

A Week of Discovery...10-16-15

Much love and peace be with us is the first thing....Don't sweat the small stuff...

Nice n easy...

First we would like to share the "Risk Allocation" epiphany from this week to clear the air about "how many pips was that trade?" or "Oh Man...what's goin' on with this trade or that...Ohhhh goodness" ...the world of trading can be very emotional and stressful....We believe in non emotion "Peace through charting""How Friendly...?" ☺

Welllll...."Risk Allocation" ...and "Measurable, Verifiable and Repeatable---If/Then conditional thought process structure based trading"ROE...Rules of Engagement....tah dahhhh...(always look for structure levels on the left...)

"Structure leaves clues" ...peace

O.k...so here is the idea: (working with FXCM (trades) and Ninja Trader (charting))

Our "Risk Allocation" per month is \$120 as we are "Going Live" as traders (real micro account trading)...That means \$30 per week...300 pips risk allowed.

We budget for this, as part of our journey and goal as transforming into a "Champion Financial Market Strategist""Brilliant Bubba"Yabba dabba do U!

We pay over \$30 a week for tea time, and considering the amount of joy we get from studying charts....Whhhell! That'll work..."Great. Budget it Kid""Love it"

We can think long term...we can look at the trading in 3 to 6 month increments...

60% wins/40% losses is considered success as a Trader...so as we get better, we can gently increase risk...and wins, can be used as Risk...when success decreases, so should risk...Agreed?

The point is to not worry about the trades when we know our risk is budgeted and we are investing in the journey (first as a Hobby) as a potential business to create an income stream in the future....with the strategies following...it's possible...(Trade Empowered is a great online school for anyone looking to learn the concepts that follow)...though some of us have been integrating these concepts for a number of years, the school mentioned can get anyone on their way...(Nial Fuller and BK Forex too)...Integrative Analysis is best...learn from allll the experts 😊 ...(to anyone already trading...don't forget your taxes, and only talk with a positive accountant because there are mostly critical minds when talking about trading...be encouraged always...)...peace

Above all...enjoy the Journey of Discovery...

O.K.....

So laaaaaast week....

“By Us and For Us”(and for anyone genuinely interested)... 😊 Love wins!

This starts with Sunday...the market opens and we're (relaxed!!) searching for potential reversal zones....(PRZ)...“Market Turning Points”

We'll start with the winning trade, before the doubters start (because we know the human nature of crowd psychology “Dans L' Air” (French for “In the Air” ...we just looked it up...”Hey didn't that new tune ‘They Don't Know’ ...from Brotha Man say dancin' ...cool...yup...God the glory....always his story...1st Thessalonians 4:17”)...

GBPJPY 1 Hour chart---

Double Top reversal structure at “previous support became resistance level” price is at 1.618 extension off the swing low....RSI Divergence...

We found some “Harmonics”Fibonacci ratios...Divine harmony...entry order was placed below the MBO point...so when price “proved it was moving that way again, we were in on the trade””Building Our Case for Entry”

IPDE....**Identify...Predict...Decide** (important moment...be selective....)**Execute**



GBPJPY 4 Hour Power chart....

Price currently at 50% retracement, nearly bouncing off the 200 SMA...RSI overbought...



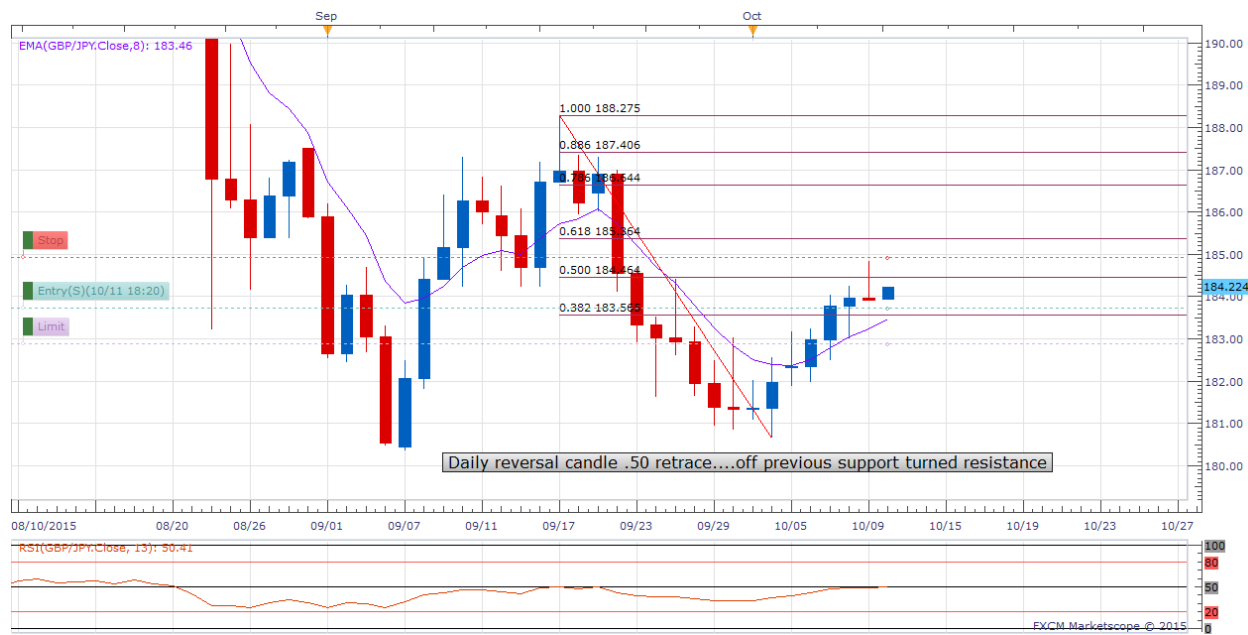
GBPJPY 1 Hour Chart also...

Harmonic Move (Measure move/"Equality") and already price is trending down...

RSI Divergence...

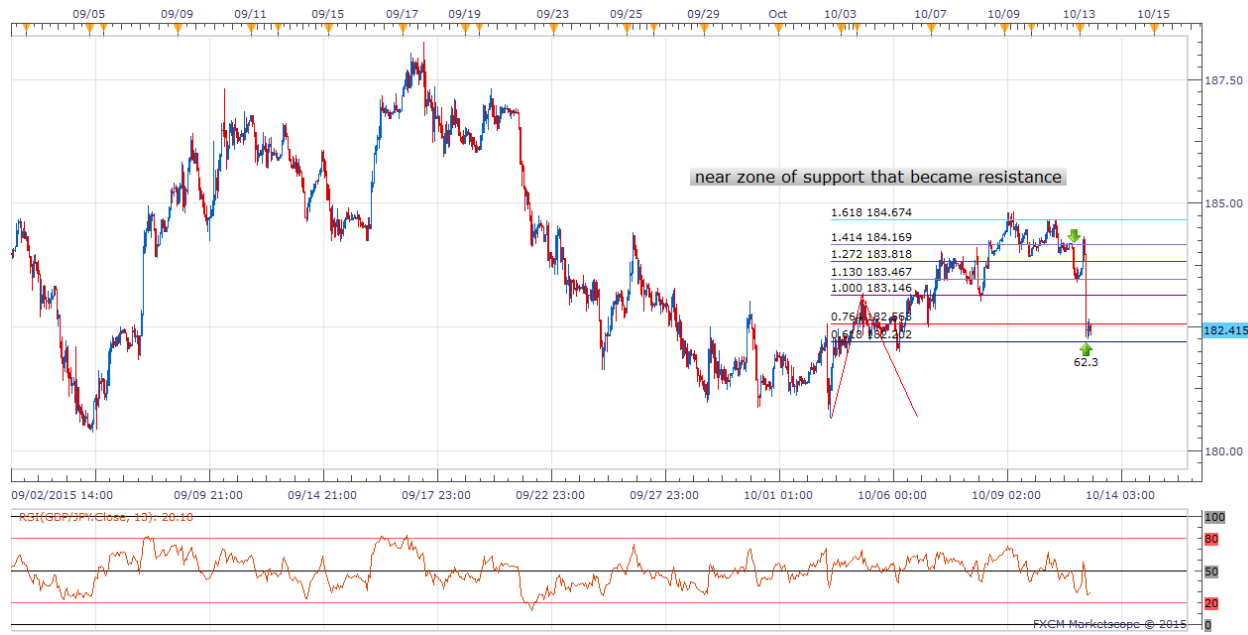


GBPJPY Daily chart....sellers wick reversal candle (pinbar)

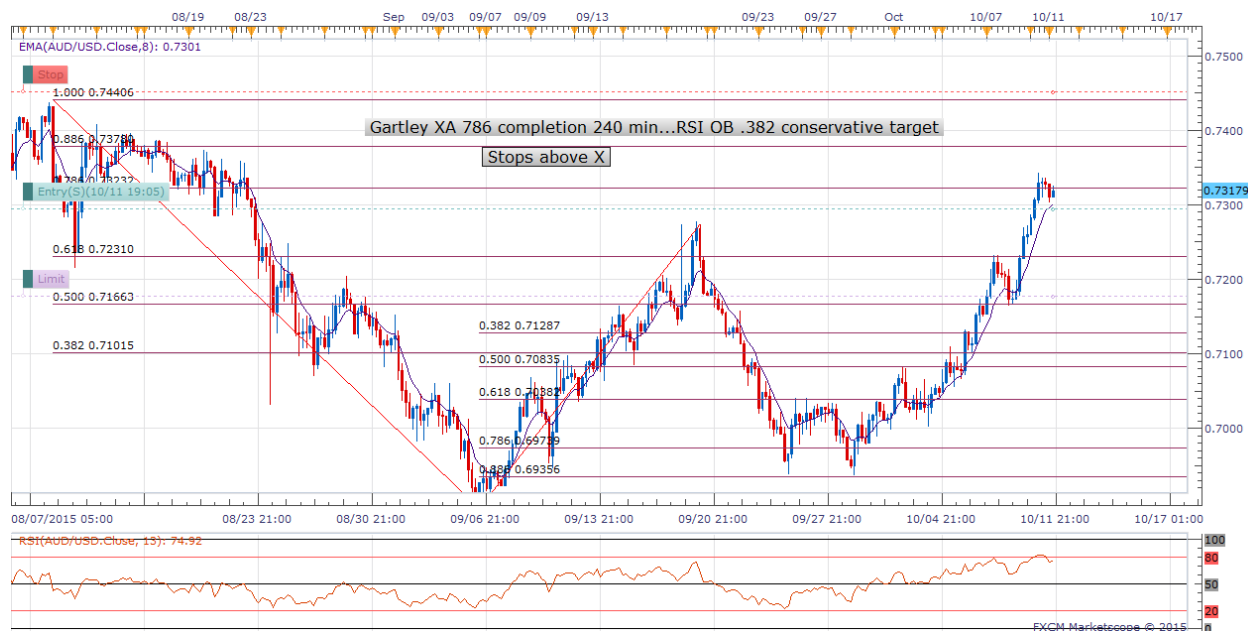


GBPJPY result....(that was a lot of strategy ideas...."Sure...grrreat!")

62.3 Pip win....we noticed the trade was closed Tuesday morning...



Now here is a Gartley Harmonic pattern...”Long Story Longer” (Love to “Keepin it Cooliente” Brothaz...and all our OwlIn Uncles, Aunties, Cousins, Sisters, Brothaz...et al... of course), since we went through the process of the previous trade....We closed this trade too soon, and price realllllly moved (100+ Pips Whoa! ☺)...We entered the trade, then the next morning saw an .886 D completion instead of .786....so decided to exit (too soon)....here are the 2 charts....”Plan the Trade, Trade the Plan” ...that’s the deal...so, for the future...maybe when price is a bit passed .618 AB leg and .886 D completion is cool than...this is the reason why our “Risk Allocation” concept is very freeing...nice n easy...supply and demand...

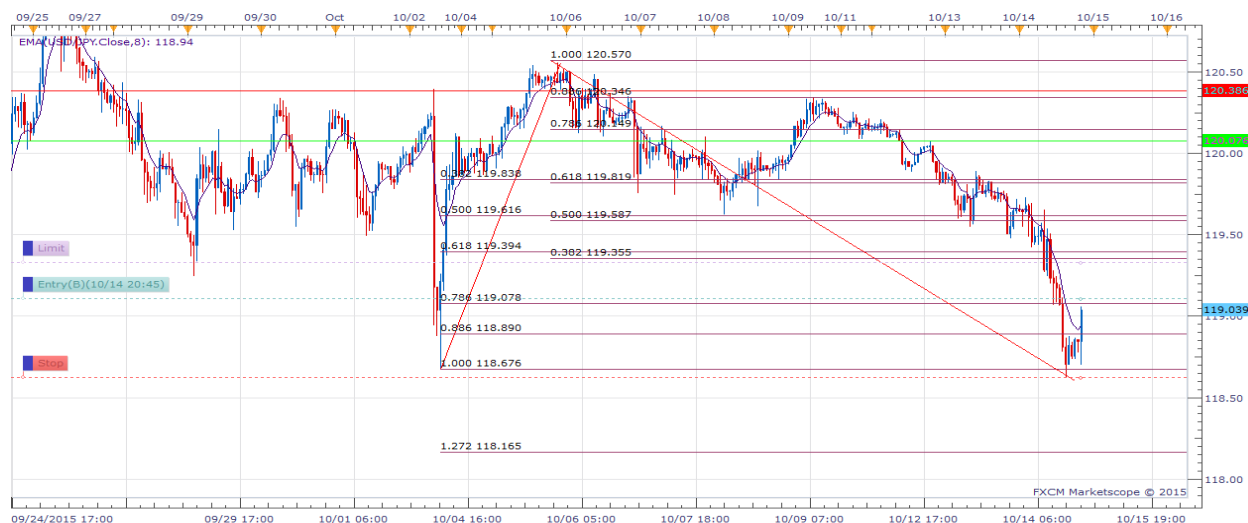




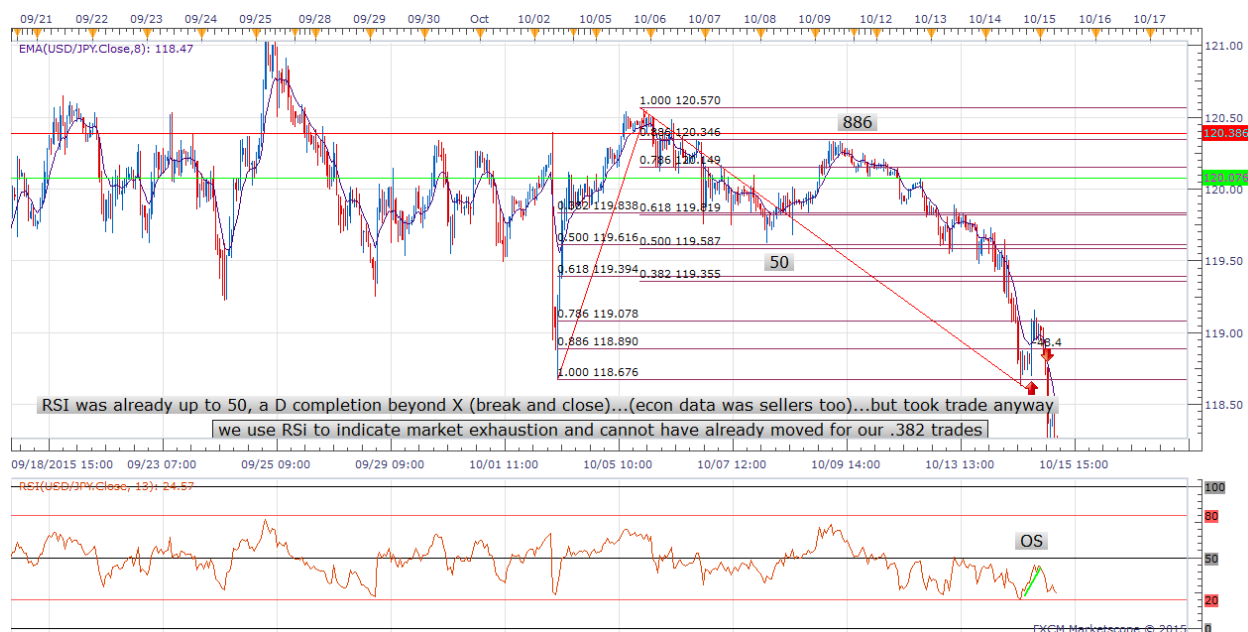
O.k....so next is the losing (we say lesson) trade....to keep it real... 😊

We relaxed a few rules...and well, here's a good lesson when this happens...typical Human stuff...

USDJPY Bat pattern....entry order at the MBO point even though price had already passed the X point (Bat should bounce at .886 XA retrace)...also, Dailyfx was talking all about the “seller strength of the USD Economic data from that day” ...so, the “Decide” part of IPDE was a bit too rushed...good lesson



Annnnnnd the result...-48.4 pips...no sweat...we are free to learn lesson considering our 'Risk Allocation' idea...



So, a couple of ideas...

We have "Risk Allocation" ... and "Trade Management" (move stops on Daily or 4 Hour Power charts)...Then the 1 hour harmonic pattern .382 break out strategy that we "set and let it be"...(also called "set n forget")

"Trading is a lifestyle" ...so is learning an instrument or working on our health...peace