

Q1. PAC vs 5EMA shift 2 vs 10 EMA?? Pros and cons.... I am using PAC which seems to keep me out of some bad trade, however it also puts me into trades later than I would like costing some PIPS.

Answer - TMS 5-Method uses the 5EMA, Typical Price, Shift+3 as default. Big E's trading rules are based on this EMA and the setup candle is one that closes above or below this EMA and with the TDI cross as the confirmation. There are situations when a setup candle closes above or below the 5EMA but there is no TDI cross but the TDI shows a steep 12-2 or 4-6 clock face angle. It is important to note that Big E's entry style is based on his view of price action and his use of recent support and resistance on his chart. His entry style is aggressive hence has more risks.

The Price Action Channel PAC is the original Synergy trading model and is more conservative. The setup candle for the Synergy trading model is when a candle closes above or below the PAC.

Therefore we must be clear about the rules for the two different trading methods.

The 10EMA is not used to look for trade setup candle.

Read some of the old posts:

Price Action Channel

Synergy PAC [Post#21,284](#)

Comparing Synergy PAC and Synergy_Pro PAC: [Post# 54,119](#)

High Probability Trading using Moving Average: [Post#42,728](#)

The power of 10EMA [Post#8,528](#) by FF member named tango-1

Q2. Trend or Counter Trend?? I know trend is your friend but I sure do see a lot of CT trades on the H4 chart. In fact I see several CT which turns into new trends.

There is a trend in every timeframe as the market moves in waves – ebb and flow. Smaller timeframe, smaller are the waves. Larger timeframe, larger are the waves. What is important is to know what the market type is – trending, sideways wide range or sideways narrow range.

TMS 5-Method is a trend following trading method. It is good for trading both the trending and sideways wide range market type. But when the market is sideways narrow range, this is when TMS 5-Method will fail.

It is in sideways wide range market type that we can trade the 4H swing in both directions (trend and counter trend trading) within the same week. It happens often that when we trade the 4H swing by following the previous week's candle price action, we can catch the continuation of the weekly trend on a breakout.

Q3. What do you use to determine trend for H4 and Daily purposes? EMA, previous day candle, previous week candle.

Answer - There is no hundred percent method in determining the market trend. The use of moving average comparison in different timeframe is one commonly used method. We always start by doing our top down analysis starting from the Monthly, Weekly and Daily chart timeframes to identify the market conditions hence the market type in which we trade. The Monthly chart is the best timeframe to help us see if the market is trending or sideways. The use of the 10/50/200 EMAs is one commonly use method for traders to see the trend on the Daily chart. This is done by looking the Price Action seen using price bar patterns (or Japanese candlesticks patterns) with reference to the 10EMA on the Weekly and Monthly charts.

Q4. When looking at EMA are you referencing the angle of the line or simply towards/away. (IE. Trade away from the 200EMA) (I use the 50, 200, 800EMA)

Answer - The biggest mistake made by some traders is the use of the angle moving average. What traders should be seeing is the 'daylight' i.e. the space between the price bar from the moving average used. The bigger the 'daylight' the stronger is the strength of the price move..

Q5. If the Daily chart is close to a TDI cross can you drop down to H4 and make the trade if it's TDI has crossed. I have done this a few times but It always puts me into the H4 Trade late.

Answer - It is the fantasy of as few TMS traders to believe that they can catch the reversal early in the lower timeframe. The minimum number of candles for a reversal on the Day chart is 2 candles pattern. There are 3 candles reversals patterns and many 5 candles reversals patterns. A reversal on the Day chart can only be confirmed on the Day chart. If we try to guess a Day reversal for an early entry on H4 there are 6 H4 candles to make a Day candle, so there is no way anyone can catch a Day reversal on H4 accurately.

The story is different when we want to catch an early entry on H4 or even H1 for a Day chart TDI bounce trade setup. We look at the Day chart price action for pull back and wait on either H4 or H1 for a low timeframe setup to trade the continuation of the Day chart price action.

Q6. Do you have to wait for the MBL cross? It kept me out a few bad trades but also put me into trades later than I would have liked costing many PIPS.

Answer. This is a matter of trading styles using the full version of the TDI. Big E had mentioned that if in using the TDI Yellow line aka the Market Base Line gives you more confidence in picking the trade setup then by all means use that MBL in your trading rules.

Read these posts:

Choose your trading styles using the TDI – Scalping, Active and Moderate

[Post#24,705](#), [Post#23,486](#), [Post#24,912](#), [Post#51,153](#), [Post#51,299](#), [Post#56,578](#) [Post#57,351](#),
[Post#57,394](#)

Download the TDI realtime non-repainting version here:

TDI-RT version [Post#17,848](#)

and change the default settings to of the Synergy_Pro_TDI settings: [Post#59,624](#)

Q7. H4 and Daily MM - I have read several different MM systems but I really need to clean up my SL & TP. Do I take 1/2 profit at SL risk or 1/2 SL risk(i.e.. 50 SL close half at 25)? I see some traders closing half there trade at 1/2 SL risk while others wait until they are at the SL risk to close some or all the trade.

I am debating on the following:

H4 (1.5 or 2) ATR10 SL / (3 or 4) ATR10 TP - Close half position at SL risk and then move second to BE- May use CM trail by candle (although CM EA has been giving me issues and not doing the BE or trail stop at times....)

Daily - (1 or 1.5) ATR10 SL / (2 or 3) ATR10TP - Close half at SL Risk then second half to BE

Answer - This is a Money Management Strategy question which you have to learn and experience it for yourself. Scaling-out has both pros and cons. Scaling-out and not knowing how to Scale-in in a trending market is not an effective strategy when we want to grow an account. There are several money management strategies which can help traders boost their confidence in trading. For example using Multi-Lots entries is one proven strategy.

Read these posts:

Money Management Strategy for TMS: [Post#48,008](#)

Using Multiple-Lot Positions to Improve trading TMS: [Post#33,507](#)

Entry and Exits: [Post#24,918](#) [Post#18,422](#) [Post#19,617](#)

How to Build a Position: [Post#19,588](#)

Multiple Entries / Multiple Exits for Day chart trading: [Post#58,726](#)

Q8. Is there an easy way to see Japanese candles over the APB in MT4? I am able to get a gray Japanese Candle to show but the wicks do not show the proper color.

Answer – You can switch your charts to show as Bar Chart and have your chart shown on Foreground over the APB/HA in background. This way, you will see the price action using price bar patterns much easier. The APB/HA body shows the calculated average open price and this will often hide the real price highs or lows in trending condition.

APB explained by the creator himself:
watch these videos

[Video 1](#) [Video 2](#) [Video 3](#)

HeikenAshi study : [Post#18,483](#)

Japanese Candlesticks vs Synergy APB vs HeikenAshi [Post# 3304](#) [Post# 56,193](#)

Q9. Is there a way to not have the APB MTF indicator color to change (ie. Daily closes red but 4 hours later it changes to blue if the pair is above the previous close).

Answer – Many things are possible for good programmers to code correctly. But re-painting of MTF indicators is common problem because we need to wait for that timeframe candle time to close to confirm the close price hence the colour of the APB. You need to know that the price is dynamic hence any change will be reflected in every different timeframe.

Simple solution to this is to use the Triple Screen Technique which shows the realtime charts in separate windows. You do not need to rely on any customs MTF indicators and you are can see multiple windows in other trading platforms and not restricted to MT4/MT5.

Read these posts:

Triple Screen Trading System by Dr Alexander Elder [Post#23,973](#), [Post#55200](#), [Post#62,175](#)

Triple Screen trading systems : [Post#55,203](#)