

# TPDS 6

Sunday, September 01, 2013 9:32 PM

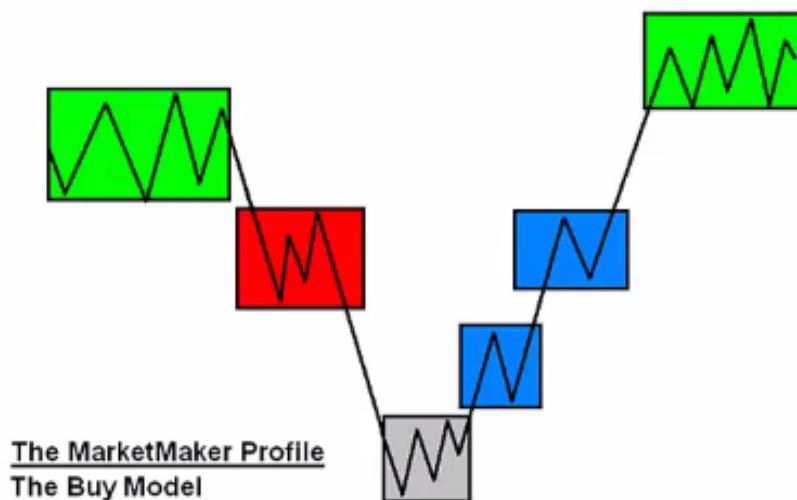
## SHORT-TERM TRADING PLAN

**Premise:** trade in sync with market structure.

**Duration:** intraday to a few days.

**Average Pips:** 50-150 per trade.

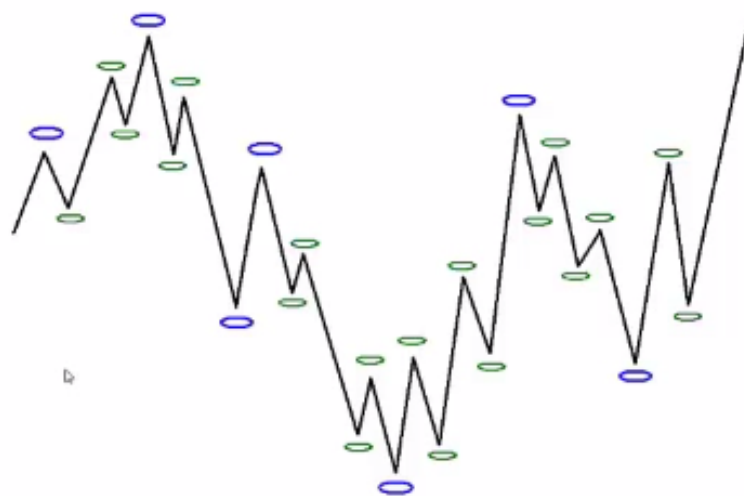
- Trade long in the observance of a bullish market maker profile (fractal).
- Trade short in the observance of a bearish market maker profile (fractal).
- Look for price patterns and confluences.
- OTE for entry price and Fib extension for taking profits.
- Risk no more than 2% per trade.
- Use risk management & control drawdown.
- 5 days or less is considered short-term and anything more than that would be a swing trade.
- You don't learn anything from losing 10+% on just a few trades so keep your risk low.
- It is a red box below because that is when you should be on alert. Expect a retest of the support that was broken to get price into the red box.
- In the grey area we don't really know whether the support level is going to hold or not.
- This profile can be looked for on a 5 minute, 15 minute, 1 hour, 4 hour, & daily charts. It is a fractal pattern.
- Do not move your stop until the OTE short from the left green box to the 2nd blue box is cancelled out or invalidated.
- When short-term trading, take profits where the stops would be resting. In the image below that would be right above the green box on the left.
- As price moves up in your favor look to take profits at previous highs because there is a pocket of liquidity there. When those stops are taken out, it could be a reversal lower then. Why sit through all that drawdown without taking profit?
- Once price has reversed from the grey box, we start looking for entry signals such as trend following divergences, stinger, ICT holy grail, reflection, bull flag, etc. that would give us an indication that price is moving higher.



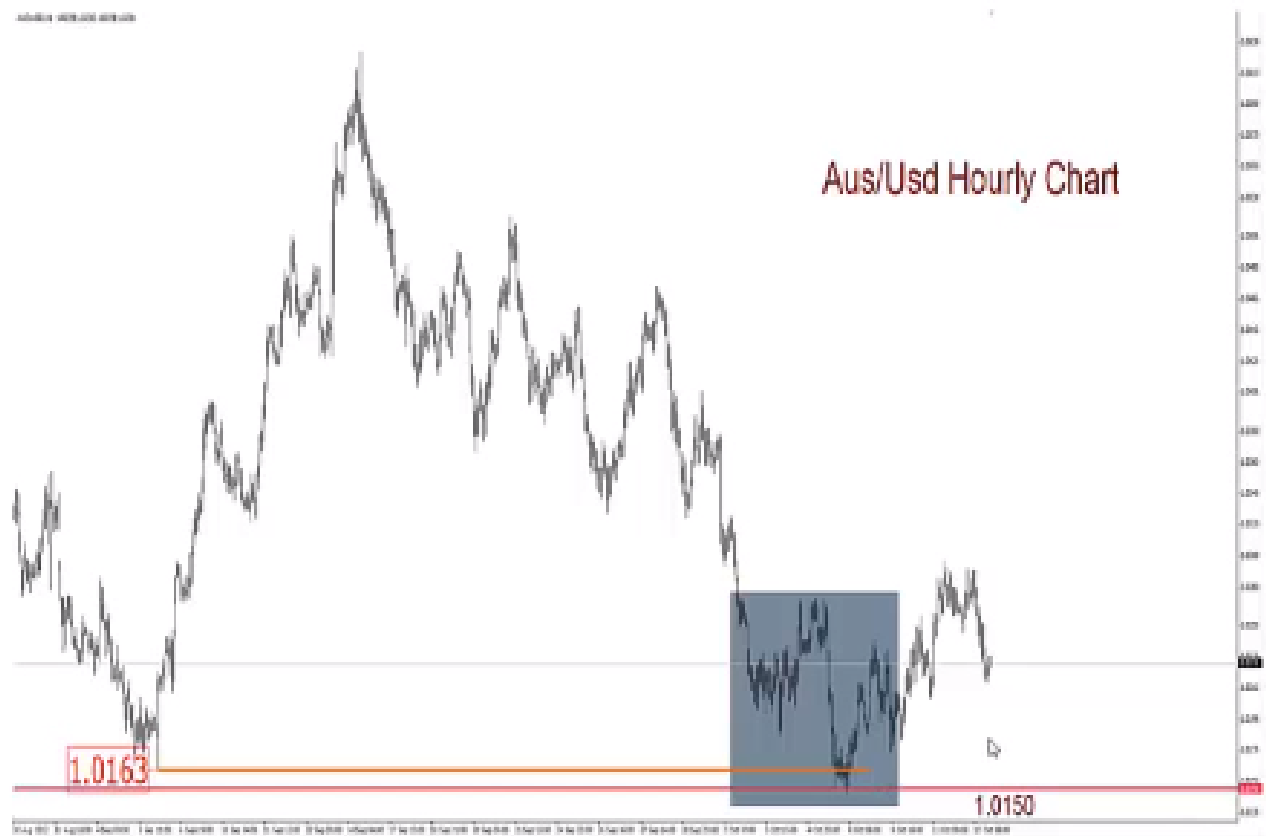
## MARKET STRUCTURE



- These are short-term highs and lows on a daily chart and based on how they relate to each other you can get a feel for the direction or trend of the marketplace.
- Look at price in terms of swings.



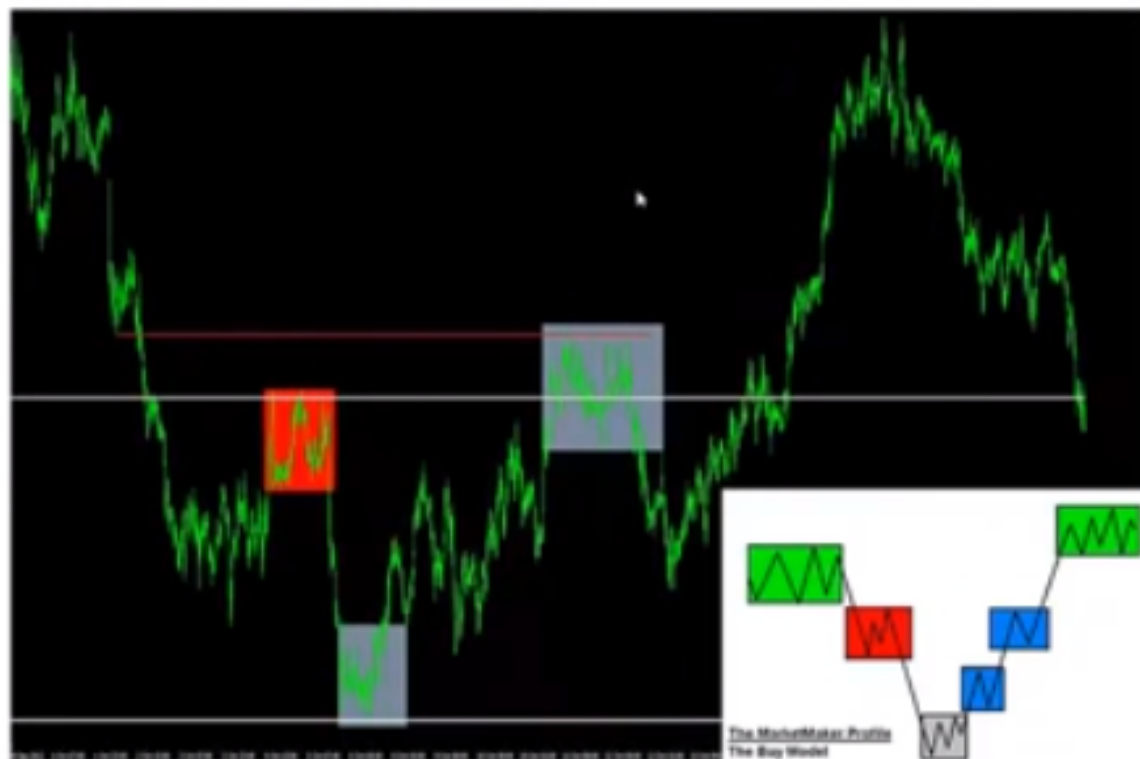
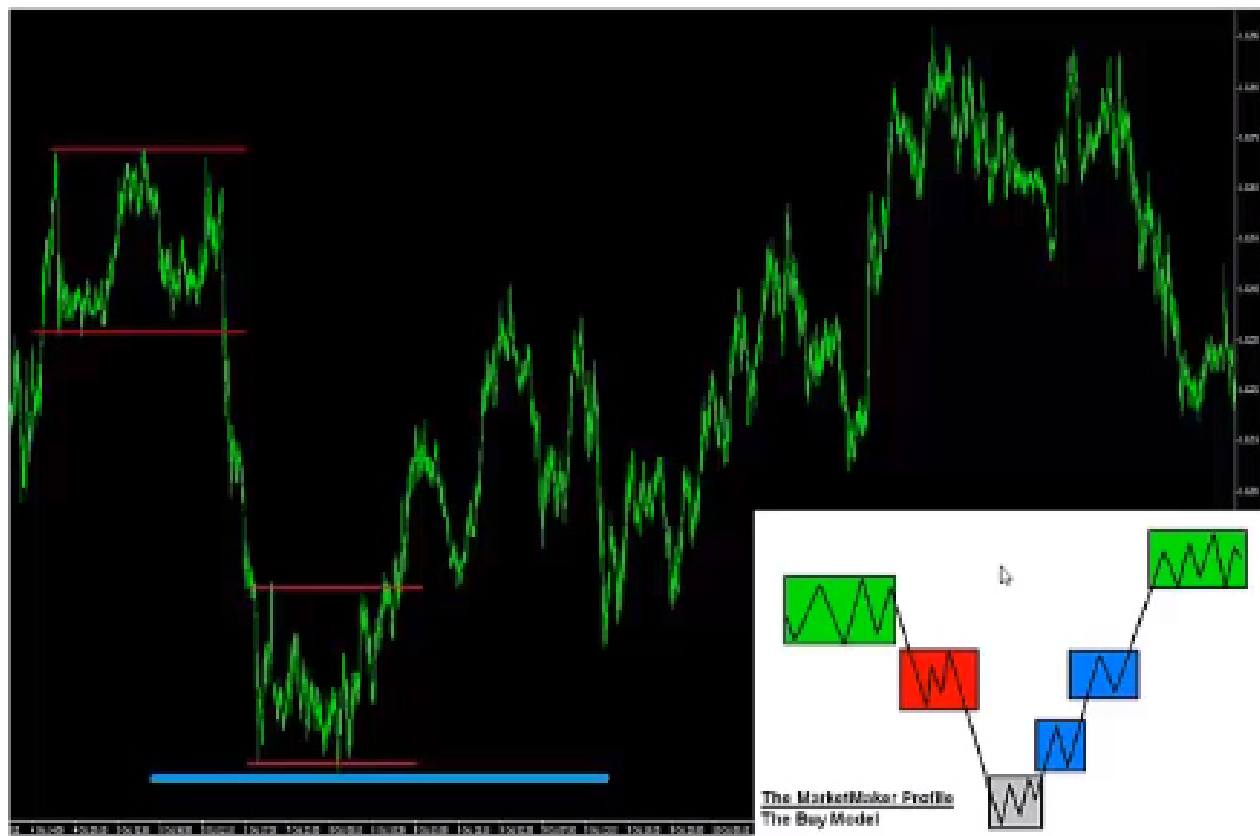
- The blue circles above are intermediate term highs and lows.
- Everything Larry Williams did early on in his career is great material. They are recommended purchases.
- Once we see an intermediate term low we wait until market structure breaks to the upside by penetrating a short-term high and then we look for OTE buys.
- If you see an intermediate term high break an old intermediate term high then the market is bullish.
- **Market flow** will go up and down all the time depending on what time frame you are looking at. **Market structure** is the overall picture.
- Price is engineered to go up first before going down.
- The grey box below will delineate the very nature of a market maker profile:



- This is a reversal scenario.
- The small range below is where all the busy bees (smart money) are doing their work:

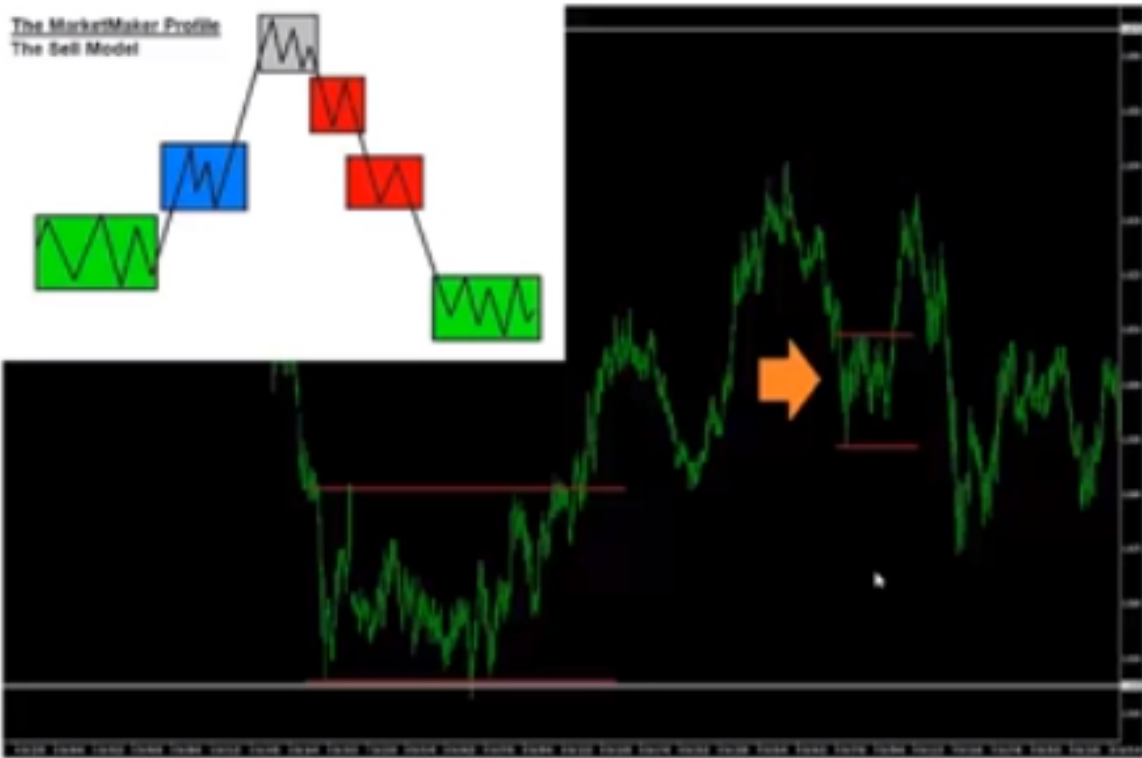


- Smart money accumulates during consolidation.



- Below is an example of a market maker sell profile:

The MarketMaker Profile  
The Sell Model



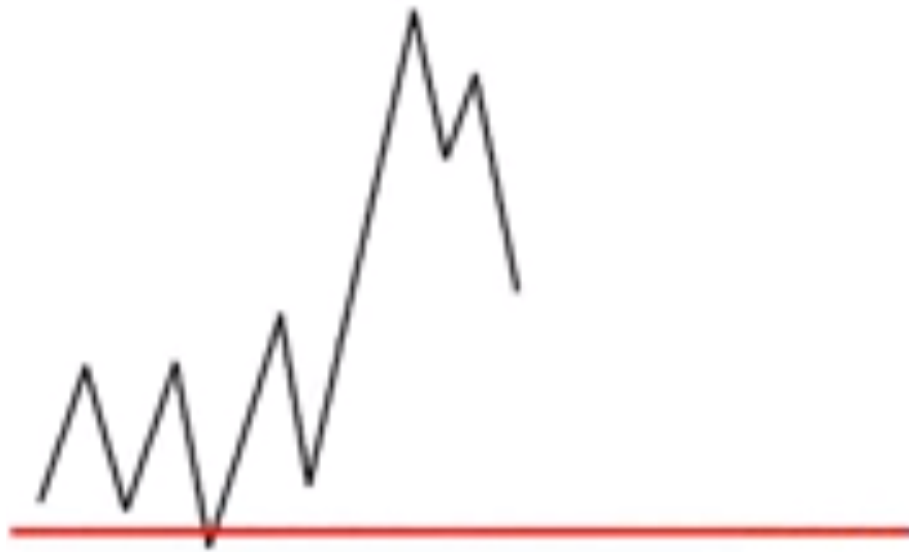
The Inner Circle Trader

- In short-term trading you can work within a bullish market environment and be a bear, but you have to really understand what you are doing.
- Trading in a bullish market environment with only buy market maker profiles makes trading really easy.
- Trading in a bearish market environment with only sell market maker profiles also makes trading easier.

ICT Market Maker  
Trend Continuation Profile



**ICT Market Maker**  
**Trend Continuation Profile**



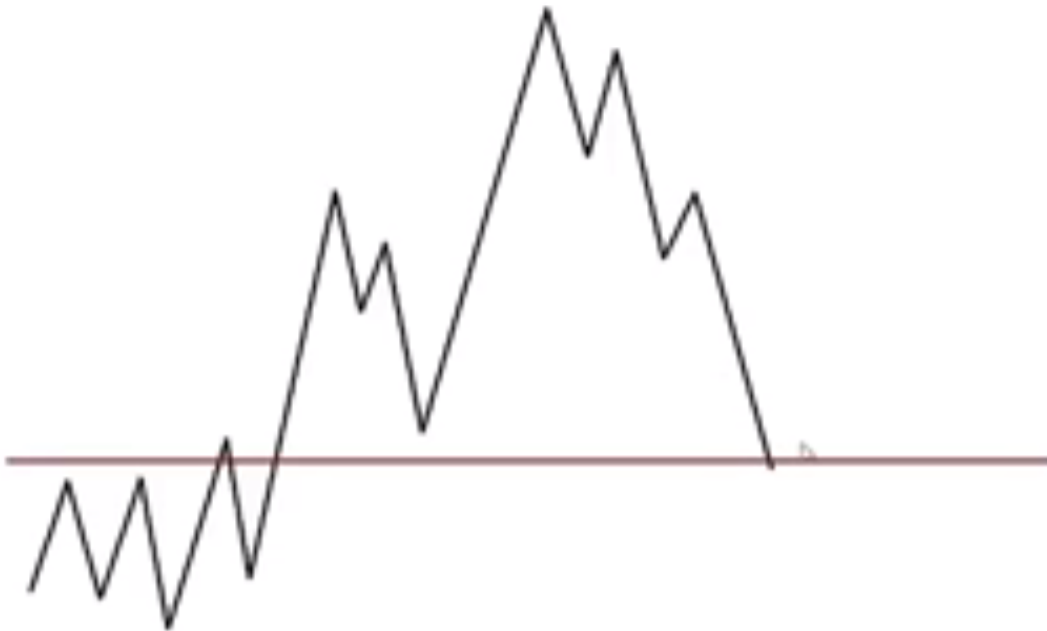
**ICT Market Maker**  
**Trend Continuation Profile**



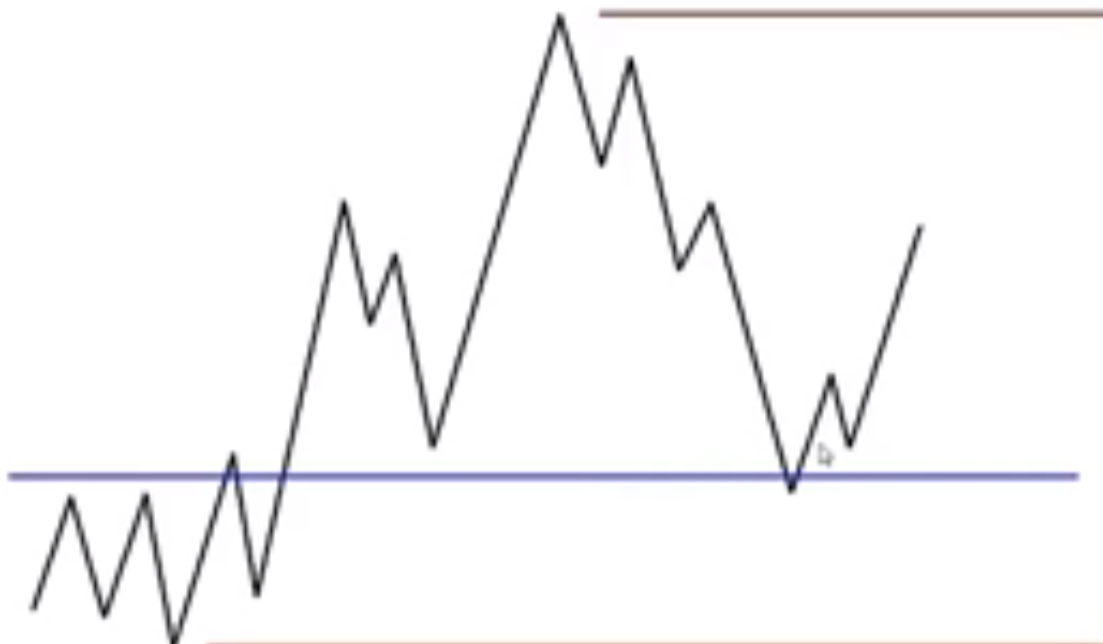
- The end result of a market maker sell profile is looking for the lower low than the previous consolidation or beginning of the price move up.

- The end result of a market maker buy profile is looking for the higher high than the previous consolidation or beginning of the price move down.
- In the picture below, smart money already assumed their positions in the first consolidation. In a bullish market environment they won't let price get down below the previous consolidation to complete the market maker sell profile so be wary of possible support levels to be keying off of.
- They may let it take out an old lows stops, but not the beginning consolidation ones that started the market maker profile.

ICT Market Maker  
Trend Continuation Profile



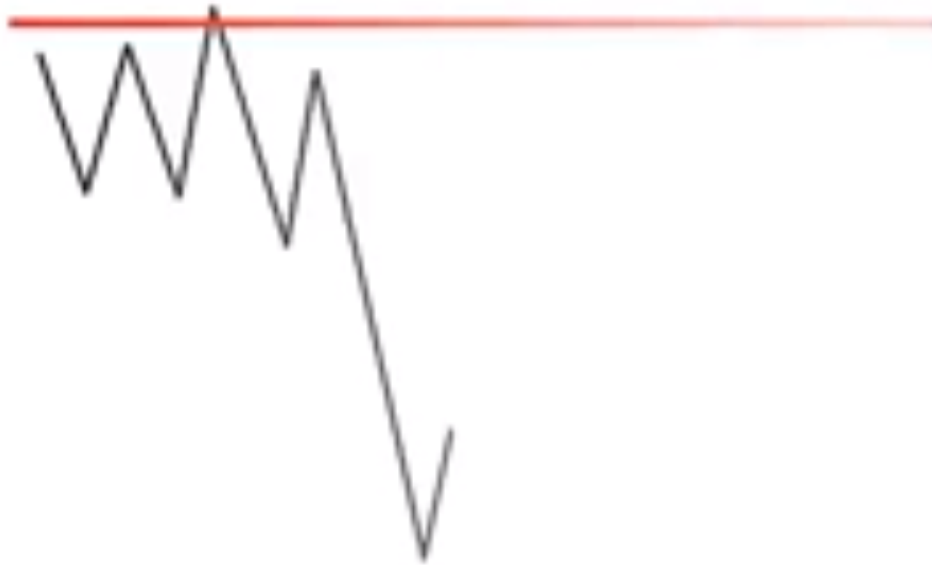
ICT Market Maker  
Trend Continuation Profile



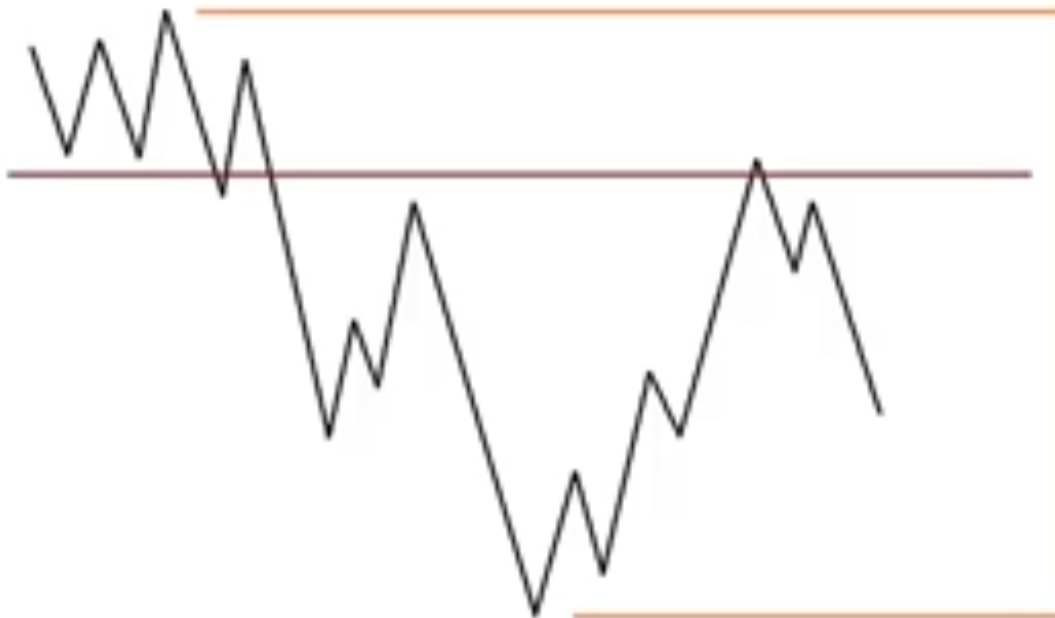




ICT Market Maker  
Trend Continuation Profile



ICT Market Maker  
Trend Continuation Profile



ICT Market Maker  
Trend Continuation Profile

- You are always wrong until you take profits.

- There is climax reversal short-term trading and short-term trend trading.
- You can build a career on 50 pips a week.