

### **Chart Settings:**

- 5 Minute Candle Sticks
- 20 Period EMA
- Volume (Optional)



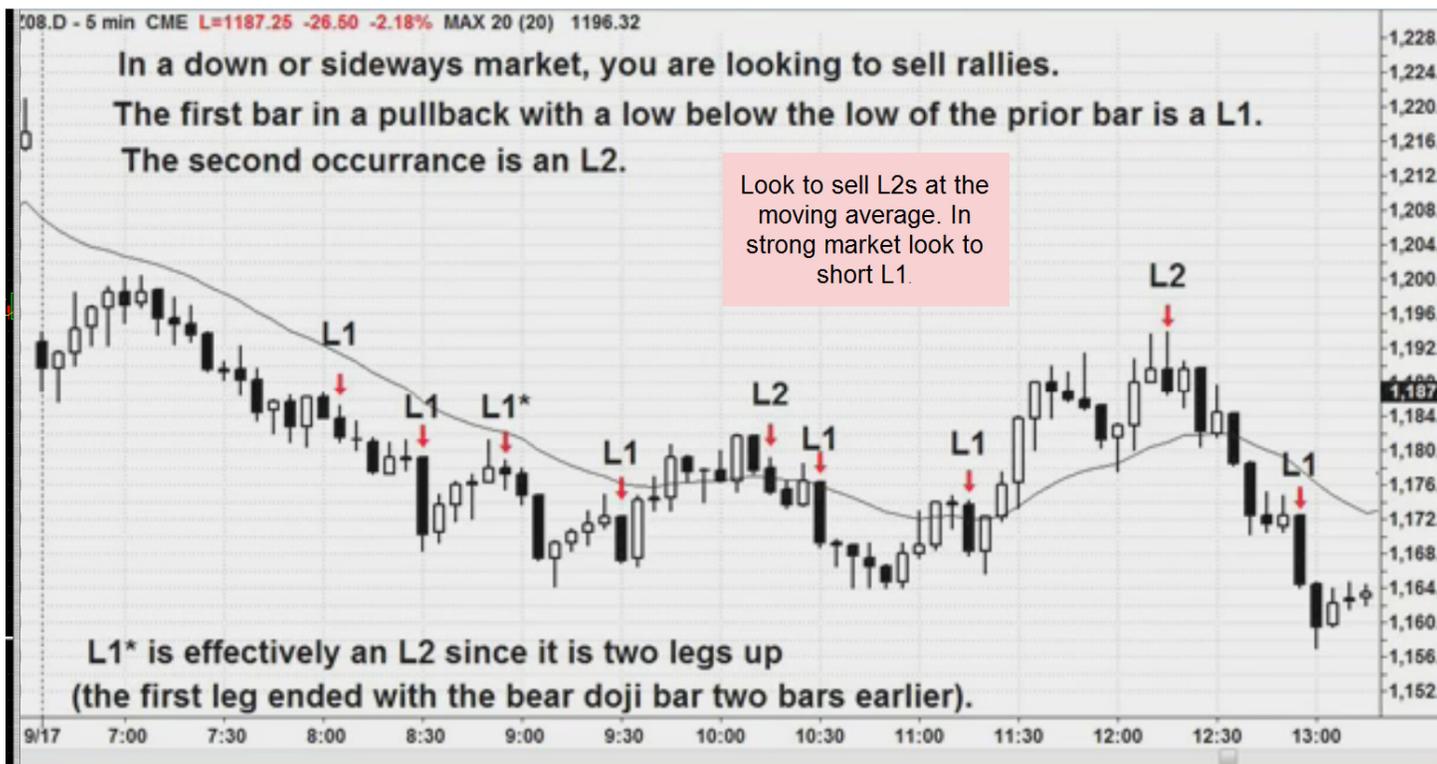
### **Basic Bar Count Strategy:**

- H1 –First pullback in an uptrend, above 1<sup>st</sup> bar that has a high above previous high.
- H2 – Second time a High above previous bar in that same pullback
- L1 - First pullback in a downtrend, below 1<sup>st</sup> bar that has a low below previous low.
- L2 – Second time a Low below previous bar in that same pullback

## HOW TO ENTER ON SIDWAYS OR UPTRENDING MARKET:



## HOW TO ENTER ON SIDWAYS OR DOWNTRENDING MARKET:



## TWO TYPES OF TRADES FOR BEGINNERS:



## OTHER NUANCES AND SETUPS

### MICRO-TRENDLINES

How to enter with Micro Trend Line:

- Connect the extreme of bars and construct Trend line. Enter 1 tick beyond the bar that broke the micro trend line.





**OTHER CHARTS:**



Example of H2 failure, on micro trend line break, we expect to enter LONG WITH the trend. So next bar should rally, but it did not so enter short.



## REVERSALS:

### TWO CRITERIA FOR REVERSALS:

1. Want to see a break beyond big picture trend line
2. A RETEST of the high or low, i.e. bull/bear flag

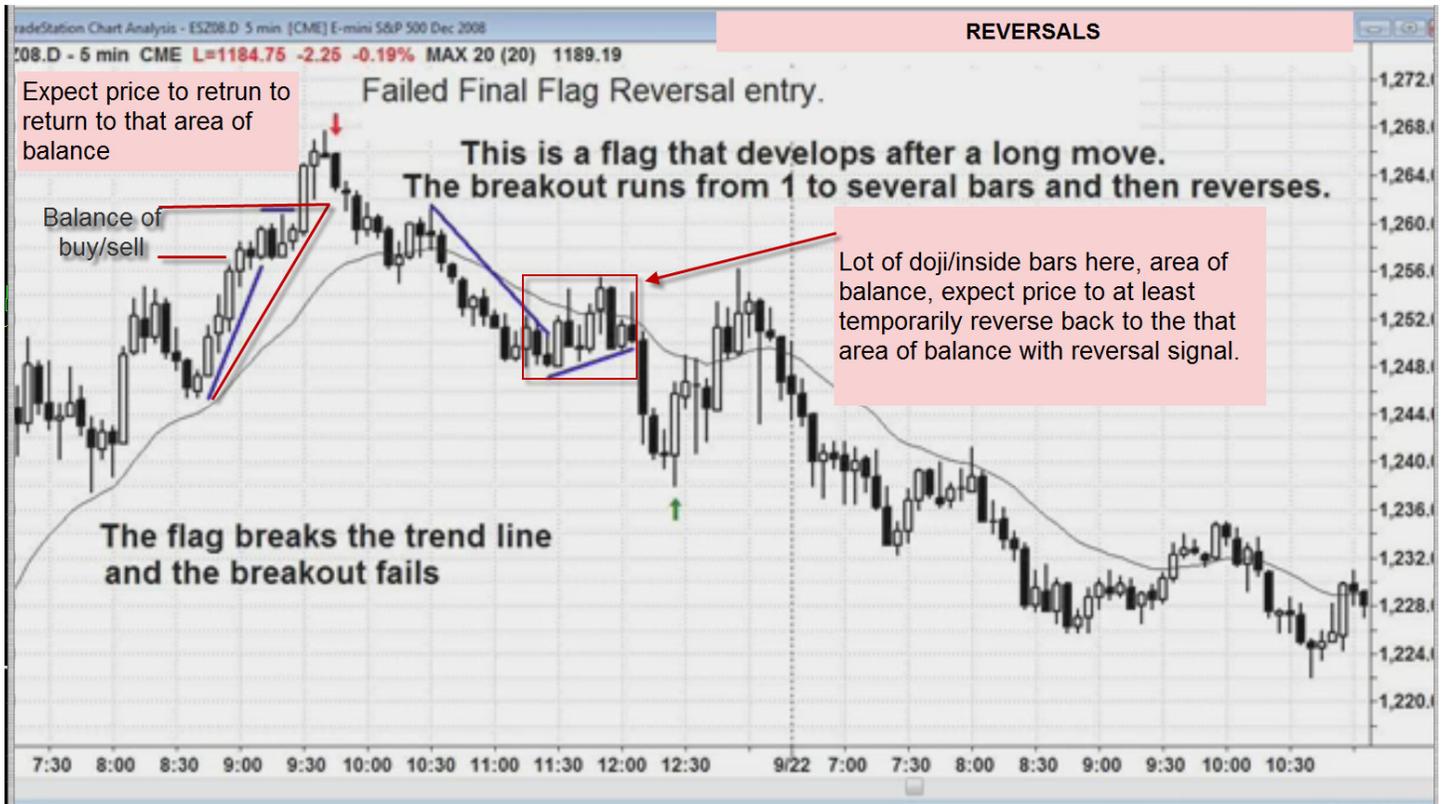
### OTHER IMPORTANT NOTES:

- When 2 attempts are made, the market often reverses and does something else....i.e. double top or bottom
- "3 Push Patter" constitutes a wedge or flag, even if it's not perfect



- Two Criteria for reversals:**
- 1) Want to see a break above Trendline
  - 2.) A retest of the low

Below, price had many doji bars in the in the pullback, this is an area of balance where neither bulls nor bears are winning. Consider entering a reversal pattern expecting price to at least 'snap back' to that area temporarily.



Trend Channel Line over shoot below – Trend channel line would be the upper trend line in this case since in an uptrend.



## MORE ON REVERSALS – “3 PUSH PATTERN” Reversals

Notice the 3 pushes in the picture below constituting Bull Flag. It's not perfect, but still valid.



Another example of the “3 Push Pattern” above.





# FAILED BREAKOUTS



# MORE ON TRENDING:

WHEN WILL THE TREND STOP?



# TYPES OF TREND DAYS:

## SPIKE AND CHANNEL BULL



## CLEAR CHOP (ENGULFING CHOPPY TAILS IN THE MORNING SETS TONE)



SPIKE AND CHANNEL VARIANT – SPIKE IS THE GAP DOWN



TREND FROM THE OPEN DAY



BEAR DAY W/CONSOLIDATION IN THE MIDDLE, FOLLOWED BY RESUMPTION



