

How to Trade the “only” pattern

Introduction

An effort has been made to present **the only pattern** in the best possible way, thanks to Atheer for this thread and Daryl guppy for guppies, you can trade with the Only pattern in sluggish or ranging markets/trending. Naturally, atheer has the last word on how he trades the only pattern but in this PDF, I will show how I and others trade it, also how beginners can start to use the guppies in a similar approach to the Bollinger bands,

The objective of this document is to enable traders in the OP (Only pattern) thread to trade the only pattern, although also explained is the chart layout, show how to identify the best setups, and explain how to enter and exit trades.

Chart Layout

- **Time frame:** a 5-minute chart

All of my charts are 5-minutes

I stay on the 5-minute time frame ... I'm scalping. My mentality is I don't need to know what is going-on on an day or a monthly chart. I don't need to know what happened yesterday. I'm using Guppies patterns to tell me what's going to happen.

- **Regular Candlesticks:**

- Short- and Long-Term Guppies

Exponential Moving Averages (based on the closing price) – short term guppies (3, 5, 8, 10, 15) and long-term guppies(30, 35, 40, 45, 50 and 55)

⇒ **Thicker and Prominently Colored EMAs**– 3 and 15which bracket the short-term guppies, and 30 and 55which bracket the long-term guppies. It is important for the 3 EMA to have a high contrast (relative to the background) since it is used to identify Arrowheads and 5-candle “Ms” and “Ws”

- Suggested Colors: 3 (white), 15 (yellow), 30 (Blue Violet), 55 (Dark Turquoise)
- Remaining short-term guppies – **Olive Drab**
- Remaining long-term guppies – **Red**

the **200 EMA** and **85 EMA** to (1) help identify the trend going into a session, (2) facilitate the identification of consolidation (braiding) when one or both of these EMAs are intermingled with the guppies, and (3) stay in a trade that has already moved a considerable distance.

- **Indicators** – don't use indicators because they can act as a “stop light”, i.e., discourage a potentially successful trade.
- **Only use important intraday level's and fibs.** Open of the day, open of the week, previous week high, previous week low, etc. 50% fib of previous day, 23.6,61.8 retracement levels and 127.2 for targets.
- **Don't over draw trend-lines or use pivots.** The focus is on trading – entries, setups, moving stops, and exits.

- **Currency Pairs Watched** – this has changed with a focus on fewer pairs among the following:
 - **8 Cross pairs** – EURJPY, GBPJPY, EURCAD, GBPCAD, EURAUD, GBPAUD, EURNZD and GBPNZD.
 - **Dollar pairs**– AUDUSD, EURUSD, GBPUSD, NZDUSD, USDCHF, USDJPY, USDCAD
 - **Oil** – Light Crude Oil (WTI), British Light Crude (Brent) and Gold.

All-In and All-Out

- **Sniper trading style is “all-in and all-out”** –no scaling into or out of a trade.
Note: This approach differs from grid or building positions (grid method also uses the taking partial profit’s out of the trade when stop is moved to BE+2) or another approach which is taking profits when you expect retracement in the market and add on again when it continues. The above approaches are ideas which you can take from, learn and see if their fit for you.

Only pattern trading tips and guidelines

“The [only pattern] works in a slow market and they work in the big market”

“Only pattern ... I used to use them to catch ... [Daryl] Guppy calls them bubbles and I call them bumps.”

“If you have a 50 pip bump and you’ve got an only pattern, you’ll get a 50% retrace ... almost automatic.”

“If price can’t do the job [penetrating the long term guppies], there’s only one way it can go ... back down.” –

What does an only pattern signal look like?

- An only pattern signal is typically three (2/3 can be 4) candle stick pattern that looks like it has a sharp point seen with the 3 ema. (Trading tip: use the 3ema to help you learn and see it)
- Three candle formation, only pattern, starts with the first and third candles approximately the same size, and the middle candle being a reversal candle, e.g., a doji, spinning top, hammer, shooting star (inverted hammer), etc.



EURCAD

Top tip: The 3 EMA is generally sharp when the only pattern shows up

Other ways it sets up

Two candle railroad

5 candle formation

2 bearish and one bullish overtaking both (visa versa)

1 bearish and 2 bullish overtaking bearish candles (visa versa)



