PeterCaleb – Forex Factory

I have just joined and was pointed to this thread by a friend after beginning to go through the "Price action at the core / tma intra day" thread. I would like to say hello and thank you. Below is how I started to see the simple price behaviorism of the "XYZ" financial markets one chooses to follow ....

Attached Image (click to enlarge)

Quoting RickM

Hi Dean While members here see and measure multiple waves as a series of movements that are directly related to each other, they may miss the obvious point. If the market is really the action of price hunting nearby liquidity pools, then it's wild swings we see are actually NOT waves at all but just random patterns caused by price seeking Targets. Humans are comfortable in an unchanged world where every move has a matching balanced move. A swing in a chart therefore has to have a familiar feel. The so called herd behaviour by humans therefore creates...

** I concur, in part at least with you here Rick. I have found in my own trading career, that when you chase money you have lost before you begin. Yes indeed these markets tend to move as if they have a type of reverse oscillatiing effect that appears to us on the chart. Although at times they become quieter it can be tracked in a simple and very effective way. See pic below. If someone uses this same charting approach on their "overview" TF and then on their "summary target" TF and ALSO on their "Trade entry/exit" TF, then they can align their trade simply and without use of most indicators (standard or custom). I have come across MANY traders over the years and one thing is common among the ones who survive and thrive as profitable traders - they know what can be known at all times, they do what has always worked regardless of the environment they're in and, never follow a story that tries to explain everything. The last one is the hardest for people I see. To believe a story is to also accept that things don't change on different levels of life. To work with the idea that you're in control of these markets is rather foolish. And by assuming too much, it all becomes more about hubris than trading if left unchecked.

For me, "Random" is a word that only 'scientific' inquiry cannot explain. If someone is a privateer in these markets and IF indeed there are pirates, then it's sensible to summize that there is something you do not know or are not aware of. Personal interpretations are a good example of showing how random is not what one hopes it will/should be. So if the markets do something that seems random, it's easy to apply a way to understand this .....

Occam's razor + [COLOR=rgba(0, 0, 0, 0.87)]Schrödinger's cat = common sense. I always laugh when people talk "science"[/color] and "psychology" on these points. And Rick, you're correct in saying that people love an unchanging world. Here's my tip for all those younger/older people wanting to improve in their trading (George has tried to explain these things but I shall add my words to help if that's ok) .... Trading reflects how badly you manage your feelings and thoughts. So if you "need" a big picture to explain what you should do, please remember, the global financial markets owe you nothing, don't answer to you and truthfully, aren't really interested in your goals and dreams. But if YOU are, then work hard at condensing simplicity. It can be your friend when the markets "don't make sense" and even more so when they do. George has done (what I see) as a great thing trying to put forward a format to help other traders. One thing that has helped me is being humble. And if you can be humble, then you can learn to be objective. And this can help you in those times when it seems that everything is failing you.

Just my thoughts and would love to hear from others about how to condense what has been presented by George and others.

Peter

Attached Image (click to enlarge)

For me, Life is about Simplicity without oversimplification. Seek its foremost simplest format but do not remove the common denominators. Because doing this pollutes the truth it shows and presents. And I approach trading in the same way. Been doing it for years this way and it works. The pic above, is just a sample of simple. Of course I didn't show the lower TF's I spoke of, however, George has already shown how to navigate a setup that revolved around a MTF overview. As long as people recognize that George's learning material (pics, screenshots, writings etc) is from years of "mentoring" either directly or indirectly, with other people and the world at large. So it's not really "new" per say, however, if it helps to frame a person's thinking and approach, then hooray to that.

It's the world's status quo or, the perceived norm, that will screw with people's minds and attention at the end of the day. If you need evidence of this, just look at this virus thing people keep freaking out about. Inline with trading, I can explain more, if people want or need, but I am still new here, so I don't want to appear to be commandeering this thread.

Peter

Going for lunch now, but first, wanted to share a real life practical example of what I mean by simple in the below pic. I have framed it for those people who have been following George's format and style and use of indicators etc.The rest as they, is all in your head = Step 1. 50/50 chance that you pick the correct direction Step 2. Check all known biases available to Big picture direction and local temporary direction Step 3. Observe ROC (Rate of change) for the Psychological price charts (your usual overview charts) by drawing a simple trendline on counter trend side (the outside/left) of "price action" for steep then moderate and then gentle incline/decline across ALL Tf's. Step 4. Wait for rounded sideways style "agreement of price" on M1 and M15 and then scale in = 1 x 1 back to back linear price grid limit orders (eg - 1K) to initially enter on "bottom/top then use M1 to scale in on micro pullbacks, keeping an eye on your array of targets. Simple. Using a predetermined SL that fits with the chosen market's volatility will usually afford you an alignment of YOUR perceived risk (Chosen Size of SL OR Hedge Lock) vs the market's ACTUAL risk position (your position plus any temporary negative blowback behind your entry price before it finally moves in your favor for a profit target to be reached in time.) Granted this is me summarizing, however, in real time, it flows nicely.

Toodles

Peter

Attached Image (click to enlarge)

I'm not sure where this might fit in to where you are as a trader but here goes .....

As George has mentioned several times, both here on this thread and the original "Price Action at its core" thread, learning to follow and trade the markets is a lot of work. And if you'll allow me, I'd like to add to this. However what I would like to say is not going to sit well with many people. Trading in real life is about many things. One of the most important parts of the process (Based on my own experience) is being truthful. For most people they spend their whole life never needing to reference statistics related to probability etc. - until they get involved in 'trading'. I suppose everyone has their own style, their own niche perspective. When I started out, it was important to keep your mind sharp. And to do that, at some point, you have to look at your own psychology. I hope it's ok for me to post these 2 pics as I like to look at them to remind me that the markets can't really hide much, if you objectively know what you're looking at.

For me personally, I was drawn back to this thread and the original one because I sensed George wanted to improve people's opportunities in their own trading. And I'm sure he has been able to do this. One thing I do, however, see lacking is attention to one's own psychology. Perhaps I'm wrong, or maybe I missed it as I went through the threads. I've known many traders in the time since I started trading. And the fact is, the ones who tried to succeed on pure will power, burned out and failed. While others succeeded because they realized that having a niche perspective and a story that tries to explain what's going on, is simply not enough. As people, in real life, we are usually directed by our opinions, judgments, biases and prejudices. Sometimes they help and sometimes not. And looking at things in this way, it becomes easier to see why people drift from strategy to strategy, system to system.

An example of this could be - I am Peter and I want to create an income through trading the Forex markets. I know there will be work involved so I need a plan. I arrive at a sensibly drawn up plan and begin to learn. However, as I go along, I come to realize, bit by bit, that this trading thing is not what I believed it to be. And so begins a journey. And eventually, I arrive at a point where I understand what I'm really involved in...... a self contained, self fulfilling fluid system of money transacting everyday worldwide.

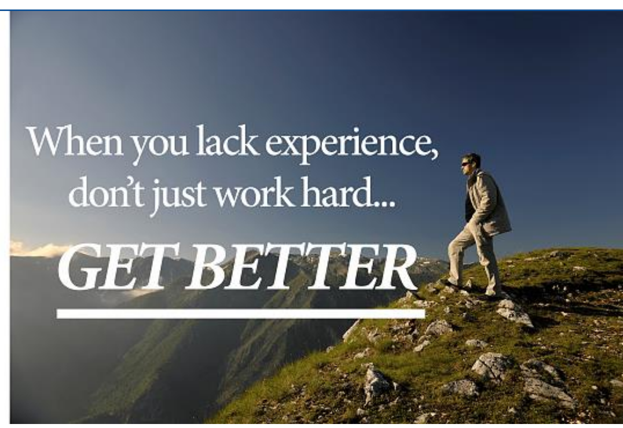
In this example, there's something that has been forgotten. The Forex markets are not the beginning and end of everything on this planet. There are indeed other systems that work alongside this one. And they do interact.

To genuinely understand this though, in a real and real life sense, one needs to have experienced changes in a market or markets, to understand other things. If you're wondering why I'm saying this .... For me personally, I have learned a lot in my life and I guess I was looking for a place to offer what I have learned. (I don't wish to steal George's thunder here.)

To anyone who may have misunderstood what it means to master the art of trading. The real, real life understanding of this (from my own experience anyway) is to master yourself. The idea of mastering trading is an everlasting pursuit because unless you are in control of these markets or own them, then you don't KNOW for certain what will come next. You can only put your best foot forward and prevail as best you can. After all, you can only react or respond when trading. I don't know if that helps. I hope it does.

Peter

Attached Image (click to enlarge)



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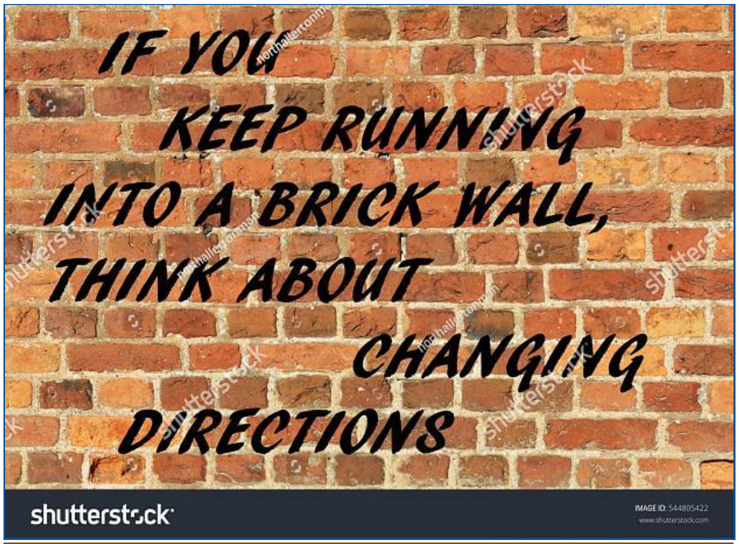
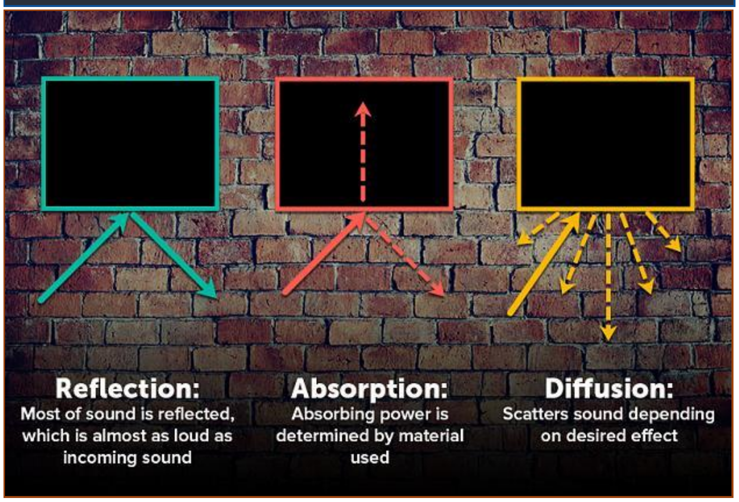




Quoting RickM

{quote} Hi Peter I think George's followers went in the wrong direction in his new thread of trying to guess which way direction price would move by looking at multiple waves. That was not his first objective, rather to tell traders to wait in his playground area for price to expand into our trading zone. The whole idea was to trade known exhaustion zones. For some unknown reason, George dropped this strategy and started trading Elliot waves (or his version anyway) but couldn't successfully expand it to one single trader. Last time I talked to George...

Hi Rick, Yes I understand what you're saying. Because I am new here, I need to be a bit careful what I say but I will say this - blind following and people who resemble a sycophant, are really only hurting themselves. Unless of course someone puts themself in the same position George has, to be praised or admired. However I am not saying anyone here IS one of those types of people. I just get concerned when people follow the same path of thinking they would towards, say, a job. Molding oneself to fit the requirements to please the potential employer and new environment so they fit in and are accepted. As to the elliot waves stuff etc. George would be best to answer a question about why he did anything he did.

I suppose it becomes rather easy for people to over-complicate things. Mmmmm. Up or down. Buy or sell. Reversal, breakout, carry trade, spike scalp, momentum scalp. There's many to choose from. I learned a long time ago that lateral thinking is what helps any trader differentiate between someone who can adapt to the world as it changes and one who cannot. And getting fixated on imitation or emulation of what one thinks works, is a real problem.

Thanks for talking Rick.

Peter.

Hi Mike, I am merely here to contribute if I can, until I say something that is true that offends enough people (I guess). It's easy to get overzealous with anything, especially if your own self interest is involved. And money (profits) have a way of changing people. Whenever I find that I'm stepping over a line from truthfully simple to potential academic disaster, I ask myself - "Is this going to change the markets, or me?" If a person is sitting and looking at a digitized version of a price chart (phone, PC etc) then you need to keep your head. Unlike some written languages that read from right to left, the usual price chart moves from left to right. Regardless of JAP candlesticks or tick chart or something else. It's merely to pictorialize something that has many pieces of information. So that in itself could complicate things if misused. Another thing to consider is, if someone thinks themself dumb, then in the world of "trading" they tend to overcompensate by way of strategy or system of trading or perhaps trading assistants (Now known as EA's). However, on the flipside, if someone thinks they're pretty smart, then it's easy to see that highly intellectual entanglement with details and data and the like, would be very alluring. For me, I see myself capable of both, so it is a sort of dance to remain centered. The markets CAN be complex, depending on how far down that rabbit hole you wish to venture.

George (and others too I guess) have tried, but people need to keep in mind, that bringing a "group" of traders together is similar to calling for a town meeting of vampires. Everyone's on their best behavior and playing nice until that first drop of blood hits the floor. THEN it becomes a free-for-all with opinions and conjecture running rampant. If they cannot agree on whether the market is going up or down, what hope do they truly have in moving to the next step in any process. For instance, when George in the original thread, showed something about Bruce Lee. "Be like water." In trading that doesn't translate to "just throw your orders in here or there" or "I am SO confident about this trade setup that I KNOW it will work in my favor". No. Just because I place my orders above the previous highs has NO bearing on what happens. If people need real hardcoded proof of this being true, then I suggest they start using a tick chart. The type that allows you to specify the number of ticks that are counted before it draws a new bar on chart. Those tick charts are ***<u>TRANSACTIONAL</u>*** in nature... not dependent only on time allotted. Uptick, downtick, uptick, uptick, uptick, uptick !! It's not surprising why people make more of things than is necessary. Up, down, left, right. Biases. Energy spent to assess and conclude potential of outcome. Either organize to place an order or do nothing.

What I know about people trying to "become" a trader.

Q. - Have you ever tried driving all the way to work in reverse gear? Believe me, it never ends well.

If people would relate this to their use of the chart, indicators, mentors, books and even these kinds of discussion areas, then, they would see that the LESS objective you are, IN your thinking, then the worse you trade. And in turn, the less consistent you can be ... EVER. Why? It comes down to the territory you're trying to navigate.

The other thing that must be addressed by people is - trading the financial markets falls into the psychological category of .... "Gambling" I know that lots of people say this and that however, objectively speaking, when you deal with something in Life that is concerned with basic Cause and Effect, IF YOU do NOT know and I do mean KNOW with certainty (because you are driving the car, not sitting on a street bench watching it drive past) the WHY, then you are required to gather and garnish as much information and insight as you can that is of a truthful enough nature (Consistently reasonable), to aid you in understanding how to reach your goals. When I watched the Trader to Trader 3 podcast video of George and Jamal, I wasn't sure what I was watching. You see, in my career, hardcore proof is itself evidence.

Relating back to people here, who prefer the story instead of the A+B+C+D approach (Not pattern or count trading). I remember years ago I saw that "Trader" doco of Tudor Jones and in that video, there is a part where he said (paraphrasing) "I'm trying/wanting to risk $0.70 to make $8.00" if I remember it correctly. So to translate for those forex traders - he wants to risk 7 PIPS (points) to make 80 PIPS. NOW take a good long hard look at EVERYTHING George has presented in both these threads, and ask yourself ..... "How do I do that?"

It comes down to how many times can you try and get in and get stopped out or exit on blowback, before the trade setup becomes untradable and therefore unprofitable. PERIOD. Forget patterns, forget everything else, It's the simple maths of running a profitable business. Either your overhead is within manageable levels or it's not. The trade SETUP AKA trade, is just a product. Past to present to future is a good translation for - what have I learned about my thinking, nothing more. I don't care what my setup is, or what George's setup is. You're betting on the past repeating. And it's your job as a "trader" to navigate the terrain. As far as I can see people need LESS strategy work, system work, mentoring, EA's and story indoctrination and A LOT MORE work on what's in between their ears. People today have ALL the technology but very little common sense.

My choice to be here is to contribute or, to give to the next generation. Hehehe, I know I won't live forever. But the simple truth is, technology ha made people lazy, sloppy and complacent. I personally, have known MANY very successful traders, but they don't 'hangout' with other traders unless they're in a co-operating business venture. So no. The idea that I, or George or someone would or COULD offend a legitimately successful trader is ridiculous, disgusting and absurd. They would simply nod and then keep walking. Why? They understand and respect their time as being precious. Because they know what they know. PERIOD. The people I have come across here, who act like or speak of being successful are not that person. It is a fact that kin magnetize to kin.

For Mike (and anyone else of course) ....

Try this exercise - Open a clean chart on say, 15MIN TF. Make sure it's at max zoom out and the JAP CS's have a black and white colour scheme. Take a screenshot or picture of that zoomed out view of the chart. Find an indicator that will overlay higher TF's than the 15MIN eg - 30, 60, 90 (if available), 240, 1440 and the weekly. Make sure that you specify different colours etc for each TF. For this you may need to have multiple instances of the indicator on the chart. Take another screenshot photo of it. When you're done, make notes on EVERYTHING you notice. Left, right, up, down. And if it helps, I have included some pics etc that you can use to gauge observations.

I hope that helps. Condensing knowledge into experience and then Wisdom IS a DOING process.

Attached Images (click to enlarge)

And here .....

Attached Images (click to enlarge)

And leading into the weekend, just one more and I think that'll do it.

My idea of proper (AKA Insightful) use of an Oscillative Indicator, when combined with momentum, volatility, market active blowback and simple entry and exit.

Why use an indicator like this?

Q. - Have you ever noticed that the more stuff you put on your chart, the worse it looks? Yes I said looks. Someone asked me what do I mean by "objective"?

Think of one of those international pro tennis matches. You have a singles match. You have two players, a ball, a net, up to 9 line umpires and 1 chair (overview) umpire. What's missing? You. The Spectator. Trading is exactly like this. The only thing you KNOW is that "price action" cannot literally backtrack on the path it just took. It needs to find a new way. It's the same with Tennis. Same shot, different time. And knowing how to use an indicator is no different. From my perspective, trying to trade overbought or oversold the way people "think, feel, believe" it's meant to be, is, well, to me, questionable. Then there's this way of manipulating the parameters to 'change' the feel of it. Indicators are simple creatures, really they are. You have two options = short time horizon or long one. I say time horizon to give context to how there is a difference between this and long/short prices quoted.... You know, overbought or oversold. Below is a pic a trader needs to look at and possess a deep understanding of the contextual differences between the two approaches. One deals with price over time in relative calculations and the other time over price. Can you pick which is which?

So objective is about seeing it all. Being the chair umpire. BUT, also, knowing you are not infallible. So you need to use a RELATIVE time price interval to be sure that what your eyes see, is the same as what you brain is either interpreting, OR, collecting and thus concluding.

I hope that helps.

Peter

PS - That chart pic I found in another thread about trading made simple. Ironic right.
Attached Image (click to enlarge)

Attached Image

And yes, sorry, forgot a real life example ....

Attached Image (click to enlarge)

Attached Image (click to enlarge)

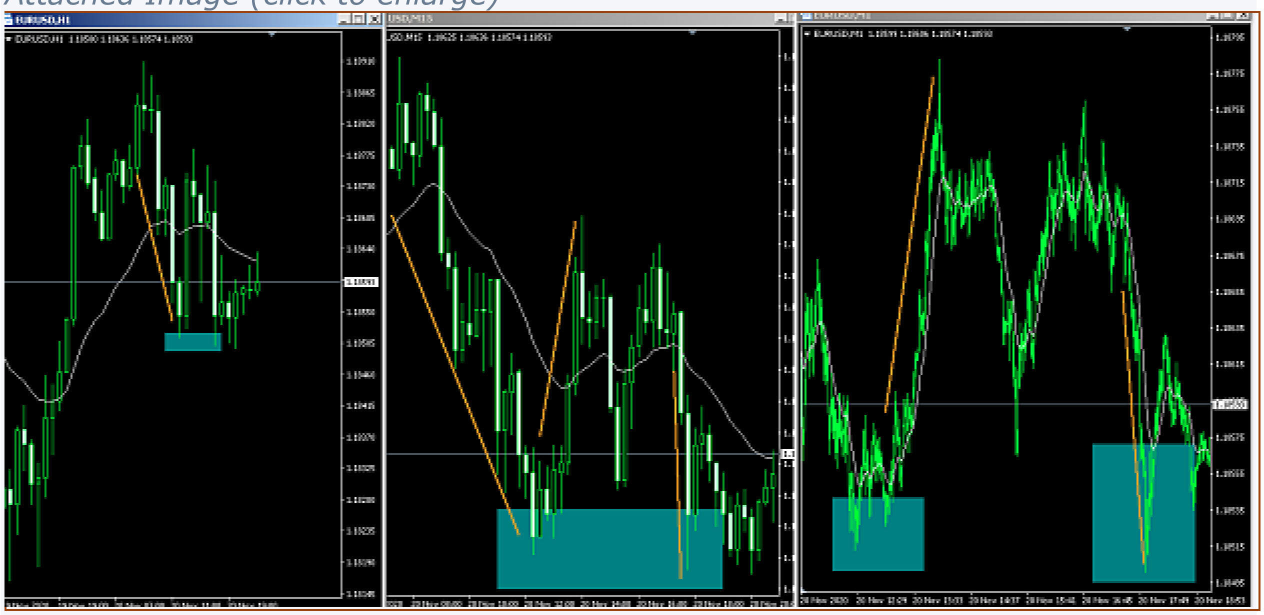
This market (GBPJPY) flattened off after flowing down a bit. The channels are there to gauge usual market activity (the 'idea' of fair value) vs what has become and been named Standard Deviation. However, from what I've seen, most people don't know how to use it. They just throw a channel indicator on the chart and try and work it out as they go. The relationship there between the STD DEV and RSI should be self evident. Both are concepts (Therefore there is always the exception to the "rules") and they operate according to a relative assessment. This means, if you are a discretionary trader, like me, you want to gauge fair market value vs liquidity vs the perceptions of all involved. To some people this is not new information, but most people don't realize that trading is a Life Skill Set. It's something you grow with. Anyway, the horizontal lines on price are to register that relationship I spoke of between (basically as a visual identifier) price behavior, relative price valuation to the extremes and then the horizontals on the RSI do the same thing on the relative highs and lows of the oscillator. And the arrows are there to point to the trade setups available. The angled black trendlines drawn are just my lines I had on the chart still when I did this to show people what I am now discussing.

If you perform the exercise I mentioned earlier, of using overlays on a single chart .... when you begin you open a 15MIN chart. Zoom out completely. What you see is a string effect of price through time. It creates its own 'fair value' along with the 'extremes'.

This is probably one of the reason why people struggle so deeply. Trading is indeed a world unto itself.

I have an example here of what I think Peter was talking about though I don't know if it is right, The 1hr made a low and then it was taken out later

Attached Image (click to enlarge)



To avoid confusion here, I want to be candid and calm about all this ......

I, Peter, am NOT a scalper. Nor a momentum breakout trader, nor a trend trader. I am a TRADER. Nothing more or less.

Please step WAY back from your device right now and REALLY truly think about what that really says.

IF George, uses the D1, H4, H1 ..... is he a "trend trader". Being TRUTHFUL and mature about your response, you can ONLY say "maybe". If he uses the

M30, M15 and M1, is he a "scalper"? Again ..... AT BEST .... "maybe".

Personally most of the remarks made here remind me of people who are still learning and mastering the basics of trading ANY financial market.

NB - I'm not trying to start a fight. I am just being honest.

Just because you load your orders in at a reference point that "connects" a MTF view, DOES NOT warrant ANY offering for a profitable outcome that you cannot achieve in other ways. Nor does it guarantee a successful outcome. MTF analysis can offer further bias in your favor but that is all.

Your step 1 REALLY and realistically, needs to be your head space. NO ONE can help you in those moments when you're on your own and there's no one to blame or help you make a decision. PERIOD.

It's the CONCEPT of learning how to think and observe that is paramount for all of you trying to learn this business through George's material. If you doubt this or "don't agree", ask these 2 simple Q's - Why do most strategies work sometimes but not other times? And - Why do some strategies sometimes breakdown and just stop work completely?

George's idea/approach of the market maker is not new, nor is Jamal's re: smart and dumb money. Anyone who has many many years of experience knows that these are just sub-culture rhetoric. It's not pleasant for me to say these things but they are true and factual.

If you have progressed far enough with George's material, and if it is working for you, then that's great. Just keep in the back of your mind this simple truth - All of the free markets worldwide, that allow us, as private citizens, to be private individual traders, are merely there to see how good we are at being truthful and honest. THAT is HOW you make your profits from trading. You cannot do that if you sacrifice proper thinking and self management, for a "story" that attempts to take responsibility for your ability to think. PERIOD. People are very good at distracting themselves from basic truthful things. So when you're talking about all this stuff, whenever you are, please remember that fighting and arguing achieves nothing. The concept that George is sharing is a **stepping stone** to you thinking for yourself in a more mature and well-rounded way. "Boundless" does not mean you are God and infallible. But it CAN refer to being flexible to understand when you're wrong, when you right and when you need to learn something.

"Young" traders need to be humble and open to learning. Meanwhile "old/older" traders ALSO need to be humble. Otherwise hubris creeps in. And that leads to lots of pain and losses.

To tell you the truth, the ONLY people I've ever known who have "made it" as you might say, in trading, are the ones who rise above the intellectual games and the terminology fighting. They call a spade a spade and do their best to keep it as simple and truthful as possible. Otherwise you get into arguments over crap that just doesn't matter. So, as an easily identifiable example - go back and look at all the threads you participate in and observe the words, terminology and pics and strategies and tactics and opinions etc that you can see.

As one example from me - When I was much younger and still learning this business, we called a trade ... a trade setup. We called a trade order just an order. Today, most people don't even use the same words with the same meaning. I say trade, but you might say trade and mean just a single order, not a trade setup. See how silly and confusing it gets when you try to outwit or outsmart yourself AND other people with jargon and other things. In one word --> MESSY.

And George's material is the same. Same as anyone who has written a book about trading or how to trade or been a mentor, educator etc. So from my perspective, George did himself a great disservice by introducing "new" jargon when the audience was ALREADY beaten to a pulp by all the OTHER jargon and terminology etc that came before. THIS is what it means to have proper thinking. To not repeat history because you can see where it leads and what happens every time.

Whether you choose to believe me or not, is up to you. What I speak of is from a lifetime of doing what most of you are just starting out trying to accomplish. Am I better than George? No. Is he better than me? No. And THAT is where your thinking needs to be.

People who think someone with wisdom and experience is just preaching/lecturing, from my experience, is someone who is mentally and/or emotionally stuck back in grade school (or whatever you call primary and secondary school). The real world requires you to learn how to turn "negative criticism" into "constructive input/feedback". THAT is HOW you learn and grow as a human being and in turn, a trader. But don't just "believe me". Life is FULL of examples. So go find them.

One last thing here, the 'concept', that George calls the market maker, is a perception, an idea. And it CAN change without telling you. SO please don't get bogged down in being robotic about learning this. If you would like to understand what I mean, try opening a H1 chart, zoom out completely, grab one of those channel type indicators where you can specify the TF it is set to and select the W1 chart. When you do this make as many observations as you can. Have fun.

"If you have ever watched or seen a motorcycle, a car and a truck try and do a u-turn, then you already know the HOW re: MTF overlap behavior."

Peter

Attached Image (click to enlarge)

Most of what trips people up when trading these markets, from my own experience and observation, is the difference between a conspicuous characteristic about that market you are trading and a nuance. The conspicuous or obvious ones are the same ones you could use an indicator to see eg - RSI, Stochastic etc. But the nuances, are the more subtle and more sneeky things that happen. George tried to share some eg - price gaps and liquidity pools and gaps. However, these markets play tricks on us and want us to get comfy with using just one perspective eg a single TF to observe, trade and track. But there ARE other perspectives available. An easy way to fix this problem would be to use multiple TFs. But anyone with enough experience knows that this doesn't deal with the biggest thing that plagues a trader - FEAR.

I've met people who were afraid of - being wrong, being right, being profitable and not, losing money. But the biggest one is being SEEN to be wrong. I have personally experienced this before and I'm sure others have too.

So you can either be right, be wrong or .... be objective. This the hardest to acknowledge even EXISTS, because a person needs to get past everything that they've been taught to be. If you have an opinion about something, that's being subjective. If you stand next to two people who are both sharing their opinions then you are now being somewhat more objective.

For example, asset21 Post 248 ..... yes indeed that is what you can see there. Now look from H1 to M15 to M1. Starting with H1 - It moves down. Draw counter line as you did. And from where the blue rectangle is being drawn on both H1 and M15, And observe the M15 market activity now as it provides more detail of its intentions. And then the M1. Even more detail.

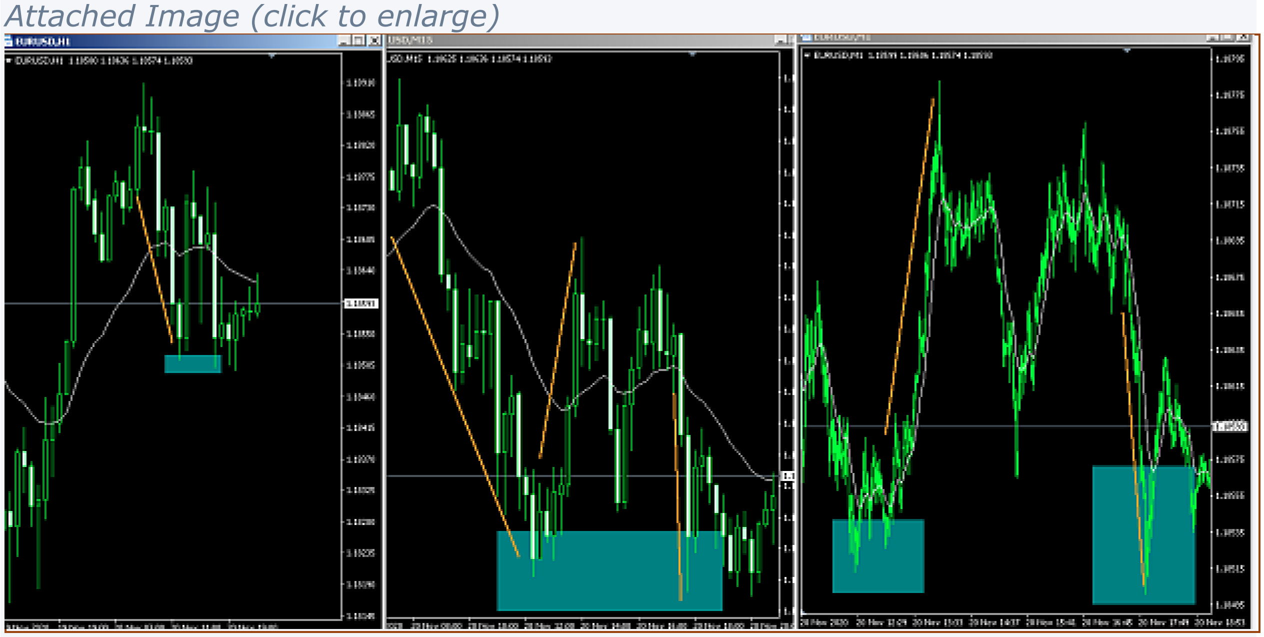
In this example, what I call a nuance, you might call MTF fractal. But really its basically the same thing. Being able to see opportunity. And that's what you are as a trader - an opportunist. They are the other things you must learn hands on, you cannot read it in a book.

I hope that helps.

Peter

Attached Image (click to enlarge)

Attached Image (click to enlarge)



"If you have ever watched or seen a motorcycle, a car and a truck try and do a u-turn, then you already know the HOW re: MTF overlap behavior."

Peter

FACT: While the market is going in one general direction, on the TF you have chosen to track, observe and trade .... always remember that it is literally impossible for it to be going the opposite direction on that same TF. So choose your TF's wisely and be even more prudent about your perspective. No move on ANY TF lasts forever.

"If you can raise or lower the drawbridge AND see a walkway being drawn/emerging sideways (overall), then it should be easy to color in the price "vacuum/void" to be filled behind it. This is the fundamental essence of the MTF trade setup George has tried to share. But remember, MTF "alignment" has NO bearing on the outcome, it merely offers feasible bias. So try not to accept pitiful R:R of anything less than 1:5 or 6 unless you know what you're doing.

I hope that helps.

Peter

HI Rick, I know what you mean. For me, time frames are just a concept as a tool. Just the same with order flow. People who have only experienced time based frames of the market as in mt4 etc, do not understand how to slice up what goes on. For me, someone who has and does use totality tick charts with other asset class markets, it's extraordinary just how much difference it can make. And I can see how and why you would say that about George's original thread. Precision only comes with experience and that shows what you need and want from your activities.

So Rick it's OK if MTF work doesn't ring your bell. That's the nice thing about financial trading. You set your own tasks and goals.

Thanks for talking.

Peter

For anyone reading this, I do not mentor anyone. I am just here to contribute as George did. I think it's in YOUR best interest to approach it similar to a jigsaw puzzle. You have "the market", whichever one you prefer. Then there is YOU. I would think honestly, that if you combine what I have already shown and said here, with what George has shown and discussed, then you WILL piece it back together for yourself. Forget conspiracy ideas and stories. And forget what your "peers" tell you or say. Trading is an INDIVIDUAL SPORT. There's nothing worse than being surrounded by a hundred different opinions, especially if they're your "friends". The problem with people is they want to socialize and try to talk about something that is the exact opposite to that.

If you look at George's original thread, as a collage. Forget anything that right now seems too complicated. Get down to the basics and STAY there until you have mastered them. How do you know if you've 'mastered' them? You will feel more relaxed. That's it.

Stop trying soooooo hard.

Tomorrow, up will still be up and so will down. Price goes up and down all day long. Left to right. Trading is an A+B+C+D type of activity. Big picture to little picture. Step by step.

Perhaps what has confused people is when George would talk about his Win SR's and his technique. You need to understand that the game is "Static" vs YOU. Price over time and reverse. Put the effort in and you will see. You cannot teach experience, only point towards it.

Keep it simple and keep it real. Work out your strengths. Work out the market's too.

Peter.

One of the things about yourself you may or may NOT be aware of, is ....

Risking money is not in your "nature" as a consumer, as a parent or child, as an employee etc. I have seen "stupid " people win BIG money, only to lose it because they resisted learning. If they just admitted they're lacking something, then they can learn. AND they'll keep their money. Trading is and has always been, a self starter activity. It's why some people charge money for teaching/helping people learn to trade. Their attitude is "IF I have to put up with their silliness and childish attitudes, then I'm gonna get paid." PERIOD. Surely you see that. It's no picnic or easy time dealing with people who have "issues" that they will not own and do something about.

Who cares at all IF you think this is true or not. Admitting there are people out there who are NOT you and probably now stuff you don't is a part of growing up.

And so trading is made so much harder for people when they cannot control themselves. I won't be so crass as to say that you will never learn. That's for you to decide. But you need to wonder WHY after all these days/weeks/months/years, you're STILL having trouble seeing ....

Up or down. Can I see limits that repeat within the market's activity? Do I actually understand terms like trend, momentum, direction? What happens when periods do the same thing? Why do I blame other people or things for my frustrations or failure?

To me, both personally and professionally, if you have a job, you place it at risk IF you do something terrible OR, perform very poorly for long enough. Now translate that understanding over to trading. And remember (Or think about) what it feels like, to lose that job, that money coming in. What will change? It's EXACTLY the same with trading.

Stop focusing on GETTING and concentrate on just learning. My guess is that most of you out there are not trading for primary income. So STOP forcing it to happen. And for those who ARE doing it for income, then there's always a better way to do things.

It is YOU, the markets just keep going and going. SECRET - That makes it 100% simpler for YOU. I said simpler not always easy.

It's always - market activity ("price action") then general framework of local TF direction then HTF direction. If you think a "scalper" doesn't care about direction then you're a fool !! The market determines the direction NOT the scalper.

Everything else is just window dressing - channels, indicators, Ea's etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc etc.

Think about it.

Peter.

Today ....

Attached Image (click to enlarge)

And ......

Attached Image (click to enlarge)

For those still learning .....

Price through time, does leaves markers or signals or a white flag (or whatever you want to call it) in the air for people to see and notice.

Attached Image (click to enlarge)

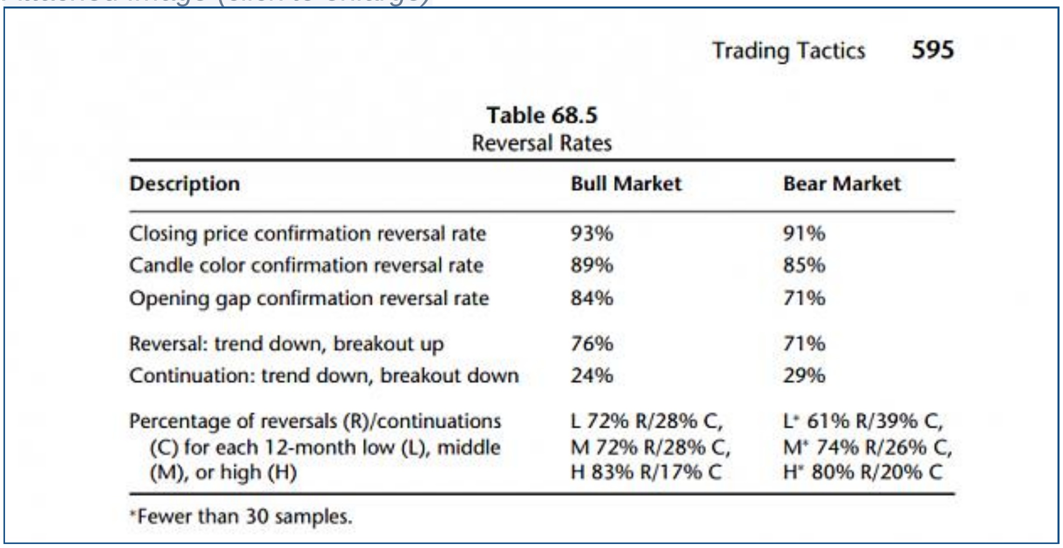
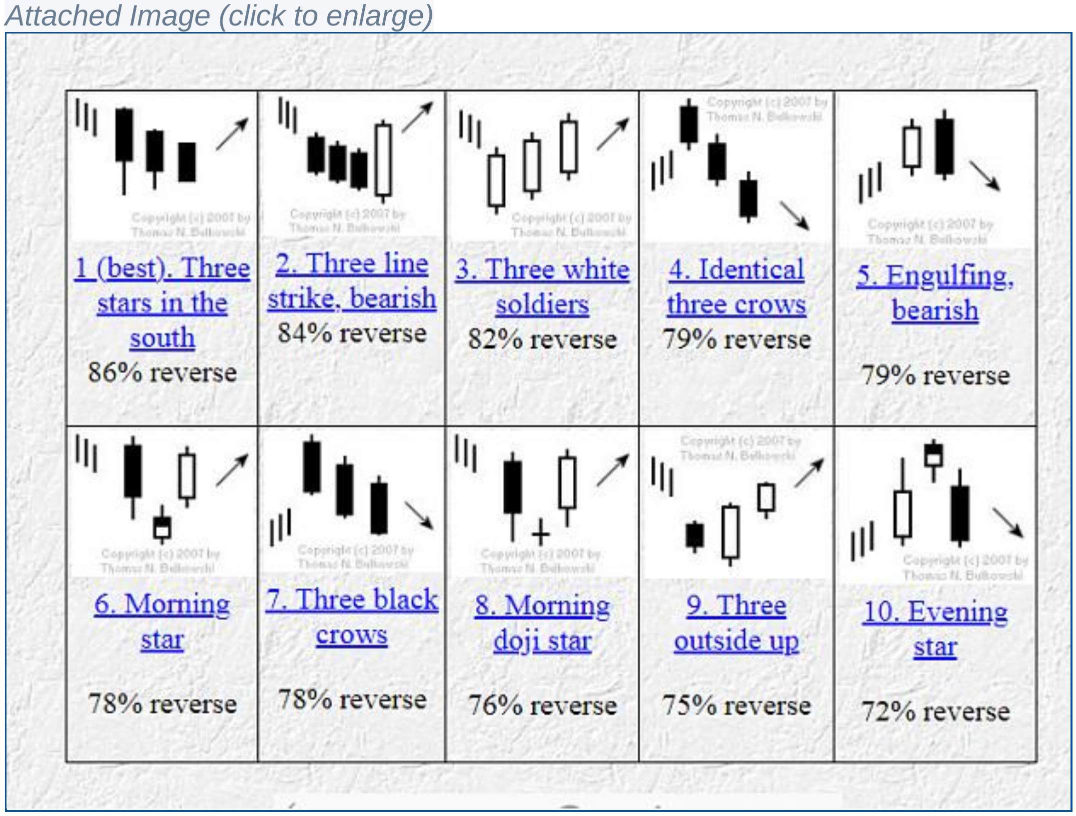


Table 68.5
Reversal Rates

Description	Bull Market	Bear Market
Closing price confirmation reversal rate	93%	91%
Candle color confirmation reversal rate	89%	85%
Opening gap confirmation reversal rate	84%	71%
Reversal: trend down, breakout up	76%	71%
Continuation: trend down, breakout down	24%	29%
Percentage of reversals (R)/continuations (C) for each 12-month low (L), middle (M), or high (H)	L 72% R/28% C, M 72% R/28% C, H 83% R/17% C	L* 61% R/39% C, M* 74% R/26% C, H* 80% R/20% C

*Fewer than 30 samples.

Attached Image (click to enlarge)



Now please don't get all religious on me here with this stuff. If you want to trade successfully for the REST of your life, you need good knowledge but you also need GREAT instincts to roll with the changes that occur in the world and therefore, in the markets. SO now, look again at a pic I shared earlier .....

Attached Image (click to enlarge)

Hi Rick,

As I said, do not be religious about it. The stats CAN be an accurate guide in the right context, just as you said. I didn't write the stats or that book about the stats. So I take no offense to any criticisms made. People will make of it all what they like. What I have shown already can show and even prove (visually) what can be learned.

Yes indeed someone can use extreme reversals back to structure, BUT, Rick, not everyone KNOWS this already and knows it well enough to do it. So they need a little insight to help move things along. Yes it's true that trading is simple, but I'm old school, I like squeezing in right at the edge. To me, if you get in after the first bar on reversal, then you've missed the boat. But that's just me. No one need do it as I do.

Thanks for talking Rick

Peter

And Today ...... on the GBPJPY ...

Attached Image (click to enlarge)

[*Quoting Londonpip60*]
My two pennies worth. the most important thing in my humble opinion is 20 points a day. Therefore you need the most reliable method to gain these points every day. easy example £10000 - 2% of account at 10 point soft stop loss = £400 (£20 a point) 19 days later £20218 - 2% of account at 10 point soft stop loss = £808 (£40 a point) soft stop is 10 points - hard stop is 30 points - you can trade into targets - out of targets it doesn't matter. what ever you find the most reliable. Trying to get 100 plus points a day - you need to be gifted - focus...

Hi Londonpip60,

Yes indeed if this is what works for you consistently then don't stop. Personally I'd be a little wary of using a hard stop of 30 but each to their own way. I suppose it depends on the situation and what my goal is.

20 pips can be cut many ways. As a rule of thumb for the current 2020 environment, I assume a 1PIP spread risk each way and a 1PIP risk for commissions. Giving a total of 3PIPS for each order I track. So a 10-11 PIP target would be all you'd need.... IF you place the order. So 100 pips isn't hard once you go round the mulberry bush of trading enough times.

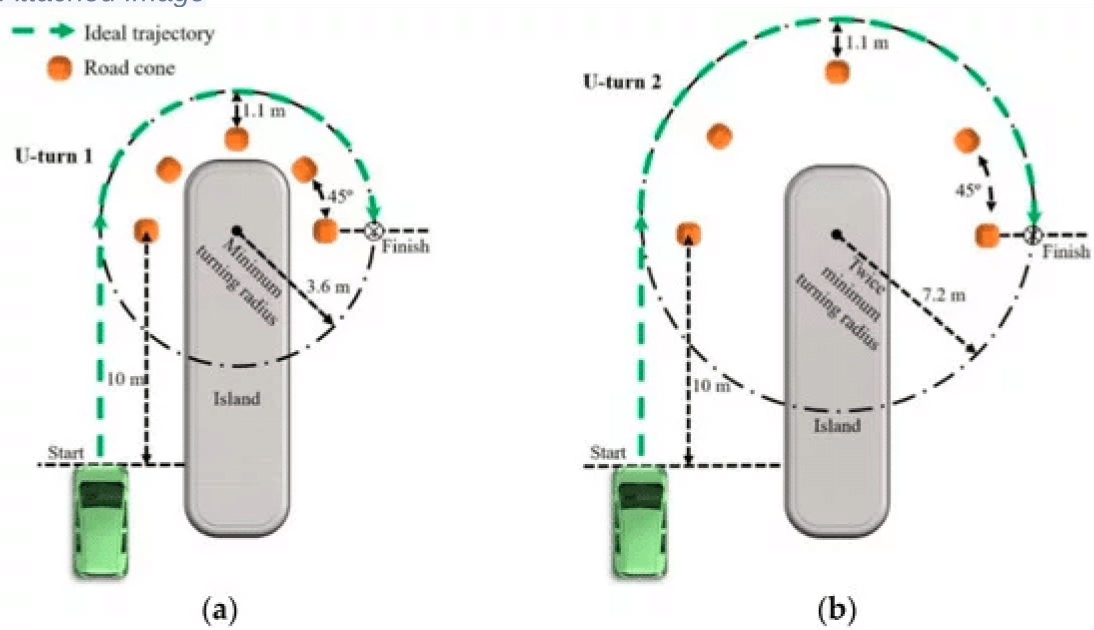
As I trade only what I can see, not what I hope for or what "should" happen .... controlling my side of the working equation is the main goal each day.

Thanks for talking.

Peter

A driving simulator pic that displays the same principles for using a magnifying glass to trade .....

Attached Image



Attached Image (click to enlarge)

And this one too ... hehehehehe .....

Attached Image (click to enlarge)

Attached Image (click to enlarge)

Attached Image (click to enlarge)

1HR chart with a 4HR overlay.

Attached Image (click to enlarge)

Pick the recent tops and bottoms. Recent highs and Lows. After the highly vertical break has finished.

5MIN with H4 Overlay ......

Attached Image (click to enlarge)

I use a TMACG set to 240 minute. But just as George handled things to do with indicators etc, I'm not going to feed you everything. If you want to get familiar with this view you will need to source it yourself, I'm sure this site would have it. I only use it as a rough guide for HTF overview anyway. It's not precise and it's NOT for prediction. I only really use it for general momentum and to tell me which side of sentiment I am looking to travel so I can line up my structural exits.

Yes I see.

Attached Image (click to enlarge)

For anyone who desires to improve their R:R (As you call it) if you study these pics and THEN your own charts, so you can gauge their authenticity. Oscillative reversal spike trading. Enjoy.

Attached Image (click to enlarge)

Attached Image (click to enlarge)

If people can learn something, good. Below is a chart FROM George that he himself shared with people. All I am doing is varying the displays to widen people's collection of perspectives. For me, this is not about guts n glory. Common sense must be personally experienced. The wicks/spikes aren't just there for decoration.

So now. Take this chart of Georges' and draw a black line on the wicks AFTER the move away from 'the middle'. The first move is the break. The second is the 'continuation'. Tip based on hindsight for those who feel they're being treated unkindly - From H4 then moving down the TF's, each TF can represent a profit factor of -10. So if you try and trade the H4 FROM the H4 then you automatically lose at least 10 percent profit just because you didn't "zoom in" using a simpler TF eg 5MIN or 1MIN. THAT is what they are there for. I personally would not trade a major or cross with the spread banging on my door all day. But that's just me.

So how to maximize profit when truthfully, you're crapping your pants when it comes to real life trading?

Percentages? Sure. Sometimes. Probabilities? Yes. Sometimes. But for me, common sense says - Either this is reversing or I am wrong about it? If I am a robot and I want to try and trade forever, then yes, I need a sample of say 100 trades. But up is still up right? And can it go on forever? No. So this is why you have to know how you think before you begin trading or even THINKING about trading. You don't know how far it will go every time but its less expensive to try and see where it's likely to weaken and probably reverse.

Attached Image (click to enlarge)

Hi Rick,

I am very sorry you feel that way. I'm sure you are a person who has been around the block a few times with all this stuff. Am I right? That's OK. I'm not trying to lecture or takeover from George. I suppose I should apologize if you are finding it unhelpful. I am very sorry if I have offended your sensibilities. For you, I guess, my approach is not very fruitful, as you are using DOM and your smaller TF's. If it works for you then great. I have to say though, you know that I am merely contributing and nothing more? Nobody is insisting on anyone reading what I write here. But I thank you for your input.

Peter

I use a simple philosophy - Price goes up and down. It takes time for things to change. If you can draw a line to verify without blind faith, then it's worth using. If you NEED technology to do things for you that you should do for yourself, then its a recipe for disaster. At this point, forget trading Peter and go do something else. The nature of a market is compromise. And you need extremes to show this compromise to be necessary. I call it the compromise, as you may call it the balance point, equilibrium or 'fair value'. Mean reversion strategies use this content and generate a context from it. Trend trading is from investment criteria and this is a different beast. Part of trading is the acceptance that you make an assumption that what was, will be again. (Every time I have ever tried to trend trade FX it has been unsettling.) I don't trade the V.V.'s - Volatile Verticals. I wait for the reversal and break. The markets like to oscillate so I do the same if that is what they do. A run of same colour means a move is probably coming.

The hard part is being willing to back yourself on your decision.

I do not understand why people need to verify me? It's all there. If someone wants to learn then do it yourself FOR yourself. Your trading is about YOU.

EG - Either a market makes a run down then weakens or it does not.

People are so fickle. Common sense CAN be shared but ego and pride are not why I am here.

I have observed what happened to George and even after he showed people live trades and accounts and everything else, people prefer to socialize instead of learn.

Fair enough.

Peter

To prove that, in Real real life, repeatability is imperitve -

1. Markets can be "fractal" or whatever you call it. The same type of setups form on a 1MIN chart as they do on H1, H4 etc ....
(The folowing is just something that I found to help someone understand these things)
https://samuraitradingacademy.com/7-best-price-action-patterns/

Read and learn. BUT Do not try to be literal with these things. Markets vary greatly whenever they do the same kinds of things. Why do you think I use a counter line? Because, to me, standard trend lines are pointless. The counter line FOLLOWS the market. There's NO after the fact stuff here. Either you can think or, you need to go do something else.

If "so many" people here on this site "already know" this stuff, then WHY do you need someone to "prove" something? Your own entertainment? Self-Validation?

A discussion is something that progresses.

Peter

> *Quoting asset21*
> Hi Peter, thanks for posting, I have enjoyed reading your posts I have posted a chart of H4 off a different pair, would this be the way to look at it? Are you considering price in relation to where it is in the TMA? thanks Mike
> {image}

Hi Mike,

You can look at it that way yes. The main concept for everyone to understand is this ..... YOU do not have ANY impact on the market you are trading UNLESS it's penny stocks etc. OR you are a MAJOR shareholder. PERIOD. So ... Momentum is your friend. Either short term or not. Yes I see where the TMA is re: market activity however I do not let it dictate what I do. It's there to show me basic limits. Why? How many times have you seen a market break through and breach that channel line and just keeeeeps going?! A lot. It's not made of concrete so don't just blindly trust it.

Many people today who try and trade were never around for the times when it wasn't so easy to do things. Re: indicators - trust BUT verify !!

Thanks for talking Mike.

Hi Moodybot

Yes there is a lot in that chart. To be honest, I don't really obsess over some details anymore. I watch the main ones and keep an eye out for other nuances.

Thanks for talking.

Peter

Just because your money is involved, don't overcomplicate everything. If it was your left arm, OK, hehehehe, get a little worried, but money is not Life. It's just an accessible tool.

Below is a pic that you could recreate for yourself that is just a MA with levels. The levels must be set in fractional PIP count as based on your price chart. I have used this many times when I was without any "special tools" and it works great. Is there a lag. Sure but any MA has it. But it doesn't matter here re: lag. If set far enough apart, it can be used as an alternative for TMATRUE, TMACG etc etc. You need to have a peripheral range for upper and lower extremes, be it highs/lows on close or spikes.

Attached Image (click to enlarge)

Quoting RickM
{quote} Hi Peter George left here not because he got tired running a day care centre, rather he took things too personally when other traders attacked his teachings. He would ask for only positive feedback and struggled therefore when some unkind traders criticised his strategy. He would ask that trader to join him on a voice Skype chat where he was more comfortable to challenge them back, the keyboard was not his choice of communication. Bluesteele was an example where he attacked George on his methods, but once a few voice chats occurred, they...

Here's the thing with me .... I am an older man who has spent his life around adults. I mean real adults. People who treat each other with respect. With a sense of care and responsibility. I have people in my life who have children and grandchildren. And so I know the value of being real about who I am. And to add, I also know what melodrama looks and sounds like. And usually, the only people I have ever encountered who enjoy or love or are stimulated by melodrama are children. And as I look around the world, it is now full of people who pretend that they do not like melodrama however, upon closer inspection, they LOVE it. They "get off on it".

And as a person who understands human psychology (enough) it is easy to see that many people here do not understand it. RickM, what you just described IS melodrama. So explaining it away doesn't change certain core markers that make it what it is. It's the same with trading. Eg - A person who resigns themself to mechanical trading is going to get pummeled in the coming years because of the worldwide reduction in leverage - Continental US, EU and soon the Pacific Asia Rim. So while people have been enjoying their taste of melodrama, the world went and got much more real and different than people are truly ready for. As I said in the beginning of my contributing posts Rick, a spade is a spade. So yes, it was in fact a daddy day care style environment. To learn or not to learn. This is the only question that matters.

I apologize if this hurts your sensibilities.

Thanks for talking

Peter

It's good to keep training your mind ...

Attached Image (click to enlarge)

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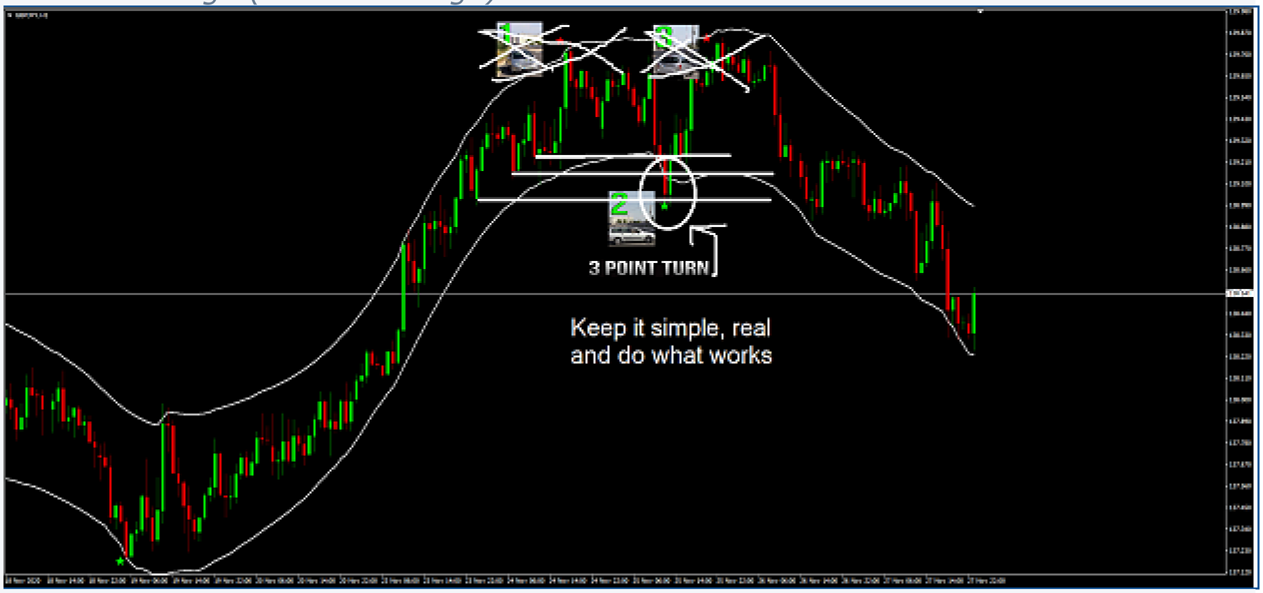
Attached Image (click to enlarge)

I like to trade where the market likes to corner itself while it tries to breach previous high/low.

Quoting failinforex
Keep it SIMPLE! {image}

From my perspective, I like a free ride from 'trend traders' getting stopped and banks getting greedy.

Attached Image (click to enlarge)



If you want to trade for real, you have to find out what mimics the market's repetition. Once you have "mastered" an attitude of "The market can't hide from me!" then you get better, because you are no longer scared, no longer "completely" ignorant.

Everything I say, or post, need be properly contextualized. What is context? Simple. Each and every smaller picture/view neatly sitting inside the bigger picture/view. Only a self destructive gambler takes no interest in the whole situation. I am afraid there is no magic cure here. Just determined hard work. Most of what you experience while learning as "frustration" is just growing pains. It passes and then you know or understand something you didn't before.

Peter

For people (real people) trying to learn .....

Length, breadth, time, price. These are the dimensions of REAL LIFE "retail trader" style technical trading. If you wish to add the details of the "outside world" then perhaps, fundamentals. And perhaps the overlap of the stock markets, Indices, Insurance (This is the 2nd largest and oldest industry in the world), geopolitical and geo-social events and trends. And many others.

But for a person as an individual, it's YOUR money as long as the "system" doesn't get it back. If you "believe" it's really your money, ask someone who has experienced a currency recall. Eg - When a monarch wants their pic changed on their highest value note. Everyone has to hand in their old notes for the new ones. **Anyone who lives in the EU had this happen.

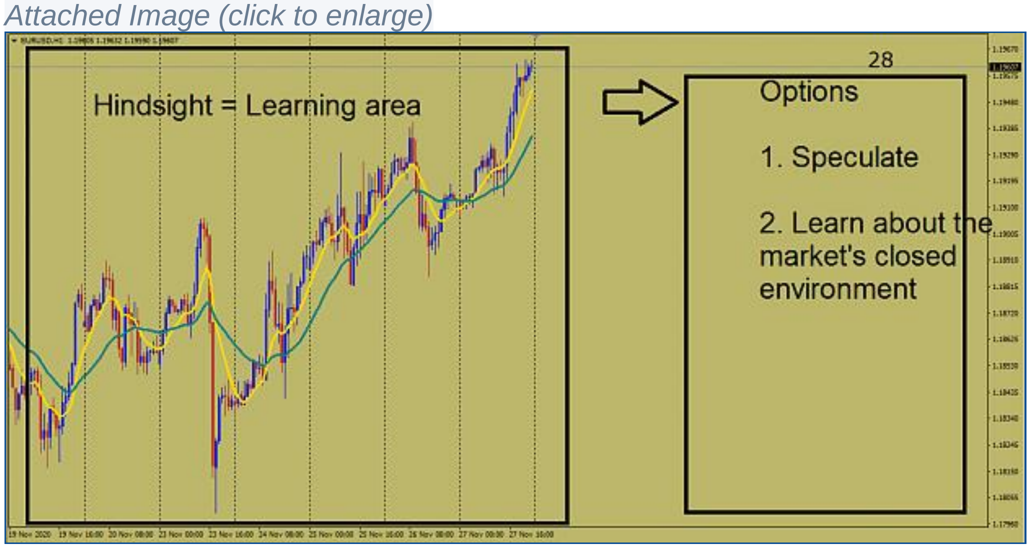
So you were, are, and will ALWAYS be, an outsider to the system. So protect what you have. Your job is basically, to test yourself in ways that you work out "how you think" and then see how well that can be superimposed over the market of your choosing. You use a TF so you can manage YOU and your time. See how much money you can afford to kiss goodbye UNTIL you learn to protect what you have. And you do this by gritting your teeth and getting your hands dirty in the filth and mud of this worldwide idea of "financial money markets". And trust me, it's ONLY an idea. So realize that whatever "strategy" you choose to apply, is also, just an IDEA. It works until it doesn't. It is THEN that you need to know HOW to observe what has changed. Then ask - Is it me and my thinking or did something VERY real change "out there" in the real world?

Your money is not your life, or it really shouldn't be. You ability to THINK, detect, process and evaluate is what makes you human. IF you have given in to "mechanical trading" or using an EA, then you have missed the point of trading. It's a chess game. So instead of taking "selfies" and doing all those other ridiculous and immature things, use your time better and realize that you keep losing your money because you are giving up thinking for convenience.

I use my lines on the outside of price action/market activity so I can get an early look at changes in the Rate of change and observe the market as it IS and not through the lens of an indicator. A counter line will ALWAYS trump an "trend line" because one is before the move and the other is after. There's your hint to how to trade.

Below is a way to approach it .....

Attached Image (click to enlarge)



Monday and we're off again !!

Attached Image

Attached Image (click to enlarge)

If you do it with sincere maturity and common sense, then "crystal ball prediction vs speculate" means nothing. I'm not talking about predicting the future, but, in line with living life. Young people never think about the grey area. And to be quite honest, neither do most older people. If someone operates under a 90% premise that their trading can handle, then they may lose the ability to think "terrible things" can happen to them. Just the same with someone who keeps struggling, they may lose their humanity and do something reckless and sabotage their ability to think. Again, it's something most don't think about.

Old Folk Lore = 2 steps backwards without any forward movement will kill you. And too MANY steps forward without any backlash will have you soar straight into the sun, never to return.

So I exchange a happy medium between CAN and SHOULD/SHOULD NOT because Life is able to change and knowledge is tomorrow's memory.

So it is up to YOU. Speculate and worry. SOAR and flame out. Or perhaps something else. As I said initially, trading reflects your capability to think laterally, and that includes thinking about the very essence of what it's all about. Nothing you learn is isolated in Life. You're guaranteed to lose something sometime. And that's how you learn. But reactionary learning is harmful - eg - A person gets their heart broken and decides never to fall in love ever again. Same with trading - Make a mistake SOMEWHERE in you assessment and you have to take a loss on the chin. Do you quit, or, do you take a BETTER look at the situation AND yourself?

"Don't put all your eggs in one basket."

Traders do it. People do it. Parents do it. Animals do it.

Peter

Fill the holes .....

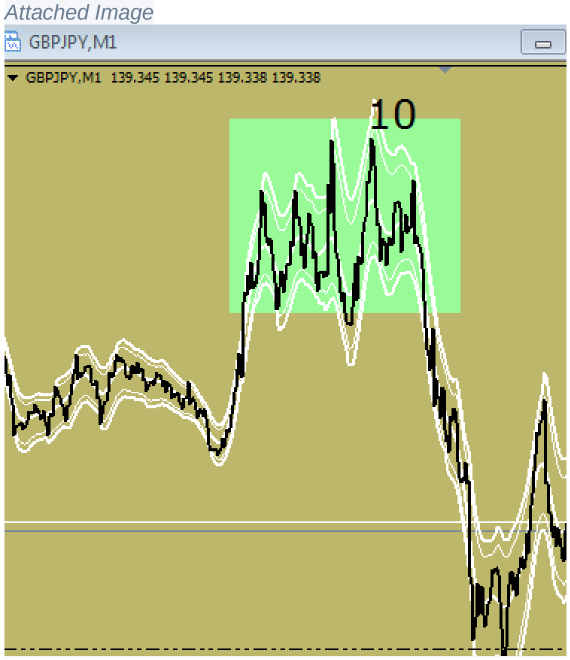
Attached Image (click to enlarge)

Study time !! Here's that same chart reversed. And who says you can't learn something new .... see how many 'same setups' you can pick out in reverse ....

Attached Image (click to enlarge)

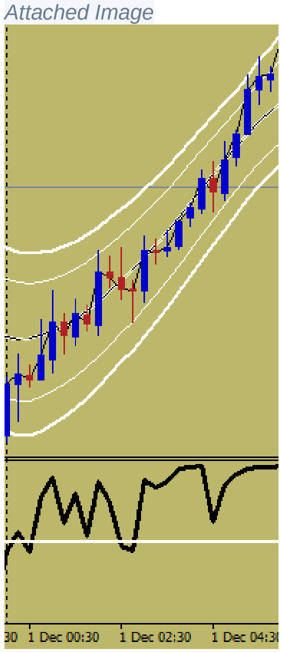
When the market you are trading is doing THIS .....

Attached Image



Then you can be sure it's NOT doing THIS ....

Attached Image



Simultaneously.

The market CANNOT be doing BOTH at the same time, regardless of which TF you use as a viewing position. "Resistance" occurs BOTH above AND below. You need to remember, that if you are trading Forex, the more traditional idea or concept of Support and Resistance does NOT apply in the ways that you think (i.e. above is called resistance and below is called support). Why not? Those terms and the basic concept of them combined comes from trading or investing in Commodities and Shares/Stocks as it is 'more acceptable' to buy low and sell high or hold. To sell short a stock is more costly and risky (generally) and is usually frowned upon. And there are additional rules to selling short a stock that must be understood, whereas, in Forex, you can buy OR sell the base or quote currency.

Why am I showing this?

Put aside the "storyline" of the "why" that you subscribe to, when trying to explain what is happening in the Forex markets. Simply return to a simpler time in your mind, when resistance meant - the refusal to accept or comply with something; the attempt to prevent something by action or argument.

If and when you do this, it can become clearer that trying to trade without using some type of magnifying glass, is like driving a Ferrari with a blindfold over your head.

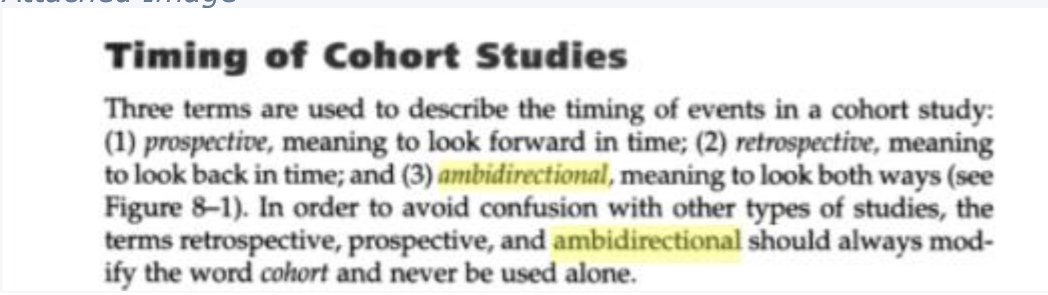
Most of what happens in these markets is trackable and therefore leaves a trace of what it will do again and again.

Hope that helps.

Peter

I know that people are always trying to harness an advantage over the market of their choice, but there is only one way to do this ....

Attached Image



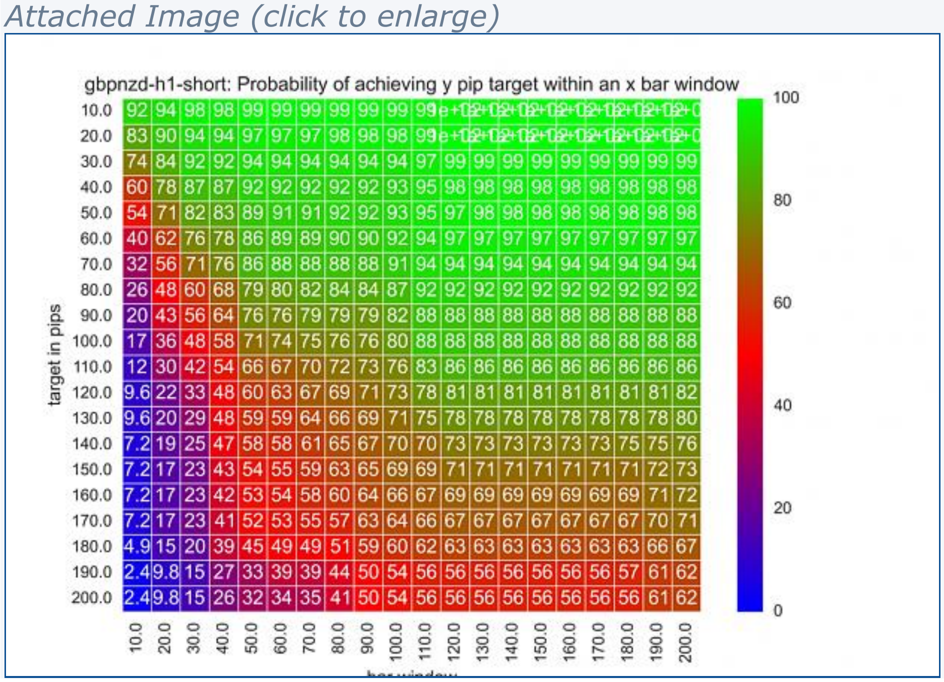
Timing of Cohort Studies

Three terms are used to describe the timing of events in a cohort study: (1) *prospective*, meaning to look forward in time; (2) *retrospective*, meaning to look back in time; and (3) *ambidirectional*, meaning to look both ways (see Figure 8–1). In order to avoid confusion with other types of studies, the terms retrospective, prospective, and ambidirectional should always modify the word *cohort* and never be used alone.

The market does do things in a "routine way". Yes people may be aware that George talked about this. The real question here is, do you want to be trying to perform successful trades each day (or maybe most days), or do you want to setup a "routine trap"? To do this requires an understanding of how the market moves around. It's helpful to start with looking at a chart and "frame it" so you see the layers. If you review George's material, you will see this is what George decided would work for him.

(Not my pic)

Attached Image (click to enlarge)



Market Activity and relative STD DEV of this activity
ADR
Relative Highs and Lows
Immediate Short Term Direction
Larger Time Horizon (HTF)
Time Of Day
News or No News
Heavy Duty Political Events (Eg US Election)
Pre-Market Open or Close (Eg. Sunday Night/Monday Morning and Late Friday)
Real Life Real Time Upper Low Resistance (M1)
Trade Type
MTF Magnification
Style of Entry = Early, At, With Confirmation
Market Activity - Previous Relative Highs and Lows
Inline trade or Reversal Spread Trade (Multi pair trades)
First Or Second Touch Trade
Up, Down, Sideways or Unknown ......

Just one of my lists. Hehehehehe.

Peter

The above list is NOT set in stone BUT it DOES offer a great depth and gauge of what a market is "thinking". It still surprises me that people with seemingly lots of trading experience, still don't know how to ask why.

A study I did years ago, was to determine for myself, the nature of trend vs momentum. I wasn't satisfied with what the books said and so got out my calculator and set off on an adventure. You need to realize, that I am talking about an era when Stocks and Bonds were the hot commodity to "wealth" as Black Monday '87 was not quite out of the rear view mirror but people still "believed in" trend trading and investing.

On my quest, I found that the more I tried to get into the "control room" of the financial markets, the more I became bedazzled by a myriad of, what I would today call "useless information". Why useless? I don't trade with Barclays Bank. I can't satisfy the prerequisite criteria to do so. So why am I looking at reams of dot matrix paper folds of data? What do I think is "hidden" in there? The truth is, you have to think like a bank or market maker to be one. To trade CDO's and all those funky products that large organisations love to package and trade. BUT, unless you have access to trade them, or, have ambitions to trade in a Hedge Fund that trades those kinds of products, why do it?

"NEW" markets are always based on the old ones. Crypto and others today all fundamentally function the same way these promissory note "financial markets" have always had to function. Please don't let technology destroy your understanding of what was, had to be part of what is and will be.

Sorry I digressed there. Each market has a small medium and large horizon that acts as a barometer. When you start out with all this trading "stuff", it's easy to swim around in circles. Just like the old saying "You can lead a horse to water but if it doesn't like you for some reason, you'll surely be kicked in the teeth for it." Hehehehe. The old old ways of trading meant you needed to think and walk in numbers. That was the ticker tape. But now, you have a square or rectangle view of a price chart, or a vertical price axis.

But some things never change. Fair value, Level one track, Level 2 track, Level 3 track and then you have your breakout. Small, medium, large and a breakout.

In the money and out of the money. If you have Levels 1-3 OR a breakout, then how many "options" does the market REALLY have available to fool you? Are you a fool? Are you someone who gets blindsided by your own selfish wants? Do you miss the point of the "test" that presents itself every time you look at a chart?

THIS is why I shared that list. Not to big note myself but to show that I can write it there as easily as I did, but, there's no promise or guarantee of any action taking place on your side.

So ..... do you want to trade or, be a child pretending and being amused with "talk"?

I can point out trades all day and week and month BUT, if your knowledge and know-how cannot keep up, then a "seeing is believing" attitude creeps in. And this is not trading, it's entertainment.

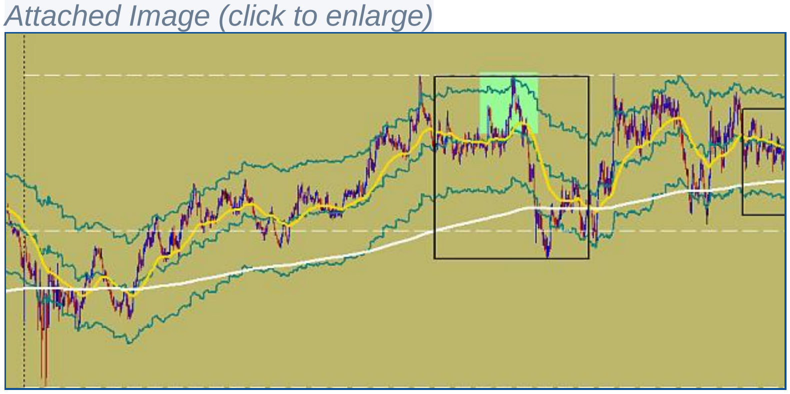
So stand up. Pull up your panties and smile and realize that trading becomes fun when you TRACK your progression and can see that others are being truthful without judgment. It's no longer "I have to be better than him/her".

I hope what I have contributed makes sense and is not confusing anyone. Trading can be very addictive. But so can hookers and scotch !!

Hehehehehehehehehe

Peter

Attached Image (click to enlarge)



The Splinter trade. Tiny little up tick to top out the move before the nice chunky reversal. A great little trade but a BUGGER to perfect. We're talking about less than 2 PIPS stopping distance between the previous high on close price and the tip. Now, you could use a drop order at or just above that previous top, or, you could wait, then go in with a market order. For me, I try to use both. No point in missing a doozy like that one !! I can hear you asking, when does that ever present? Actually most days. Remember - horizontal, angle, vertical and market activity. Is it all REDS or BLUES on its way out? Can I find a good reason why it WILL NOT continue? How many of my tools work ....

A) 100% accurately of the time?
B) 90% accurately of the time?
ETC
ETC
ETC ?????????

Peter

It's good to get onto a setup that you see ....

Attached Image (click to enlarge)

I did very quickly glance at the 4HR earlier on. But no not really, but I suppose you could in greater detail. If I was doing a 1HR trade I would definitely look closely at the 4HR chart. I was watching the 15MIN and seeing it in low volatility. So I thought I'd zoom in. I did a very short term trade based on extreme upper resistance with multiple failing attempts to break through. The target was clear in a lower level. I put a black line below the trade so I knew where my target was positioned. And the green box for marking the vacuum.

I hope that helps.

Peter

When you're learning to determine what makes a 'good setup' .....

- Is it extreme enough ?
- Will it be with or against its own momentum ?
- What's in it for me ? .... What is the market showing me I can risk so I can protect my capital THEN claim a healthy profit ?
- Is it a 'spearhead' peak or trough ? ^
- Is it a road block ? IiiIiiI

Can I risk eg 1PIP or point to make 5 or 10 ? And does it need to be a huge trade move to achieve this?

Your willingness to assume that EVERYONE is wrong about how to perform YOUR trades will help you in leaps and bounds. If they "like" the 1HR chart because it gives them a warm feeling inside, but you notice they always seem to use post-cluster stop loss positions and values, ask yourself why? Something to do with those BIG 1HR chart spikes on each end of the open and close? Lazy breeds lazy.

Peter

This morning I was thinking about the first time I felt the need to improve my trading performance without doing more trades. And one of the earliest memories I have of what helped me was trailing my active stop loss. These days there's so many options and strategies. And so many ways to say it, speak of it and "talk about it". Well, I like to keep it real and honest. I am aware that people like to use EA's to help "manage" their trades and like to use all the fancy tactics that these offer. But for me, when MY money is on the line, I consider myself MUCH better than an EA. Why? An EA can break down, malfunction, or just stop working for some known or unknown reason. However if I malfunction, there's a good chance I need to see a doctor. 😜 😉

So it got me thinking. What WAS my favorite way to trail that damn stoploss? I use the "first hit is my fault, second hit is their undoing" strategy. I suppose you've come across R's. And R:R. So if you haven't here goes ... you want to place a trade. You can afford a 10PIP stoploss for a move with the potential of triple return. That equates to = 10:30 approx. Risk 10 to make 30. And we"ll say this is gross return, before transaction costs. However, there's the other way to do this = 3:1 .... 30:10. Why reversed? Sometimes the market backs itself into a "corner" and has to claw at the situation to get away. And if you watch the 1 MINUTE chart at any length, you'll sometimes see the market initially make a great move up or down into that zone making numerous very high or very low points bunched or maybe spread out, within a certain "price zone". Some call it congestion, some call it other things.

(UNLESS YOU are the driver of that market you are watching, truthfully you have little chance of knowing for certain the WHY. BUT, you CAN summize by evaluating lots and lots of situations where this is happening in the same kind of way. And THIS is HOW you learn to trade properly. Repetition WITHIN a market's view but WITHOUT a story to deceive you. You are a trader so you have to be truthful. YOUR goal is to sort out fact from fiction to the very best of your ability.)

So why risk more than you might make? Although the market you trade may seem like a psychopath going all over the place at times, it does possess a sense of Rhythm and order. I am aware that some people have started trying to take advantage of things like the Oanda Order book and the order book concept in general. In my experience these things are false gods. They do more harm than good. They aren't really a blueprint, they merely have people become addicted and very dependent on an outside "tool" rather than relying on themself. So what does all this have to do with a reversed trade risk position? The people who try and take advantage of order book data are trying to "see into" the situation I mentioned earlier about the market cornering itself. It's to do with "Order Flow" and the fluidity of the market. Although most people complicate it far too much, in my opinion. And "Price action", Oh, you gotta love all these buzzwords and phrases. The reversed position is used when the market "overextends" or "hits a brick wall" ....."pick your expression" THEN ends up returning to where it started. In that trade you're "expecting", "hoping", "wanting/needing" the market to reverse, meanwhile, you hold a solid position without scaling in and out. It's a "Get in, Hold and Reverse" trade. Hehehehe. The kicker is, you "don't know for sure" what will happen. OOOOOOOOH. So there's a little nail-biting going on.

So where does the trailing stoploss idea come in? If you do enough research you will find a looooong list of "best trailing stop strategies" online. Many people I have come across are too clunky and robotic about the HOW.

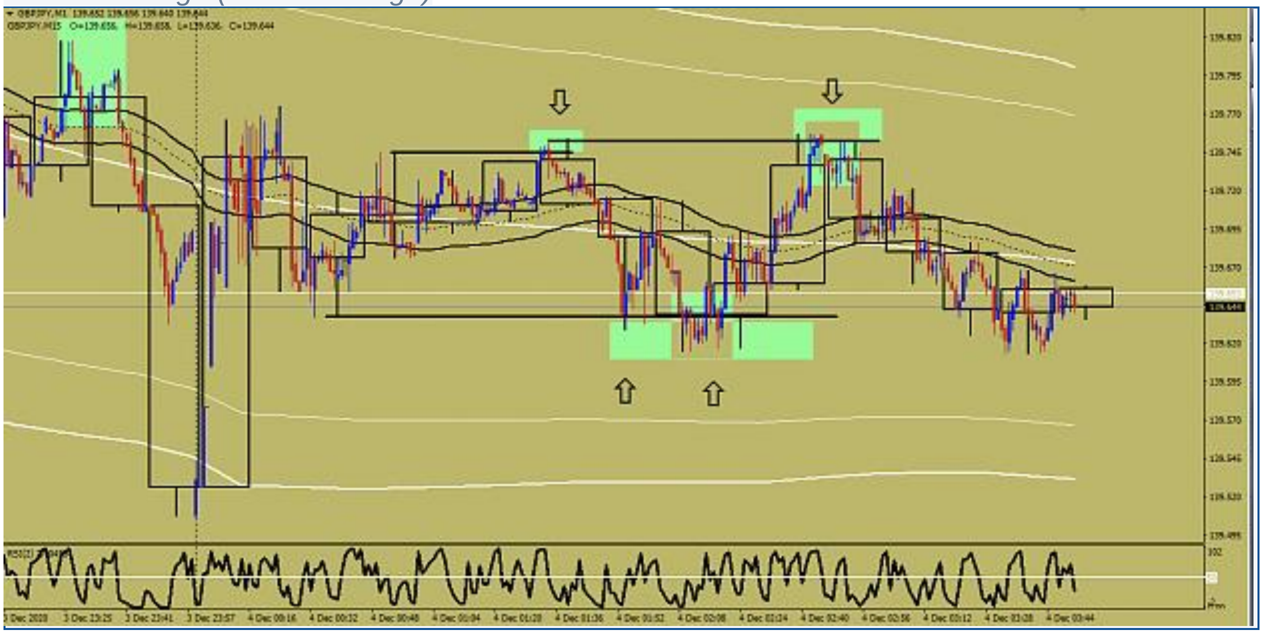
Q = If I can save $1 today on a trade that is "expected" to return 5 or 10, BUT, could also have me lose that same amount OR MORE, should I save that $1? OR, should I TRY and determine "what the market is going to do next" so I can (eg.) move my stop to breakeven?

For me, there is no breakeven. If I am doing that, I am not confident about the trade setup and should NOT be there. Instead I like to use a "one potato, two potato, three potato" approach. Eg - The market moves AT LEAST 40% of my expected return BASED ON STRUCTURE, not fibs or a magic spell, then I will shift my stoploss NO MORE THAN 10%. For example, The goal is 50PIPS. It makes it to 20PIPS. 20/10% = 2PIPS shift. Either it's a reversal OR it's a breakout. PERIOD. Do I scale in? If needed. BUT it always always comes back to "what is the trade/trade setup? If you cannot answer this simple question, then I suggest you rethink your thinking towards your strategy OR take up knitting. Hehehehe. Below is a pic to help visualize all this.

Hope that helps.

Peter

Attached Image (click to enlarge)



Someone sent me a message asking about the Splinter trade and I thought I would give an open public answer to it here. In simple language, it's just a short term reversal trade where your main goal is to use recent local highs or lows (on close prices NOT High or Low price) to get a really really tight entry price and fill for your order/s. Now admittedly, I don't always see all of my orders fill, however, that's NOT the goal here. If I can risk 5PIPS to generate 20/30/40/50 PIPS profit, then as far as price movement is concerned, that ....

A) Covers any losses incurred from premature entry
B) Covers my transaction costs
C) Reaffirms that it CAN be done
D) Sets up my psyche to do it again the next time it comes around.

Of course just putting in orders is not enough. There needs to be some prudent financial management in place. But to me, that is a personal thing that each trader must work out for themselves.

Happy Camping.
Peter

Attached Image (click to enlarge)

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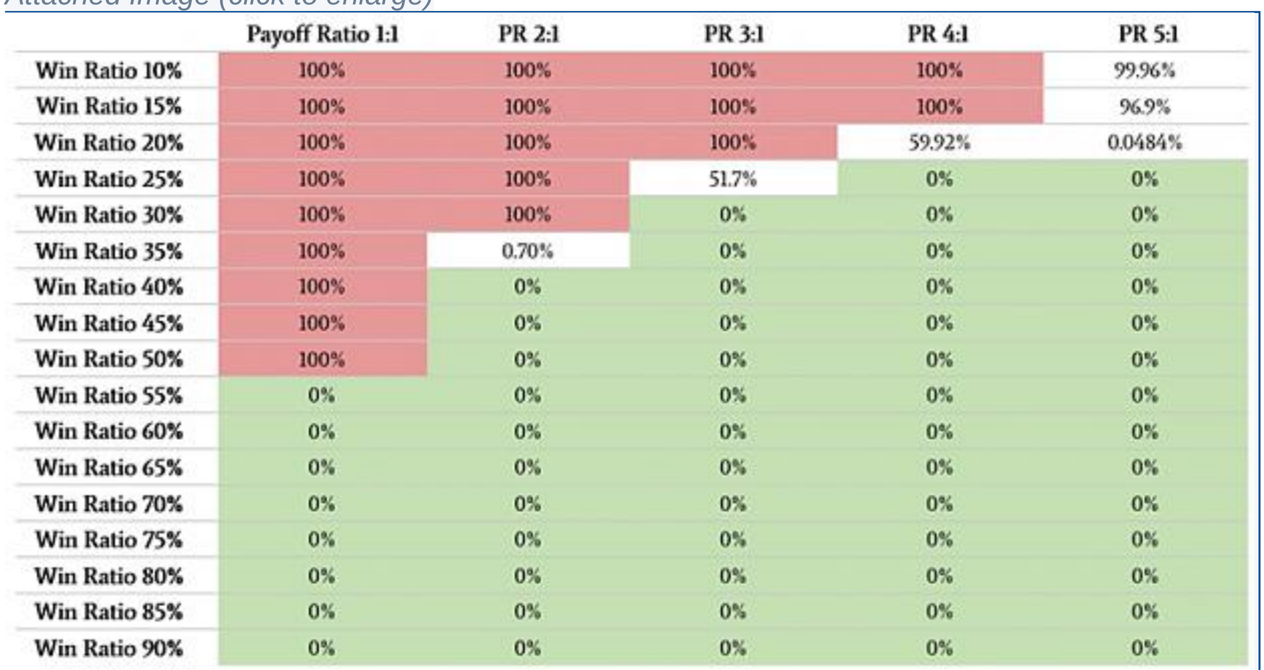


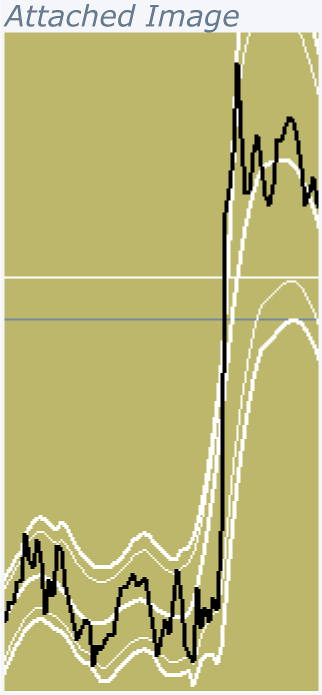
	Payoff Ratio 1:1	PR 2:1	PR 3:1	PR 4:1	PR 5:1
Win Ratio 10%	100%	100%	100%	100%	99.96%
Win Ratio 15%	100%	100%	100%	100%	96.9%
Win Ratio 20%	100%	100%	100%	59.92%	0.0484%
Win Ratio 25%	100%	100%	51.7%	0%	0%
Win Ratio 30%	100%	100%	0%	0%	0%
Win Ratio 35%	100%	0.70%	0%	0%	0%
Win Ratio 40%	100%	0%	0%	0%	0%
Win Ratio 45%	100%	0%	0%	0%	0%
Win Ratio 50%	100%	0%	0%	0%	0%
Win Ratio 55%	0%	0%	0%	0%	0%
Win Ratio 60%	0%	0%	0%	0%	0%
Win Ratio 65%	0%	0%	0%	0%	0%
Win Ratio 70%	0%	0%	0%	0%	0%
Win Ratio 75%	0%	0%	0%	0%	0%
Win Ratio 80%	0%	0%	0%	0%	0%
Win Ratio 85%	0%	0%	0%	0%	0%
Win Ratio 90%	0%	0%	0%	0%	0%

A Bi-directional way to approach a trade like this one......

Attached Image (click to enlarge)

What do you make of the below scenarios? (The test here is for you to see HOW MANY different perspectives you can come up with)

Attached Image



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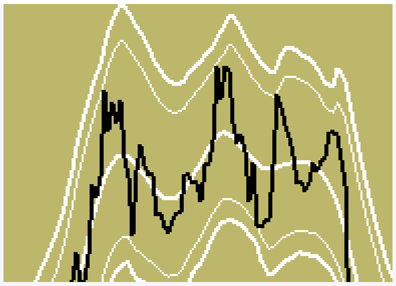

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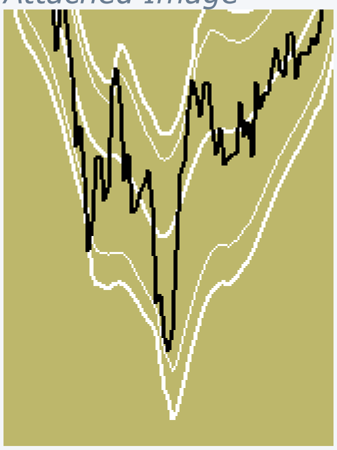

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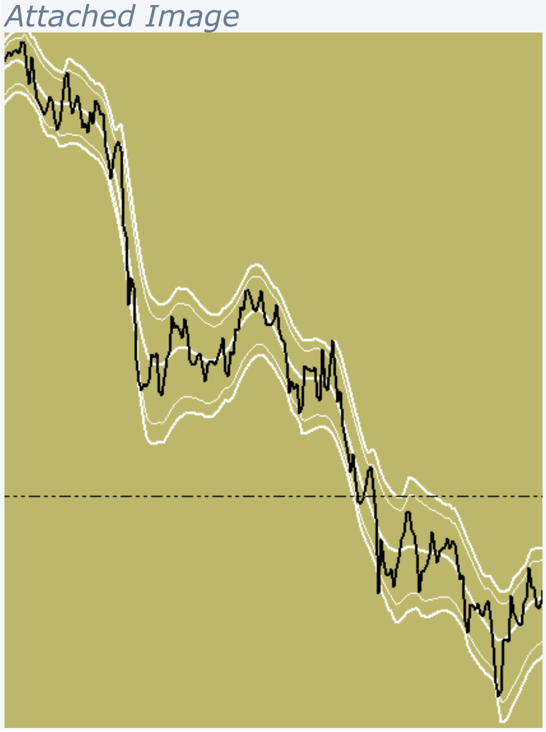

Today was a good ol' breakthrough day. In George language and terminology, he calls it a 'grinding day'. And from the pic below you can see why. It just wants to keep going and going and going. Hope you were selling AND buying today. I hope everyone is well.

Attached Image (click to enlarge)

Attached Image (click to enlarge)

In my experience the very best way to learn to trade is NOT to focus on "about trading", because that's similar only to reading the blurb of a novel. If you want to REALLY TRULY be involved in trading the financial markets, you need to be committed 100%. Of course if you have daily work or family commitments then naturally you work around those, however, your spare time (whatever you have) is VERY valuable. Learning to trade is like learning to drive a car. Practice AND saturation makes you better and better.

This obsession with stories, indicators and many other things is what muddies the waters. Your path really should be clear - is it a genuine trending style market? or, is it an oscillative pulse with price and time lag? Below is an example of what I am saying.

Attached Image (click to enlarge)

Your first responsibility, though, is to work out where the flaws in your thinking sit. Do you think like most other people in everyday life? Do you see the bad before the good, or the good before the bad? Or, do you see none or, both together? You may think that this is just rubbish, but please believe me when I say that I have been doing this a long time now. In modern times people call it "negative" or "positive" thinking. The very first thing you must understand is these are the extremes of how you CAN think. If you see too much positive, you cannot learn. If you see too much negative ... again, you are cut off from learning. If you are having a hard time digesting this, just begin by assuming that what I am saying is true and then, spend some time thinking about HOW and WHY this is true. I sense you'll be surprised what you come up with.

As I said very early in my own posts, trading reflects YOU. If you're afraid, it shows it. If you are cocky and conceited, it shows it. If you are passive aggressive then that too will show in your trading activities. Real life maturity and discipline require more from us. Most people fail because they are never shown or taught these extremes. Hiding behind the use of VPS's and EA's and mechanical systems is (or should be) an affront to who and what you are. They don't make you better and stronger, but in fact do the inverse. Life experience is the one ingredient that cannot lie if coloured with objective thinking.

Now have another look at the pic of the chart I have here in this post. Momentum Slope, Oscillative pulse, direction, time, higher highs and lower lows. A 4HR chart that offers (For George's students/followers) George's Multi time frame high WIN Strike rate analysis and the opportunities to OBSERVE and LEARN.

If you want to learn then do so, if you don't want to learn then so be it.

Ciao

Peter

You know the main problem with people in a group? The more time they spend as a group, the more that intelligence walks out the backdoor. I contribute. I do not own your problems. And I do not own this thread. So no accusations, No headhunting. It's just the typical silly talk from whoever or whatever you are. I've been around a lot longer than most people alive. So I know how silly and ridiculous people think they can be online.

Even if I told you everything I have learned you would still call me a liar. Perhaps what people saw with George and see similar about me is the lack of gullibility for silly banter and pointless circular conversations?

I buy when it's ready to move and I sell when it's ready to move. And I do it to generate a healthy profit. It's called trading. I share what I see can be useful and helpful. If you are silly enough to dismiss basic truths about you and the market you choose to trade in and spend time around, then maybe you have more problems than you think.

So there's no hijacking or alike going on. And it might be confusing to you personally because maybe you want me to do YOUR trading for you. What it shows is a complete lack of knowledge of the concept of "how to learn".

So to be clear here, silly banter is funny and show so much. People could probably learn more if they had a little humility. If you are unsure of its meaning in the real world, please google it.

I cannot be manipulated or coaxed. It's called being an adult.

They say a picture is worth a thousand words. If you're busy running your mouth off, then when is there any time to learn?

Have Fun

Peter

Trading is about YOU. Your flaws and weaknesses and what you're ignorant of.

What?! No info? No explanations?! Mmmmm OK .....

My own basic assessment of using Moving Averages ....

Rule No.1 - They are the market squeezed mathematically into a single line for visual use.
Rule No.2 - They tend to "flow" along with the market activity
Rule No. 3 - They can be used to assert specific repetition of the hindsight activity of the market you are trading.
Rule No. 4 - HOW YOU use them is COMPLETELY up to you. If it is just for research, backtesting or something else. The good thing about an average is, it gives you basic representation (that YOU can improve on) of what was, so you can gauge specific movements for the future movements and setups. Sometimes it gets trapped and other times it flies like a bird BUT, the rest is up to YOU. Your job is to work out what YOU like about it and use that to your advantage. Good luck and have fun with it.

Peter

Attached Image (click to enlarge)

Quoting RickM
Peter, I just completed a Eight hour live trading session last night and finished up at 1am in the morning, some of us actually trade for a living and need to sleep. You won’t find any assessments from me about his moving averages because I never thought they added value to his work. His work in the beginning in regard to price expansion was brilliant. Cheers

RickM,

I think you've missed the point of all this. I'm not your enemy. It's simply that you and many others around here consider yourselves in a better position to answer questions that people may have. (Of course we traders do work and that takes us away from this stuff here. But you are approaching this as if I care if you just did some trading.) All of what you wrote above is about -->YOU<-- and NOT about helping others trade. Naturally, there are more civilized ways to approach ALL OF THIS "learning to trade" stuff. But you and your colleagues thought you had a shot at coming at me. THAT is why I suggested that you all provide a constructive contribution __>> For those who want to learn. THAT is why I am here. NOT to be "Mr Know it all" etc etc etc. Whether or not I could wipe the floor with you in the real world of trading is irrelevant. And it's THAT thinking that causes all these ridiculous arguments.

Your assumptions about whether they are of value seems to stem from the idea that your approach, the tools, resources and information you use to perform your own trading, will always be available to you. I sense that decision is in error, but each to their own.

Being objective when trading the financial markets is about having a 360 degrees view of what's going on. That means being aware that ALL theories are relevant as they exist in the common area for anyone to access and use. Who says that Order Flow, DOM, Market and Volume profile etc will not banned, restricted or censored in the future? How can you be ready for any of that if you assume Life is static?

Just a thought.

OK. See you on the flipside.

Peter

From my experience, the simplest things are usually the best. You can study wave cycles. And you can study Elliot Waves, And you can then review George's learning material. And you will find that there is a correlation between ebb and flow tidal patterns with these same waves and cycles. Although most people never seem to notice and fully appreciate the connection. I'm not trying to reinvent the wheel so if you are in the process of going through all of this material, here's a few pics to help.

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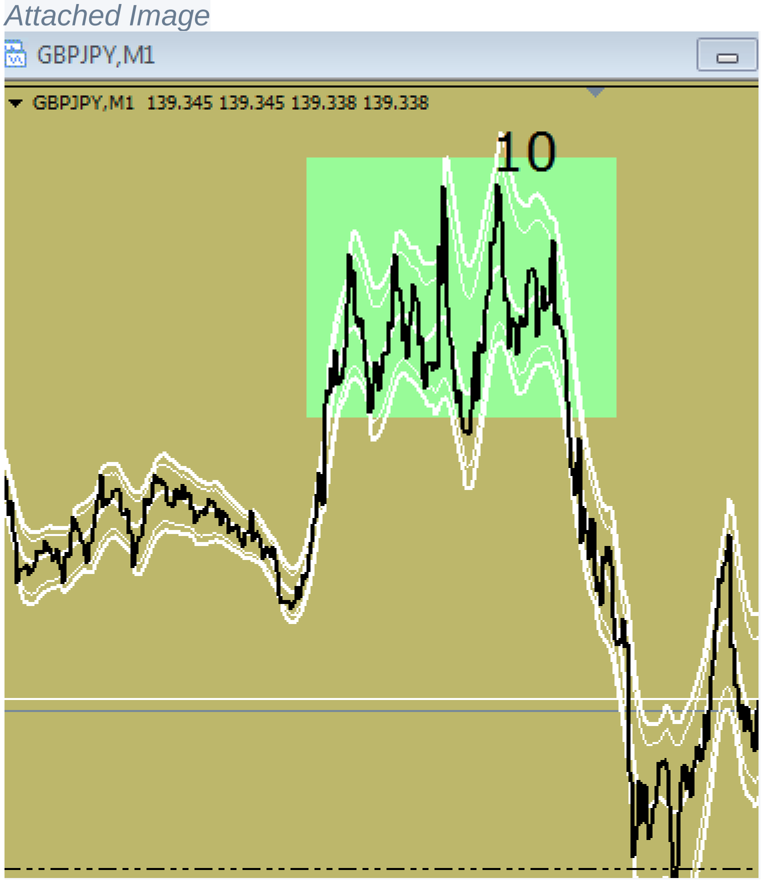

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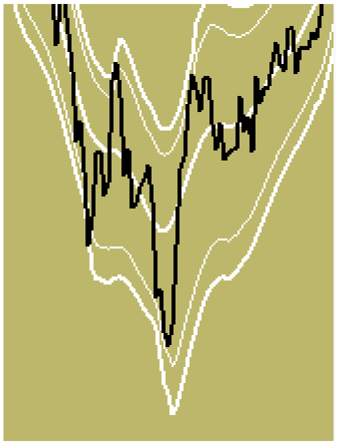

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Attached Image (click to enlarge)

Quoting asset21

{quote} Hi Peter Thanks for posting still. In regards to your chart with the entry arrows, If I were trading this then I would of likely tried to enter in some other areas as well, probably unsuccessfully, Do you consider the time of day when you are entering or considering at these locations? I keep thinking about your analogy of trading and chess also, is there anything you can comment on in regards to the performance of the previous session in relation to a pair and into the next session? thanks Mike {image}

Mike,

The arrows CAN be used as entry pointers I suppose but I was doing that to show the wave characteristic of that market through that lens. As I have mentioned before, it's the nuances of your market of choice that will help you determine the range of its move from a bounce or reversal etc and the wave concept needs to be carefully approached, because remember, it's very easy to get cocky and overconfident about what you think you know about these markets. People who have never properly played chess, do not understand that it is a combination of tactics AND strategy. So to relate this to trading .... Direction, "expected trade setup", where COULD the limit cluster and stops be sitting and drifting through eg. participants using trailing stop function based on ATR etc. all play a part of an approach.

RickM shared a pic somewhere else that could be helpful here, let me get it ....

Attached Image (click to enlarge)

There we go. (Sorry Rick, I couldn't be bothered drawing up my own in the short time I have and yours shows what I need.) So you can see there are definitely "impulsive" breaks up and down that end up failing to change the larger "direction" of it. The waves are a combination of past decisions as well as near future decisions, so theoretically, if you want, you COULD either use a very small order size with a live account to place an order around the peak and trough of each failed break (the next time it happens of course), OR, gain access (As RickM and others do) to market order sentiment and distribution. Either way, a trader needs a good feel for a live situation here, to be able to experience AND observe the market in real time when these scenarios are playing out.

Otherwise it's just hypothetical. And that doesn't help anyone. This also goes to your query around sessions. Sessions are like children - some days they just piss you off with their unwavering nothingness then suddenly BAAM ! It's all on !! Other times it's all hands on deck because there's a lot of interest in that market or grouping, so you need a way to gauge and track what it wants. I'm sure there are lots of ways to track sessions and days. For me, I consider it all as a river through time. There are places where the fishing is great and other places where it is not. You need to decide how you view it and what it does that you like. I have found THIS is paramount because that rabbit hole is very deep and if you want proof that it drives people crazy, just look through this site and the stuff people are into. If I had a dollar for every time I've come across someone who fell too deep into a topic about trading and money.

So I hope that helps to respond to your questions. Just think of it as learning to fish. When I started we had to draw it by hand so we would pretend that people were using trailing stops and map the course of where they would trail a stop loss as the trade moved in their favor. Of course now there would be an indicator to do this for you on the chart. Keeping that handy COULD be a reasonable alternative in learning to understand trading. One perspective that could also help that is a little strange I admit BUT it is VERY effective to train your brain --> Approach the market you trade from the point of view OF the STOP LOSS. Look at the whole thing through its eyes. As I said, strange, BUT, each stop loss has a life of its own in all this. Regardless of if stop hunts exist, or if liquidity runs happen and despite popular belief, certainty is a BIIIIG word to use in the field of trading. So every perspective helps gauge the behavior and course of each session and day and week.

Anyway hope that helps.

Peter

Market Activity is an interesting area to go into. An I know that people these days LOVE to make things complex and full of information. But does that REALLY make them better traders?

There are all sorts of neat toys and tools aren't there?

I remember a guy I traded with years ago when I got started. He said "Peter, if you can count and you can think, then you can use your eyes to see what's happening."

And after all these years, he's still right.
Got a joke - How many candles does it take to make a move down? None, it takes money !! Hahahaha. Hmmmmm. OK here's the 1HR view.

Attached Image (click to enlarge)

Attached Image (click to enlarge)

And here's the 15MIN view.

Attached Image (click to enlarge)

And the 5MIN view.

I know it sounds a little silly but - for each TF, can you count the total number of periods that move down used and then work out the % you would assign for each one that totals 100%. Eg. - 10 periods so 10% each period. And now see how many periods were against the total move? And subtract that total in % from your total % of the whole move. Eg. - 100% minus 20% (2 periods) = 80%. Doing this gives you a footprint. You can also do it with prices but I find percentages quicker and just as effective.

So now couple this with structure off previous highs/lows. Add in the zone for the HTF wicks/spikes and overall momentum and you have a plan.

Interesting right?

OK hope that helps.

Peter

Quoting erann
{quote} thank you so much for sharing peter, Can u perhaps explain more..sorry for my poor understanding..

erann,

On the H1 and M15 pics you can see the sell off that "strangely" has ALL red periods. Seeing as each period is merely the end result of that length of time worth of trading, each printed candlestick has the sum total of predominant downward movement. So you have to ask why this is happening? Was there news out? Where did it begin? Where did it end up? The calculations using percentages is just a simple indication for strength of the rate of change. 5 periods out of 7 being the same end of period "color" can indicate intentions and can point to an end point. And seeing as 7 into 100 goes 14 and a bit times, 5 x 14 gives you a potential SR for outcome of 70%. It's not definite or "predicting" etc, I just use it as an indication. If want to apply this indication to your own trading, I suggest you practice with it first. I don't use a calculator I just do it in my head as the market moves along. It works well when you are anticipating something specific to happen - eg. breakthrough or reversal.

I hope that's helpful erann.

Peter

Speaking of overview templates. I went through the original thread from George and saw that many were struggling with the concepts of price over time and time over price that leads to the "wave cycles" concept. I also noticed that Price Psychology can be a rather difficult thing to map in a way that keeps it honest, truthful and accurate in a simple and consistent framework. I say this because it seemed that many had differing opinions as to HOW to navigate a machine like this. What I am about to share COULD be the correct settings, or not, for the tools you'll see on the chart. Why? I don't want to spoon feed anyone or make claims of a "perfect" approach to this. I just wish to convey ONE way to deal with it consistently. The following has pics AND a file for anyone interested in using it for their own study purposes. To be honest here, most people generally assume they know how to use an indicator. But upon deeper inspection and a little introspection, I sense you'll find it more helpful than you think. Remember as a private trader you're playing "read and play along" BUT that does not mean you have to be ignorant of everything all the time.

NB - Please understand I'm not trying to "push" or pollute this thread with indicator stuff, I simply wish to sincerely help people learn properly.

Hope it's helpful.

Peter

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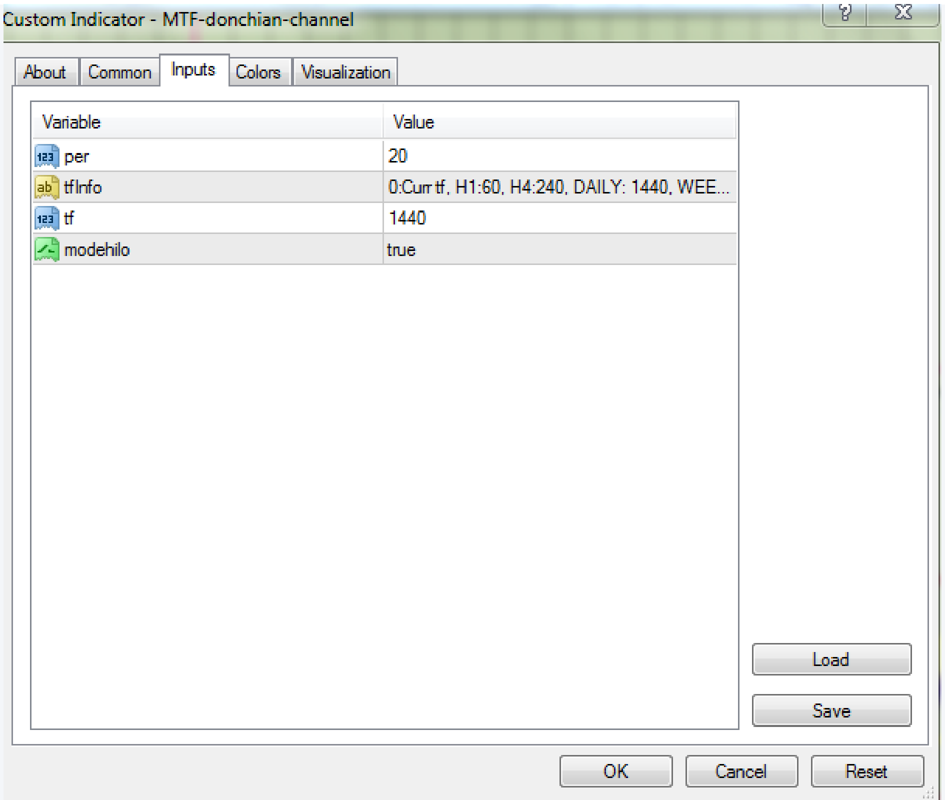

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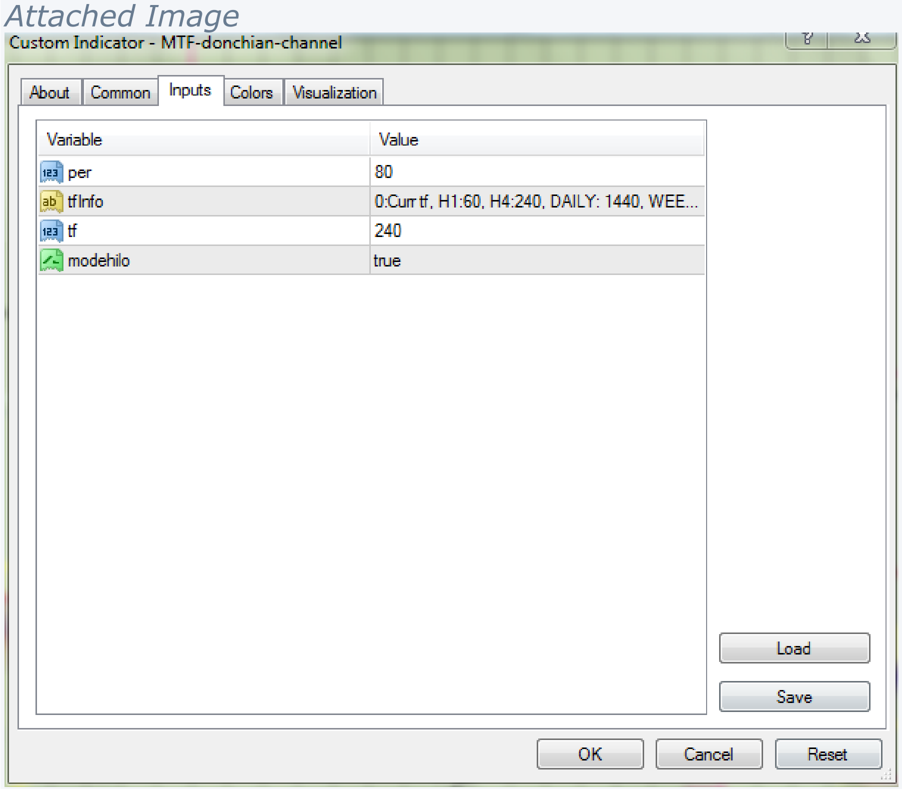

And the dark red MA is ....

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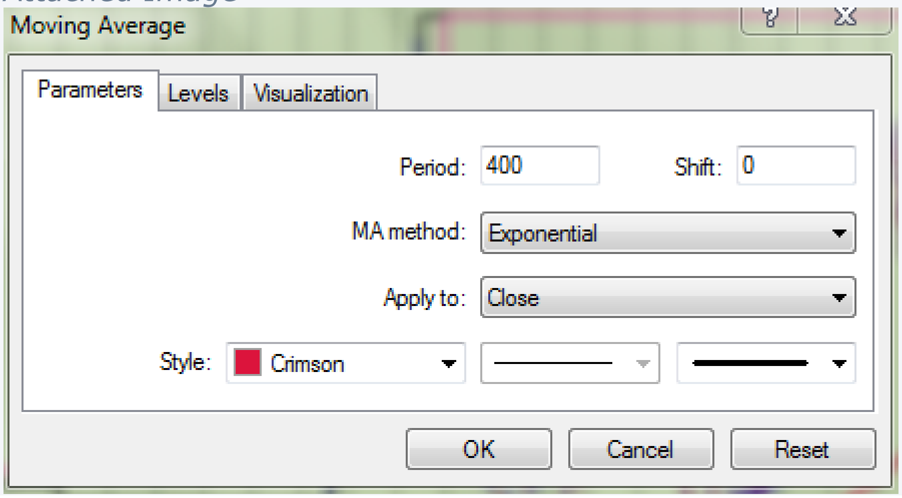

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nd with that, you then apply your "older" lows and highs lines and you can learn to keep one eye on the past and the present for the future events.

See how you go with it.

Peter

If someone wants to know if what George or even what I am saying or talking about is true, NOT our opinion, but a truthful thing, then there is no substitute for experience. My suggestion is this ...

Find a broker that will allow you to open a nano account or even a normal account and put a plan together based on research you have done that shows the top 10 trade setups YOU are willing to do and have a list of the best of the best "price action" indications/filters. And when you're ready, place the smallest orders, ONE ticket a a time. Either use a script or in market orders. NO stop orders. Better to be a little wrong than VERY wrong. Using a practice demo account is good for theoretical manual backtesting, visual backtesting, planning and fine tuning but it cannot prepare you much for the real life experience of gaining and losing something you have.

Regarding use of stop limits etc. ---- you can *Close the trade manually yourself. *Set a Stop limit to close it *Use a % stop or others. The choice is yours. Just be well informed of the pros and cons of each option beforehand.

Why am I writing this?

For someone who has been doing this (trading) for many years, it's not too difficult to pick up on what is real and not. Although there are many "disciplines" available out there today, it has and always will, be about the market activity and YOU.

If you can put it on a chart, then it's going to be (in some way) FROM that chart and so be a part of it. Hence the nature of technical analysis and or technical trading. If you are a private individual trader then this is your reality. You get to choose your money, the broker, the market and the "How to". But you DO NOT get to choose what the market does or does not do. So you need the truth - beyond that price chart EVERYTHING else is a lead on. This is a form of extension of its origin. So be it an indicator, Fibs, a trendline, it's ALL based in the same relative environment. All you have to do is try out a large range of trade setups to get a "feel" for them all. THEN you can determine which ones make sense to YOU. Are you a spike trader? Are you a momentum trader? Are you a coat tail trader? It's all relevant.

At some point every trader is put in a position where their "tools" fail them and THIS is a very important moment. This is when your brain starts to think for itself. Without biases, without predefined ideas and rules. It's where you realize that the market activity offers structure to tell you where to get in, where to monitor and where to get OUT. On that day you will not need sites like these. You will understand which people you met who told the truth and who did not. Who knew what they were talking about who did not. Who was real and who was not. And some will be who you'd least expect them to be.

As a trader, that will be the day you don't need Fibs, channels, or anything else that corrodes the simple obvious truth about trading these financial markets. You simply cannot survive trading these markets with just one perspective. With just one strategic/methodical "discipline". It's financial suicide.

When you place your trades, do them in a group of 2 or 3 and give each ticket a different stop loss value eg. 1x10Pips, 1x15Pips etc. Why? You want PROOF right? Proof that what is being shown and said is truthful. So the only way to know what stop level is useful in your market of choice, is to try it for real. Demo accounts, for what they are, cannot show this because they are a "recording" of a market but you need PROOF of what works and what does not in real life and real time. You need to know how accurate your entry can be time after time and you need to know which type of trade setup needs a tight or wide stop. Sorry if this is not flashy enough or pretty for you, but, trading is about taking a piece of YOUR money and hanging it out there like a worm on a hook, seeing if your approach (in Full) works.

So to those people obsessing over George's Fibs approach and trying to wrap your head around his wave cycles, why not just study a chart? It's there. Someone here insinuated that I was complicating things. The real life reality is -- you are on the OUTSIDE of EVERY market you try and trade. So if MY money is on the line, and I CAN have 3-4 charts up that show a number of **different** truthful perspectives, then that amplifies my Strike Rate IMMEDIATELY without ANY extra effort. And not just a little but A LOT !! Why? Same reason for using different stop loss values. You do NOT know what will happen next. You can summize, presume and assume. You can calculate. But none of that even matters at end of day because you don't control the markets. Your flexibility gives you an advantage. Precision comes from lots and lots of practice and repetitive evaluation. NOT from over-calculating. So anyone who has actually traded, knows that you can scale in, pyramid in (responsibly) and have self control to do what needs to be done when it's needed.

Sorry if it's too many words, or too long, didn't see any point in oversimplifying it.

I hope this is useful.

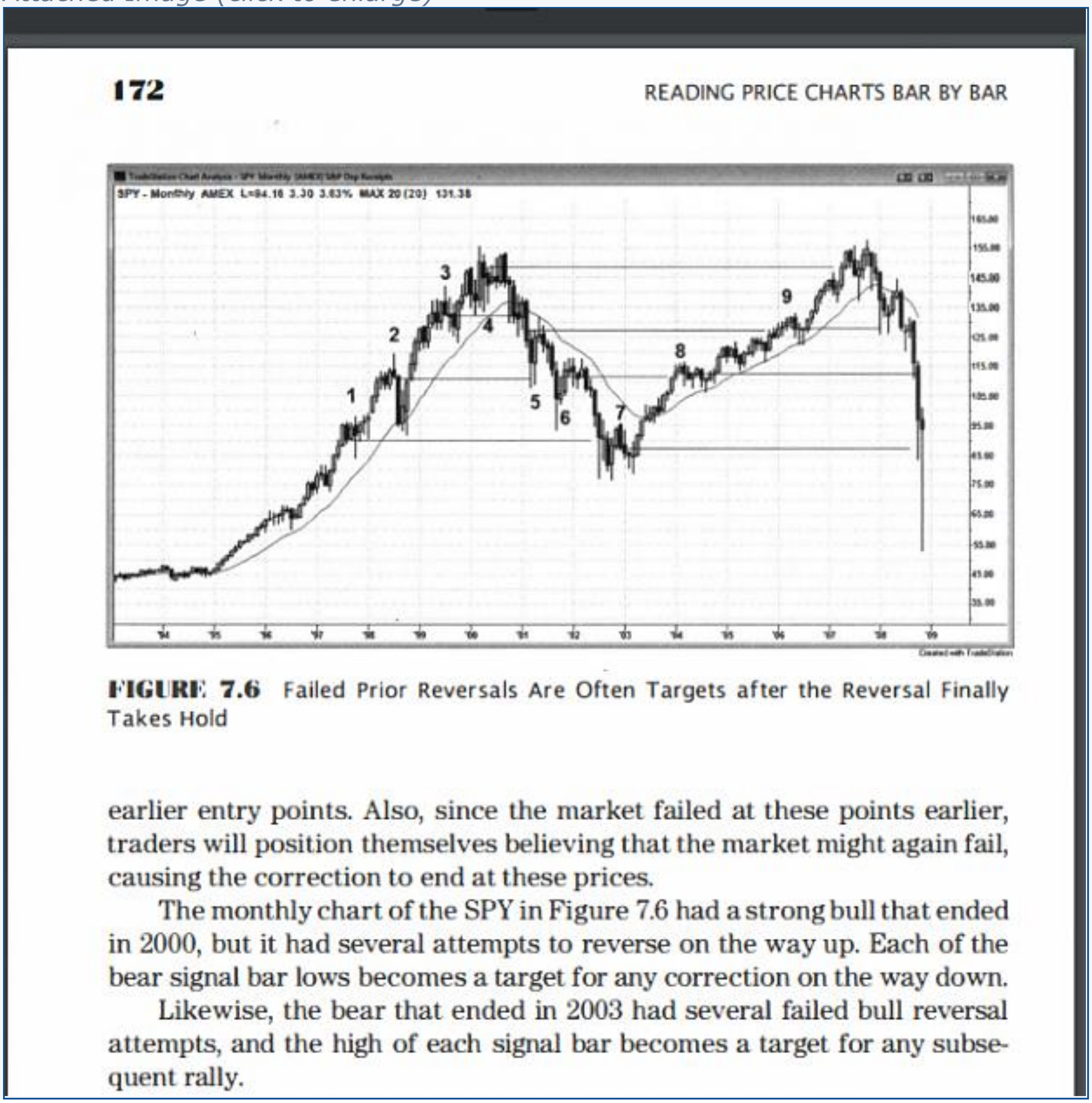
Peter

Attached Image (click to enlarge)

Did you observe upper and lower structure?
Did you observe mid structure?
Did you see what happened at open?
Did you see yesterday?
Did you see the reversal bars and break bars?
Did you notice the HTF setup?
Did you notice the void to be filled?
What about previous highs lows and the number of times it turned and went down vs up?
Are you excited or panicking?
Are you out of your comfort zone yet?

I'm not here to outdo or be pro or anti George and his methodology sets. But I do want to stress that knowing and mastering the basics truthfully is very important. And so here is a good example of history in motion for anyone learning .....

Attached Image (click to enlarge)



172 READING PRICE CHARTS BAR BY BAR

FIGURE 7.6 Failed Prior Reversals Are Often Targets after the Reversal Finally Takes Hold

earlier entry points. Also, since the market failed at these points earlier, traders will position themselves believing that the market might again fail, causing the correction to end at these prices.

The monthly chart of the SPY in Figure 7.6 had a strong bull that ended in 2000, but it had several attempts to reverse on the way up. Each of the bear signal bar lows becomes a target for any correction on the way down.

Likewise, the bear that ended in 2003 had several failed bull reversal attempts, and the high of each signal bar becomes a target for any subsequent rally.

You see, when you've been around long enough, things become clearer and most things have a way of being useful.

For the MTF traders, look familiar? For the Fibs trader, look familiar? For the Reversal trader, look familiar? For the Waves trader, take a guess what comes next ... does it look familiar?

Hihihihihehehehe

Peter

The nature of what George was discussing about Fib-wave function within your market of choice, is a real thing. And it really doesn't need to be too complicated to calculate and follow. That is what I have found anyway. I don't think like most people so I guess my attention is on different things than what others focus on. Below is an example .....

Attached Image (click to enlarge)

Attached Image (click to enlarge)

Quoting deanyakobs

> Good night all. But Peter, everyone can have a different view based on the same fact caused by our 'conditioning" unconsciously. It's why we have so many interpretations and different systems in the end. George Trading is MINDSET, he calls it DEEP UNDERSTANDING OF PRICE ACTION. It is deeper than we thought and it is simplest if we found it in the end. Your trading method will no additional value to George method, I believe. Every time i read your post, the message that i got from George method like thrown to another garden. Sorry, just my honest...

deanyakobs,

I'm not trying to take away any value someone receives from George's thread and what he shares. The main issue for people is IF someone has not driven a car for very long, then they come across someone who HAS been driving for a long time and can offer insight into learning how to drive better, the less experienced driver thinks that 'the insight sharer' is the only person who knows how to drive as effectively as they do. As literally most people have never been on the other side of the trade flow, they are assuming a lot because of basic ignorance. I would say it's a real shame if you're a person who thinks that George is the only person who understands these markets. What I post is to get people thinking, not to just "ride the George train" nor slander or belittle his input. Please remember - you buy or sell. Up or down. Each market has layers and people really should stop relying on word language and realize that your "conditioning" is inline with being a "consumer" - of products OR information. So essentially, anything I post will be of value to a person who is not a blind follower, but a real person who can think in 4 dimensions. The individual trader is the one who believes in what they do. It is YOUR job to FIND value not to just look at someone's "methodology" and think "No, it's not in my book so I'll disregard it." For anyone who is a little slow or confused, George was simply trying to help people think for themself !! It's not strictly just about trading. And NOT to imitate HIS trades. So, IF you have learned deeply, all things being fairly equal, you SHOULD be able to work out what I am referring to. But if you are "following" someone's methodology, then it's no different to subscribing to a trade signal service. You're blind to what IS but are comforted by your positive output. That's not thinking or trading. That's an accident waiting to happen. In the 21st century I don't see people as a language, so if someone, ANYone is learning to trade, what you are REALLY doing is re-learning how to think.

I genuinely want this response to be appreciated as a healthy constructive reply to someone speaking to me. So I hope other people read this and understand that trading is very different to other jobs/activities available out in the world. Your goals and needs will be vastly different to a boss telling you to do things.

George was trying to instill a conceptual understanding in the minds of people willing to listen, pay attention and do something with it. And that's all I do here. Concept must precede knowledge and action. It's a basic process. Learn or imitate. I know which one

I'd choose. Let's see what you do with it.

Have a great day
Peter

Quoting PeterCaleb
The nature of what George was discussing about Fib-wave function within your market of choice, is a real thing. And it really doesn't need to be too complicated to calculate and follow. That is what I have found anyway. I don't think like most people so I guess my attention is on different things than what others focus on. Below is an example ..... {image}{image}

A probability scale is very important for every trader. 0-100 and inverse for the other direction. This is what I was meaning before, about combining a fibs-wave flow. The flow is a culmination of breaths and the breath is a move and then swing. "Fibs" as a concept can be used to measure.

Attached Image (click to enlarge)

Here's an inverted view of the usual psychological price chart. Sometimes it's good to switch it up and check your thinking. Enjoy.

Peter

Attached Image (click to enlarge)

Someone sent me a pm about leverage. Although I would usually step aside from such subjects to do with personal money management and profits, it might be easy enough to give you an example of how it was explained to me years ago.

Imagine you have a bank card (these days we call it a visa debit card) and you can use a maximum of what you have in your account. Then one day the bank announces it is going to provide its customers with a card that connects your accounts to a scenario where you can use your own money + the bank's money, that is allocated according to your credit assessment. It turns out though that this assessment is not determined by 'capability to repay any debt', but instead they use a capacity +/- "X"% methodology. Of course these days re: trading, we know it as "Margin Stop Out % Level". Some brokers will allow you to lose all the money in your trading account + more. Others will preset the limits within their system so none of their clients can lose more than what they have in their account. While you DO have money in your account they basically give you a credit card style of use for your trading financials. But most people are not that great with credit and tend to overextend themselves when their base emotions get in the way. And in walks the credit card mentality. Trading is about compounding interest and being prepared to offer a little for more in return. But leverage is similar to trading with a credit card and most people have never run a successful business or bank, so they know nothing about debt and liability, incomings and outgoings and definitely don't know what the market's going to do next. In walks the gambler. Leveraged wins are good but leveraged losses amplify within a SITUATION and your broker will NOT tell you that, ever. If you want to test it, use a practice account of say $1000 with 1:500 leverage and start placing orders. And watch your "fake money" disappear. While you "offer" only a small "security deposit" known as margin to play, the fluctuations your account will need to survive can be devastating. One must understand, trading time and money for an outcome you do not control comes with a price. Why make that price more difficult to recover and STILL make a healthy consistent profit?

Yes I updated bits of that, but the main part of it is still very relevant today as it was years ago when I was learning about these markets. Of course high leverage or, low, is up to you, but the ones who survive and thrive in trading are not the ones who use high leverage. Why not? "The past is your friend but the future is its cousin. No matter how much you think you know, the future is not yet written. " Prepare for the best and the worst. Be smart and outlive the short term disasters.

Peter

I said it partly "tongue in cheek" AND actually to get people to take a closer look. Just as a small, intricate reminder here, George could have said ANYTHING, BUT, if a single individual person, wants to learn how to trade the financial markets properly, then they will find out the simple truth for themselves. This site has excess spillover of all kinds of people. It's a painful reminder to me, anyway, just HOW MANY people do not have an accurate worldview that IS prescribed through the financial markets. (You don't need a story or conspiracy ingredient involved to see the simple plain evidence). People look at a digitized price chart and make a very long list of assumptions and then their premise creates their activities. George simply spent enough time looking at the "layers". If someone wishes to build a career, then that is a must. I'm glad people can recognize on the charts what George calls it. The "scam" is building perception as viewable ONLY from the left of your chart view. If you want to build an indicator that really works, you need it to work from the right hand side only. Similar to your S&D or S&R level style indicators but starting from the right of your chart. I have one but I cannot "give it to you" because it's in my head. But if someone was to build one then that is the ONLY way to do so.

As to my chart and lateral thinking. It's just a chart. The black MA cooks my pancakes for me. And I take profits off the table when they're done. That's all. Hehehe. Just for information sake, lateral thinking as the label goes, is new but the concept, action and activity is ancient. No surprises there.

Cheers

Peter

> *Quoting moodybot*
> Thanks Pete (Timetells) Recently I spoke to Dave.. he said he often read quotes from old time traders who looked at a naked chart and they said when you know, you know. Thousands upon thousands of hours... and they were right. Its there on every chart, pair, timeframe. Humans are wired to over analyse and complicate matters... the market knows this and is tailored to feed off of our emotions. Once we accept the sole purpose of the chart is to confuse traders into making poor decisions then we can move ahead. I'll ask a question.... chicken and...

Humans today are NOT the same as they used be. However, on that note, there is still one area that remains predominantly evergreen - the instinct of survival. And counter to most people's understanding, this is where the whole problem with "accepting the risk" come in when beginning any enterprise that involves risk (And EVEN invites it!). In lay terms, fight or flight..... but with currency of the present day realm. Bad thinking processes and bad information make for a bad day. As to your dinner question, a thought has a monetary value. Always has and will. The "markets" are as old as time. Through human history they've existed. Now we just try and do it more sadistically with machines and added stress. In the beginning, (if you want to imagine it this way), you couldn't trade with yourself, people would think you crazy.... haggling with yourself over best price. Hehehehehe. So you needed someone to "play with". And it turned out, some were more clever than others. And so began the price line. And today we have all kinds.

For anything you need a synergy. So someone had to want to task more efficiency. The want needed to be there. So candles, no candles, data, no data. It's all the same. As for what attracted us to trade? Me ! Me ! Me! Mine! I want "Gimme!" mentality. Sorry if you were making a joke. I took it as a real Q to answer.

Peter

Quoting PeterCaleb
Here's an inverted view of the usual psychological price chart. Sometimes it's good to switch it up and check your thinking. Enjoy. Peter {image}

To make things more interesting ....

Let's consider this, the following chart is in fact the normal chart ... right side up right way round. BUT, I changed the blue (bullish) and red (bearish) candles around. So, in fact, your points of reference are now situated so you actually are being shown and told BY the "....." (fill in the blank of what you call your market and how you perceive it and understand it). Apart from having (as I have mentioned before) an indicator from right to left, for those still balancing their mind with how to see the market you trade, this could do I suppose as a rudimentary option. You would also probably need a "trigger" to feed you insight of where things are up to.

For anyone reading this, don't just "believe me" whenever I say something or talk about something. To trade ANY market is a DOING activity. And I know this silly virus stuff isn't helping people considering it instills fear and ignorance. So even if you feel this way, it's better to check it out for yourself. Do your own research. Superimpose it over what George has shown you and talked about. THE mistake to make though, is to assume either I am always right or that GEORGE is always right. We are just a person. We make mistakes. If you enjoy the process as much as or MORE than the earnings, then you can go a long way in your trading career.

Someone asked about psychology and how it has played a role in my own trading.

The most honest response to this is ... you keep learning. The markets WILL change again, you can bet on it. The writing's on the wall for all to see, as I look round the world as of today. So you can believe what you want. If you choose to believe that 95% of traders lose, then c'est la vie. Personally, the total number of people I have met in my life who could quantify the real truth in that idea I can count on one hand with a thumb to spare. It's simply a glorified, unsubstantiated factoid. Propaganda if you will call it something, to amuse, scare and bewilder people. The actual context is so inaccurate that it's laughable. To ME anyway. And I know that people keep talking about it and bringing it up. But one thing modern people haven't worked out - the internet doesn't know everything.

So IF you want to trade properly, and I am talking about it as something you genuinely enjoy doing, not ONLY for a pay cheque, then you need to see just how ridiculous those kinds of things are. Again, thinking for yourself. See the absurdity in a 'survey idea' like that. It's truly fascinating when I look around on this site just how many trading/technical/real life faux pas exist that continue to pop up. This one I have mentioned is a particularly ravenous one and I would imagine it has haunted many a good/great aspiring trader.

The way I personally learned to deal with the "inconvenience" of bumping into these things was to learn how to be objective - to remain neutral to one's preferences AND always take extensive notes on each side of the "argument". This way you can be impartial when needed AND be at the ready to take serious action when needed. Most people are either playing attack or defense so they weigh themselves down with silly superficial stuff that will not help. Trading is the same. It's not the indicator's fault you're stupid, or lazy, or greedy or fearful or apprehensive or obsessive compulsive or nervous or scared or aggressive and it's not your fault of the things to which you are ignorant. However, once you ARE aware of them, then you can do something about it.

Eg - Depending on the market you are involved in will depend on its motives. Eg. - A rolling Index eg - S&P 500 is a constituent market. Its job is to rollover capital to encourage even more capital to embrace its mission statement. And the Forex markets are there to act as a wheelhouse for those who participate. You don't need a degree or a conspiracy view to see what happens. But being subjective (a single point of view) in these markets is ludicrous. In this approach, just as you have "worked out" what is going on, the game changes AGAIN. However certain pieces do not. So that might give you some clues as to WHY those factoids littering people's minds are such garbage. If you believe that a generality dictates YOUR future and destiny, then give up trading now and find another hobby. You'll save yourself a heart attack and losing all your spare money only to become one of those people who say "See, that factoid is true." I call that 'self-fulfilling prophecy' not the truth.

It's worth thinking about.

Peter

People do indeed tend to overthink and overcomplicate things in trading. I know that here, people have accused me of doing this, however, what they do not appreciate is that in the BIIIG wide world of trading, there ARE actually specific elements that are concrete repeaters. The type of ingredients that go into a strategy's makeup that set the tone between people who have true real experience vs people who are too afraid to admit they've been conned or just led (perhaps yet again) by someone or something. Now if you already know all about all this then this is not for you. Although you may find something said to be useful, despite the presumption that you "know" all you need to know.

A simple example of this can be seen in the following pic .....

Attached Image (click to enlarge)

Be it simple, and probably not new to some people on first viewing, the deliberate price level placing of these zones is not REALLY the important thing. All I did was put the zones at the very right extreme of the viewable chart space, right? So if it's not the visual or physical setup that's important then what is?

No I'm not talking in riddles. It's a game. A game of hide and seek. At first you could use an indicator to mark up the left to right zones. Sure. And you could just draw a horizontal line to mark previous highs and lows, sure. Again from right to left. But other than the ritual of doing this, what are you learning? Are you just following orders and instructions? Going through the motions of the routine? What are you thinking about when you do this?

There are so many people (in a very concentrated area) on this site who have not experienced several different situations to know how to avoid them, or, how to see them coming. Through my own years of trading, I have witnessed many things. And so many can be avoided or even worked, to generate not just profits, but a much more rigorous way of thinking. In the old days, we didn't have everything you have today, so we did it the simple way - in our heads and with a pencil and paper. The disastrous assumption made by most today is that MORE is better. That a computer AT ALL, is better.

What Am I driving at here?

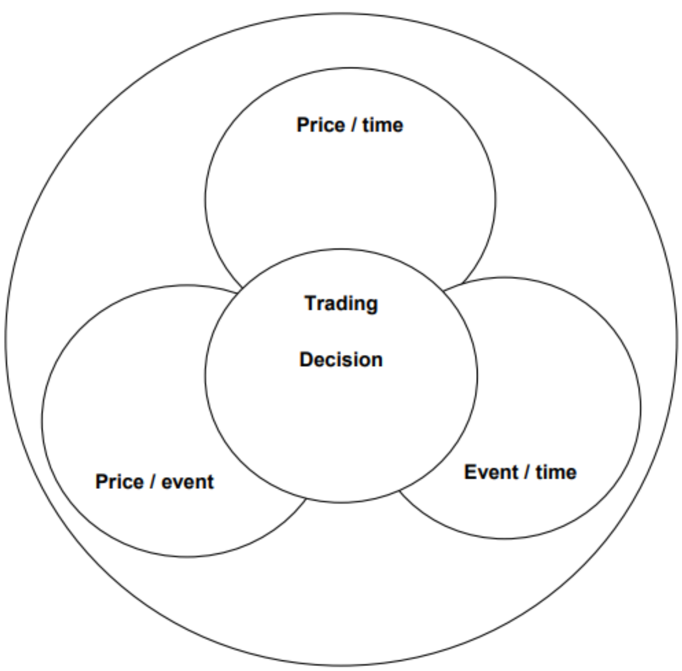
In the pic above, the challenge is this - Could YOU, the individual trader, consistently trade that market with nothing more than what you see on that chart AND a few other basic tools. Eg - A moving average (your choice of settings), drawing tools (line, rectangle, circle and triangle), your internet connection and you?

If all these fancy indicators etc are so great, then why aren't more people off living their lives, instead of coming back to a site like this?

For anyone reading this, there comes that time when you need to realize that indicators are just an expression of you and your thinking. That action is less probable because you like shiny things instead of the event taking place on your chart.

Below is something that every trader should memorize completely. I know I know "we all know that already Peter" but DO YOU? TRULY? You have internal and external indications in trading. Something pre-packaged you can place on your chart is internal. Despite people's "fascinations" with Fibs, waves and the TMATrue, they are ONLY what they are. Something that derives its data content and CONTEXT from the outside world is external BUT becomes internal once it is heavily relied upon by the end user. See what I am saying here? So "Naked Chart trading" and "Indicator based trading" be it "mechanical style" or not, the basic premise that price does nothing repeatedly, is a DANGEROUS assumption. I know that people learning still, have been drawn or magnetized to George, his approach and way of describing things, however, that is simply a "style" of thinking. It's the same with the use of indicators. If you were to use the below pic as a central reference of YOUR thinking, then you would never EVER again need another person to "tell you" because you understand something that is real, tangible and true 100% of the time.

Attached Image



I just wanted to share those points with people. I'm not at all saying George was saying things that are true/false or good/bad. I am talking about you as a trader. George worked out what works for HIS thinking. Now it's your turn.

Hope that helps

Peter

Gearzero, I know that you are directing that post at deanyakobs but I would like to say something here because you're not the first person to ask this. When hindsight is your teacher and guide, it is a relaxed atmosphere for you because there is no fear of loss or betrayal or conflict or being "wrong". You need to understand that George is someone who internalized that mindset. That story. And so then, he could address the more personal issues of which trades to jump on. If you asked him, I'm sure he would say that he does not trade "everything" that comes along. Why? The story? No. It just provides the "backdrop" for helping him understand what's potentially going on. What guides him is the combination of the very basic of ingredients in trading - short term direction and big picture direction (momentum), trade setup (eg reversal etc) and all the other parameters that he calls 'price filters' that are things he found to be useful in improving his odds of successfully profiting from his trade style. They are the facts.

A trader, that is a REAL trader, must understand that no matter how you cover over these facts, they are still there. So, when you are watching a live market, doubt and uncertainty can creep in. Why? The basic answer - you don't understand yourself and what you are doing. Proper research will show you how you think and proper basic historical testing will show how your emotions play a part in trading. Fear, greed and all the "in-between" feelings and emotions that exist can walk in "unannounced". If you don't "believe" in what you are doing, then you will fail. PERIOD. People so easily forget it's a numbers game. Eg - X number of correct selections out of 10 or 100 setups etc. And it's about HOW the market likes to move around. Each day a small early loss can be cancelled out by added trade setups later in the day to produce a profitable day. Combine this with the truthful awareness that you ARE (in some form) gambling because you don't KNOW, with 100% certainty, what will be the outcome. So this is where having an understanding of what type of setup you are wanting to trade can help. Is it a "wet or dry" setup? Meaning - does it either turn up and you trade it and it works, or it doesn't turn up so you lose nothing? Or, is it a true/false setup? You probably already know these - sometimes it works and sometimes it does not work in your favor. The facts of all trading rests with these elements. It does not matter if you auto trade (EA) or mechanical trade or manual (discretionary) trade your market of choice.

Another element that may play a part in your problem, is you are "over spending" on your trades. Trying to make too much happen too fast that is too much $$$ for your account to handle. This could be lot size or leverage or over-leveraged positioning.

The lack of real life practice seems to destroy a person's confidence. If you are completely honest and you know you don't have much proper experience, a good way to help with that is to "replay" the market. Either in mt4/5 strategy tester, or as failinforex spoke of in post 448 re:

using a way to record that playback in the tester and then replay it over and over and over. Mental "memory" is the act of hindsight being remembered, nothing more.

Something I have spoken of before - people being too reliant on indicators. They can be VERY helpful for general study and a specific research study that you may feel useful. But are a hindrance when actually trading. That final moment when you "pull the trigger" "push the button" etc, is instinct. Second nature, whatever you choose to call it. Not thinking. At this point, all your "thinking, research, planning, calculating and study" should be done. If it's not then you're not ready.

I apologize for the length of writing here, but I believe in giving proper answers to questions that need proper attention.

I hope this at least "adds" to this topic for anyone who is thinking about the same things.

Peter

George's "method" is ..... THINKING + ACTION. I will keep saying it again and again. Is THAT philosophizing? Of course not. "Modern people" are basically automatons with a credit card. People have forgotten what thinking is. If one wants to learn to trade, then re-research what thinking IS. In its FULL concept. Looking at a screen is not thinking. Pushing buttons isn't either. Telling someone "you won't show me yours so I don't believe you" is not thinking. It's toxic childish stupidity. Talking about philosophers and their writings doesn't mean you understand ANY of it. It's the same with this trading stuff.

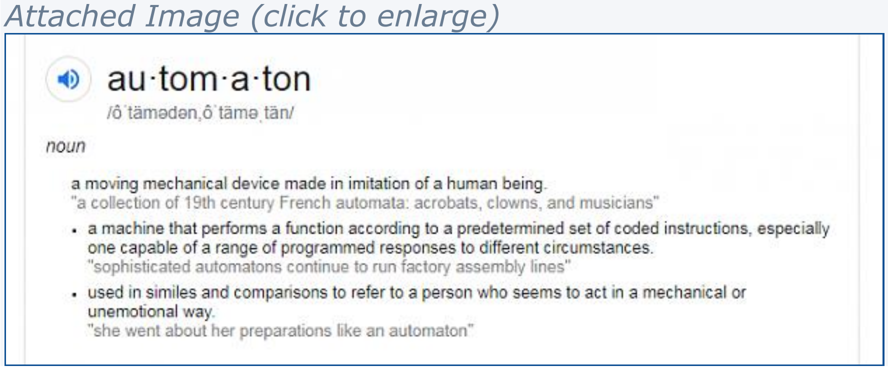
If you're "stuck" using indicators and are dependent on them then THAT is where you are. Is it working for you? Can you sustain your goals doing it that way? These are good Q's to ask. I'm not belittling the efforts just probing these areas.

I contribute. That is all. I don't HAVE TO. I choose to because I like the feeling of aiding others to learn. Simple right? If you want answers but do not check your brain, your thinking and YOU, then why bother with ANY of it? There's no "participation award" with trading. Either you know what you're doing or you do not. It's the same rubbish with this virus stuff ..... small incident turns into a HUGE fear campaign. George was trying to get people to test themselves (Giving him the benefit of the doubt). To stop being automatons ....

As a starting point for further investigation...

Automaton =

Attached Image (click to enlarge)



Quoting asset21

{quote} Hi Peter Thanks for your sharing your knowledge as always. I was thinking about how someone that trades successfully may spend more of their time. Once the basics are picked up over say a couple of years, worth it be worth researching more of trying to find things in the market that other people can't see? like (just for eg) being creative and using an indicator differently or using different levels on the chart differently? or is there is really only so much of the basics or (market) you can learn and then it is just a matter of repeating...

Hi Mike,

From my perspective, a person needs to start by asking why they want to trade or do trade? Money? Independence? Freedom? XYZ? etc.

Mastering the basics should realistically be the ONLY goal for anyone who cannot consistently create a bare MINIMUM 10% per week rate of return on investment (money AND time). That is a must. THAT helps the trader create that internal dialogue AKA 'what you know and understand about yourself'. Here's my perspective on levels of complexity of strategy, methodology etc - IF a complex strategy can move WITH the market's movements AND maintain its basic integrity and be consistently profitable, then yes sure use it. However most people are too impatient or immature to go and do all the research and testing that would be required to maintain the stability, considering the markets are so changeable. So it would depend on what the strategy is "anchored to". What it relies upon ALL the time to keep it stable. One such example that I use in my own systems is a moving average. It's not fancy and there's no "bling" to it. But it changes with the market AS the market changes and is easily and readily accessible to modify and to add or subtract components for generating or regenerating a strategy of choice .... and anything else toward its design.

However, it's not if the strategy is complex or not, that determines its longevity, it's the ability for it to be consistent inline with the market it runs alongside. The same goes for a person operating as a manual (discretionary) trader. As I have said before, there are specific things that all markets in this world do and ARE that cannot change. EVER. Be it physical transaction or digital. And it's these things that a real trader focuses on for consistency for the lifetime of their trading career. This is probably what that other person meant by "everything had been tried already and that the only work that really needs to be done was on yourself".

I hope that wasn't confusing. I have seen on this site and elsewhere that people are quite obsessed with squeezing everything they possibly can out of tools they really do not understand properly. And I would venture to speculate that it's because they lack the fundamental knowledge about the world of trading to understand how to 'be creative and innovative'.

My suggestion to anyone who does not meet the basic prerequisite that I mentioned before re: weekly minimum rate of return ..... do not complicate or try to get too creative with anything until you truthfully have mastered the knowledge that runs the markets. If George's approach i.e. the "story" suits your thinking then run with it until you outgrow it and don't "need" a story. A bit like a child with a security blanket I suppose.

It's about focusing on the types of things the "crowd" (here for example) sees as pointless/useless/unnecessary/too much work when related to the basics. One needs to understand certain principles eg- the markets go up and down. As a concept it's "too simple" for most people. Another is a bias. It is ONLY a favorable preference and has nothing at all to do with each outcome individually OR all together. It has to do with what IS happening before, during and after the whole world looks at the chart. Because unless you are at the center of the markets, then you can only react or respond.

Re: Mark Douglas. - From what I knew of him and the time I spent with him, Mark wanted to get into trading in a way where he could close the gap between insider and outsider. (Yes I knew him but I don't want people making a big deal from it. Mark was just a guy, not some god.) He felt it was unfair that the insiders (the big boys with very deep pockets) got to make all the decisions and set the rules for the game of trading. And he definitely didn't think like most people I knew back then. He was a good thinker and a person who wanted to usher in what we now call semi-automated trading, using technology to help streamline a manual trader's tasks and processes. Many think it was about statistics and probabilities and psychology, but when he spoke or wrote about these things, it was always in the context of trading through one's thinking, so it was assumed that traders could relate to "probability trading" as something to learn to then improve their own situation. The work he did with others was curious and he did help me to step closer to technology within my own trading. I'm glad I knew him and I saw the impact he had and still has to this day on people and their trading.

Unfortunately for Mark, when it comes to the 'general trading community', his work missed the mark or was too advanced and I see people today still misunderstanding what he was conveying. I could say more but I better stop here.

What did I get from his work? Be truthful and honest and humble when it comes to yourself and what you do. Being like everyone else in this business is failure before you even begin. One of the most useful lessons Mark learned was - if you do not control something then your job is to understand it as best you can. A person with just their own perspective is doomed to follow their opinions, judgments, prejudices and uninformed biases to ruin.

I hope that helps. I know it's a long read but it's worth bringing up all those points.

Summary - Be truthful about what your intentions are for your trading. Be realistic and be as best informed about what you are involved in. Learn the difference between the "speculative" part of the game and then the "constant" parts become more obvious and useful.

Up. Down. Left. Right. Buy. Sell. Now. Tomorrow. Next Week. What is liquidity for YOUR style of trading? Is your broker running an A-book strategy or a B-book strategy with its clients? What do you know from your own observations for SURE that happens all the time? Sometimes? Rarely? Never?

It starts in your head. Forget what the riff-raff are barking about. Be serous and focused.

Peter

This is not my pic but it displays a VERY important element of what you are trying to create and manage as you build your trading presence.

Attached Image (click to enlarge)

Enjoy. And Merry Christmas for those celebrating it this year. And I hope everyone keeps safe and healthy over the Christmas-New Year Period.

Peter

The bottom line after all is said or done here, use your free time well and study, then review then study more. Then take a break then ask yourself a series of questions that you create that you KNOW are areas of "maybe I understand" and "I definitely do not understand". After you do that a few times you will find out you don't need all the 'names' and 'labels'. All those names and labels just slow a person down. Why? You're not in school anymore, so the teacher is not going to fail you if you name it incorrectly. People need to observe about themself - IF you are spending too much time on the "information" then you are not learning how the market thinks. So it does not matter 1% if you want to "follow" George's or ICT's info. If the information is what you see as most valuable, then you are not building your 'concept building' thinking part of your brain and active thinking. For those who love their opinions instead of real things, YES it is a real thing. It's part of why people fail at something. They lack the balance between concept and information.

So my suggestion is - stop chasing the "right way". PERIOD. Based om my experience - BOTH George and ICT are equally "right" as much as they are wrong. If you are asking people why something happens, but neglect to ask the market first, then that's not learning. Outside people do not know, they summize. That's VERY different.

Trading is about a relationship between you and it. Everything else simply comes down to verification of circumstances. I'm sure this is not what people want to hear or read, but that doesn't matter.

Peter

If you try this very simple exercise -

Take George's approach, ICT's and then do some research into some of the most written about "traders". I'm not talking about the names and information, I'm talking about the basic no frills structural, directional and individually positioned involvement in trades. Forget the fanciness and indicators and all the other 'baggage' and get down to bare basics.

THERE, you will see the truth of it. If you practice a trade setup enough THEN try that same trade setup live, you will find out about liquidity, the spread and the market's sentiment and tempo. Where to get in and out. When to stay away. You will also observe other things too about you.

This is all you need. Everything else is just filler. Everything else just clouds the issue of whether you are a trader or something else. If you are a trader then you think about the future not the past but use the past to see NOT what will be but what CAN change. A trading career is built on THIS principle.

"A fool is very quickly removed from their purse and their money because they keep looking behind them and forget to look ahead."

So you can either try and "memorize" everything or you can learn how to trade. It's unpleasant but it's the truth. Call it cruel to be kind.

Peter

There's about 1000 different theories about the financial markets. A person does not learn by "learning a theory", they learn by learning. To people who want "the answers" you'll never make it as a trader. Not being nasty, just a fact. As someone who trades real money and has done for a long time, the markets don't trade up and down on a theory. They offer the individual, a chance to PROVE a theory. BUT a theory is only as good as its test through time. And MOST of these theories are all built on much much older theorem of the hows and whys. So I am not trying to be "right" here. I am saying that IF bilal1947 and GearZero want to learn properly, I will say this again - you cannot learn this Life skill set known as trading by or through your peers. Why? They are the majority of "don't knows/not sure's" and do not possess real life knowledge over a long enough time to see what is true and not. All this new stuff is just new not true. True is what counts. And what puts money in the bank.

I am very sorry if anyone's feelings are hurt but trading will be very cruel to people who put faith in a theory alone. Quick solutions are the worst. There is no substitute for hard work. To work smart and hard will get you there.

Peter

Quoting RickM
Hi Fallinforex That first high which you marked as a X was a great set up to go short for a few pips. The reason was 3 candles before that high, volume tripled for only 1 candle before collapsing back to average volume. Without increasing volume, price will also start to collapse. Then near the next high which you liked, volume tripled and the selling delta increased markedly, my charts had zero buying delta at the high. Then the sellers delta blew out 8 times from recent levels as price turned very bearish. On the next second low at 1.218, that...

Q RickM = What volume are you talking about? A genuine question. A serious concern.

A further point - An observation is literally (and financially) worth 1000x more than a leap of faith of the first top out. Not saying I don't trade them, as I am a rolling stone type of trader. (I am referring to any less experienced traders or aspiring traders.) So I would have traded the initial top, the inside low and the inside top, then the right hand upper legs on the way out. I say 'would have' but I don't usually trade the EURUSD less than a 4HR chart. I have traded many different markets and for all who are just entering this thread and conversation I would say this - A spike or shadow etc is NOT an extreme of price (on its own). It is a representation of lighter intentions. The spike tip "area" needs to be observed carefully. You cannot know what this means unless you have actually traded them and experienced it. If you do the math (I know most have not) there isn't enough actual money from small and medium participants in the markets to shake up the real path it takes. So you have to ask yourself - WHO has the big accounts? The ones who are operating bigger. This is why I suggested to people to test different vantage points to enter and exit. A spike for one person just stopped them out, but another 'person' is entering. One such real life way to determine this properly, is to reverse the chart. NOT invert it but reverse it. Why? Your eyes and mind play tricks on your reasoning and assessment. By going in reverse you **have to** "anticipate" the event AFTER the move traded. Try it for a while, believe me it works in interesting ways for people. Also, a 1M chart (Or even a Totality Tick chart) cannot lie about the "process in play" when related to volume in FX. The Futures CAN offer insight into volume. But I prefer to use TT Chart as I can control the readout and I'm not relying on an external resource I have no control over.

After trading for a while, you "should" realize the signals that larger intentions are planning or playing out.

Someone asked me why I am so vague at times. I could say all kinds of things that "work" BUT, you won't know what to trust with your own trading until you do it yourself and see what happens. The other thing I want to say about volume - It is representative only of what the person CHOOSES to accept. It makes no difference if your volume indications tell you one thing but the broker you trade through cannot cater to your gross financial needs. This a touchy subject and I won't go much further here than to add this - It's up to you as the trader to STOP listening to anyone and apply basic common sense in understanding HOW a broker can apply such high leverage to its business model. Hint - Long Term real life traders know that high leverage is contrary in its motivation to what **they** are trying to do.

In case people haven't noticed, the world HAS changed a lot since this virus stuff started. It has affected the financial centers and many others. You are better off accessing volume indications to make an 'anticipated volume areas of behavior' journal. Doing this you will learn to outgrow assumed outside sources and understand WHY the volume masses around spotted areas on the chart. This is a life skill you will never lose (until dementia or death anyway hihihihihi !!).

That's just me speaking about these things. It's not 'gospel' but it is based on real life beyond the digitized screen.

Peter

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ttached Image (click to enlarge)

Attached Image (click to enlarge)

Structure. Direction of interest. Situation? Proposed Approach.

Attached Image (click to enlarge)

Probability of Approach. Structure check. Probability Check. Now use lower TF's or TTChart etc to apply market activity signals to trade style used.

OK OK let's all just settle down here. Let's lay off the eggnog. Yes I concur .....

Attached Image (click to enlarge)

I guess my ways are as a 'dabbler' not as a technician per say. I went through a period where I had NO extras, no outside help or tools. So I had to relearn and learn as a caveman would learn. And that lesson has insured me of a life beyond the "extras". Of course, as some already know, I use Futures data and a TT Chart instead of a Time chart. But for 'helping purposes' here it's good to show it a few different ways. It is good to have something a little more firm under you before you 'pull the trigger'. Since I don't trend trade I only focus on falsified and "less false" momentum of market activity.

Synergy and synchronicity play a VERY BIG role in seeing what repeats and what does not. And WHY.

As in the old ways - "Fool me once, shame on me. Fool me twice, LOOK OUT !!" Hiihihi

What I would like to see with people is to learn as I "had to". To learn to "see" the volume in ways other than on the screen. To not get "married" to their fixed perceptions. It becomes unhealthy and a chain around your neck.

failinforex : If you use a MA then there will be a reason. And I trust it works for you.

Peter

Quoting bilal1947

{quote} Can you kindly share some of your chart markups n trade executions for our learning, if it's okay to you.

Attached Image (click to enlarge)

For me, I start with the concept first. Then build an awareness around that concept. Each rectangled areas offers a combo of limit and Market entry. Up to the trader if they use direct platform order fill process, the script approach available in mt4 etc etc or use an order panel EA etc to streamline order flow and management. Consider use of M1 or TT chart for seeing entry as it maximizes your scope of view. A small chart view like those shows you "volatility" and "momentum" and then you can "see" the wicks/spikes AS price/market activity and NOT as a hindrance to order and stop management. When people use "overview" TF's eg 1H etc, they restrict their entry as that is NOT an accurate way to see the ebb and flow of price and the participation of all involved. That pic I adjusted for you, it's NOT about cherry picking trade setups etc, but simply to show the "options" that roll through your periscope throughout your trading activity.

I hope that's helpful.

Peter

Trading is a common sense game. Although you could say that it sits in the "common area" for all to access, it certainly is NOT utilized by most people. The true professionals (Be it full time or part time) I've ever met would laugh at the idea of just "showing" people how they trade. Why? If you do not understand the implications of that question then you do not possess common sense thinking. You're driven by other intentions. Be it ego, laziness or selfishness.

If someone wants to learn to trade properly, you have to get rid of this mentality that you're "owed" ANYTHING. That you DESERVE something just because you ask. That you're ENTITLED to anything.

A simple VERY powerful approach to use IS common sense.

Below is one view of this.

Attached Image (click to enlarge)

Peter

Quoting Iimprobable
{quote} Hello PeterCaleb, Sorry but i don't understand "Futures data" (means that you make a projection of the future prices?) , and the difference between Tick data and what you call Totally Tick data chart. green pips

Hi Iimprobable,

The three are both - independent of each other and - connected by transition trading (The act of interconnected transactions to take advantage of A)price inefficiencies B)'value trades' = I will explain shortly). The 'nature of the three are similar. A TF or price chart is a market view with the emphasis on time allotment. Eg - 1HR chart is a period updated every 1Hr. A TT Chart (Tick Totality Chart) is what some use to view the market with an emphasis on transactions and options for settlement. Options and futures and stock traders "tend" to like these as they show movement of price as closed sales rather than allotted time pieces or fragments of a trading day. Their "period" is based on a predefined number of transaction ticks or individual moves up and down . Eg. I use a Spot TT chart that is circulating at 360 ticks per period. This means that the chart will not draw a new period until 361 ticks have accumulated. 360 for the close of period and 1 for a new period. Even if you choose 360, in real time you have to allow for that extra 1 so your view "flows". In Spot FX, you know it as an up tick or down tick of the price. This is what you see on your chart when a candlestick is flickering up down up down during the time period. "Tick data" is just a form of "accumulating" all those ups and downs and "doing something with it". As you saw from RickM's post with his pic of EURUSD M1 + Tick + Delta, that is one way to "see and view it". As some may already know, Spot FX works a little differently to the other more regulated asset classes. So the activity is reconciled a bit differently. As there always has to be a "connection" between Futures FX and Spot, these markets are commonly asserted to "relate". The same with Index forms and their Derivative brother. Eg - S&P500 Stock Index and Emini futures.

From Google (Too tired to write all out) - The **S&P 500 mini**, called the **S&P 500 E-mini**, is a futures contract worth 1/5 the value of a standard **S&P 500** futures contract. **S&P 500 E**-**minis** have become the primary futures trading vehicle for the **S&P 500**, dwarfing volume in the standard **S&P 500** futures contracts.

Some know price inefficiencies as price or spread arbitrage. These evaporate about as fast as they appear unless you know they're coming. And 'value trade' is a term that reflects the nature of the trade (setup). For me, the truth is usually buried very deep within all the asset classes and you really do need to dig to find it. For a Spot FX trader you can use other asset classes to "inform" you of things that are happening.... and coming. This might be new to some but admittedly I knew this many years ago. You cannot build a global monetary economy without interlinking the classes. Yes I use Futures data to help determine what is happening. But not for speculation. This is where the value trade is necessary. A trade setup that can be classified as a value trade is something that can be repeated over a multiple of 500 - 1000 times in the lifetime of that instrument from its market origin. Eg from before - A BIG gully has formed on the EURUSD 1HR chart and it looks like continuing right back up to the top where it started. You look behind it to see that recent high/rollover stage before it dropped and you can then say "Yep, I can see why it would return to its initiation point." You check other elements in play and prepare to enter on the topping high. Once you see the rollover on the 1M chart, you jump in. NOW you wait. With the help of Futures data and Bond movement, you can see why some are Risk off or on. And with that, you can then look at ore and construction metals as well as Gold. The world stops on a dime and your trade is moving down. You're now in profit and as you have already noted the structure for your exit you wait, wait, wait then pooooof! You're out. There's your markets connection and related move. And there's your Futures data, time and price, your flow of 'intention' of participant and your profit.

I hope that answers your questions.

Peter

A Post Note - You can use Currency alignment to watch each pair and see which one/s the overall market is focused on and is "playing with". Many people have built a whole career around just such a thing. If it suits your thinking and goals it's a good way to do it without accessing outside markets. But for me, I'm not a speculator, so I work harder. Hihihii.

Peter

Quoting asset21
Hi Peter I have been putting together some charts and I think I can see some of the things you discuss. Im wondering if you can add anything or maybe mention something further about RR, I noted your earlier response was looking for 1;5, 1;6, which would mean tight entry for what I understand thanks Mike {image}

asset21,

At a basic and brief level, here is what I see. Of course this is hindsight BUT I use the exact same approach for real time activity.

**User Beware - As this is the Gold base, be careful to accommodate for proper use of your overview chart eg 1H etc or whichever one you use. Your targets WILL be your 1:5 or 1:6 only when your M1 or TT chart entry is reasonable and you scale in after the reversal on micro pullbacks where price is temporarily stalling then carrying on. People seem to think that 1:5 or 1:6 HAS TO be from first and only entry to full target. Sometimes the market simply does not make it to full target as anticipated or even expected, so with micro pullbacks you can counteract this from causing problems to your profitability.

asset21 .... your chart ....

Attached Image (click to enlarge)

And the revised chart from me.....

Attached Image (click to enlarge)

See how you go with that.

Peter

It has been suggested so let's try all this from a different approach.

** The idea of this exercise is to take what I speak of here and go and make note of your own observations based on these points. Then you will KNOW that I speak the truth but more importantly, YOU will know for yourself ----> FOREVER.

At the most fundamental level, your market of choice has ONE tool. TIME. It is the ONLY common denominator across ALL markets. Not price. Not orders and not participants.

Price has two choices - up for down.

Participants have three choices - buy, sell, wait.

A participant always brings what and who they are into any situation that involves themselves and their money. That's their past, their emotional and mental standards and also their physical health.

As a new trader, one thing is your mantra - "I am here to hunt." Even if you are not an aggressive person, understand that the world is not all flowers and rainbows. The markets are designed to test you.

When beginning, always use a line chart without indicators and never use a white background for your chart, it will eventually burn out your cornea. Your "phone" is not for trading. If you use it in this way, it's a toy and you have misunderstood what you are entering into. BUT if that is all you have, then invest in pencils and paper and start there, placing more importance on learning rather than rushing into anything that involves your money. But realize you WILL need more than this later on. Perhaps a tablet with a mouse would be sufficient. I have tried it with a phone - a phone makes you waste too much time zooming and shifting and .... wasting time. You are a trader, you need informed insightful information quickly and succinctly. A phone is simply unsuitable.

The price chart (assuming this is what you use) is a simple accumulation of activity without a face. Be it line, area, bar, candlestick .... it's never labelled correctly and accurately for your convenience so don't try and squeeze water out of a stone. The only way for you to know what you like using and if it "feels good" to you, is to use it for some time. Again without indicators as they're a distraction at this point.

A price chart is a language. THIS is why it takes people so long to learn to trade. It ... LITERALLY .. is a language unto itself. Just as learning any language, it requires Motivation, Focus, Determination, **Perseverance** and Stamina. But more important than ANY of those, is the NEED to learn. If your reason (need) for learning is not strong and deep enough you WILL fail to reach a level of achievement that you are capable of. If you want to trade for social standing then stick with "demo trading" and have fun doing it. That way there's no unnatural pressure and you can play around and enjoy it that way. However if you are more serious, then you have to realize that EVEN Warren Buffet HAD TO learn to trade and invest. He learned from Benjamin Graham (Among Others) and so if you remove the idea that he is different to you, then you have a level playing field psychologically to begin your training. Those guys are not better at it than you - they've just been doing it longer. Keep that in mind OK. Trading is an "intelligence" of its own. So ignore the usual outside world ideas of IQ and intelligence.

Ignoring for a moment the idea of trend or not, the market you trade always oscillates back and forth. Looking at a chart and picking a point in time where it is "trending", now turn your head on its side in the direction that shows the market simply .... sideways. If it is more of a breakthrough movement (it's moving steep and fast) then just drop down a time frame until you see the "trend" formation in play.

A side note - Trend - is a concept of form NOT function. It's similar to saying "left leg walking" instead of just "leg walking". It's a viewable movement without the details of WHY. By being objective in this way, you can remove the posturing and arguing about if a market is trending or not and whether it "trends" or not. And by viewing everything in this way, you will make it easier to assimilate the knowledge of WHY markets move as they do. There will be no cognitive dissonance - internal mental argument over what is true or not.

OK. Next.

Every trader must find their own path to what makes them happy in their work. To do that, you need to be able to sleep well and deeply at night with the knowledge, that whatever life brings you are ready ENOUGH to face it.

The markets, just like in people, have a flow, a rhythm, an actionable motion to them.

A trader must learn how to ask questions - of themself, of the world and the market/s. This is not always easy at first but with practice, it get easier and you will come to love doing it because you learn something new each time.

* The Interrogative question = People get scared, angry, offended, insulted, or frustrated. And because of these feelings and emotions, we approach a person with a predefined idea of what is true before asking the question. And this comes through in the way someone interacts. It is why arguments ensue and conversations tend to be circular in nature and direction. With this line of question, no good can come from it and in the end, no one wins.

* The Inquiring Question = Here I have called this a "lead on question". If a person REALLY wants or needs to learn, they understand no one owes them anything and they realize that learning cannot happen while engaged in combat. So in walks being humble. You simply ask the question because you want to engage in discussion to learn and understand. There is no hidden agenda and no "negative" (for lack of a better word) attitude that sparks the question being asked. Far too often the attitude outweighs the question on delivery and the situation becomes unstable. So no knowledge is passed on.

Learn the difference and you will quickly be answering your own questions relating to your trading.

Be more creative. Don't be afraid EVER, to listen to your instincts, when testing something for the first time. As you do this more and more, the process of testing and trying new things becomes like a HOT ROD !! ZOOOOM !! There's a point where you won't need to action every single step of your testing process because you already know the results of that specific section of it all.

When ready, start a scrapbook/journal or SOMETHING that details your trading life. If you only have a phone, then work out how to print out charts (OR draw things freehand) and pics you find useful. The PROFESSIONALS are people, like you, but they write things down and keep notes on what works and doesn't work. For them, it's a business and they treat it with the respect it deserves and requires. You really should do the same, particularly when you are still learning. It will fast track your knowledge and experience arsenal building stage.

Concept building and thinking - Concept comes before action or activity. It's no good using something if all you do is follow it blindly. Concepts like buy and sell are general terms yes,.but they provide perspective as a starting point to build a strategy. The same with trend, momentum, price, volume etc etc. All are a concept. But for a trader they need to be pushed into reality and used in some way. So concept becomes thinking. This is where you create strategy, improve tactics, check goals etc. This is where you can get creative and challenge your ideas and everyone else's ideas.

Tools - I suppose anything can be a tool, if observed properly. Form and function will always guide you to see what others do not/can not see. They see a Fib tool, I see something a lot more. They see a moving average, I see the ebb and flow of time.

Form - 10000's of indicators. But with these form is always based on Time. It has to be. One market says $1.0145 while another price in another market says $0.9124. However 1 minute is ALWAYS one minute.

Function - It's really whatever you want it to be. I have already demonstrated just ONE use of the Fib retracement tool with my probability scale tool. It is FAR more accurate than other uses I have seen. (Yes I am sorry to say, at times even more accurate than George's Fib levels approach) Again, when used properly in a specific context. Yet you must take into consideration WHY you're doing it. And don't give me a response like "I want to make money." That's pointless because it shows no thought into your goals and aspirations as a human being. People don't need money to live, they need to be able to THINK to be alive. So function is going to reflect how you think, why you think that way and definitely, IF it aligns with your goals.

End of "Part 1" I guess.

Peter

Social media (as they call it) is not really a very good medium to display specific things that are ahead. But we shall strive to push forward.

Popular trading today is mostly based on what is called "Price Behaviorism". It's all the rage now and it's all the usual stuff you see on sites like this and on the internet. George did a pretty good job, as a price behaviorist, to pull the covers off what is a rather complex layering of many moving parts in a global monetary system.

To throw it in now, the Fib-Waves approach for those who are still interested (from my seated position with George's and my input added).

First, to say this - using mathematical designs on the market you trade is not going to suit everyone's thinking. If you find yourself struggling, just step back and remember what I just said. Now after saying that, the CONCEPT behind it is based on observations of certain things that repeat over and over again. Again, THIS is a very important thing to make note of. The rest is personal choice of how YOUR thinking and what the market does, superimpose and work together. If this happens, you have a good approach that agrees with what has been happening. Over the years, many people have tried to get too precise and have missed the big picture. Of course "precise" is itself relative as the context in which it's being applied is key here. Is it in association with previous recent or old highs? Is it to do with entry? Is it the range of push up or down on price? Has it spent a lot of time doing something specific? How are concurrent markets plotting with it? Do you have a flow-through from one pair to another or from one currency base to another? It's all relative.

<u>It's all relative.</u>

Should - is a very problematic word in the world of trading the financial markets.

OK, Fibs_waves =

I'll start with what people are familiar with as that will help .....

Attached Image (click to enlarge)

This is a basic overview of what George showed you, me, us. Take note of the upper, lower boundaries of market activity. Observe each "hole" being filled as the market stabilizes and then moves on. From this view, you could make any accountable story of the WHY. From George's perspective, the MM is pushing, probing and collecting input and output orders (Buy/Sell market orders, Limit orders, timed orders. Participants getting in or out of the market = ALL containing POTENTIAL ACTIVITY.) Depending on how you want to approach your trading, you may choose to observe multiple time frames in there too.

Attached Image (click to enlarge)

This one gives a great example of "stages". Once you begin to place a few screens in front of you to observe different time frames in real time, you will see how they fit inside each other. The explanations inside the pic are pretty clear. If you draw or imagine a straight horizontal line going right across from top left to top right, you have just observed a higher time frame perspective in greater detail.

Attached Image (click to enlarge)

This next one is another simpler view of wave within wave within wave. TF within TF within TF. As well as the bigger picture of transition trading and value trading in motion. Keeping in mind that concepts like trend, momentum, slope, direction, highs and lows ..... are all relative. Why? One person's high is another person's exit.

Attached Image (click to enlarge)

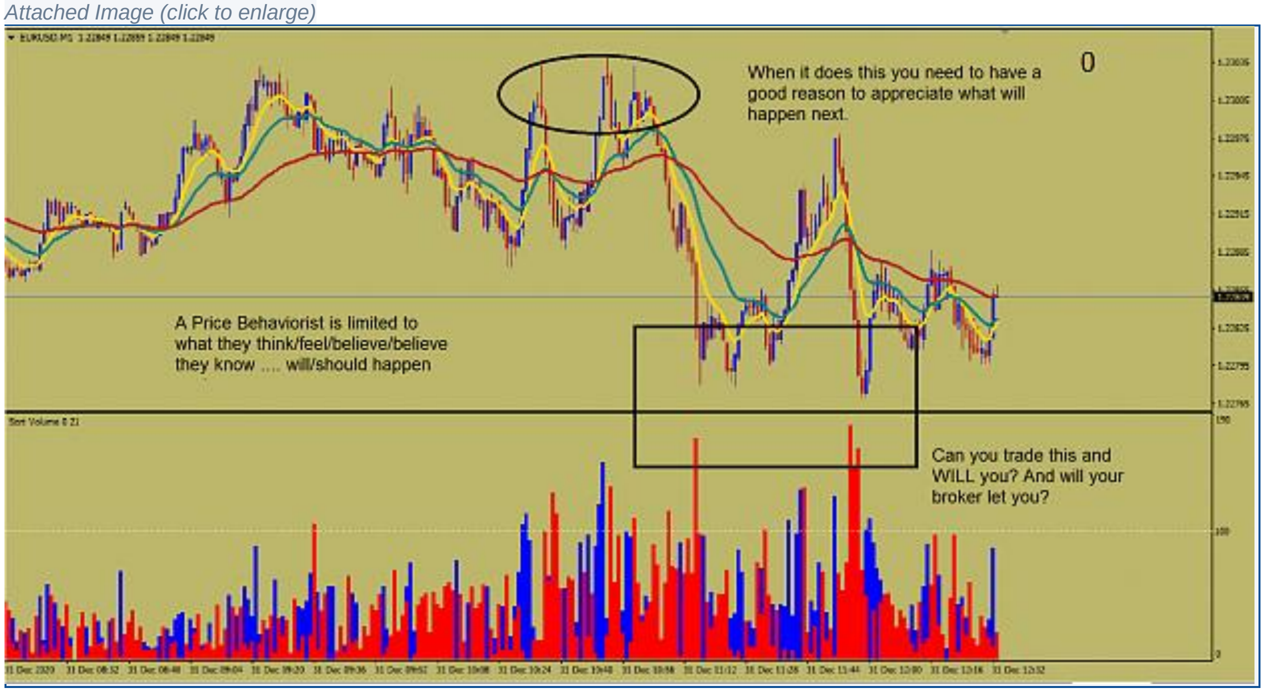
Oscillating structure is key to understanding waves as George was seemingly approaching it all. Although there are indeed other more simple ways to deal with this, if I was still trying to learn, I would want to keep it simple for now. So let's just deal with what's already here. One main aspect to consistently observe is formulated momentum. This is by design to adjust people's preferences in the market to make them unwind their orders despite their "system of approach" telling them to 'stay the course'. Eg - Many people "uninitiated" into the world of trading, generally have a bias to one direction or the other. So when designed momentum generates movement, it looks just like those moves on that chart pic, where it looks overwhelming and "better" than what they already have. Although many may already be aware of this and call it something else, it's still key to appreciating what's going on.

Q - When you try to fill a bucket with water, do you try and fill it to its brim, or do you expect the water to keep filling the bucket despite the highest reasonable level already being reached?

Attached Image (click to enlarge)

Relative Depth Perception is a natural and persisting element in trading. Whether you use this or that indicator, whether you use Tf's or Tick chart, Market profile etc you cannot escape it. There is a notable and VERY obvious difference when the market is going basically sideways compared to extremely steep. Some people prefer to be first in the door while others like to stroll on in.

Attached Image (click to enlarge)



When you look at a chart you generally see what everyone sees. Especially when looking into the past. Some people will ask why some wave cycles last longer than others. As much as I would like to just agree with people who say that the market is balancing itself out, in a perfect world where FX was the only market, where it is isolated and self sustaining ... sure, that would indeed be true. But the FX market is part of something bigger. And it interacts with the rest of the world. This is a fact of trading and it would be unwise to ignore it. So, to a M15 chartist and trader, it may in fact be a 5 count move up. However, stages of each move up are pushed and pulled. And this is why your "perfect setups" idea is fiction. What you see in pics online made with just a line (Or other contrived charts) are not respecting the particular intricacies of each move and so, are misleading. Each progressive wave is compounding on its own probability of completing. If the market makes a move "beyond its previous strong high/low" there will most certainly be a reason that is NOT prone to being obvious on the chart. Some people call it "overshoot" or "overextended" and that's fine, however, in truth, the very real nature of it is based on other markets acting like a see-saw between the FX asset class and themselves. While some markets (at that point in time) may be overextending, others are just gearing up for something. And this, I suspect, is why people get interested in Elliot Wave and here with Fibs-Waves. The linear and physical representation to your eyes is registering the ups and downs as the market progresses on its way. But behind the scenes is the internal waves of smaller and smaller transactions based NOT on price but on TIME. So even if you trade the 1Hr chart TF, your competence must be based on what I just explained as well as R:R, setup and timing your order. A person placing their money "into the market" MUST respect the fact that Risk, Return on investment, Rate of return and the premise used to justify one's participation, ALL require the use of a gradient scale of managed acceptance. Otherwise, regardless of how you dress it up and how "good" you are at trading, you are merely speculating..... and that is NOT trading.

End of "Part 2" I guess.

Peter

Since my perspective is a little different to most people's here, I felt it good to write this .....

** Self Fulfilling Prophecy Strategy Used By Professional Long Term Traders In Light of Fibs-Waves

I sense it's really very necessary to show here that a tool is only capable of linear process. A moving average is only capable of adding left, adding left. Although it holds A LOT of information that is not easily seen at a glance, unless you have a keen eye, it still just sits there.

It's the same with Fib tools, Trend lines etc. So a certain amount of reasonable thinking needs to be used when applying it to any strategy. Whatever the reason George began his journey using Fibs, there is one very real antagonist that he will come up against......the notion of self fulfilling prophecy made public NOT by any natural presence in the financial markets, but through the widely known and accessed use and application of a tool. If you know about it then others do too.

People need to understand, regardless of their beliefs, there IS most definitely a certain amount of "liquid motion" to the markets, otherwise they would literally stop. This will tie into other things to be mentioned.

Although this idea of SFP is not new, it's not really properly understood by beginners or even seasoned veterans who claim to trade well but still insist on using tools in the same way as those people who do not possess the same level of experience. Please note here, I said experience NOT competence. One's aptitude relies truthfully on ALL factors involved, not just one factor alone.

Using Fibs, in any way, is merely an act of projection, calculation or forecast and nothing more. I will stress here the context in which you use it is MORE important. And it's because of this point, I can see merit in using George's Fib-Waves design. People should know something about me re: this - I am not and never have been anti its use. On the contrary, it could be very useful in the appropriate context and situation. My concern always arises when people insist on turning their brains off because they "need/want" to learn "it". Doing this shows you are addicted to being a minion and that is unhealthy thinking if you want to be a trader.

So SFP can either work in your favor (think for yourself) or you can just do what someone else does to the letter (Follower).

Many long term traders I know still use SFP as a gauge or as a sentiment tool. So the question needs to be asked - Once you have learned how to do what George does with Fibs-Waves, what then?

If you are a beginning trader, here and now, you must understand that 1's and 0's , dollars and cents, rule the co-operation of "has it" and "wants it". So it doesn't matter AT ALL, if you are talking about a "big player" or not, if you put $1.00 into the market.... it is read, recorded and archived without concern or interest in what happens after that. So win or lose, the outcome has the same process applied to it. Everything is accounted for, somewhere.

SFP for beginners is akin to someone saying "Follow this path and whatever happens just keep going."

You have to know what awaits you in this arena.

Genuinely professional traders with real life competence are not concerned about what is in a novice's account. No. Nor are they focusing on some broker's "Order Book" displayed publicly. Why not? They know that what worked 1000yrs ago, STILL works today. And it's NOT a broker's "Order Book" displayed publicly.

It is --- any action tells 100 different stories. Pick the correct story and you know exactly what will happen next. All YOU need to do is wait and be ready to act.

So Fibs and waves are a good 'teaching tool' (To say it loosely) until the person learns to step outside everyone's thinking (Yes even their own) and stop following and start creating space around them. But a trader needs to realize the end game here. If the final goal of action for the Fibs George (or anyone) uses, is to pick the top or bottom of a move somewhere, the implication is to forecast. And through this, an added level of management for your money needs to be used. Perhaps simply using a pro rata order check. Since the bulk of the predicable move would be over, leaving a scrap on the table "just to see what happens" could make things interesting.

Just my thoughts and impression of what can be.

Peter

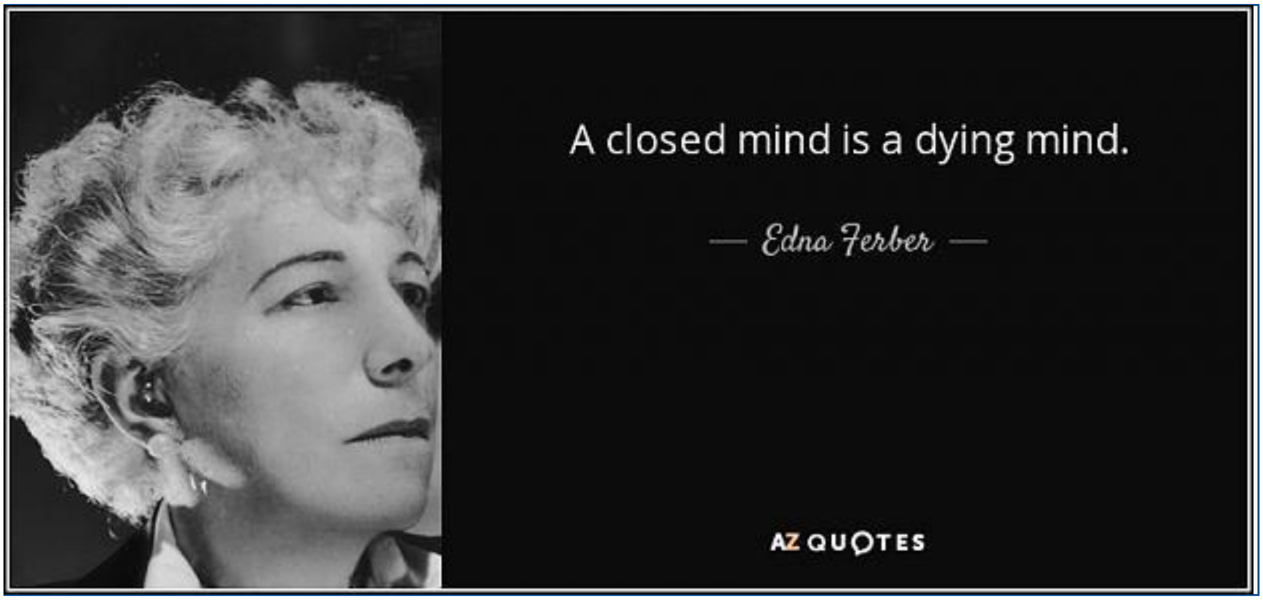
Quoting BWilliam
{quote} TimeTells, Lets discuss George's expansion wave target that's similar to Crucial Point's 95% of the time the candle is up or down. Just before London close when I posted the last pic above this's what it looked like as the pic shows with ADR at 45%, means still more expansion to come. And that swing low placed the day at a meagre 10% level screaming long. That swing to new high after LC is therefore predictable. However the m1 fibs 127% don't look right pointing to the same day high when market is expected to register a new high. So a redraw...

I know I will receive criticism for saying this but I don't care ....

Fair enough but .....

Attached Image

Attached Image (click to enlarge)



Most of what was said was speculation. Just because 'it does it' has no bearing on the truth. I can place any tool on the chart and set it up to tell me something. A trader trades the future not the past assumptions. This would be the difference between your approach displayed and my approach. I sense George simply went down a path , like so many, desiring one thing and finding some-thing.

Peter

==
To set the record straight here - I am in no way selling or soliciting anything here in this space. I am in NO WAY making any recommendations or giving advice whatsoever in any form. This is purely for educational purposes and you are fully responsible for what you do with the information presented. You should research and backtest fully before trying anything I discuss here.
==

Transition trade and value trade

Genuinely professional traders with real life competence are not concerned about what is in a novice's account. No. Nor are they focusing on some broker's "Order Book" displayed publicly. Why not? They know that what worked 1000yrs ago, STILL works today. And it's NOT a broker's "Order Book" displayed publicly. And they're not interested in getting into arguments with less knowledgeable or competent traders. Why?

It is --- any action tells 100 different stories. Pick the correct story and you know exactly what will happen next. All YOU need to do is wait and be ready to act.

Simple to one person is very complicated to another. This has nothing to do with your brain chemistry in itself but the persistent lack of motivation to learn. This comes from a deeper lacking. It usually takes between 60-90 days for a concept/idea to be absorbed and internalized properly by your brain. And at that pace, you would expect the person to be operating each day to learn, rather than looking for shortcuts and 'cheat sheets'.

What I write here will not appeal to some people. For some, they like the idea that they are not speculating. They like to call it something else but it is speculating. If someone operates under the guise that "technical analysis" and "price action" are all you need then you are living in a bubble and we all know what happens to a bubble ..... eventually.

So I write this in the effort to help people see that if you are involved in FX but try to do it inside a bubble, then you are at a HUGE disadvantage to other "retail traders" (for lack of a better term). If you are skeptical then eg - go read "Unknown Market Wizards: The Best Traders You've Never Heard of" and you'll see yourself in a rather different light. I am not soliciting it, it's simply a tool to show people who seem to have a lot to "say", that I don't talk about 'pie in the sky' stuff that is unrealistic or untested. Indeed there ARE traders who put on million dollar or multi-million dollar positions in all markets. You would need to be very naive to think/feel/believe this is not true.

The Transition Trade - Some people know it relating to Risk ON/OFF. And some may be aware that it involves spread or pairs trading. Perhaps some who are new to trading do not know, you can setup an account with a broker in another country. And some may or may not know, that some banks offer Multi-currency accounts (Higher spread but still effective way of banking/trading). The basic idea is to arrange a portfolio in a way where, in a single trading day (start of open to end of close) of majority of markets, you 'line up your ducks in a row'. In some ways this involves correlation, volatility, volume control and market activity/marketing of price.

Let's say you have 10 markets you want to or like to trade. Could be FX pairs only or a mix of FX and other asset classes. The basic idea here is to do one trade then another (basically straight away after it if/when possible) then another then another and so on. A good trader can do five or six in a row and a great trader can do .... well, how much patience do you have? So while you, an aspiring FX trader is putting on ONE trade order etc with ONE trade setup, another person who is seeing more of what is happening, is successfully making or creating a run-on effect, as in a domino effect, of many trade orders held within a stream of many trade setups. And they do this by risking as much as or LESS than you do. By doing this you achieve 2 EXTREMELY imperative goals -

1. You can dance around the 'market maker' model idea and methodology, so apart from usual transaction costs (spread x2 and commissions when /where applicable), all you need to do is trade your trades and watch one extra screen or window to "manage" the onflow.
2. You apply compound interest to TIME. Most people have heard of compound interest on numbers and money, but rarely do they think of time as a commodity in the most

REAL sense. Re: time they always assume that C.I. is just the "use" of money over time.

I am in no way saying this approach is new. No. But it requires of the trader something you CANNOT EVER hope to get from just "technical analysis" and "price action". Or as I said - living, working and thinking in a bubble. That something is ... being objective. Standing OVER the situation (instead of standing under it all the time and being behind the curve) so you can see what's on the horizon from as many perspectives as possible (without exploding your brain anyway hihihihii). Does it require a bit more work? Sure it does. But trading IS NOT what people think it is. If you trade a forward market (Spot FX IS a forward market) then you are trying to determine IF a price movement will go up (increase in noted value) or go down (decrease in noted value). Therefore, FORWARD steps into the future. Unlike certain futures markets and other markets, where you actually take physical delivery of something, Spot FX is a cash-on-cash environment. So there is usually no expectation of anything delivered, unless you are a money changer in the real world of course.

Transition trades are seamless and do or do not take correlations into account depending on the context. Some traders I know do not use correlation as they love using other tools instead. The transition trade amplifies what is already there without you having to "invent" an EA or a new type of indicator. It's pure Compounding interest hard at work. An example in the real world that most traders have probably heard of is - George Soros and Stanley Druckenmiller and their famous 1992 GBP trade. Using a style of management known as 'profit-on-profit' they were buying as it went up waiting for other markets to respond then placing sell orders "to go". This gave their core orders positive slippage and they were primed for the reversal. To add here, this trade was also a value trade. The noted value of the GBP had overreached for a very long time and Soros waited til other markets were 'good-to-go" before taking an initial position for the trade setup.

The value trade

As discussed previously, George has a methodology based on setups that to me, would qualify as a value trade. The two criteria are -

1. Can be detected, tested and repeatedly observed within a financial market from the onset of its market origin. So choose a market you like trading, choose a setup that seems to repeat, then go back as FAR into history of that individual market as you can go. The usual status achieved for a value trade is 500 to 1000 times from its market's inception. And this leads to ....
2. Possess a naturally occurring succession rate that is "built into" the individual market in question. For this to be happening, the market is out of its "new" status (think of it as the honeymoon period) and has achieved market presence. In simple terms, lots of participants now have it in their "to watch" list.

This type of movement of the market is prone to the larger participants transitioning and producing 'run-on' trades. THIS is why they trade them, usually both ways.

Context is KEY.

Below is context in action ....

Let's say you're an aspiring trader and you want to learn.

Here is one perception of what you may learn from many people ...

Attached Image

Targets

1. Chart Pattern Target Projection
2. Fibonacci Extension
3. Past Swing Pivot
4. Price Channel
5. Time Target

Trailing Stop-Losses

6. Parabolic SAR
7. Chandelier Stop
8. New Trading Signal

Ongoing Price Action

9. Reversal Signal
10. Climatic Move

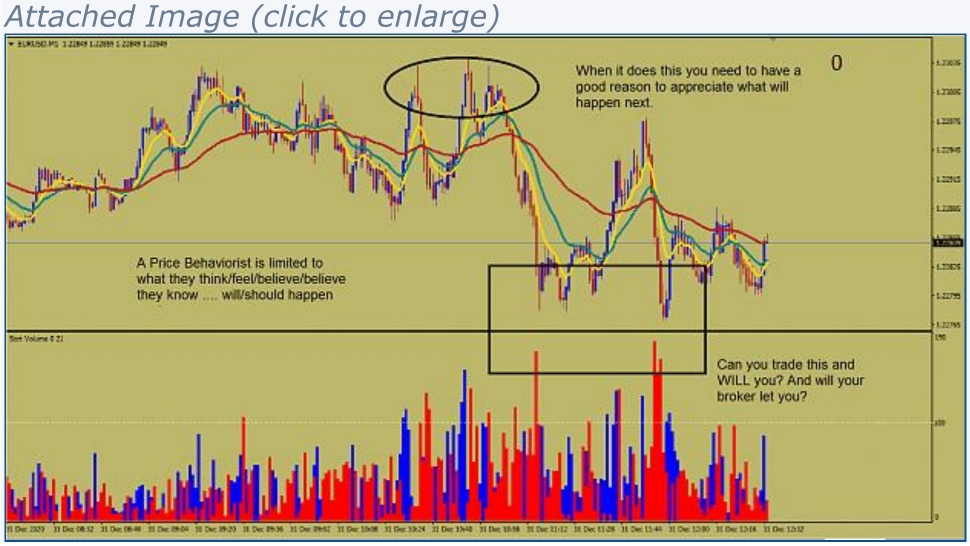
This pic shows you a list of targets, trailing stop losses and ongoing price action. And I'd say most would agree that's a fair list to work with. And now, let's revisit a 4HR overview chart ....

Attached Image (click to enlarge)

Now, for your own education, use the list above to play through this market pic to see how much you really understand about your own perspective.

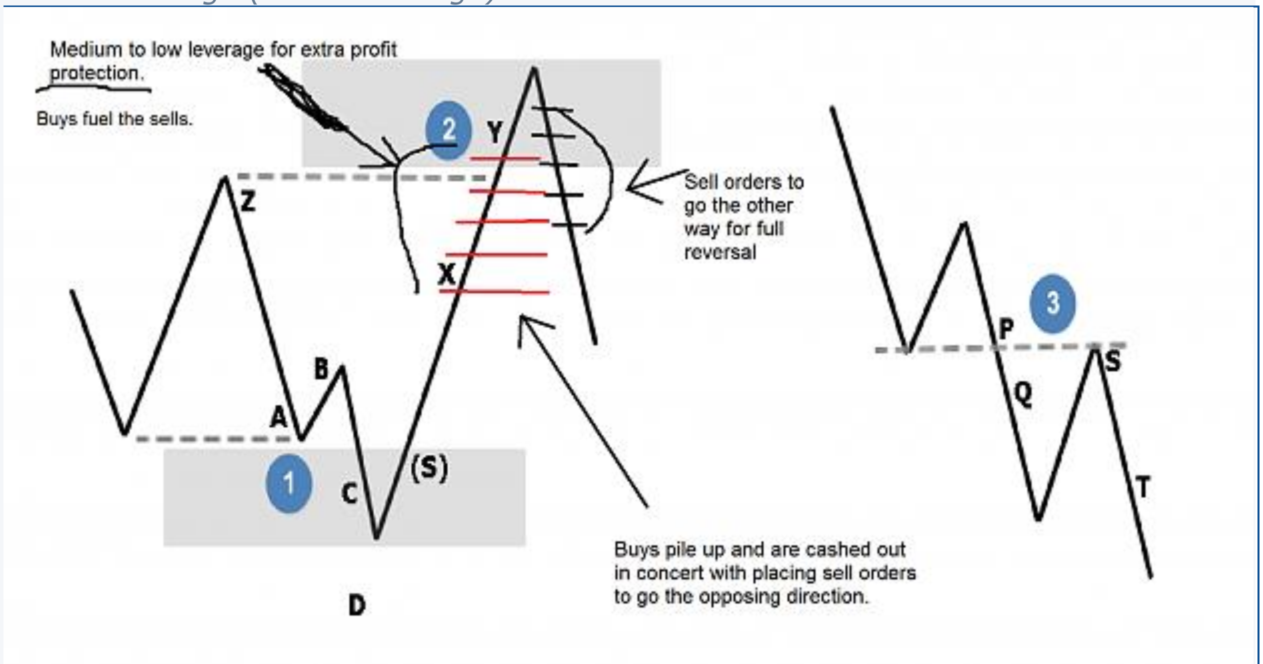
And now, here is a recent screenshot I showed previously on this thread ....

Attached Image (click to enlarge)



And here is my view (I have used a pic from someone else here as it does a perfectly good job in helping me explain all this)

Attached Image (click to enlarge)



And here is that same list as before, only NOW, think of each line item as a TARGET for a trade setup or observation point. So while many people use SFP (Self Fulfilling Prophecy) stylized methods and tools, I am watching many markets, many points of reference and can see HOW other markets influence the conventional wisdom. Does that mean I never trade 'with the momentum'? No of course not but for me, I am not a speculator. So although I MAY trade the same 'pullback' or reversal etc etc as others, I am not as audacious as to presuppose that I'm placing an order into the market because of a bubble view type setup. I don't trade trade assumptions ONLY or PRIMARILY, I trade because I see what could be coming down the pipeline. What's the point of placing a trade today if the world has changed dramatically tomorrow. It's not fundamental analysis. It's the truth as far as I can "get to it and reach out and touch it".

Attached Image

Targets

1. Chart Pattern Target Projection
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Ongoing Price Action

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10. Climatic Move

Here is an example of how I have traded before.

A typical trading day using this approach.

Attached Image (click to enlarge)

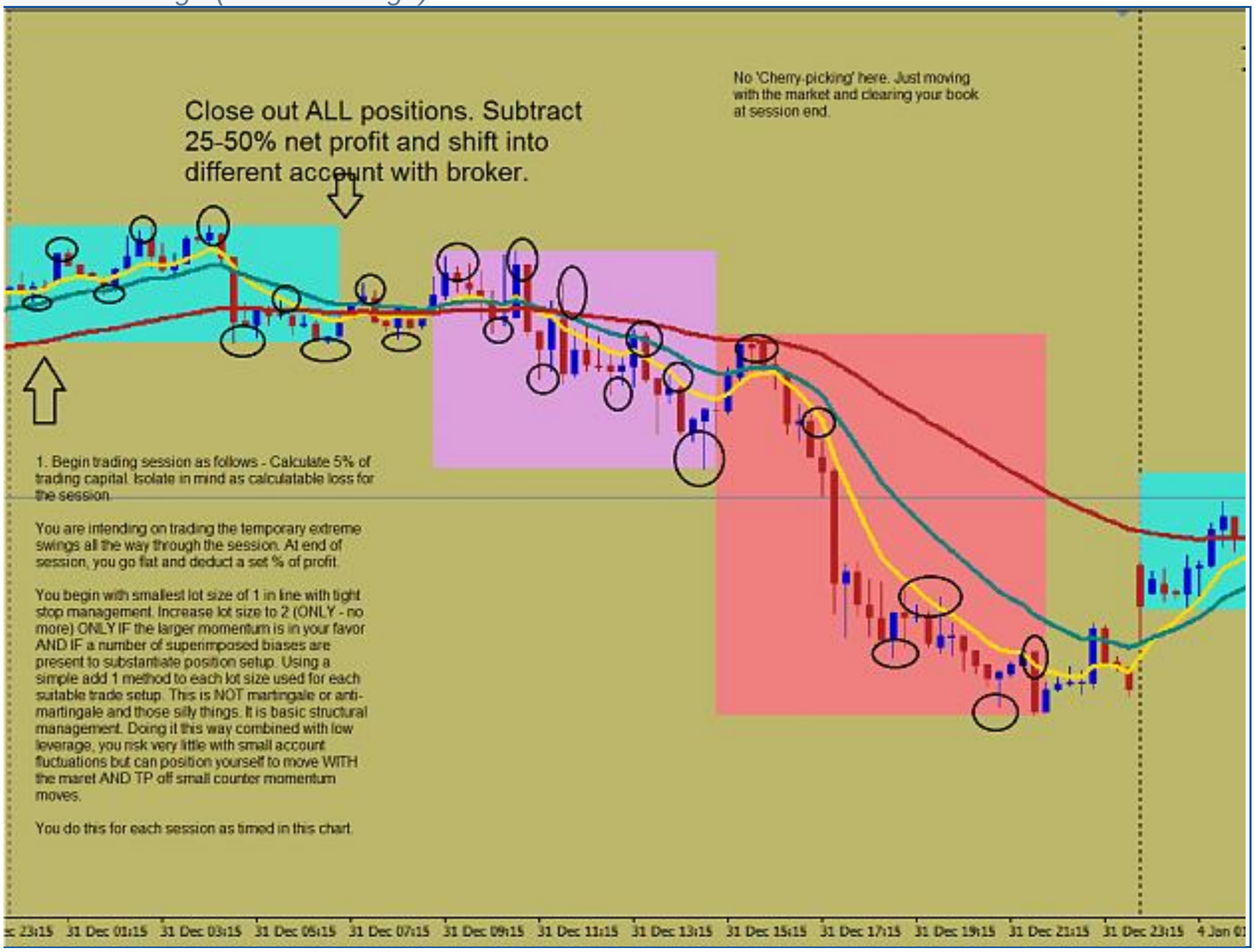
Here's your daily sessions.

Attached Image (click to enlarge)

On the chart.

Now Intraday view ....

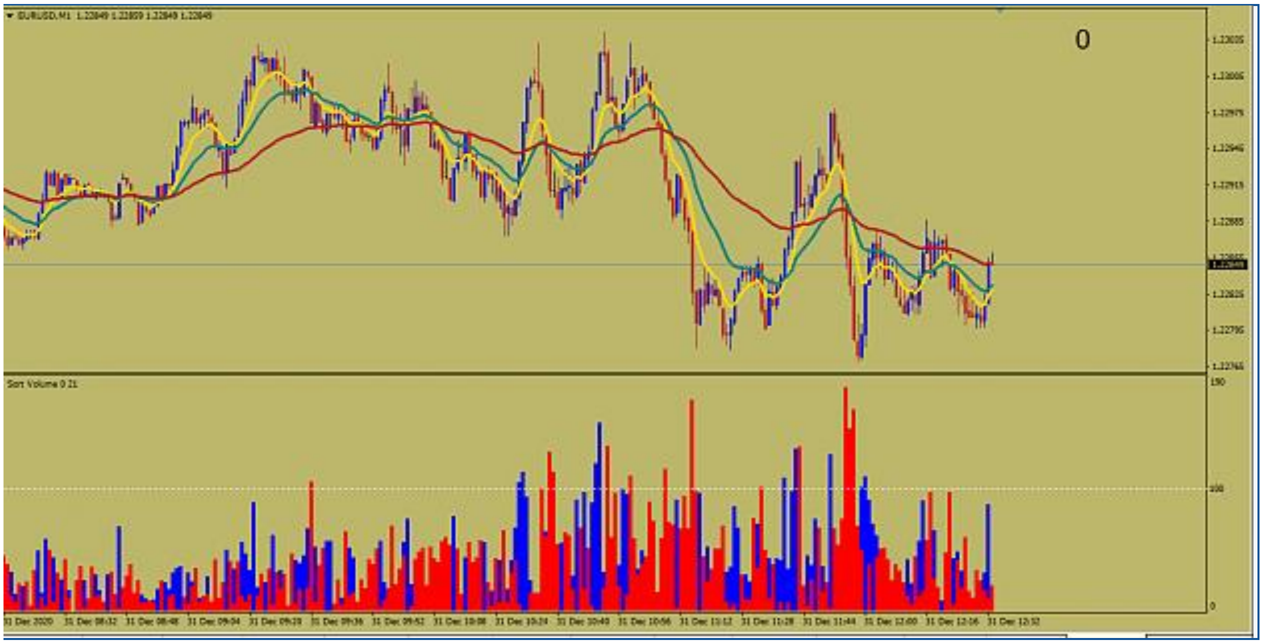
Attached Image (click to enlarge)



For this style I would usually designate a set/fixed % capital per session starting with the Pacific Asian. If that seems to setup well for London, I will retain set % unchanged and trade through EU session. US session can be volatile so it just depends on how I am feeling and what I can see as "applicable".

Now here's a view that I have shown before setup on mt4, for people using mt platforms.

Attached Image (click to enlarge)



So you see, knowledge is only worth something if you use it properly.

I hope that helps.

Peter

And for further education for those people who, if you have money in the market, NEED to be knowledgeable about brokers and what goes on. I Peter NEVER did, do or will solicit any broker etc nor am I affiliated in any way with any broker or introductory broker (IB) so please do not ask me. I do know how confusing it all can be and just how confused people have been and are at present.

A-Book vs B-Book ! How Forex Brokers Make Money (Episode 1)
https://www.youtube.com/watch?v=D32tDY_e8S4

I hope it helps

Peter

Quoting failinforex
{image}Should I closed all positions. Minus 25% - 50% net profit and shift into different account with broker???? Every single time????

failinforex,

Whenever I have traded this approach, I "scoop out" eg 25% net profit out of that account that was made in that session and transfer into another account with same broker. This gives something to withdraw into real world while building the account. This isolates it with a 'do not touch' policy. Yes I would usually go flat after every session traded. That way IF I am too tired, feel sick or have just had enough trading for the day, I can close out the session and I'm done. Plus, at rollover, I am flat across the board, so no extra hassle or cost there. It's up to you if you choose to trade news or not, I do sometimes but VERY carefully and probably less often than more.

I hope that helps.

Peter

The GBPUSD on the rise today ....

Attached Image (click to enlarge)

Notice the rise and decline. Rise and decline. Mini-momentum is a great little buddy.

Peter

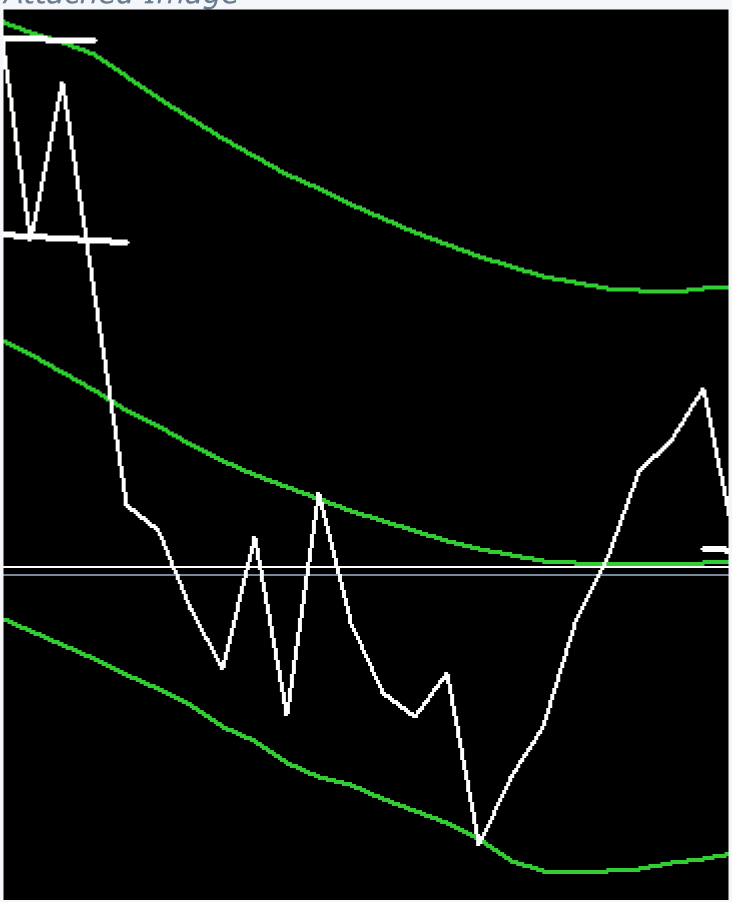
Quoting failinforex
{image}Not the best entry, should have some discipline to camp at 0.25. Nonetheless, bank in.

Just try and anticipate the second and third round of pullback back towards the edge. That's all. Think of those toys that you pull back along the ground to wind them up

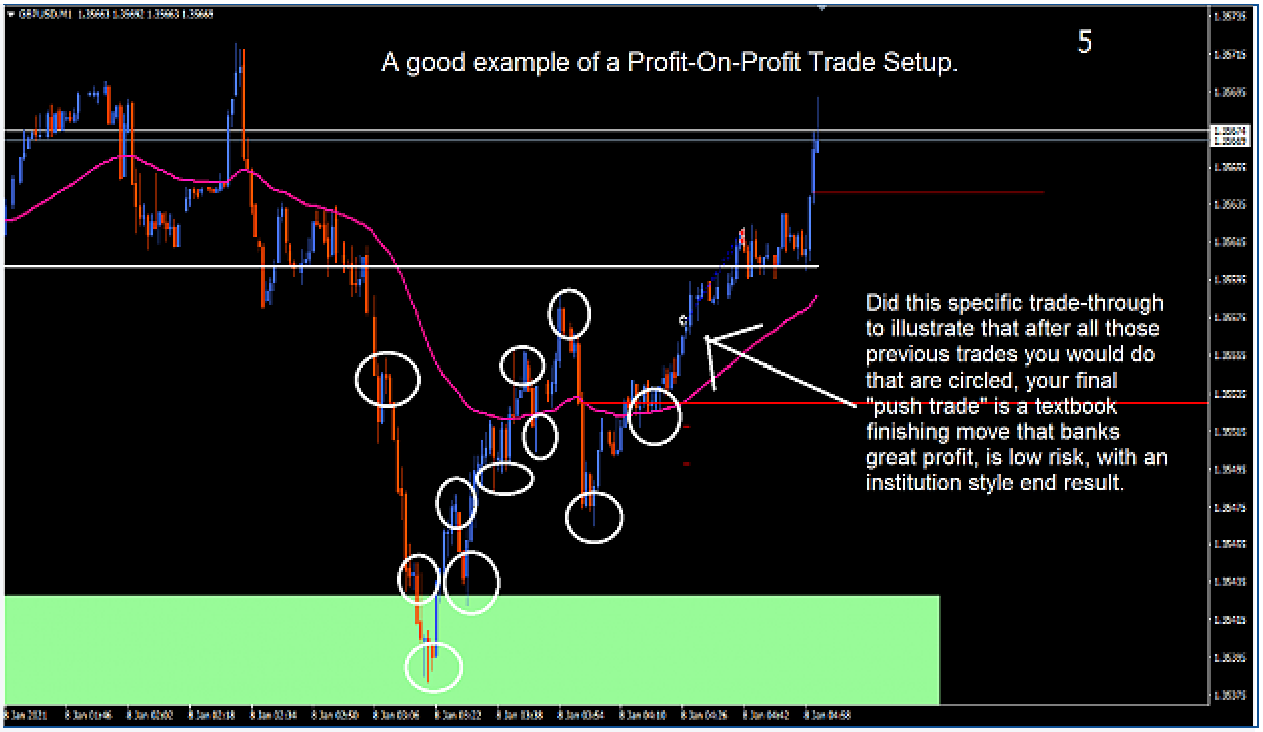
before letting it go to run off away from you.
Peter

Here is an example of another trade style you can use with a Profit-On-Profit Approach.....

Attached Image



Attached Image (click to enlarge)

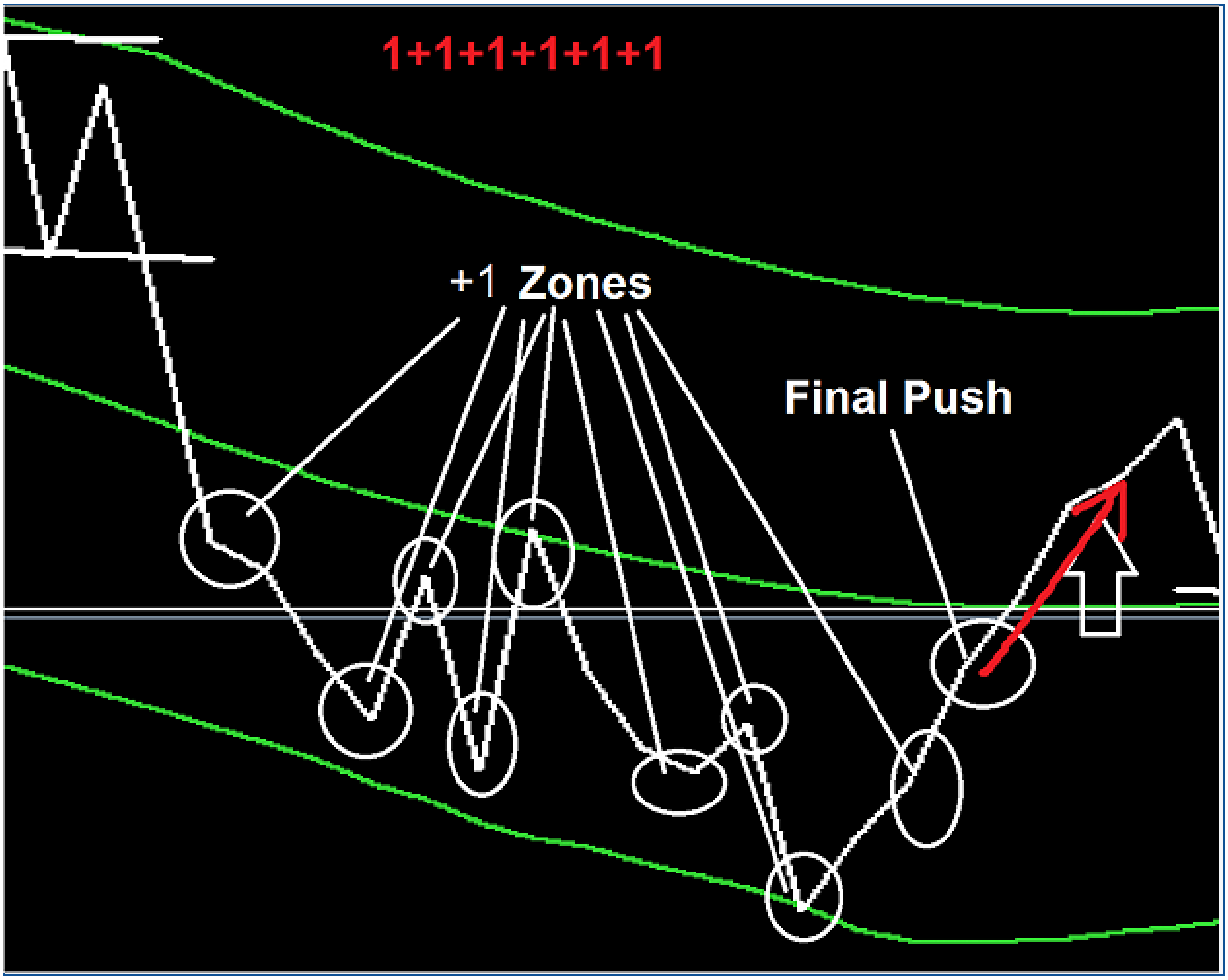


NB - ALL Profit-On-Profit approaches on the intraday level MUST have each and every order to be either TP or a loss after that individual trade setup. NOT all held open til end of session THEN closed out. I received messages asking about this. I thought I'd better explain here.

** Very fluid market participants (Eg - Institutions) play on other participants trying to "predict" everything so a situation like the one in pic, has people in and out in and out getting thrashed while they trade the +1 method at every ebb and flow to finally see the price move to its climax. They cash out BIG while "some" trade it well enough and everyone else got beaten to death.

Time frame here doesn't matter too much. These setups happen on all TF's.

Attached Image (click to enlarge)

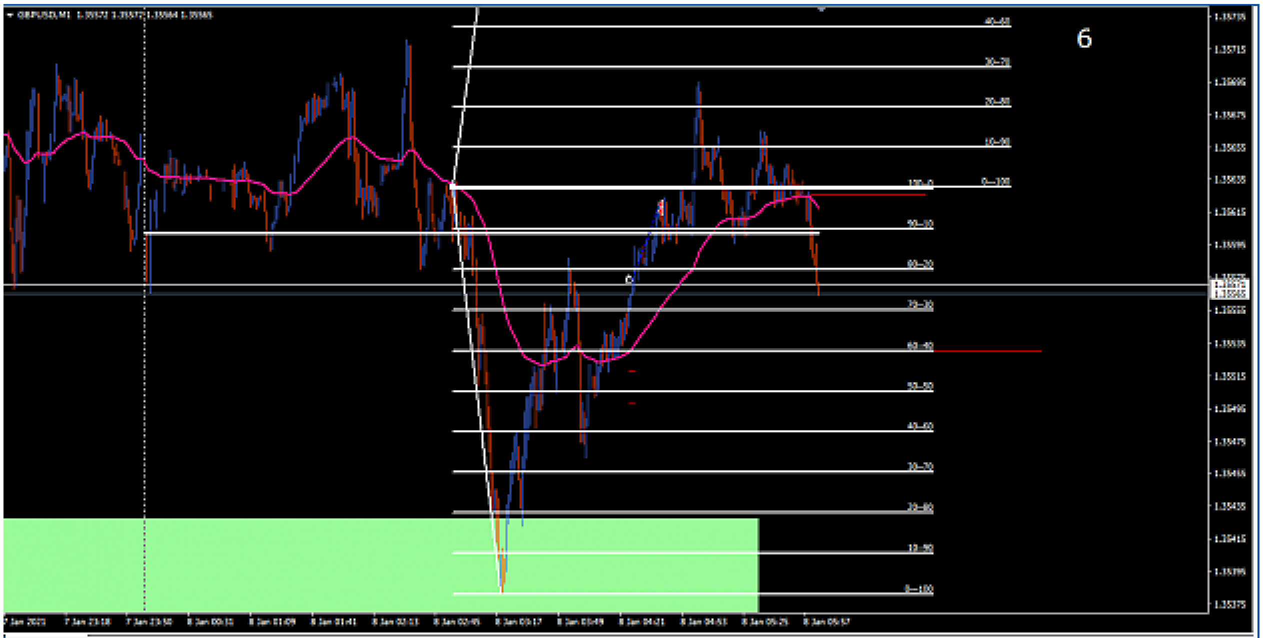


I hope that helps.

Peter

A Picture Tells 100 stories. Which story determines YOUR thinking? And does your thinking align with the market you trade?

Attached Image (click to enlarge)



Have you ever considered using your FIbs and waves approach within the quadrant context?

Here's a pic (not mine but serves its purpose). Now try working out your percentages for your desired trade setup.

Attached Image (click to enlarge)

I hope that gets you thinking and I hope it helps.

Peter

Quoting tomdachi
just post my idea, just focus on market structure and do some backtest, you'll be fine Regards, Tom{image}

tomdachi,

Let's try stretching our minds ok.

Attached Image (click to enlarge)

Attached Image

OK. Hihihi.

Peter

Anything I choose to contribute is of my thinking and is not of other people's information or material. I say this because someone messaged me believing that I 'just take other people's ideas'.

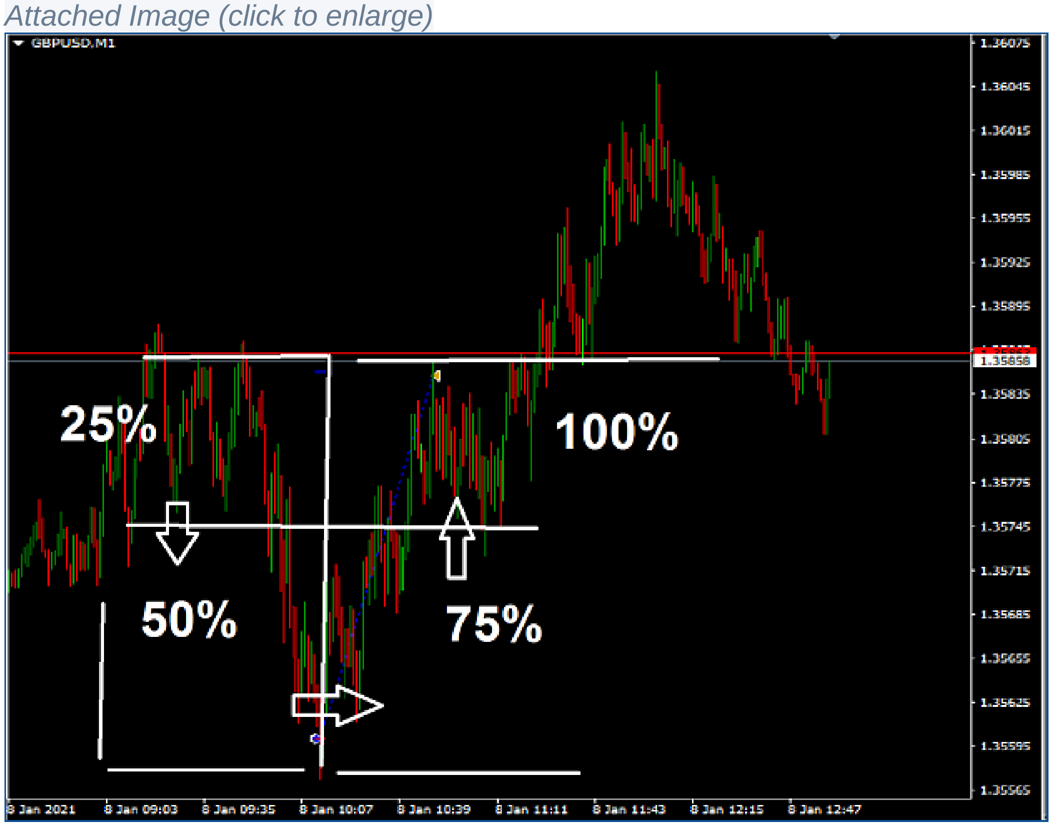
I always chuckle when I see people talking about the market in a way where they "know" what it's going to do. There is a reason why trading comes with a disclaimer talking about past performance not being a reflection of future activity or performance.

Moving on.

I prefer to use tools that AT LEAST, work effectively and regularly 80% of the time. Usually tools that work and are useful 100% of the time. Otherwise, you find yourself in a True/False or Wet/Dry trade approach. That is what your usual indicators and strategies offer.

Below is a further examination of how to create a practical approach for your trades.

Attached Image (click to enlarge)



Attached Image (click to enlarge)

I hope you find it helpful.

Peter

Quoting unknown7
{quote} Hello Peter, What's your opinion on Stop losses do you use them? Or you use a similar approach as George? Cheers!

Hi unknown7,

It will depend on the situation. Sometimes a small SL is worthwhile. Other times I may use a swing stop. But for me, this is not a wide stop as other people would try to use for a swing trade. So really, it depends on the situation.

Peter

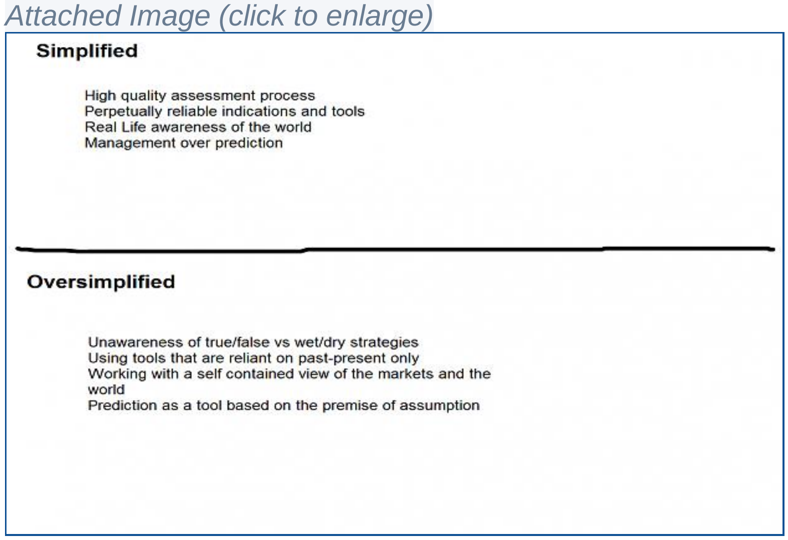
Every day is a new opportunity. Strategizing for a great trade setup is simple once you use the proper tools and learn to think properly. Once you stop trying to "predict" and instead work WITH the market you trade.

Just a thought .....

Attached Image (click to enlarge)

Simple vs Oversimplified ....

Attached Image (click to enlarge)



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ttached Image (click to enlarge)

I've always liked this one. Daily Open Price reversal. A probability tool/Fibs-Waves approach can help to isolate and markup an easy move. Resting your triangle just on the DO price, and resting it on the lowest/highest price point, you can stalk the move - wave by wave. If it's a new one for you, try it out.

I hope that helps.

Peter

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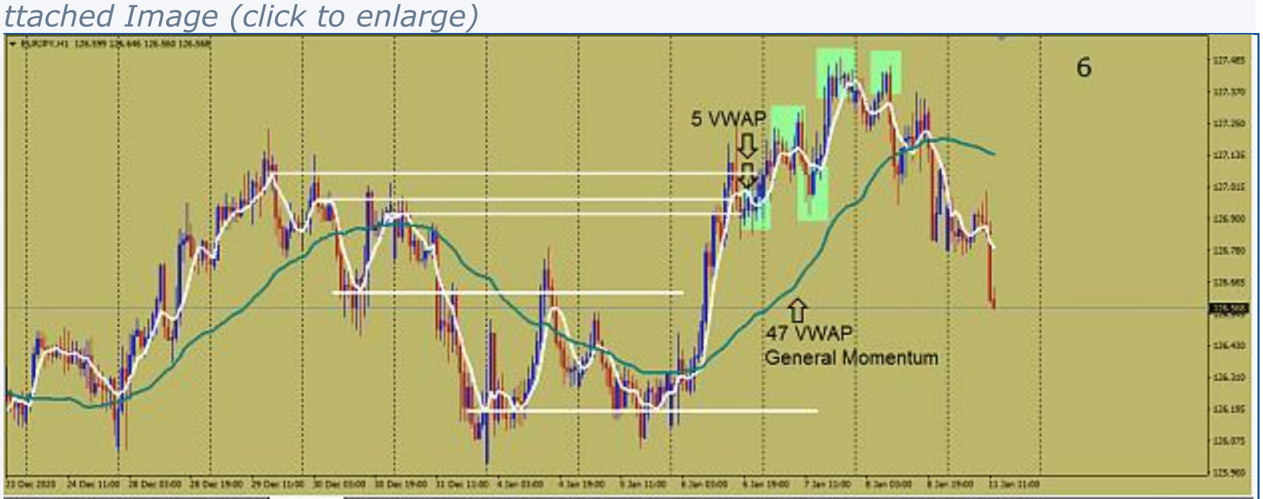
ttached Image (click to enlarge)



Here's VWAP Peter style. I like to use ratios rather than as a "MA". Since VWAP when used appropriately, is focused on broker data and transparency. Of course a broker does it their way but YOU are the trader. A ratio of price is correlated to time and momentum, not price. So a ratio can be used to generate targets. Have fun playing with it. Please remember, this style is used for study, but can also be used to create opportunities.

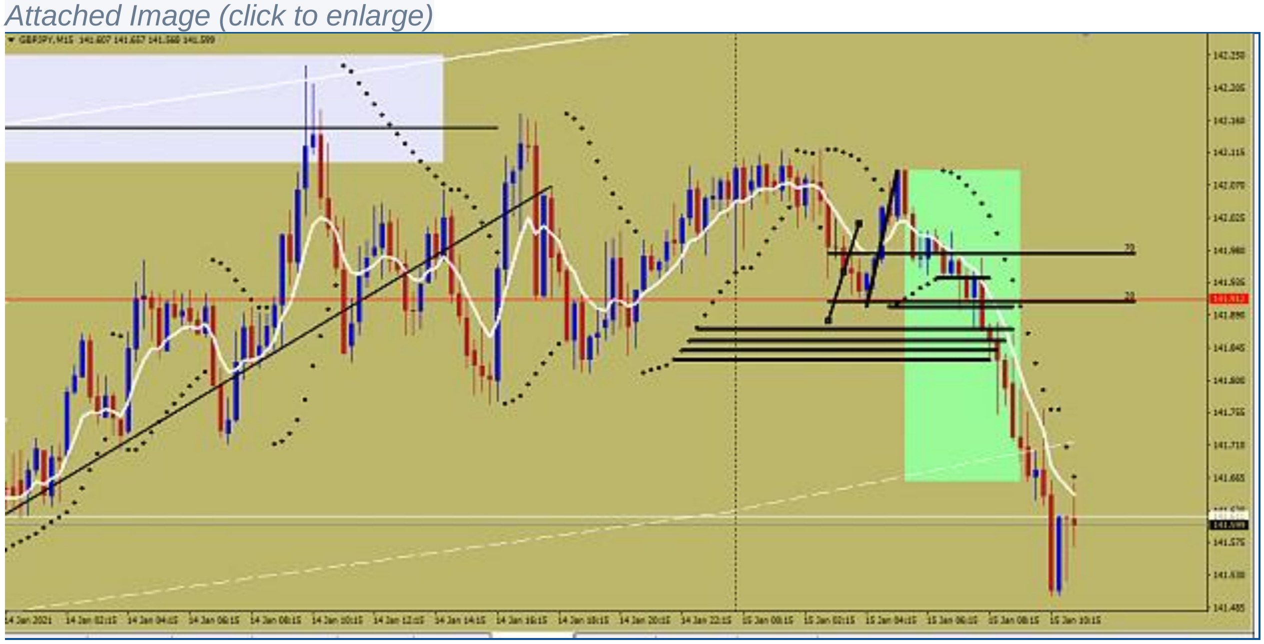
NB - The better the data from your broker, the more accurate the VWAP use.

Peter

Impulse and subtle momentum. Many people never learn about PSAR when it comes to subtle momentum and periodic strength. Some people use PSAR but after looking around, I have seen that most are just doing what people have done before them. It's not always good.

Below is one trade setup I worked with today. I like to use limits to enter (positive slippage and better price entry) and when the subtle momentum builds, this is what people like to use as MTF direction alignment. PSAR can help with ratio and FIB preparation and while "trends" are non-existent for many people, the nature of self propelled direction accumulates and offers "gimme trades". And if you deny yourself of that, then what are you trading?

Attached Image (click to enlarge)



Peter

Quoting Danger-Mouse
Peter, interesting charts in #722. Been trying to get my head round what you are saying but would you mind throwing a few hints about your percentage boxes? Regards DM {image}

Everything that happens in life has a beginning, middle and end. And trading is no different. The screenshots I used for the percentages pics are from BWilliams back in post 710 and 713 of this thread. So now with this new information, Danger-Mouse, you may be able to see what is illuminated in the pictures. Trading is about everything that is NOT printed on the price chart of any trading desk or platform. Percentages, ratios and probabilities.

See how you go now.

Peter

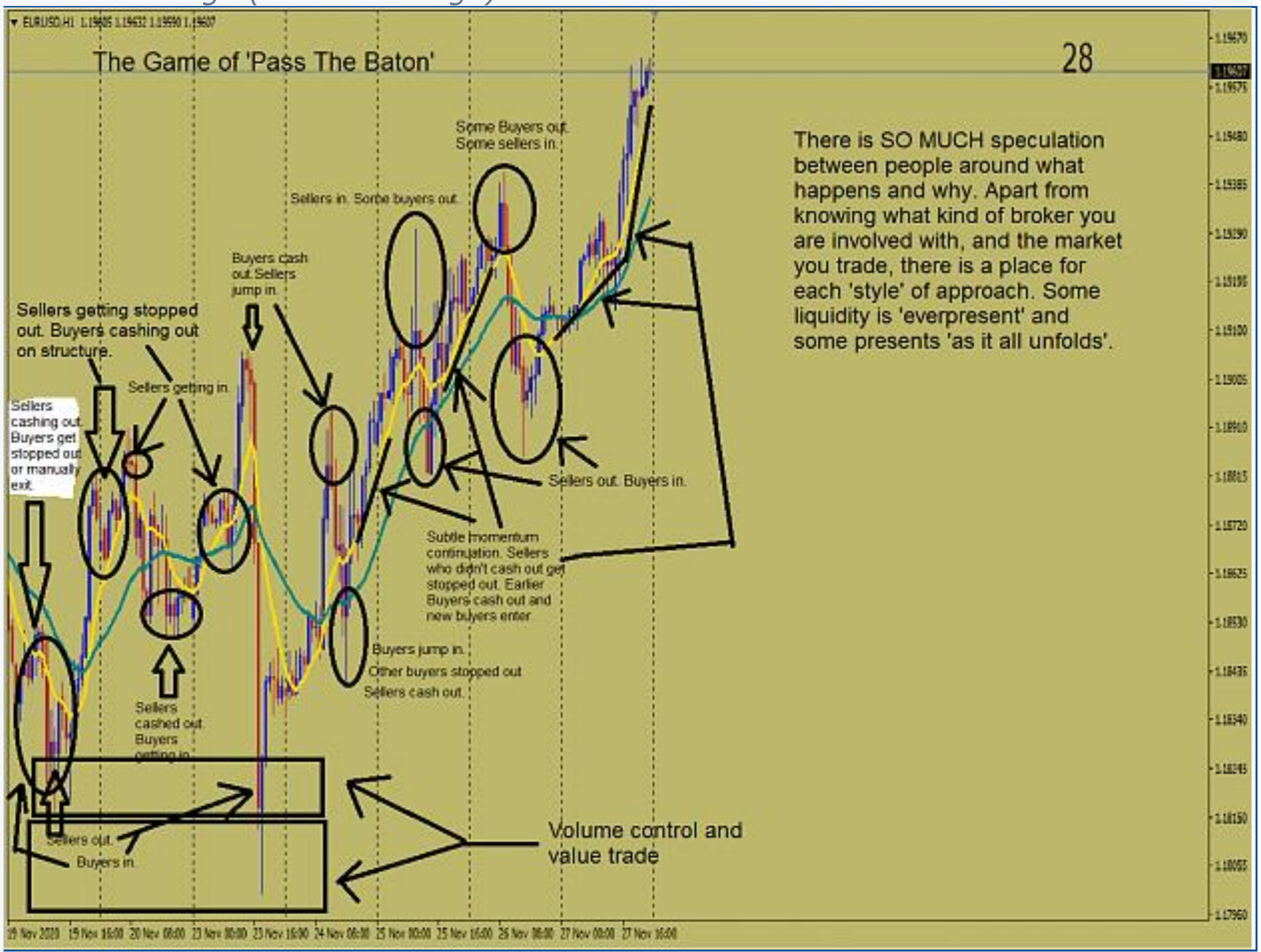
Here is your usual market ....

Attached Image (click to enlarge)

Looks like any market really, right?

And the basic guts of market activity looking from the outside in.....

Attached Image (click to enlarge)



With this understanding in hand, now add your Fibs-Wave approach. And then perceive the probabilities of the FUTURE not based on the past to derive an awareness. This awareness must be present BEFORE you can "make money". Most people assume that making money is the end result. No no no no !! KEEPING YOUR MONEY is the end result. The future, YOUR future, could involve things like - bail-ins, federal freeze outs, shutdowns, curfews, martial law, regime change, forced segregation, material confiscation and many more rather unpleasant things. But because people have poor memories of human history these days (Usually because they can just "google it" etc) they seem to ignore the fact that the financial markets are not YOUR markets AKA playground. They were created by others for other reasons. However if you know nothing about history then you have no clue what you're really involved in. Do you.

Why am I writing this?

People could do SO MUCH better than they are currently with their trading, IF, they stopped assuming their past thinking will "solve" the problems of today. You don't know or understand NOW, because you didn't change your thinking in the past for it to ripple into the present.

So trading is definitely NOT about making money. If that is all you see, then I hope you have great health and income insurance. Because you're going to need it. Communities have always and will always live and die based on the truth that exists and is known and understood.

So the more objective you can be, the more you see the world. PERIOD. If you want to put this to the test - try reassigning your most right edge of your chart's activity to the very left of your screen and begin to build a profile based on what you KNOW and UNDERSTAND. By doing this, you have no choice but to create a view that is working ONLY with the hidden nature of the market you trade. People who JUST trade what they see, will never survive, because Life requires more of you than only what is 2 feet right in front of you at all times. If you only focus on that 2 feet, it's too easy to get sideswiped or clubbed permanently out of the game.

Things to think about while you're so focused on "making money".

Peter

The correlation between doing and understanding.

A woman I used to know, was a fantastic Fading day trader. The style she employed was rather basic but EXTREMELY effective. To note, she also used the same premise for Value Investment to build and maintain her portfolio.

She had been doing this longer than some of you have been alive, so believe me when I say, she understood the what where and why.

Fading the market is as old as society itself. You have two teams or opponents and you bet on one or the other. And you can spread the risk by adjusting your ratios so even if your original idea fails, you STILL win overall. Now for some people they might know this as a strategy that Hedge Funds use to offset risk and try to 'guarantee' profits. But for normal everyday people, it's also really very simple to do.

You begin with a practice account. You take some time to learn and understand say 10 different trade setups, all from different styles. You partition your computer so you can quickly identify the chosen setups on screen. But you run into a problem. While you try to multi-task, you realize you cannot do ALL of it. At least not in any reasonable time space. So you need to appreciate a new way to let time be your guiding stick. In walks the volume control approach. Some see it as "double/triple top or bottom" etc, but inside the jumbled mess you see painted on your chart by your platform software, is a world where buys and sells dance and congregate. Many assume, or perhaps focus too heavily on buyer and seller psychology OR "tick totals" or "volume", meanwhile, one area that is not appreciated completely is the modern "absence" of legitimate price discovery. Gone are the days where a market can just 'go off with the pixies into the never-never" and make a run up or down and just keep going. So something has to be keeping the market in-check to stop this happening. Yes there are MANY wild ideas out there that try to explain this away, however, the simple truth is you are a TRADER. So your job is to understand what you can to then DO what others will not or cannot.

A volume control situation is when you see subtle oscillation at the extremes of 'usual market activity' after its initial move TO that extreme. Sometimes what people consider the internal of "W or M" movement at the extreme. There are certain aspects of trading volume and tick data of any market that can help here but most is useless as its integrity is based on the premise that the recording procedures are intact and have not been abridged artificially to compensate for any lag, delay or tampering of internal pricing. There have been some rather high profile law suits and court cases surrounding this area in the last 20yrs. So it's important to have a reference to it.

Volume control setups go hand in hand with large players performing profit-on-profit setups, preparing for what they see coming --- a full 180 degrees turnaround of the market back to perceived fair value. THIS is why I have spoken about POP markups because YOU, the trader can do EXACTLY what they do. The only real difference is size of capitalization.

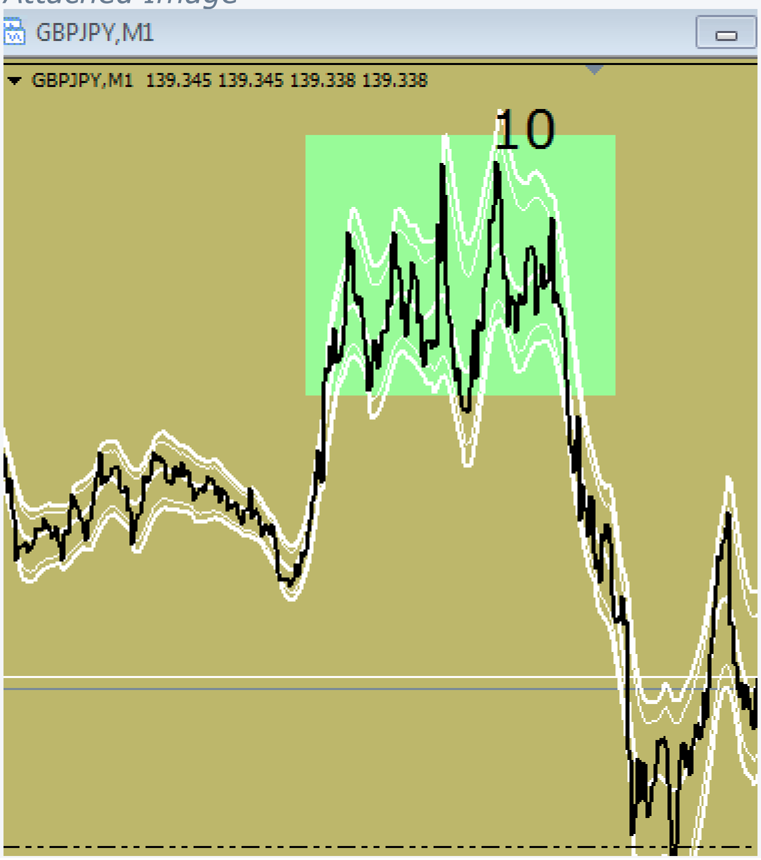
And the woman I spoke of at the start of this post, did exactly what I am speaking about. She wasn't looking for "buy entry" or "sell entry" triggers or "signals". No. She wan't interested in "crowd psychology". No. All she wanted to see was the intricate accumulation and distribution phases that co-operated within the "M and W" type formations we all see building and playing out on our charts.

If you remember, in a previous post I wrote, the POP markup style takes X% of capital and creates a "rollover" effect on that said capital operated within a given time that is specified by the trader. By initially using only a very small amount, she could amplify that money to prepare for a bi-directional trade that usually came blasting out the door when the final accumulation phase was complete. We've all seen these setups - the M or W type of formations where they do their final pullback to the outside extreme to 'load up' for feasibly the last time before the explosive final move to profit towards or at 'fair value' and at times it exceeds this area. If you are not aware of what I mean by fair value or perceived fair value, it's the "centre line or small internal central zone" of channel indicators eg - TMA, MA, Envelopes etc etc. Since it is just a concept approach the fair value "price" is considered dynamic and therefore ever changing but its seen as "living" within the central area of these channel style indicators on the chart and moves along as the market moves along.

The notion of a volume control setup is usually misunderstood by private individual traders because they don't usually account for Options, Equities and Commodities traders who "flip" their capital to make it work VERY hard for them. These intermarket traders in turn, understand the relationship that connects all markets and are not after small nickle-n-dime setups that usually operate well below the Time-to-Price value line. They respect the 24hr day price line and choose to work **with** it instead of allowing it to work against them........

Here is an example of a Volume Control Setup ....

Attached Image



And this one .....

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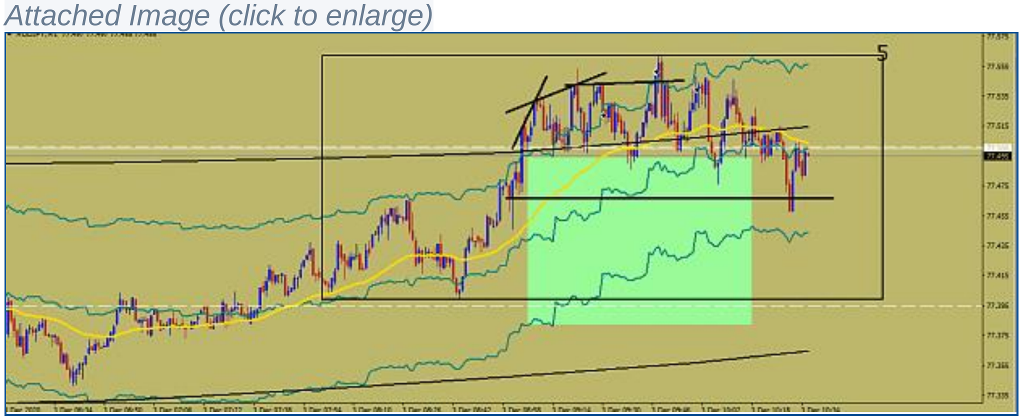


And another one .....

Attached Image (click to enlarge)

And then this one too ......

Attached Image (click to enlarge)

This one is a good ol' favorite .....

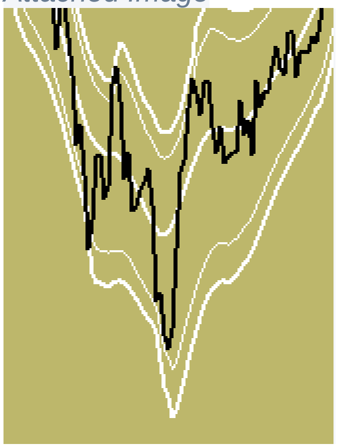
Attached Image (click to enlarge)

This one you've probably seen 100's of times before ......

Attached Image (click to enlarge)

This one is a crowd killer BUT a VERY good example of a Volume Control Setup .....

Attached Image



And this is why I am always VERY wary of predicting and forecasting the markets I trade. And why I am rather picky about where I set my standards re: the tools I use. If you trade like you look in the mirror at yourself, one day you'll end up smacking yourself in the head and try to blame the mirror.

This is why I use tools that ALWAYS work the ways in which is needed .....

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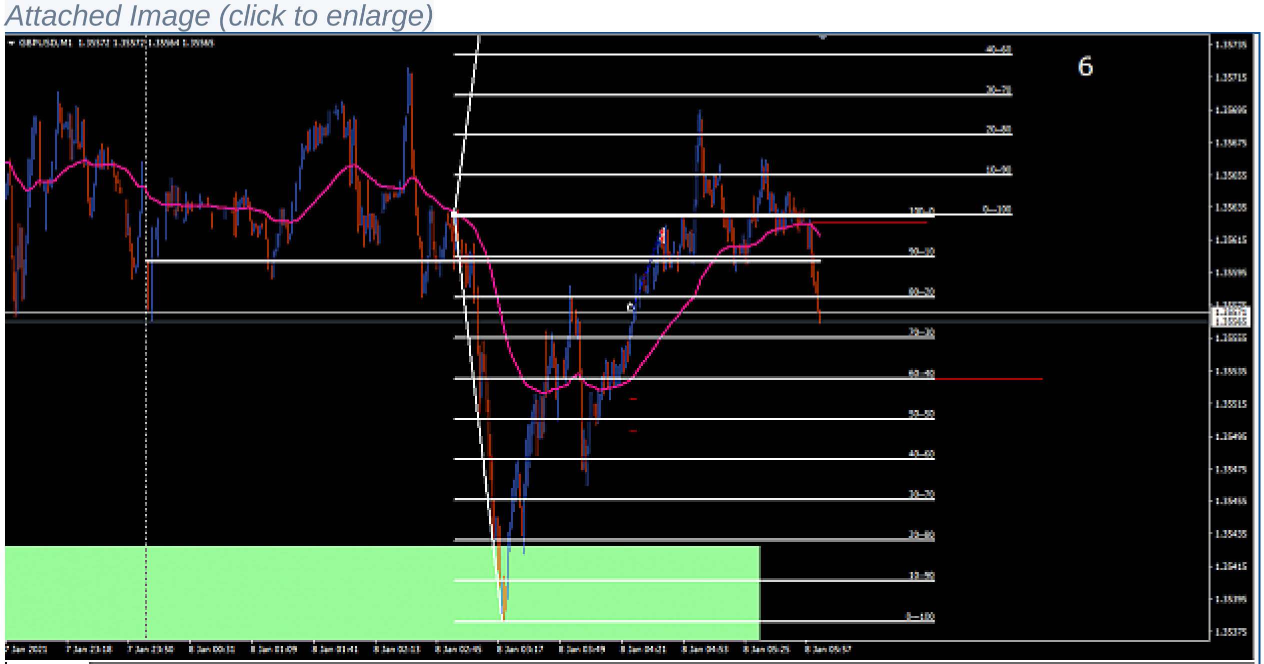


And with this view ....

Attached Image (click to enlarge)

Together with .....

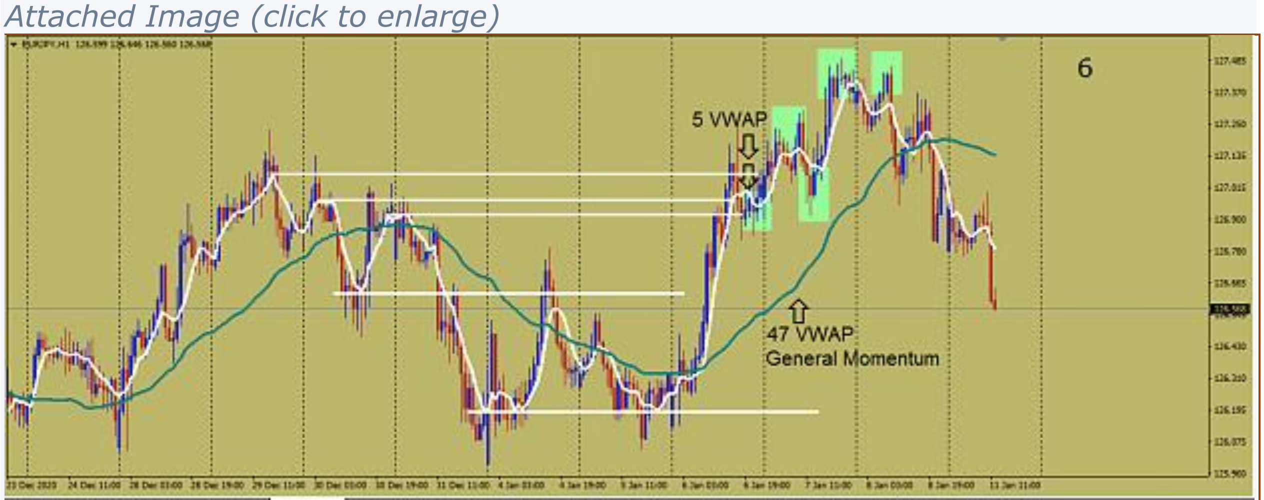
Attached Image (click to enlarge)

With Time and Space In Mind .....

Attached Image (click to enlarge)

And using tools that constantly remind me that ratios are essential for understanding BUT they do NOT rule my thinking ......

Attached Image (click to enlarge)



I see that the query of "What happened to this thread?" has resurfaced.

For me personally, I say this - At the heart of the original thread is a content base that COULD help people learn. Stressing the word COULD because only self belief, perseverance, tenacity, a realistic understanding of yourself and the world around you ..... will aid you to learn this business properly. Please see that I said properly NOT thoroughly. There's simply TOO MUCH information to know it all. BUT ... once you have checked YOUR thinking - that is .... your mental and emotional thinking processes, you can then sink your teeth into the content of trading.

George was not the first to speak of the things he did. Nor will he be the last. The simple and plainly obvious parts of Life seem to continuously elude most people, particularly in the field of trading financial markets. Why? Is the price chart to blame? Or maybe the broker?

I personally have noticed the following in the original thread - conceptual content, informative content, exploratory content, responsive content and of course, the usual troll rubbish and George trying to respond, relate and restrain himself from becoming angry, mad or upset. ALL of this mixed together appears to be the "status quo" here on sites like this.

If people would like or prefer a "coffee shop" approach to engaging in the content of trading, then I guess we COULD do that. However, what would be the purpose and to what outcome? Do people REALLY learn from talking in circles? If they are not stretching their mind's thinking then are they learning? You see, learning this business is NOT about "imitating" and regurgitating information and pics of charts. It's not about recreating drawing horizontal lines on a chart that represent daily highs or lows. No. That is an exercise you need to do on your own. 100 or 1000 times over until you're satisfied you know how to do it without thinking. Instinct.

I am more than happy to morph my approach to cater for the people still learning. No I don't know everything and I am not interested in any holy grail. I simply and truthfully know what it takes to survive and thrive in Life. And trading is not much different to real life. If you cannot observe, process and evaluate a given situation, whether it be a trading situation or a normal real world situation, then you are truly lost. These days the language barrier shouldn't really be a problem with the tech we have now that will translate most things pretty accurately. Although slang and other verbal gestures could confuse people at times.

Using Fibs and the nature of wave is not what people "want or need" it to be. Nor do they understand that as an idea mutates so too does the environment it inhabits.

What I find especially concerning here, is the complete lack of understanding of Step 1. with people. You and your thinking. I just don't think people see the profound connection between thinking and trading.

If and where I can, I am very happy to answer questions but only if the person has already exhausted other options first.

Peter

What I have observed recently -

The original thread connected with this one seems to have caught the attention of many people.

Some are beginners, others are more experienced or competent. But something that was mentioned in the original thread has also popped up here a number of times.

"That this thread is for those who already know how to trade." It is said a few times here and there. And it got me thinking. And someone was pointing it out here very recently. Just how many people think of themselves as beginners, intermediary or advanced? How many people consider themselves genuinely competent?

And this led me to thinking why not just start a new thread. Would that solve the problem? After looking extensively on this site and others like it, I would conclude - no it would not solve the problem.

The problem is, there are dozens, hundreds and maybe thousands of threads and sites like this yet people don't seem to be learning. Yes sure they have some successes, however, what about outside these sites?

As someone recently mentioned, what has been learned?

So I will try to start in a way where I do not replace a person's natural learning phases and seek only to point to parts that are of merit for understanding. Beyond that, you can determine your own strategies and ideas.

"No one can save you from yourself, that is something you have to do yourself."

Peter

Price goes up and it goes down. As it does this it teams up with time and together they create a relationship that is observed on your usual candlestick/bar price chart.

At times, the market favors price more, so the market creates a strong move either up or down. Other times, it favors time, so it 'uses' time greater than bridging price activity and therefore, it does not move up or down very much.

There are layers to how a market moves. There is global, intercontinental, continental, governed, sub-governed and finally local.
Governed and sub-governed are the layers that may seem unusual or indistinct to people. Governed = A country's government based activities eg = Pension Funds, Treasuries and Interest and Debt Management. Sub-governed = Either a country's "states" or "provinces" OR Sub-continental island/s location. Local can be an individual, town or a city.

For an individual trader, who uses their own capital to enter the financial markets and begin trading, it can appear alien.

As a single person you go through a broker for your activities to reach market. The broker charges a predetermined fee for you to use their thoroughfare to reach the market and place orders. They do this because they have setup the infrastructure to connect a person to the greater market and they take the risk and hold the responsibility for its proper maintenance and operation.

Usually they charge -

the spread = It is the price difference between 2 active prices .... the Bid and the Ask (AKA Offer)
the commission = an individualized fee for participation with that broker. They charge this because they are in business too. So part of their mission statement is to make money, just like you.

Sometimes these fees are combined and other times they are separated. These are transaction fees you will pay on every trade order you place to market.

Sometimes the spread's price to price difference is fixed but other times it floats. Which one you use will be determined by your trade style and strategy followed by your money plans.

As what most people seem to think is 'normal language' in calling themself a "retail trader", you are in fact, simply a different class of trader. So HOW you define yourself will forever help or hinder your trading successes or failures. This is an undeniable fact and you need to make very clear note of this distinction. Either you operate your trading activities in a constant state of "victim mentality" or, you realize you are a human being and possess ENORMOUS capacity to learn and grow. The choice is yours to make.

Below is a basic chart that displays some basic information about a market from the perspective of a candlestick chart.

Attached Image (click to enlarge)

Majority of what a trader does when they're not dealing with a trade setup is waiting, study and research. This is the pillar of a trader's mind that will either destroy them or lift them up to enjoy their own personal success.

Phases of point to point reference

Time. Price = past, current and proposed.

Past, Present and Future Layers

As a trader you need to improve your way to think as a price does towards time.

How do you do this?

Consider for a moment, when you watch a movie. When you view it, it may have a runtime of say 1hr30mins. However, that movie may have taken months to finish making and to produce a final copy ready for the market to interact with. So here, activity and time are relative. It is why we have many time frames, some standard and others not. Why is that, IF we are all to think the same about all these things?

This is as simple as your thinking need be to understand trading from the academic and intellectual perspective.

As a normal person entering the field of trading, you must know your strengths and weaknesses. So you will need to make a few attempts at making a list of how you see YOU. What you're good at and not. Then ask people around you to do the same about you. Being honest and humbled by the results will accelerate this learning curve.

As someone said very recently, "us normal folk". I personally have NEVER met a normal person. And I have lived for many years now, so I conclude they do not exist. This is just an excuse for not trying something.

Every market has a system of consideration. Of perspective. And of use relating to your strategy. My time as a trader has shown me that people waste their time gold-plating their opinions and holding them up to label them as something more. This isn't just about words and labels. If this action is done enough times, it is internalized in your brain and then you believe it "normal" and it becomes reality for you. However, people seem to ignore the consequences of this action being repeated. And so some people are blocked by these types of weaknesses and never reach a healthy level of trading success. Again, this is an undeniable fact and you need to make clear notes of the distinction.

Trading is not gambling as a "flutter" on the ponies or at the craps table. And it's not something that will reward you for choosing chocolate over vanilla at the ice cream shop. It is necessary to limit your use of opinion in this skill set known as trading because many of the tools you can use, are heavily reliant on "probably", "feasibly", "generally", "usually" and so on. Right up to the point where your money is on the line.

Many people have a sub-natural affinity with trading more one way or the other - to predominantly buy or to sell. This has two parts - natural and unnatural. The "natural" side is based on "following orders and instructions" that you were taught growing up. And this is why most people never set their charts up beyond the X-Y axis of price over time. As presented, it influences you to buy over sell as the co-ordination of your view is biased to "follow price up". The "unnatural" part is to throw all that out and "start again". Why? This comes from the part of your brain that doesn't want to be limited and feels "trapped" by the forced idea of normal.

This is a trap set by other classes of trade management in the world because it is widely understood that people like uniformity. The EURUSD is a commodity in the modern world. It can be traded through the lens of the EURO OR THE USD. But you would never know this and understand it properly unless you ceased to assume that all you can do is see it as the EURO in USD format. To place a buy order on the EURO, you are also forcing a sell on the USD. People always talk about this but they always oversimplify the situation. When you place that order you are buying interest NOT real currency. What do I mean? Once you buy, do you take physical delivery of those Euros? No. So it is in fact documented interest that you are showing in your platform and it is this interest you are paid as profit. Even if you use no leverage on that trade, you don't know what leverage is used on the other side of your placed order. This is the distinction people overlook. It is money backed by time not physical items. As a trader if you do not use this in your assessments or, are not aware of it, how could you know if your broker is overextended or not? Remember, THEY are holding your money (hopefully) in segregated accounts for YOU.

When you break down what is ACTUALLY happening you are simply offering a percentage interest in one over the other. If you have ever traded real money, you know that your margin on transaction is placed in "escrow" for the duration of that order's life. Once something new happens to that order your margin is returned to you. It doesn't matter if the order generates a profit or loss. The process must return that margin. Whether a profit or loss is realized, is the responsibility of another part of the process and therefore not relevant to the margin. But your margin doesn't decide if you trade in favor of the EURO or the USD, you do.

For any beginner you need to spend enough time watching charts. All this rubbish about "looking at charts" is ambiguous and misleading. By spending the time consciously WATCHING CHARTS, you are feeding your brain the details and information to actively think as activity and time being relative. The easiest way would be to watch the M1 chart as there is a lot of activity that occurs there, you will actively need to keep up and this is conscious learning. This is why I don't approve of people imitating other traders. It's not just about the trade style or setup, you will ALSO unconsciously be learning that trader's faults and flaws/weaknesses and that causes more problems down the road. In the future you would have to unlearn those problems and that means more time and energy away from your natural learning path. I have seen this countless times now with people towards George and his content and methodology. If you cannot be objective about your learning, you will end up trying to be someone you're not.

So what is being objective?

Consider you draw a circle. Now place a dot directly in the centre.

THAT is now your perspective. All 360 degrees. Now all perspectives and style of methodology are available to you. Without personal preference and without being caught by any one ideology. Now you are MORE likely to learn without interference and LESS likely to make the same mistakes as other people. Also, by approaching it this way, your worldview improves and your "consciousness" grows. And now, you are not just someone "chasing money" via your trading, you are a trader with a view of the world at large.

Attached Image (click to enlarge)

Peter

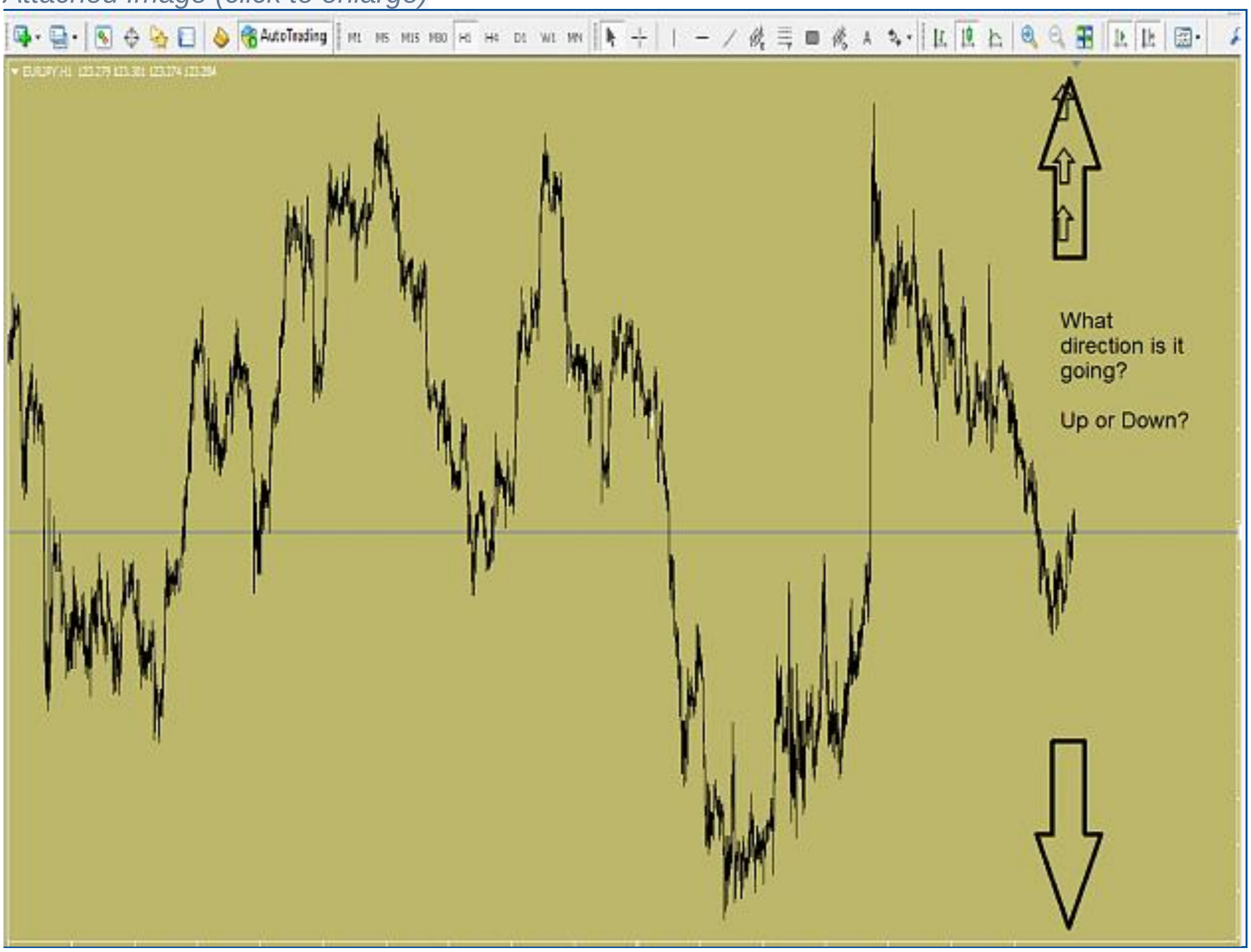
For beginners, you need to know that trading will show you up for WHO and WHAT you are.

Most people find it very unnerving and unnatural to think in relative terms. But that is why trading can be both gut-wrenching AND rewarding. The more you do it the more those walls or limits come down.

Most people are soft when put to the test.

Most people have forgotten what common sense is.

Attached Image (click to enlarge)



Can you make a decision about next week without knowing what's going to happen next?

Every order placed to market will have attached to it - your money, size of lot approved, time spent at market.

Every action of that market will impact your account.

How you learn to protect AND increase your account feeds directly into your "ego". That thing that doesn't use common sense in situations.

This means throw away basically everything your peers "love to talk about" on sites like this and go learn the factual truth about leverage, your lot size at market, how it impacts your account as a floating loss while "the trade" is playing out, what REAL money management is for a person trading as a private individual, when to use breakeven as a backstop, when to lower your leverage, when to turn your capital into fiscal or self sustaining items. Most of what I've seen and read, would leave MOST people dead in the water if circumstances beyond their everyday thinking was to occur without warning.

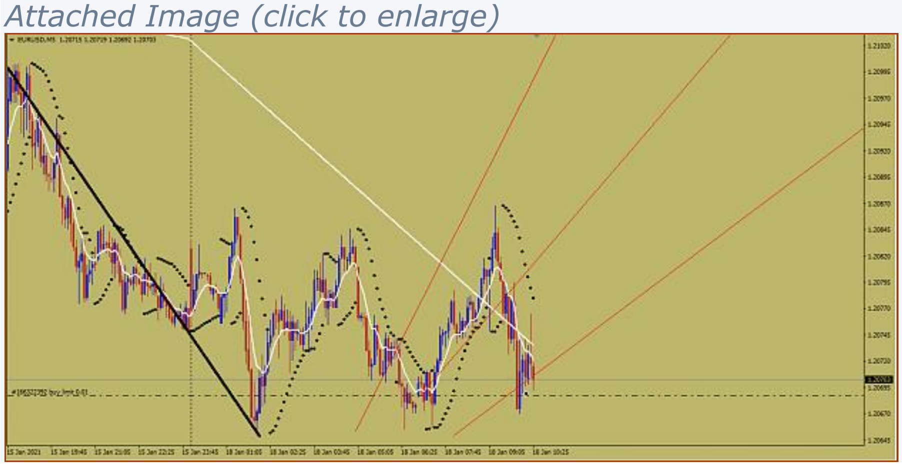
The dirty little fact that people seem to overlook/ignore/just don't believe - career traders HATE using forward price stop orders to enter. HATE THEM. Why? There is NO advantage to entering on a buy or sell stop order. Sometimes MAYBE at market but **only** when it can bee seen that there is a VERY big likelihood of one thing happening over another. For me personally, even THEN, I still try to enter on a limit order that captures forward spacing of the major blowback of the market activity - either in a momentum trade or reversal trade. Whenever you see the market generating "stacked" wicks/spikes/shadows, particularly at the edge of something.

So people who love showing a chart getting in on stop orders are practicing poor understanding of the role they play.

Peter

On the EURUSD M5 looking to play out .... no problem if it doesn't.

Attached Image (click to enlarge)



Peter

I can only speak for myself here, As I am a trader I trade both ways. Light on edge and heavier in step with market. Seeing as there are only 3 options pertaining to a trade - reversal edge, persisting movement and opposite reversal, I do not see labels of scalper or trend trader. I see only value of risk and the market down the track. If one understands the Soros family and who they do business with, one would know he too, does not see labels, just value and risk.

As to Daily Loss rate, try this ....

Monthly investment capital x "X" hrs of maturity of trade. If your trade to time balance-inbalance is understood, then you can calculate your rate of return on investment vs risk. The hardest risk to evaluate is time. This is why so many people sit in front of the computer "waiting for the trade". And why "scalpers and trend traders" have been head to head all along. You will also need an offsetter. Something that picks up the slack when your usual trades going bad.

A similar way it's used is when you get a job that pays by the hour. The boss knows what your hour is worth to him - as asset and liability.

So when one evaluates risk, it need not be about anything but the same basics your market of choice inherently uses. Time and its friendship with price.

Low or high hit rate has no effect on time. However time has ABSOLUTE effect on hit rate. You could be dead on the floor before the trade is completed. Time wins. And seeing as you cannot dictate how long the market takes to do what it's going to do, you really have no choice but to extend your understanding of time in the assessment. Naturally $1000 profit in 5mins is preferable however life doesn't always work that way.

Peter

Pumi,

What I showed was a shadow observation chart of the EURUSD M5. It usually has little to no indicative/study/research/evaluation identifiers on it as I use it for 'other purposes' than my usual trading processes. IF this is the chart pic you are talking about, then you need to know that I trade very differently to most people. While most are trying to look for "viewable bias", I am building an equity position WITH the market and so, equal/unequal lows or highs do not concern me. People trying to predict/forecast have to do it the way you describe because they still believe they can actually do things that way indefinitely. I always have a proactive plan for worst AND best case scenario.

Peter

It seems lots of people do a lot of speculating about many things without first learning. I don't think I missed anything that I needed with the EURUSD.

Attached Image (click to enlarge)

Peter

Quoting Pumi
{quote} Understood. Post 773 had a blank chart and it has been replaced by a decorated chart only after the price is going accordingly. What happened to the blank chart? I understand that you trade differently from others. Take us through your thought process before it happens. I can also understand that you cannot reveal it all. When I meet you for the first time I would ask myself: "Who is Peter?". This is partly what I am trying to figure out from your posts.

To be clear, although there are many rather unsavory and dishonorable characters on sites like this, I know I am not one of them. Re: post 773 - to the best of my knowledge it has always been the same pic. However I admit that sometimes when I post words with a pic, I need to "edit" the spacing between them as it doesn't always layout correctly for people to see and read everything presented. I never deliberately try to mess with people or their minds by pretending I am performing a trade of some kind when in fact I am not.

I use what I would call a "positive-negative concentric circle ripple footprint". Most people never really think, just react. They try to use top down analysis OR bottom up analysis only. In fact in real life the two communicate with each other. I do both top to bottom then bottom to top evaluation. I observe the vertical, horizontal plane then see their origins. I then look at the trajectory. Is it too much or too little? What is short term momentum saying? Are we still 'before' the last HTF momentum change? Or "at"? Or "beyond"?

That pic of the EURUSD M5 ..... it came down then zig zags. Through this it is back-building. Once it's done it can decide which direction it is ready to go. For me, I don't mind. I know I am a passenger and so I wait for it to move. But always in ITS direction not mine.

I also seek to appreciate the other markets that co-opt market interaction. Sometimes its commodities or energy, other times politics and banking. But always real life and never boogeyman stories.

So while many try to recreate what they have seen other people do, I figured out long ago that the general public are motivated differently to other participants. If you learn to be objective, then the direction will never be scary .... even on the HTF's.

Peter

Quoting BWilliam
{quote} 5 entries on yesterday's day low for a 30pips trade is a typical retail trader. Buy low sell high reversal trader.

As I said, I enter light on the strong side. Why? Because I know how the market must move to do anything. I made 4 figures on that trade yesterday/today and paid no swap, reduced my spread costs and banked a nice profit. Most people don't do that. CAN they? Sure, if they stop making assumptions. You DO understand how silly that sounds to say right? Unless I do a carry trade etc, then YES, buy at a lower marked price to wait for it to go up. It's called markup.

Peter

For me, I am well aware of the strong correlation between basic human intelligence and maturity & excelling at trading. So if people want to have and hold such low standards of themselves and such little self respect, then that is their choice. But people should know that by holding such low standards, you will never get any better at trading and all you're doing is adding to your own cesspool that then spills over into your "real life". I don't take it personally. Generally it's just water off a duck's back. I don't think when George started the original thread, he wanted to create a 'cult-like' environment where people would just follow blindly. Of course I could be wrong. You'd need to ask him about that personally.

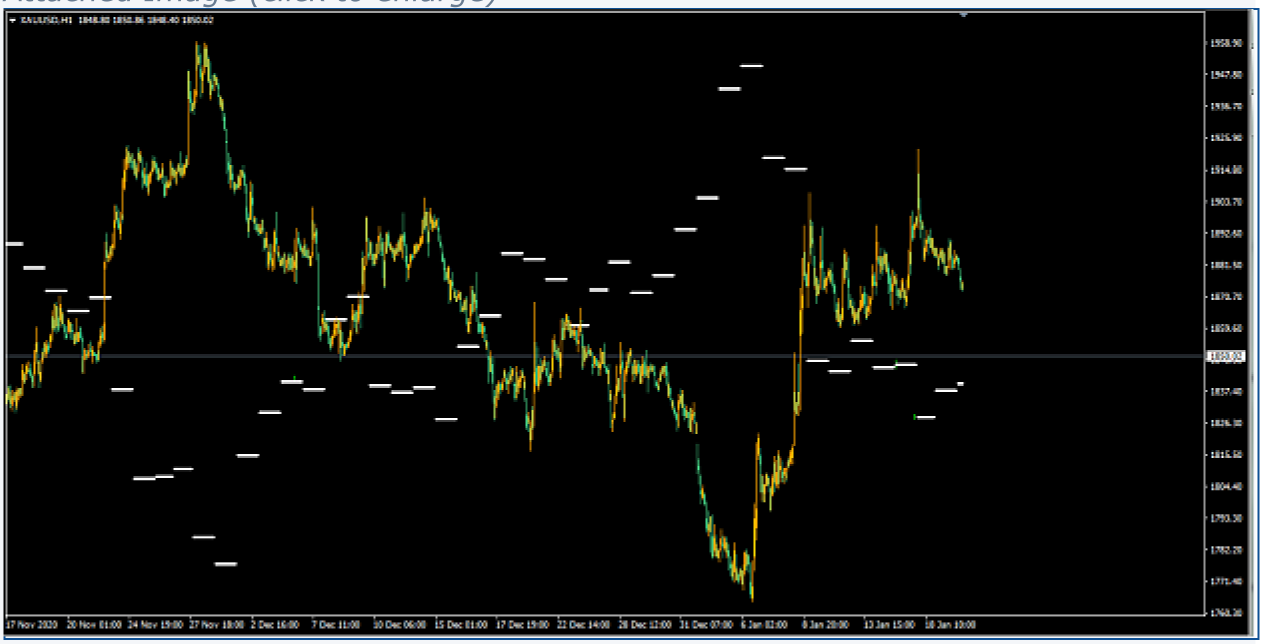
I really don't mind if people see what I post as useful or not. The bottom line is the individual needs to do the work. PERIOD.

Peter

So enough with the bickering. And let's move on OK.

Below is a Gold Chart but I think there's something up with it, or is there something down with it? And there's these Daily open lines on it too. Why are they there? And what kind of correlation can you see between it all? Naturally it's just the most recent activity in focus, but it does offer a space of thought that you just can't get with the market view the usual way. See what you can figure out about it.

Attached Image (click to enlarge)



Peter

Equalized Paths and a correlation to time is pretty standard stuff these days for understanding a time-price value level.

Most people who try their hand at trading never really venture this deep but IF they did, they would find that time is your currency of the realm. Money can buy you love but it can't get back those years you've lost or used.

Certain things in trading are constant. YOUR job, if you want to stabilize your life, as a trader, is to work out what those things are.

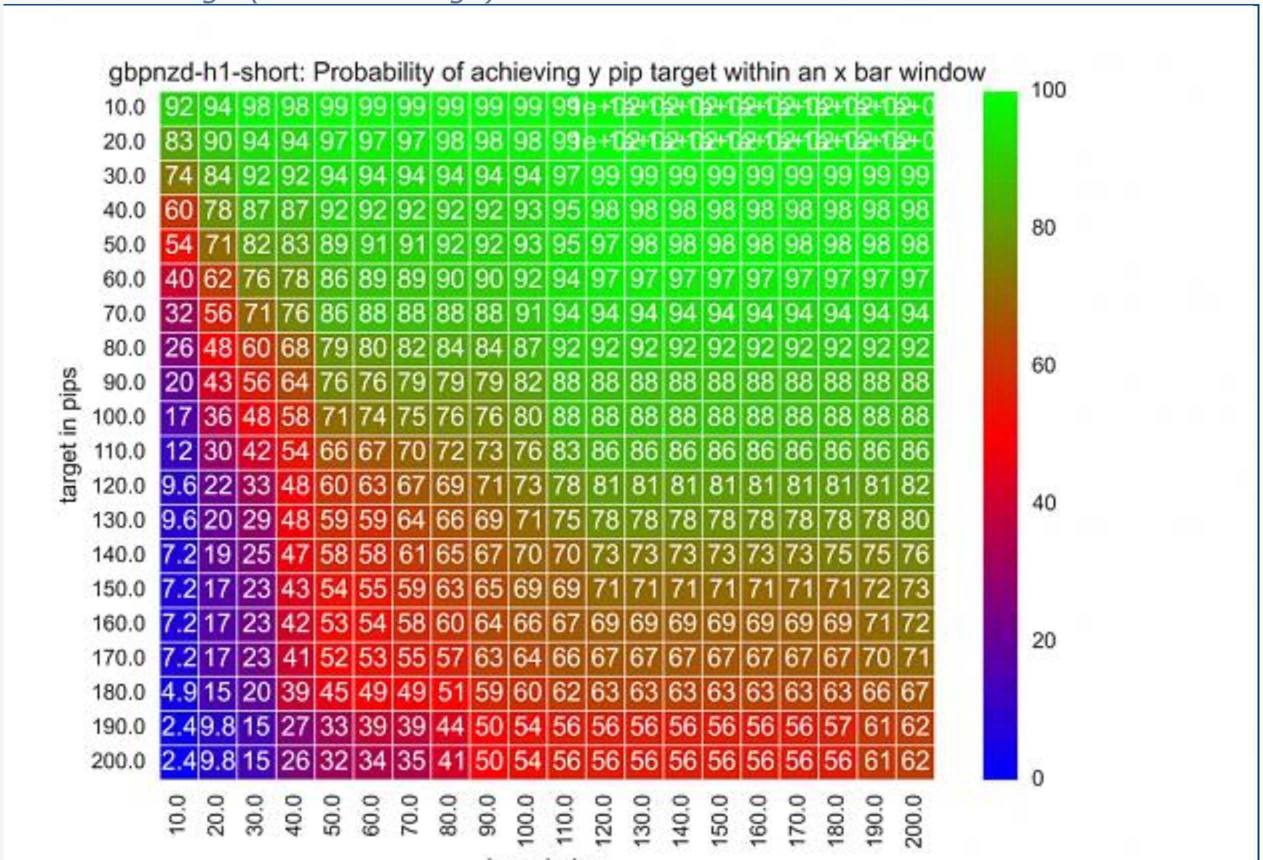
Time is either an asset or a liability for a trader.

A time-price value level .... or its absence, is what will make someone either achieve or burn out.

Yes sure it can be used to help determine the life and profit expectancy of a trade setup, BUT, it can do SO MUCH more.

Eg 1 - not my pic but does the job...

Attached Image (click to enlarge)



So, how do people usually forward test something?

What if .....

You simply asked a question from the backdoor instead of the front ?

What are the constants in any market that YOU can list right now? MMMMM????

Did you know that the market you trade basically does the same thing every minute?

And what is a market?

And what is the significance of a Daily period separator if a market is 'apparently' 24hrs 5 days a week?

And what IF ...... you tried providing a future reference based on YOUR time and not the market's?

What would you do if you realized that the market you like trading slides along, rather than what other people assume it to be doing?

How does it feel to be lost amongst too much information?

Enter the time-price value level.

All of it's important but HOW MUCH is really relevant?

Below is an example of my Time-Price Level......

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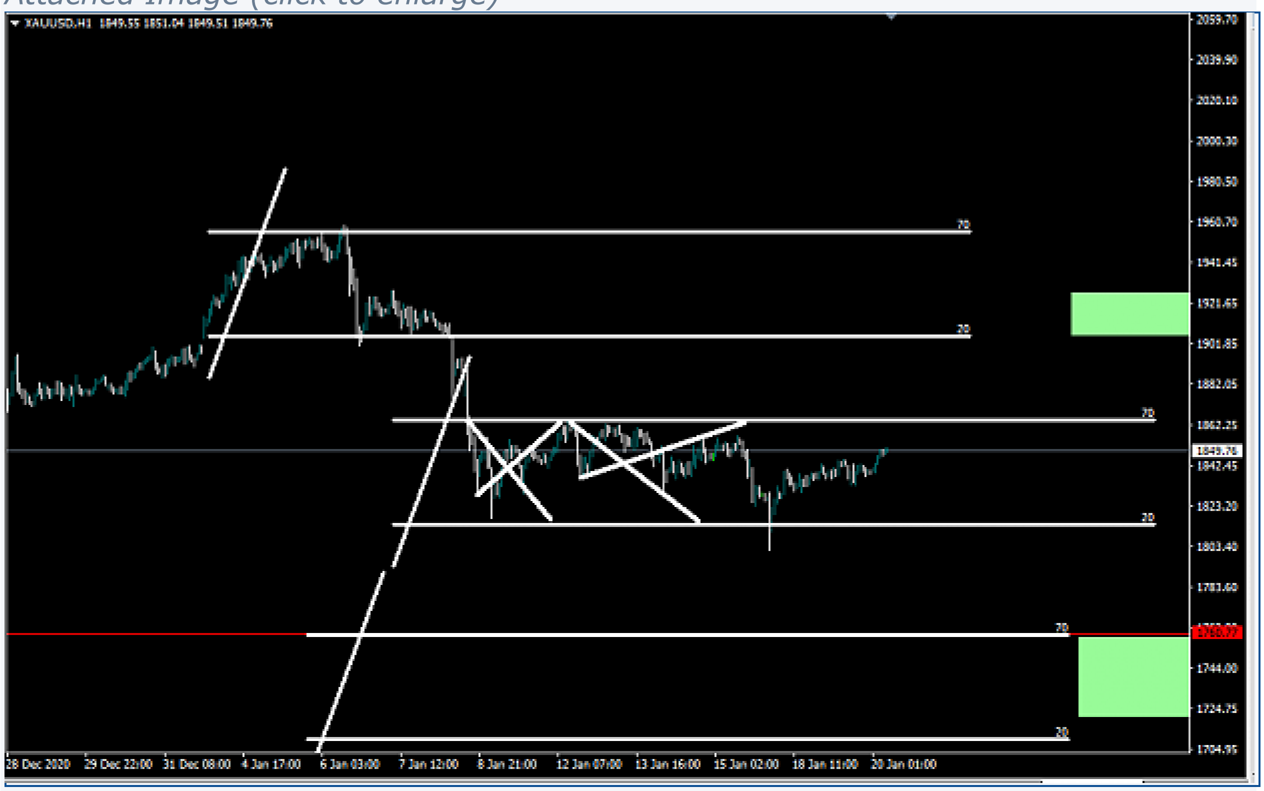

Equalized Paths are one constant. In VERY layman terms it's my time superimposed over the top of the market's "activity". It takes into consideration time, price, profit on time, time in thinking, profit FROM thinking, my temporary expectations and assumptions, what I think I'm right about, what I think I'm wrong about. And tells me the answer to the BIGGEST question there is ...... WHY?

Context when trading is very important, but knowing the types of things that have happened before is just one part. Understanding how to stand OVER a situation is MORE important.

Why?

What's the point in working so damn hard at something, only to have world events come and take it all away? I know I won't live forever, so I educate myself about the world I live in. Why? Eg - Did anyone take a look at the charts around the time of the GFC? Some markets did REALLY well !! While other markets got destroyed. Why?

So having a plan for your priorities is ESSENTIAL.

It's funny how people actually believe money is a real thing. It's not until you have lived simply and lived ENOUGH life, that you realize the upside down truth.

Anyway, there's an example of how to manage your time so the markets work FOR you and are not all consuming.

It's just a diagram so it's up to you to assign your identified priorities relating to you and your life, your responsibilities and requirements. Every person will be different and this is why I am being general.

Peter

Here's a simple "breakthrough continuation" trade I did on a familiar platform backdrop for people. I know it's just a simple little one but for the sake of an example, it's a good one to show when someone is looking to investigate constants vs speculative opinions.

* Take note of
- the "bigger structure"
- the preparatory oscillation at its high zone
- where it (the EURJPY) started the day vs the rest of the space
- IF you have access to Futures volume, you'll see some interesting things there
- IF you have access to Tick totality you'll see some rather interesting things there too
- Look on your own chart and see what the previous impact highs and lows did, in reference to this situation as it played out
- Use your knowledge of "time space/voids" to see what feasibly is back building
- Pull out your probability tool (formerly Fib retrace tool) and consider the likelihood of things to come

- Apply your understanding of a value trade
- Use your own time-price value level to witness real life overlaps between what it consistently does and what you see and do
- Apply your patience to let all these elements come together and start showing you what you need

Attached Image (click to enlarge)

Peter

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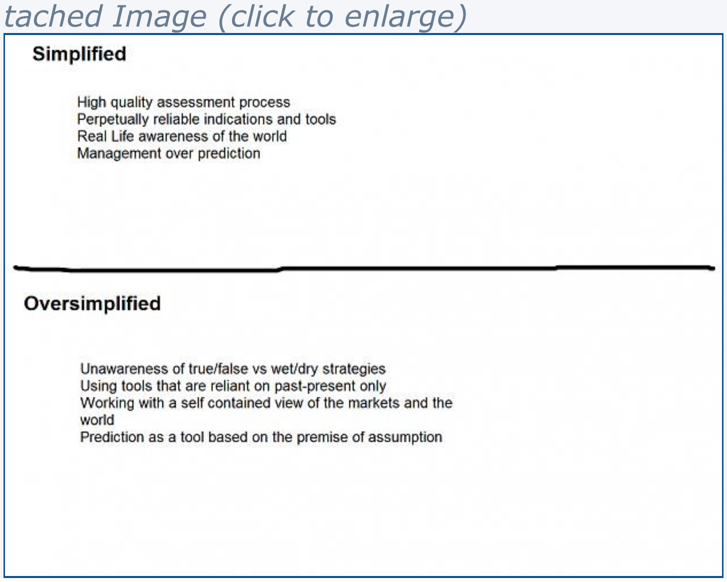

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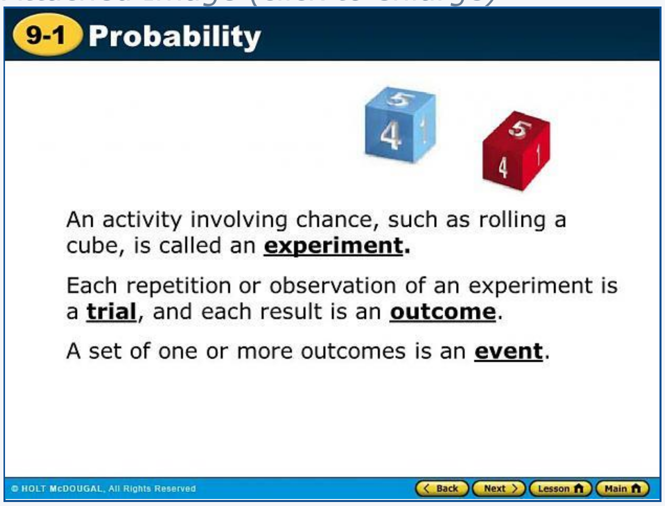

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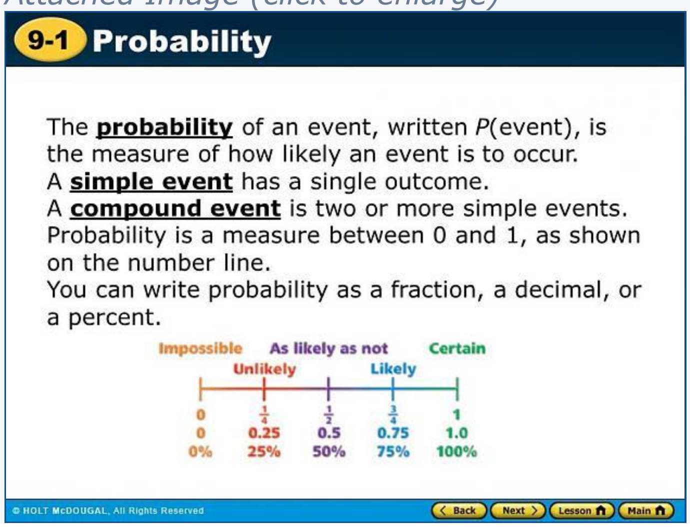

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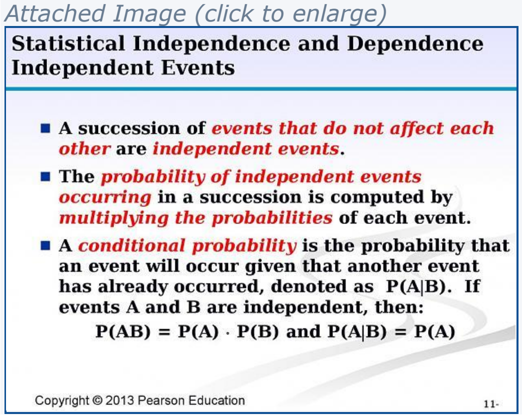

If you can add, subtract and think, you can trade a probability setup.

60 / 16 = ??
60 / 8 = ??

Attached Image (click to enlarge)

Peter

"An investment operation is one, which upon thorough analysis, promises safety of principal and an adequate return. Operations not meeting these requirements are speculative." - Benjamin Graham

I truly find it fascinating when people black-n-white, declare or claim that indicators "don't work" or "are not accurate (enough)" etc.
Although I'm not a fan of being over-dependent on an indicator, they DO have one rather interesting job - they INDICATE something.

WHO KNEW ????!!!!!!!

Here is a good read for those who prefer to be, or, are more inclined to be a well rounded thinker and trader.

As usual, it's a clean DL and ready to go.

https://drive.google.com/file/d/1l2L_EYhhslSpIhhvwbtph99aqjOFkdq6/view?usp=sharing

Welcome to real life.

Peter

Quoting BWilliam
{quote} Indicator are tools that indicate a certain metrics that it's designed for. Traders don't understand the math behind indicators at all. They use speedometer to measure the height and altimeter to measure the speed. They tried ob os, crossovers, whatever mix and match that's found on the internet. Ofc it doesn't work. The market does not fit in to such simple ideas. Then they come on forum yelling indicators are lagging price, they show history not tell the future. If such traders can't understand tools(indicators) do they understand clean...

Admittedly it's true that many try to use an indicator without first understanding the what why how and where. However, if they were to test and dissect their thinking, they would quickly find out why things don't work for them.

This is why I posted the link for that item to read. It was stated by George, in the original thread, that "THIS IS THE PSYCHOLOGY us traders NEED to MASTER ,,,, NOT our own psychology ,,,, BECAUSE we are MENTALLY SOUND ! ! ! !" I don't want people to take this out of context here though, as that quote was actually relating to people's ideas and views re: bulls vs bears and support and resistance in post no. 38 in the original thread. But it does raise a very important question in my mind - Are people assuming, from the beginning of their 'trading journey', that there is nothing wrong with their usual human thinking processes?

I have read through the original thread a number of times. And with the time I have put into moving through many different sections of this site I have seen several things that, to me, are a great cause for concern.

There are certain assumptions being made. A bit like people's thinking and attitude towards the Kardashians. Yes they're people, but what value to society do they bring? Are they mature role models?

But I'm not trying to turn this into some psych class or something. I suppose I wanted to bring these to light as I honestly don't think people see anything wrong with their basic, day to day thinking...... and how that might impact their trading activities.

As for use of indicators. Well, a trend line is a good example. It's JUST a line, but where you put it IS the key. How you use it IS the key. And realizing that self contained indicators DO in fact have a limit. But that doesn't mean you can't use them or shouldn't use them.

It goes back to what I said about everything being relative. A past event can be useful IF it's seen as relatively useful. NOT 100% useful. But useful in specific situations and using its context properly. A reference point that clarifies and makes more transparent a situation or event. Some people say an anchor. OK sure you can see it that way, however, real life always sneaks in at times into your trading life, so I like to use real life to keep me grounded. So I speak of context and things being relative.

Black and white thinking is suicidal for a trader. This is why we have a 'scale in' and 'stop-n-reverse' option. Hehehe.

Anyway, happy reading and take care.

Peter

In line with being persistent and consistent, I'd like to share a couple of visuals that I find useful to indicate time over price and price over time.

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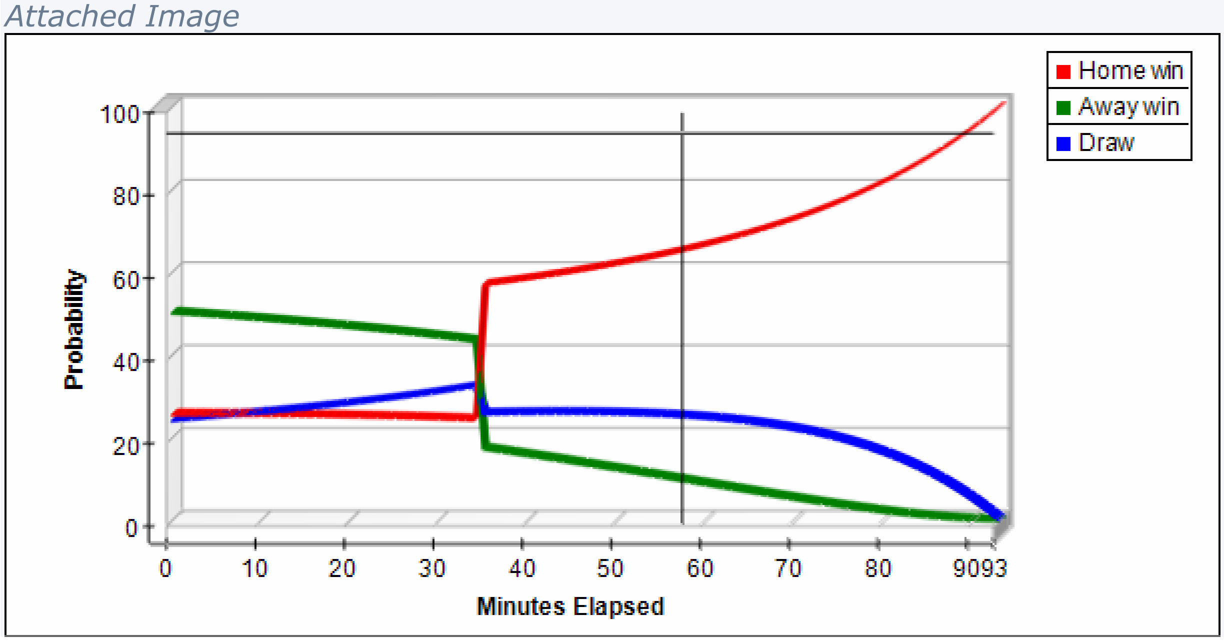

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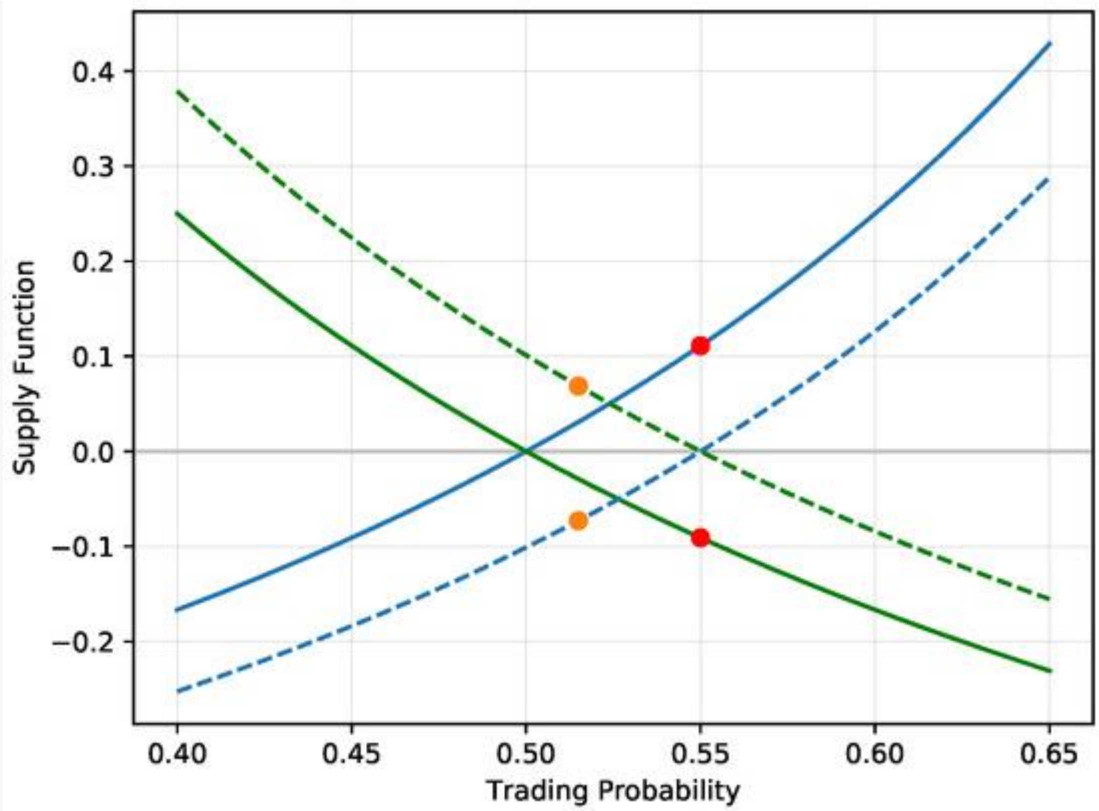

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determined by the trader but more than likely preset by the broker.

With this predeterministic information, if you're being objective then it will become more clear of the why when where how who.

Peter

Quoting BWilliam

{quote} Very good post. 👍 Problem with trading starts with the very basic that is the traders thinking about the charts. They get it wrong with no logical basis assumptions that are naturally built in to everything else in their trading process. The wrong is pretty obvious but they don't see it. Because mentally sound traders under extreme pressure allow the mass to dominate their mindset where they prefer to operate in "safe" skype groups. The fear and greed factor is much more pronounced than we admit. That's the problem that's left unresolved....

Although the post from before wasn't trying to turn all this into a chat about psychology, I sense I better say something here -

The problems begin before anything to do with trading comes into the picture. In the post I wasn't really prepared to "come out" and just say that as I want people to start thinking for themselves. But I guess it needs to be said clearly now. Most people I have encountered thus far are either too intellectual or too emotive. Or are pretending to be. If a person doesn't know what to look for, then it would be easier to convince them of one thing or another. I sense you are talking 'tongue in cheek' about the note of 'mentally sound traders'. Maybe I'm wrong? If a person cracks under extreme pressure then it's because they were out of step with the truth. People would be either surprised or shocked about what I trade and how much, but for me, I am relaxed and ready. Is the skype reference a 'punch in the ribs' towards George and what people call his 'buddies'? Fear and greed can be dealt with but not if someone is being unfaithful to the truth of who and what they are.

Peter

Quoting asset21

{quote} Hi Peter Thanks again for posting, I wanted to ask you further about this. The GN image example you posted listed the probabilities of achieving a 20 pip target (short) on a one hour 10 bar window at 83% probability. so I assembled a one-hour GN w a random 10 bar window the line chart w 15m tops and the one minute with the entries and 4-5 pip stop levels You would of achieved the target on the 3rd attempt but you would have lost 10 pips with the first 2 stop-outs but achieved them back on the third trade and then, lost them back over the...

asset21 (And anyone else wanting to learn and understand this properly), Review post 821. A 'random walk', as they call it in trading now, is fundamentally a bilateral coincidence of event. Similar to binary options re: buy or sell. But if you don't take into consideration the time factor WITHIN the infrastructure you are planning on trading in, then yes it becomes self defeating and more random than intentional. I know that's a lot of words and sounds complicated, but really, if your target is points based not structural AND POINTS, then you will need a backup plan eg stop and reverse or bidirectional approach if it goes wrong. After all, we can't be right about everything all the time. So placement of your trade entry would be key to success. Eg - Using the wicks of a 15MIN setup or perhaps the 1HR chart would work fine. It would be an oversized move that could accommodate for your target with a self reducing risk factor.

People really should study the pics in post 821 in great depth. Not just for 5mins and then think or assume they already know this stuff. It requires time in your study to come to understand something like this on a level where you are no longer afraid to trade or to risk. In essence, your trading becomes self-effective.

As to starting with a small or large account - a small account will always be my preference as it requires more of YOU to work with it and manage it as it fluctuates. Thereby actually learning instead of just jumping in guns blazing. So although money is a component of trading as is also points accumulated, the better question is always going to be - What are your goals and are they realistic?

20pips and a move larger than this is simply what I would call personal tolerance. If your goals and this tolerance do not match up, then greed and fear walk in the door and take over. And then you've got a problem.

I don't care how "good" a trader someone thinks they are or "how long" they've been trading, there's an idiot in everyone. Many times I have used a deadman's stop BUT always with the knowledge of what I'm doing AND I have a backup plan. And a backup plan for my backup plan. Then, I win either way.

A deadman's stop is simply "a line in the sand" where I say "if it comes to this price right here I'm done with this instrument's situation" and I then turn to my backup. I just don't like or enjoy wasting my time on something with no result to show for it.

So it's imperative that the trader looking at this information, does not allow themself to start salivating at the mouth, because they assume they can just put in an order for say 30 mins and automatically generate a 10 or 20 pip profit. You STILL need to apply specific steps involving the act of trading to make and help it all come together nicely. You need to know WHEN and WHERE to go for the 10 or 20 pips without placing unnecessary risk on you and your money.

I hope that helps.

Peter

Every reversal area, every mid break and every end point reversal, if you want to call them that while you wrap your head around this thing called trading ...... is what it's all about at a certain level.

For the moment forget about what everyone THINKS they know or understand. And make it honest and simple.

Are you someone who is better at stage 1, stage 2 or stage 3 identification?

Some people ARE better at one of these stages than the others. Your job as a trader is to work out which gets your jellybeans jumping.

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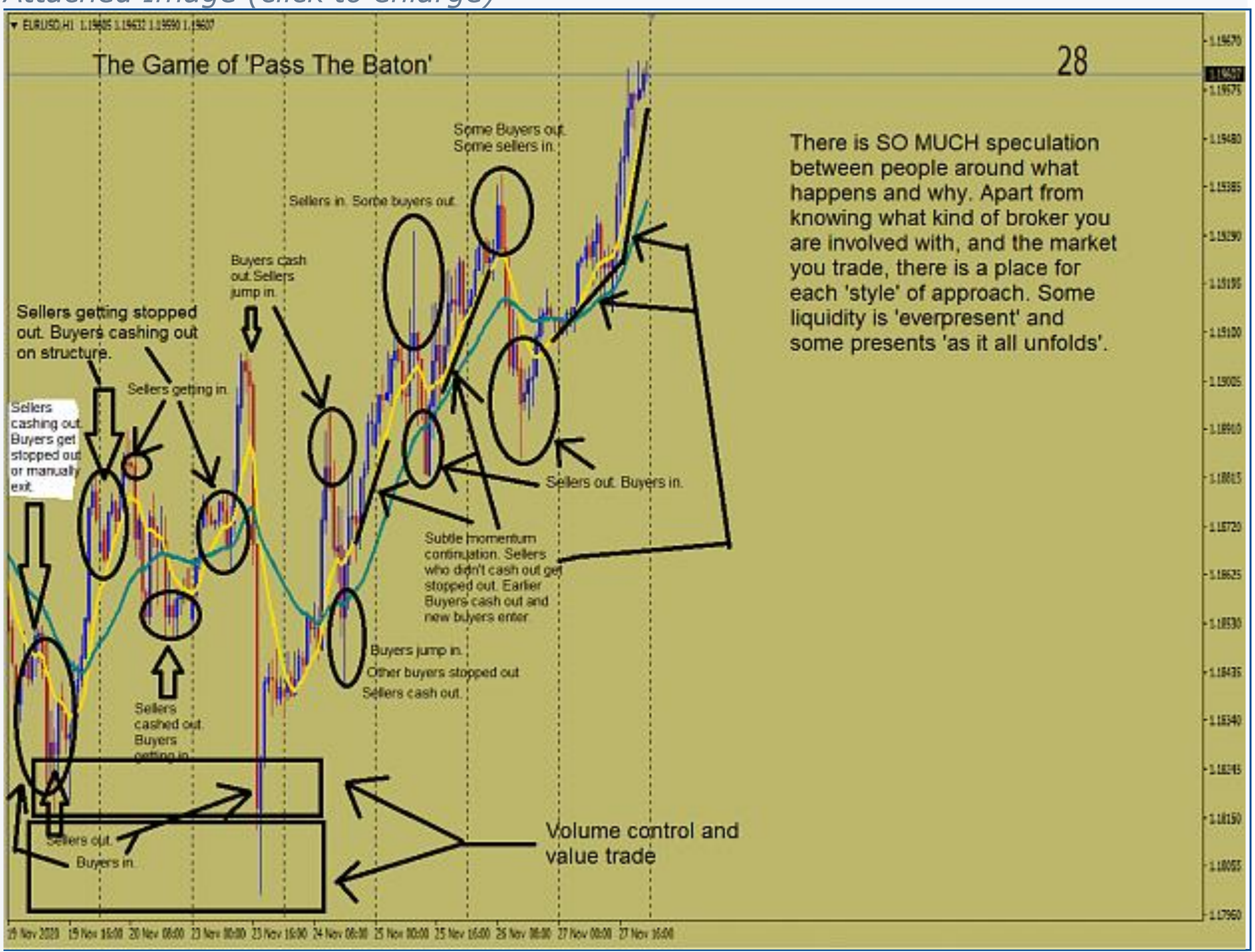

Peter

Part of the issue with 'Strike rates of success' is the level and type of ambiguity involved. Part of that ambiguity is the black and white thinking in people's heads.

A strategy with a 5% SR of success CAN earn MORE money than a strategy with 80%. HOW?

Circumstances. And not just the old 'trend trade' where most attempts to enter fail but then comes the "big whale" that pays you your losses back AND a huge profit on top.

No.

Circumstances are the details of success in this business.

5% of WHAT? When? How?

A person with black and white thinking, will assume that it's relating to 5 out 100 trades. Why? THAT'S what people are told and they never question it. At least until something "strange" happens during their trading. If someone uses a break and reverse strategy then YES, their data results will show, when a linear value system is applied, that it doesn't perform very well. And right THERE is the problem. A break and reverse strategy is WILDY successful ..... I know because I TRADE IT every day and week.

Q - Would you spend $1.00 to find out if you could get paid $1000?

That's the point here. People are far too "busy" or "scared" to lose a grain of sand to get given an entire beautiful golden beach.

If your data crunching after you test a strategy like that one, in a linear way, is only looking at 1 trade as a single order, you've just screwed yourself out of major profits AND a VERY serious advantage.

This is not about scaling in and out. No. It's about flexibility.

One thing I have noticed on this site and in people's psyche is - only one HALF of the idea of capital preservation.

If you act and behave like an idiot, then the market you trade will spank that fleshy bottom of yours until it sparkles red and can be seen from the moon's surface.

You need to reconsider your idea of 'absolute losses'.

As I said earlier, one of my approaches ACTUALLY tries to lose on one ticket, because in doing so, the market shows its hand (you could say it thinks its bettered me) and then tries to move on. But IT doesn't realize I've just put a GPS beacon on its neck. And its not going anywhere without me knowing.

As I said many posts ago, you're here to hunt. Or, you're here to be hunted. It's that simple. This is not about a story, it's a mindset. Trading is not about "pip harvesting" or "wave riding" or some other congenial colloquial idea.

You do not control these markets SO you HAVE TO think differently to someone who "prefers to be passive". Passive by my definition is someone who likes to think "happy-happy-joy-joy thoughts" all day and sees the markets and this world in a self-deluded over-refined way.

These are the people who get conned, betrayed and remain ignorant of themselves but don't want the consequences of their ignorance.

So tell me ...... does that describe YOU?

These issues are the very ones you can witness playing out in the original thread George started. And here in this one too.

A passive student of trading has lost their strength before any money is even invested. And so, a 5% SR is seen as a losing strategy. In truthful real life reality, a break and reverse strategy (at least how I do it) carries a minimum level of accountability up around the 87% area. No bragging or gloating. Just is what it is.

Part of that is due to recalibrating my spread costs. Part is due to break loss if I see it fit to slide my stop level behind a nice move. And part of it is because I don't "try and read into the price action" as most "price actioners" try to do. Price behaviorism is a misunderstood approach and most people I have come across do not understand how it affects their SR of success on a per trade setup basis and also their intrinsic understanding.

Everything I have written here is in some ways simple, but in other ways, part of a deeper process that people really need to become more aware of, despite how 'complicated' or 'unnecessary' they may judge it to be at present.

Peter

Think concept instead of literal translation or representation.

Peter

Since my last post, I see a lot of intellectualizing and recycling of "status quo" ideas and thinking.

In line with being persistent and consistent, I'd like to share a couple of visuals that I find useful to indicate time over price and price over time.

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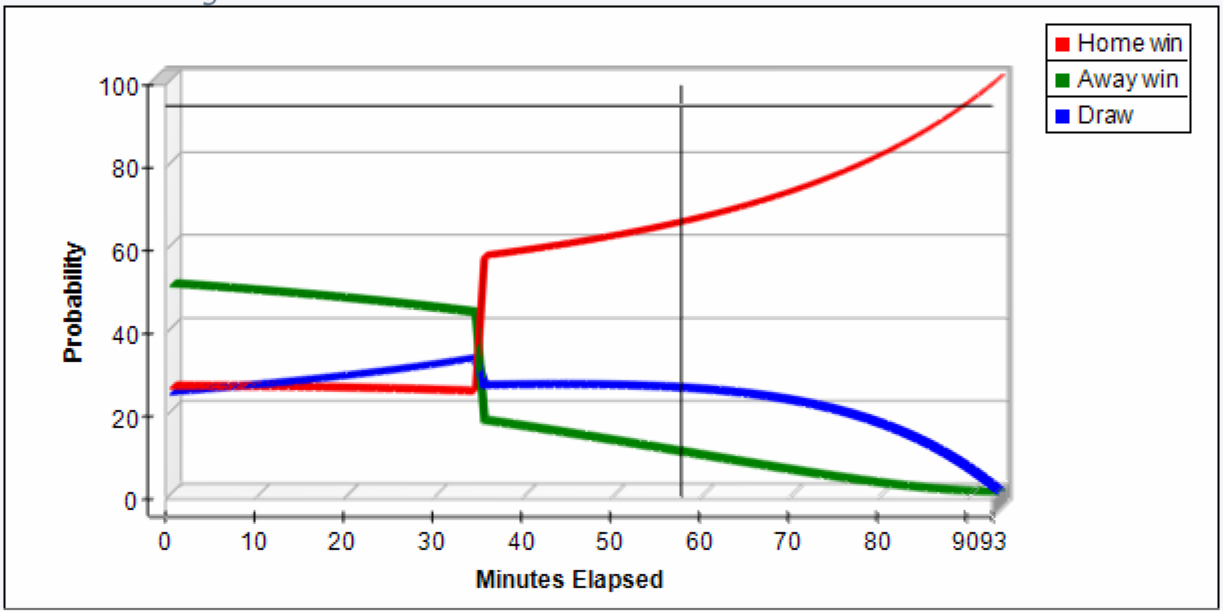

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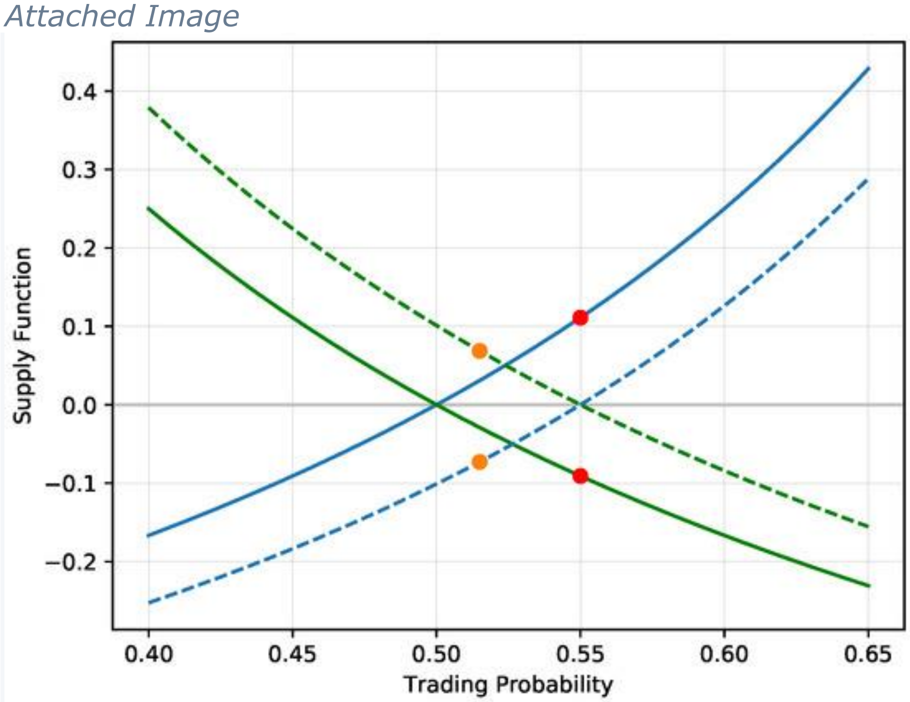

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With this predeterministic information, if you're being objective then it will become more clear of the why when where how who.

The above information is pasted here so all of you can once again, get your thinking and attitudes back on track.

Intellectualizing means you are looking for "answers" instead of understanding that leads to a better concept building process in your mind. It also means you try to "explain away" what you don't yet understand or think/feel/believe is necessary.

So many people have missed the point of it all.

Concept building means the abstract, the metaphor, the inconclusive that is yet to be understood. If you're looking for cheap fast answers you will not learn and you definitely will not achieve your goals related to trading.

Take a look at your thinking, NOW. Please understand something - you already know and understand so much. But if everything you know always lives in an intellectual state, you cannot learn. You must practice your concept building ability or you will continue to struggle.

Peter

A Concept Building exercise ......

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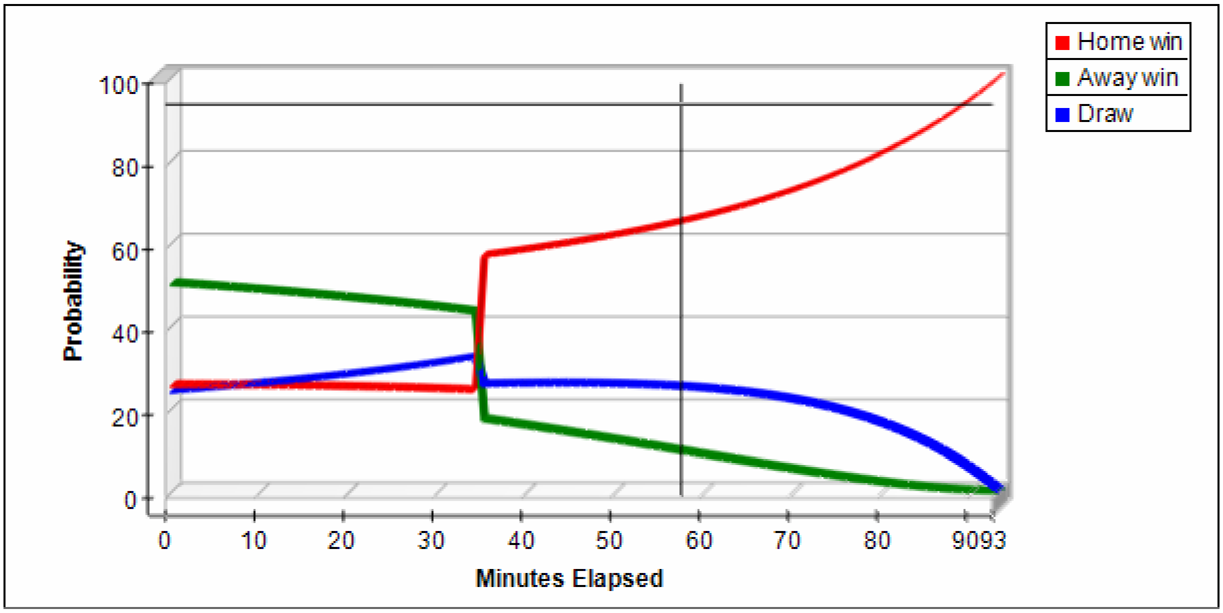

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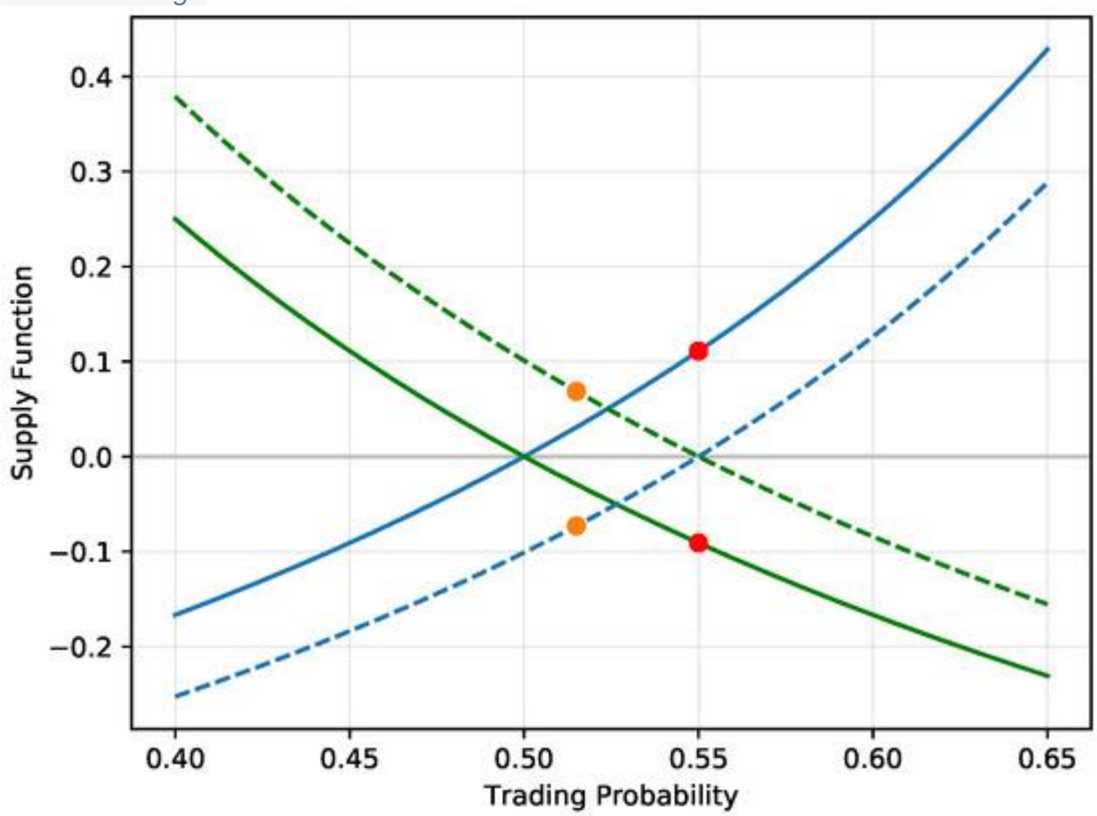

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Simplified

High quality assessment process
Perpetually reliable indications and tools
Real Life awareness of the world
Management over prediction

Oversimplified

Unawareness of true/false vs wet/dry strategies
Using tools that are reliant on past-present only
Working with a self contained view of the markets and the world
Prediction as a tool based on the premise of assumption

Attached Image

Targets

1. Chart Pattern Target Projection

2. Fibonacci Extension

3. Past Swing Pivot

4. Price Channel

5. Time Target

Trailing Stop-Losses

6. Parabolic SAR

7. Chandelier Stop

8. New Trading Signal

Ongoing Price Action

9. Reversal Signal

10. Climatic Move

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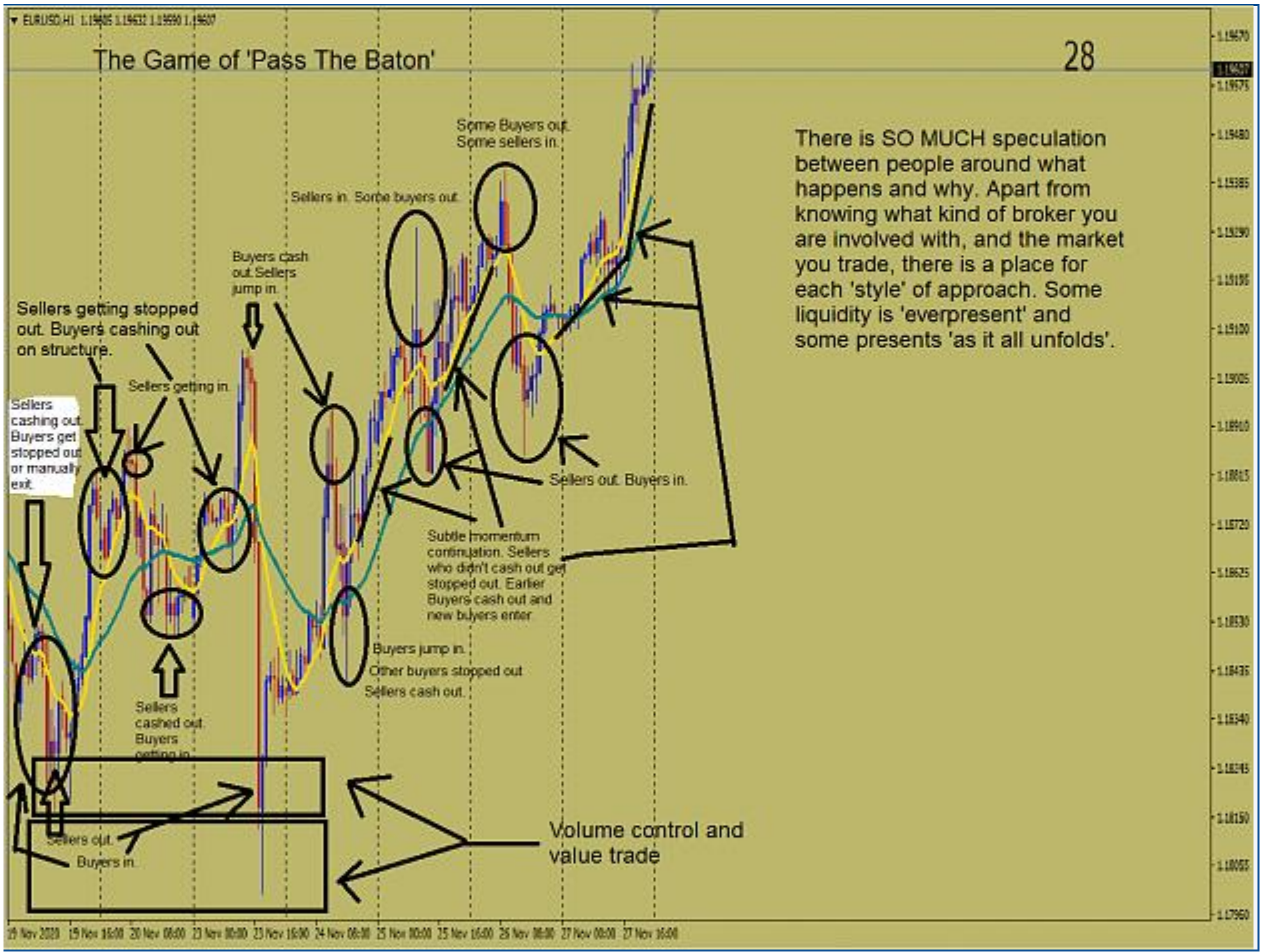

There are NO shortcuts to legitimate learning when it comes to trading.

So stop making excuses and go review your goals and stick to your plan.

Grow up and mature and move on from instant gratification and seek ONLY delayed gratification in your trading.

Work on having more self control and patience. The markets will still be there tomorrow. And if they're not then you move on.

Since my last post yesterday, people simply went back into their comfort zones to what's "familiar" and comfortable. You cannot learn while doing that.

Peter

Quoting bilal1947
{quote} Hi Rick few queries for my understanding please {image}

Hi Bilal1947

Here is how Volume tells us direction.

This is the Gold chart a few bars after that massive spike down which contained only Selling Delta.
There was very little Buyers creating that spike down so they didn't stop the move. the move stopped because there was very few in the world Selling Gold for a while.

After the big Red candle and the big red volume shows a downwards direction, we start getting large white bullish signals.
1.. Average volume size here is around 150 , so above 150 is good volume, below is weak volume.
2.. All big volume M1 candles show a bullish move.
3.. Weak volume M1 candles still show a bullish direction.

The green boxes are important because it shows bullish direction without Sellers

The volume tells us aggressive market buyers are entering the market, when volume is weak on some M1 candles - its because there is NO SELLERS.
We just don't need fibs and market structure to tell us how to trade - we just need a pair of eyes

Attached Image (click to enlarge)
https://www.forexfactory.com/attachm...1&d=1611497837

As I can only speak for myself, here goes .....

I'll try to be nice about what I say here because I don't think it's RickM's fault really, the way he is interpreting the data activity shown.

Genuine volume data that is available to people (free or paid for) only shows a percentage of REAL transactional activity. I know this to be true because I have done extensive research, study and practice with it over the years..... MANY years. There are certain rules as to what an exchange is "allowed" to offer to the public. Whether you pay for it or not. What RickM is showing and talking about is what used to be called "inserted price markup". It is when someone, big or small, begins the action to place an order into the market with specific instructions. If you don't believe me or have trouble understanding this, then go to your trading platform, for many that will mt4 or 5. Access an account of your choice, then seek to place a market order into play, using ONLY the basic market order entry process built into the platform. You will see parts of the order sheet that show price, type and action. As well as output instructions. Many people do not appreciate that at some point in history, an order sheet like that, was used by a person on a trading floor, to "run the order". They needed to talk to the client, fill the order and relay information between the "market" and their client and team. If you don't know anything about what I 'm saying here, I think you should either - stop everything now and go do some history research on financial markets, trading and the practice of exchanges.....Or, if you are too lazy to do this, just quit now and go do something else.

Why is all that important?

Most people are VERY ignorant of the past. So sometimes, it's necessary to take them back and show them what foundational knowledge they're lacking or missing.

"Inserted price markup" refers ONLY to market order activity. PERIOD. So if someone just follows the trails of these markups, then you are missing about 70-80% of the "situation" in your knowledge base and your experience will then wither because you still believe FX is an isolated market, and all you need is input data to see what's going on. For the sake of being objective, it's lazy thinking and the results will usually reflect such thinking patterns.

The other parts of this equation are - blowback output (people's positions getting stopped out OR someone manually closing out a position as a loss) and orders being closed out in profit, irrespective of the profit size. If you forget about this activity you are not trading, you are just speculating.

The main drawback and problem with people's use of volume and delta, is they do not understand the follow-on of activity. They make assumptions and settle into a "thinking pattern" instead of generating mature conclusions. If someone trades options then you would be aware of the role volume really plays in the markup process. And seeing as most people here do not and/or have not traded options before, it is easy to understand why people continuously get it wrong. Delta is not an indicator, or should not be used as one. It is a parameter of interference behavior. And what I said above about the other parts of the equation, you cannot do anything but speculate on what's happening, if you try to compile all the known information into an indicator. I am sorry if people "don't agree or believe me". You should know by now I have no reason to lie to people or to mislead them.

If a trader cannot see all points of entry and exit, then indicators mean nothing.

There is a distinct behavior between volume and follow-on and you're better positioned to "see things coming" if you understand mark-ups BEFORE any follow-on occurs. If you know how to read a chart, you'll never need lagging indications that are usually based on assumptions and not of the present and the future. Traders learn and prepare but speculators merely speculate. Tunnel vision does nothing for learning and thinking. Sorry but that is the simple truth.

I'll say again, learn to think about your trading instead of blindly following what you "think works".

I hope that helps.

Peter

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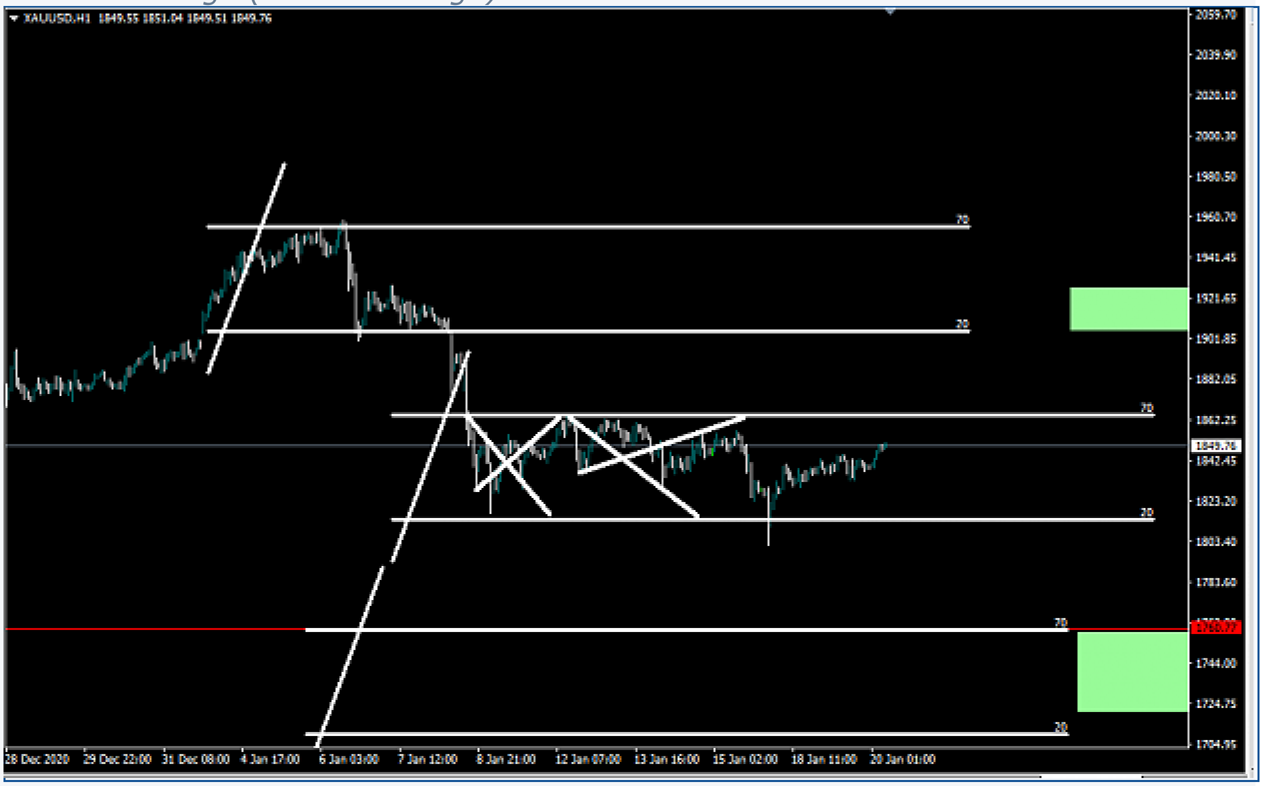
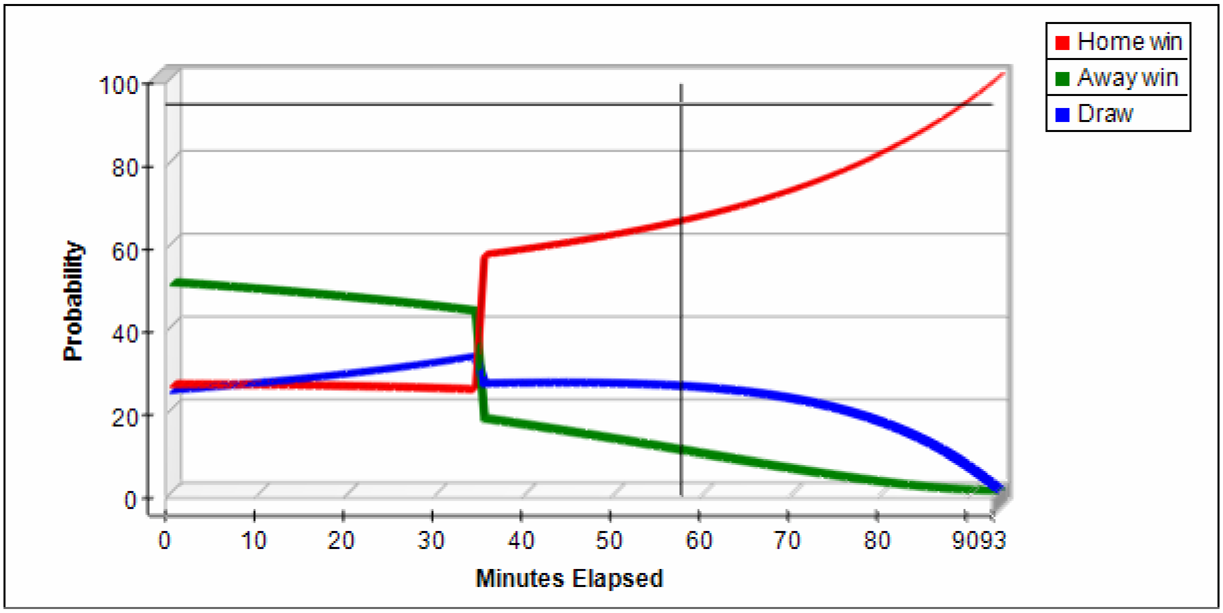


[Quoting bilal1947]
{quote} from which/whose course is this index attached i wanna go through the course too.

No course. Just real life playing out ...... today's living breathing example ......

Attached Image



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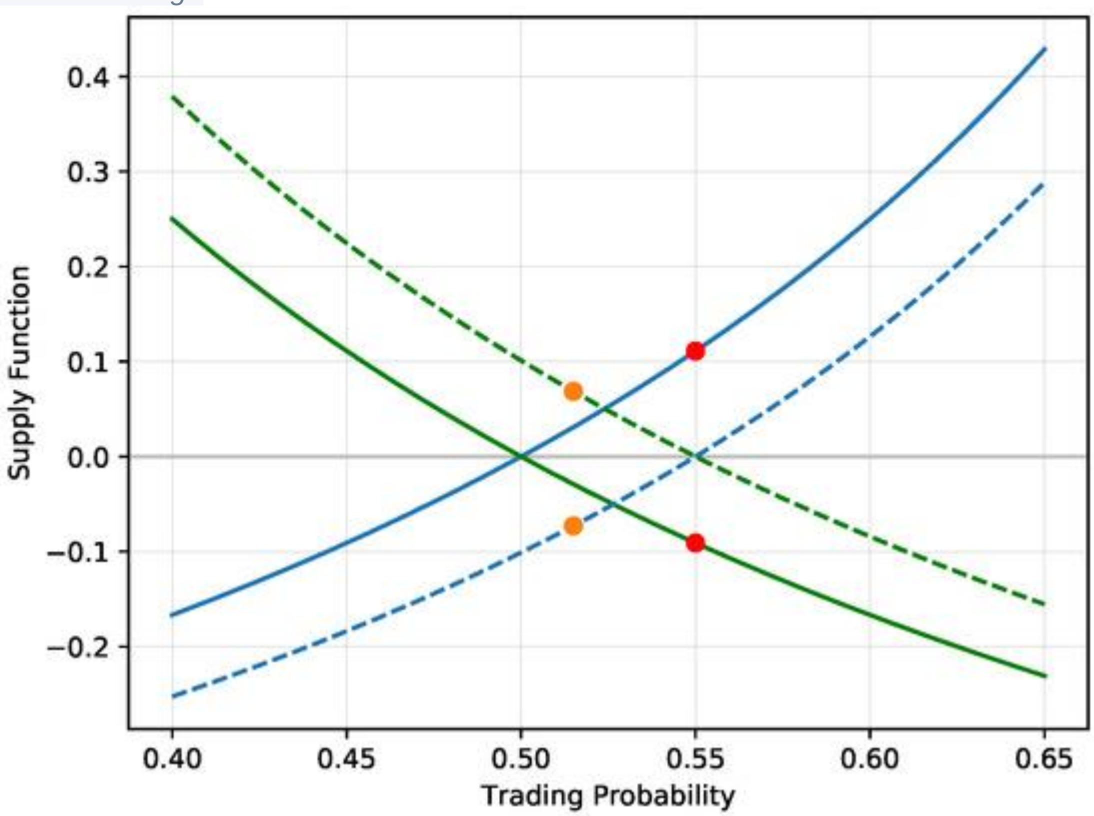

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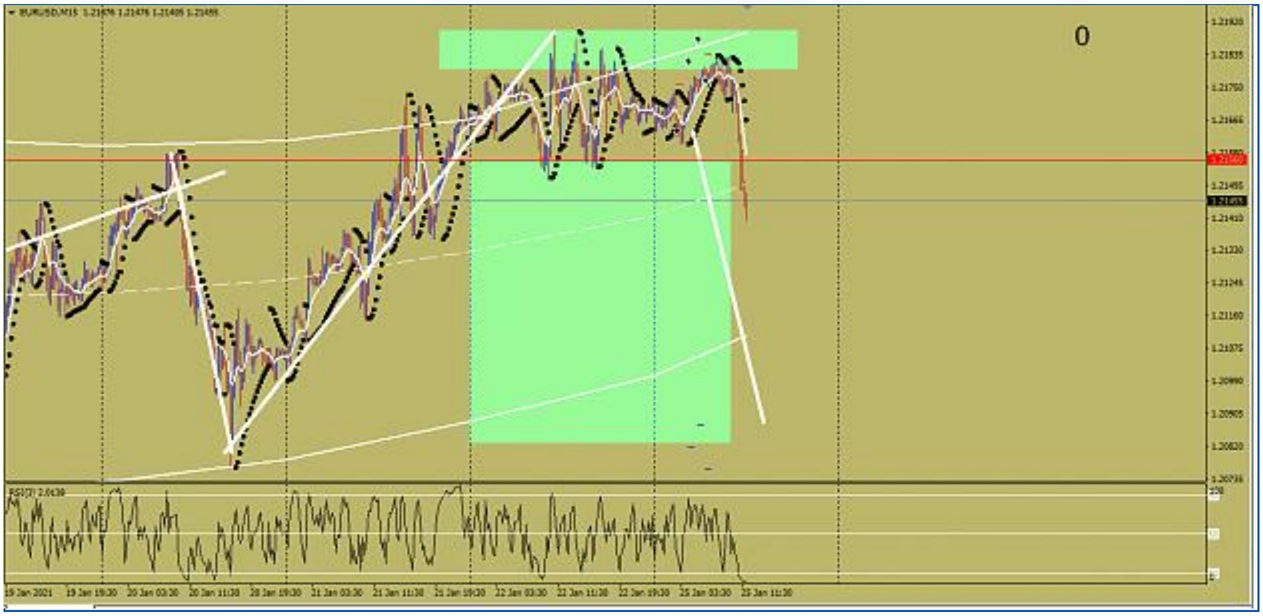

Price and time agreeing and then disagreeing. In the old days we would say "There's some form of resistance stopping it (the market) from continuing on upwards." The problem with most people these days is they are obsessed with naming everything and trying to over-simplify things. Back then, resistance wasn't "support and resistance", it was REAL resistance as in - lack of orders, lack of interest or too much interest for going the other way.

It was in action back then and is still going on today. One potato, two potato, three potato, POP !!! If time is being eaten up or eroded, then there's definitely other activity going on. So the people who think there's a trend AND the people who think there is no trend are BOTH right and BOTH wrong. Simultaneously. Funny how real life reality shows its hand and is a GREAT teacher when everyone else is so amused and distracted by their opinions and lop-sided beliefs and attitudes.

So much for being lazy and trying to get away with the "bare minimum" of effort and learning. If it's going up, then it's NOT going down. But if it's going down it's not going up. And if it's going up down up down up down, then you really should be paying attention to real life and see that the price-time value level is in play.

So much for those idiots who think everyone is a professional bullshitter. A professional at ANY skill set is simply someone who knows what they're dealing with and knows HOW to deal with what they're dealing with to get the result they're after.

Peter

If someone REALLY wants independence in their trading, you need to learn about and understand constancy over variability and the see-saw relationship they have with each other. The markets can be one thing one day and something completely different the next. Unless you have a way to keep your sanity intact.

Constant.

Variable.

Yesterday's parameters for today's view on tomorrow. I don't predict or forecast and I don't pretend to only rely on one form of indication or insight. No. I use what is constant to draw an outline for me, so I keep my sanity and can then anticipatively "predict" the markets' use of time. By doing this, futures volume and tick totality makes more sense and is placed in proper context. Depth Perception is made real. And price tells its story in ways where I'm using high beam spotlights instead of a little torch.

That is how "powerful" or useful, the Equalized Paths approach really is. It's a natural reinforcement of basic or natural probability together with anticipation of price and time. Then all you need to do is determine the "type" of trade setup you consider it to be organizing for, so you can be ready. Most people struggle with the basics of "what's the market doing right now".

A self contained system always has its flaws, its weak points. Find those and make sure you have a way to update your approach and you will NEVER be hunted ever again. Yes trading takes time to become proficient enough to do it all naturally and fluently. But that is why you are learning a life skill set and NOT just in a job.

Peter

Quoting limprobable
{image} They are so many ways to interpret that, that it's impossible to give you an answer. . The only interpretation without more info, is if i take the red line, and if i consider a buy trade, if i consider only one TF, at the begining of the trade (in term of minutes), prices have more probablities to stay near that enter price, and more time passed, more chance that the price walks aways of my enter price. But no one else will respond to you, there is too many parameters to know to correctly answer, and if i don't know if the works will pay...

limprobable,

I am very sorry you feel that way. You must be having a bad week or something. I never made it personal towards YOU specifically. Perhaps you are frustrated. Or maybe I pissed you off somehow. Do you REALLY think I would post something that is useless? Do you really think I would deliberately try and play mind games with people? There's no grandstanding going on here, by me. If you feel and think you've learned all that you need to, then either try and help others here, or move on. It's really very simple.

Another way to look at this, is that you're going through "growing pains". THE WHOLE

POINT of me posting that pic and the other one is to show YOU how you think. To show where your "gaps" are. Not for my benefit, but yours. If you think of me as someone who enjoys torturing people, well you'd be wrong. The nature of that pic shows certain principles that deeply relate to trading. Forget other people's attempts at "explaining it" or excusing its inclusion into your learning curve. And put your own aside and think WHY Peter would put this in front of me?

If I just give people the answers they learn nothing. It's the old saying - Give him a fish and he eats for a day. Teach him to fish and he and his family will never go hungry again. Sound familiar?

From what I see from what you've written, you're scared of thinking of different things. Scared of being wrong. The principle of that pic IS to approach it as if there is NO right answer. It flexes your mind. Gets it to think of the unusual and "improbable". Sorry, couldn't resist the pun. If you think me that unkind and full of BS, then why still be here? Why write anything at all? Why not just spit on me and move on? I don't say these things because I'm trying to be cruel, just the opposite actually. It's clear to me that you can think. Now it's time to stop looking for reasons to stop trying. Personally, I don't know with certainty where you are up to with your trading, only YOU know that. All I do is offer some things that MAY help someone.

Stop thinking literally and "scientifically" and relax into thinking more broadly. I certainly won't judge you for coming up with an idea that is terrible. Each and every attempt at understanding something gets you a little closer to the principle one needs to learn. And you will not learn that from the "majority" of people anywhere. Only YOU can use your insight to go further than your peers, who may be scared, choose to remain ignorant or, simply assume they know all they need to know and understand.

Ok.

Peter

I have met and known MANY traders through the years. The only ones that truly survive and thrive, are the ones who continue to grow mentally and emotionally. Some of the others were good and even great traders. But even a great trader, before they become a great trader, in the short term, can be a real dickhead.

So yes, there are lots of immature dickheads out there who are traders. Or try to be anyway.

Something to think about if you are one of those people, when you try to take on someone who's been doing it longer and knows the type of person you are.

Peter

My most recent posts are not a display of how "superior" I am nor some form of "Mr Know-it-all" attitude. However I DO understand why people are so pessimistic and cynical on here. But that doesn't excuse it.

You might think yourself just a "normal person" but to become a legitimate career trader of these financial markets, you need to undo your learning of reacting with silly immature responses to stimuli and learn to make a different kind of assumption at the beginning of your thought process, when facing something new, or distressing, or threatening. I'm not interested in "what you think" by itself, because an opinion doesn't generate a whole, complete understanding of the truth. IF you have not realized yet, that your personal psychology AND the entire activity of trading, personal money management and Life in general, are intimately entangled, then you are going to face some serious problems in the future.

If all you see from what I posted, is reflected in whatever you reacted with, then you cannot learn. You're too busy with "your feelings being hurt" or "I don't like/agree with what you're saying".

The person who will learn is not interested in disgusting petty thinking. Their basic thought in any situation is "what can I observe and learn here?".

So while you're so busy reacting, other people in the background are stepping forward to pay attention because they have already observed a certain type of consistency in what is being posted and spoken about.

If you cannot tell the difference between different types of information, then you're in serious trouble. As a trader and a person. If you think or believe that I, as a trader and a person, am interested in your lack of vision being thrown about as if "I am wrong" when it is clear you have not done enough research and thinking, to see the difference between abstract and concrete .... you have a serious problem in your thinking.

What I find hilariously ironic, is most people want their life lessons handed to them with woolen mittens and with sugar sprinkled on top. But a life lesson's delivery to someone, is ALWAYS predetermined by the PERSON and not anyone else or anything else. YOU make your learning more arduous, more gruelling, more difficult, more taxing, more stressful, more painful, more self destructive.

If you don't believe me, then step up and look behind you at your recent past and look at EVERYTHING you have written, said, thought, felt and how you have behaved. And now be honest in acknowledging just how badly you have let yourself fail.

Most people are too much of a coward to do this. And it is because they won't, they continue to fail at succeeding. PERIOD.

Real Life Down-To-Earth Personal Psychology and the complete activities involved in trading, CANNOT be separated from each other.

If you can't even observe and acknowledge wisdom when it's presented, how are you going to be better and do better tomorrow?

If you still think what I am saying is BS, you're a fool. And you'll remain that fool and hurt others around you til you cause so much damage in your life that it all seems irreparable.

Life lessons are simple and easy to learn when you are not wasting time and energy resisting the process.

So, now, let's look at all those "lovely, cute" replies I received from my recent posts.

While all of you were reacting, there would be others sitting quietly in the background, observing and learning. And THESE are the people I post for. Not the people who lack impulse control and prefer to trash talk ridiculous stuff that amounts to little.

Again, if that upsets or angers you to read, then maybe it's time to stop telling yourself stories that aren't true. Have you ever tried to swim underwater AND breathe in simultaneously? Ever noticed how the body doesn't do too well when you try this?

While you're so busy intellectualizing your excuses, others who KNOW their opinions amount to nothing, zero, zilch, diidly-squat ...... are paying attention and learning.

Usually the people who struggle the most with learning something new, are the ones who believe there isn't anyone in the world more knowledgeable, experienced, competent, wise and generally capable...... than they are.

If you genuinely want to learn to trade properly, this is a very serious problem. If you cannot get out of your own head space, to appreciate what you do not know, or understand, then you cannot learn. If you are not open to the challenge of something new, you cannot learn. If you won't allow yourself to be humbled by how shallow your knowledge is, you cannot learn. PERIOD. These blockages are the pinnacle of ignorance and stupidity of personal intelligence.

I don't deal in anecdotal psychology, platitudinous or pop psychology. That's what ignorant immature people think is "good enough". I prefer real life stuff because it's grounded in reality that I can observe, review, evaluate, observe more and so on. Throw into the mixing bowl a healthy dose of common sense and it's easy to see many things.

I think that'll do now.

Please realize your lackings and ignorance do not hurt ME or my trading activities, only yours.

So I have no vested interest in you listening, paying attention and being truthful so you can learn.

Something to seriously think about and ponder.

Peter

I have realized something interesting about these entities that keep coming on to this thread and don't actually have anything to offer.

A golem. A sucker fish. A leech. A parasite. The most immature form of person you can think of and imagine.

I guess they're fortunate this is not real life. Things may be a little different then.

So moving on. Something that can be helpful to people who want to learn and improve.

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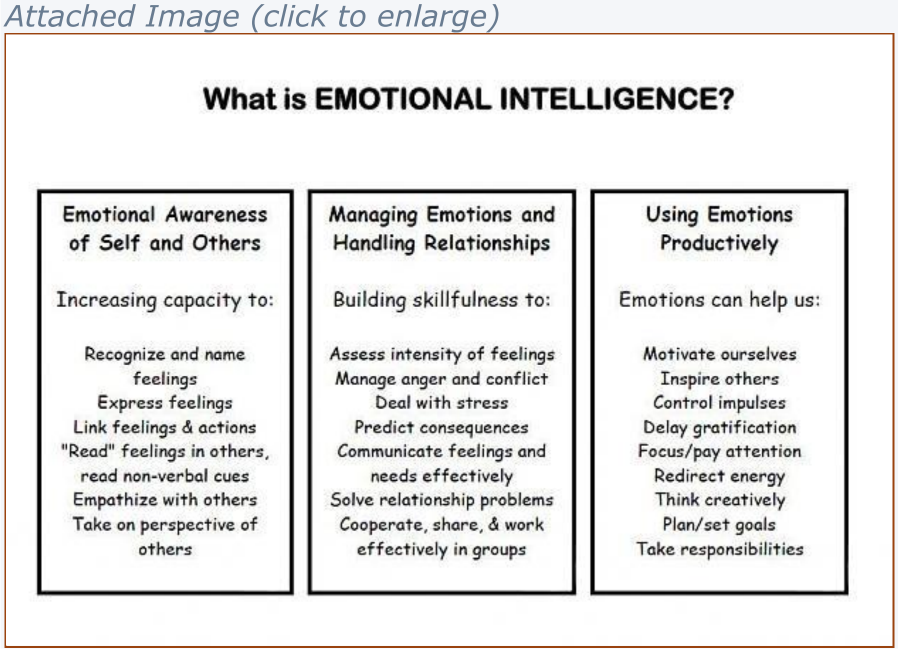
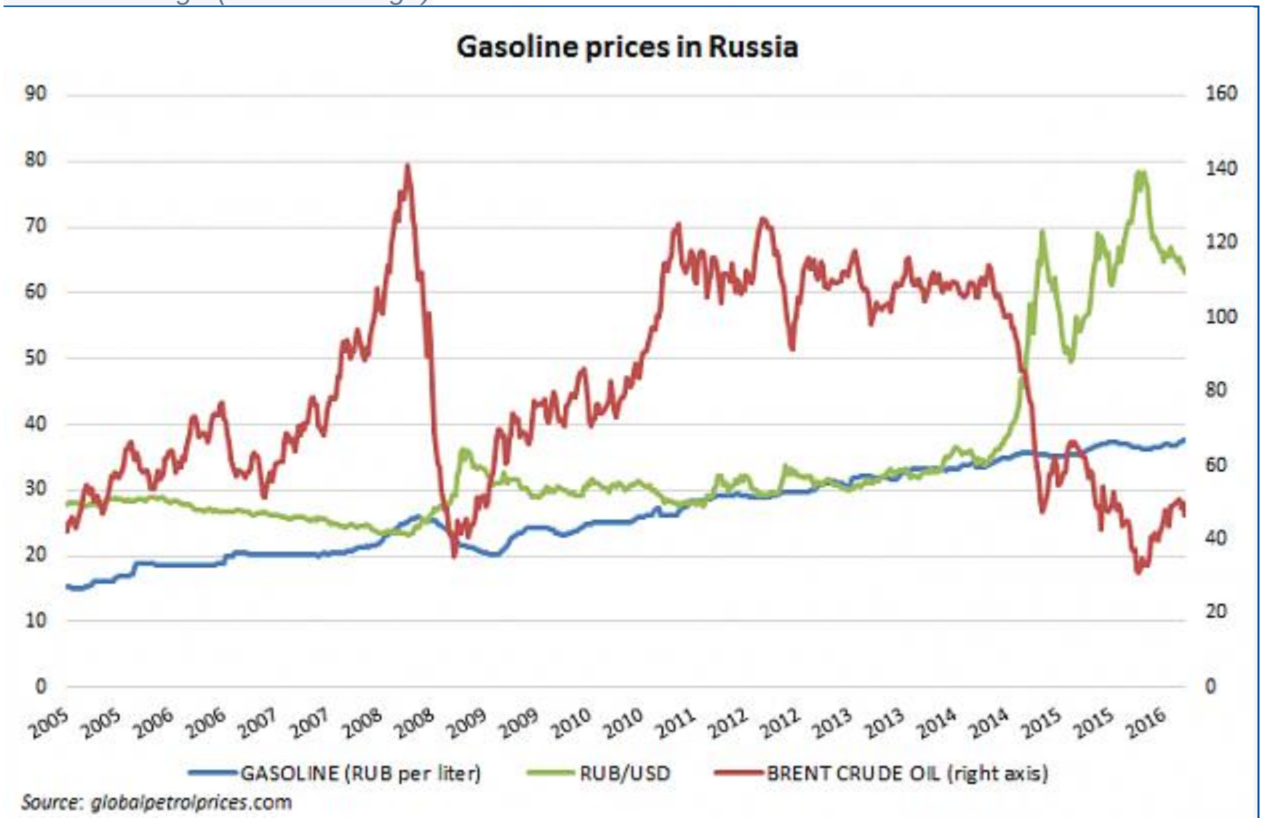
Attached Image (click to enlarge)



Peter

Here's a very interesting view to look into.

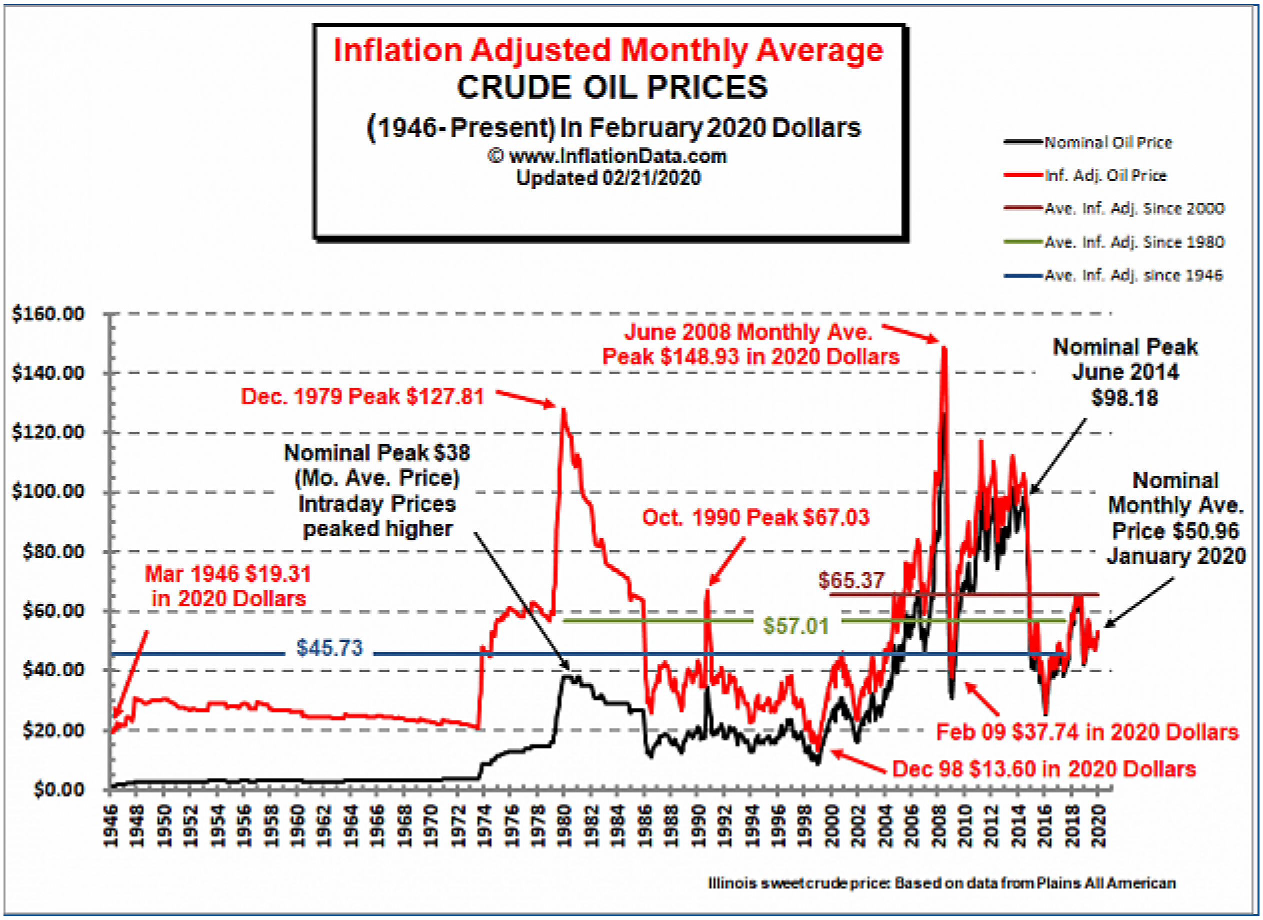
Attached Image (click to enlarge)



Peter

And here's a good one too ......

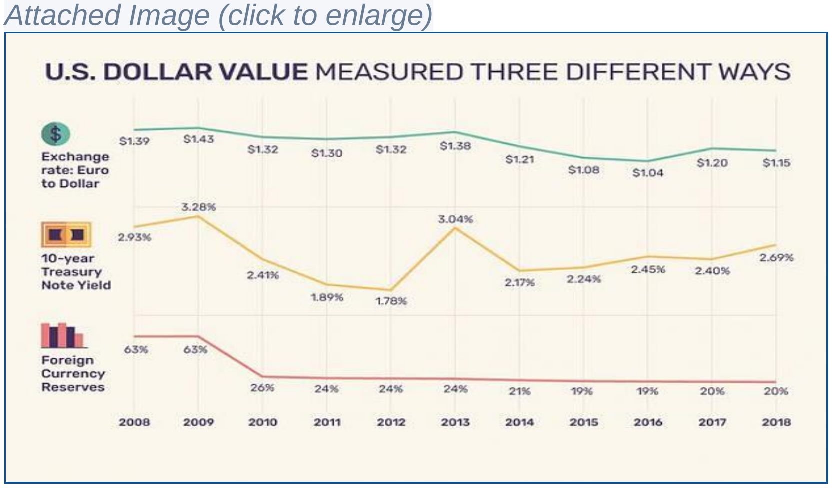
Attached Image (click to enlarge)



Peter

This one is interesting ....

Attached Image (click to enlarge)



Peter

If I removed your brain from your skull, would you still be able to trade?

At first glance it may seem silly to ask this question. However, there is a rather distinct line that is always there and HAS always been there. This line separates people in a way where mediocrity is "good", is "acceptable", is "pleasing". What the 'trading world doesn't advertise is that most traders are merely a few steps away from losing everything, from trading Bankruptcy. Unless you've seen it happen or it's happened to you, you probably don't even give it a second thought.

But this is not to scare you. I write this because there is a good reason why people "love" sites like this. And why the legitimate person who really IS a proper trader, comes onto these sites for some time then grows out of a place like this.

For me, I did it the other way round. I spent my life in the real world then decided to share some of the things I have learned.

It would be untruthful to suggest that a site like this really "helps people". It's more about group think and the acceptance of certain mediocre ideas and functions. You can see it on every thread (I've visited) and specific behaviors in people play out when certain situations arise.

A simple minded fool can be conned or led astray because they don't know their own mind. And group think plays a very big part in providing false hope for many people. I doubt most people on this site have lived long enough and traded long enough to know without a doubt what I mean. But maybe there'a a few around. If you think I'm just ranting and carrying on, you'd be a fool. Deeply compressed life experience cannot be outmatched and while people grasp tightly to their opinions and apparent beliefs, Time has been, and will always be, a great teacher of the truth.

If you over simplify a life lesson, you're basically screwing yourself out of a great opportunity. Trading is not just about technical process, nor is it just about money. But if you're a simpleton in your thinking, then you're always looking for the shortcut, the quick answer, the easy road to learn. And on top of this, you're too audacious in your attitude to even realize you've just conned yourself out of learning that would aid you to step up to the next level.

Remember complex to one person is simple to another.

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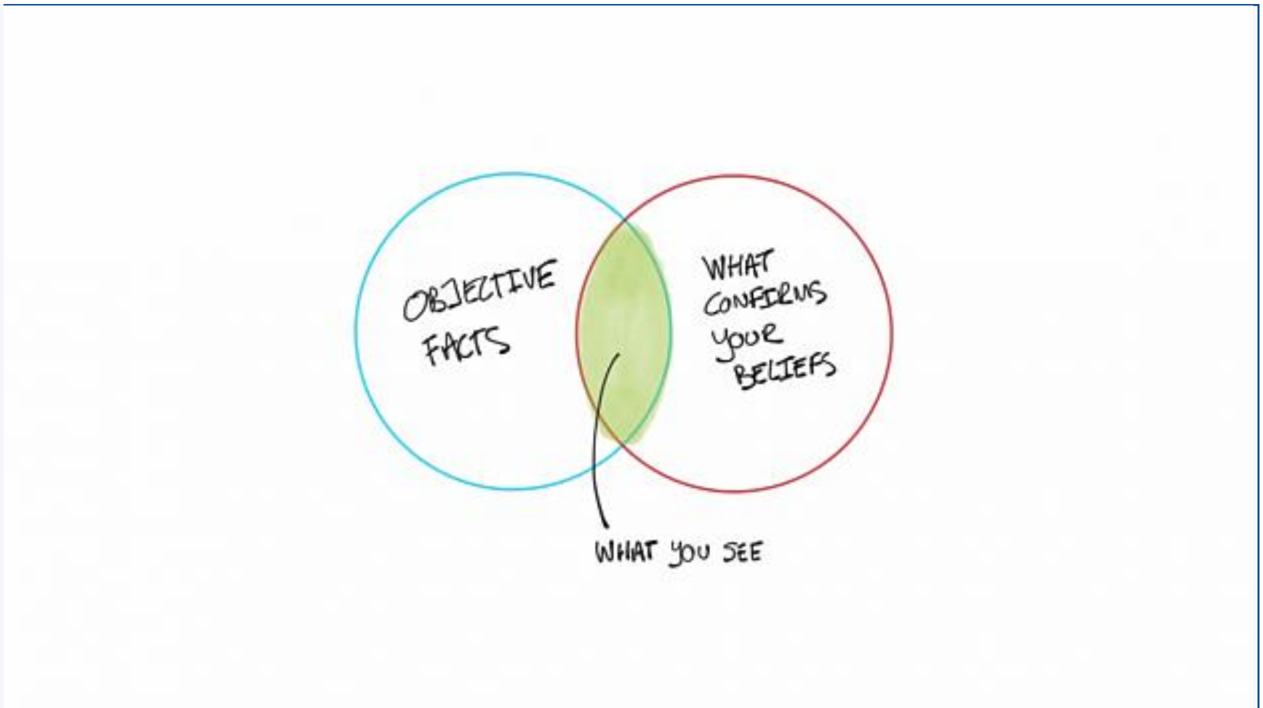

Being a simpleton does not translate into "safe" or "knowledgeable".

Attached Image (click to enlarge)

And being a person who has an opinion is actually the lowest form of intelligence. Not my words. A proven factual truth that Time itself has proven.

So you have to ask yourself AT SOME POINT, the question ....

What do I actually know and understand that is both helping me AND hurting me?

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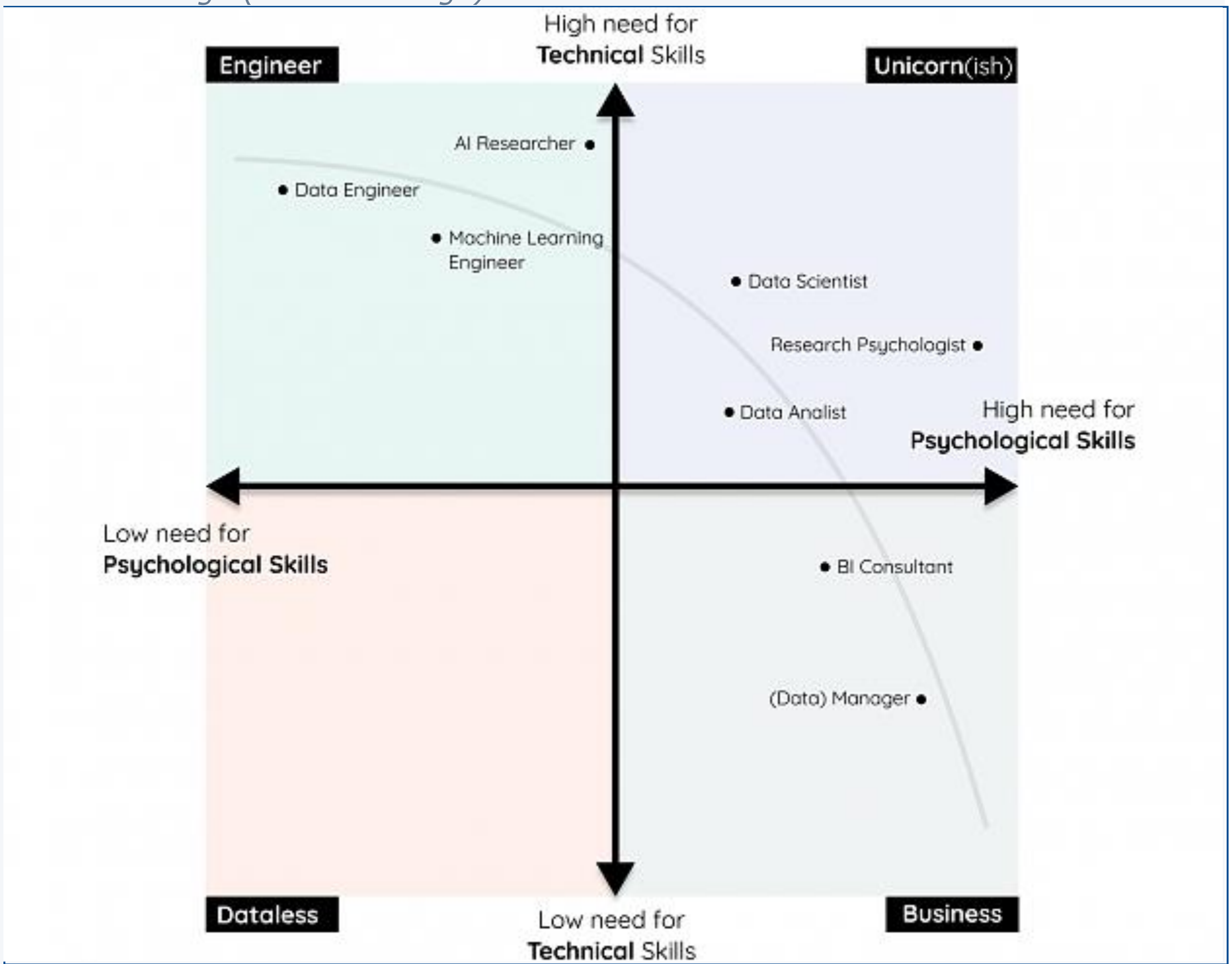


Peter

People who have never actually lived the life of a real life trader (Minus all the ridiculous social landfill on a site like this) are not aware of what it looks like, from this perspective.

The market doesn't care if you're an immature prat, or a whiz kid with numbers. It doesn't care if you have a gold star next to your name on sites like this. Hihihihihehehehe.

THE ONLY THING IT IS CONCERNED WITH IS - the two questions .....

"Do you see what I see?" and "Can you do what I do?"

All this silliness about retail trader vs institutional trader and liquidity providers.

It's enough to send a man to drink !!!

From what I can tell, it seems that basically NO ONE here has EVER known an institutional trader.... a REAL LIVE PERSON who trades at a bank etc.

Are you kidding me ???!!!

So HOW would YOU know what they're like as traders, as people, and EMPLOYEES ??!!!!

IS it sinking in yet?

They are PEOPLE . ... JUST LIKE YOU.

They crap their pants when they get overextended JUST LIKE YOU. They cheer when a nice big trade goes their way ...... JUST LIKE YOU. The main difference is ..... IT'S THEIR ***JOB***. Not some fancy-pancy hobby or some over-simplified dream or fantasy about lots on money etc etc.

How would I know this? Because I don't crawl around and sculk on sites like this and call it "real life". I have lived my life and known these people and done business with them.

Your "precious attitudes" and opinions are worthless when the objective truth hits you in the face.

But what I see is that people have NO CLUE where their opinion SHOULD cease and desist and the objective truth and reality SHOULD begin.

So for example, a thread like this one. It has the potential for something much more. But most people are still trying to look in their diapers to see what's cold and wet that keeps sticking to them.

Are you kidding me ???!!!

Silly excuses, shortsightedness and deliberate over simplifying of many EXTREMELY important elements of trading. And you wonder why you're not doing better? Why, when someone like me comes along, who just naturally can discuss making a four figure trade with friends. NOT because I brag or gloat but because THEY'RE MATURE ENOUGH to appreciate what that means, what it takes and what's required of ME to do that repeatedly.

1,000.00

It's just a number. If you cannot fathom or believe that SOMEWHERE "out there", someone is generating a $1000.00 profit on a trade setup, then you're in A LOT of trouble.

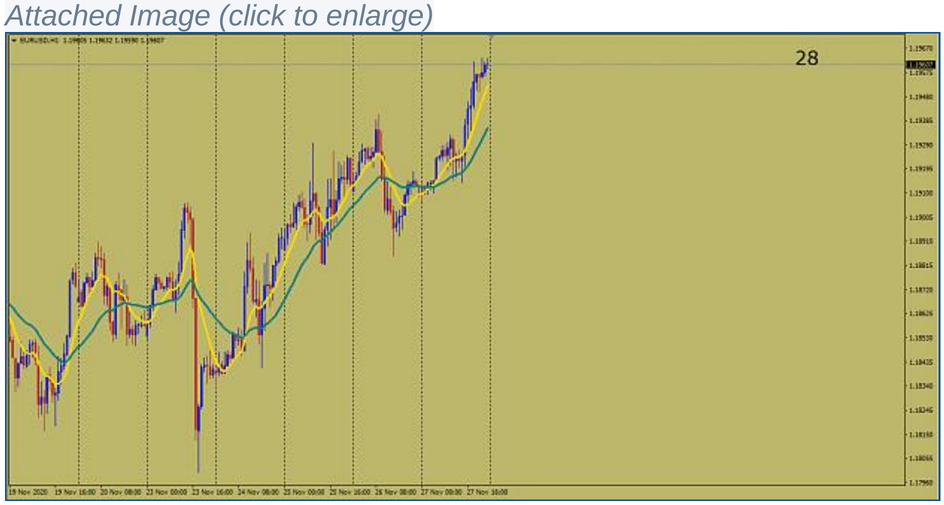
It is ONLY the final 0.01% of your trading activity that places that order to market.

Attached Image (click to enlarge)

Peter

This is someone's learning curve when they possess a deep enough motivation to learn properly.....

Attached Image (click to enlarge)



And here's someone's learning cure when they flounder about, being distracted and "entertained" by peer group thinking, opinions and group think ....

Attached Image (click to enlarge)

Peter

Where I come from, we have little time for deliberate and chosen stupidity and intentional ignorance. In some cases, being that way or thinking that way, could get you mauled or killed.

And I suppose that attitude has stayed with me all these years. My wife says I'm stubborn. Mmmm maybe she's a little right !! Hihihi

In my experience, I don't really care about your skin colour, creed, gender or anything like that. But if you show traits of someone who resists what you say you want or even need, then there's something wrong. Just the same with these fools who "troll" the internet. I think that's the word people mostly use isn't it. Unless they're some advanced AI type program that pretends to be a person, then it's likely you're just dealing with a person with turds for brains and the emotional maturity to run with it.

I don't dance to the same beat as other people.

I don't look for "hidden patterns" or "secret frequencies" or "magical conditions" when I trade. I do what worked 100 or even 1000 yrs ago. And will continue to work for as long as these markets are tradable.

People don't understand one very pertinent concept - a bag of something and a bowl of something are viable for either - consumption, or an exchange when a suitable agreement is reached. And you don't need money or "technology" to see this, you need daylight or fire light and you. PERIOD.

If people do not confess to just how "full of crap" they are then they can never learn. Doing this creates a precedent in your being and from there, you can be open to learn. Not my opinion. It's true, always was and will be. Is testable and provable and verifiable.

Peter

Take a look at this screenshot.This is a mt4 testing model I use. It's simple and clean. There is NOTHING superfluous there. No wasted space and nothing to hide or keep "secret" ...... ooooooooooooo !!

Attached Image (click to enlarge)

Now don't do what some people are obsessed with doing on here ..... trying to imitate or copy what I have setup. You have NO CLUE as to WHY I setup that view with those settings and tools and layout.

However it is healthy to observe and think.
Peter

I have said before that real people who really trade their real life accounts are not in the habit of "chit-chatting" with other people. Why? It is very frustrating to deal with someone who doesn't want to stretch their thinking and possess a total lack of respect and just wants to argue with you when you try to explain things as it NEEDS to be understood. Not this minimum wage style of thinking I find rampant of this site. If you do not want to lift the weight of putting in effort then go play video games.

There is nothing complicated about common sense and basic intelligent thinking, Perhaps YOU people are the ones with really low standards of thinking and working, that you think it's a "breeze" to learn and understand what goes on in this world.

Re: Pumi's words. I can appreciate what you're saying but .... rubbish. George's approach is not unique or original at all. I have already found a number of people on this site who eventually just "left the building" because they outgrew all the immaturity of it all. These individuals were pointing out this stuff to others long before George. What you're saying merely "justifies" people's "problems with learning". IT starts and ends in between your ears. Did, Does and always will. When I showed my other friends George's original thread, they just laughed and said, "Is THAT what they're calling it this year?" So people know that you determine whether you learn or make a fool of yourself.

Buy, was and is and always will be buy. Same with sell. If a person stops making excuses and realizes if your thinking is "off" then your complete approach to learning how to trade AND to assimilate information and knowledge will also be off. It's something every person has to deal with.

The person who spends 10 years trying to learn something that SHOULD honestly only take a few hours, is making excuses and telling stories somewhere in their mind.

Reversal, breakthrough continuation or opposite reversal. That's it. They're your choices for trades.

Not complicated. From what I see, all of you spend FAR too much time talking about rubbish and far too LITTLE time talking about what really counts. It's pseudo social stuff that has tried to combine some form of socializing with conversing about trading and other topics surrounding it. And it is obvious it does not work.

If any "pro trader" DOES actually come along, the last thing they want is some idiot with an attitude getting in their face and telling them "how it is". I say this because people have done it to me. Real life traders have a very low opinion of sites like this and the people who "stay too long" because they know the people who are trying to learn need to be objective to do so.

As for people system hopping. People are impatient and immature in their thinking. If you don't agree, go find a trader who has been actively trading their own money for at least 20yrs and point them to this site and perhaps even this thread. And watch the corners of their mouth turn upward and their eyes squint. It is YOUR choice alone to hop around. Lack of common sense will do that to a person.

So you wanna learn to trade? Then lift your standards in every category. Stop BSing yourself and others. Stop trying to con a career trader with your silliness. It only makes you look like an idiot and we can see it coming.

Stop assuming you're NOT the problem. Be part of your solution and stop agreeing with ridiculous "bottom of the barrel" mindsets and attitudes and opinions. It only makes it worse.

I am truly sorry if this seems harsh but ---- really --- do you want to STILL be on this site talking crap with people in 10yrs time?

I won't be. And anyone who values their time won't either.

Peter

It's pretty clear that most people here, would fall into the category of "the mob" and I can see that it's a waste of time bringing up in discussion the type of thing that is essential to trading .... but in people's minds, opinions outweigh the facts and the truth.

I don't care if you do not want me to write this. I am not interested in what you think of me, or what I say. And forget the fact that the rest of the world considers this type of site to be so very backwards. Many people I've spoken to since joining up here, who are veteran traders in the real world, (not some silly trade explorer closed box scenario traders), find it disturbing and disappointing that people would backslide so much.

Trading is a concept, an idea. If you are having problems learning and getting better, it's likely you're addicted to information and have not yet learned the real life concepts. Most people I've come across here, who like to throw their weight around and talk about "a lot of things" probably don't realize, that what you think works because you did it yesterday or last week, does not automatically mean it will work indefinitely.

It's rather disturbing that people assume that everyone who trades, trades off their opinion and basically nothing else. Or perhaps with the help of an indicator or trend line, or something that appears to give them an edge.

In my experience the people who want to argue and debate about the simplest basics of just being an adult, long before you even get to talking about trading, will fail. It's inevitable.

The "mob" never considers what they do to each other. The "mob" believes its ruling is final. The "mob" is usually wrong 99% of the time about most things.

So what I write here is not for the "mob", it's for people who come across this and perhaps have already seen, realized and maybe even concluded how petty, childish and silly most people really are. Perhaps they've noticed how little gets achieved here, perhaps they've observed how pathetic and how trivial people make themselves when opportunity comes knocking and they just spit on it and run and hide, just as they've done every other time.

And maybe they also realize just how big the disparity is, between what people "think" they know and what the truth of it is.

Concepts rule material life on this planet. If you didn't know about trading, would you be involved in trying to do it?

Concepts like - internal structure and external structure. Others are performance probability of a market and the slide effect of a market.

Indeed these are REAL CONCEPTS that operate in all markets at all times and are used by real traders who are real people in the real world EVERY day. And they are used in extremely profitable ways and situations. Now here's the real problem - you don't believe in extreme profitability. That it exists or that you can even achieve it. I can see that most do not because if a person wants better for themself, They LIFT their involvement in the correct areas, their energy, their participation in the things that raise their standards. All these add up to someone achieving their goals.

But how would YOU know about them? You're too busy with trivial things and just repeating whatever the person next to you says.

There are things I could teach people but they would not suit your thinking. Most people are too busy fighting over the basics and whether they"re "true or not".

The only way you would know what I say is true and accurate is if you have bothered to go and do the thorough independent research for yourself. And this is why most of you falter at the first sign of something REAL from the REAL outside world. You have nothing to base it on or to compare it to.

Why is that when apparently "so many people" here on this site are real traders?

I am not a bully, or an egotist, or whatever else silly people want to deflect off from the subject people face.

Infrastructural probability of a market. A lot of words. And big fancy words. The question is this ......

Would you know the difference between a speculator and someone else if you met them?

And this brings me to the next query ....

How much do you assume is yours?

Apart from a trading platform you yourself have designed and created and made compatible with your broker, the platform you use is not yours to keep. The money that is deposited into your trading account after a profitable trade setup is complete, is not money in and of itself nor is it yours to keep. You don't own your money just as you probably don't use the correct tools to tell you when the market is in its truest state and form. Yes that's a "real thing". Has always existed and will always. And someone who STARTS their path of observation and evaluation in trading, always begins with the concept or the idea.

So, if you trade a "reversal" ..... why do you try and trade it?

And if you like trading "momentum continuations" .... what motivates you to trade it?

And let's say you have an indicator that you think is "pretty hot S!@#" .... what makes you think it works all the time? Are you "hoping" or are you "praying" or are you doing what most "modern people" do .... just assume they know what they need to know. And that's all they need.

Attached Image (click to enlarge)

The above Daily Gold chart is from 1980. The main problem I have witnessed with people trying to trade today, is their poor understanding of their own misuse of technology and the assumption that more is better.

If in the future, people were stripped of their tech, but wanted or needed to keep trading, how would you do it? What skills have you learned to help you? What principles and constant concepts are you aware of that yes, give you and "edge" but more importantly, will give you trade opportunities for as long you are able and allowed to trade the financial markets? ..... In ANY market conditions?

These are ***not*** trivial things.

Something that comes up on this site time and time again is - "trading style". As people throw it around in conversation, this is a fallacy. Either you trade for profit or you don't. Either you truthfully understand "the game" or you are lying to yourself.

Ask yourself - how much do I truthfully KNOW will happen?

If you do what you usually do when reading this kind of thing, and just dismiss it as BS or useless banter, then try using some foresight and look into the future at the path your trading life will take, IF you continue to do everything the way you've been doing it.

If you cannot handle real constructive feedback, how are you going to be anything different 10 or 20 years from now?

For most people on this site, you keep recycling the same problematic behavior, attitudes and learning path.

But for a person who has been there, done that, it reminds me of fish trying to swim in a barrel BUT believing they're swimming in a river.

If all this means nothing to you, then trying to show you or teach you anything real is going to be pointless.

Peter

Superficial AKA lazy approaches to trading is a waste of time, and I think, deep deep down, YOU know this to be true.

If a trader thinks like everyone else, they WILL fail.

If a trader only tries to be different just so they can BE different, either in their own eyes or someone else's, they will fail.

If a trader tries to be "contrarian" just to be different, they will fail.

If a person only "feeds off" other traders for ideas and strategies, they will fail.

If a person NEVER questions their own assumptions, they will DEFINITELY fail.

If a person is shallow and too materialistic in their thinking, they will fail.

If the trader focuses too much on information, tactics and strategy ..... they will fail.

And ..... If the trader relies too heavily on outside resources, they almost certainly will fail.

My definition of fail, is not confined to a dictionary definition. When I use this word, it is relating to all the paths someone can go down, when attempting to learn and succeed at the activity of trading.

If you focus too much on fast results, quick answers to problems and cheat sheet style of thinking ...... you may do well for a while but it certainly will cause more problems later on, and in ways that you are unfit and incapable to fix and solve..... because you cheated yourself out of learning what is necessary.

Basic concepts

-Market is an idea for agreeable collaboration.
-Market is a collaboration of activity.
-Activity is defined by transactional movement of price on a scale of time.
-Time is used so price is always dependent on it to allow collaboration.
-Market is stress tested in cycles. Stress tests are performed by "majority participants". Eg FX = central banks and primary liquidity providers.
-Stress tests are seen by all observers but are interpreted differently by its participants and any observers
-Market possesses internal and external structure - internal is perceived by participants via events eg - fx trader. External is perceived by cross market participants, regulators and primary participants eg Central banks and BIS - Bank of International Settlements.
-Price and time rotate around an axis AKA pivot on interest vs intake/outtake volume.
-The Retail sector was originally established to seek out "new blood" for large participants eg banks etc.
-The "Retail Trader" is a pun for retailer. Similar to the relationship between consumer and retail shopper. Either believe what they're told or, they think for themself and work out the conceptual truth of how they can profit independent of the general consensus on an indefinite basis.
-Buy or sell
-Price and Time expand and contract
-Big ideas start with small steps
-Small thinking is only capable and competent for small ideas and will eventually fall prey to outside circumstances that are beyond the view of the person's "interest" or belief to be important.
-For any trader there are always only ever two paths - forwards or backwards. Sideways in one's development is reflective of plateauing and shows distraction or disbelief.
-Internal infrastructure is set via transactional activity that is NOT always permeated by volume
-External infrastructure is set by performance probability of that specific market and is indigenous to volume activity and performance of the relationships it holds with other markets.

These are enough to get people started. If you are having trouble with some of the words, get a dictionary and use it and learn and practice what you preach.

Peter

Quoting bilal1947
It all depends on Dollar and Corona (risk on scenario) to move the prices {image}

bilal1947,

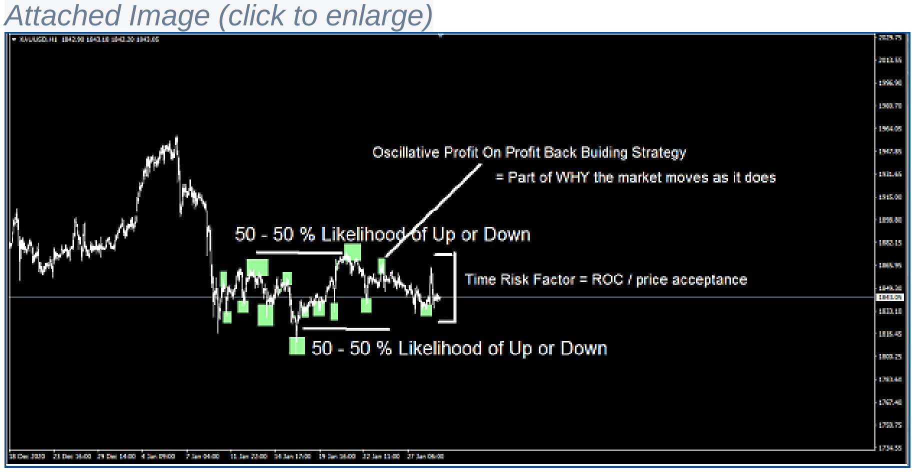
You're ignoring what is below and assuming a lot. All of that up down up down moving "oscillations", after its steep move down on left of pic, is back building. The people and/or other participants are trading all those up downs in the middle of pic, performing oscillative profit rotation AKA profit on profit rotation, waiting for the overall market to conclude and finally move up or down to completion. They don't care if it completes up or down. They win either way. Order block theory for FX minus other real world market inputs is worthless. You're only getting about 25% of the truthful picture. Most people on here don't trade other markets that MUST incorporate FX markets, so they don't know and understand the revolving door of financial markets. It doesn't matter IF it DOES in fact go up and complete, what matters is that it WILL do an up or down completion. Unenlightened people speculate and only remember their wins, but a trader MUST have a VERY LONG memory to learn properly.

Please consider.

Peter

Gold Today ....

Attached Image (click to enlarge)



Peter

PS - Show me your concrete proof of data that proves unanimously that "the market" likes to eat stop losses. Please return to my earlier posts to train your mind to step beyond storytelling.

The above post with Gold Today, is a type of "Market Neutral" perception. It is a form of trading that doesn't require ANY speculation EVER and is extremely profitable when done properly.

If you spend some time OUTSIDE your own head and become more objective (without preference, bias, judgment, prejudice or opinion) then you will see how elegant and quite simple this strategy is. However, do not be misguided to believe it an easy strategy to perform. It requires guts, research, a backup plan and an understanding of the situation both from top down and bottom up.

I have traded this many times. So I know it works.

Enjoy.

Peter

Thinking exercise - If I was to try and punch you in the head, how many times would I make contact before you would either

A - Move backwards away from it?
B - Move to the side to avoid it?
C - See it coming and either block it, or use its force to your advantage?

Just for once, don't just react with silly comments. Really give this some thought.

Peter

Quoting bilal1947
{quote} Although its looks like a down trend now, somehow I feel its isnt 50/50 may be it is what i see is a recent BOS in the picture is upwards linking it economic scenario of corona is increasing lets see how dollar will react of new president policy's that is all will decide. for now its bullish but if one can enter in sell with a safe entry its okay. For me important is execution with BE trades to be safe.

bilal1947,

You're placing far too much energy into suppositions. Trump's tweets or corona news is not the market. "Buy the rumor and sell the fact." - ring any bells? These things are not constants. Although the news about something often spills over into the same timeline of market activity, trading news or trading on news is for someone who knows how to "read between the lines" and is not for people starting out.

If I utilize any news coming out it MAY soak up about 1% of what I see as useful. But because I have been doing this for a very long time, I can see what is actually relevant because it will be properly digested by the market in a way that correlates to its true movements. I hope that makes sense.

Peter

A suitable trade yet a small trade on the EURGBP while I watched my favorite show .....

Attached Image (click to enlarge)

Peter

----

please tell directly dont buy a selling candle i will practise it, saying things indirectly are a long route.

If you want to learn to trade properly you need to be able to think laterally and abstract when the situation asks for it. So my suggestion is to return to the thinking exercise and have another go at understanding it. Each time you think you do not understand it, write that way of seeing it on a list and then try again. There is no getting around this process, sorry. You need to train your mind to think in different ways.

we cannot unlink price with the prevailing economic scenario

=======================

These days most people have no clue how to proficiently combine their emotional and mental thinking with their instincts. The best individuals who do this are the ones who see the connection between cause and effect, effect to cause and cause to cause. A good eg of a person who does this is someone who trades off "fundamental elements of society". Eg Soros. He doesn't use silly things like Order Blocks or Market maker or bulls and bears to determine the reality of something. He opens the window as he reads the paper and makes his calls to different parts of the world. If you want or need "good" information you go to the source - the true concepts in play.

Superficial news comes and goes. The news story changes but the market keeps doing what it needs to do. The word you need to understand better here is "prevailing". The prevailing wind sinks no ships but it also needs to end.

Literally most of what I have seen mentioned on this site and sites like this, are realistically useless in the real world. Why? People only focus on "when it's working" and never when it's not or when it breaks down. Eg - go back to Swiss frank depegging. Eg - June 2016 re: Brexit. And on and on the list goes of situations where the markets "stop working as they're supposed to". People simply don't like thinking about tragedy or disasters.... and even MORE so when it comes to the financial markets.

It is a REAL skill to place all the layers in line when you go from the REALLY BIG picture through the levels and down to what you consider an 'economic scenario'. To me, following news stories is similar to going to the toilet, flushing it then jumping in after it and following it down to "wherever" it goes.

Yes there IS a relationship but I wouldn't get too obsessed about news and "Ooooh the coronavirus". If you go and research the pathways of certified underwritings of money (eg Gold reserve), fiat currency and custom currency exchanges (Eg bitcoin), you will be able to learn about the co-dependent relationships that exist between all these things. Too much to explain here. But generally, the basic premise is - Fearmongering has always existed in and outside the financial markets.

If you are doing your job properly, as a trader, you will focus on having a plan for best AND worst case scenario of what "happens next" in the world. Coronavirus has little to do with Risk ON and Off, apart from the basic motivations that have always existed - Make more money and keep more protected. Try and keep things TRUTHFUL and SIMPLE. Then you don't over-step and make things over-simplified and start removing parts of your understanding that actually are essential. Some people on here have been doing this and it always comes back to bite you on the ass.

support resistance are retailers trap look for order blocks

ALL tools, strategies, tactics have their 2 sides = strengths and weaknesses. You cannot have day without night.

Silly people on here are very quick to dismiss things they obviously do not understand. This may be why they jump from system to system and strategy to strategy and person to person.

As a function of a market's participant's biases, yes S&D and S&R and order blocks can be used, but personally, I would not put too much stock in them. Why? I prefer to work with (as much as possible) the types of tools that work minimum 80-90% of the time or greater. That's not a brag etc. It's a fact. I find it helps me keep my sanity.

Your statement is of someone who has yet to realize the flaws in "Order Blocks" etc. To me, they are no better than S&D and S&R because sometimes they work and sometimes they don't. But you need to arrive at your own conclusions.

If you really want to learn properly, it would be wise to consider EVERYTHING on this site as "retail trader trap material" until you have the chance to review it objectively. But you can only do this by stepping back from it all and spend some time to look at it all from as many differing perspectives as possible. With this I don't mean people on here and their opinions. I am referring to the different types of trade setups, different "status" of trader eg - retail, institutional etc. including the different types of markets that operate. The more thorough you are in your research the more accurate your understanding will become.

Sorry for all the words. Sometimes there's no quick easy way to explain things.

Peter

Quoting Barraka
{quote} Hi Peter, I've been reading through this thread, and have a few questions on some charts that you've posted. If you don't mind, could you clarify the concepts you're trying to communicate here? {image} Image 1: I can't seem to understand what those boxes represent: 25% in price is as big as 50%, and in terms of time it's the same thing, at least for the first 2 numbers on the left. And on the right, well same thing I have no idea what those % are supposed to represent. {image} Image 2: The vertical (angled) lines seem to be measured moves,...

Barraka,

A picture is worth BOTH a thousand words AND 100 stories. If you want to be a trader, you need to think for yourself. Make a list of EVERY interpretation you can think of OK. Later you'll understand why. You're not in grade school anymore, in certain contexts there is NO "right answer". Until you understand this, you will remain perplexed because that brain of yours is getting soft. Think concept instead of answer.

Peter

When a person allows their thinking and beliefs to become too super-specialized, they will always struggle to successfully adapt to their new environment.

So if you are too rigid and stubborn when relating to your beliefs and habits about your trading, the financial markets and the world at large, you will have a lot of trouble keeping up with the changes.

This is why I am so hard on people here when talking about stories, perceptions and beliefs. If you lack the full life experience to appreciate real life for what it truly is, then you cannot learn anything that will help you be better and do better.

Maybe this will help explain some things and answer a few questions.

Peter

Your path as a trader is inescapable. I know now, for a fact, that many people on this site are not traders, whether they think they are or not. They are dabblers who merely chew round the edges hoping to strike it lucky in finding something that will make it "easier" for them to trade for money. But in doing this you've missed the point.

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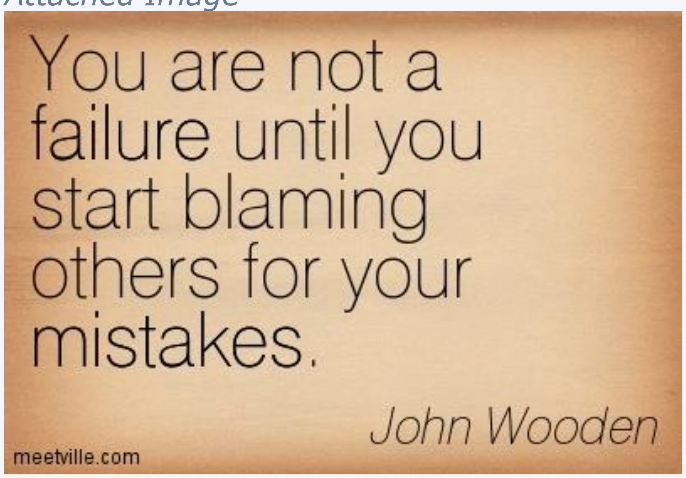

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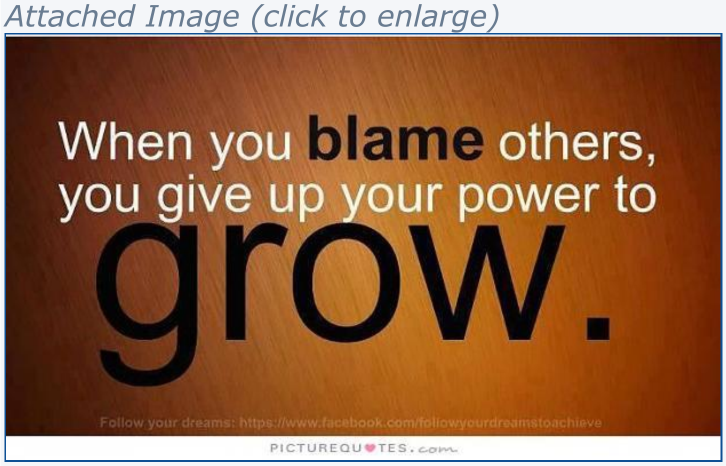

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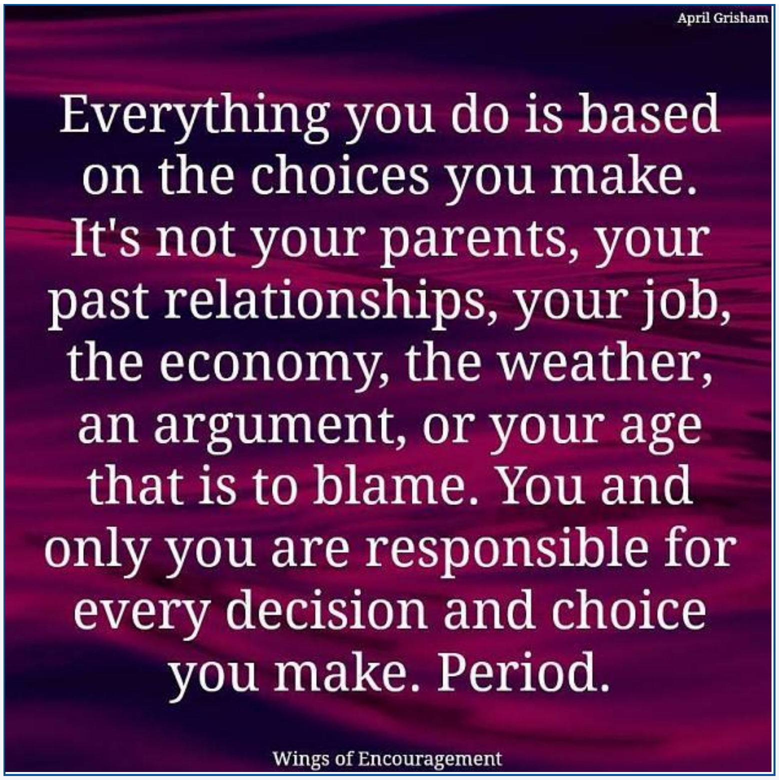

Attached Image

Peter

Thinking comes with trading, if you don't like that fact then either move on and do something else, or, stop resisting and learn WITH it.

Below are some screenshots. Some are mine and some from other people. This is an exercise in being objective.

This a game of perception vs truth. Each pic is trying to represent a particular perception. And each one offers some insightful information into a concept and information into how it functions as well as its flaws.

Attached Image (click to enlarge)

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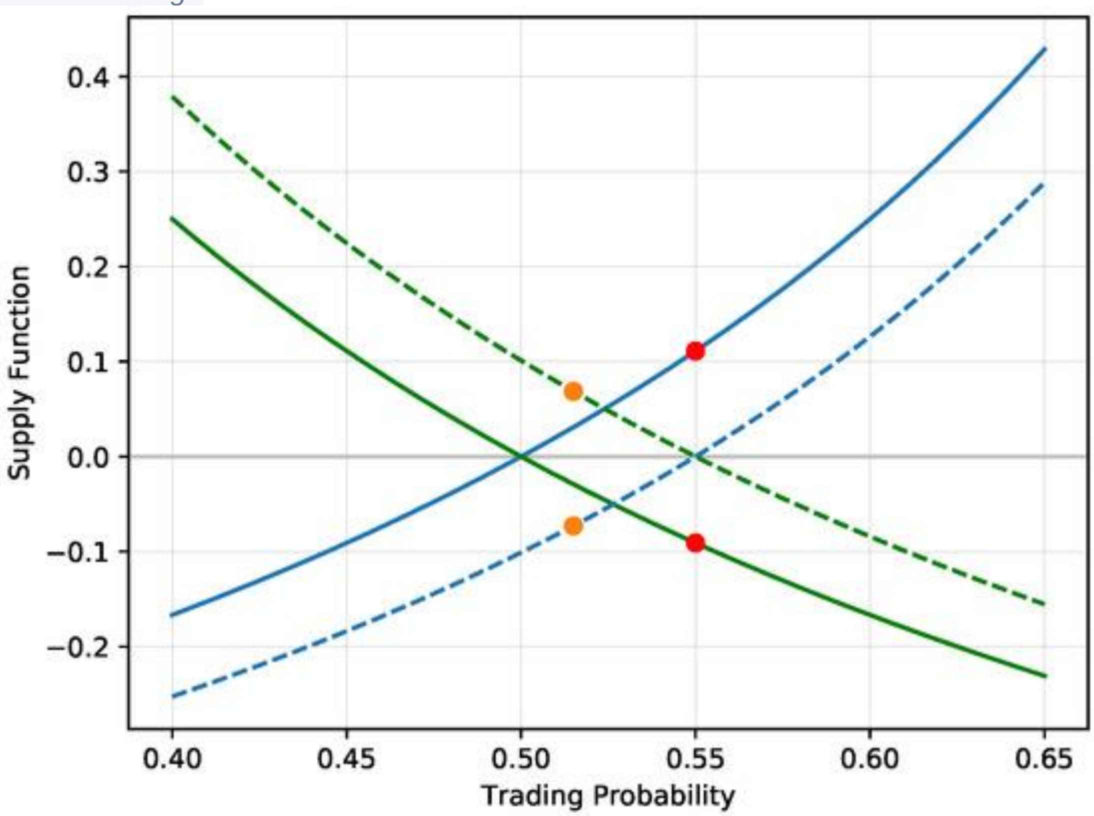

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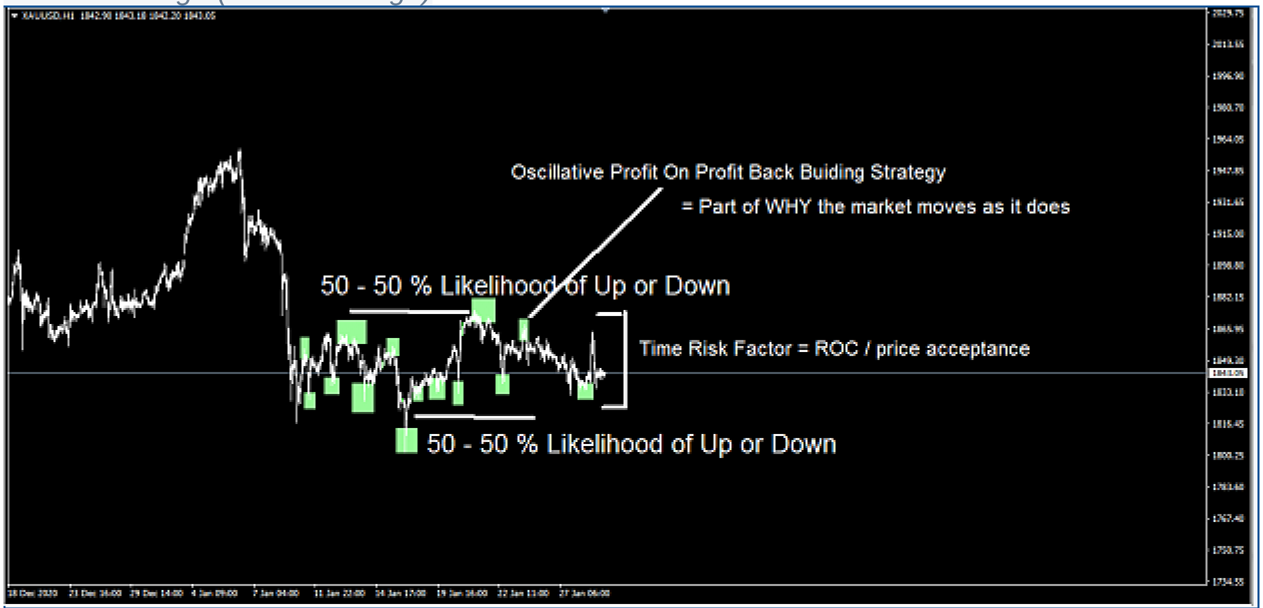

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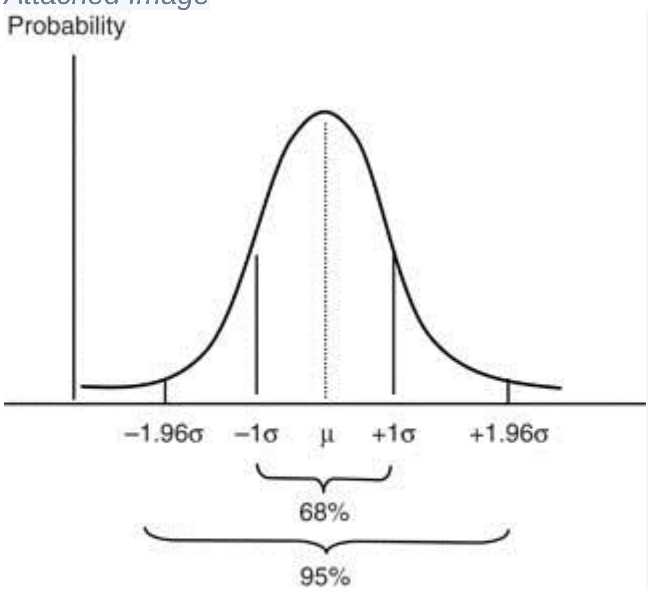

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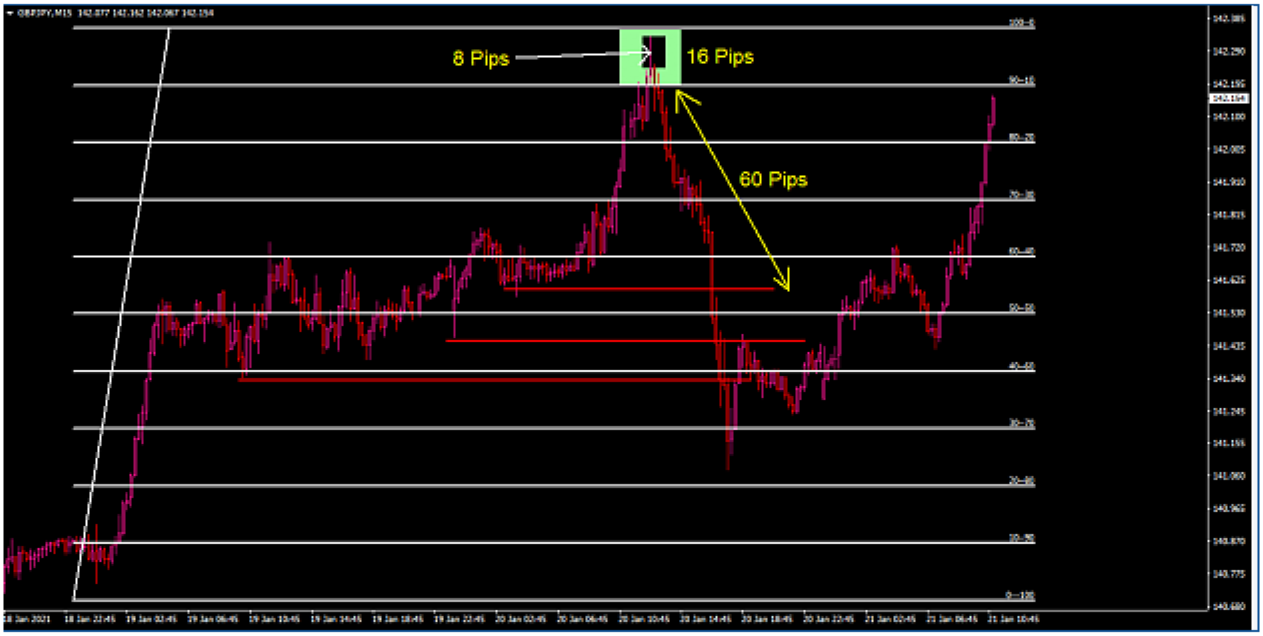

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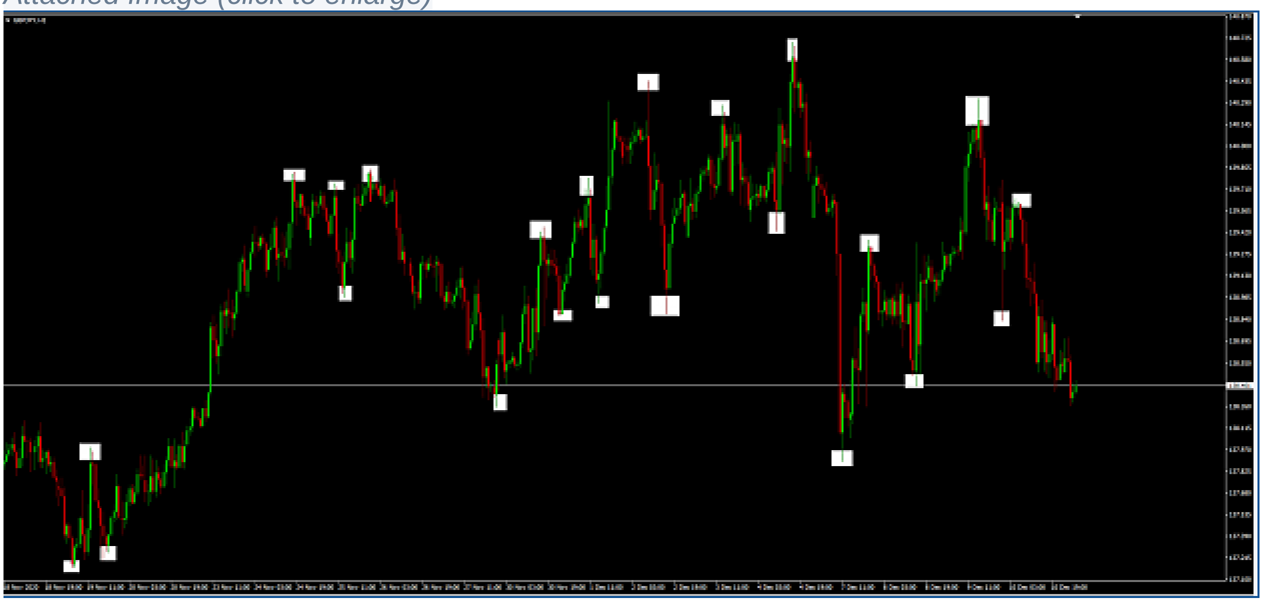

Attached Image (click to enlarge)

The idea here is to understand what your eyes see vs what you know, you think, you believe to be true and what you don't understand.

What is perception and what is constantly repeating? In my experience, many people never learn the truth about probabilities. Yes they may learn some things about it, but, never to the extent that a real life professional would. One good reason is where you get your information from. Sites like this one are teeming with assumptions, anecdotal evidence and misinformation. I don't know for certain why but it wouldn't be too difficult to summize the reason.

Whatever the reason, it has many people going in circles.

Fact = Low vs High probability is a perception. A perception has biases from several sources and is used by a trader to distinguish "better" positions to sit and watch.

Fact = No market can go sideways forever. Whether in low or high volatility.

Fact = Predicating new movements of a market is a simpler way to anticipate market activity. Doing it this way you are not predicting, you are moving WITH.

Fact = A professional at ANY skill, always leaves a margin for error in their operations. This does not mean they are performing poorly, it simply reflects their knowledge of what they do.

Fact = Probabilities ONLY work when applied to organically derived situations. Static information provides distorted insight. Eg. a horizontal line drawn at a price level where the person thinks or believes S&R etc may be placed.

Admittedly, I have done this to get you thinking.

If a market moves to a certain area of the chart then stops and goes back to its starting point, what do you think the probabilities would be? What would be the probability at different stages of its movement? Why would a "counter trend reversal" hold a different probability to a "trend pullback"? Why would a potential breakout turned reversal hold a different probability to a continued breakout? Why do people say never to trade "in the middle of price action"? What is perception and what is the truth?

The challenge for any trader is to be able to distinguish between these two. I'm not going to "tell you the answers" as that would defeat the purpose of this exercise. It is up to you to uncover your own perceptions and seek the truth of each movement.

Just a final note, everything you need to achieve this is on this post. You do not need any further information - just you and this post.

Peter

One of the most essential elements of trading, is being aware of where and how you are entering and exiting the market. Yes you can enter on a market order, forward pending order (Buy or Sell stop order) or a limit order. And I've noticed lots of people don't really know. But what's the point in asking other people where they think you should enter, if they themselves do not properly understand when, where and why orders are set for intake and outtake or more commonly known as order fill.

When I first started, I got very excited about placing an order to market because I had done a lot of preparation work leading up to it.

Sometimes I found that my orders never got filled as I watched the market fly away without me. Yes it was frustrating but eventually I saw what happened when they DID get filled. At that point I began to pay closer attention. A friend told me to "follow the money". Initially I didn't know what he meant. But when he sat me down and explained the transactional mechanics, I instantly realized why my orders weren't being filled.

Below is an example of one way that can help with this. When I started I used to draw it all freehand and with a ruler. But now I use a simple indicator to help me study a market's order tempo. Input and output order flow need not be complicated or some mathematically convoluted and vague calibration.

I usually use two - one for MTF evaluation and one for buy vs sell which I have included as templates below. Each version of the indicator in the template, can be calibrated to suit the "layers" depending on how you want to approach it.

Try it out and see how you go. The below templates and indicator are for mt4 only. Sorry I don't have others as I use mt4 for my studies and raw testing observations.

Please be aware that this approach is an estimated representation and does not represent actual orders, but instead, the habits of traders who do basically what everyone else does.

Peter

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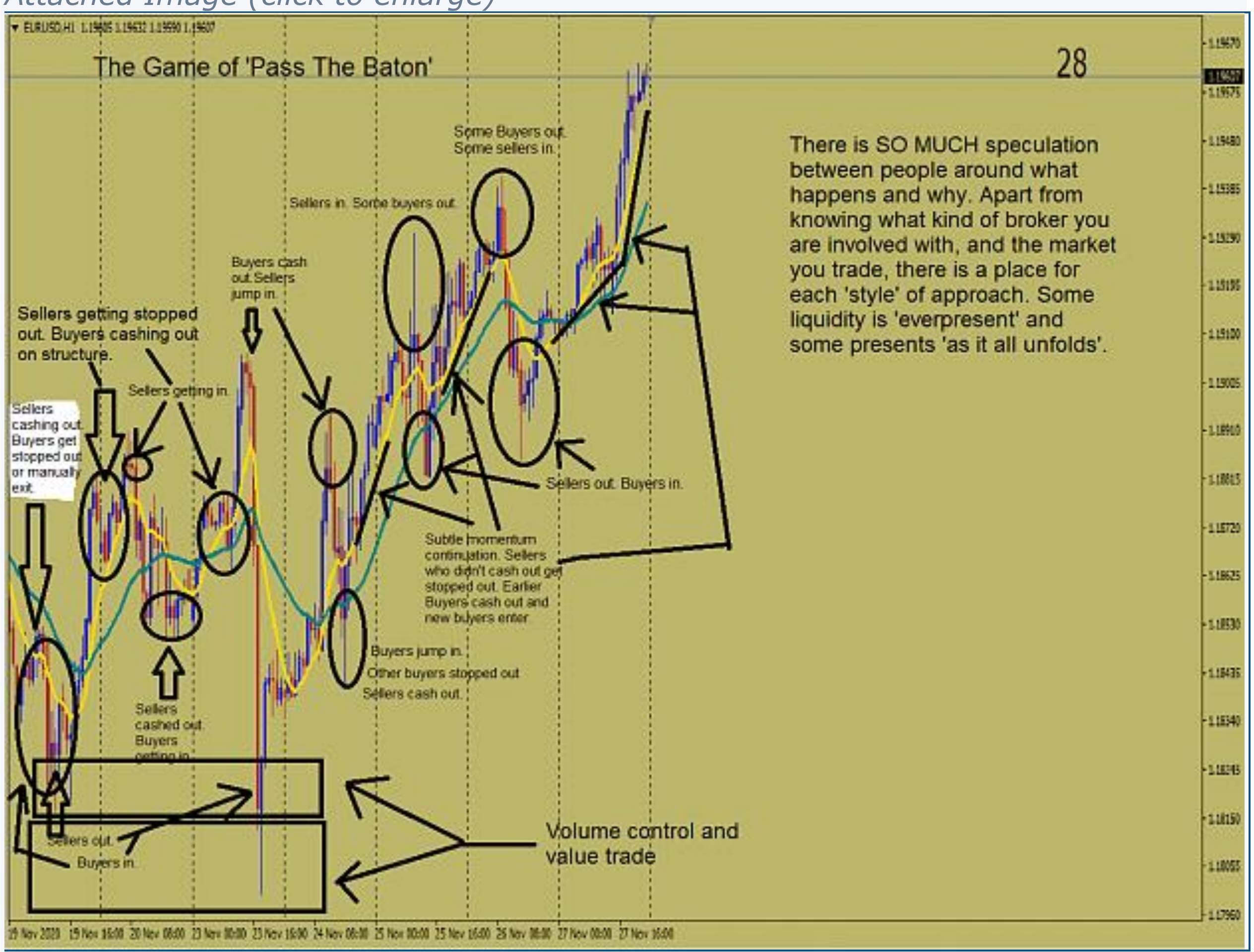

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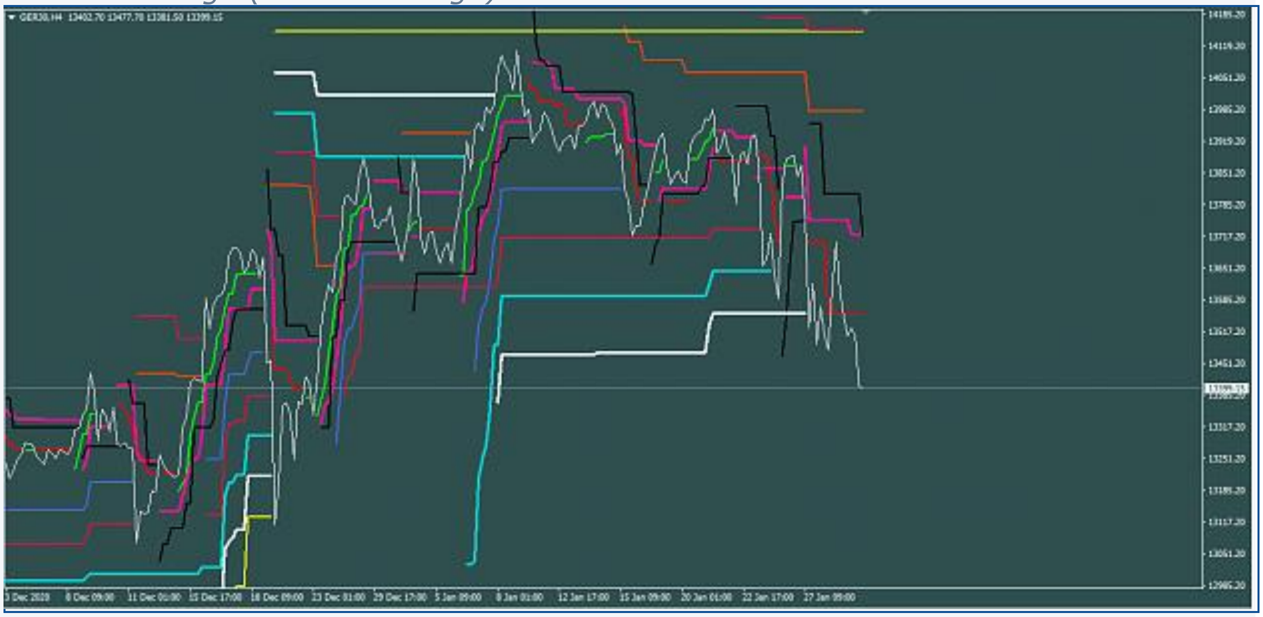

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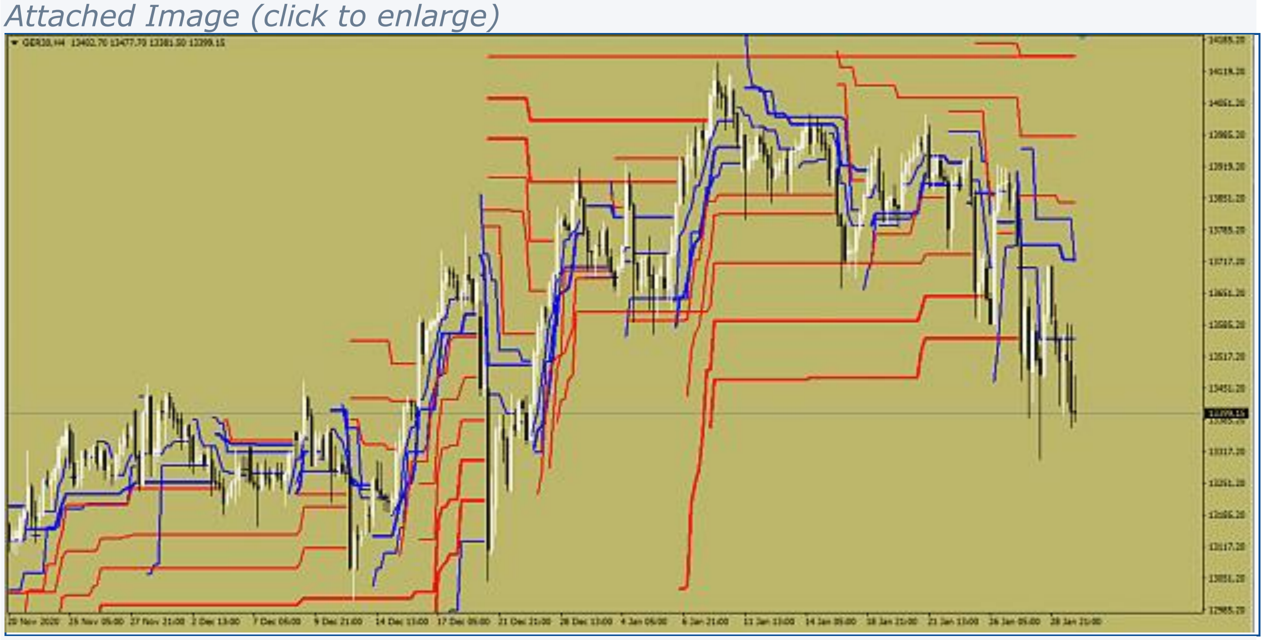


Personally, I don't see how most people here cold possibly say things like -

"masks this"
"spot on correct"
"big players can't alter the frequency" ..... and on and on.

This is akin to saying "it should do this" or "it will do that" without having the substantial knowledge, understanding and PROOF that one would need to justify this thinking. If you want proof of what I'm talking about, go look at USDCHF day when Swiss Frank was depegged or the June 2016 Brexit day.

I know that people are oversensitive and you'll probably take all this personally but really, so what. You don't do yourself any favors by thinking this way.

At this point, my suggestion is this - start replacing all that with words like - may, possibly, maybe, might, could.

As for the percentages, it's basic maths. Nothing else. No cryptic over-intellectualizing. Just.....basic.....maths. Now mix it with the observed "flow" of the market and you now have a way to understand the market that is possibly 100x more useful than most of the other "stuff" on this site.

People, you're so busy questioning the information presented that you forget to question your own thinking. Sometimes, a percentage is JUST a percentage. But, it's the THINKING that gets you to the appropriate conclusion to see it for what it is. No no fibs, or "Algo" manipulation or hidden broker stuff.

If your thinking is awry, then yes you will be susceptible to "stories" of conspiracy and intrigue. Naturally it never seems to matter to these people that they cannot actually PROVE from inside the control room of these markets, that this is happening. But, who needs real life when we have a story?

As for the post with the ATR indicator and its accompanying templates - Yes sorry about that. I forgot I have my libraries setup a bit different to the standard setup in mt4.

Trader007, if you study recent posts on this thread, you will find your own answer.

Peter

Quoting Londonpip60
Have recently opened up an account with IC markets which allows me to place buy and sell order at the same time on a currency. Have drawn out grids on the 4 hours were i could hedge against lossing trades - GJ - any help on this would be greatly appreciated as hedging is new to me. IN-put would be greatly appreciated. I run a 15 point break even strategy and take up opposite position when I'm wrong - which neutralises the trade to 15 points. If i added to positions when i was wrong - i could win even if it went against me.

Londonpip60,

I will chime in here because I do a lot of hedging although my approach is not "what or how other people may do it".

Attached Image (click to enlarge)

Here's a good pic for qualitative structure. Ignore the many pretty details on this pic and just focus on its layout.
And please refer to Post 1,227 on this thread for further investigation and education.

I use 3 types usually .....

- A breakthrough SAR
I take a position that "may" be favorable. I get it wrong and so I then look at my guides to see if the trade setup is inappropriate for direction and tempo. If it is then I will either average in, hedge out or both to go the other way. For eg of tool for hedge out see this thread - https://www.forexfactory.com/thread/...ge-trade-panel . It seems a good one although has its limits. So user be aware.

- A "type of" Straddle trade AKA bidirectional entry

Attached Image (click to enlarge)

Look closely at the details for entry (little arrows on top of market activity period candles), the red lines for stop level and an open-ended profit target for both entries. This is a "during" screenshot of this trade I did on my mt4 platform for people to study and learn from. Note the "back to the wall" visual effect on the chart this market is showing. It was ready to pop.

- A Deadman's stop

Essentially, I use this as a price level beacon, to tell me to potentially disregard the trade setup because my guides are showing too much evidence that what is happening is not what I thought it was originally. This can be in the form of a strict horizontal price level, a market derivation trigger, that can then lead to a SAR or, an opportunity to trade off an uncorrelated market situation that shows a lead-in that "probably" will lead to a future amalgamation of what I assessed initially. In simple terms, it turns out I got in too early but the evaluation I did is still holding up but there seems to be more activity coming so sit and wait and then get in on both trade setups for healthy profit run.

Any of these options for the Deadman's stop is useful, I suppose it just depends on the person.

I hope you find this helpful.

Peter

Quoting Barraka
{quote} Regarding your 2 entries, wouldn't it have been more cost-efficient to place a buy & sell stop order, instead of opening 2 trades simultaneously? This way only one would have triggered. {image} As for the

percentages: Ok, so there's not "probability boxes", and they're not fib retracement / extensions. You say it's basic maths, ok sure, but a percentage is a division. So, what are you dividing?

Barraka,

I don't know how much live trading you've done but here goes .....

A buy/sell stop is minimum + price entry order fill. This mean that if you place your stop order at eg 1.5000 that the market will need to fill your order in one piece or more starting at THAT price. The "+" I wrote relates to "or worse". Eg - if you try and place a 100K order with a stop order, you may not get all 100K filled on that stop order price you chose. The market may need to fill part of it at different prices. But your **best** price for order fill will be the price you designate as initial price position. You will never get better price position off a stop order and this is why people experience slippage. What I just described is known as negative slippage. That is why I used limit order fill. You get better price position AND positive slippage. So even if I'm wrong I win. So while some people choose to use stop order to get filled in a run "with the market", I go for better price position. It's less risky and less expensive which translates into better cost effectiveness as a price to cost ratio.

As for the query around "why place two opposing orders" - I live in the real world where sometimes I get it wrong but that doesn't mean I lose. It was a demonstration of a 2 way trade I did. If and when you know what you're dealing with and know what you're doing, then a small thing like a few points really is not a concern. Sometimes its necessary to cover yourself and this is part of what I was demonstrating.

As for the percentages - stop what you're doing right now and think back to school when you studied percentages/fractions. I'm assuming that you HAVE studied these of course.

If you have then answer me this - I have 4 apples and then I eat one apple. What percentage of the total did I eat? No I'm not making fun of you. It's a simple riddle and once you have determined the answer, go back and look at this pic ....

Attached Image (click to enlarge)

Now ignore all your impulses to "complicate things" here. Many people I meet think they're more intelligent than they really are and this gets them into trouble every single time. Think process, think market activity movement, think percentage structure. And remember that trading in part, is about percentages and probability of success/completion.

The rest is up to you. I have every faith that you can solve it for yourself. A word of warning here - don't listen to anyone here. Do your best to work it out for yourself. Your trading will thank you for the rest of your life.

Peter

Quoting Barraka
{quote} Ok, thanks for clarifying. I haven't run into any slippage with a stop order in the past, though I usually enter on market, so I haven't run into any occasion where your position size changes that perspective. In that way, it makes sense. Been trading live for a bit more that 3 years, so yes very much a rookie, but always eager

to learn new ways of thinking. I need to do more thinking regarding the %. Maybe post today's GU structure with those numbers, as a "hint" to your riddle. While I'm at it, could you also clarify this other screenshot...

Barraka,

Before we go any further here with this, you need to decide right here and now, what is your goal? Are you more interested in gleaning information from me or other people, or, are you truthfully interested in changing and improving your thinking processes?

I ask because the world is now full to the brim with lazy and complacent people who would prefer just to be told what to do, when to do it and how to do it.

The apple riddle is of grade school level problem solving. It simply requires basic observation and thinking to 'solve it' and for someone to learn a new skill.

Most people on here are just forum dicks who are too lazy to push the limits of their learning curve. There is no need for further examples. Your job is to think about possibilities that you didn't think about and give time to before.

As for : This time, we are clearly dealing with retracement zones, ten equidistant levels that you took from the swing low to swing high. Let's say you took a short after the marked bar: what would be the reasoning to highlight this specific bar? As the swing up was forming, making subsequent new highs, each new high bar was a candidate for drawing that fib grid, each fib level being smaller in pip amount. OR, would you have already identified that level as a potential reversal, let's say it coincides with a TMA band for example, in which case you then draw your fib grid to calculate the R:R of the setup.

You've just walked straight into a hornet's nest and now you're dead. Every point you just stated there is a trap.... a mirage. You paid no attention to the picture's details and just went ahead with your assumed knowledge. I say this to help, not to be cruel. The first step to trading is to pay attention. To observe. To assume nothing. Most people on here screw themselves out of any real learning because they prefer to assign their assumptions as the starting point to their thinking. See what I am saying here? As to context, that picture is self contained and explains everything for you to add it to what you already know.

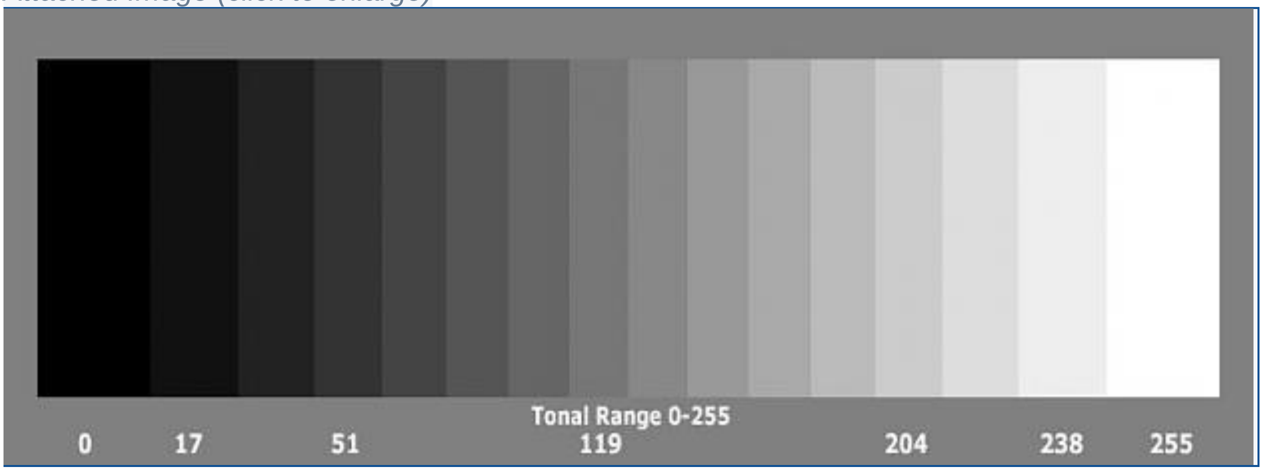
I suggest you return to my very first post (Page 12 post 228) and begin from there. Why? I'm not bragging or "big-noting myself". It simply comes down to thinking and acting or, assuming your way through your trading career.

The choice is yours.

Peter

If you're a "beginner", or an "intermediary" level trader it is your responsibility to understand the "Greyscale Process".

Attached Image (click to enlarge)



Above is a simple picture representation to show what it looks like. Many people don't even know it exists. What I found on this forum for example, is that people think that trading is more about one thing or another. That it's about "minimizing risk", indicators, trend, momentum etc etc etc. You could NOT be further from the truth. All those things are just side effects of something bigger. And what most on here don't want to acknowledge, is ...... real trading has nothing to do with opinion and personal judgment. It is about ... this question ..... "In what way can I do my trading that would have worked 100yrs ago, works now, today in the present, and will likely work well into the future?"

(Naturally, if in the future, the private individual is not allowed to access some/all the financial markets then that will show evidence of changes in the real world that will affect everyone, regardless of their trading approaches. But let's put that aside for now as we're not there yet.)

The Greyscale Process was invented by the Chinese about 5000yrs ago.

It's being used by all facets of society today and is especially useful in the world of financial markets. It is what helps a serious participant determine the truth from unwise speculation. It is particularly useful in that it does not favor which end you begin your focus of it. From black to while or vice versa. Both approaches work equally well.

In trading, there is always an element of truth in any situation. And there is also an element of speculation present. As you move from one end of the scale to the other, you move through its layers. This picture I have chosen shows the layers evenly set out, however, in real life, they're not always equal.

The basic purpose of the scale is to train a person's mind to seek BOTH the truth and speculative energy in a situation. It is not until a person realistically comes to accept specific realities about trading, that they find themself facing a conundrum.

"Do I just do what other people are doing, or, do I question what others are doing?"

A shallow immature person never bothers to answer this question, because they're too busy "trying to make money". Most people do not understand the nature of a trade setup. Usually, they either use an indicator of some kind, to tell them something (indicate only) or, they use it as a signal for time to place an order to market. But these are not the only two options.

I have spoken a number of times about using a relative approach. All indicators are relative in their thinking. People talk about things like "non lagging" and "non-repainting" but these are non issues when you simply accept their nature. The real truth is this, not ALL indicators are non lagging or repainting. Again, it's the assumption of people that caps, or limits their thinking. Yes indeed there are leading indicators but "forecasting/predicting" indicators are fundamentally useless to most people because, again, they don't understand the nature of an indicator and they have never been taught the Greyscale Process. Once you combine the nature of an indicator and the Greyscale Process, you have a way to discern more about what is going on.

Whichever end of the scale you choose is your position of Truth and the other end, is the "finish line" or full speculation of your movement.

I have spoken in the past about constant vs variable. These also fit into this arrangement. A trader who looks to the past, the present AND the future, needs to be aware that they do not own or control any financial market. So it's logical to begin assessment of ALL your tools and approaches that consist of either - more constant or more variable. One person on this thread mentioned that they are doing just this in their own studies and research. If that person continues with that, and also learns to adopt what I am talking about here, they will be more adept at their trading and be more ready for the future.

One person on here said that it's impossible to predict the future of a broker's chart activity. If you choose to think of all of this as some parlor trick performed by a con artist trying to "tell you your future" then ok, however, silly people who don't really know what they're doing with their trading would never try to think of the possibilities and potentiality.

Another person was talking about and describing elements to do with the use of volume and market activity. Those approaches to me, are similar to baking an apple pie, then cutting it into equal pieces then distributing these pieces to scattered locations on the planet then trying to say and convince me the pie is still whole.

It's not about the simple truth of how markets move around, its speculative and uninformed.

If you do not believe me .... good. Go and do proper research minus the speculative "storytelling" and you will see.

When you apply the Greyscale Process to yourself, other people as well as information, knowledge, experiences and your own awareness .... you will actually learn and can remove yourself from opinionated banter and shortsighted thinking.

The Greyscale Process also helps with understanding percentages, probabilities and performance analysis. So if you are an aspiring trader then this can aid you in learning in different ways and help you to expand your thinking, so that one day, you can move beyond other people and their opinions and truly enjoy your trading.

I hope this helps.

Peter

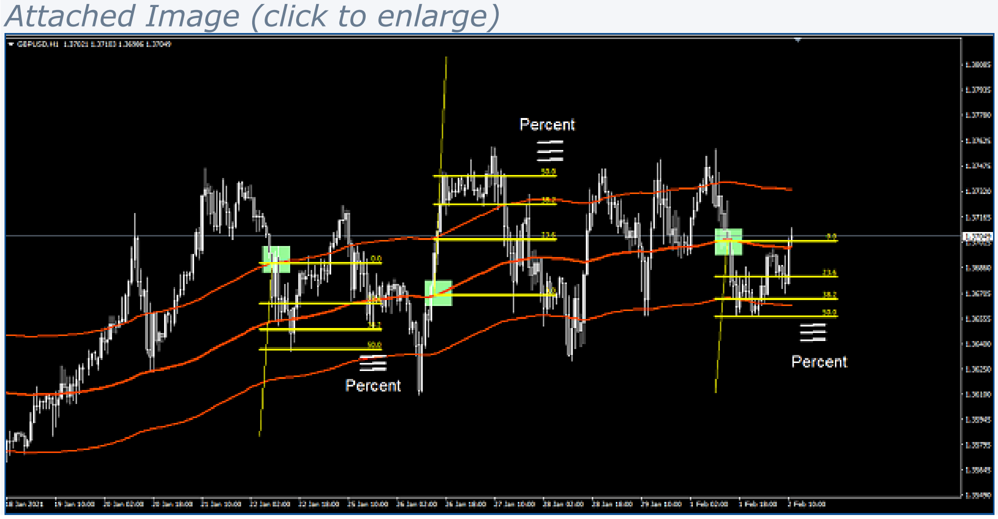
Depending on how you think and what you see as important, will be the destiny of your trading career. After all the jovial displays by people, the things that mattered 40 yrs ago in the financial markets, still exist today ....

40yrs ago ....

Attached Image (click to enlarge)

And today ......

Attached Image (click to enlarge)



The opportune areas of the market, any market, are based on what transpires all the time and are ever-present. It was and always will be, about opportune probabilities. If you don't use a gradient scale of thinking then you're just speculating. People need something real, something tangible that gets their brain working instead of constant white knuckling because they listened to the turd next door and don't know if it really works.

Peter

So what will all these people do, if the "algorithm" changes? What will the people say then? What will be the next excuse or "reason"?

Let me be very clear. I operate as assuming there IS and there is NOT something in my trading, simultaneously. This way I am more ready instead of being 2 steps away from crapping my pants because I assumed wrong. Make sense? With this thinking, I am prepared for real world events as well as chart events. Having MORE tech now does not improve your chances of being successful if you believe that very tech is "out to get you" or some variation of this thinking. Why trade at all if you're scared of the boogeyman?

I think the people who talk about these stories, are forgetting one rather important thing - you're still alive. Whether you trade or not, you better hope and pray that there ***isn't*** this kind of tech out there active in the world. I'll leave you to think about that for a while, instead of your usual petty self indulgent personal interests. Losing or making money from "Algo" derived and controlled money markets should realistically be the LEAST of your concerns.

Peter

Quoting Barraka
{quote} So, if I eat an apple, I leave behind 75% of the initial apples. To calculate this, I have a starting point (a quantity, 4), and an end point (3). The rest is a division. Grayscale Process- Never heard of the term, google doesn't come up with the term, either. And how it applies to constant vs variable is beyond me. To me, constant = what you know, including what on the left of a chart. Variable = the right edge. Seek the truth and speculative energy: The truth is the left, and what's coming on the right is speculative. Now, how that applies...

Barraka,

I am a person who likes to try and explain things more than others as I know that time is wasted by people trying to learn things backwards.

So please read through this fully.

Trading is about MOVING WITH the market, So move your eye line with it. Address your weaker thinking. The Grayscale Process is part of the Taiji's Yin-Yang. Extremely real and constant. Most "modern people" are ignorant of many things because they assume modern is better or more complete and can answer any question. However, if that's the case, then WHY are a VERY large percentage of people in the world such bad traders but fantastic at bitching and making excuses? You see, daylight comes from gradual assertion of the removal of darkness but simultaneously, having a gradual increase in daylight. And vice versa. Sunrise doesn't just "happen" all of a sudden. What "others" have attempted to explain on here about this kind of thing is really rather superficial and distracts people from the real essence of thinking. A simple example of this is that a market does not just go from 1.5000 to 2.0000 all the time without passing through all the price level intervals first. If it does move from 1.5000 to 2.0000 it requires something "special" or "unusual" or "extreme" to happen for it to "gap" as people call it. So under 'usual' general market conditions, the market needs to traverse each price level interval step by step, to move from 1.5000 to 2.0000 . Superficial thinking that relies only on information to 'tell the story', is always one step behind and can never see round the corner for what is/might be coming.

There is a general centre point 'zone' of every market, just as there are more intimate weak and strong points. This can be tested and verified on any market. George, in the original thread, was trying to point out these elements. But what he either - did not know himself, or, did not make crystal clear to people, is that an indicator is a relative tool. It should never be used for decisions. Ever. Its job is to merely relay certain details that "hint" to ".....", fill in the blank. On the GU pic where I used the fib tool, I am seeking to show this very thing. A general centre zone with its weak and strong more intimate zones.

What I see here with many people is them "throwing the baby out with the bath water". Trying to cheat by over-simplifying. So they use fibs without understanding the market they place the tool on. Or use volume without its counterparts. Or use a TMA channel or other channel, without asserting the possibility that it is JUST a tool for study and research. And should never be used for decisions. I used the Fib tool on the GU to show a visual of "Percentages and Probability Thinking". But using this alone will do little for someone's trading outcomes.

You need to brainstorm more and for the moment, trust your assumed thinking/knowledge less. I've given you all the insights you need to organize your thinking so you can reconsider what you're seeing on the chart picture. Make notes of all you see and think and ideas you come up with. Don't be like everyone else on sites like this otherwise you'll be stuck and never escape their mediocrity. They're too familiar and comfortable with letting others do their thinking for them.

Re: constant vs variable etc - what you've expressed is a good start. Now think more laterally, broadly, more generally. Forget "trading stuff" and just think like a human being. People "trust" trading information far too much, hence the reason why they speculate instead of seeking value and why most never get beyond sites like this one.

Re: GU screenshot. Make notes on what you just wrote and described and now, put it aside. And now forget all that. And now just look at the picture. Ignore the "usual" things re: Fibs and everything else and just look at it. Now make notes on just what you see.

No assumed knowledge and no trying to articulate what you think is going on. Just good old fashioned observation.

HOW you use a tool is what separates a bad trader from a good trader from a great trader. I'm not trying to play games with you. I'm trying to show you what others here will not show you OR simply cannot do properly.

Think about retracements from the MARKET'S perspective. No story of bulls and bears. No "Algo" rubbish. No "psychology" of anyone or anything.

What IS a retracement?
Quite simply, a **retracement** is any temporary reversal in price within a contextual major price momentum move.

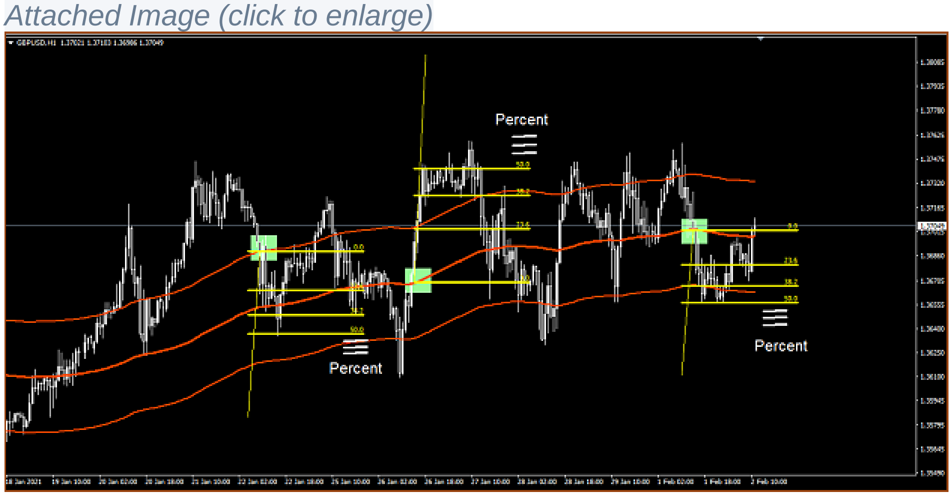
Some people call them other things. But let the pic tell the story of it. Why do some small reversals only make it back to a less than 100% position in relation to where it started? Why do some finish off by exceeding its starting point? From what I've seen here on this site, so far, there are probably less than half a dozen people who have shown a real life, competency based level of depth and real world experience with the financial markets..... not JUST FX. And this is why I mention these things. To train your mind to think and then act when needed. Not the other way round like most people here.

I have been doing this for many years now so I know for a fact this works very effectively. But you need to grow into it.

I hope that helps.

Peter

PS - Here's the picture again ......

Attached Image (click to enlarge)


NB - What I am about to show you has nothing to do with "being right or wrong". Speculators 'argue' all day long while value traders get it correct at least 80-90% of the time and bank their profits then go home. They're not at all interested in 'feeble' "I'm right!" ... "No I'm right!" types of interactions.

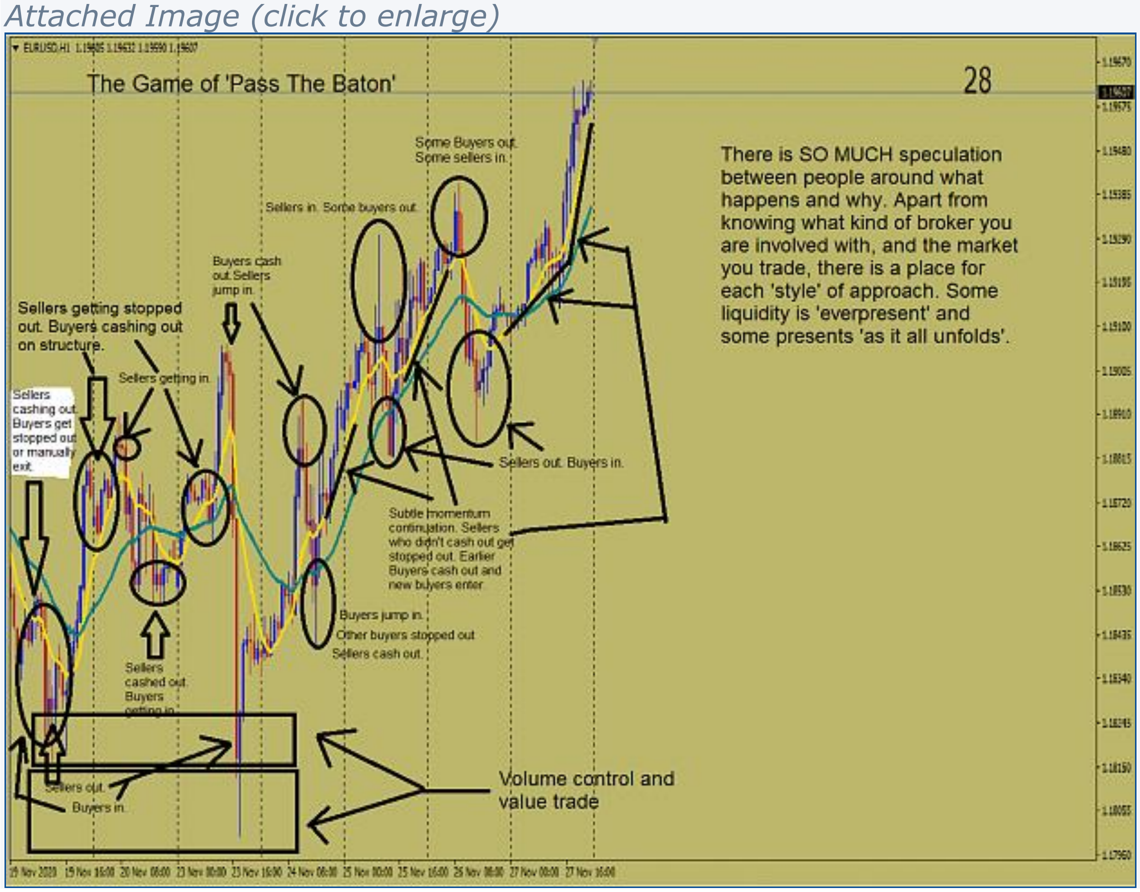
Below is a chart that is preparatory for a potential near, at or beyond secondary retracement at the extreme of current general movement. The other factors I consider are - Futures data in the form of volume asserted with Totality Tick and this helps me to remedy the problem of assuming the volume data is genuinely indicative. If you separate these two indications, you are speculating on the fact that you are "reading the data correctly". Volume data SHOULD NEVER be used for True/False indications that lead to a trade setup. They and the Totality Tick values are ONLY the 'undertow" of a market's presumed activity. If you use them as you would use an Oscillator style indicator, in the form of overbought or oversold, you are misusing them. And this always leads to True/False indications and trade positions. I also consider previous lows AND highs. Just because a market seems to be going down, has nothing to do with its highs. Its highs are representing either a constant OR a variable OR both. A trader needs to leave room for any errors instead of a 'one ticket with perfect entry' philosophy or mindset.

Attached Image (click to enlarge)

I also apply a strict Relative Perception to the market. This is key to recognizing WHEN and WHERE different actions are taking place.

Attached Image (click to enlarge)

Attached Image (click to enlarge)



I also like to gauge the HTF's by asserting a guideline view of it. I do indeed us a TMA style channel indicator for this but I do not use it the way most people (even George) use it. I use it to gauge Tempo. Indicators that draw their data from the price chart are redundant the moment you place them on the chart. So you need to think outside the box on this one. This is where stories are useless. You have to decide - Do you want clarification or clarity?

I hope this helps.

Peter

So here we are again.

I need to clarify some things.

Post 1,346 was not an example of a "trade". It was simply an exercise in how to observe the market in a way of tempo and to gauge near, to or beyond parameters of a move the market might make. I think people were too quick to judge without perusing the post's information properly. It was also displaying a way to use the market activity to gauge tick weights, entry volume weights and contract volume without any indicators. Another way to approach it, would be as a rapid vs gentle use of time as a measure of price. Since "everyone" is using either time, price or both to follow their market of choice and find an opening to profit from the activity.

The 3 limit entries are not there to take a trade and so, the SL and TP levels are not relevant at all. They were done on my research platform and one reason they're there, is being positioned deliberately to see how the market reacts to its break below the white horizontal price line I drew. They are spaced in such a way to reflect the "potential options" of how an extreme type reversal tends to play out once the main/initial impulse style break has slowed or concluded. Of course the final option is a complete breakout of that price area of the chart. But the variables are usually stacked firmly against that happening ...... until it does then you don't fight it and you just go with it.

By using a spaced approach of the limit orders based on a rapid vs gentle use of time as a measure of price, you can then drop to a LTF to address the profit-on-profit trader's intentions and then use momentum to gauge the other side (in the case of the chart pic I put in the post - the high side of the market's activity.)

If this is new to you, it may sound strange or confusing. But really, once you understand the process of how the activity transfers from one participant to another, you don't need an indicator. Proper use of the time frames and understanding how traders think, is enough to consider your options.

A buyer must sell to exit their position and a seller must buy cover to exit their position. It doesn't matter if it's a SL or TP. And it doesn't matter if it's done manually or automatically.

For any usual transaction to be fulfilled, you must have the order sent to market. It must be matched and recorded. It then must be concluded by response to the intermediary ie your broker and then they transmit the information to you, the trader. This process generates a transactional step (either up or down) on the chart and this is also seen as your Bid or Ask moving. And this "Tick" is recorded. By using a static "ruler" (the 3 limit orders spaced out), you can observe the result of that Tick, by using a LTF move where you gauge transactional volume (Not the same as total 'lots' for eg in Spot FX or total count of the size of contracts in Futures etc) eg where there is greater pull from Limits or Market orders. Admittedly, this is a skill that takes time and patience to learn properly, however, once learned, you will never need another indicator for tick or volume ever again.

What's important here is understanding the "Game of Pass The Baton" between participants and their orders. One buyer got in early in a good position and now wants to cash out. And so another sell transaction is available and so another buyer who wants to trade the continuation or follow through gets their order filled. Generally speaking. Also keeping in mind whether those orders decay or count down in time, whether they carry additional instructions to produce 'Iceberg order' style approaches or anything else. And this is also why Liquidity is rather misunderstood. Unless you 'trend trade', are a trend/big picture momentum follower, a swing trader, a scalper, a breakout'breakthrough trader ***and*** an end reversal trader, how could any one of these styles of trading alone, offer a well rounded overview and understanding of financial markets?

This is why you cannot separate Tick, transactional volume and total accumulated volume. They each play a part in the process. And it's your job as a trader to learn of this, learn and master this knowledge. Never assume that indicators are infallible.

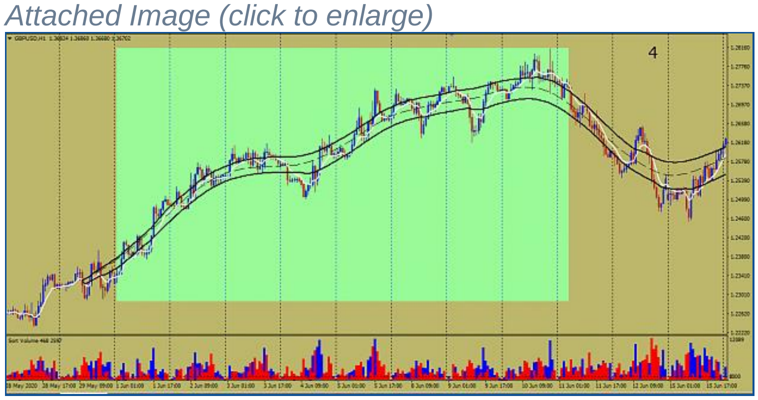
What I just explained regarding post 1,346 and the 3 limit orders approach, is something I was forced to create when the markets were going through their tech changes in the 80's and the way the markets ran was also changing. It worked back then and still works today.

I hope that helps.

Peter

Here is an older example of using a Tick, V1 and V2 rapid vs gentle use of time as a measure of price approach ......

Attached Image (click to enlarge)



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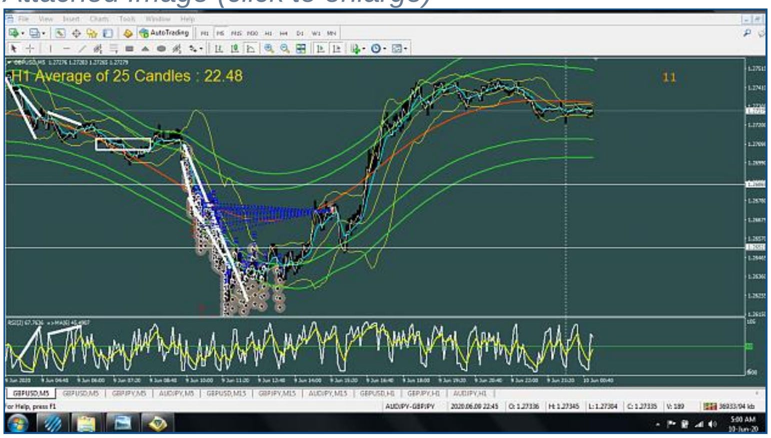

And here's last night's setups using the same approach.....

Attached Image (click to enlarge)

Attached Image (click to enlarge)

And here's another way to do it if you want/prefer to add stop orders into the mix.

Attached Image (click to enlarge)

I hope that helps.

Peter

And these ones last night but admittedly I was busy so I wasn't paying as much attention to the research platform as I was to my live trades that setup. But, it'll give you some idea of style, positioning, timing, lot size if you are starting out and hopefully help you to recognize that structure is your friend when you use it properly.

I hope it helps.

Peter

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hihihihihihihihehehehehehehehe ....

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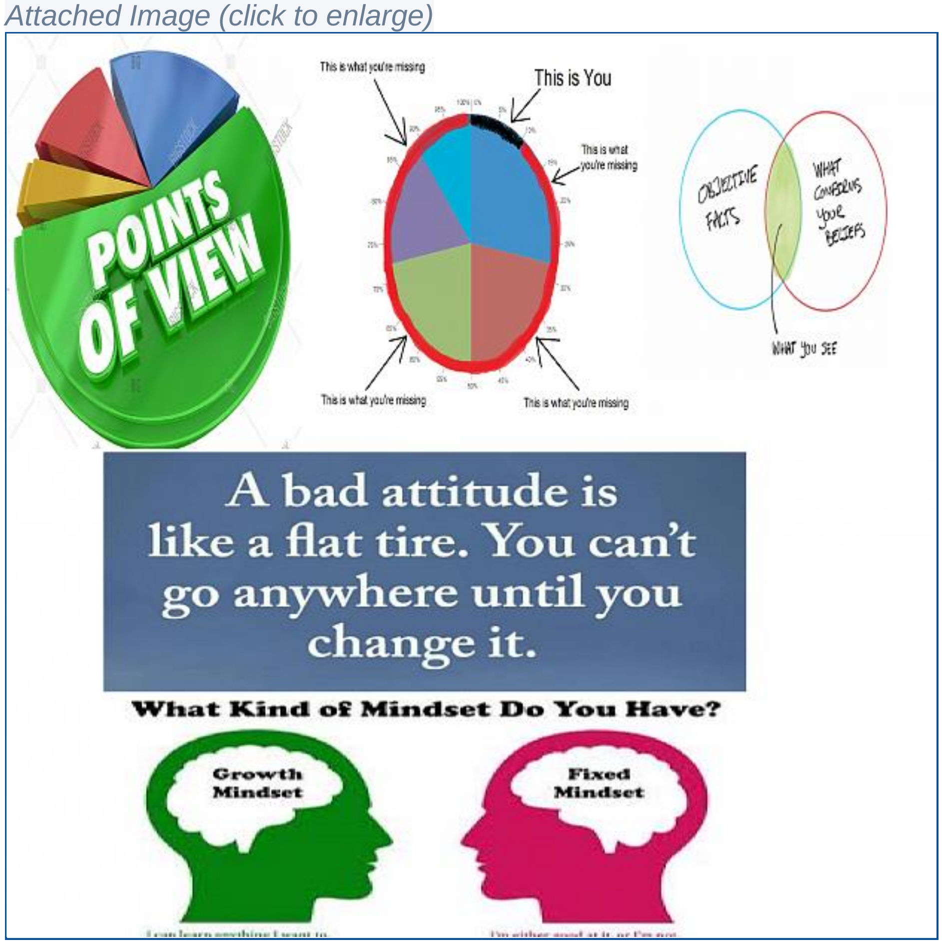

For me, I don't think I would have ever stayed with trading, if it wasn't for something called Concept Building. Many people I see coming into the field of trading, are rather literal in their thinking. Or they perhaps haven't had the chance to develop their creative thinking side.

Although people could do ok with just basic thinking in trading, it's surprising how much of what we learn as a trader, is also applicable in the real world in our day to day living. Concept building in full is not something you're born with usually. It needs time to develop and this usually happens when you are growing up. Most people I have ever met as grown ups, are either too intellectual or too emotive. This means either you think too literally and/or analytically in most situations, or you are too reactive/sensitive and quickly get defensive by misinterpreting what you are seeing, hearing, reading and what you feel happening around you.

I know many people think there's no place for this information in a thread about trading, but you couldn't be more wrong. If you do not understand at least a little about your own psychology, you are going to have a very difficult time trying to trade and to do it consistently. I know people here have had a hard time with some of the things I have pointed out or spoken about, however, the way I was taught to approach trading, is to think of it as a combination of the 100m sprint, the 400m hurdle and the 10km marathon. If there's weakness in any of those areas your trading activity will not have the natural staying power for longevity. You won't be able to adapt to the changes in the real world and possibly never find out the reason why. So if you've come across me saying anything about constant vs variable, part of this is related to making sure your trading has a future and is not too reliant on the latest fad indicator or EA etc.

So Concept Building in simple language, is the mental, emotional and practical process of teaching your mind, your emotions and your physical activities to work together. It requires all of these areas because a concept, or idea, in its earliest stage of development, is very raw and 'powerless'. So it needs you and you need it. And so a type of synergy is created. As *you* get better *it* gets better.

As a trader, if you cannot think creatively, even just a little, you will eventually get frustrated and either quit, or turn to options such as a trading signal service, a VPS style 'EA', blind systems trading or mechanical trading or something else like these. On the flipside of the coin, if you cannot problem solve enough, you may slide into depression or something like this believing its "you" that's the problem not the trading stuff.

So you need to begin in a way where its reasonably balanced. And then it's a little easier to keep to your plan.

Below is one of my favorite ways to remind myself of the different forms a concept can be approached. See how you go.......................

"I say car and you say what brand comes to mind. I say house and you say what type you like best. I say movie and you say whichever genre you like best."

If you do this exercise with yourself every day, it stimulates your brain, your feelings, your memory and your body will also respond. Concept building is not just about theoretical stuff. As a trader you have to learn to adapt, adjust, learn, reflect, review, investigate. And you will need to learn new skills, of course.

Memorizing information is not enough. It's true that it takes some time to learn a new skill set. For some people they need 10,000 hours to reach that level. For others it's less or more. It's always individualized and if you know how to work WITH it, it will require less time.

Below is a bunch of pics you can look over and read and think about.

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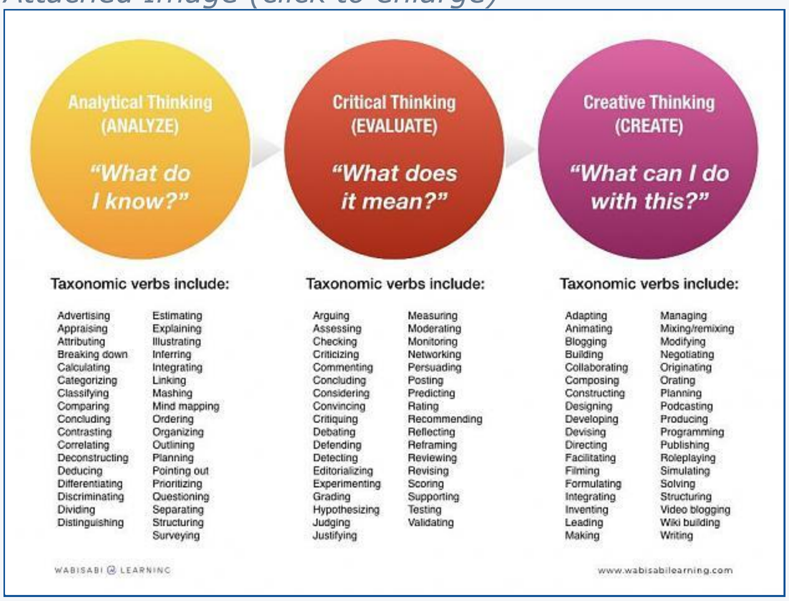

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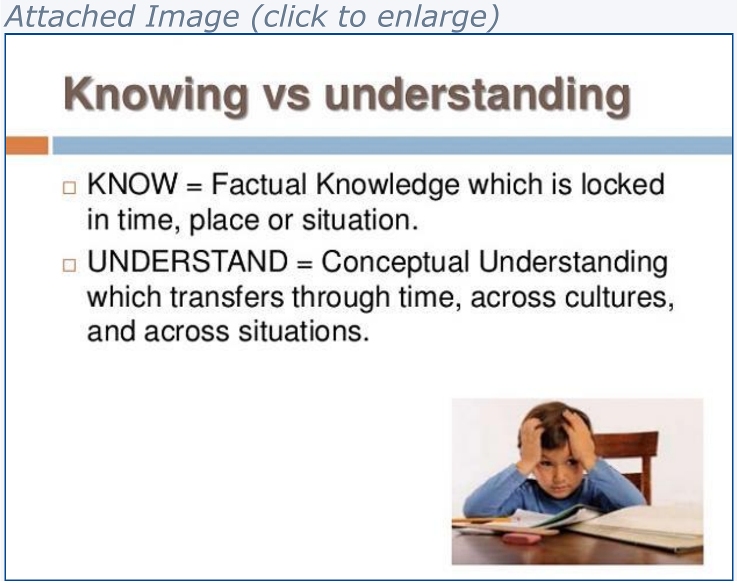

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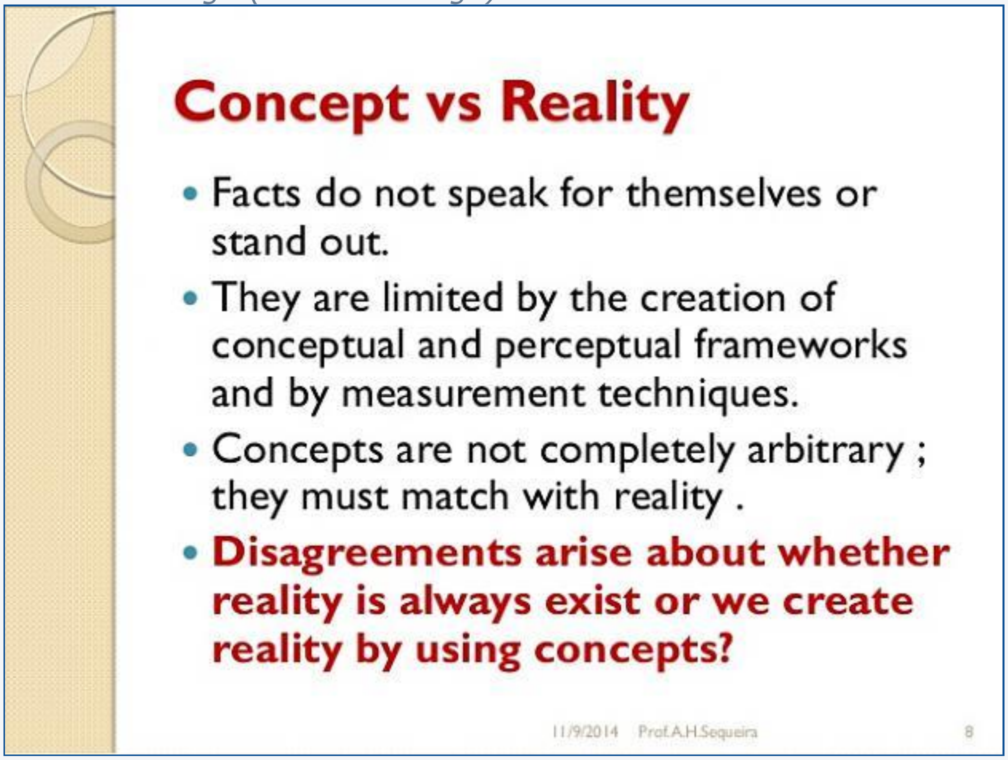

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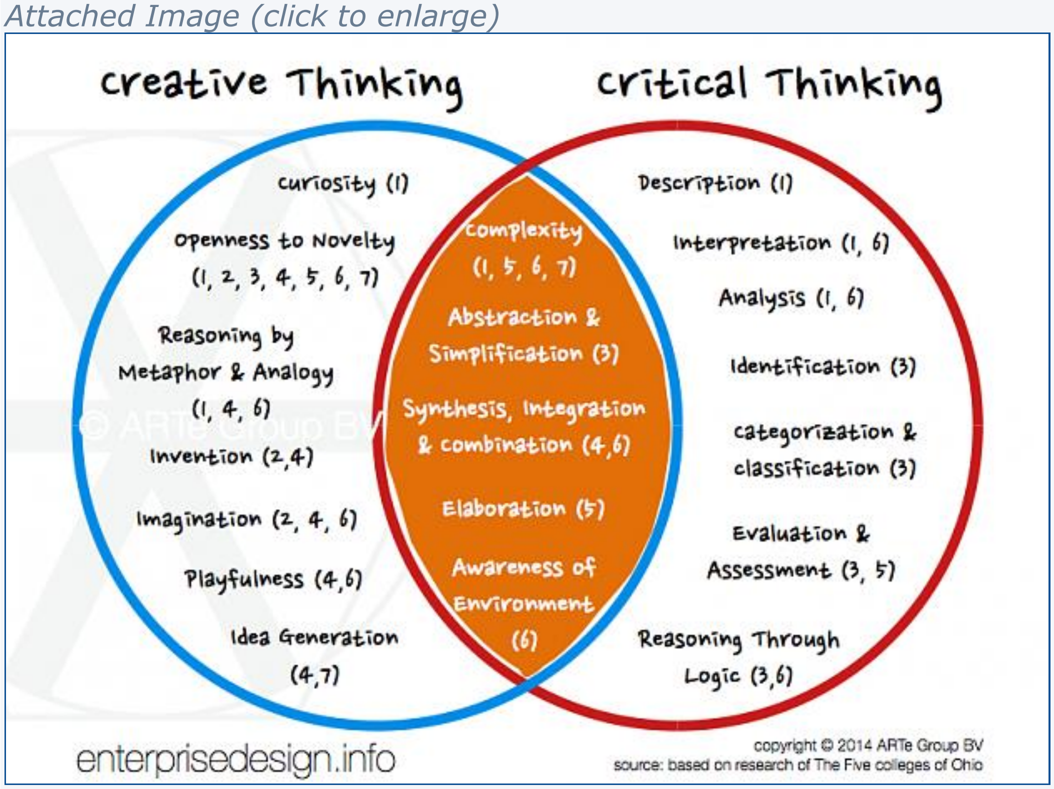

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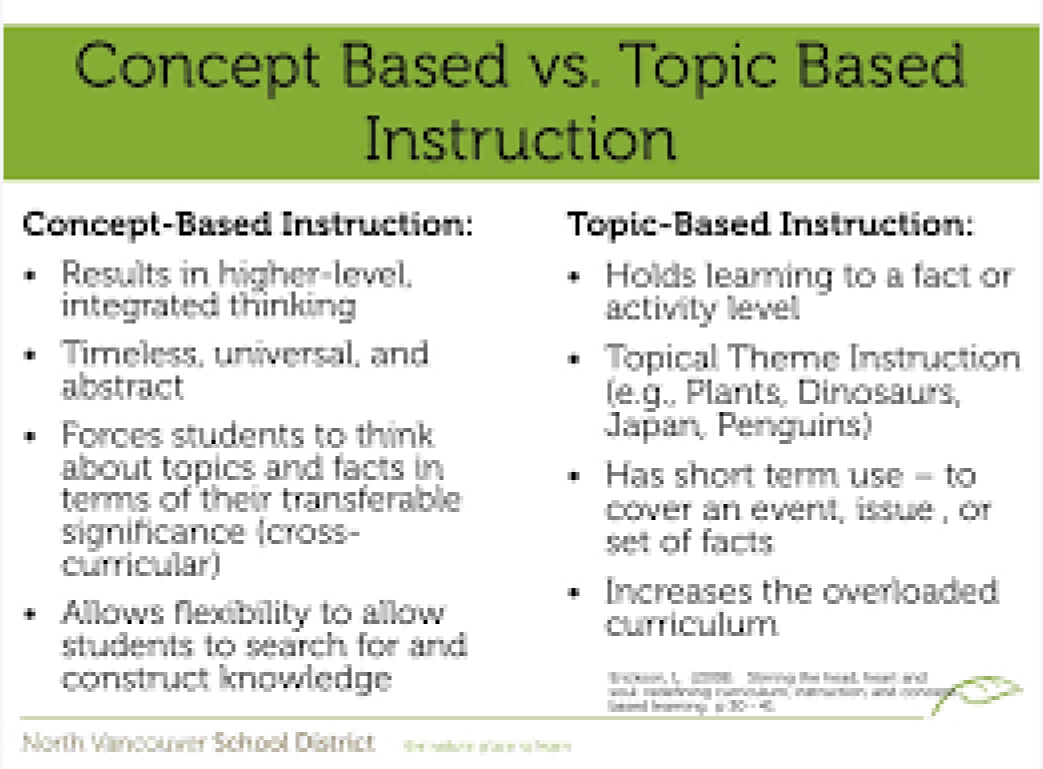

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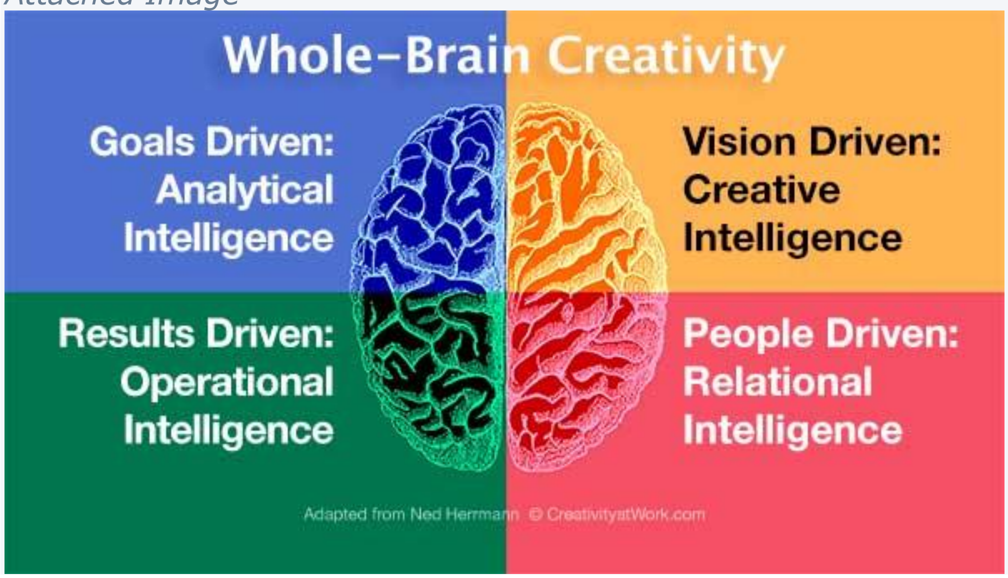


Peter

This is a simple little trade I did today that can illustrate many things. The challenge I put to YOU here, is to list as many identifiable characteristics that you see as pro and con.

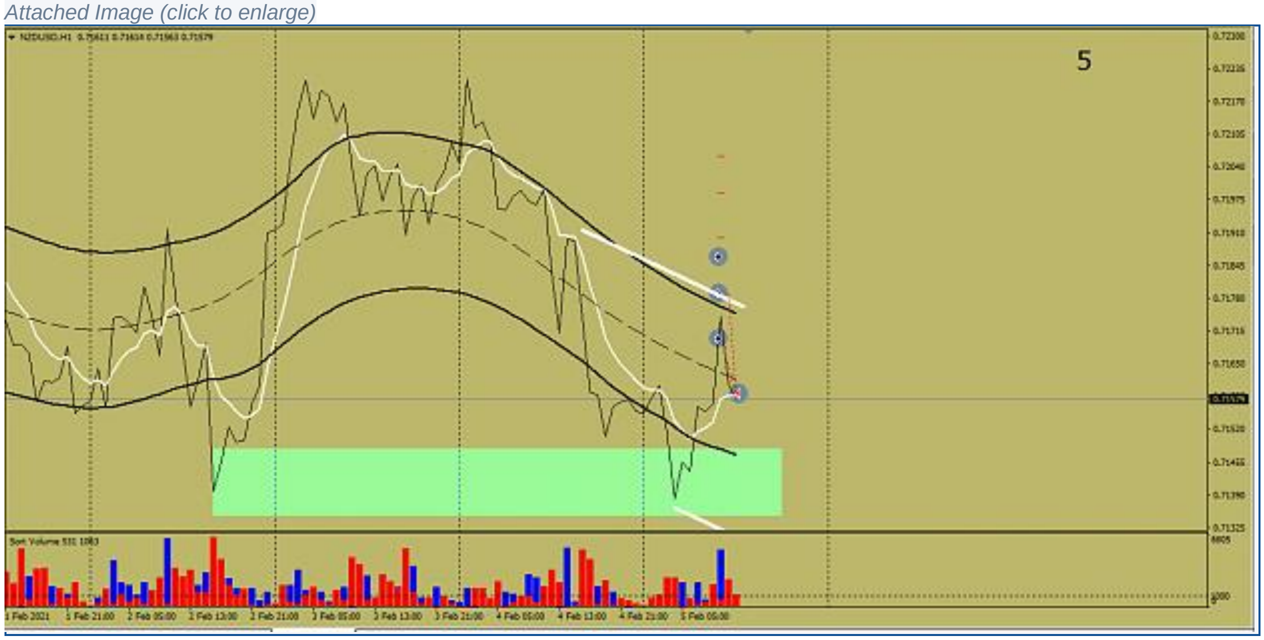
This is not about ego or pride or right or wrong, it's simply a way to uncover how you interpret something when you are not in control of the parameters or criteria. How many opinions does it bring out in you? How many judgments either in favor or against does it make you think about?

Before .....

Attached Image (click to enlarge)

After ....

Attached Image (click to enlarge)



Peter

When you get some time, I suggest you listen to this audiobook on Emotional Intelligence. Video available on Youtube free. But if for some reason, your country won't let you "watch it", then just let me know.

PS - I suggest as you listen you take notes. I'm sure you'll have many questions and since it's freely available, you can listen to it again.

https://www.youtube.com/watch?v=E6h1dl-BVpc&feature=emb_logo

Peter

And here's the NZDUSD 4HR Chart of the trade above. Enjoy your pro and con evaluation.

Attached Image (click to enlarge)

Peter

There is a big difference between an idea/concept and a strategy or tactic or a trading plan.

Here's a list of some examples of something that I would call a concept/idea ....

- Up/Down trend
- Sideways/Consolidated market movement
- Support and Resistance
- Supply and Demand
- Buy and Sell
- Global Market
- Intermarket
- Stock market
- Foreign Currency market
- Smart money and dumb money
- Market maker
- Market Algorithm
- Stop Hunts
- Risk on and off

... And many more.

Despite the fact that some of them have been brought from the idea stage to the realized stage and are now operating in the outside world, many people I have met or come across cannot distinguish between substance and fascination/obsession.

Most private individual traders, if they were to be truthfully serious and honest, are not in any way, equipped to operate inside the major financial markets. They have no choice than to sit on the outside and peer in the window and speculate as to what is going on.

And it is from this foundation, that speculation and conjecture tends to overrun people's ideas of reality.

Naturally the first step with any of this is to understand what a concept is in its basic form. For ease of reference and access, I will use Google's definition ...

Concept
noun

1. an abstract idea; a general notion.
   "structuralism is a difficult concept"
   Similar:
   idea, notion, conception, abstraction, conceptualization, theory, hypothesis, postulation, belief, conviction, opinion, view, image, impression, picture
   - a plan or intention; a conception.

"the center has kept firmly to its original concept"

- an idea or invention to help sell or publicize a commodity.
  "a new concept in corporate hospitality"

As you can see, it says nothing about being a fact or the truth of something. This is very important to note because I have found that many people enter into trading without understanding their own mind and how they think and how much emotional stability they possess.

So a basic idea is where most things begin in trading, just as in your own thinking. This is why some people like to trade one style over another. Or trade in one single direction over another.

How you think and process observations and ideas and information is most essential in trading. And how unbalanced you are as a person (mentally and emotionally), can strike a huge blow to people's trading efforts and activities both on the chart and off.

Some of the biggest challenges a normal everyday person faces when they enter into the field of trading are - basic ignorance, bad habits, poor work ethics, personal problems/limitations that usually get transferred from their private life to their trading efforts and activities. When you mash any 2 or more of these together, it can cause a lot of problems. This is why I am sharing this with whoever reads this. Yes you can say I don't know you and don't know your problems. However, we're all people. At some level, we've all experienced the same kinds of things. So it fits to speak of the pitfalls and try and make a bargain with ourselves to stop the cycle of self tragedy and self sabotage and try and really learn to be better, for ourselves and anyone in our lives.

But this only comes from being honest and mature enough to face each of your issues properly.

One particular issue that I haven't mentioned here so far, is rationalization. To rationalize something in your mind is to collect all selected bits of information and mix them in with your opinions, judgments, any prejudices and biases, pre-existing beliefs. Once you have basically thrown all of them into a blender then you have a mish-mash of ingredients that sometimes "agree" and will fit together like Lego blocks, but sometimes, they do not fit together and this creates bigger problems.

Sometimes this process can bring someone closer to some clarity and understanding, but if the person is not willing to accept some of the parameters of their "new found informational knowledge", then they will try to convince themself that A) They are not going crazy and B) They've thought things through well enough for it to "basically" make sense/be justified.

Naturally, this whole process comes from the assumption that their fundamental thinking has not been compromised by anything in their past or present. So just as with a child, the more you the parent say "No" the more the child wants to do/try it.

So re: trading - when you rationalize something instead of doing proper and open research that offers a well rounded awareness, you are basically conning yourself into believing something despite the fact that Life may be trying to show you other information that conflicts with what you currently think is "true".

So now, the other issue - cognitive dissonance. When you believe one thing even though the evidence, facts and overall big picture is showing something different. Many people choose not to change or grow and mature properly and this little bugger is the culprit at 60% of the time.

Concepts and concept building can be useful if they're applied in a way that enriches your life. The way this happens is to be more balanced in your approaches. One of THE biggest problems new and even veteran traders face, is the misuse of their opinion and beliefs. Either of or both of these can cripple a trader in ways that are not always seen until years later. So I felt it was very important to discuss them all here. At least to mention them and draw your attention to the realistic and truthful fact that trading has almost nothing to do with making money. This is merely a by-product of YOU. And if you don't "***work***" properly then your trading will falter and you will find it painfully difficult to learn and adapt as life on Earth changes around you.

I haven't written this to "convince you" of anything. Or to persuade or dissuade you in any way.

Everything I have spoken about here is real and has been tested and proven to be accurate by me and can be verified by thorough observation and a little time to study some basics such as the difference between the human condition and core human nature.

I hope you find this helpful.

Peter

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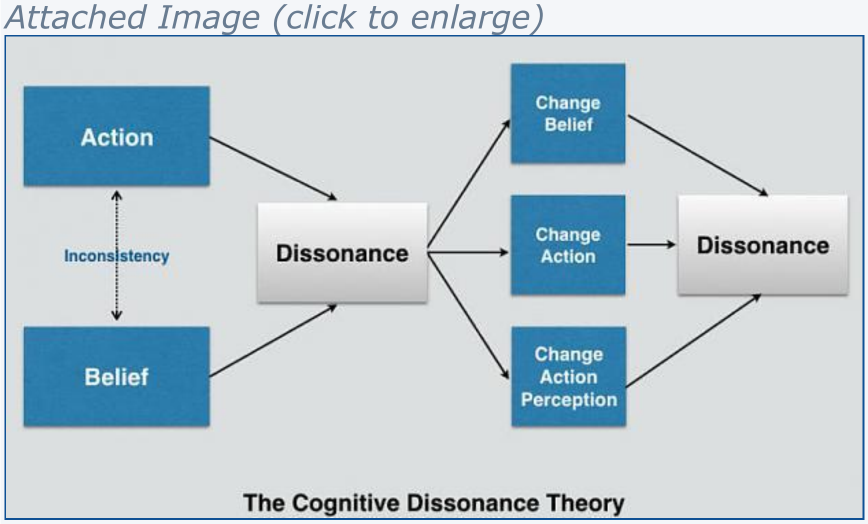

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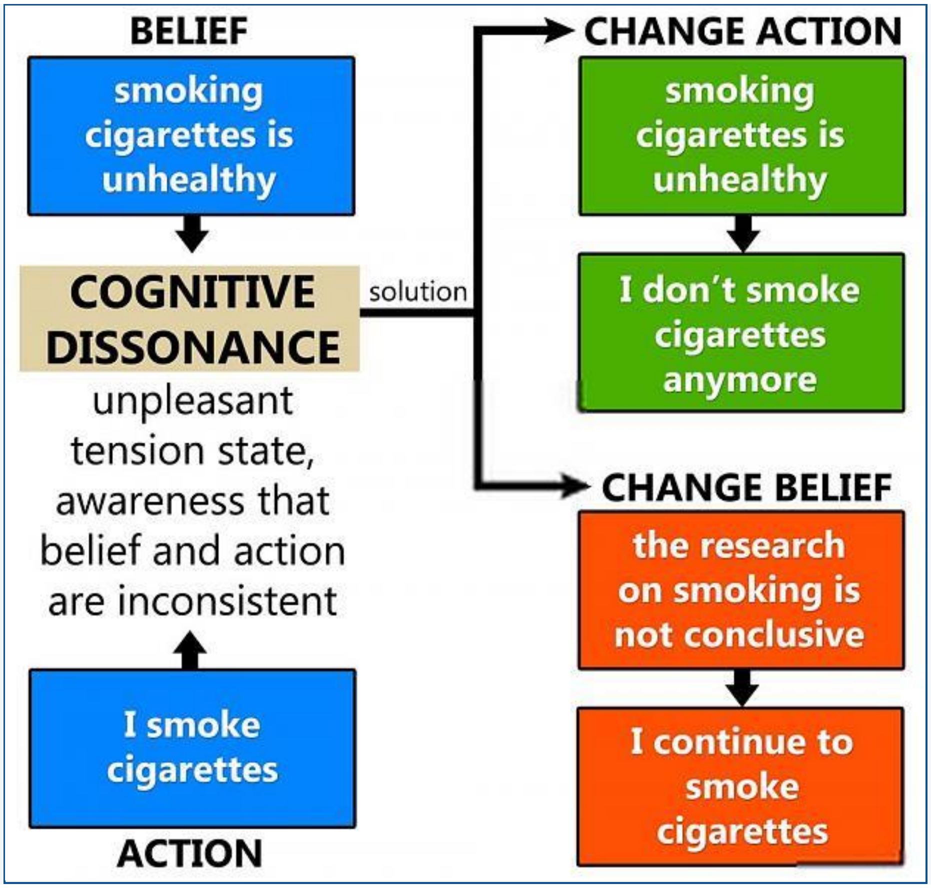

I hope you find this helpful.

Peter

PART 2 – The 3 Limit Orders Approach – Near, To and Beyond & Tick, Volume and Market Activity

In simple terms, it's a way to measure a number of factors so you can operate independently from outside influences. It displays a way to use the market activity to gauge tick weights, entry volume weights and contract volume without any indicators. Another way to approach it, would be as a rapid vs gentle use of time as a measure of price. Since "everyone" is using either time, price or both to follow their market of choice and find an opening to profit from the activity.

By using a static "ruler" (the 3 limit orders spaced out), you can observe the result of that Tick, by using a LTF move where you gauge transactional volume (Not the same as total 'lots' for eg in Spot FX or total count of the size of contracts in Futures etc) eg where there is greater pull from Limits or Market orders.

This is why, if you are being objective with your trading, you cannot separate Tick, transactional volume and total accumulated volume. They each play a part in the formal process of active trading, therefore, they support each other's perspective to show more of 'reality'.

Since I have already explained and described the basics of Tick, Transactional Tick and Total Accumulated Volume …. I will now move on to the next stage.

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Tick weights = Buy (Up) Ticks and Sell (Down) Ticks. Buy vs Sell. You must train your mind to think in relative forms. This is the way a trader observes and sees risk and opportunity. Each of the white and red arrows I have put on the chart provided are pointing to examples of observed Tick totals (for a single TF period) of Buys and Sells compared to each other. This particular indicator shows buys and sells overlapped (Blue and Red), so if you only see one colour, then it means there is equal to or more buys or sells compared to its opposite. I have setup this Tick Totality indicator to show both buy and sell together but you can also set up 2 instances of this indicator to be buy only and sell only.

With using Tick Weight, there are 3 options – Strong Buy, Strong Sell and generally equal.

Entry volume weights = The easiest way to explain this is by asking you to imagine the following options – enter a trade at one end of the period bar, enter a trade in the middle of the period bar, enter a trade at the other end of the period bar. Beginning, middle, end of that period bar.

In trading in reality, there are few absolutes. So that leaves the grey areas. Entry volume is based on the concept of “The Game of Pass the Baton”. My experience has shown and taught me that paid or free data access is always a grey area. Why? If a person tries to use it blindly as an anchor for trading, you are risking a lot on something you have no true way to verify, in and of itself. But there IS in fact a way to determine IF and when it can be ‘trusted’. In walks the Entry volume weights. By learning how most other traders think, and therefore, like to view and maybe even place orders, it becomes 10x easier to determine many things. Allow me to explain.

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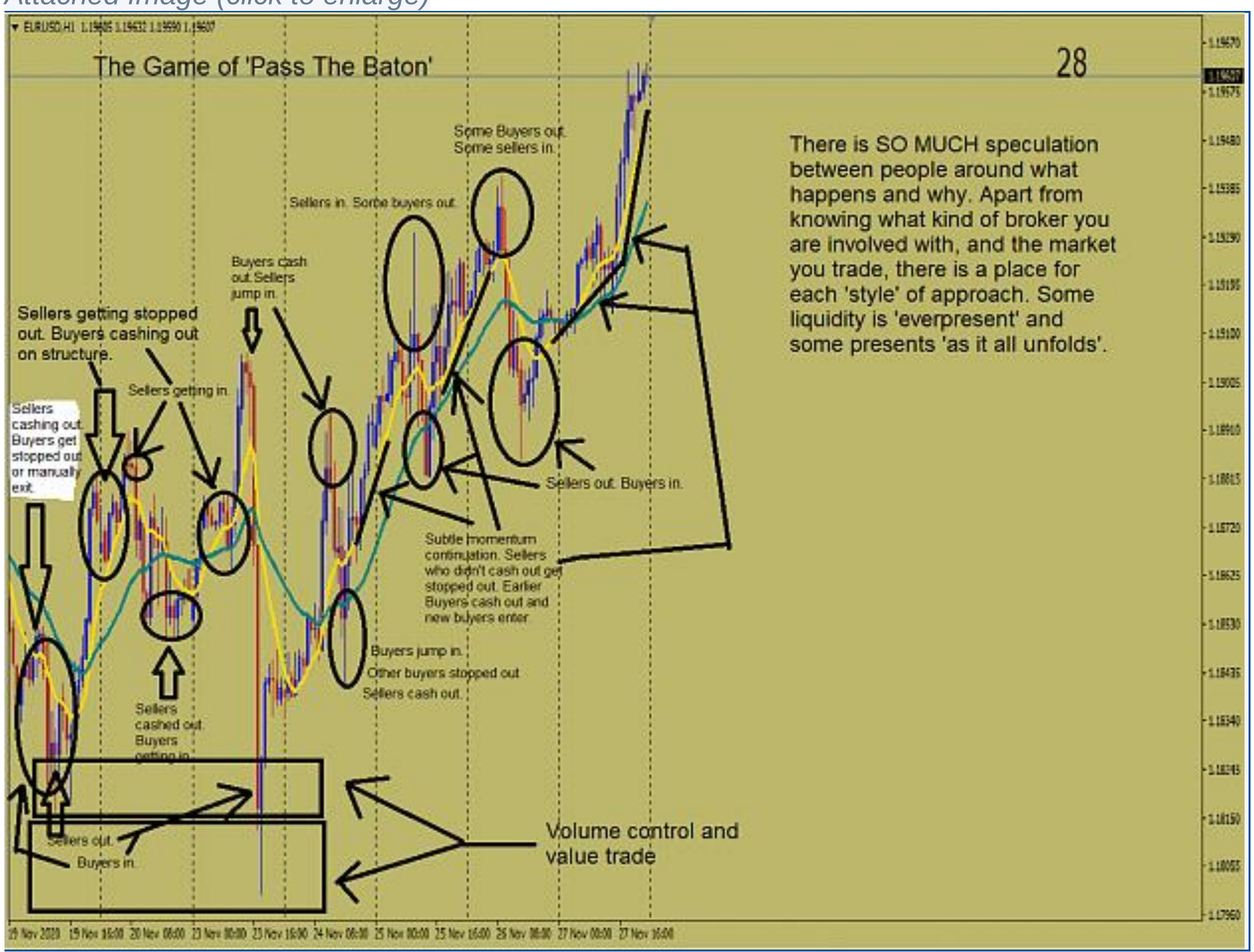


Seeing as all traders essentially only make money from up or down on Price and /or forwards on Time, it's simple enough to make the safe assumption that some people are going to follow price more or time more.

A simple exercise will suffice to explore this and show you that people who learn from each other leave 'tells' everywhere. And why a genuine professional trader is usually a well rounded, well informed person who can, in a way, 'tell the future' by seeing what has changed vs what has not. Unfortunately, majority of 'retail traders' tend to remain in the same 'pool' of thinking because they don't ask one question – "What has changed and what has not changed?" You might think that I'm mistaken about this, however, once you become more honest about what you observe and how you observe it, you will see that you possibly have not been going far enough in your evaluations.

On the chart you will see the arrows I drew pointing to different looking periods. Now, depending on a person's perception and their strategy, they will either enter or not enter on or after these specific periods.

Two questions now arise – Why would they do this? What aren't they seeing?

Perception is everything in trading. So now I will draw your attention to the white histogram indicator on the chart. It is simply a 1 Period ATR histogram indication of the chart you're looking at. I will assume here that you do not know how to use a histogram representation as this will be easier to begin.

A histogram has 3 basic options – very small, medium and large. This one is period to period and moves along with the market on a time to time schedule. Comparatively, it reflects a different idea of use than the Blue-Red Tick indicator. But it can still only do small, medium and large representations. A histogram like this 1P ATR is useful for finding fault in the Tick indicator and to observe discrepancies between the chart, Tick and "perceived" activity. Very important here to stress the word "perceived". It can be rather deceiving at times to look at market activity that has several small body periods forming then you see a 'larger' period form. The eyes can play tricks on your mind and you may think the 'larger' period is more important than it REALLY is.

On the chart I have shared here, different periods can show smaller body/wick yet be far more important than a big period. Much of the back building happens during these small bars. And much of the "other activity" happens during the larger, more obvious bars. It's essential to understand that market activity of all kinds each have a reason and purpose.

So REAL price action is about all flows IN and all flows OUT. And the more 'selective' or prejudiced you are about what you learn and use, the more this will negatively affect your ability to adapt and change as the world ultimately changes.

Contract volume = Using your understanding of how YOU see the market and trade it, is a great way to work out how to ‘fill your cup” with the knowledge of how everyone sees the market and how they tend to trade. This area is not exactly about the volume of contracts, but more about the perceived intent of how BIG or committed any trader may be in a specific situation. So anyone who thinks this to be about an actual total of contracts, please understand, that at present FX is a decentralized asset class and certain information is not made lawfully public. Understanding how big YOU might get into “that trade” is a powerful way to look into a situation and assume little to nothing, organize your thoughts about what you would do and then simply address the obvious issue – what else “would” I need to know to do all three trades available - Beginning, middle, end of that period bar?

Whenever the market makes a dash for the outer extremes of price, relative to its basic movement, it essentially only has 4 choices – full reversal, partial reversal then full reversal, multiple partial reversals then full reversal and a complete breakout of known extremes. You may know them as ‘price patterns’. If you detach yourself from “chasing patterns” and just observe their natural movements, you will see certain repetitive activity. The mistake here, is to assume that all price movement is based solely on the market “looking for liquidity stops” etc.

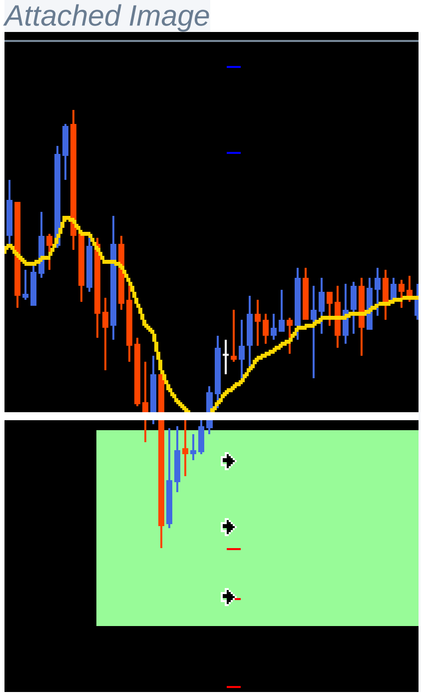
Sometimes there’s simply a space on the flow that has little or no active interest. And this creates “pushes”, not gaps in price, but a probe and a push to generate a way for the market to move on. You can see this if you place a limit order at price extremes as well as a stop entry order far beyond current market value. It is YOUR observation here that teaches you HOW the market moves, not necessarily the orders you placed on their own. They merely operate as a frame for what you will observe. This current market value must have a pre-deterministic range otherwise the market could fly off into an uncontrollable flux of activity and this would devastate the “status quo” of perceived norms. So part of all this is expectations and part of it is self-detailed control.

The two must be together for “the market” to keep “moving forward”. These have always been the dynamics at work in these somewhat intangible markets. On the flipside, this is why we have different trade styles – trend, swing, momentum and scalp. I’m explaining all this because if you believe a story, then it is that story that determines all your actions and activity. Yet the story has no compassion for your losses and doesn’t need to explain itself.

So now look at the chart with the 3 limits on it. I have provided 3 pictures – H1, M15 and M5 views of that same situation. Although you step down from a big picture view to a small view, the 3 arrows from the pre-placed limit orders remain in the same position. This is helpful to frame a constant up against the varying chart view and perspective of what you “think” is happening. Once you appreciate the different ways the market moves around at extremes you can then apply your knowledge and understanding of basic market activity, basic knowledge of how you and others trade, the noted accumulated strength and weakness of different movements and the types of entry management used.

Attached Image (click to enlarge)

Attached Image



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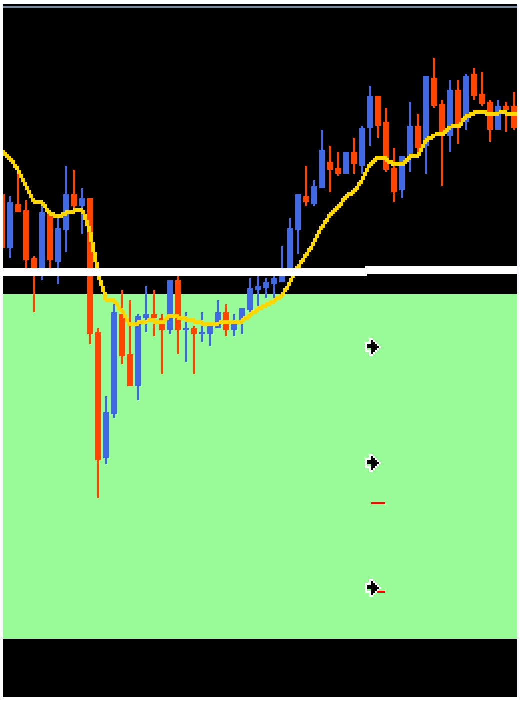

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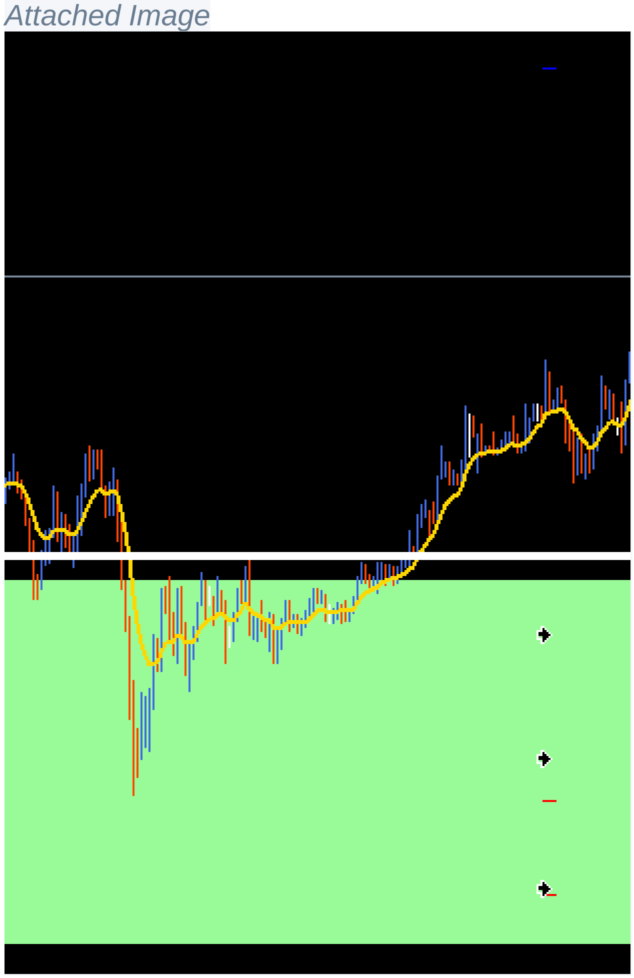

All of these ingredients together can show trade interest, volume interest and accumulated desire. Whether people would prefer to ‘trend trade’ a move, momentum trade it or jump in and scalp it and then jump out.

There is a learning curve to this approach. And granted I *have* used indicators here to display specific information for you to reference. However, after some time and practice, you will no longer need indicators because you have done something an indicator cannot – you have learned. This knowledge becomes part of you and will help you adapt as things change.

A Side note = The most imperative thing in trading is risk awareness THEN risk management THEN feasible profitability.

*** Whether you’re a beginner, intermediary or veteran of trading, one thing needs to be clarified here – Nothing is certain in trading except Price goes up and down and Time is used as a reflective measure of the decay of each price point’s ‘perceived’ relevance and importance. And so while some assumptions are foundational and are ever-present, others lead to forming a premise that generates a ‘House of cards’ for the trader. Believing any trade setup is a ‘sure thing’ is a fool’s errand. The only ‘risk free’ trades with real money, I have ever seen or done myself, are the ones that reflect the same principles of a value trade mixed with a ‘Profit-On-Profit Approach’. In this way, you risk very little for a much larger gain. But even this is not 100% guaranteed.

So now, when you put it all together, you can create your map or overview of what’s going on. Part of what you know and understand is in your head and part of it is on the chart. Realizing and remembering that all of this is just a representation and is NOT always 100% “…..”, it frees you to apply the 3 Limits Approach. As I have said, in an ever changing environment it is necessary to use something static to help measure what you see.

One of the most basic things to remember when using this approach, is that when you see price make a move beyond the recent past activity, someone is getting in and someone is getting out.

Some people or many people like to use indicators. And if you asked them to be honest, they’d probably tell you they use them because they’re a bit lazy or complacent. An indicator really should never replace your mind, its bad form. An indicator’s job needs to be where you are busy with human things, to allow it to show what would normally be too complex for you to do yourself. However, what I have just explained and described relating to the 3 Limits approach, is not complex, it just requires attention and practice. No laziness need apply.

I hope this helps.

Peter