

Naustingfx

SHORT TERM ANALYSIS MUST BE IN CONFLUENCE (AGREEMENT) WITH THE BIGGER PICTURE:

I have read through your analysis. Post (EURUSD chart-August 6th, 2015). The way you analysed the market and was able to make an entry purely based upon price action and not considering the MACD is very excellent. The analysis is very rich!

THE only issue or fault that I discovered is that you did not put the **BIGGER PICTURE** into consideration. And for me, that is why trades taken in that scenario may fail. Or if it works, my advice will be to take profit quickly and or set stop loss to break even.

This also tells the importance of zooming your chart so that you can see clearly past events (history of price) and be able to put in the very important trend lines.

Now see my chart below, I have painted my chart to look exactly like your own chart for better sync and viewing.

I have added a VERY IMPORTANT trend line. And that was part of the major information that necessitated my anticipation of the most likely future direction of price. In essence, that was part of why I did not desire to short the market, but rather I was looking for a nice entry to the NORTH. Yes! The price can still go short, but for me, it will do that temporarily and reverse to the NORTH. If I had wanted to do anything short at that stage like you did, then the entry must be very clear to me, and I will take profit very quickly or set my short position to BE as soon as price moves about 10 to 15 pips in my favour...but I have well set out my plan to go long, and patiently waiting for the opportunity, so I did not bother having a different view like you did.

Why did I go long is your question I believe???

Answer:

- 1. WEEKLY: Figure 1:** From the weekly chart, price has been in a strong down trend for a long time, and currently zigzagged (crossing up and down) the 21 and 8 moving averages. Remember I explained that to you recently in previous post. That when that happens, it means that the those key moving averages especially the 21 is now weak...but the major this to consider is based on one of the rules, that when we are in a down trend, and price closes above the 21ema, that it tends to pull back to it or around it and then proceeds to the 89. So when price does that, it is a signal that the down trend has expired (...anyways I did not even look at the weekly...). But this behaviour of price is very important to note.
- 2. DAILY: Figure 2,3,4:** Two swing points, X and Y, from the Daily time frame, indicates a strong support for price
- 3. 4 HOUR: Figure 5, 6:** I was able to see 3 solid swing points, and I used that trend line, the green one (**figure 6**) to connect them, the 3 points as seen in **Figure 6 below**. But

for my own chart which I have as well posted below, **figure 7**, the 3 swing points (the blue circles) was connected with that brown trend line



Fig 1: Weekly Chart



Fig 2: Daily Chart i

Two swing points X and Y, from the Daily time frame, indicates a strong support for price



Fig 3: Daily Chart ii



Fig 4: Daily Chart iii: Activity Box

All other information (point 1 and 2 in the answer to question above) from the Weekly and Daily charts is important, but is still very far from current price action. In essence point 1 and 2 in the answer I have given above currently do not have much influence on price at that moment.

But this chart above is the key. It is the one that now connects the whole information into one solid Bigger Picture which served as the basis upon which decision was made. See how that

white Daily trend line connecting 3 solid swing points also connects to line XY at point Y...and continued and connected to that little Daily channel which I have established with 2 green trend lines in the rectangular box area...that is very powerful information (the intersection between two support trend lines-the white support trend line intersected with that green trend line forming a channel).

It is also powerful that, that very little channel you can see on the daily was as well established by 3 very solid swing points (the 4 Hour chart below shows that clearly-Figure 6).



Fig 5: 4 Hour Chart i:

Therefore, that white trend line now becomes a VERY POWERFUL support for price, and any trader who has very well prepared his chart like that chart above, and still was thinking to go short at that stage, like you did is wrong....(please understand). And price had already kissed that white trend line, and finding support there strongly then beginning to go bullish, BEFORE you took that short deal...



Fig 6: 4 Hour Chart ii: zoomed: all trend lines are the ones I had already drawn from the daily chart

The first red vertical line on the 4 Hour chart is exactly on the candle where you took your short entry on the 4 Hour as you indicated in your chart, while the second red vertical line was my long entry.

I have cut and pasted some portion of your chart and analysis below. Then my own follows next.



Fig: nic73 chart

Quoting naustingfx

{quote} Excellent: I think that is a professional approach to trading !!! Since you can see clearly things or facts that backs up your plan, it is very okay to go with your plan. That is how very discipline traders do also. You are not influenced by anything except by yourself (based on well thought our facts and righteous insights, and good confirmed knowledge built over time...). FACT: I started using the MACD again recently, for a long time it has just been there on my chart, but not being applied...this is because from my early days in this...

Hi Nausting,

FACT: I started using the MACD again recently, for a long time it has just been there on my chart, but not being applied...this is because from my early days in this thread, I bent on learning strictly MARKET RHYTHM price setups...and if you go that way, you will be taking lots of trades even when the MACD is not supporting your direction...

Quoting your statement from above I tried trading without using the MACD. This is my rationale for entering EURUSD -

- > Price rejected trend line a few time.
- > pull back to 21ema and move away from it in observed in one candle.
- > candle close with a long inverted tail or spike
- > previously price pull back and attempted to move away which it did.

Currently making about 26 pips gain.

Please give your comment is this what you meant by trading using market rhythm without MACD. Thanks.

Quoting naustingfx

EurUsd: 4HOUR: August 7th, 2015 I am here too and watching... Stoploss = 7pips Take profit = 100pips (@ 4hr 200sma) Happy trading! {image}

I did the opposite. I lost 90 pips on this. Why were you so sure this was going up? Tell me your secret to success. I still can't trade profitably and confidently.



Fig 7: 4 HOUR CHART: My own chart.

That was how I entered the trade to the north. See those small blue circles (swing points) connected with that brown trend line...that brown trend line is the same as the green trend line forming the bottom of that little channel seen in the daily chart I have shown above (figure 4). And irrespective of what the USA non-farm payroll NEWS announcement was saying, my target was hit before those zigzag candles on Friday which was due to the non-farm pay roll NEWS. See chart below.



NON-FARM PAY ROLL NEWS ANNOUNCEMENT TRADE

EUR/USD: FRIDAY: AUGUST 7TH 2015

1 Hour Early Entry Technique/Strategy

NON-FARM PAY ROLL NEWS ANNOUNCEMENT TRADE

EUR/USD: FRIDAY: AUGUST 7TH 2015

1 Hour Early Entry Technique/Strategy



Fig: 1Hour Chart: Early Entry Strategy: all trend lines are the one I had already drawn from daily

Stop loss = 19pips

Profit = 100pips

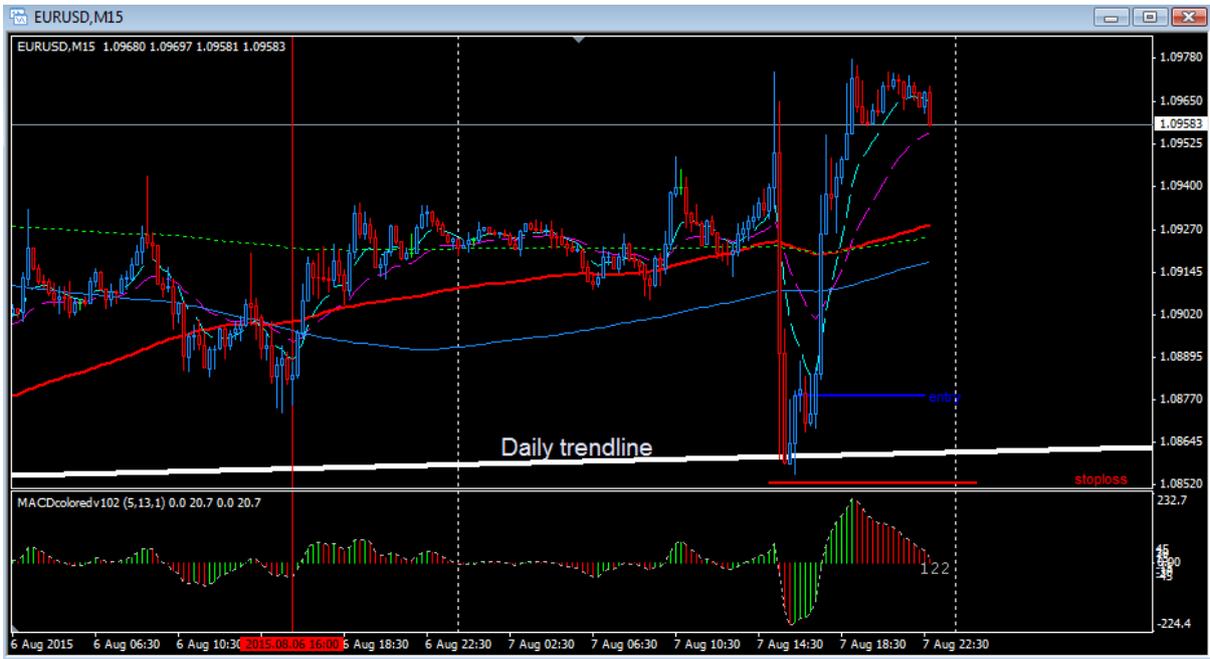


Fig: 15 Minute Chart: trend line is the one I had already drawn from daily chart

Summary: This is how I do it. So irrespective of what the NEWS says, one can always have the right insight of what price is very likely to do, and even the NEWS will confirm that you know what you are doing. In essence, a trader stands a better chance to success in all situations when all the necessary information (trend lines, moving averages, price action, MACD, etc) is put in place in his chart.

You can see that I never mentioned MACD signals in all the analysis so far. Phillip said that one should finish all analysis with the chart even before looking at the MACD. This is the revelation of MARKET RHYTHM.

May God give you the grace to understand all I have explained in Jesus name!!!

KEY: KNOWLEDGE, HARD WORK, DISCIPLINE, PATIENCE... ALONE CANNOT GIVE BIRTH TO SUCCESS, UNLESS GOD POURS OUT HIS GRACE ON THEM!!!

THIS IS THE REALITY IS DIVINE PROSPERITY!!!

