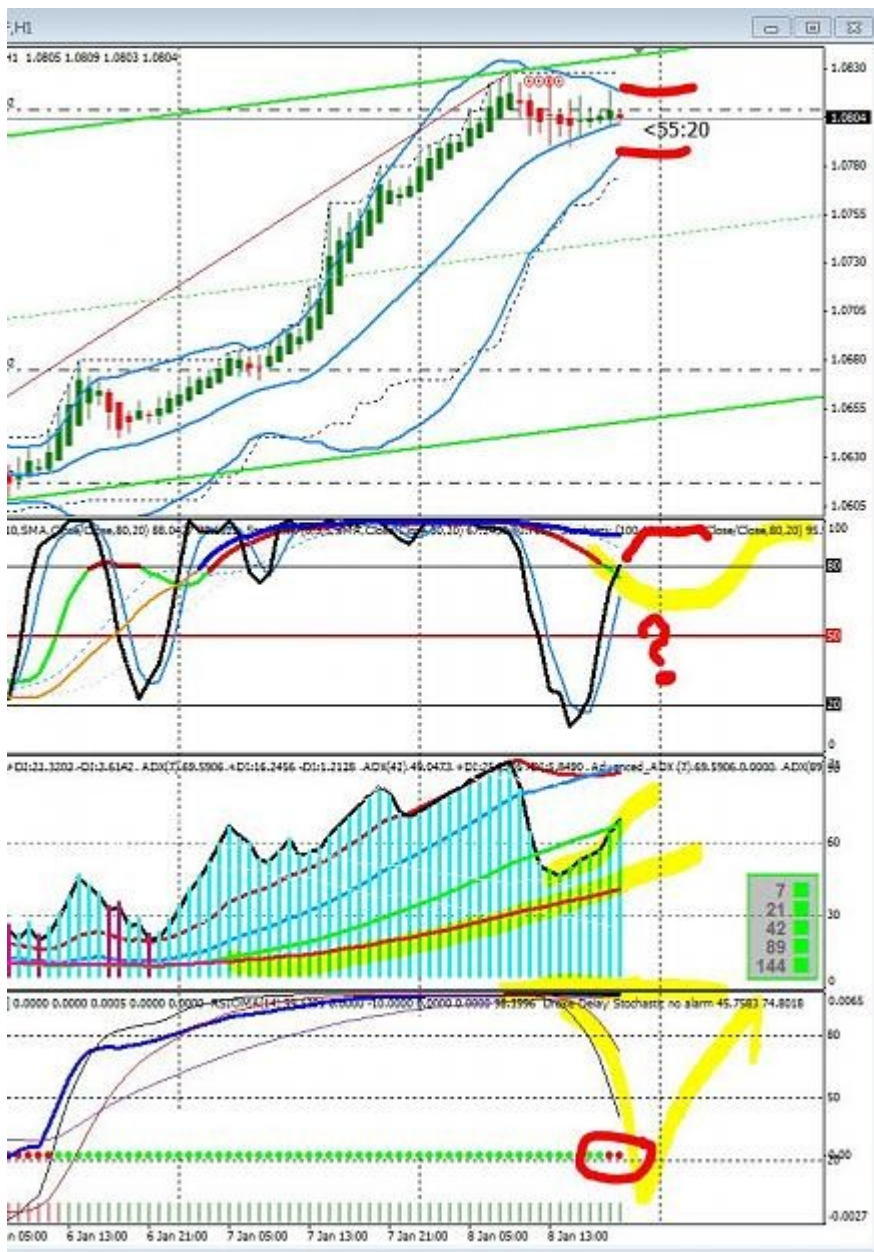


- [forexalien](#)  
Joined Nov 2012 | [8,904 Posts](#) | Status: Member | Online Now

USDCAD H1 setup starting to form.....

Attached Image (click to enlarge)





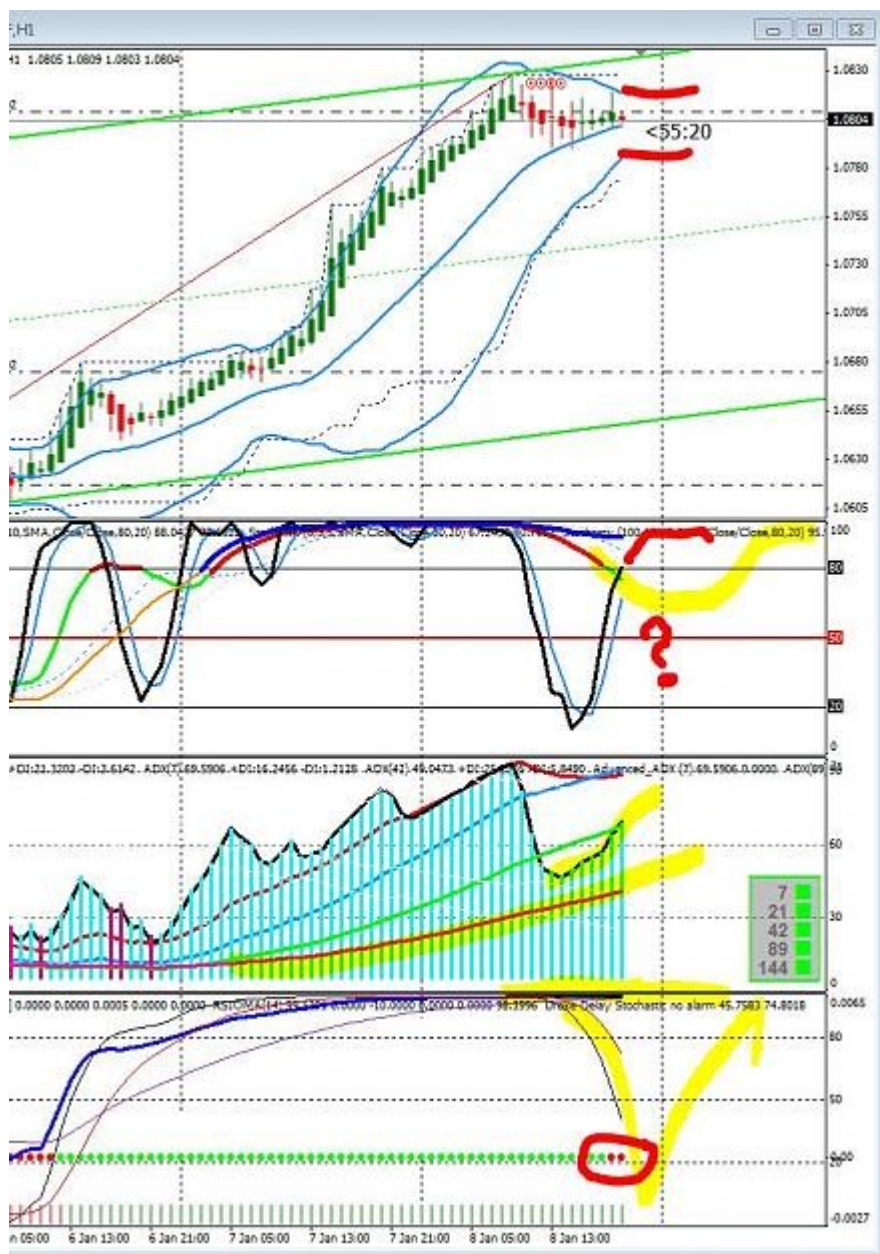
### [Quoting forexalien](#)

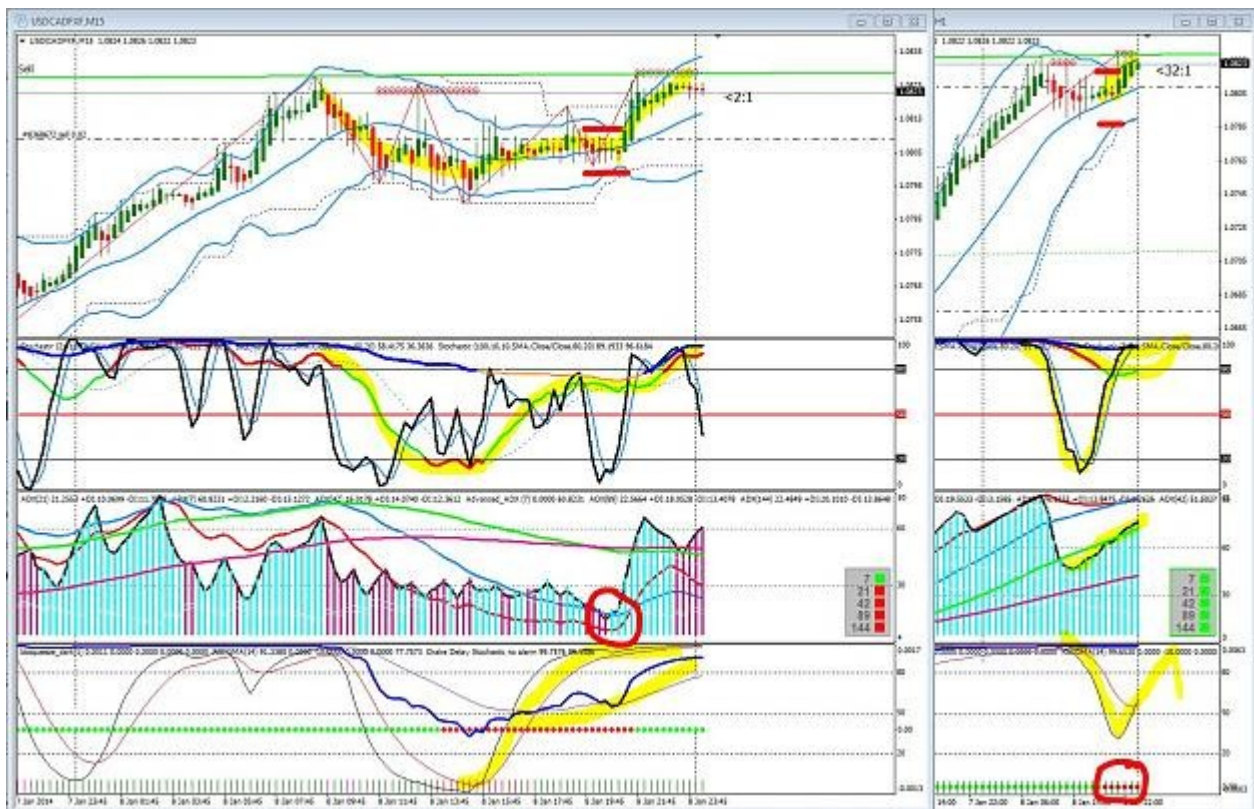
USDCAD H1 setup starting to form..... {image}

4 hours ago.....

also showing M15 BBS, adx compression, 20 -25 pip follow through, H1 DS turned up sooner which can be followed on the M15 using green sto and resting adx and adx compression and DS cross over long.

Attached Images (click to enlarge)





Quoting Singha83;7199375[b

]I been spending some time watching over your posts and reading the PDF. Correct me if I am wrong but basically we are looking at these timeframes as if they are gears. If lets say if daily is long as well as H4, then we keep going down in timeframe until we find the first TF that it out of "sync." When we find a TF that is out of sync, then we make our move moments before or at the start the moment the TF aligns itself with the upper TF's. Does this sound about right?

**Another Great read on how to approach multiple time frames !**

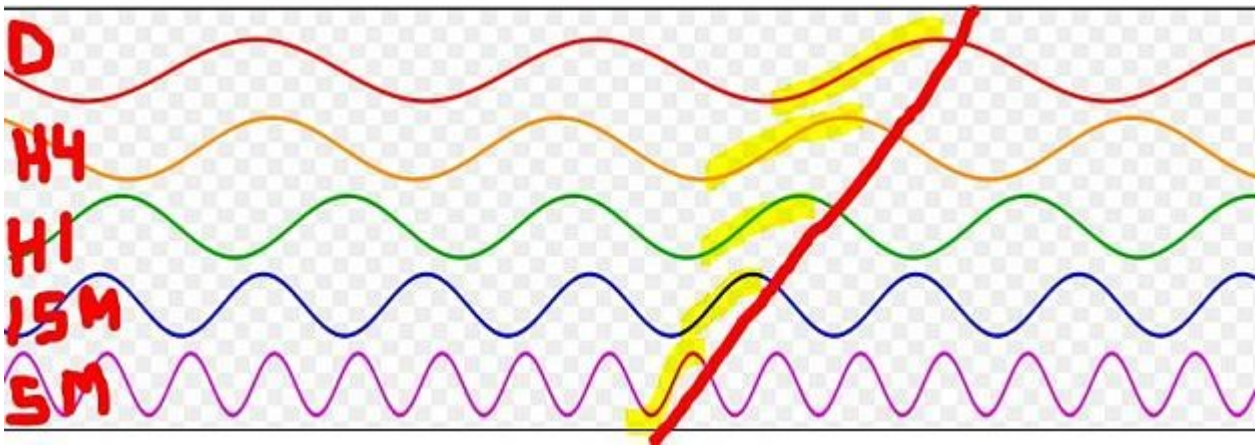
**This is exactly how to look at multiple time frames, you will get your best results doing this.....**

**TIP: You can use any combination of TF's also : Most day trade. get the H4 and H1 to travel the same direction and if the M1,M5, and M15 are mixed, you wait for these 3 lower time frames to come into alignment with the h1 and H4 for your greatest results.**

**But momentum trading on any time frame works as long as it's a GRADE"A" trade with all indi's present, and more powerful moves when multiple TF's are in sync.**

Attached Image (click to enlarge)





### Quoting forexalien

Note : the daily DS trade is already showing signs of coming down. a small ds trade on M1 right now AUDUSD

This is what you look for on multiple TF's, where the higher TF's are moving down and the lower TF's come into alignment, all green sto's down and all RSI/MA down and maybe some DS turns.....

Attached Image (click to enlarge)





### Quoting forexalien

possible DS trade on the UJ H1 coming up

I am in a bit early, possible DS trade on the UJ H1 coming up.

**TIP: You can see price is resting in the wedge.....and looking at the DS and the green sto that is moving downward without the price moving with it.**

**ADX 89 and 144 are still expanding.....for a long**

**This is a great example of knowing the direction of a wedge breakout !**

Attached Image (click to enlarge)



[Quoting jbegic](#)

{quote} So... do you enter the trade on M15 or M5 or M1? What time frame do you use to exit?

This is the H1 UJ, so I would watch the M15, M5, M1 cycle until they all line up after resting, because they are mixed on and off .

Right now the m1 just went into an adx compression and is now expanding long, this is the start of each cycle, you watch this for each time frame until they all line up long again, then it's game on.

I just posted the same in reverse a few pages back, that when the larger time frames get near the end of their life expectancy, you start looking for failure in the lower time frames to go quite again.....

Wave watching in each time frame, I will in time come up with a visual for this concept.....

[Quoting forexalien](#)

{quote} I am in a bit early, possible DS trade on the UJ H1 coming up. TIP: You can see price is resting in the wedge.....and looking at the DS and the green sto that is moving downward without the price moving with it. ADX 89 and 144 are still expanding.....for a long This is a great example of knowing the direction of a wedge breakout ! {image}  
Ignored

posted 9 hours ago.....25 pips so far

Attached Images (click to enlarge)



- [Goodgame42](#)  
| Joined May 2012 | [157 Posts](#) | Status: Member | Online Now

Hi everybody,

I will explain how I trade : It's just my way of trading this system , nothing else !

So firstly, I just take a look at Monthly, Weekly and Daily chart to see "where we are..." but I don't use them for my ENTRY.



I only work in **M15** to avoid fakes in lower timeframes. What I'm looking for is a **cross of the Delay Stochastic** around the level 20 for Long **WITH** the **RSIOMA** above 50 and looking up. Moreover I take some attention at the **Green Stochastic**, it needs to be like the **RSIOMA** (above/crossing 50 and looking up) for a better entry.

**More the distance between RSIOMA and the cross of DS is high, more the trade is better !!**

Concerning the TakeProfit, it depends of many things:

- What is the trend ? Monthly, Weekly, Daily, H4, H1 ==> if all of them are in the trend of your trade you are able to take more profit ! I generally put my SL at BE after 10-12pips earned in low volatility and after 30pips in high volatility.
- Round numbers and Major support...
- Adx's can also help me in my decision.
- My preferred exit method when I already earned some pips is just to exit when **RSIOMA crosses down the 80 level !!**

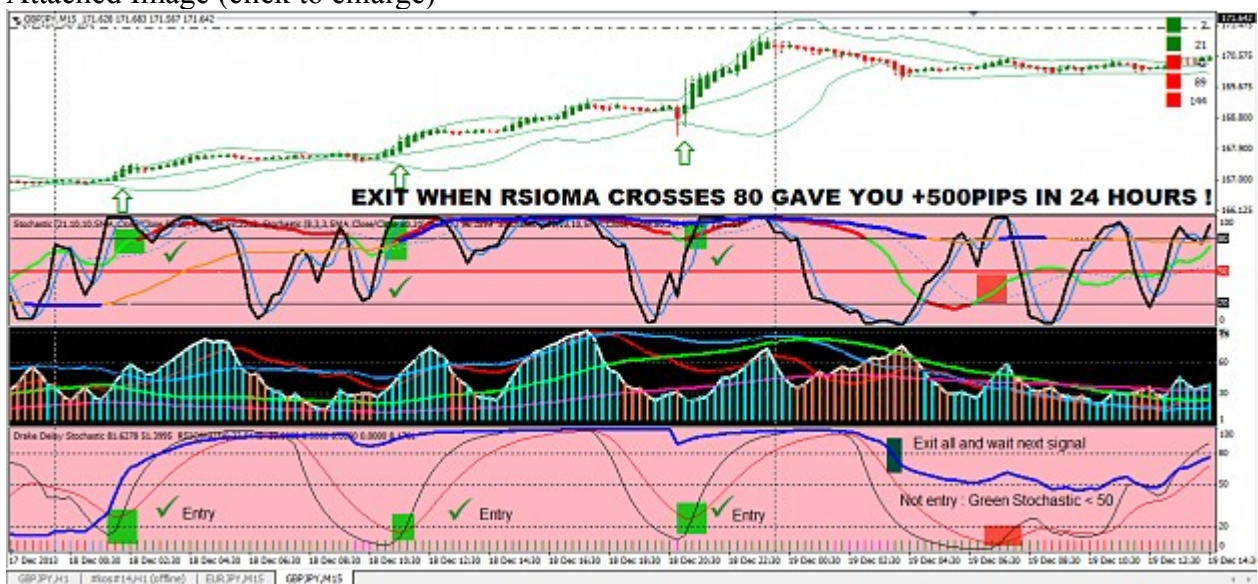
It's just **my way of trading**, it's not the only method which works, it just works for me !

Charts are better than words so take a look at the attach file and wish you green pips !! 😊

Cheers !

Goodgame42.

Attached Image (click to enlarge)



Quoting rockrobb

{quote} {quote} ENTRY can be on any TF ... but catching the early move on M1 is the best possible... am i right, Alien? 😊 😊

Ignored

If you look for pairs with hints of H4 and H1 starting a trend with all indi's in alignment, then you can look for the next wave, to continue that trend in the M15 , M5 and M1.... Yes....

Quoting tarco

Mr. Alien, Thank you for sharing your system. I've been trading with multiple timeframes for some time now, but the ADX principles you've shared, especially the exit, is a game changer. I've noticed that when you enter on a smaller timeframe trade, and you see the next higher timeframe's ADX turn up (if not already done so) ,especially the larger ADXs, let it run!! So that small wave you are riding turns in to a bigger one, so exit accordingly! What a fantastic exit, and great visual system!!  
Ignored

Welcome tarco,

Yes, look for the H4 to start trending, all ADX's expanding and then drop to your lower time frames as they turn towards the trend direction and jump in !

Nearly a Zero Risk trade !

Quoting thomasz1

hello, there is something i don't understand ( surely already explained but i've skipped a few pages , i must admit ) you put 5 ADX strength line on 1 chart so of course, the scale is bad for some others ADX ( middle scale 30-60 for black adx ( adx 7 ) and extreme lines for the red adx ( adx 21 )) So, everytime we move the graph lines move and thus, visually , it's impossible to see their level, I guess we can only use them to see the direction of the strength looking direction of the lines but i've seen you've posted that.....

Levels don't matter only direction of up or down and all of them need to be up to be in a grade "A" trade