The ATM System… continued

for Experienced Traders

YOUR Personal Bank Machine!!

visit www.electrolegal.com for Trade Analysis and Live Trade videos

CONTENTS

-Risk Disclaimer-

All trading involves risk. Leveraged trading has large potential rewards, but also large potential risk. Be aware and accept this risk before trading. Never trade with money you cannot afford to lose. Any forecasting based on past performance and past performance of any trading methodology is no guarantee of future results. No "safe" trading system has ever been devised and no one can guarantee profits or freedom from loss. No representation is being made that any account will achieve profits or losses similar to those discussed. There is no guarantee that, even with the best advice available, you will become a successful trader because not everyone has what it takes to be a successful trader. The trading strategies discussed may be unsuitable for you depending upon your specific investment objectives and financial position.
You must make your own investment decisions in light of your own investment objectives, risk profile, and circumstances. Use independent advisors as you believe necessary. Therefore, the information provided herein is not intended to be specific advice as to whether you should engage in a particular trading strategy or buy, sell, or hold any financial product. Margin requirements, tax considerations, commissions, and other transaction costs may significantly affect the economic consequences of the trading strategies or transactions discussed and you should review such requirements with your own legal, tax and financial advisors. Before engaging in such trading activities, you should understand the nature and extent of your rights and obligations and be aware of the risks involved. Electrolegal.com is not a broker or licensed investment advisor and therefore is not licensed to tailor general investment advice for individual traders. Your actions and the results of your actions in regard to anything you receive from the ATM Trading Systems are entirely your own responsibility.
I cannot and will not assume liability for any losses that may be incurred by the use of any information received from the ATM Trading Systems. Any such liability is hereby expressly disclaimed.

Section 1: Indicator Alert

Please **ONLY** continue with this document **ONLY** once you truly believe that you have mastered
The ATM System for Beginners & Intermediates; this will be in your own best interest, so PLEASE be
honest with yourself!!

Here is a **screenshot** of how **The ATM System** for Experienced Traders looks like:
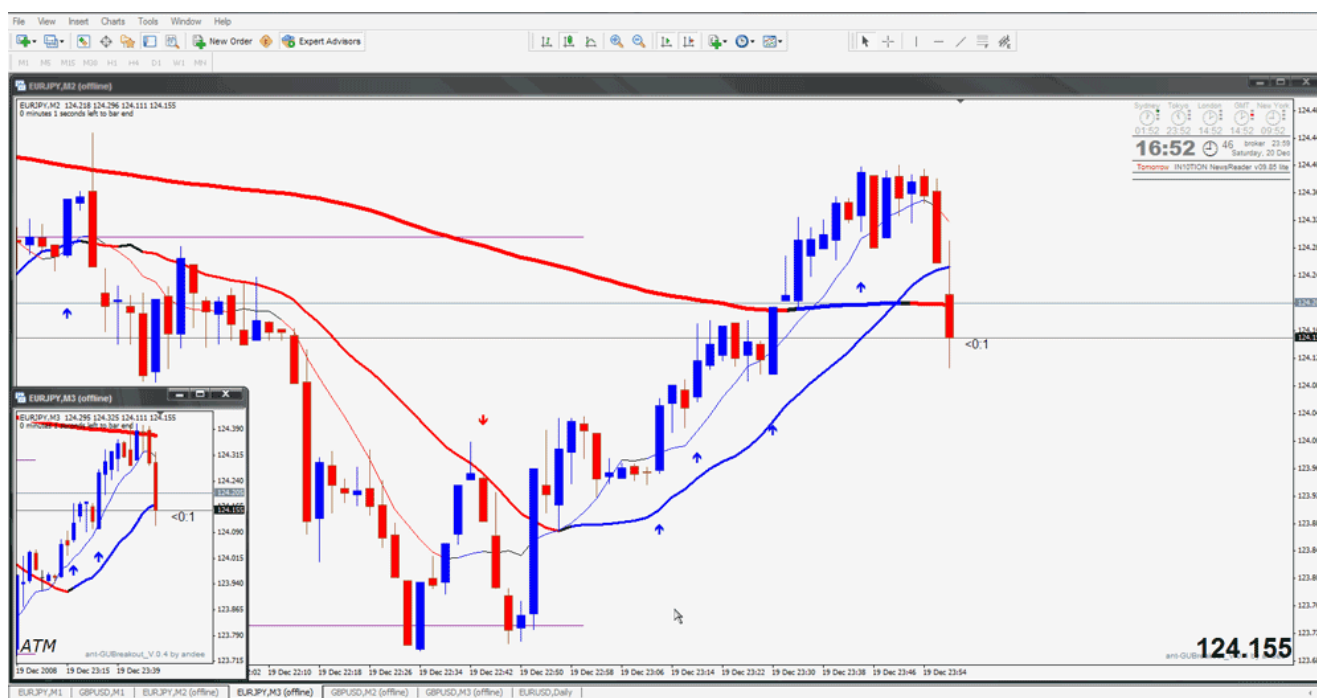
I removed the **Bottom Indicator Set** because those indicators are not needed in actual fact.
As I had mentioned in the **first ATM document**; they were only OPTIONAL.

Although I did develop a liking to the **TripleStoch,** which is why it is now coded into an **Indicator Alert**
that prints an **ARROW** on the Chart when **candle eats candle** on an inclining/declining **21 SMA.**
This **Indicator Alert** ALSO has a built-in filter used during busy/active markets that is programmed
to accept a **candle eats candle** on a **3-5 bar/candle pullback** that has made it back to AT LEAST the **8 SMA**.

I want to say a big thanks here to Mikep from the ForexFactory thread for all of his time spent on this Indicator.

As I think you might have already figured out from the above paragraph,
we now have an **8 SMA** to determine if a **3-5 bar/candle pullback** is NEAR ENOUGH to the **21 SMA** or not.
Many of you have asked me how close a **pullback** needs to be to the **21 SMA** during fast markets and
the answer is now simple: **AT LEAST** to the **8 SMA**.

The ONLY OTHER EXCEPTION I would make in a **very fast moving market** is an **Entry** on a **candle eats candle**
AFTER a clear cut **3-5 bar/candle pullback** that has NOT QUITE MADE IT BACK to the **8 SMA;**
this is not very common but it is acceptable.

Section 2: Additional Timeframe

Furthermore, in **this advanced version of The ATM System**
I have introduced the **M3 Timeframe** in a separate little window.
Feel free to locate it on your own monitor as you see fit - see **screenshot** above for my choice of placing.

Sometimes you will see on the **M2 Timeframe**
several candles in a small cluster
followed by a **candle** ALMOST **eating candle** but NOT QUITE;
the **M3** will now give you a chance to get into those types of trades.

I have chosen the **M3** instead of the M5 because:

- the **Stop Losses** are not much greater than what we would get on the **M2**,
- the **number 3** is the next number after 2 in the **Fibonacci Sequence**, and
- **3** is an odd number meaning it will give us alternate candles from the **M2 Timeframe**,
  therefore offers us additional **Entry possibilities**.

But then at other times, it will just backup the **M2 signal** thus giving us greater confidence in the trade!!

There really is not much more to it than that;
just make sure you are STILL considering Price Action, Elliot Waves, Pivots and Breakout Zones at ALL times.
In fact, most of the information you need is in **The ATM System for Beginners & Intermediates**.

This e-book is meant for the slightly more experienced traders
who have mastered the **first version of The ATM System**
and are now confident that they no longer need to rely on the Bottom Indicator Set.

IMPORTANT to note that the **ARROW Indicator** is there *ONLY* to **ALERT** you
when a **candle eats candle** set-up occurs in a location that is worth studying for a **possible Entry**,
and/or for those who may still like to see some visuals as an extra boost to their confidence.

There are some trades though that the **ARROW Indicator** may not pick-up on and
you will have to use your OWN judgment; for instance,
if price came back far enough to the other side of the **21 SMA** such that it briefly changed color,
<u>you WILL NOT get an ARROW Alert</u>.

This is seen in the following example where we are clearly looking at a **SELL** situation;
we have Lower Lows and Lower Highs, our Moving Averages are declining
and candles are still below the **200 SMA** (covered in **Section 3** below).
Yet the **ARROW Indicator** signaled a **BUY** but
NOT the **SELL** that came right after with **red** eats **blue** and that SHOULD have been taken as the PROPER trade.
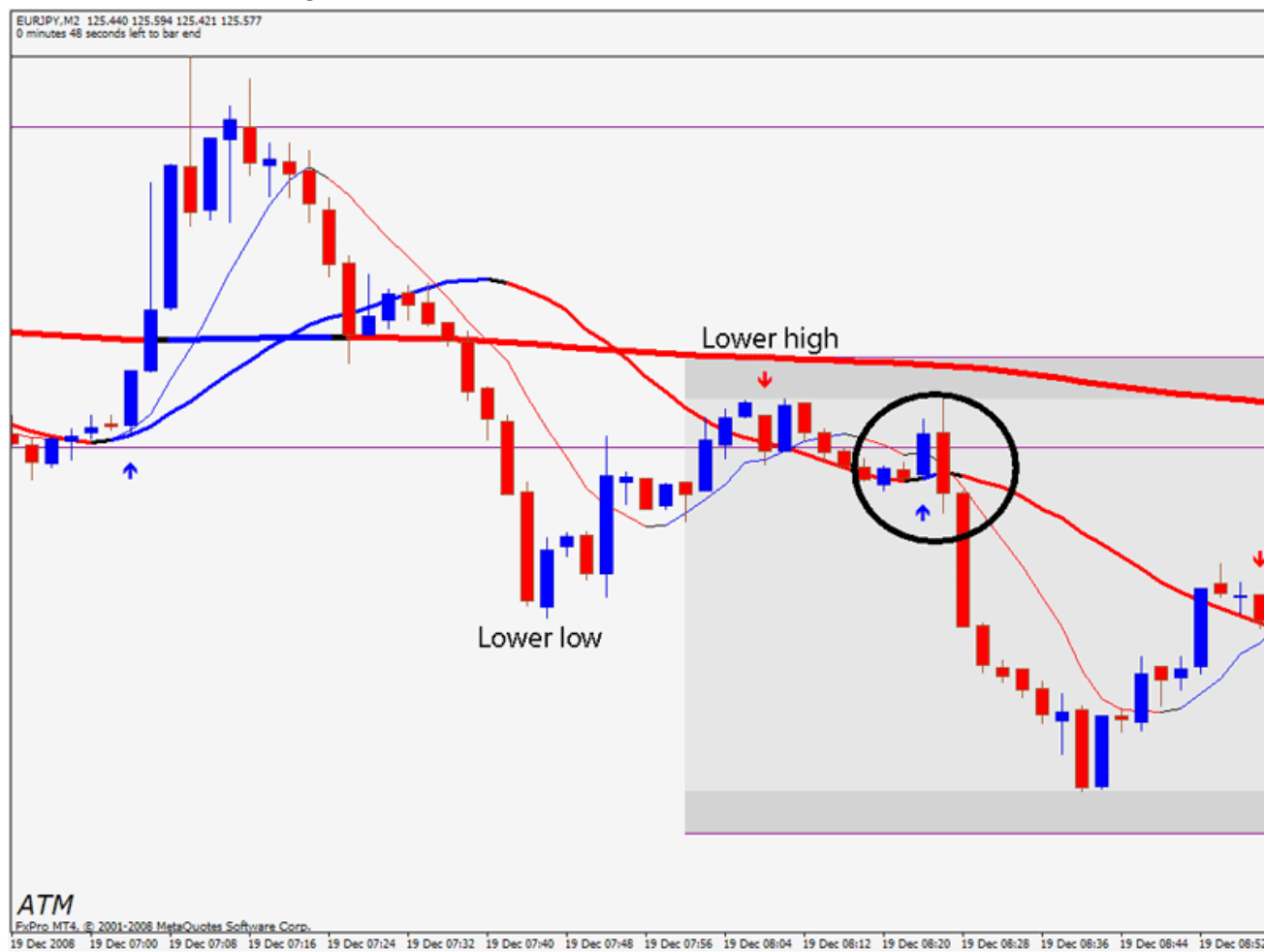
** This is a great time to emphasize that the Indicator is there to **HELP** you, **NOT to TRADE** for you!!

Mike and I tried various logic but it is very difficult to create an Indicator that can signal every trade that one
should consider. The balance we were able to so far achieve is an Indicator that ALERTS you to MOST winning
trades as well as many that will not work-out but that were worth having a look at anyway.
We will continue to develop and perfect this **Arrow Indicator Alert** as we trust we can better the results,
so stay tuned for newer versions that will be posted on **www.electrolegal.com**

But I repeat, PLEASE
<u>**ALWAYS use your BRAIN**</u> *as it is the best and most reliable Indicator on Earth -- may the force be with you ;)*

Section 3: Extra Tool

The tool mentioned in this Section is OPTIONAL and to be used by the more Experienced Traders.

I added a **200 SMA** in **this version of The ATM System**
which will often act as a **DYNAMIC Support/Resistance Line**.
If, however, you feel this is too much for you please remove it, otherwise:

- TAKE NOTE that it can also be used for **candle eats candle** set-ups (see screenshot below).
- You may also find it a handy place to safely **Take Profit**.

The final thing to observe with the **200 SMA** is that as a GENERAL RULE:
- when price is below it, chances of good **SELLS** are increased, and
- when price is above it, chances of good **BUYS** are increased.

** DO NOT forget though that like every **Moving Average**, if price gets TOO far away it WILL need to return.

200SMA candle eats candle bounces
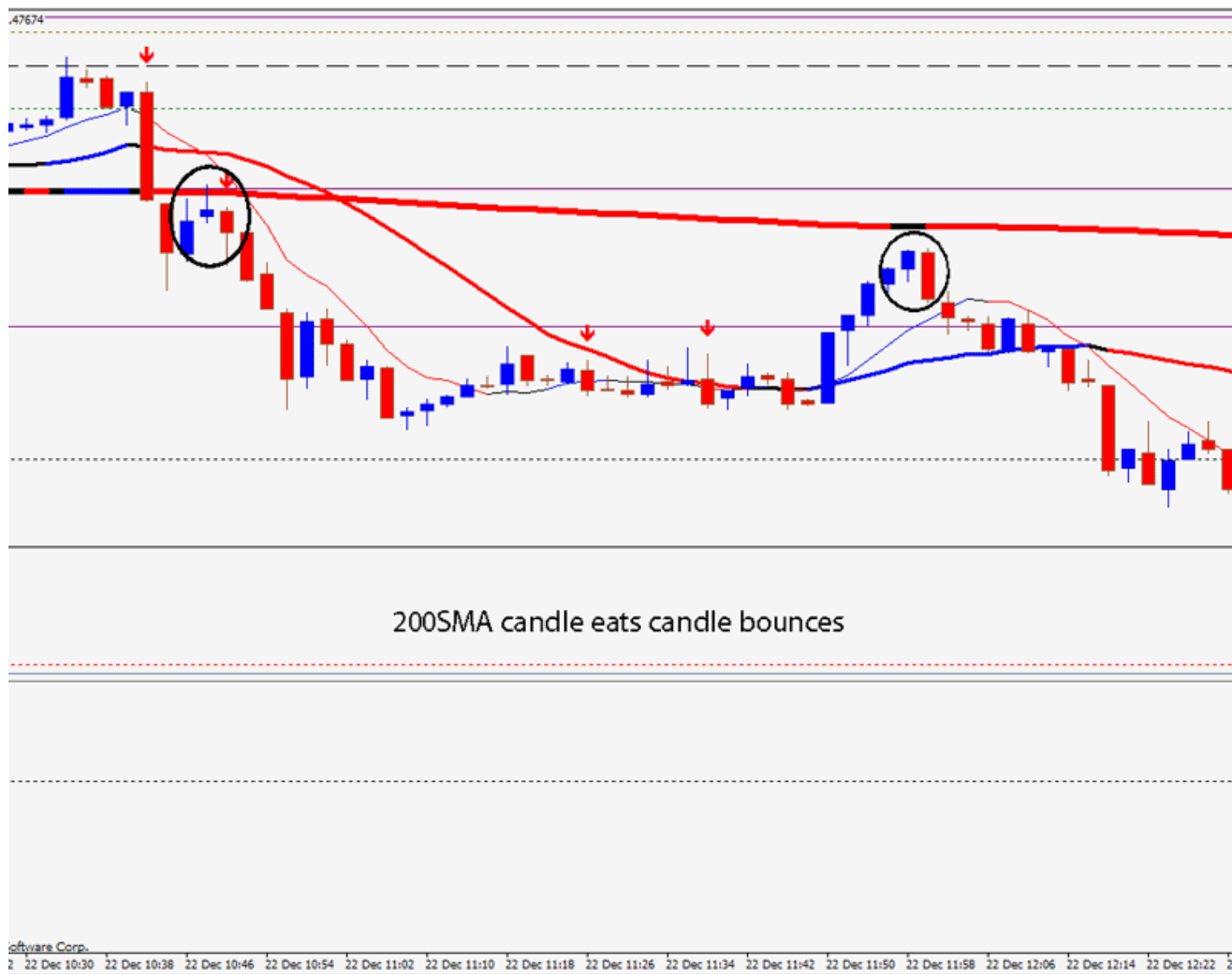
Section 4: Pivot Munch

The **Pivot Munch** - as I like to call it - is even new to me at this point in writing
but because it has caught my eye on several occasions throughout these past few months,
I thought I would take the time to describe it here
for anyone that may feel comfortable enough to explore its potential:
SIMPLY apply the **candle eats candle** set-up logic to a BOUNCE off of any of the **Pivot Lines**.
** It is purely a **SHOW OF POWER** when price is right ON (or VERY NEAR) a **Line**.

However, BE CAUTIOUS of set-ups that are **Countertrend Trades**.

In the screenshot below, the <u>**1st trade**</u> is in-line with all our **SMAs** but the <u>**2nd trade**</u> is a **Countertrend Trade**.

Again, it is AS SIMPLE AS THAT;
pay attention to the **Pivot Munch** to see for yourself how accurate it is and if you feel comfortable trading it.

- Many traders do not like **Countertrend Trading**, but if you think about it,
  a **TREND** has to END somewhere and how nice would it feel to be in on a trade
  RIGHT AT THE START of a direction change – this is where you can apply
  the Elliott Wave theory to determine if it is feasible for the **TREND** to be at the end of its rally.
- Alternatively, we can apply Price Action to the **Countertrend Trade**
  by looking at the **number of candles** we have had in any one direction.
  For example, in the <u>**2nd trade**</u> below,
  if you exclude the **one blue candle**, we basically had **12 Bear candles** in a row
  which means we are highly probably due for a small retracement anyway.
  It would be difficult to put a rule on this, but I would have to say that **8 to 13 same colored candles**
  with a **Pivot Line Munch** would be fine by me even if it is a **Countertrend Trade**.
  ** However, a **tight SL** and **tight Trailing Stop** would be VERY wise!!

Combining the Elliott Wave theory and Price Action **Countertrend Trade** techniques, I think you will agree that
you can make this QUITE SAFE but it will require **observation and practice** before real money is on the line.

Section 5: Beta Test

And finally, one more thing that I am currently testing. This may perhaps help me weed out even more of those loosing trades that I still get. I realize that NO Trading System is 100% but why not try and get as close to perfection as possible.

That said; let me introduce the **M8 timeframe** which I have added to the top right corner of my screen, even smaller than the **M3** window - check out my layout below.

You may remember my mention in the **first ATM e-book** that
I DO NOT agree with flipping through Charts while trading, this is STILL true and I STILL DO NOT.
The above image displays how both of my monitors now look like;
as you can see there is NO need for flipping back-and-forth between timeframes.

However, this came about mainly because of a recent failure of one of my 19" monitors which initiated my upgrade to two new 22" monitors. So now I have plenty of screen room and I do not feel that my monitor is cluttered by including both the M3 and this extra M8 Timeframe.

If, however, you find that too much room is taken up by this extra Chart on your monitor,
and/or you find that this extra timeframe confuses you and keeps you out of good trades
then it may be best to stick to ONLY the **M2 & M3 Charts** as outlined in the beginning of **this e-book**.

But if you are like me and are able to take one look at the **above screenshot** and notice
that across **ALL 3 Timeframes** the **Moving Averages** are all red,
see that the **M8** clearly depicts a **Double-Top**, and
that we are making **Lower Lows** and **Lower Highs** on both the **M2** and **M3**,
then KEEP THEM ALL because here is a clear trade on a terrible trading day - the day before Xmas eve!!

Section 6: Wrapping Up

That about wraps it up for now;
I hope you have also enjoyed this **second e-book**
and are able to apply the knowledge successfully for some plentiful pip accumulation!!

And now, once again, after having gone through all the additions to **The ATM System**,
download the **ED2.zip** file from **www.electrolegal.com**

> **Unzip this file and place everything into the correct folders on your computer.**
> **Load up "atm-m1-ed2.tpl" on your chosen pair and make sure M1 is selected.**
> **Then go to File>Open Offline.**
> **Select the M2 for your chosen pair.**
> **Load up "atm-m2-ed2.tpl" onto this new M2 chart.**
> **Then go to File>Open Offline.**
> **Select the M3 for your chosen pair.**
> **Load up "atm-m3-m8-ed2.tpl" onto this new M3 chart.**
> **Then go to File>Open Offline.**
> **Select the M8 for your chosen pair.**
> **Load up "atm-m3-m8-ed2.tpl" on to this new M8 chart.**
> **DO NOT CLOSE THE M1 CHART, just minimize it, the M2, M3 and M8 need it.**

Please read all of the above very carefully and several times if need be
*and remember to **ENJOY your trading**;*
I took great joy and satisfaction in sharing this knowledge with you, I wish you well
and thank you all for your input throughout the consolidation of this system into words.

I will not say good luck as there really is no such thing here!!

TKPOWER8 and
much credit & thanks to the **Kportion** (a.k.a. **KAT**) of my screen name & life
for patiently and systematically editing and making this all look pretty and comprehensive.

Project Robin Hood

I believe in karma; I believe that the way one treats others will dictate the types of people that are drawn into their lives and consequently the way they get treated right back. I believe that the energy one gives out will be returned in like, and so on and so forth.

Do not get me wrong, I am no saint that helps others all day long, nor some kind of perfect human being. I work hard, like to stay in shape and enjoy having a good time like everyone else while still trying to help others whenever I can. That said, this whole experience of teaching others how to make money got me thinking and I came up with **Project Robin Hood**. Amusing name I know, but it suits I believe.

The way I see it is that with proper/clear **Rules and Guidelines**
along with personal **Consistency, Patience, Discipline and Focus**
we can all take back money from wealthy bankers and major corporations
and put it into our own less wealthy pockets!!

I hope to be able to help as many of you as possible in becoming profitable traders and/or to simply add to the trading toolbox of already successful traders. Either way, I have put together a couple of **e-books** and accompanying **website** which together house all information and videos needed in order to help people start making money 5 days a week.

The idea of **Project Robin Hood** is that I accept DONATIONS through the website **www.electrolegal.com**. Anyone, that feels that they have become a better trader through something they have learnt from my e-books and/or website, is given the opportunity to ALSO HELP someone by DONATING some of their pips/cash to **Project Robin Hood**.

All the money that comes in will be DONATED to charities and/or people that could use a bit of a cash surprise in their lives. The money will be awarded to a said charity/person and in return I will request that they write a THANK YOU email/note that will be viewed on the website by everyone. We will also have a LIST of the DONATORS on the website with the option of course of remaining anonymous, if one so chooses.

I do not charge anything when it comes to trading methods and videos. But I do feel that if anyone goes away with what they have learnt from me and starts turning over $1000/day for example, they might want to also consider passing on some cash to others that could really use it. After all, I am spending time and money to help teach anyone that wants to learn. I ask for nothing in return, other than a small DONATION, say even as little as $10-20, that will express your token of appreciation. And, if you feel like giving more than that, it will also be accepted and greatly appreciated by the recipient.

Signing off with:
Take care and enjoy what life has to offer!!.. So say all of us :)