

To begin with, let's look at a chart set-up that I have found to be perfect for me. The image below is a screenshot from one of my two monitors, and you can see that it is of the same currency pair, UJ. On the left we have M1, and on the right M5.

Starting from the M1 chart, I'll just run through what I have there. The upper window is our standard Genesis window with the HA candles, Pivots, Yellow ma etc etc. The first stoch is the #mtf m5 stoch, and right below that is the #mtf m15 stoch. That's right.....there is no M1 stoch and that's on purpose because I have not found it helpful at all. Next down we have a standard Genesis Matrix that is set to the default values, so it is for the M1 TF. At the bottom, is the ASCTrend-2TF Matrix. The top row is M1 and the bottom is M5. Of course this is the same as the M1 and M5 arrows, but I prefer the Matrix because it keeps my charts clean. If you don't have this ASCTrend-2TF Matrix, you can get it from the Genesis System Tools thread of Xaphod, and the link for this thread is on Post #1.

Looking now to the right, I'll just run through the M5 chart. As before, the top window is standard Genesis stuff. The next window down is the #mtf m15 stoch. Yes, we already have that stoch on the M1 chart to the left, but it is helpful to see the same stoch on a different TF to gain a different perspective. The stoch below that is the #mtf m30 stoch, and at the bottom we have a standard M5 Genesis Matrix.



fig1

As some of you will know, I have my candle colours set to almost blend in with the background because I do not need to see the candles to enter a trade (generally speaking) unless there is some S/R line close by that I need to take into consideration. I do need to see the candles for the exits, but I don't need to see them other than that, and as we have spoken about before, the constant movement of the candles can be mesmerising and even distracting.

For the sake of this document I will keep to standard Genesis colours.

Now you will have noticed that I have the order of things a little bit different to what I have used in the past. For the most part, the indicators are all the same. I'm using them differently and in a different order, but they are the same. It could be that this method of trading Genesis would work on a higher TF, like (say) M5 M15, M30 H1 etc.....I don't know about that, I haven't tried it.

Entry Rules

I'll show you a couple of set-ups...a long set-up and a short set-up. That is all you should really need because most of you on this thread can trade well enough to take small pips (at least) on a regular basis, and if you can do that, then you'll understand what I'm going to show you. For those who are lurking and are not (yet) members of the thread, please don't waste your time, and mine, by sending me PM's with your questions. I won't answer your questions, I don't have time and I don't do one-on-one coaching, which is what PM's amount to. Any questions belong on the thread so that we can all learn, and if you're not yet a thread member, then you'll have to wait until you are. Fair enough?

Ok....lets have a look at a chart:

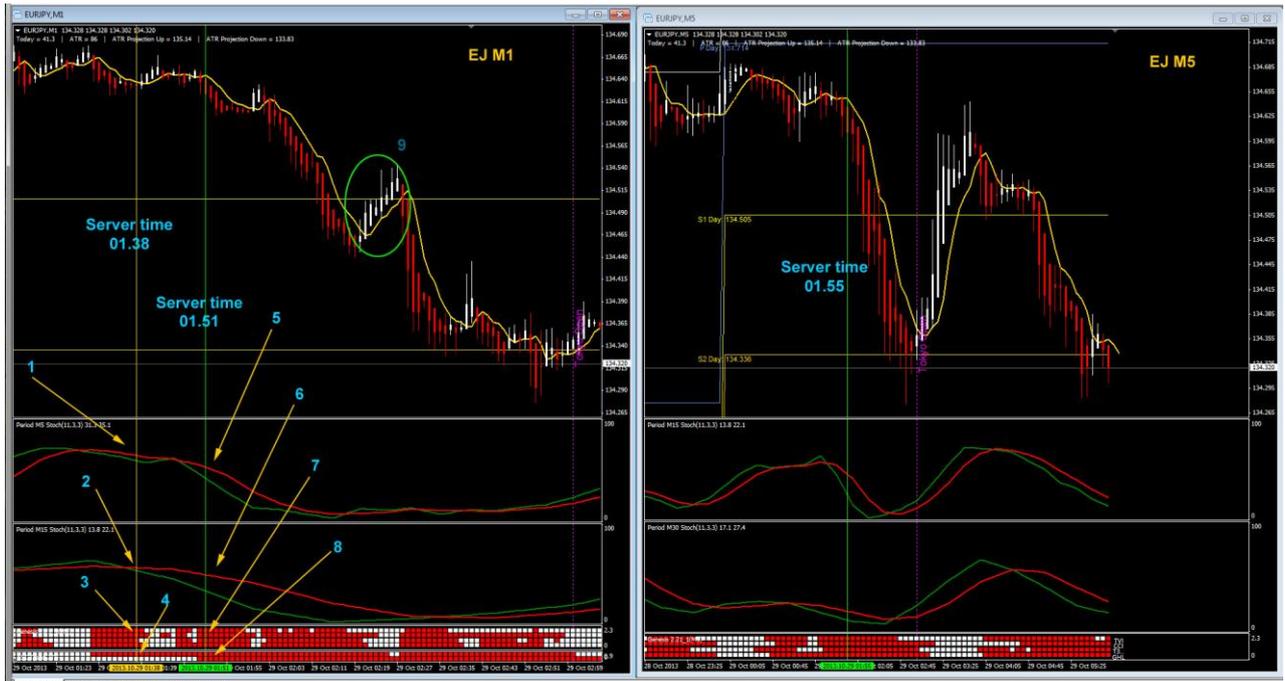


fig 2

Before I talk too much about this chart, I'll just run through the numbers on the M1 Chart:

1. #mtf m5 stoch has crossed and is looking Bearish
2. #mtf m15 stoch has recently crossed
3. Genesis Matrix all red and Bearish
4. ASCTrend has gone red on the M1, but not the M5
5. #mtf m5 stoch looking very nice now...'mouth open' :)
6. #mtf m15 stoch looking very nice now...'mouth open' :)
7. Genesis Matrix all red and Bearish
8. Now we also have the ASCTrend M5 completing the 'all red' picture
9. This is a pull back and we'll talk about this shortly.

Ok, now what does all this mean?

The gold vertical line on the M1 chart, at 01.38 server time represents an 'aggressive entry.' It is aggressive because:

1. Although we nearly have an 'all red' situation on the M1 chart, the reds are not unanimous because the ASCTrend m5 is not complete...the M5 'arrow' is not on board yet.
2. At that time, if we were to look at the M5 chart, although Genesis Matrix may have gone all red, but neither the candles nor the stochs are very convincing for a short entry yet.

Hindsight, being 20/20 shows that we could have entered on the gold line and got away with it. Personally, I want as much in my favour (within reason) as I can get before I pull the trigger.

Alright, lets now look at the green vertical line on the M1 chart. Server time is 01.51 at the green vertical line and there seems to be little, if any doubt now that the bears are going to push lower. How low? If I knew that I'd be a very rich man by now!! The candles are ready to drop, the stochs all look great, Genesis is all red and importantly, the ASCTrend-2TF is now all red as well.

In short, we have an all "All Red" situation on the M1 chart, and this is now a conservative entry point as opposed to the gold line, which is an aggressive entry point. As far as the indicators are concerned, they are nearly the same BUT, at the green line, the ASCTrend-2TF is now completing the perfect picture. This entry point may be conservative, but it is High Probability.

Just before we pull the trigger, a quick look at the M5 charts (01.55-ish) shows all is well for the bears. So what do we have?

1. Aggressive Entry (gold line)
 - a. Candles not looking too convincing for the bears
 - b. #mtf m5 and #mtf m15 stochs looking ok-ish, but it's early days yet
 - c. Genesis Matrix looks good
 - d. ASCTrend-2TF has on red and one white square

In short, imo, an opportunity to sell, but a risky one.

1. Conservative HPT Entry (green line)
 - e. Candles not looking good
 - f. Both stochs looking good
 - g. Genesis looking good
 - h. ASCTrend-2TF looking good
 - i. M5 chart concurs with M1 chart....all indicators are red. So ENTER!!!

The last thing on this chart(s) we haven't spoken about is that number 9...the pullback on the M1 chart. Would that pullback have caused me to exit? Maybe....I could have got out there with about +12 after the spread is deducted. But if we look to the M5 chart, it isn't even remotely interested in reversing, so lets not fret about it. Lets move the SL to BE + spread and ride this thing out.

Riding this down until the PA seems unable to get over the S2 line properly might be a good time to just take the pips, especially when you consider the M5 chart, and you can see that both stochs there have crossed and are rising...and exiting there would give us +25 at least. Remember our spreadsheet? We now only need 5 more pips to make 30 for the day and we're done....thank you mister market, and thank you Genesis!!!

So what I'm doing here, for the highest probability entry to gain *some* pips, I am 'matching the colours' and then entering the trade and managing it from the M5 chart, although I do look at the M1 chart when the PA seems to be stalling. I will take +10 (if possible) rather than a SL hit at BE+1 or worse. +10 is a 33% of what I need today!!

Ok....lets look at a Buy trade:

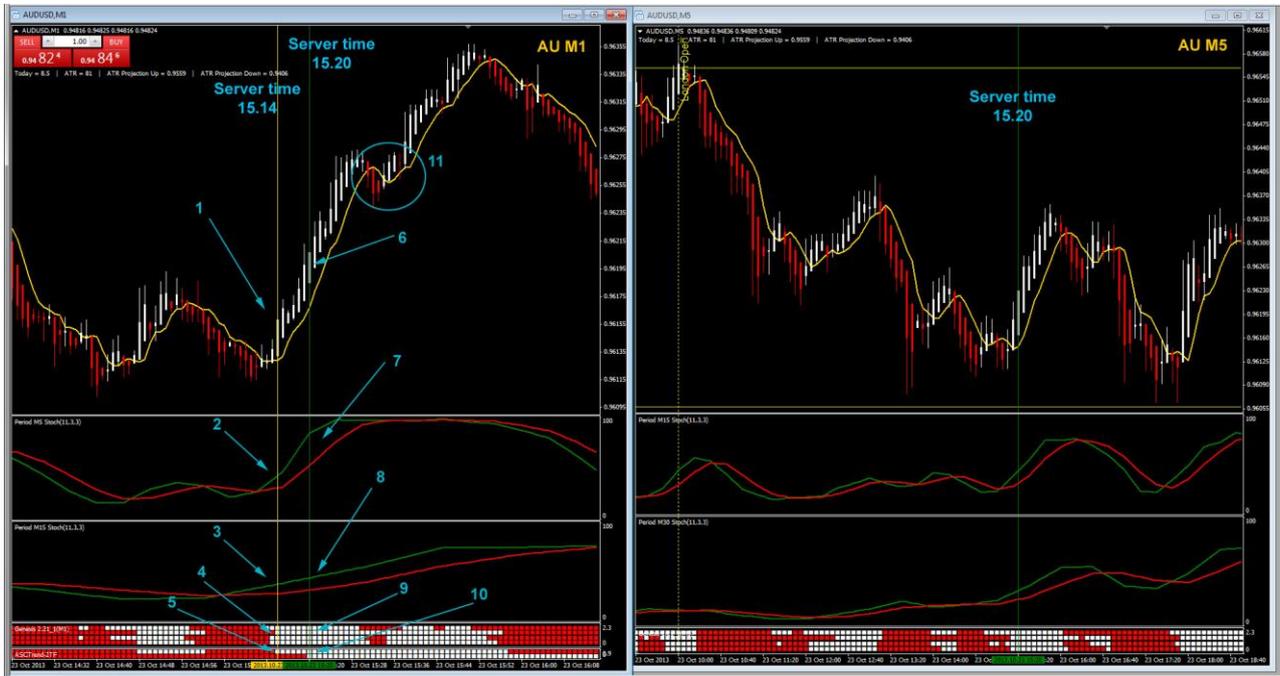


fig 3

Lets just quickly run through the numbers....

1. Candles are looking good
2. #mtf m5 stoch has recently crossed and has it's 'mouth open'
3. #mtf m15 stoch has recently crossed and has it's 'mouth open'
4. Genesis Matrix is 'all white'
5. ASCTrend-2TF is not yet 'all white'

6. Candles are looking good
7. #mtf m5 stoch has recently crossed and has it's 'mouth open'
8. #mtf m15 stoch has recently crossed and has it's 'mouth open'
9. Genesis Matrix is 'all white'
10. Now we also have the ASCTrend M5 completing the 'all white' picture
11. This is a pull back and again, we'll talk about this shortly.

You should be getting the gist of this now, but lets run through it again.

The gold vertical line on the M1 chart, at 15.14 server time represents an 'aggressive entry.' It is aggressive because:

3. Although we nearly have an 'all white' situation on the M1 chart, the whites are not unanimous because the ASC Trend m5 is not complete...the M5 'arrow' is not on board yet.
4. At that time, if we were to look at the M5 chart, although generally everything was looking good, the Genesis Matrix *might* have just turned all white and I'm not sure that I would have made an M5 trade right there and then.

As before, our 20/20 hindsight shows that we could have entered on the gold line and got away with it but I prefer the conservative (HPT) set-up over the aggressive set-up.

Alright, lets now look at the green vertical line on the M1 chart. Server time is 15.20 at the green vertical line and there seems to be little, if any doubt now that the bulls are going to push higher. Everything agrees and we have the 'all white' situation.

Just before we pull the trigger, a quick look at the M5 charts (15.20-ish) shows all is well for the bulls. So what do we have? We have complete agreement at the green lines on both M1 and m5 charts...So ENTER!

Once again, there is one more thing to talk about...the pullback on the M1 chart (number 11). To exit there we could have got 1 or 2 pips, but more likely it would have been a BE exit. Have a look at the M5 charts though.....no reason to exit there, so lets keep the trade. The PA eventually turned over and we needed to exit. The best exit, with the conservative entry, would have given about +15.....if we waited a bit long to confirm the reversal, we would have come out with about +10. The trade time from start to finish was less than 1 hour.

If we can do this again, maybe a couple of time per day...there's +30 for our spreadsheet!

Lets have a look at a trade that I wouldn't enter, and I'll talk about the reasons I wouldn't enter.



fig 4

On the above chart (*fig4*) we have an 'all red' situation on both charts.....so we should enter, right? Sorry...you're on your own if you choose to enter this one! You would have done ok, as we can see....you would have got a few pips. But it was not a HPT. Yes, yes, yes.....I know it was all red on both charts, but look at the stochs. On both charts they are floating around in the middle of the road not really knowing, or helping us to decided, which is this PA going to go. As we can see, it dropped a bit, then (on the M1) the PA went up and down like a yo-yo....and on the M5 it went back and tested the DP. We can see from the M5 that after London Open a trade developed for the bears, and that was the one to wait for.

Remember.....the Holy Grail of FX trading is right under our noses....PATIENCE!

I hope this is of use to you, this is the way that I trade M1 but it may not suit you....who knows? If you want to have a go, I would suggest that you open a demo account and try this out for yourself without risking any of your money.

The discipline involved is not too different to any other trading, except perhaps that we you see an opportunity forming, stay with it! You don't have time to make a quick check of other charts, or to make a coffee and forget about answering the phone. If you spend even a few minutes looking at something else, by the time you get back, the train might already have left the station without you!

Also, if you have an entry, stay with it until you at least have it at BE +10. Once you have that, then go for a *quick* look at other charts if you want. Worst case you will get stopped at +10.....and that's 1/3 to 1/2 of what you want to get each day.

Occasionally these trades will turn into +50 or more.....those are the bonus trades that come to us sometimes!

There are a couple of points that you should be aware of, and I'm certain that this particular point will be brought up again and again if I don't talk about it!

- On the M1 chart, the #mtf M5 Stochastic and he #mtf M5 ASCTrend-2TF Matrix might appear to repaint. Let's be absolutely crystal clear here, NOTHING in the Genesis Matrix Trading system repaints. However.....until the M5 candle has closed, the #mtf indicators cannot paint permanently to the M1 chart....obviously!! So if at (say) 2 minutes past the hour you get an ASCTrend-2TF Matrix signal where the M1 and M5 both show the same colour, the M5 portion may *appear* to repaint if the price pulls back, but it's not repainting. It simply cannot paint permanently until the 5 minute period has passed.....in other words, when the M5 candle has closed. See below:

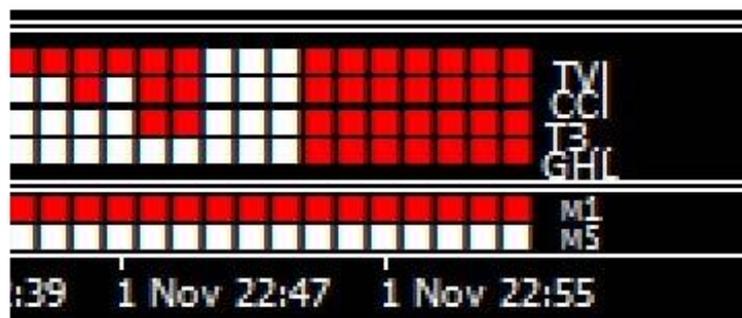


fig 5

Fig 5 (above) is a screenshot from the M1 chart. You can see the standard Genesis Matrix and you can see the ASCTrend-2TF Matrix below it. Remember, this is an M1 chart. Each of those 'squares' represents a 1 minute period, not because this is the M1 part of the ASCTrend Matrix, but because **this is on the M1 chart**. So the M1 row updates at the close of every minute and is painted permanently to the Matrix.

Similarly, on the M5 row of squares, each square represents a 1 minute period...so it will take 5 x 1 minute 'squares' to equal the five minute period, obviously! Therefore, each 5 minute period is represented by a 'block' of 5 x 1 minute squares. Now those 5 squares cannot, for obvious reasons, be painted to the ASCTrend Matrix permanently **until each 5 minute period has closed**.

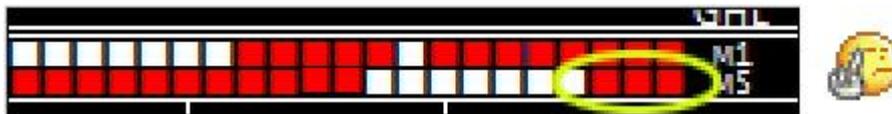


fig 6

So, if you see ASCTrend-2TF Matrix looking like this (fig 6) you must be very sure in your mind that the M5 row might change its colour because the 5 minute period has not yet completed and so it is completely impossible to paint the 5 squares as a block until the 5 minute period has closed.

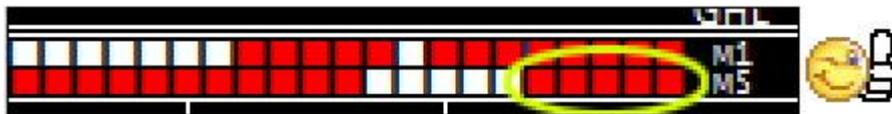


fig 7

If you do not pay attention to this and you enter a cite the M5 row of squares as part of your reason to enter, and then cry because the M5 row of squares 'repainted', when actually it cannot be painted permanently until the 5 minute period is closed, I will be less than impressed....make no mistake!! If you see the above image (fig 7), and the 5 minute period/candle has closed, then this 5 minute block is painted permanently to the Matrix, and that's a fact!

- The M30 stoch on the M5 chart is the last thing I really want to talk about. It is there more as a guide as to what's going on the larger TF. Obviously, if the M5, M15 and M30 stochs all agree, assuming that the Matrix etc also agrees, you're in for a HPT. You don't *have* to wait for the M30 stoch to agree, but if you enter against the M30 stoch your trade may not develop into a big one.....so be prepared to exit with modest gains.

So that about wraps things up I think. Using the M1 as I have described is a viable way to trade for small pippage during times when the market is consolidating and M5 trades may not be possible. During those consolidating periods you have the choice to sit out the session and just watch the market until some decent M5 moves become available and trade as per 'normal' Genesis Matrix System rules, and that's fine....it's your choice.

But what I have described above has been tested for 4 weeks, read back on the thread and you will find a week by week score of pips as this test progressed, and so we all have seen how it works. This M1 alternative can also be used as a permanent way to trade if you so choose, and you will get entries that are earlier than is possible on the standard M5 Genesis system, and you may be able to trade CT trades more easily, if you like a bit of aggression in your trading!!

Either way...it is what it is....test for yourself (on demo) if you wish, have fun and take the banks money !!!

RJ