

THE METHOD:

As always, a Method. Hoping to let Art remain Art still

AIM: The aim is to trade everyday, and if all goes well, to trade between 10am and 3: 25 pm. to trigger without thinking if triggers are hit, trail stop without thinking because that is our Plan, to exit without thinking if stops hit.

PERSPECTIVE: None. No analysis about multiple time frames, and if that is up, then we are up. Once again, reiterating: Trading in line with perspective is not wrong at all. Trading the 5 looking at the direction of the 60 is a great way to trade. This one is just another way!

TIME FRAME OF TRADE: The 60min chart. Lol, right about now, a few people are hurling abuses at me! 60min charts and Intraday, Saint are you mad??! Probably but am not interested in smaller time frame trading, and pulling out Rs30 here and there and losing Rs50 here and there and landing up the end of the month with Rs10k and feel that one has done something great. Not interested in smaller time frames because it just is not as beautiful flowing as the 60min charts. So, 60min charts, it is!

INDICATORS USED: If Volume is considered an indicator, well, I have a look at Volume, although I doubt if any major decisions would be taken by me based on the Vols alone.

CHARTS: Candlestick charts just because it gives me better visuals, and a particular pattern that crops up on the 60 helps with the Reversal days.

ENTRY: Allow the 5min bar, the first of the day to form. Go long if the high + filter is taken out. Go short if the 5min bar low is taken out. Again with a filter

STOP LOSS: Same as filter. I put Rs 9, not too much concerned about the distance, the Rs9 has saved me from many a bad trade, so sticking to it. what is best suited to you, after testing, do that. Basically short the first bar with a stop loss at the bar's high +Rs9 if the first bar breaks to the down. Buy the first bar high with a stop loss at the low of the bar -Rs9.

~~TRAIL STOP: Let us take the trade as long so that I don't have to repeat the same thing twice..... basically vice versa for shorts..... The second bar of the day(60min bar) puts in a Higher high and higher low(hope you get it, not higher pivot high and low..... just higher high and low. Now the third bar puts in a higher high and low. Move stops to the low of the 2nd bar's low -9. Once the 4th bar makes higher high and low, move stops to the low of 3rd bar -Rs9..... In essence, at the start of the next bar(not completion), move stops to the low of the previous bar.~~

Note: In an uptrend, the lows are being carefully monitored in a downtrend, it is the highs that are carefully monitored. In this method, we do not care about uptrend and downtrend. we care only about rally and decline. But the rules are the same. . . .

RALLY: Monitor LOWS. DECLINE: Monitor HIGHS.

STOP AND REVERSE: We are looking to stop and reverse in most cases except a few. And the exceptions will be added here later.

ADDS: No adds except in a clear trend move. We have a rally in an uptrend on the 60, just formed a wrb, or we get a pivot on the 60min, and the Pivot Highs are taken out, we are doubly sure about the trade yes, we are looking to add. Most often than not, we are looking to stay put with our initial posns. Unlike the 60min Flow, only one ADD after initial position, and then it's all trail stop.

PROFITS: If long 6 lots, with a stop loss Rs50 away, once we get a Rs50 move, will take off 2 lots unless we get a blast off move. Then I am sitting pretty with 10 lots till the end of day.

At the end of day, there is pulling out of positions basically because want to be out of all before close. So no real rationale as to why there, and not Rs2 ago

EXITS: At the End of Day or taking profits off the table on a weak move up within a downtrend and reversing once the down move starts.

TRENDS: There are days where there is a one directional move. We do nothing and keep moving our trail stops down. Then there are days that give us a 2 directional move, we enter the trade as planned, our trail stops are hit, and we reverse. Then there are days where there is a 3-directional move will be frustrating, we get in all three, and probably end the day with losses, but stick to the Plan. There really is not clear knowing what type of move that can happen that day. So take 'em all.

POSITION SIZING: Take the total amount of capital risking 1 % per trade; Enter with that many contracts as is calculated. . . . I tend to take 3 positions simultaneously, but risk on capital not more than 3%. Trade lesser contracts if must, and cannot manage the heat.

Last word of advice: If you notice, we are not trading lower time frames, and so don't panic on a rally on the 5 and you are holding shorts. stick to the Plan. And another thing: We are not trading Pivots here. we are trading it Bar-to-Bar. Of course, a 60min Pivot break only adds weight. And a 60min entry means we enter later, make less money in that trade as compared to the guy who spotted that move on the 10min charts. But we also tend to lose less as compared to the 10min trader. More of, Slowly but Surely

Changes: I

- a. Removing the 30min timeframe from this strategy.
- ~~b. Added that our decision making process about trail stops is at the start of the next bar, and not at its end.~~
- c. Pivot Highs/Lows are rare on the 60min charts But if we get that, we are doubly bullish or bearish We look to add above/below that pivot if we do get one.

Changes: II

Trail Stop removed.....Removing the active involvement

Risk at the beginning of the trade is x% ... So allowing the trade to take its course. If stopped taking that x% loss

Position Sizing Percent Risk: Decreasing the percent risk per trade to 1%, leaving the option open of a possible add. Add if looking juicy keeping the risk at 1.5% max.

Inclusion: A few candlestick reversal patterns.....all the V-reversals that happen gave us a warning signal with that candlestick pattern again and again. Will discuss about it later

Other than that, buy or short with a stop and get out most likely at the end unless we get that reversal signal.