HELP & SUPPORT: contact@pro-indicators.com

PRO INDICATORS

> STARTING GUIDE

& USER MANUAL

INTRODUCTION

Before getting to the real deal, I'd like to have this little introduction. First to thank you for the interest you have for my tools, then to present what this crazy project of PRO Indicators is, and to talk about the crazier one you're about to get yourself into, learning about speculation !

Let's be honest, at the moment many people are gathering interest in the financial system, and various reasons push them toward speculation, but this is a very tricky path and people generally fail for the same errors ! Confronting yourself to the permanent doubt surrounding the market is a fight that you'll have against your own worst enemy, yourself.

Trying to understand the market is probably the most common mistake. Facing uncertainty, you'll probably try to fight against this feeling by desperately trying to make sense to chaos (I know cause I've obviously been a victim like everyone else). Trading is not about understanding chaos it's just about accepting it... It takes time, but fighting is just a waste of time.

Uncertainty about the future in psychology is the most common source of stress humans can face apart from the traumatic stress.

Which means, even if everything goes fine with your life, the market's uncertainty will still be a source of irrational stress. The reason is simple, you are trying to build your income (therefore one of the main pillars of your life) out of the market, which is pure chaos. Who would be crazy enough to choose a life of perpetual uncertainty and stress? As I said, none of this is real, it's an irrational stress that can be dealt with, if you simply accept it and fight it, instead of trying to fight the market that is something way beyond your control. I remember myself years ago, learning as you do now, thinking that a trader would be someone who « understands » the market… So I'd rather like to destroy this myth right away, I'm a trader, and I don't understand a damn thing! Moreover, it's when I truly figured this out that it was more about letting it go that I became one.

The reason why I'm starting this manual with this is because you need to understand that beyond the technical part of trading, there's this psychological part of trading. Definitely one of the hardest though, as shaping your psychology to trading will take years and trying to rush will be worthless.

In this manual, we will obviously deal with all about the technical part of trading, but the psychology will mostly be left aside. Greater detail will be provided through educational programs on the YouTube channel.

Before going any further, I want to warn you about another mistake, which is also an unfortunately common waste of time. Searching for the perfect system, the perfect strategy, the perfect indicator... (I've been there, lost too much time, and so will you if go down this path...)

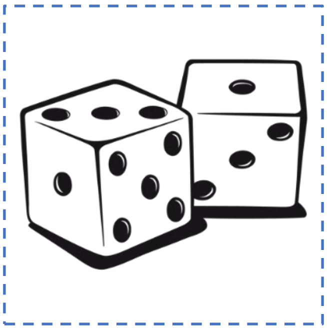
The indicator is only a tool used to apply a strategy. Just like a doctor using tools to operate. The scalpel is the tool that links the doctor to the patient, in trading, the indicator will only be a link between the market and your strategy. Wasting time looking for the best scalpel without knowing how to operate is stupid, isn't it? Then don't be!

CHAPTER 1 : BASICS OF STRATEGY

As a logical process, a strategy is the exact opposite of “gut trading” which is based on erratic decision-making. Just remember what we said earlier, your income will be based on your decisions... Therefore one of the pillars of your social life in nowadays society *(Okay let me guess..., money is the pillar of life, are you sure about that ?).* It's an interesting discussion, but we'll put philosophy aside!

Strategy is what allows you to fight permanent uncertainty. This means that you will be able to sleep at night while accepting the fact that everything is technically possible. *(Alright, this guy just has a God complex... He thinks he controls everything and fears nothing...).* Certainly not. The only thing you'll rely on is the sweet comfort of statistics. Because even chaos will have patterns and identifying them will, just give you a tiny statistical advantage that makes all the difference between trading and gambling. *(Hu? I thought trading was more or less like gambling, but doing it better...).* The gambler is the one that embrace chaos, the trader is the one who manage to succeed throughout chaos, and that’s a big difference.

In statistics, expectation is a bit like rolling a 6-sided dice.... from a mathematical point of view, it can fall on any side, and it can theoretically fall an infinite number of times on the same side in a row. However, In the reality, if you throw it a lot of times, it will inevitably fall more or less equally on each faces! I know how little bit of comfort this may look like! But that’s all you’ll have to sleep with. Any trade will just be chaos, but hundreds of trades won’t.



A good strategy is simply a good risk management to optimize your expectation of statistical gain! Nothing more! Just as your dice will always fall randomly on a single event, the market will always possibly end up in all directions and yet in the long run, those who manage the risk will have a tiny chance to earn more than what they lose! So any strategy that does not target this objective is simply another chimera that often seeks to "conceptualize" the market and is only a waste of time. *(So the more the guy try to understand, the less he actually gets it... crazy concept!)*

That's right... because there are as many strategies as there are traders! Some are waste of time, for the reasons mentioned above, and some will worth it. So let's answer the right question: what does managing risks truly means? Risk management is simply trying to exploit the rare times in which the statistical return if asymmetric... *(whaaaat ?!?)*

It’s actually a simple notion that defines odds to go one side or another. If the mathematical probability of having a 6 on the dice is always the same (1/6). In reality, after rolling 10 times a 6, you are slightly less likely to make another one... by just a very tiny percentage. Just like after 100 throws without making 6, the probability will slightly increase! Why? Simply because, the more we roll the dice, the more reality catches up on us and tends to lead us to an equal distribution on each side! To sum up, in a mathematical prospective, odds remain the same on each roll, it’s chaos, but in the reality, the more you roll the more you alter those odds. And you can actually profit from that.

I don't even think that this abstract demonstration can be enough for you to sleep tight and avoid irrational stress... That why the main goal of a strategy will be to assist in making a rational decision that avoids as much as possible to fall back into chaos. In our 6-sided dice experiment the statistical distribution was simple, but when it comes to apply that to the market, this will be a bit more tricky! Because in the dice case, the possible distribution between 6 faces is easily defined (one for each side). In the market, there are theoretically an infinity of possible directions... *(Alright... so back to chaos ?! Honestly, you're not really helping me here !)*.

When a process seems too complex, it is often necessary to break it down into tinier bites to get a clearer picture. That's exactly what we're going to do here. In order to reduce the possibilities of market movement, we will proceed as follows:

1. IDENTIFY PRICE CLUSTERS
   (Can't you be more subjective? Because you already got me lost with the math thing before....)
   It may sounds stupid but in fact 80% of prices are useless... Watching them, or even worse, trading them, is a mistake. Filtering them out will be necessary to reduce the statistical distribution. It’s like waiting to get ten 6 in a row before starting to bet you’ll have something different than a 6. It still doesn’t guarantee anything, but you just slightly reduced your risks. It won’t make any difference on a single roll, but it will on a thousand rolls.

2. WAIT FOR A TECHNICAL SIGNAL
   We’re looking for price reversal areas in which prices may give us slightly better chances to reverse, we’ll go a little bit further and add another layer of risk limitation. We’ll simply study “how” prices have reached out to the interesting area. Because depending on this parameter, we will be able to filter out favourable condition.

3. DEFINE AN APPROPRIATE "MONEY MANAGEMENT"
   Which is nothing more than adapting the trade to the level of risk surrounding it. Because the better is the signal the more favourable odds you’ll have. Of course your indicators will assist you in this task to avoid any “gut” decision or any subjective analysis.

4. MANAGE RISK IN POSITION
   Because getting into a trade is far from being a trader, you’ll have to learn how to manage an opened trade. This means that once you’re in position you will have to repeat steps 1 and 2 to identify the conditions under which it will be necessary to act by profit taking (partial or total), invalidating, or a simply adjusting the stoploss. I’ll also give you guidelines to manage your opened trader within this manual but we’ll have to set that aside and we’ll get back to this later!

Now that we’ve set the basics, we will dig into each of these "steps", which are therefore the elements that make up the strategy. You will have to learn it as it is and eventually customize it according to your personal experience. At this point, the key element you need to remember is that we’re simply going to exploit statistical behaviours to balance the risk and optimize long term profits. Chaos prevails out of single trades but not out of a hundred.

CHAPTER 2 : PRICE FILTERING

INTRODUCTION

Price filtering is an essential step. Any good statistician will tell you that before processing any type of data, it will always be necessary to start with a filtering to limit "noise". This is exactly what this step of the strategy will replicate.

As I said earlier, more than 80% of the prices are "unreliable" for statistical purposes. Therefore, you must understand that forgetting this crucial step would be a fatal mistake. So many people want to run faster when it comes to learning a strategy. I want to warn you: **the one who skip this step** and immediately switches to signal reading (next step) **will literally get fucked up**. More than losing the statistical advantage, skipping filtering will even turn it against you!

1. PRO FRAMEWORK

The filtering process will be done by a simple graphical analysis, assisted by the tool created specifically to make this step semi-automated *(once again you come up with complicated words! You can't help yourself can't you ?).* It simply means that the indicator will guide you but you'll still have to work a little bit! Let's start by analysing the components of this indicator and then we'll talk about the "how to". You may think that there are too many elements. Don't worry, it's not that complicated and most of the time you will pass out of the first condition!

a. CONTEXT CHANNEL

The context channel is the most important! He's the first one to have a look at. It will be the basis of an essential rule of the strategy: **ALWAYS TRADING IN A CONTEXT.** You have to imagine the market as multiple layers of timeframes: m1-m2-m5-m15-m30-H1-H2-H4-H8-D1-W1-M1.
The context channel will be displayed by two ribbons, called the resistant and support contexts. Consider that prices in between are unintersting, as they balance bullish and bearish pressure. When reaching out to one of the context ribbon, it means that this balance is shifting. In a resistant context, bulls are no longer buying, and bears are looking for potential selling opportunities. Prices outside the contexts are even more shifting the balance, and therefore shifting odds.
So if you get my point, this context channel will allow you to quickly know if a specific Timeframe offers an interesting price or not! If the price is not within or beyond the context ribbons... There is nothing to do on this timeframe... Move on to the next one! And whenever you'll have multiple options the choice is simple, the lower the timeframe the more agressive the signal will be. Agressive simply means you'll take more risks, but you'll also going to get a better entry price. Balancing between the two options will depend on your trading profile. We'll see this in details later!

b. TREND CHANNEL

The trend channel will only be useful under certain circumstances. It's used to identify contexts and validate if a market is following a trend or not. Formally, what will be more useful is the « 50% » line that is the median-line of the channel. This line is used as an input for a second basic rule of the strategy:

NEVER SELL THE LOWER PART OF THE CHANNEL

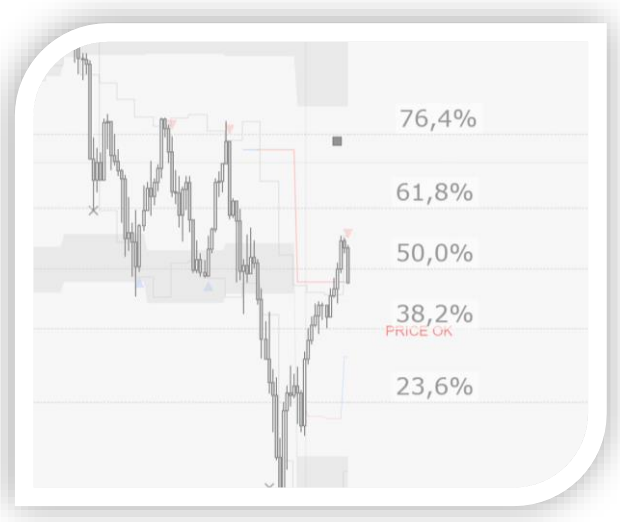
in the same way we will never buy the upper part! Respect this rule to filter a bit more accurately the possible entry prices and ensure good positions to sell/buy.

Advice: zoom in the PDF if images are too small!

---

c. « PRICE OK » ALERTS

This label is the output of an algorithm that I added to help reading the charts according to the strategy. It checks conditions to see if prices are trading near an interesting area or not. Never forget that you cannot blindly trust an algorithm… A quick check is always necessary! The thing to keep in mind is that as long as this signal is not displayed, don't bother yourself looking any further! Go elsewhere!



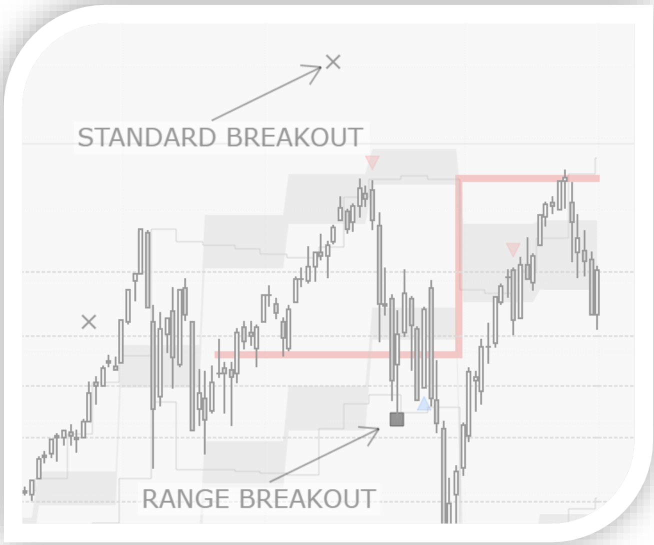
d. FIBONACCI RETRACEMENTS

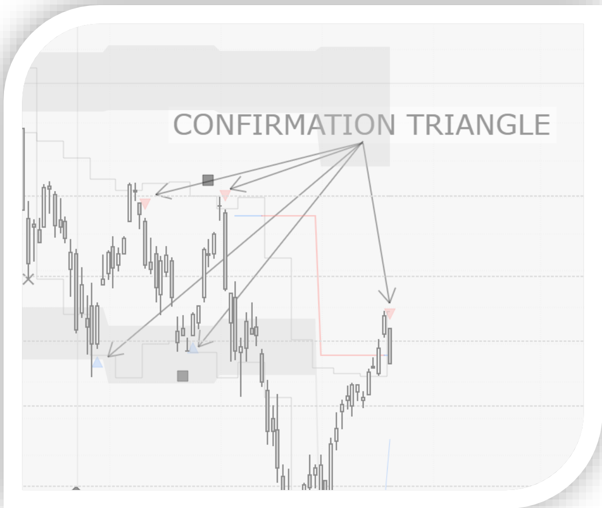
Despite being quite useless in trending market structures, they will become an absolutely necessary tool to trade ranges.

They may also help reinforcing technical cluster interest in some price areas, when a Fibonacci retracement will be in the context ribbons for example. We will talk about this hereafter!

e. BREAKOUTS

Breakouts are also a key factor in the strategy. They should be used to determine graphical targets for risk management. There are 3 kinds of breakouts, each with a different meaning. To sum up the essentials, the « standard break » will be a specific point that we will use to strengthen the interest of a price area. You'll see many of them but only those happening in context or beyond will matter. Please also note that <u>A TARGET IS NO LONGER VALID AFTER 40 TO 50 CANDLES</u>



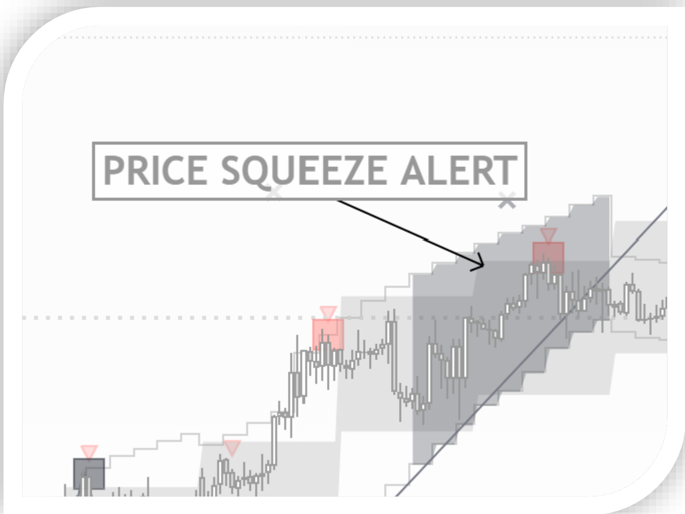


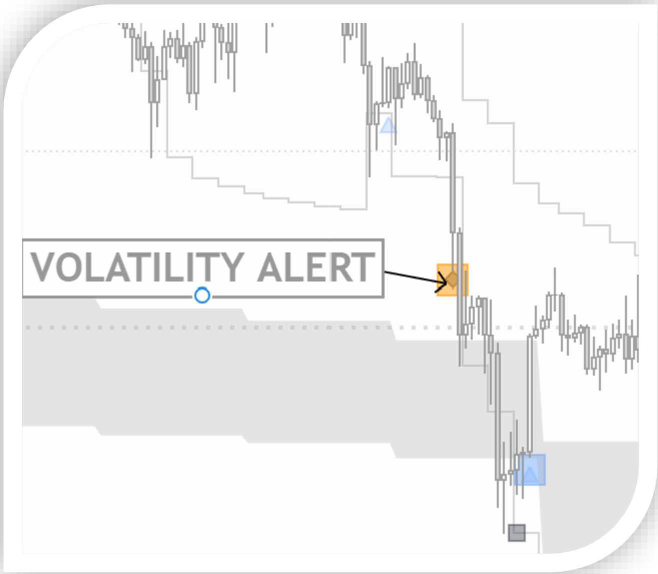
f. CONFIRMATION TRIANGLES

The confirmation triangle is the result of an algorithm that aims at validating a reaction of the market in a potentially interesting area (following a «PRICE OK» alert). It is <u>ABSOLUTLY NOT A TRADING SIGNAL</u>, as we will discuss later on. But you must never trade a confirmation signal without respecting the rules of the «trading signal» that we will detail in the next chapter. Actually the main goal of this indication is for alert purposes that will also be explained in greater details later on.

g. PRICE SQUEEZE ALERT

A price squeeze pattern occurs when there is not enough volatility on prices to consider a reliable risk limitation analysis. In these cases the best option remains to avoid risk-taking and zooming out to the higher timeframe and therefore having a broader vision of the market. This pattern triggers when a trendchannel is lasting too long or when it's width is getting so narrow that is barely equals the context ribbon's width.





h. VOLATILITY ALERT

A volatility Alert is an orange color code signal, which means that you might be dealing with some chaotic price context. that generally tells that the market is looking for standard deviation (getting as far as possible from the moving averages). If you begin with the PRO strategy it is strongly recommended to avoid trading in such conditions. As you progress with the strategy, I'll teach you how to properly deal with this type of contexts. Until then, just skip them. Remember that you first look for safer conditions to begin in trading rather than excessively risk-taking !

I you feel like you don't understand a damn thing at this point, this is absolutely normal. We have to set the ground rules first and then build on it. Further enough in the manual you should understand why you had to go through all this in the first place!

---

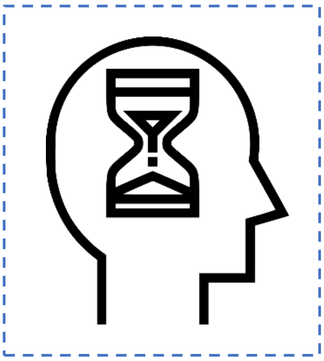
2. IDENTIFY THE CONTEXT

One of the most common errors in trading strategies is to lack of adaptability. The market is somewhat like a mean beast that does everything it can to hide the footprint it's leaving behind. To avoid this common mistake and to filter price correctly, we will first need to wonder about which kind of price series we are facing. Is it static (range) with a lot of market noise, a linear structure (trend), or a parabolic structure (excess/bubble)? To every structure, a distinct filtering will be applied. And to define which kind of prices structure we are looking at, we will use Framework outputs. This is meant to avoid personal biases by relying on indicators to assist you in this decision.

a. THE RANGE

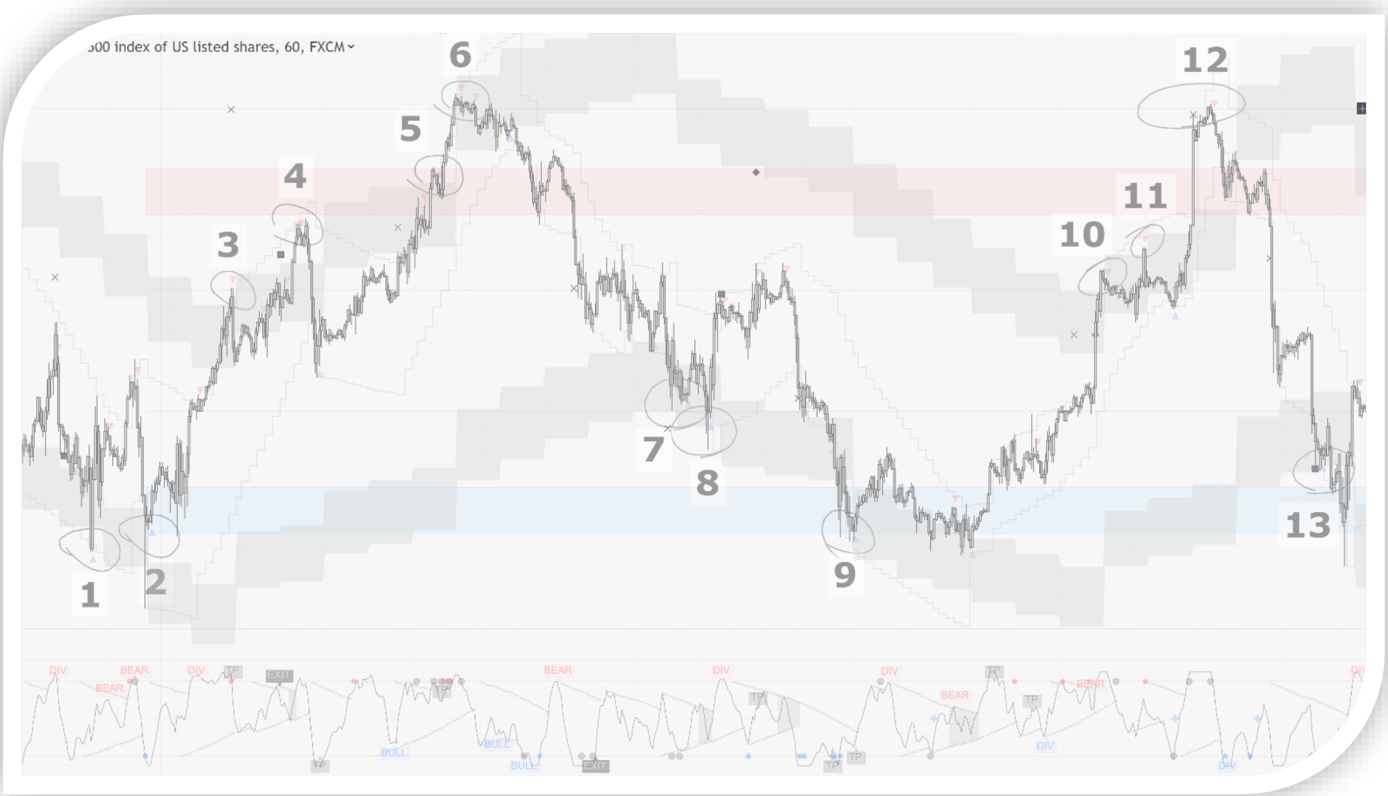
We start with the one people hate the most, and that also happen to be one of the easiest to work with, at least following my strategy. *(Wait, you must be kidding me, range is easy ?)* Nope… Actually my strategy relies on a very simple observation, a range is an unpredictable structure, and most of it is basically market noise. Our goal is to delete the noise to use our statistical advantage, therefore… you'll have to filter out most of the prices and not even try to make sense about the 90% left aside!
To remove that many prices, we will simply use extremely strong filter conditions! And do not forget that <u>IN CASE OF DOUBT BETWEEN TREND and RANGE, PICK THE RANGE!</u>
For a simple reason, the strategy of the range filtering being the most precise, it will be the best to limit the risk, and that will always be your best choice if you doubt ! Anyway, here is the filtering rule we are talking about:

1. We always wait for the optimal risk/reward ratio (the easiest way to do this is to trade at least near or beyond Fibonacci 76.4% level). This filter will do most of the filtering work, as most price will trade close to 50% of the range. For trending ranges, we'll get this one down to 61,8% of retracement to enter, but only if the range follows the major trend or if you previously had a reversal breakout target (the diamond signal)
2. We always wait to break out of the context (trending ranges can be traded inside the context ribbon, but beginners must not trade these until they really master the strategy. This is only a necessary precaution for you to learn safely, you'll increase the risk later). Combining the first two conditions will already filter out 80% of prices at least !
3. We always wait for a confirmation triangle to enter (of course, you will need to make sure that the «signal» indicator, that we will see later on, gives a trading signal!). The triangle will simply make sure that price are actually reversing in the area.
4. We never trade more than 3 bounds (We'll consider that after 3 push backs the risk to trigger a trend breakout is increased. So rather than risking to be trading against that possible trend, after 3 boundaries we'll start looking for early trend structures (we'll see that later).



NOTE: We will differentiate 2 kinds of ranges, « neutral » ranges and « trend » ranges that will have slightly different entry conditions. To avoid any confusion between the two, beginners will have to consider all ranges as « neutral » ranges. With some more experience with the strategy, you will able to use « trend » ranges rules. Don't forget that patience is a virtue when it comes to learning trading.

Let's put the range strategy into practice with our first example (see below, zoom in if necessary). I circled all the areas in which the market were breaking out the context ribbons :



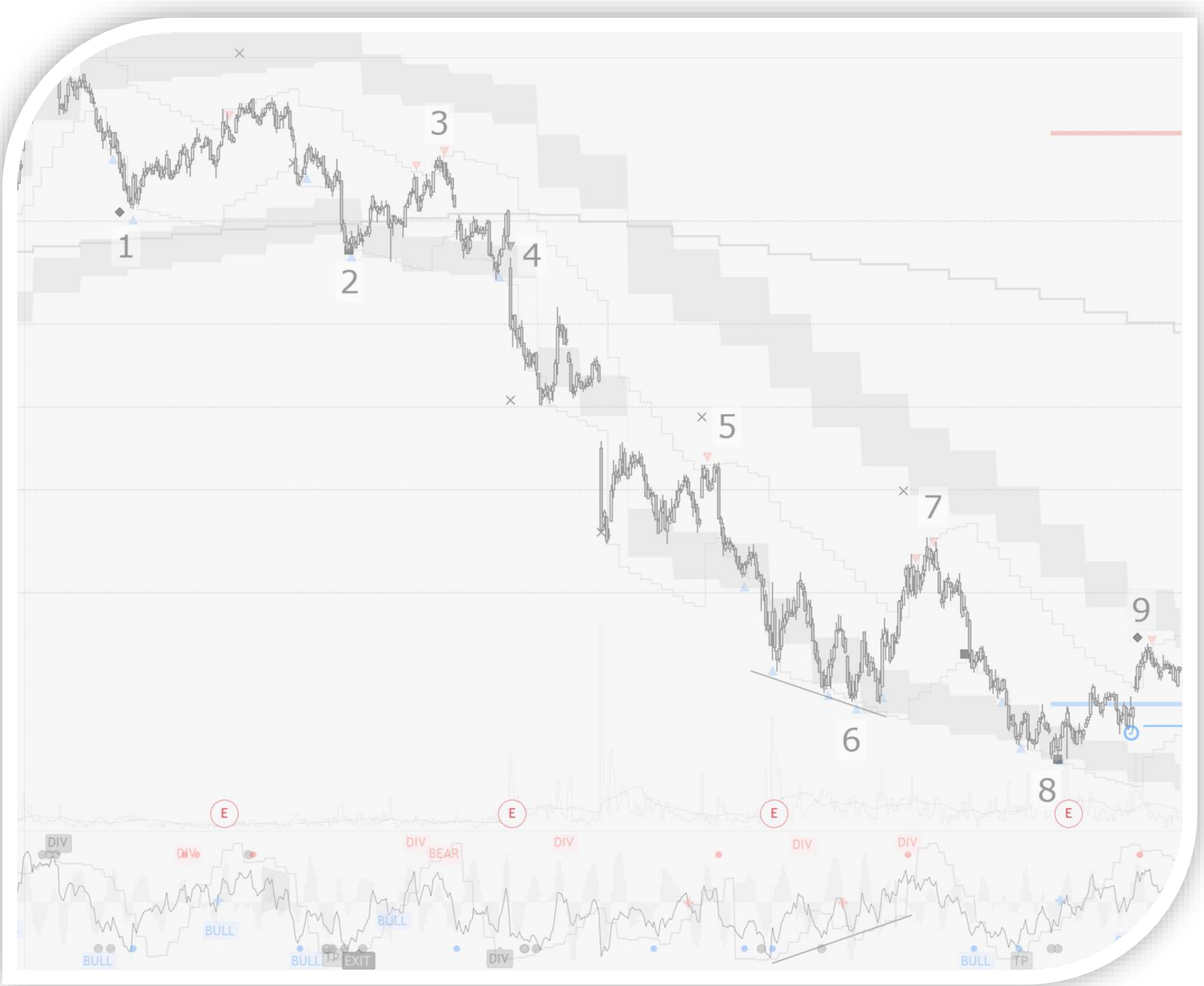
1- Let's apply the rules (Fibonacci's levels required are reached when the market reaches out the blue or red area). Here, everything is OK as we're below context, below the blue area and we do have the confirmation triangle.
2- Same here. The market briefly broke below context (long lower shadow candle) but that still respects the rules. We're also below the blue area and with a confirmation triangle.
3- This one fails on the first rule (not far enough in Fibonacci's levels).
4- We almost reach the Fibonacci level but It's OK, we've got the triangle… that's fine
5- The 3 rules are ok (but the trading signal would have called for caution here! we'll see this later).
6- OK.
7- Fails on step 1.
8- Fails on step 1.
9- OK
10- Fails on step 1.
11- Fails on step 1.
12- OK
13- Here we pass the first 3 steps but we have to stop, because of step 4… (because it's the 4th time already that the market rebounces off a context, at this point we say the range is « mature »).

Let's sum it up! Here with only 4 rules we removed all the noise and managed to isolate very interesting prices areas. Here, only 1, 2, 4, 6, 9, 12 are passing and most of this entries would have provided gains with small risks. *(Your stuff is awesome, it's magic…)* well, no. It's just a good risk limitation strategy! Yet, you'll also understand that bending any of those rules will significantly reduce the filter efficiency… Most of the price in ranges are uninteresting, meaning that trading ranges will require a lot of patience… Impatience will sometime force you to bend the rules… Don't.

b. THE TREND

Hereafter we will try to define, from a non-subjective perspective, what is a trending market. Then we will answer the second important question, how mature is the trend?

Let's start with a basic rule: WE NEVER GO FROM A BULL TREND TO A BEAR TREND. We often want things to happen quickly when we start trading. Beginners tend to see the market as switching from black to white. In reality, we'll always spend quite some time in shaded grey areas. Let's move on to the graphical elements that allow to validate that market is following a trend.



1- First step to forecast a trend is to start by looking for a range to precede! Here we see a diamond signal, telling us this range has now a bearish breakout potential. So that's a good start.

2- The market makes a first attempt to break below the context and fails, triggering another range breakout signal (the square). This tells us the market is looking for some bearishness but still lacks of conviction. It's fairly impossible to trend trade at this stage. The trader must remain on speculative leverage (small position sizing).

3- Early bearish signals are showing up as prices are testing the trendchannel. We can see that momentum is also confirming this with red colored signals (we'll see that later). At this point we can say that the bearish sentiment is rising and we call this the "accumulation" phase. It is still too early to consider this a won battle, the trader must remain with small position sizing, but aggressive traders will start taking their first reinforcements.

4- Price are now back to the support context, after failing on the trendchannel. we're not mature enough to say that we're ready for the next phase, the "breakout". This triggers when prices will cross below both the trenchannel and the context channel with candle closes. Normally we should see a spike in volume. Sometimes a built-in algorithm of Framework will signal this by a grey arrow pointing in the breakout direction (you can see one here). At this point of maturity, the trader can increase the position sizing to profit from the trend, the stoploss will be set right above the accumulation rejected price. Momentum will generally trigger some oversold signals, they're absolutely normal in trends, you should never take them as bullish signals.. they're more like healthy signs of the bearish trend.

5- Prices are pushing back to the trendchannel, and reverse, the bulls are really lagging behind and the bears have full control. The trend simply keeps on going.

6- You'll follow the trend as long as prices don't slow down, and this will mostly mean that you should see some price/momentum divergence. This is the next maturing step in a trend. At this point the breakout traders are profit taking, but still, the trend is still far from being over ! The trader needs to take partial profits (at least 50%) but can still remain a seller in this market.

7- This phase is a bit different from point 5, the prices have now managed to retrace a bit more to the upside and they reached out to the upper half of the context channel. The trend is still there but we can see that the bulls are roaring again. We're calling this phase the "pull-back".

8- The bulls are back but they're still pretty weak, most of the time, this will cause the market to push the trend one step further to create the "final excess" stage which terminates the trend and switches back to a range type of trading. At this stage it is absolutely normal to see some breakouts (crosses and squares). They're confirming that the trend is exhausted and need some sideways action.

9- A bullish reversal signal shows up, signalling that this bearish trend may be followed by a bullish retracement as the current range is likely to be broken to the upside (diamond signal above prices)

All of this make seem way too complex to you and that's absolutely normal. what did you expect? If this was easy everyone would do it ! But you'll see that with some practice these rules become quite quickly automatisms. Remember what you used to be taught at school, it was way harder than this and you managed it back then! No reason to panic! You may forget some rules at the beginning, and the market will most likely punish you for that, it's often out of mistakes that we grow up! So when they happen, don't blame yourself, this is just inevitable, all you have to do instead is to move forward and avoid replicating the same mistake all over again !

---

c. THE BUBBLE / THE MARKET EXCESS

Let's relax a bit, I kept the funniest part for now! It is also one of the easiest to identify. Because the bubble will always happen when trend will spin out of control. Thus all the first steps of maturation of a bubble are actually the same ones as the trend. It is just that suddenly it will take a weird shape, an unusual shape that will accelerate price instead of slowing down on the trend's final excess! Excess & bubble will be detected the same way with the indicators. What differs is that the bubble will cause a speculative crash right after, as excess can have multiple way to "digest" the irrational pricing. Anyway in both cases, you should rather be reactive, but more importantly cautious, because fighting against such structures require a lot of expertise. Thus this is strictly forbidden for beginners…

Here are the technical characteristics that allow you to identify excesses with PRO Framework:

- The market excess starts when the boxes of the context channel are not touching each other. Then prices will increase so quickly that even the boxes from the support channel will not be able to stay in contact. It matters that boxes form both support & resistant context channel show this discontinuity. The Excess or the Bubble need to occur with a psychological context that feeds the over-speculating prices. Either individuals are euphoric, or the market is over pushed by a catalyst that is way too much interpreted.

- To differentiate them, bubbles will always come up with a parabolic structure in prices. as excesses will mostly see a surge in volume as the prices are moving faster.

For safety purpose, I always recommend you to ask me or one of the Discord members to double check the structure before trading these excess or bubble structures.
To avoid any mistake, I will not mention in this manual the method and risk management you will have to follow to trade these contexts.
Just remember that, if you have opened position in a trend and see the structure becoming an excess or a bubble, let it go and profit from it! Just put a trailing stoploss and ride the wave. Enjoy the stupid trend made by foolish traders that are taking all the risks for you! Pile up the gains until the structure collapses.
If you are not in position it would be very tempting to sell the excess of the market… As previously said, do not do that unless you fastened up your seatbelt and asked experienced traders that will show you the correct path. Doing this without the necessary knowledge and a decent psychological maturity, you'll most likely end up with ugly losses.

Now let's take two typical cases, one excess and one bubble, so that you can see the difference between them. In both cases you will notice that selling them nicely is quite difficult but not impossible if you do have some experience!

Here is the S&P500, in real time, so it's hard to predict the future. Maybe this answer will be known by the time you read this PDF ! Anyway, here we can see all the key structures given ahead alerting that this market has been trading a bullish excess fueled by the US "tax plan" that has driven investors toward dangerous risk taking. Anyway here's how to read the market step by step:

1- The market is building the trend, it is rejecting the trendchannel's support and breaks the resistant context ribbon. The prices are also triggering a break target (Cross) and crosses over both the trendchannel & the context. As we saw earlier, these are clear signs of breakout and the fact that a trend is ongoing.

2- Here we start to see the lower context boxes unfolding but not the upper ones. We are not still yet in an excess context. That said, this information gives us some clues about the fact the trend is getting mature and buyers should start locking in the trend gains (asking out). we also see the prices slowing down (divergences) confirming that the pullback will likely come right after.

3- The market falls back to the buying context and after some sideways actions find two opposite range breakouts, meaning that the short term range is mature. We still have the final excess to get through, so we remain bullish in this market.

4- The market reaches again the resistant context. This is where the final excess normally takes place. At this point trend traders are profit taking... speculators will try reversing for a consolidation range. At this point everything is playing according to a usual trending plan...

5- Here is where things are rolling out of control! We see the parabolic curve on prices and instead of calming down the excess seems to go crazy. Context boxes are now completely unfolded both on support & resistant context, no doubt it's a speculative excess.

6- Very brutal pullback to the lower context. Obviously, nobody saw it coming, except some speculative guys like me. And few of us managed to make money from that move, on the other hand many people just kept quiet with their dirty losses. The market excess popped like they always do. Back to reality… The market is now back to range… the trend is very likely terminated. and we already have a bearish range signal… it is about time to think about a market reversal on this area. At least that's what the indicators are calling to be the most probable.

To Show you what can happen if the market goes even further into a bubble structure, how couldn't I talk about the Bitcoin! You will clearly see the difference with the previous example:

1- Context boxes are already unfolding on both sides. Nothing can really explain why the prices are going up so fastBut at this stage we do not have yet the parabolic moves, it's getting a little bit parabolic, but the trend is not mature yet to call it bubble, more likely an excess at this stage.

2- Like most excesses the market is forced to digest for a bit and return to reality.

3- After a deep consolidation (that has retraced more than 40% from the top) the market finds a support. The bulls are still raging and calling for more blood! breaking through the resistant context like it was nothing !

4- Another deep consolidation shows up.

5- But still, the trendchannel's support is bought and now the bulls have absolutely no one facing them, price are raising parabolic but the volumes doesn't nearly follow the price structure. The speculative bubble is at its maximum, people are buying without even a strategy, my friends call me to talk to me about they gains in the bitcoin… the Ponzi scheme is at its top, the speculative crash will follow and purge all those unexperienced traders. Putting them in a long pain trade back to reality, often with significant losses.

PLEASE NOTE THAT EXCESSES AND BUBBLES ARE UNUSUAL MARKET CONDITIONS (<5%)

Those who only known cryptos shall think that bubbles are the way of trading but it's quite the opposite. Please do not seek for bubbles everywhere and always ask for support from experienced people before trading bubble/excess reversals. Otherwise you'll probably experience huge trouble and if you do without listening to my warnings, don't come cry to me !

(So, you're telling me that all the fun stuff in trading is not for me? That sucks…. You really sound like a party-pooper…)

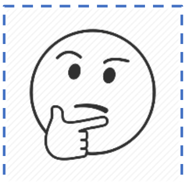
Even if this is disappointing you, I'd rather like to remove the fun part of trading and teach you how to earn money without taking too much risks. The choice is yours ! But yes, if you follow me in this journey, bubbles & excesses are things you'll have set aside to avoid getting stuck in them (even if everyone else will probably brag about them on social networks & TV). Because in reality in these kind of structures are more about psychology than technicals. And when you're a trainee, your psychology is not strong enough to face this market and stronger people will likely profit from your weaknesses!

So now that you know how to identify prices in a range and in a trend, that you learnt how to detect excesses, we can move on another major topic of any trading strategy, which is the trading signal.

CHAPTER 3 : THE TRADING SIGNAL

INTRODUCTION

The trading signal of the PRO Indicator's strategy is the easiest part. I directly included the automatic signal detection into the indicator. This means that you won't have to worry about that… No more subjective analysis, a robot will simply monitor the price action and search for patterns that can offer a decent risk management to trigger a trade. That being said, most people want to understand the tools they are using and I strongly recommend you to do so. Therefore I'll spend a lot of time in this chapter explaining how this tool is working to perform its automatic detection of favorable conditions to trade !



But before we get started, let's answer a simple question : What exactly is a trading signal, and what's its goal in a strategy ? *(don't tell me that you're going to spend an endless time to explain boring theoretical stuffs …)* I'll just explain the logic behind it so you can understand how important this is to wait for a signal when you are in a interesting price area !

The trading signal is an additional step to limit your risk in the market. The step one we saw previously consist in indentigying the current market context to filter out prices that don't matter. But to really limit the risk you need to consider an important parameter: Price action. *(See ! You're doing it again with your technical stuff! Price action… it sounds like I've heard about it before ?).* You probably heard that of course, and often for bad reasons! The price action is simply studying the way prices move. The common way is to study the momentum, and 99% of the time by using the good old RSI, 14 periods! But to me, doing like everyone else is not enough. To go even further, I added another layer of signal. One layer that every professional trader is using, but rarely as an Indicator : The Cycles. This mays sound stupid, Time affects the human psychology and therefore it also affects the market.

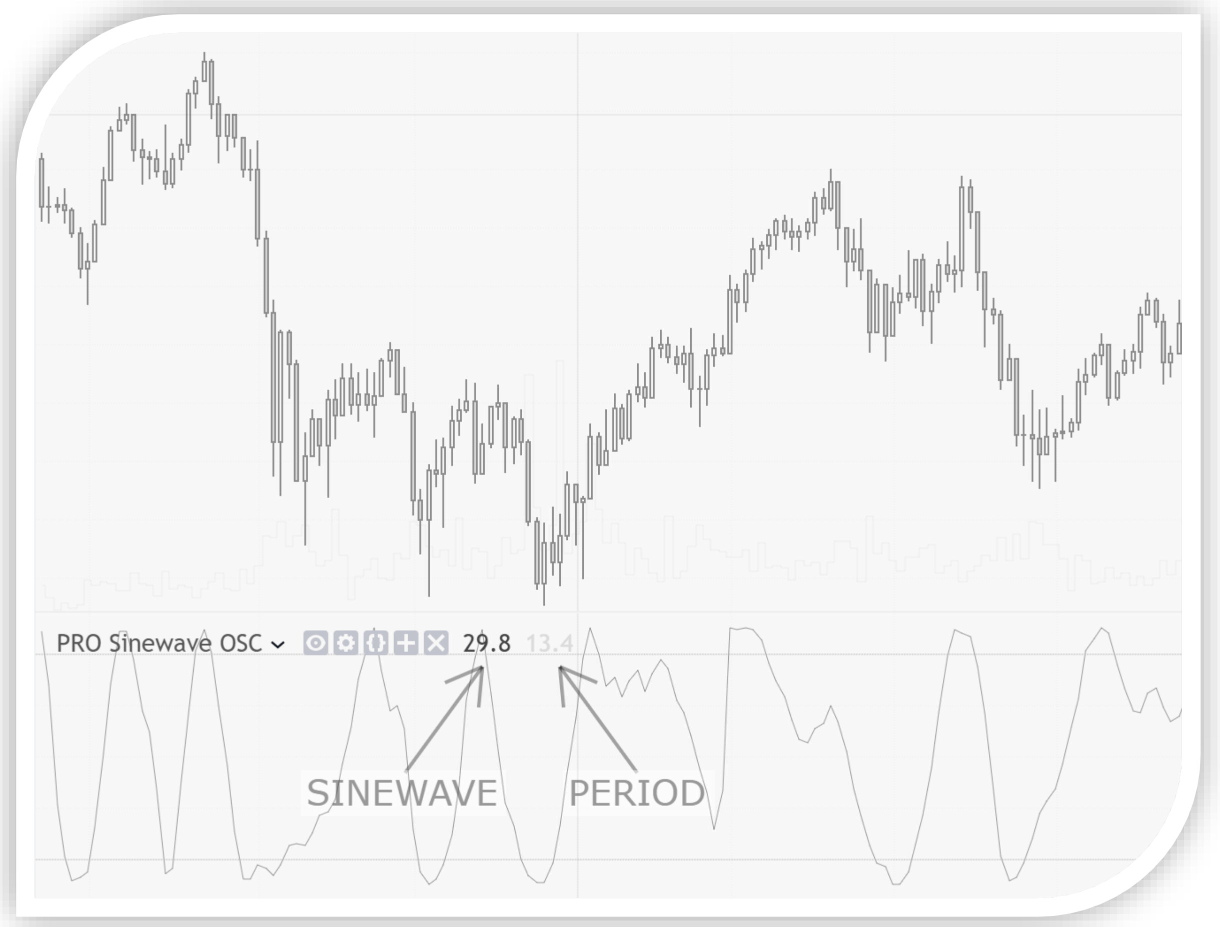
In a previous version of this strategy, I did create an indicator for both of these price action studies. There was PRO Momentum and PRO Sinewave. In order to make it easier, now the strategy only use the indicator PRO Momentum. But don't worry the cycle analysis hasn't disappeared ! I simply mixed the algorithms of Sinewave with Momentum's in one unique indicator. Now PRO MOMENTUM should in theory be named PRO SIGNALS, because it does not only analyze the Momentum but also the cycles ! I The problem is that TradingView does not allow me to rename published indicators. This is why I decided to stick with PRO Momentum even if it does way more than that!

---

1. CYCLES

You probably also heard about this but referred to as the « timing ». Anyway, in order to study cycles we need to find a way to frame the time in a usable way for the strategy. We need to make it readable to later detect « patterns » automatically.

(«frame the time» please don't tell me you're now going to talk about Einstein's general relativity principles…) I will not detail the process… If you want to know how to measure cycles in trading, it's up to you to find more about what we call : Sinewave Oscillators (from the original formula of John Elhers)



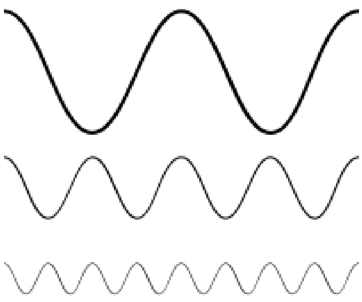
After an elegant mathematical process, this formula will give us two informations that will be used in my signal detection algorithms : The « average period» and the « sinewave ».

d. The average period

This is simply the average time of one price cycle as detected by the formula. Here for example, the value 13.4 means that prices makes an average 13 to 14 candles to complete a cycle. What we call a cycle is a bullish swing and a bearish swing. For your information, this value is usually around 20. Which means that in a global prospective, prices take more or less 20 candles to make a bullish move followed by a bearish one. You'll also note that prices generally spend more time in one of those moves. As an exemple a bullish cycle will spread between 60% upswing and 40% downswing. Some people will see the golden number's influence in this (0,618… or 61,8%)

e. The Sinusoid

Without entering into deep and complex explanations, the sinusoid is representing the current phase of the prices in a cycle. Value oscillates in between 100 and -100 with 80 and -80 as trigger levels. Being above 80 would simply mean that the bullish swing is maturing and that It's too late to follow, and if you're looking at selling then it might even be possible to start speculating on the downswing that may follow. Don't forget that sinewave is some kind of predictive analysis, and you should always bare in mind that markets will always remain unpredictable on a single trade basis... So don't overthink things about the sinewave's formula... it's not magic...



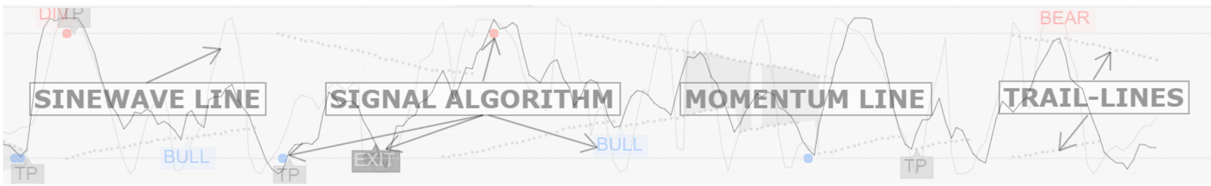
2. THE MOMENTUM

Well, let's make it simple. Please forget about everything you've heard before about this subject. I read so much bullshit regarding the Momentum that it will be better to start from scratch. Let's go back to the basics to understand and read the Momentum simply by explaining what it represents. *(Ahhh Thanks!! I understood this thing is the key to understand the Market, but still didn't catch the point … Please tell me everything about it!)* First of all, let's break this stupid idea. I already told you that trying to understand the market is a waste of time. I've also seen quite some people overestimating the Momentum in their strategies, making everyone thinking that this is some sort of the holy grail to read the market...Please erase all those wrong ideas. Let's answer to the right question instead :

What is the Momentum?

That's simply a price derivative, the opportunity to see prices under a different angle/point of view. *(Once again, you just broke all my dreams … Then why not simply looking at the prices ?)* Remember that we analysed prices with PRO FRAMEWORK, during the previous step. Here we just add a new filter to analyse prices with a different approach. *(OK I got it, why does this sounds easier explained like that?)* Maybe because instead of fantasizing on something you didn't understand, now you just learnt how to use it in a strategy. A strategy is like a house, walls assembled one by one to build a solid structure.

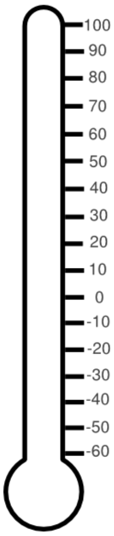
This is how the PRO Momentum indicator will communicate with you :



a. The Momentum line

The Momentum line is somehow representing the « angle » of prices movement. High value in the Momentum mean prices are going up fast, picture this like drawing a straight line from the last bottom to top. The more vertical the line is the higher the momentum value will be. Now that you understand what it means you have to understand that there are actually more than one Momentum! *(Everything was getting clear and you just made it worse)* Making things easy isn't my job. I'm here to teach you how things works. Yes, there are different Momentums depending on which formula it's been calculated with (each giving different results). Momentum is simply the word used to name the family that includes all of them (RSI, TSI, CCI, CMO, MACD and so many others…).

The possibilities here are nearly infinite, and I even created my own formula. *(Oh yeah! You even created your own Momentum, what a man!!)* I didn't make it to brag myself. I just wanted a Momentum suiting my needs. RSI is too noisy and that makes it nearly impossible to use for automatic pattern detection. On the other hand, MACD is clean but way to laggy and I don't want a delayed signal. That's why I made something in between and created my own tool! My formula is kept as a secret as I worked hard on this, but don't get me wrong, it's no magic. The real value in PRO Momentum is the detection algorithm. We'll talk about it later.



f. The Trail-Lines

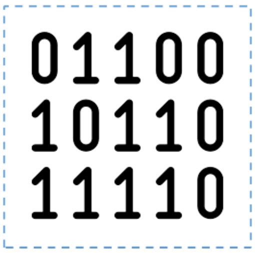
These lines are secondary. We can use them almost only during a trend. Think about a thermometer of Bullish & Bearish pressure through time. The lower the upline (or resistant trail-line), the more the sellers are aggressive and the same goes for the opposite trail-line. When the Momentum react and bounce from the support Trail line (the lower one), that probably mean bulls are controlling the Momentum and it will be just normal when prices are in a bullish trend context. Anyway like I said previously these lines are secondary and will only be used to handle higher risk management for very aggressive profiles. You can disable this option in Momentum settings if you don't want to see them. Please double click on the indicator and switch to the "Style" tab, then search for these lines outputs and hide them...

3. THE DETECTION ALGORITHM

This is the value of PRO Momentum as it allows us to automate the signaling part of trading. The last step before taking a position. Of course, some people will decide to trade signals directly… forgetting about the previous steps we talked about (context & price filtering). Please don't… you'll always have to make sure you passed the Framework's pre-filtering. If you ever forget that the signal is no more than an additional layer of risk limitation, you'll just end up losing the strategy's statistical advantage.

Another common misconception about the trading signal is to see this as either a black or white output. Anytime you'll do this you'll step back into gambling behaviours, remember that trading is all about shaded greys! Every trade has unique risk management, and PRO Momentum will help you assessing the shades by providing different types of signal. Each with a different risk limitation.

(There's something I don't get… why a professional trader would need an algorithm if he can see the "shaded greys" on its own ?) Well, like every human being, I'm not perfect, and having assistance from the algo simply act like a safety belt. Making sure I'm not missing something. But more importantly, the automated signals allows me to trigger alerts, and this is a comfort I would never give up. But let's make it clear, coding is not my passion and certainly not my job... It's more like a side project that turned out to become a very time consuming thing because of people gathering interest in my achievements.



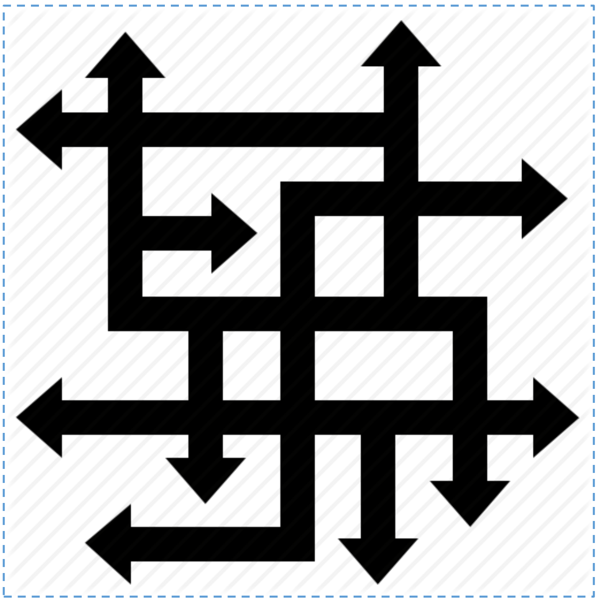
It's not that I'm in love with algos, it's simply that they can be way more efficient than us for certain tasks. Coding nowadays is not as complicated as you may think it is... I learnt it because I was in need to be more effective against impatience. I just found a way to reach my target! (Funny to see that you feel like you manage your like you manage your trades). *Funny thing indeed but I actually do... Building a strategy to look for a goal and avoid taking unnecessary risks (but still taking some because otherwise, there's no reward and therefore life would be pointless).*

Anyway what actually happens in the background is a crazy amount of code lines that will scroll through cycles and momentum to search for complex patterns I identified as “relevant” throughout my personal experience in trading. Patterns that produce a statistical risk limitation. Meaning that when the specific conditions are met, price will likely react favourably. *(You’re still bullshitting me talking about a lot of really obvious things…I know what a pattern is).* You may know what it is, but if you don’t understand what they relate to in the strategy, then this is useless. My goal with the PRO Strategy is to ensure the best possible risk limitation, therefore this is why my tools are pretty different :

- Most robots use simple processes, which can hardly offer more than 60% success rate (still better than 50-50 !) — The reason is simple, without going into the annoying part, the simpler the process is, the more the patterns will signal, and the lower the success rate will be (because of many false signals). The easiest solution to reduce false signals is to wait for a confirmation (therefore introduce a delay)... I want real time... So that’s not an option. The only other alternative is increase the number of conditions to make the signaling less frequent. Less is more!! In other words, less signals but with better quality. *(What’s the point ? because if your stuff never gives a signal then you’ll end up trading once in a month... that’s pointless)* Here is a simple solution, search for more patterns! Just so you know, my algo is looking for more than 150 Momentum patterns and more than 100 cycles… On both buying and selling side… Each pattern has an average of 10 conditions to trigger… *(Well, despite being damn pretentious, you also feel like a pattern autistic…)*

- Most signaling indicators use only one source to signal, or they will analyse “correlated” sources *(You’ve got to be killing me... you deliberately make things complex…)*. A typical error is to analyse RSI and stochastic at the same time… Or MACD… As we saw earlier, these are all momentum indicators… in other words, summing up those sources doesn’t make the signal better it just makes it a bit more complex! It’s like looking at the same thing, but from slightly different angles. *(You sneaky, is that why you were endlessly talking about momentum before …?)* That’s also why I took time to explain cycles and Sinewave… Now you really understand where the signals are coming from, and why I’m using two uncorrelated sources as inputs *(still the seeking the same goal, a better risk limitation.. I think I get it now…)*

- Most of the robots give, buy or sell signals and that's the most stupid way to build up a trading strategy, on a binary vision. Black or White is easy to understand but that’s not how markets behave... You need to focus on shades. Navigating through different levels of risk. The trader is not the one who goes in and out on a trade, it’s the one who adapts to the current market conditions. Nothing close to black or white though ! We’ll see this in greater details within the next chapters about risk management and money management. This indicator has been designed to make complex & professional signaling understandable for beginers. Assisting to perceive risks without subjectivity, so instead of trading like a dumb in a binary way, you’ll learn to react differently depending on the underlying risk. You’ll slowly get used to behave like a true professional and over time you’ll increase your perception skills and your psychology ! This can also sound overcomplicated but let’s be honest, once again, if trading was easy everyone would do it...

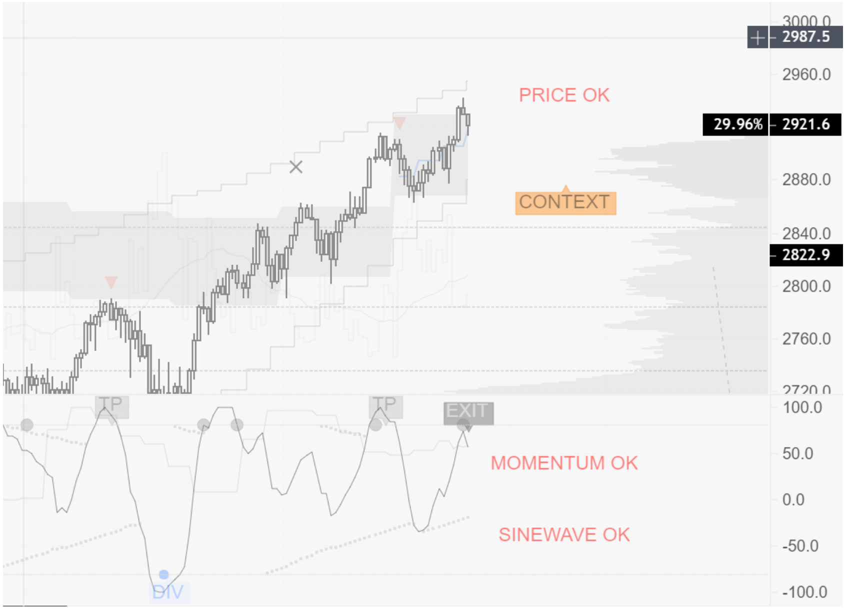


(Okay, so I'm going to work with professional tools… but wouldn't it be too complicated for me ?)

That's why I had to record hundreds of videos, write down this PDF manual and spend hours a day to teach you how to properly use them. Teaching you this very complex job can't be achieved in just a few pages. You have to understand that simple solutions in trading simply doesn't work… The decision-making process must be simple (3steps) but fully understanding it requires quite some background knowledge. Whoever pretend to « teach » you trading by making things easy for you… is simply not a trader. Cause every trader knows how hard this is to get there and how just a few can make it long enough without flying too close to the sun.

But still, it is true that these tools are not intended for absolute beginners. If you just discovered what a candlestick is just a couple weeks ago, then you should probably consider coming back to me in a couple months! I'll simply consider that you already know about this kind of core basic stuff. If it sounds too complicated to you, I'm not offended, and I totally understand that some people may prefer setting the difficulty cursor to "easy" at first by training somewhere else. There are plenty of good "coaches" for beginners as long as you know how to eliminate crooks. But with the little you've already learned here, you should be able to quickly feel the guy who sells you dreams of easy and simple gains! Please step away from these guyz, they're not traders. And please remember, if you pay to learn someone else's stragegy, you're already being fooled... it's not worth anything. A strategy is just a set of rules to help limiting the risk! *(Fucking hell! Never seen it like that, it makes sense)*

If you're still there then let's see what an actual signal out of this strategy looks like!



That's what a PRO Indicator's signal looks like! Algos that do a part of the job, but that will always require a job from you to process information where the algorithm will be far less effective (assessing the shaded greys colour). It's called semi-automation of trading. Simply saying that the robot doesn't make the actual decision, it only guides you toward it, making sure that you avoid biased decision or "gut" trading... But no matter what, you'll always be the decision-maker. Eventually someday, Tradingview may allow alerts to trigger trading actions, but still you'll always have to build a trading plan and the algos will never do that better than you will.

Semi-automation, like everything else, brings pros and cons.

- The major con is that it can induce laziness… You'll think the algo is fantastic, and that you don't need to think anymore… You'll end up skipping steps or even just trade the signal… Try that and you'll see the reality catching up on you pretty rapidly… My indicators are the tools to help you being more effective with my strategy, certainly not the strategy all by themselves.

- The most obvious pro is that it allows you to quickly identify whether a chart requires special attention or not. By the blink of an eye you'll easily pass on worthless charts... In this example, PRICE OK + Sinewave OK + Momentum OK... this definitely requires some further digging to see if the strategy's conditions are met to enter a trade. You will have to analyse the context with the help of Framework's outputs and see if this price area passes the filtering process. If it passes, you will then define the money management of your trade according to the PRO Momentum's signal, and we'll talk about that right after!

Just so you know… the signal example share up there is no more than the top of the SPX on 09/24 in 2018. Quite a few traders managed to trade this one! I did ;)

4. SETTINGS AND CUSTOMISATION:

The momentum sensitivity can be set via the parameter (X). But just as the RSI was optimized at 14, my own formula has its own standard too, keeping the “factory setting” is recommended, but I still leave the door open... Lower values will of course make it even more aggressive in the signalling process, increased values will obviously reduce it but introduce a bit of lag. The indicator will also allow you to display the standard momentums instead of my formula: RSI, CCI, STOCH, TSI. The detection algorithm will remain applied to my Momentum in every cases. But for those who absolutely want to have RSI, it will be possible! While still being able to enjoy my pattern detection. Trail-lines will also remain plotted out of my momentum formula.

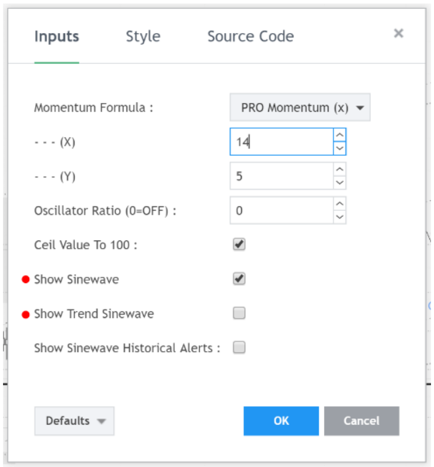
The Oscillator Ratio parameter will simply increase or reduce the amplitude of the optional oscillator (disabled by default with a value of 0). This oscillator works like the oscillator of an MACD, as some strategies use such tools, I gave you the opportunity to set it to my tool as well. Because don’t forget that this strategy provides you with a solid framework, but you can transform it as you wish in the future.

“ceil value to 100” can be disabled if you want to see the value of momentum evolve beyond 100 and -100. I have blocked beyond these values to optimize the display, it's up to you to use it.

Finally, you can customize all the colours and thicknesses of the lines in the Style tab of this window.

NOTE: The sinusoid (Sinewave Line) is disabled by default. To display it you will need to activate it. Depending on your convenience, you will be able to display the sinusoid on the local timeline or that of the higher unit (Trend Sinewave). Aggressive traders will take the first option, beginners and limited risk traders will take the second option preferably.

TIP: For those who prefer the black background on their platform for visual comfort, or any other reason, know that some settings like patterns are not totally customizable (maybe one day Tradingview will correct this). While waiting for an easier solution and for an optimal black background you can use a plugin for your browser that will reverse all colours. So you’re going to put everything back in blank first, and then install this tool:
Firefox : Owl > addons.mozilla.org/en-US/firefox/addon/owl/? src=search
Chrome : Deluminate > chrome://extensions/?id=iebboopaeangfpceklajfohhbpkfiaa



CHAPTER 4 : MONEY MANAGEMENT

INTRODUCTION

The previous chapters were teaching you the things you really need to master. In order to make sure that you and I will communicate clearly, using the same language to apply the same strategy rules. But this was kind of the easiest part of the job! The one you simply learn and apply! The remaining chapters of this manual will cover the other aspects of your job where your experience will make the difference in the long run. Specially the money management (which is simply the equivalent "risk management"). It's obviously here that the error's margin will be the highest, and that's normal by the way. This technical aspect of trading is by far the most complicated. So please don't blame yourself if you do wrong at the beginning… Simply learn from these errors and move on.

A good money management simply means best adapting to the current market context. The most important factor is properly risk taking. Sizing your stop far enough to avoid being caught (which will reduce your rate of success) but not too far away (which will force you to reduce the position sizing and therefore reduce the potential gain). The goal is to seek a decent balance. Here comes again the concept of shaded grey and not the one-size-fits-all strategies! But the problem is remains the same, assessing those shades is pretty subjective for a beginner. I did everything I could to create a series of rules that were as simple as possible so that you could feel the nuance like a professional would do.

A good money management will be adapted to the context that you'll identify with PRO Framework. Trend trades and range trades will obviously be managed in different ways. We do not even talk about market excess since I told you to avoid them! The key element here is to understand that there is never a single rule for everyone when it comes to money management.

SPECULATIVE TRADERS vs TREND TRADERS:

(To be quite frank, I still feel pretty lost. I see everyone making big gains on markets in excess and you tell me not to trade them... most of online coach tell me that I should avoid trading ranges... you do it all the time... And regarding the trend: it always seems unclear to me when there is one or not ... I'm probably missing something here…)

All these questions are very relevant. Let's try to decrypt them:

- Markets in excess, we see them everywhere on the social/tv networks, it generally lead to an irresistible feeling of "Fear of missing out". It's totally understandable, because at that point you think that others are getting richer, and you don't. Which means that you somehow feel stupid not to trade them… The more you'll hear about it the more the irrational stress will rise, ultimately pushing you to the most stupid decision, trading without having a plan... You sure wanted to be part of it and probably felt excited when you pushed the button… But on the other hand, the rational one… you probably already know that most people lose (and that's a fact, since brokers are forced to go public on their clients loss... an average 80% of individual traders are losing... a roughly 10% is on the hedge, and less than 10% do gains). Following is not an option, but you may also believe that fighting against irrational markets is a reliable option to make money. Well… try that and you'll be taught a very hard lesson. You probably heard about this famous sentence "markets can remain irrational longer than you'll be solvent". The point here is that stupidity has no limit, and trying to face this will very likely push you to make irrational decision as well… That is exactly what you need to avoid.

- Trading ranges, their reputation is balanced ! And that's normal because actually a range is all about both balance and imbalance ! They're infinitely complex and still very simple to trade with a bit of methodology. I taught you that a set of 4 rules can easily filter out more than 90% of prices. That doesn't make the range simple, only the way you'll trade them. The major misconception about ranges is that people want to make sense out of it… On the other hand, professionals know they're complex and either they don't trade them, or they manage to filter out most of it! But trading them means trading more and that simply means more gain potential.
- Trend, as you have noticed, it's hard to know that we really got one, we often validates a trend when the breakout occurs and therefore half of the movement is generally consumed... Trading only this tiny portion of prices is definitely the lowest amount of risk taking, therefore the less rewarding. Focussing on this will lead you a very dangerous decision, as you want gain and both low risk on trends... You might be tempted to use leverage to increase your gains. This simple choice is what kills almost 50% of traders. To get more gains, you'd rather like to take more risks instead, and just learn how to manage those higher risks rather than simply raising your position sizing on a low risk trend strategy.

Just to summarize:

- The market in excess makes more losers than winners... so avoid it if you're beginning.
- Trading range are almost 80% of the price action, skipping them will reduce your gains.
- Trends is this rare moment in which you'll reinvest all your previous range gains to be able to maximize your position sizing without using leverage.

(This thing makes perfect sense! Ok so if I understand correctly you trade ranges to maximize trend profits... and it offers higher returns compared to low risk strategies ... why do I feel like it's too good to be true? Either you're hiding something or there's a downside)

Taking more risk with your trades is safer than using leverage, but it also comes with downsides. You'll have to manage more risks, and risk taking increases the stress level. Sometimes this will lead to trigger irrational stress limits and you'll simply make stupid decision just like leverage would make you do. The only difference between leverage and risk taking, is that you can learn how to risk manage in order to balance increased risk taking, but you can't balance leverage...

There's also another warning, the asset you are dealing with must be liquid enough, that means, you need a minimum of daily transactions to ensure that you can buy and sell whenever you want. You must avoid very small caps (which can quickly reverse as just a few trades can move price!). You must have at least a bit of information before trading and avoid getting in right before a major catalyst (earnings, central bank, GDP, NFP,...). Last but not least, it will be necessary to have enough history available on the asset so that the indicators can do their analysis! You will need at least 250 candles for the indicators to work, and I recommend that you double that value.

1. THE DIFFERENT SIGNALS

After identifying contexts and applied their related price filtering rules to make sure you're in a low risk area, you'll have to wait for a signal to confirm your trade entry. But we'll add another layer, which will aim at "grey shading" your trading as it would be stupid to just buy and sell. We will define a specific risk level for each trade. *(Let me guess. That's why I saw BEAR, TP, EXIT and stuff like that on my indicator? So it wasn't just to get a good looking and coloured chart? ...)* That's right! These different signals represent different levels of risk and therefore different risk management to apply... And the coloring is definitely not for "fun" but to help you differenciate trend & range signals. *(Awesome!)* So let's dive into shaded grey risk management signals :

g. TP (Take Profit)

Starting with the one that will probably come out the most, the "Take Profit" pattern. As it shows up often, it has a lower success rate (the more = the less effective). This pattern generally occurs when a price movement is exhausting and that traders are asking out to take profits. I gave it a grey colour code because it will necessarily require a horizontal price analysis. *(what does that mean?)* You'll simply have to check historical price of the asset to see if the level currently traded has produced reversal in the past. If this signal occurs in the middle of nowhere or if you have any doubt, ignore it.

This pattern is the least effective to predict a reversal... Most of the time price will even keep going further! Simply because profit taking in a bullish movement doesn't guarantee that there will be sellers joining you... But buyers asking out is at least a good news. I gave you two exemples of TP signals to show you how the TP signal can react in the short term. *(If the market often continues beyond the signal Why don't I just skip the pattern and trade right after the market pushed a bit further ?)* Simply because you'll never know. Sometimes this will take place, sometimes it won't... So if your horizontal level analysis is validated, just go and put the stoploss far enough to allow to move a bit further without triggering you out.

GREY SIGNALS TIPS : my experience with this signal also taught me that waiting for a confirmation triangle is lowering the risk. I also noted that these signals have a very low success rate when they show up on all time high of the traded asset, so avoid trading them at ATH, instead wait a stronger pattern to come later on (not grey colored). Always remember that sometimes, avoiding a risky trade is by far the most rational choice to make regarding the incredibly large number of possibilities offered by the many assets and asset classes that you can trade.

---

h. Overload (grey dot)

This signal follows the same grey colour code, and like the TP, it will ask for a horizontal validation before being considered valid. Likewise, a confirmation triangle is an additional layer of safety! This pattern reflects an extremely overbought momentum (overload), which usually occurs when the price is pushing hard to fetch a technical area (often to trigger large orders in the book of some stoplosses) but with a high probability of rejecting it abruptly after filling those orders! However, unlike the TP, this signal usually gives a fast response and without divergent push further. So, the only difference between this signal and the TP, is that this one does not require a larger stoploss.

i. DIV (divergences)

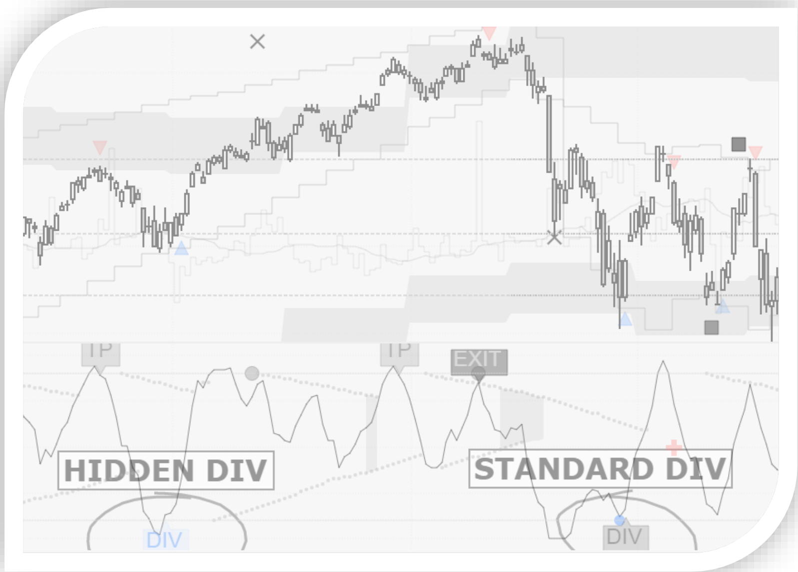
Divergences... another subject you'll have to be very careful with. There is so much bullshit circulating around this topic that it will be essential to make a fresh start to restore a decent basis. Here are two classic mistakes regarding divergences:

- First, a divergence isn't just about the momentum. A divergence simply mean that an indicator (which is a derivative of the source it uses) does not behave like its source. In other words, any indicator can be divergent! Sinewave, for example, will have divergences! Guess what... that is one of the main elements used to detect Framework breakouts! *(Well... I didn't see this one coming! I really feel like everything I knew is wrong).* I'd say that what you knew was partially true !
- Secondly, there's not one type of momentum divergence... there are two! We always talk about the divergence when the price makes a new peak and the momentum don't. *(Oh yes, I know that! It's a great signal to sell no?)* I told you we needed a fresh start !
  This type of divergence is what we call a standard divergence. It means that the source is the value that is in overflowing the indicator value. But you may have heard at some point about the hidden divergence! Most people don't even use this and it just means that this time the indicator is overflowing the source. Basically it's the opposite, the momentum reaches a new peak, but not the price. *(Indeed, I heard about it but less often... I assume you've got an explanation for this?)*
  Indeed, hidden divergences will generally show up in trend contexts (so lest often as range are 80% prices). This is also why they have a blue/red colors (for trending context signals)

Now that we have listed the classic errors ... How do we really use these famous divergences? Let's start with the standard divergence (the one you thought to be the strongest and that is in fact the weakest). It's light grey color means that you will have to follow the same safety procedure as others grey signals before considering a trade. Horizontal validation is required, and just like the "TP", bearish divergences on ATH (all time highs) will have to be traded very carefully.

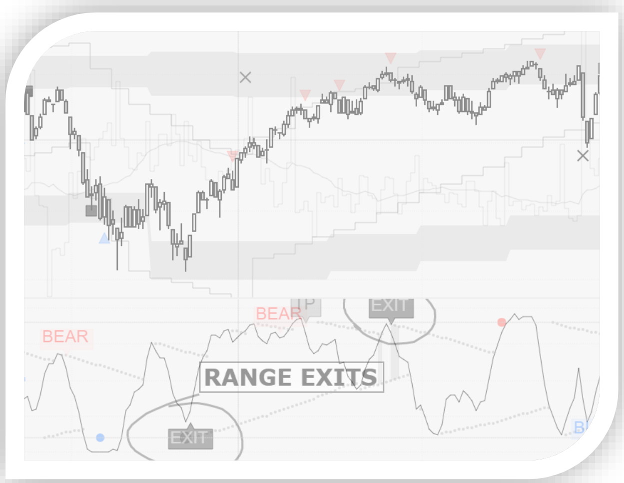
Anyway let's talk about the hidden divergence. This one will have a red or blue colour! That's how you'll be able to differentiate between the two. Which means that it will not require any particular validation (remember that we have already done a price filtering with Framework). These red/blue signals will generally be signs of trending. If they show up during a trend, they'll be good opportunities to reinforce slowly. When it shows up on a mature range, then this may be a good sign that the market is accumulating ahead of a potential breakout. When these signals occur on immature ranges, you should really consider avoid trading or with very large stoplosses.

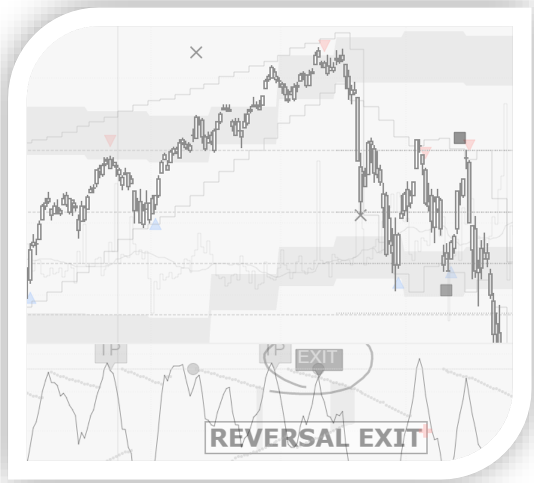
__Trader's tip__: when you see hidden divergences in a trend, they will be a sign that the trend is maturing. These signals are generally preceeding TP or EXIT patterns.
The exemple showed here is a very common setup that you'll be used to come across on late stage trends contexts. Hidden divergence showing up near the support trendchannel. and then the market excess above the resistant context.



j. EXIT

With the Exit signal the probability of price reaction gets a bit higher than the TP. Obviously this signal will be proportionately rarer! Its colour is dark grey because the horizontal validation is not absolutely necessary. Compared to TP, this one will be tradable in all time high conditions (this will of course be highly speculative, don't go all-in). But despite trading this pattern on reversal cases, this pattern is more like a red flag for you if you are still trending (moreover with big position sizing), it's a mandatory Taking Profit (at least 50% of the position). Because this structure has a significant probability to cause a reversal. Sometimes the market will just range for a bit to "release the pressure" before going further in trend later... But anyway as you'll never know at the moment, just lock on the gains, take the cash, and wait for further information... Being aware that you still have 50% on the table if this was unexpectedly restarting to switch on excess/bubble kind of trading.



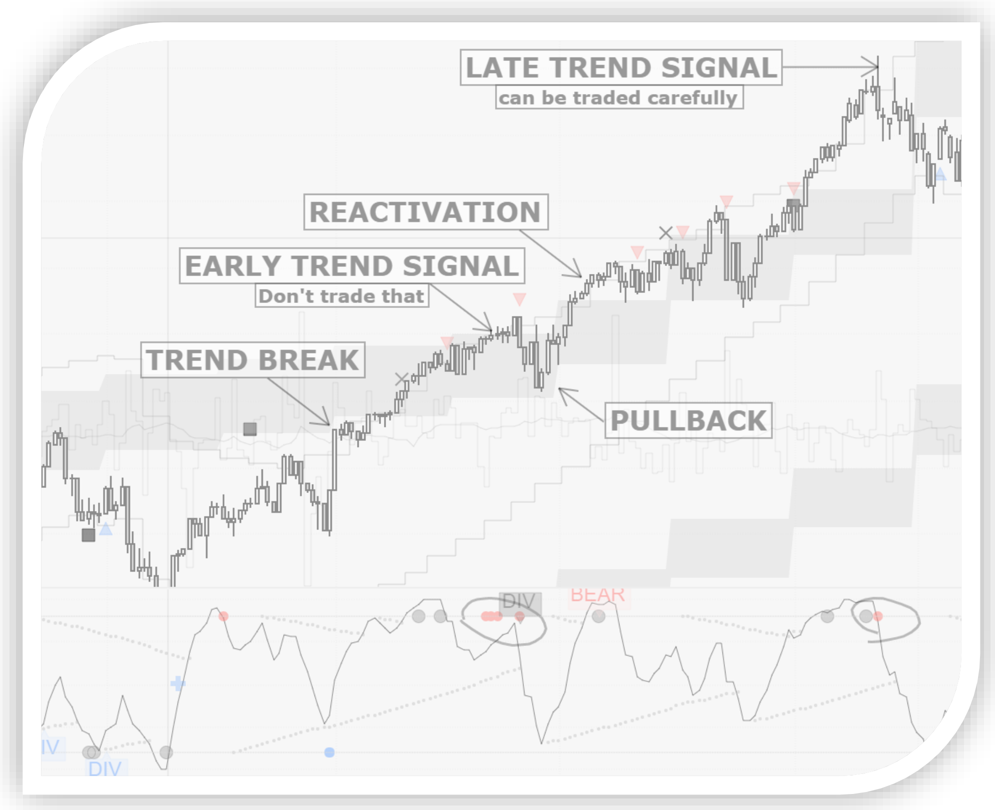


k. Overbought / Oversold (blue/red dot)

You all know this and yet, it is often misunderstood and therefore poorly used! So yet again, let's make a clean sweep to restart with solid bases! An overbought market means several things. But in general, we will see three options:

- The momentum is extremely tense **in a trend context.** This signal must be ignored as long as the trend is not mature. Overbought conditions are actually a sign of good health in an ongoing bullish trend. Just like oversold conditions are just normal in a bearish trend. Trading such signal is a guaranteed counter-trend failure. *(Well, sadly that sounds pretty familiar to me...)* When you act without understanding, you simply play with negative odds, it's just a matter of time for traders who have positive odds to take your money.

- <u>The momentum will push through a technical level **in a mature trend**</u>, to chase stops and fail straightaway to reverse. In this type of context, it is an absolutely perfect signal that you can take eyes closed. It will often mean the end (or at least a pause and a range) in the trend phase. Red dots in a bullish trend will always be counter trend trades (every beginner must pass on these type of trades). It will require experience to trade them and be able to clearly differentiate late stage trending context to identify the low risk tradable signals.



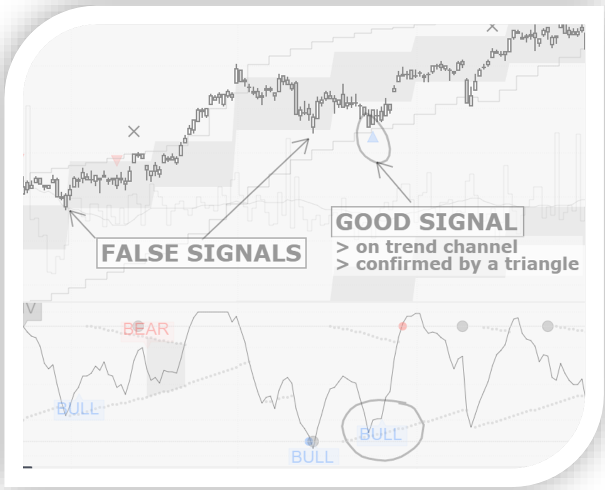
- <u>The momentum runs out of gas **in a range**</u> (excessing beyond the context), in this case, the range strategy requires you to wait for a triangle of confirmation (don't worry if you forgot some of those rules... I'll provide you a recap with all the essential core rules in an organigram later on this manual).
This signals is a going to be a low risk entry to speculate on a range reversal.

Trader's tip : 99% of cases you'll see an overbought signal with prices making new highs over the last 100 bars. If not then you may need to know that overbuying with a lower high is a dangerous early signal of a bear trend to come (specially if this happens on a mature range context). But like I said, don't search for this pattern all the time... it will rarely happen, but when you so see this signal in a price area that matters (meaning you passed the price filtering). I'll recommend to also wait for a confirmation triangle to limit the risk to the minimum.

---

l. BULL / BEAR

These signals will most likely show up in trending conditions, this is why they have blue/red coloring. Needless to say that we do not trade this signal in a mature trend... In a range, these signals should rarely pass the price filters. But when you see them plotting on a mature range context this can be a sign of a potential accumulation taking place ahead of a possible trend breakout to show up later.



m. SQUEEZE

Squeeze is not a signal, it's an alert. It is easily distinguished by its yellow / orange color. It shows that the momentum is over-compressed, and generally this compression will end up in a volatile extraction of the price in a random direction. It will then be necessary to distinguish several types of scenarios:

- If the signal occurs within a trend, the more aggressive traders may take a trade with small position sizes to take advantage of the well-known sentence "trend is your friend". Indeed, the squeeze is reflecting high level of indecision; in a trend, this will be more likely to follow the movement. Here again, we obviously do not trade a squeeze extraction in a mature trend context! Reminder: a trend requires having already two tops & bottoms oriented in the same direction.

- If you already have a position and the squeeze occurs close to your entry price, you must double the size of the stoploss immediately, and you often will have to reduce the size of the position. Most of the time beginners will skip this money management adjustment. This pattern reflects expected volatility. You must absolutely manage this risk by pushing the stoploss further away to avoid being caught. Which means that you’ll have to reduce the position sizing. More risk on price means you need to take less risk with your money.

- Finally, if you are not in a position and not in a trend, stay away and avoid any problem ... Not to trade is usually the best solution. Squeeze is all about indecision on prices, trading them will likely lead you to doubts and irrational stress.

n. CONTEXT

This signal is also an alert (yellow / orange), it will occur in the chart's price area (not in the oscillator at the bottom). It simply alerts you to the fact that prices are currently trading into the higher timeframe's context channel. It means that in order to identify the context correctly, it will be necessary to have a look on the higher timeframe. By doing this, you'll simply have a broader picture and a better understanding of what is really going on... For a low risk trader or a beginner, this signal will mean that you should not trade on the current timeframe... Move to the next one... If this one shows the signal as well, raise one more time until you find a suitable one ! For more experienced traders, you'll be able to choose. The lower the timeframe you'll take your trade on, the riskier the trade will be. But of course the better the price will be as the signals will very likely trigger faster in H1 than it will do out of H4 candles. Anyway here is a timetable of all the timeframes used by Framework. And I'll even dig a bit deeper in there to explain you something important, if you raise the timeframe by one step, you should see something fun... what was previously your trenchannel (the fastest one), will now become your context channel! *(Oh, I didn't see this one coming !)* Now remember the core rule N°1 : never trade without being in the context channel. Well then here's a tip : if you see a chart in which prices are trading near the trendchannel, scroll down this table on step below and you'll be in the context channel to fulfil the core rule !

Local TF	m1	m2	m3	m5	m15	m30	H1	H2	H4	D1	W1	M1
Higher TF	m5	m10	m15	m30	H1	H2	H4	H8	D1	W1	M1	M3

2. DEFINE YOUR PSYCHOLOGY

Regarding your money management, which is unique to each individual, we will take into account your willingness to make aggressive entries. It depends mainly on two factors:

- Your psychological profile, which is what kind of person you are. Even if we said that you'll have to adapt your reactions to stress, you are not likely to change the person you are. We will thus distinguish 3 major psychological profiles :
    - The dominant: It is useless to go further into details; We should all picture this one easily. People with a dominating behaviour in their daily social relations typically tend to take more risk when it comes to trading. Bare in mind that this is a natural bias, which makes it hard to fight. It can be quite healthy in most cases, but extremely dangerous in more radical cases. Thus people with a too strong risk aversion will more than ever have to force themselves never to break the rules of money management. They'll have strong temptation to greed (inappropriate position sizing) or refuse to be proven wrong (deleting the stoploss). Dominants in trading tend to learn faster, but they also die faster because of impatience.

- The submissive: no need to go further into details as well, it is the opposite behaviour. Describing people in position of social submission, which will suffer from two different natural biases: fears and doubts. In most cases, the bias will be low and will not cause any concern to trading application. The person will naturally move towards a less aggressive money management and learn to fight against doubt by using alerts to avoid constantly looking at the charts. But in more radical submissive cases, the bias can become a real handicap to trading. Too much fear will make you unable to trade without a dominant supervision. The easy-way out of fear is to follow someone else's signals, which is huge mistake. A second natural bias will be an inability to handle uncertainty and doubts. Some people will be unable to find some sleep, or even worse... In this case, strategies will have to be put in place to bring you back to an acceptable stress level. The educational videos on psychology will talk about this topic in further details on the YouTube channel.

- The assertive: this profile is the least common (less than 10%), it is a mix between the two. The assertive is often defined as the independent personality that can both play a dominant or submissive role depending on their life context. Like a chameleon. This duality makes the assertive persons very less likely to end up in the extremes that can be bad in trading. They'll experience both the problems of submissive persons and dominant ones but with less depth. As the assertive has a natural bias to "return to the mean", and will never let himself go too far away into extreme dominant or submissive actions. Assertive people will have a natural advantage when it comes to learn trading, as they have a natural bias to balance things! They'll experience the same problems, but they should be easier to dampen to acceptable levels.

- The size of your capital will also be important. Indeed, people usually have a natural ability to picture them making more money, but few are those who are willing to endure the potential loss that necessarily goes along. Risk taking increases gains, it also increases potential losses if you can withstand the risk. And there's an obvious ceiling to losses… If you ever lose more than you own, you're out... game over... and to avoid this, it will be necessary to maintain a safe distance. So, instead of starting to fantasize about your potential earnings, ask yourself what losses you can afford without putting yourself in a deadly stressful condition. Here we will distinguish 3 examples:

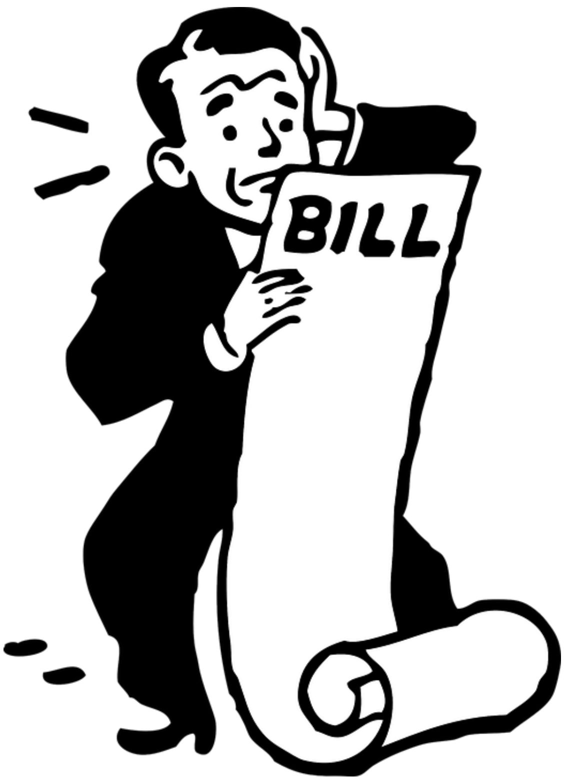
  - Less than $10,000 of capital: Nobody wants to work full time for pennies, so you'll have no choice but to take risks... You'll have to generate more than 100% of gain per year... There's only two way to do this, inappropriate leverage (which is only a trap for those who have dreams beyond their real capabilities), or very aggressive trading (which is of course inappropriate if you're a beginner, but manageable if you safely climb the stairs one at a time to handle aggressive trade management without crossing your own stress limitations. But this path takes at least 1-2 years)

  - Between $10,000 and $100,000: This is a wide range and we can consider each 10,000 as an intermediate level. Now imagine that each level gives you a point. You can allocate each point as you like between two options:
    - Risk (to target maximum profits without using leverage)
    - Security (you'll be less aggressive, but less risk means less return)

- $100,000 and more: with a more comfortable capital, taking risk is really a bad choice; agressive risk taking will bring the trader nearly $8,000 per month (not including taxes). Of course you may think you'll enjoy earning more than that… But having a comfortable capital is basically an advantage. You'd better use it to reduce risk taking and opt for a more moderate risk profile.

By combining these two factors, psychology and your trading capital, you will define risk profile. The important thing here is to understand that there are many possible combinations, but some will be impossible. For example, an extremely submissive trader with less than $10,000 is very likely facing a dead end. This person won't be able to handle aggressive risk taking (too much doubts) and fear will prevent them from using leverage. Only two rational option will prevail, working on your submissive issues with a professional (shrink), or being reaaaally patient to grow your capital step by step.

With a small capital and an extremely dominant profile, another problem will arise. The doom of irrational risk taking. Because the dominant profile has by definition a high self-esteem that can end up in more severe symptoms like narcissism etc... These profiles will hardly accept earning pennies (his/her work worth more than that). This coupled with the handicap of a small capital, will act as a chisel. This type of trader will naturally take an irrelevant leverage to compensate. This will immediately destroy the strategy's statistical advantage (for exemple, risking 10% per trade will put you out of misery in just 10 losses... you may think you're too good to let that happen, then let me tell you... it will happen sooner or later... It will take all your money off the table, no matter how much gain you did before... you'll still end up the same way, broken...). These profiles, if not properly handled, will rarely last more than a few months in a real money trading condition. Think long term... Even if it sounds stupid, it will help you accepting to expect the unexpectable. In that prospective, are you sure you won't fail 10 times in a row within 10 years? You most likely will, and failing just once will be enough to end the game.



WHATEVER HAPPENS, A SPECULATIVE LOSS MUST NEVER EXCEED 5% OF YOUR CAPITAL even for the most aggressive trades... Moreover, during a minimum duration of 6 months, I recommend you to maintain this maximum loss at a level of 1-2%... even for dominants... Risking more on one trade would kill any statistical advantage we are trying to benefit from. Understand that the only thing that allows you to have a statistical advantage is the ability to roll your dice a maximum number of times. The more you risk the more you limit the number of rolls, and therefore your expectation of winning. In other words, greed is a sin, but the kind of sin that can really bankrupt you into the trading world. Always bare in mind that with 5% risk, 20 failures in a row can put you out... It may sound unlikely, but in 10 years scale it's not so unlikely going to happen. Think about market's blackswans, No one sees them coming but they still happen every little once in a while! Better be prepared.

CHAPTER 5 : RISK MANAGEMENT IN POSITION

1. MANAGING RANGE TRADES

As we have seen before, this strategy will offer most of its trade opportunities in range contexts. These trades are called “speculative” entries. Learning how to manage a speculative trade to maximize your earning potential will be crucial. We will define four key steps in the management of an open trade:

- Validation, in other words the point where the trade leaves the speculative area. In the strategy application, we’ll reach validation when price will touch the opposite boundary of the trend channel. *(Wait I'm not sure I got this one... you can try again?)*. In a buy trade, the validation will be done when the price touch the upper part of the trend channel (the trend resistance).
- Confirmation happens when price manages to cross the 50% context line (the median between support&resistant contexts). In the case of a trending range, we’ll wait for the opposite context channel. Both require a candle close.
- Invalidation occurs if the trade accelerates and breaks the trend channel and the context channel. It requires a candle closing outside both channels.
- The limit is the maximum target. When reached you simply take the profit even if there is no other reason to do so. In range contexts this target will be 76% retracement of the previous movement. On trending range the trader will be able to target further away but it will still be wise to take partial profits on the 76% fib.

To avoid any “gut” decision you’ll use framework’s outputs to perform your trade management. There will be no room for personal assessments and biases. *(Ow... and let me guess I’ll be able to set alerts on Framework outputs to avoid waiting right ?)* If you really saw this coming then congratulation... you really got it. Anyway, when your alerts will trigger, there will still be a bit of shaded grey to process on your own. You will vary the trade management depending on your risk profile. To make it easier, I built you a table of examples you can follow:

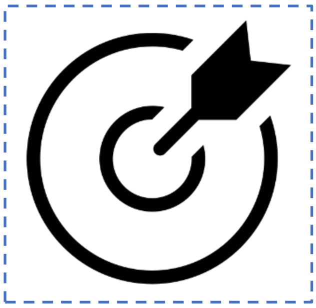
PROFILE	Low Risk	Moderate risk	Aggressive	Very Aggressive
Validation	TP50% + SL paid*	TP25% + SL paid	SL BE**	NOTHING
Confirmation	SL BE	TP25% + SL BE	TP50%	TP25% + SL BE
Invalidation	TP50% + TP BE***	TP BE	TP BE	NOTHING
Limit	TP100%	TP100%	TP100%	TP100%+Reverse

* SL paid: means that the stoploss will be brought back to the point where it will be financed by profit taking. Suppose your position is gaining 10 points, by cashing 50%, you get a gain equivalent to 5 points. Thus you will bring the stop 5point off the entry price. Therefore, if the market decides to invalidate you, the loss costs you nothing. Though it means that the stoploss is financed by the market. This method will be very useful to manage your psychology on submissive profiles that are often lacking in confidence. The position no longer having a risk of loss at this stage, it helps you to let it develop through time without generating irrational stress due to incertainty.

** SL BE (Break Even): is to bring the stoploss back to the level of the average entry price. At this stage the trade can no longer provide a loss, and partial TPs previously cashed in are therefore acquired.

*** TP BE (Break Even): In the case of a losing trade in the invalidation phase, we can try to cut the loss if the market returns for the entry price. In this case it is no longer a stop that is placed at BreakEven but a limit.

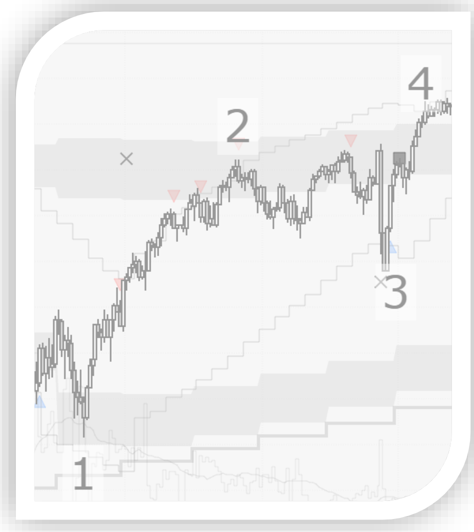
In the event of the market reaching your limit point, I always recommend you to use limit orders... Sometimes the liquidity condition on those areas of high interest will be low... *(what does that even mean ?)* It means that the market may reach your target point and reverse very quickly, reducing your expected gains because you missed the shot! To avoid these situations you can simply set a limit order associated to your trade to lock on the gains automatically whenever prices reach your target. If you don't know what this is about, I suggest you give a call to your broker!



2. MANAGING A TREND TRADE

The management of a trend trade will follow more or less the same principles, depending on different maturities, we'll perform different actions depending on your aggressiveness.

- The accumulation, which happens in a mature range (when the range has already made at least 4 boundaries) just like point (1) in this example. You'll see prices following a pattern where it goes from context (2) to context (4) and touched the trendchannel in between (3). Whenever you see this pattern, chances to see a breakout are significantly increasing.

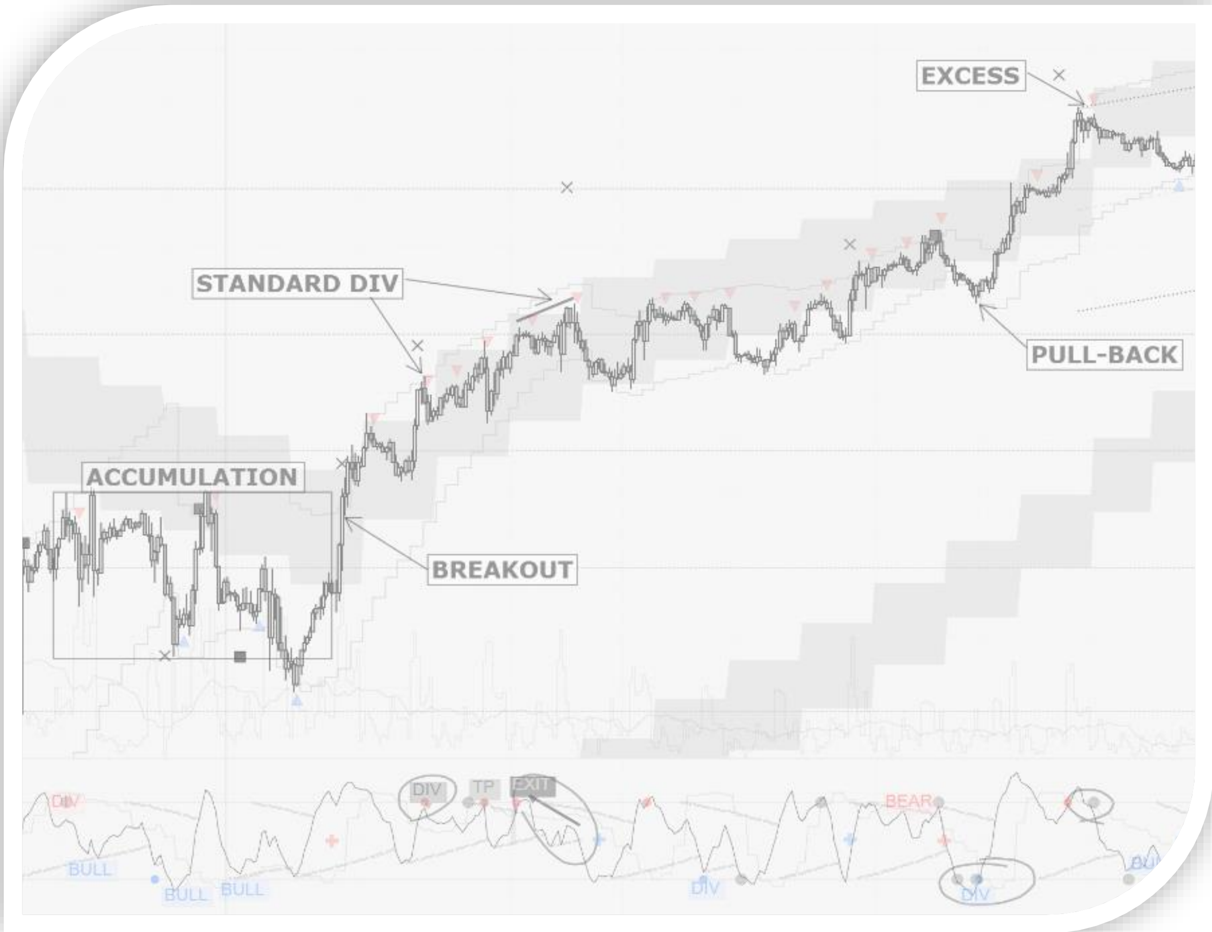


- The "Breakout" shows up when prices are extracting from the accumulation and breaks out of both the trendchannel and the context ribbon with a candle close. You'll normally see Framework giving you break targets (cross labels on the chart). The breakout is confirmed when prices push beyond the breakout target (if such). Sometimes there will be no breakout target detected, then you can use momentum overbought/sold signals to confirm the trend.

- The divergence (sometimes it will not be detected by the algo but clearly visible). The imbalance caused by the breakout and the directional price movement will normally favour the appearance of standard divergences (it may be several ones in a row). This step will reflect that the trend is reaching a level of intermediate maturity. The prices are simply loosing strength as breakout traders will profit take with easy gains (but tiny gains regarding the very low risk they took).

- The Pull-Back will generally be a trade coming from a trend following signal like the hidden DIV signal or BULL / BEAR. Those signals can be traded only if they happen after reaching back to the trend channel and with at least 23% retracement (38% will be more cautious for beginners) and a confirmation triangle. In this case aggressive traders can reinforce.

- The final excess typically occurs shortly after the pull-back phase, Framework will often detect this new trend attempt by a breakout and will then put a target (cross or square) on your chart. This break simply says the market wants to accelerate even though it has already consumed its fuel. Any momentum signal near the target will be tradable. At this stage, only fools will follow the trend, smart money will simply lock on the gains and wait for further information (range).. So should you.. The riskier profiles will even initiate the first speculative trade trying to catch the reversal that may initiate the likely range to come after.



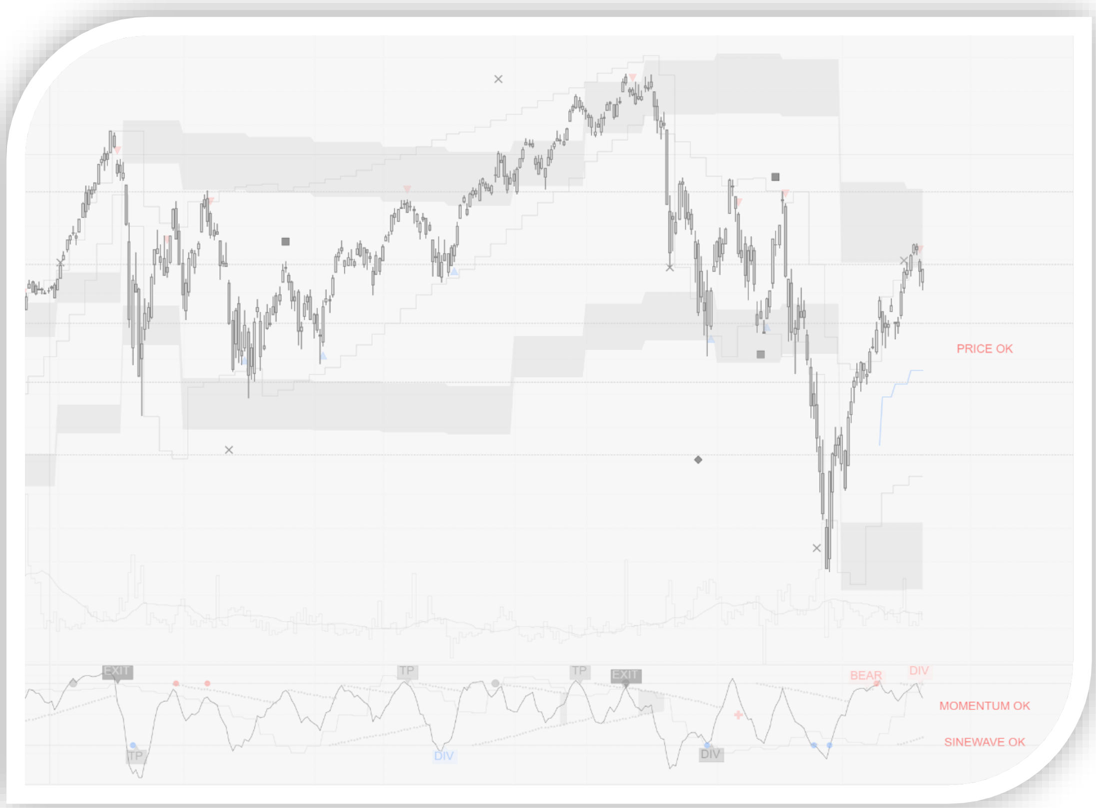
PROFILE	Low Risk	Moderate risk	Aggressive	Very Aggressive
Accumulation	Waiting	Reinforce+25%*	Reinforce +50%	Reinforce +100%
Breakout	Entry 100%	Reinforce +100%	Reinforce +150%	Reinforce +200%
Divergence	TP50% + SL BE**	TP25% + SL BE	TP25%	TP25%
Pull-Back	NOTHING	NOTHING	Reinforce +50%	Reinforce +100%
Final Excess	TP 100%	TP100%	TP100%	TP + Reverse

* reinforce +%: this may seem complicated but it's not! Consider that 100% is the appropriate leverage for low-risk trading on the specified asset. The more volatile the asset is the lower the position sizing will be. 150% means you'll have 50% more leverage than a low risk trader. Remember that risk-taking aims primarily at maximizing the gain in the trend phases by reinvesting the gains made in the range. So the very aggressive trader will use a leverage that is on average 3x higher than the low risk trader, and will probably reinvest all past gains ... At the risk of losing everything if the emergence of the trend turns out to be a trap ... which will happen unfortunately sometimes.
** SL BE : BE means BreakEven, this means you'll put the stoploss at the entry price. Assuring that you'll no longer be able to lose anything remaining from that trade.

With this table, you should easily understand why I told you that highly aggressive traders will have much higher incomes than the low risk ones. Their position sizing will be bigger, but don't get me wrong… Bigger positions also means more intense emotions to manage them, risking to trigger irrational stress levels… Greed is very bad in trading, and taking too much risk increases proportionally the potential losses. The slightest mistake can be expensive in aggressive trading and especially if it is coupled with a small capital. Note that for beginners aiming at an aggressive trading, it will be healthier to start slowly and gradually raise the aggressiveness. Don't forget that greed and impatience is what destroys most of the speculator apprentices.

3. PRACTICE EXAMPLE

A little practice does not hurt to see if you understand the basics. It would be too easy analysing something that has already happened, so let's put my hands on the dirt... despite the risk that this exercise involves (remember that I don't do magic, single trades will always remain 50-50 like, only high numbers of trades using the same rules will bring the positive expectations...). Anyway I'll also choose the most difficult candidate in the current time I'm writing this manual... I'll do my analysis of the S&P500 in the early 2019, in a very difficult fundamental context with growing risks about the future growth and economic slowdown all around the world.



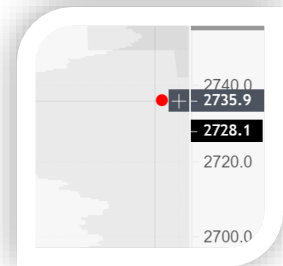
First, we realize that the detection algorithms are all signalling red. So this worth making an analysis. Forget about trying to read the prices themselves, concentrate on watching only the context channel's behaviour. We note that recently prices have significantly broken below the support context after some flat range activity. This could be a trend breakout, but prices broke significantly above the trend channel (remember that in trends, prices generally trade along the trendchannel). So that doesn't fit the plan... Currently prices have retraced 61% and are back in the resistant context. This could potentially be a "trending range". This context is forbidden for beginners, only experienced ones will be able to go ahead at this point, others will simply wait for regular range conditions (76% retracement at least and context being overflowed) to move on.

The signal is a hidden divergence confirmed by a triangle. Experienced traders proceed others will wait. The minimum stoploss will be above the previous intermediate top for very aggressive profiles, at the major top for moderate risk traders. The validation will be at prices reaching back to the trendchannel's support. Invalidation occurs if prices manage to break above both context & trend channels with a candle close.

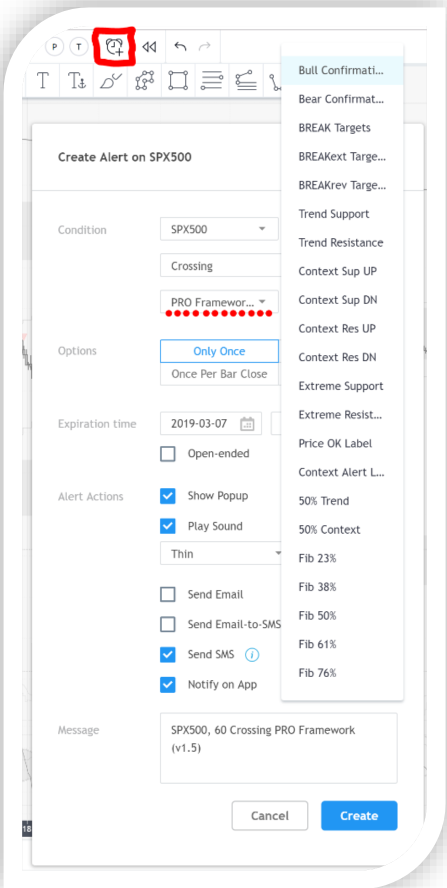
CHAPTER 6 : ALERTS

The most significant benefit of a semi-automated strategy is to benefit from TradingView's alert system that allows you to look at charts only when it's necessary. The platform will then warn you when the market meet the conditions you are looking for. What's great is that you'll have many option to trigger alert on whatever you want! So in this chapter I'll explain you how to create your own custom alerts for every indicator output as well as using the built-in alert system that I designed to make it even more simple for beginners to both filter prices and manage your opened trades.

1. PRICE FILTERING ALERTS



You might want to create alerts when you look for a specific price area. TradingView provide built-in horizontal alerts to trigger when a price target is reached. So for this purpose there's no need to use custom alerts. Simply move your cursor close to the right axis margin and you'll see the little "+" sign allowing you to set a simple price alert.

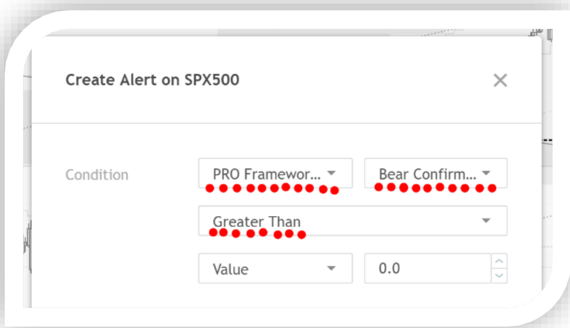


But sometimes you may want to trigger alerts on moving price target, like the Framework contexts ! As this value evolves over time, we won't be able to use a simple price alert. So let's try to create one that does the job. For this purpose you'll have to open the alert window (via the menu bar above the graph or by pressing ALT + A).

For the first condition, select SPX500 (the price), because we want to know when the price will exceed the context. Then select PRO Framework as second input. Once you selected Framework you should see a drop-down just right next to it with all the available indicator's output. *(WTF! Why is there so many choices? You really have a severe issue with complexity...)*. More choices are more freedom if you know what you're looking for *(OK, so... I see four context outputs here, and I imagine that "Res" means Resistant ... But UP and DN? What the hell is that?)*. Remember that the context is a ribbon! UP will be the upper part of the ribbon, DN the lower part. Let's assume you want a range type of alert when prices break through the resistant context. We want to move higher than the upper boundary of the resistant context, so « Context Res UP ». It's not that complicated after all, isn't it?

If we wanted to buy the bottom of the range, we would have mechanically chosen « Context Res DN ».

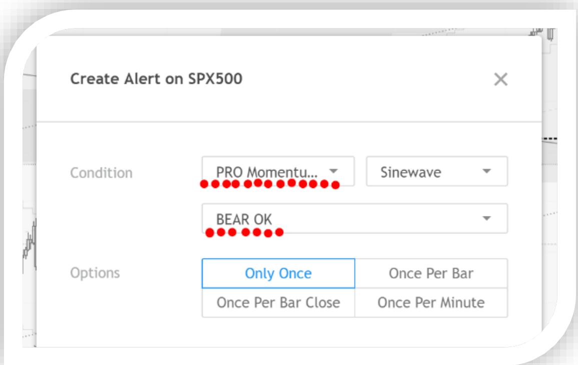
2. CONFIRMATION ALERTS



Let's create this alert. The confirmation triangle has nothing to do with the price, so we will select PRO Framework directly as input. Then choose from the drop-down list on the right the desired output: "Bear Confirmation". As this output is binary (1 if there is a triangle or 0), we will use a simple trigger condition, when the value will be greater than 0. Customize your actions and your message, then it's done!

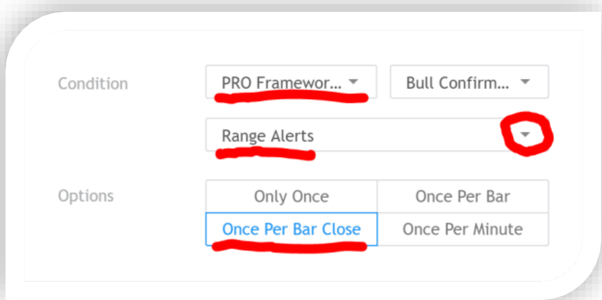
This type of alert can be used for every other "binary" output of the indicators (example : the CONTEXT alert label, or the PRICE OK label). You simply select the correspond output in the right side dropdown menu, always select "Greater Than" as condition and "0.0" as value.

3. SIGNAL ALERTS



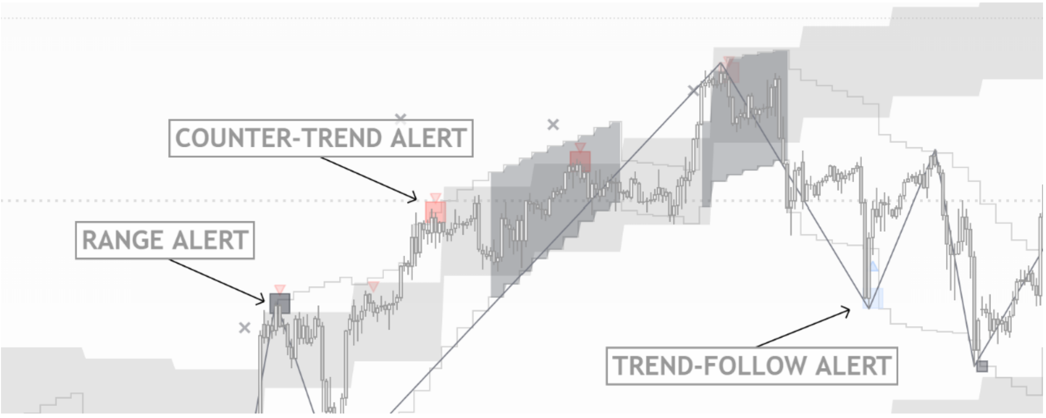
On different contexts, you may also want to trigger an alert on a trading signal. In this case we will choose the Pro Momentum indicator, the drop-down list on the right will not be useful (except special cases that we will not deal with here). You will directly select the desired alert from the drop-down list right below. With PRO Momentum you will find two additional options, "BEAR OK" and "BULL OK". Both of these alerts will be triggered when Momentum displays a dual Momentum OK + Sinewave OK signal.

4. BUILT-IN CONTEXT ALERTS



In order to assist context identification in trading to progress safely and head toward a better risk management I created built-in context alerts. You need to know that I'm always looking after you, learning from you and when I see a recurring problem among the community, I'll do everything I can to provide support for it. Fighting against uncertainty and impatience is definitely one the major issues that beginners are facing. This is a long process to manage getting rid of these two, but still, I think algos can provide some reliable help to make this process a bit faster. You'll still have to identify the context, but once you're done with this, you'll be able to set-up alerts for this specific context, and the algo will simply trigger when reliable information will show-up. This will simply allow you to set the alert, and walk away from the chart right after… avoiding you to stare at real-time prices that may just push you toward doubts or overtrading.

Of course any algorithmic work can hardly be perfect and therefore it will always requires a verification on your end. The only reason why this algo exists is to be a built-in “screener” function. It works in both identifying possible real-time tradable conditions and detecting historical ones to help you highlighting previous supply/demand value areas.
The historical detection is turned off by default (to avoid laziness! you need to learn how to identify the contexts on your own, not waiting for the algo to do the job). You can turn it on via the indicator’s settings panel. Dark Gray squares are for range contexts (light gray is trending range). Blue/Red are for Trends (dark for counter-trend and light for trend-follow).



5. BUILT-IN TRADE MANAGEMENT ALERTS

---- STILL BETA TESTING (coming soon) ----
I wanted to go as far as possible with semi-automation and I couldn’t stop before offering assistance for the trade management. This topic is also problematic for beginners who face a lot of uncertainty when it comes to manage an opened trade. That’s why I decided to create built-in trade management alerts. Just like the previous context alerts, these ones can alert when your opened trade may require your attention for some potential trade management (partial profit taking, stoploss adjustment, or simply invalidation). These alerts will simply automate the process to identify the different “maturities” we talked about in the previous chapter (validation, confirmation, accumulation, breakout, divergence, etc…). The goal is to invite you to stop watching your charts after taking a trade and simply wait for relevant things to happen before going back at it. For example you just took a bearish trade in a neutral range, then you’ll have a corresponding alert to set-up in order to be alerted whenever relevant trade management conditions will show up ! Can’t make it any easier for you (but still the process remains complex, it’s just algos that will take care of it, and they’ll be much better than you at this task, as waiting is not a problem for them).

CHAPTER 7 : PROGRESSING STEP BY STEP

1. TARGETING REALISTIC GOALS

(Something seems to be contradictory in your story ... You say that a very aggressive trader wins three time more than a low risk, but why don't you simply triple the size of the position and take a low risk trading?) If your goal is to increase profitability, leverage and risk-taking are your two only options. Leverage is a tempting friend because it implies getting more reward without changing anything to the strategy. But the primary effect of leverage is to amplify your account's volatility. Cause it will raise both profits and losses. The major side effect of account's volatility is the emotional intensity that comes with it. Intense emotions may just lead you to cross the stress trigger level that will turn you into a reptilian stress management... So leverage is actually your worst enemy when you're learning... As you're supposed to fight these reptilian behaviours, using leverage will simply do the opposite... So please forget about greed, and try to survive long enough to progress safely... Here are the paths I recommend you to follow according to your experience and psychological profile:

Psychology:	Dominant	Assertive	Submisive
Beginner (-1y)	Aggressive + Mini leverage	Moderate + Min Leverage	Low risk + Min leverage
Apprentice (-3y)	Aggressive + Low leverage	Moderate + Low leverage	Low risk + low leverage
Experimented	Aggressive + Normal leverage	Moderate + Norm leverage	Low r. + Normal leverage
Professional	Very aggressive +Normal leverage	Aggressive + Norm leverage	Moderate + Norm leverage

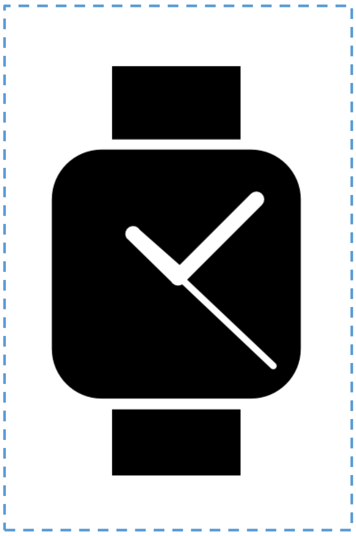
Aggressive, moderate and low-risk will be different money management. More aggressive will mean a tighter stoploss, therefore the positions sizing will be bigger, so will be the gains… But more reward always mean more risk, as tighter stoploss will leave less room for prices to move around (and remember that trading is mostly chaos…). On the other hand, the leverage. It must be gradually raised, it is absolutely essential for your survival. Anyone who wants to go faster than that will likely be punished and lose the precious confidence they have slowly gained. Remember that 80% of people fail, so the actual goal is to cross the finish line, not to do it as fast as possible! You'll mostly fight against yourself in trading, never forget it. Starting with the smallest possible leverage is also necessary to reduce stress trigger levels. I very well understand that you would like to gain as fast as possible... But my experience has taught me that those who succeed in trading are not those who have the strongest will, but those who have managed to survive long enough without burning their wings because of greed, impatience or recklessness.

2. CHOOSING AN ADAPTED TIMEFRAME

This one may seem obvious, but I still see the same incoherencies among beginners. So before detailing the best practices to adopt when choosing timeframes, let's talk about the classic errors :

- "The more we short term trade the more we win" *(Wait a minute, it's obvious that if you trade in shorter term, you trade more and therefore you win more)*. Well that's true BUT the reality is more complex ... More gain means more risk ... And where many people go wrong is that they underestimate a lot of hidden risks in the short term. I would need more than a PDF to explain why and how, but the faster the timeframe, the more underlying hidden problems will be encountered sooner or later. Being unprepared you will likely trigger your stress level and make stupid reptilian decisions. Simply remember that easy money does not exist. You may easy win in short-term scope, but hidden risks will put you down later… Sooooo many people fail in trading because they underestimate risks, it's even worse if you ignore them.

- "Long term trading requires macroeconomics understanding" *(I can't let you say that this one is false… Trading without looking at the macro is a suicide)*. Here again, this is true, but it's just more complicated than that ! The market doesn't follow the macro; the market anticipates the macro... So yes there is obviously a link between these two! But macro will rarely help you triggering a speculative trade, they'll more likely going to trigger breakout trades. If you remember that you'll trade 80% in range contexts, therefore macro is probably less important than you thought… It most generally will act as a confirmation tool rather than a decision maker.



Aside from clarifying these truncated ideas, it's important to talk about your timeframe choice. Because the actual choice might be less about your desires but rather according to your availability. The more you short term trade, the more exhausting the work will be. This will require being fully concentrated and dedicated to trading. For one simple reason, the only thing that really changes is the time available to think before acting. And this comes with side-effects, the shorter the timeframe, the more you'll feel the emergency of a quick decision... Leading to stress, and irrational decision-making. So scalping when you're beginning, forget that immediately, it's a very attractive thing, therefore you shouldn't get down this road… 80% people fail, so forget about the mainstream or easy solutions… They're generally false flags that can work from a few weeks to a few months, rarely more than that.

On the opposite, trading long-term scenarios when you begin will bring another stress, waiting. The good solution here is to avoid extremes and seek your own sweet-spot. And between 5m and weekly candles, you'll still have a lot of possibilities. I will try to give you some advice depending on your availability for trading.

- If you have a job in the same time but can discreetly take 5m off your worktime to go to the bathroom (and place an order!) then go for timeframes between H1 and D1. Trading shouldn't interfere with your work, but your analysis time (no more than 30m a day) has to be performed OUT of your working hours. Simply place your alerts and wait for them to trigger. When they do, you won't have to rush to the toilets, H1 signals doesn't require immediate decisions… You can finish your current work task and then care about trading.

- If you have a job with high responsibilities or a job that requires your full attention, then the best is the daily. In this case, alerts won't be necessary, you will analyse the daily candle closes and perform your trading actions in same time. In order to have enough trades to take, you'll have to oversight more asset classes than other beginners.

- If you're jobless or a home-worker but still have more important tasks than trading during daytime (parenting for exemple), you'll be able to trade below H1 timeframe to increase productivity, but don't even dare going below 15m charts. Just imagine your kid crying when your 1m signal triggers… Urgency will likely trigger reptilian decisions…

- Finally, if you're jobless and have your time fully dedicated to trading, it is obviously the most convenient solution to learn faster, but this profile will come with negative side-effects. Being dedicated will likely the impression that the more you analyse the more you learn... This will often end up in overtrading issues. Remember that in trading, quantity does not mean quality. Analysing irrelevant stuff will just lead to bad decisions… The only advantage you'll have over others is your availability that will allow you to go into timeframes below 15m. But unfortunately, the reality is that even in 1m ... you'll usually have only between 5 and 10 trades per day on a single asset ... Therefore, actively trading will take less than 20m a day, and you analysing time should be below 2h, which means you'll have plenty of time left. Learning trading generally is pationating, to the point it can lead to gambling like problems. Don't forget that the time left must absolutely not be spent into watching charts… Analyse, put alertes, and GET THE HELL OUT… Don't let the chart opened or you'll probably look at it even if you shouldn't. Just move on and focus your attention on something else… sport, YouTube, reading, hobbies, etc… The more efforts you'll put in trading the less effective this will be… Remember that your permanent availability is your benefit, but if you go obsessive with trading, you'll make it your worst enemy.

Another common issue surrounds all those with a jobless profiles with no other incomes. Nowadays life comes with monthly recurrent bills. Remember than stable gains in your trading won't be achieved before 8-12 months at best. As you learn, your trading income will become more consistent and durable… but at the beginning you'll have to use minimum leverage, therefore very small gains… This means that during this time you'll have to be able to pay for your bills… If you can't, then I suggest you to take a part time job… You need to be realistic, if you don't you'll probably going to need money at some point, and the easiest solution you may go down to will be to increase leverage or risk taking… Being unprepared, you'll just make your own failure coming even faster. Learning to make rational decisions in trading means you'll have to make rational life decisions as well !

3. CONTROL YOUR STRATEGY

At this point we're reaching more than 40 pages of content, I very well understand that you feel like this is too many details. I just want you to know that this is absolutely normal, and that this has been done on purpose. *(What? don't tell me that made this over-complex thing on purpose?)* Well, sorry but I do… Neurological studies have proven that the more details you have on something the easier it will be to summarize and then memorize. Time will flush out the irrelevant details and lock on the core information. *(It is completely stupid, making it complex just made it harder for me to get it…)* To put it simple, the more connections your brain creates, the easier it will be to remember the information later. Having details on a subject favours connections... So when I deliberately go into excessive details it's because I don't care about how you feel right now, but how effective this will be over time! I also insisted on the logical structure of this strategy to help your brain processing it! Because even if you don't feel like a logical person, your brain is all about logic! *(Oh damn that's huge ... Are you sure you're not a disappointed psychologist who switched career to trading ?)* No, I'm just passionate as much as I'm with trading.

That being said, I'll go even further into helping you to summarize. With an organigram of the PRO Strategy's decision-making process. I sincerely invite you to **print the following page** and pin it right next to your computer's screen. Please make sure you reviewed it before pressing any button !

STEP 1 : CONTEXT ? → STEP 2 : MATURITY ? → STEP 3 : ACTION ?

CONDITIONS PRE-REQUISITE:
> Enough market liquidity ?
> Enough trading history ?
> Enough volatility to trade ?
> No big catalyst expected ?

WICH CONTEXT ?

NEUTRAL RANGE (50%)
(TO FAVORISE IN CASE OF DOUBT)

ENTRY CONDITIONS :
> Mini 76% retracement
> BEYOND THE CONTEXT
> SIGNAL + TRIANGLE

TREND RANGE (25%)
(FOLLOWING MAJOR TREND)
DO NOT TRADE WITHOUT 1Y of EXP..

ENTRY CONDITIONS :
> Mini 61% retracement
> INDISIDE THE CONTEXT
> SIGNAL + TRIANGLE

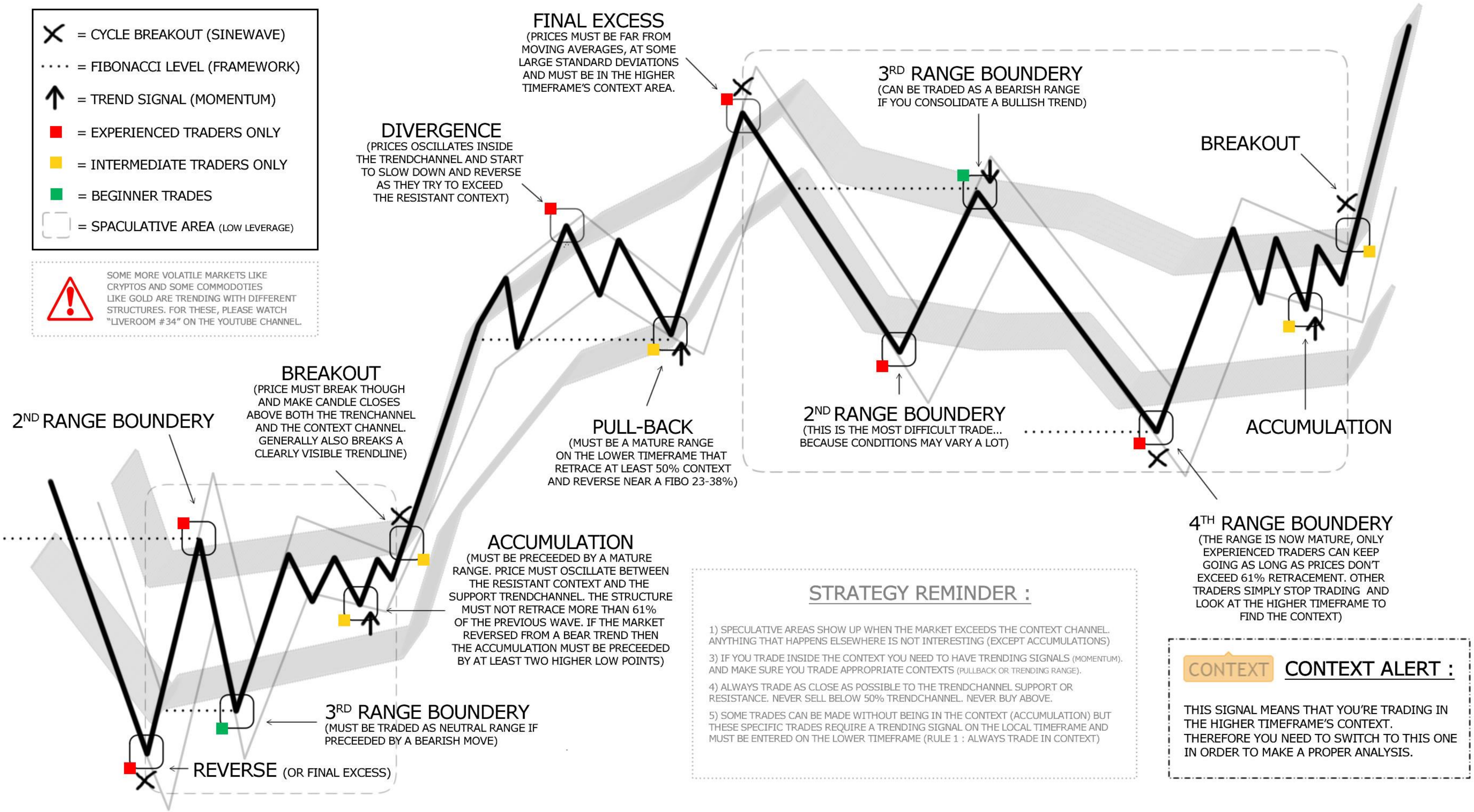
TREND (20%)

ENTRY CONDITIONS :
> Mini 23% retracement
> NEAR TREND CHANNEL
> COLOR SIGNAL+ TRIANGLE

EXCESS/BULLE (5%)

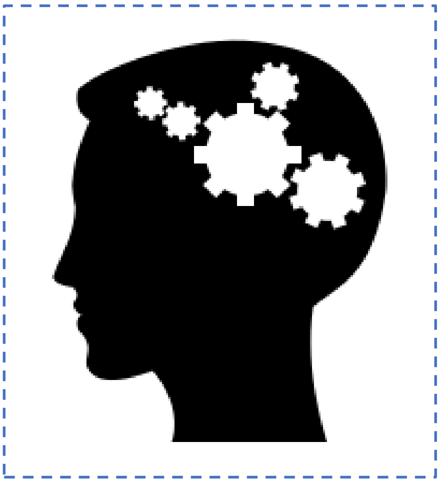
DO NOT TRADE
(ONLY FOR EXPERIENCED... +3YEARS)

Context	Maturity	LOW RISK	MODERATE	AGRESSIVE	VERY AGRESSIVE
NEUTRAL RANGE	VALIDATION > Reaches the opposite side of the trend channel	TP 50% SL paid	TP 25% SL paid	- SL BE	- -
NEUTRAL RANGE	CONFIRMATION > Reaches 50% of the context channel with a candle close.	- SL BE	TP 25% SL BE	TP 50% -	TP 25% SL BE
NEUTRAL RANGE	LIMITE > 76,4% of retracement	TP total -	TP total -	TP total -	TP total +Reverse
NEUTRAL RANGE	INVALIDATION > Acceleration of the trend channel with a bar closed	TP 50% TP BE	- TP BE	- TP BE	- -
TREND RANGE	VALIDATION > Reaches the opposite side of the trend channel.	TP 25% SL paid	TP 25% -	- -	- -
TREND RANGE	CONFIRMATION > Reaches the opposite side of the context channel with a candle close	TP 50% SL BE	TP 25% SL BE	TP 50% SL BE	TP 25% SL BE
TREND RANGE	TARGET 1 > Reaches the target area after breaking beyond context chan.	TP total -	TP total -	TP 25% SL win	TP 25% SL win
TREND RANGE	INVALIDATION > Prices breaking the last trend support / resistance	TP 50% TP BE	- TP BE	- TP BE	- -
TREND	ACCUMULATION > Mature range + trendchannel rejection + 38-61% retracement	Waiting -	Reinf. +25%	Reinf. +50%	Reinf. +100%
TREND	BREAKOUT > Breakout of the accumulation + Volume + Target (cross)	Entry 100%	Reinf. +100%	Reinf. +150%	Reinf. +200%
TREND	DIVERGENCE > Momentum shows standard digergence (detected or not)	TP 50% SL BE	TP 25% SL BE	TP 25% SL BE	TP 25% -
TREND	PULL-BACK > retrace to at least 23 or 38% + reach to at least 50% context	- -	- -	Reinf. +50%	Reinf. +100%
TREND	FINAL EXCESS > Price return to context + Breakout Framework	TP total -	TP total -	TP total -	TP total +Reverse
EXCESS/BULLE	DO NOT TRADE (ONLY FOR EXPERIENCED... +3YEARS)				


= CYCLE BREAKOUT (SINEWAVE)
= FIBONACCI LEVEL (FRAMEWORK)
= TREND SIGNAL (MOMENTUM)
= EXPERIENCED TRADERS ONLY
= INTERMEDIATE TRADERS ONLY
= BEGINNER TRADES
= SPACULATIVE AREA (LOW LEVERAGE)
SOME MORE VOLATILE MARKETS LIKE CRYPTOS AND SOME COMMODOTIES LIKE GOLD ARE TRENDING WITH DIFFERENT STRUCTURES. FOR THESE, PLEASE WATCH "LIVEROOM #34" ON THE YOUTUBE CHANNEL.
FINAL EXCESS
(PRICES MUST BE FAR FROM MOVING AVERAGES, AT SOME LARGE STANDARD DEVIATIONS AND MUST BE IN THE HIGHER TIMEFRAME'S CONTEXT AREA.
DIVERGENCE
(PRICES OSCILLATES INSIDE THE TRENDCHANNEL AND START TO SLOW DOWN AND REVERSE AS THEY TRY TO EXCEED THE RESISTANT CONTEXT)
3RD RANGE BOUNDERY
(CAN BE TRADED AS A BEARISH RANGE IF YOU CONSOLIDATE A BULLISH TREND)
BREAKOUT
BREAKOUT
(PRICE MUST BREAK THOUGH AND MAKE CANDLE CLOSES ABOVE BOTH THE TRENCHANNEL AND THE CONTEXT CHANNEL. GENERALLY ALSO BREAKS A CLEARLY VISIBLE TRENDLINE)
2ND RANGE BOUNDERY
PULL-BACK
(MUST BE A MATURE RANGE ON THE LOWER TIMEFRAME THAT RETRACE AT LEAST 50% CONTEXT AND REVERSE NEAR A FIBO 23-38%)
2ND RANGE BOUNDERY
(THIS IS THE MOST DIFFICULT TRADE... BECAUSE CONDITIONS MAY VARY A LOT)
ACCUMULATION
4TH RANGE BOUNDERY
(THE RANGE IS NOW MATURE, ONLY EXPERIENCED TRADERS CAN KEEP GOING AS LONG AS PRICES DON'T EXCEED 61% RETRACEMENT. OTHER TRADERS SIMPLY STOP TRADING AND LOOK AT THE HIGHER TIMEFRAME TO FIND THE CONTEXT)
ACCUMULATION
(MUST BE PRECEEDED BY A MATURE RANGE. PRICE MUST OSCILLATE BETWEEN THE RESISTANT CONTEXT AND THE SUPPORT TRENDCHANNEL. THE STRUCTURE MUST NOT RETRACE MORE THAN 61% OF THE PREVIOUS WAVE. IF THE MARKET REVERSED FROM A BEAR TREND THEN THE ACCUMULATION MUST BE PRECEEDED BY AT LEAST TWO HIGHER LOW POINTS)
3RD RANGE BOUNDERY
(MUST BE TRADED AS NEUTRAL RANGE IF PRECEEDED BY A BEARISH MOVE)
REVERSE (OR FINAL EXCESS)
STRATEGY REMINDER :
1) SPECULATIVE AREAS SHOW UP WHEN THE MARKET EXCEEDS THE CONTEXT CHANNEL. ANYTHING THAT HAPPENS ELSEWHERE IS NOT INTERESTING (EXCEPT ACCUMULATIONS)
3) IF YOU TRADE INSIDE THE CONTEXT YOU NEED TO HAVE TRENDING SIGNALS (MOMENTUM). AND MAKE SURE YOU TRADE APPROPRIATE CONTEXTS (PULLBACK OR TRENDING RANGE).
4) ALWAYS TRADE AS CLOSE AS POSSIBLE TO THE TRENDCHANNEL SUPPORT OR RESISTANCE. NEVER SELL BELOW 50% TRENDCHANNEL. NEVER BUY ABOVE.
5) SOME TRADES CAN BE MADE WITHOUT BEING IN THE CONTEXT (ACCUMULATION) BUT THESE SPECIFIC TRADES REQUIRE A TRENDING SIGNAL ON THE LOCAL TIMEFRAME AND MUST BE ENTERED ON THE LOWER TIMEFRAME (RULE 1 : ALWAYS TRADE IN CONTEXT)
CONTEXT
CONTEXT ALERT :
THIS SIGNAL MEANS THAT YOU'RE TRADING IN THE HIGHER TIMEFRAME'S CONTEXT. THEREFORE YOU NEED TO SWITCH TO THIS ONE IN ORDER TO MAKE A PROPER ANALYSIS.

As time will pass and after several applications, you will see that you won't even need to look at it anymore. At this point you've reached full control over the strategy (generally takes 3-6month). A major step will be crossed, you may have the impression that the job is done ! *(Let me guess… you'll just break my dreams once again…)* No, not this time! Because being able to control a strategy is really a big step ahead, at this stage already more than half of the candidates have already failed! So… well done... but... *(I knew this would come anyway… you can't help yourself breaking my dreams…)*. Those who succeed in trading on the long run account for approximately 5% of those who tried. In other words, you just graduated but you're still far from being a trader! Now that you have your diploma, the final selection will be on a much more subjective level, psychology. So, here comes the last chapter of this manual :

4. IMPROVE YOUR PSYCHOLOGIY



This part is by far the most complex, because here we all are unequal, and unique. Both submitted to our own past and facing the uncertainty of our future... No matter how hard you worked and how well you trade, life will always be more important than trading, and life is often what causes unexpected end to some significant number of careers. Your emotional balance being the key of a rational decision-making process… If something makes you unable to operate, then you must pause, or even sometimes end it… If this ever happen to be your case, know that everything you've learned in the meantime is priceless. The natural selection in trading is among the harshest... Very few people have the opportunity to get close to the reality of speculative finance.

So I would like to be honest with you, success in this wild world will depend on your ability to survive long enough through both market and life hazards. Learning the strategy is probably the easiest you'll have to face along this overall process that will take years to mature. And maturing in trading is just like maturing in life, it never ends, you'll never stop learning. By the way, if there's any relevant comparison to learning trading, it's human life itself. You start like a baby, discover emotions, learn to walk, start discovering the world's marvels and dangers. Then you get to learn who you are, you dig into your emotions and learn to master them. Would you even imagine crossing these steps in a different order? No… and that's why you need to forget about rushing things, focus on your next step instead. Now you should also understand why I told you that "understanding" trading is not the key. No one truly understands life, even after generations. So stop wasting your time trying to understand the market, just make sure you grow safely and make it through the hard times. Learning trading is just like life, it's a journey not a destination.

Teaching trading is just like raising a kid, he (or she) will have his own existence, make his own experiments and end up being a unique person. My goal is not to make you a carbon copy of me, just putting you in the right tracks to discover this parallel universe that trading is and avoid the deadly dangers that could force you out of this journey.

Teaching life to a kid in a 45+ pages book would be stupid. Therefore, I assume you now understand why I'm not just leaving you out there in the jungle. This PDF manual is actually just an introduction !

THANK YOU FOR READING

Through this PDF, I tried to cover the essential knowledge necessary to put yourself in the best position to adopt ahead of the enormous mess that is in front of you. You must remember, at all times, that succeeding should be a long term objective to seek but not to rush. You'll have to focus on the intermediate steps leading you to this goal. This manual has been designed to help you this way and has a defined structure to help you clearly identifying those steps and prioritize.

Your first target is to master the tools you intend to use and their role within the strategy. Start by assessing price filtering along with contexts identification. Master the rules to see risk as shaded greys. Then move on to exercise, get more familiar with trading alerts to semi-automatize the strategy. (At this point you can still trade on demo accounts if you want to play safe).

Then you'll have to step in the real game. But that doesn't mean you'll have to jump in with both feets, quite the opposite actually. At the beginning you'll have to « dip a toe » and use the minimal available leverage. Stick to the essential : feeling emotions. Making mistakes is inevitable but what matters is to be capable of growing yourself out of extreme emotion that trigger stressful reactions. Avoid falling into greed or impatience that are easy solutions, but deadly solutions.

Slowly but steadily your senses will grow, assessing the shades more precisely, shaping your psychology to avoid jumping in the traps you've been caught into previously. At this stage your actual financial results should have drastically improved. At this point, you enter the final and endless stage of your own path, psychology. To assist you toward a professionnal mindset, I'll offer you :

- Daily market forecasts out of realtime market conditions. I'll simply perform my daily task right in front of you, no preparation, no cutting, no montage or any other trick. I'll simply share my knowledge and tips. Passionately but boringly repeating the same stuff everyday… Cause my goal is to show you what the job is, not what you'd like it to be… Nor what other youtubers make you think it is. Most of them are more entertainers than actual traders.
- Monthly MCQ tests on both technicals and psychology to consolidate your knowledge and see where you need to improve. Knowing that those of you who will answer all the questions correctly will have an exclusive total refund of their indicator's monthy charge… Meaning that if you're mastering the job, you won't have to pay for the tools anymore !
- A realtime community to support you in PRO Indicator's Discord channel (4000+ users and 500+ users logged in on daytime). They help you getting through the common issues. The goal is simple, the best way to learn faster is definitely to teach someone else what you've been tought ! With this process it's a win-win situation and that's really refreshing.
- Live stream Question/Answer sessions on precise themes each month. These themes will be picked among Discord users by a vote ! These sessions will obviously be recorded and available afterwards for replay in Youtube in the « educational content » playlist.

All this content is shared for free, and will always be. I'll conclude with this… Remember that you must never pay for trading « methods » … The only thing you can eventually pay for is a service, and do it only if you have clear evidence of its value (at least a free trial). But knowledge itself, is priceless… Those who put a price on it mostly understood that they will never live with trading, so they're teaching it… This PDF manual is my way to express my daily fight against them.

Thank you so much for the interest you putted in my work. And moreover, thank you for the time you took to read this manual till the end!

Link to the Youtube Channel

APPENDIX 1 : VALIDATE THE MINIMUM KNOWLEDGE

Before going any further, you'll have to make sure you have the minimum requirements. That means being able to read the indicators correctly and understand what they mean. These indicators are far more complex than a couple lines crossing to give a "b/s" signal. The best possible way to make sure you have a solid base is to perform some kind or memorizing exercise. The goal is to be able to :

- Name each indicator's output
- Give a quick "definition" of what it means
- Identify which role or "function" it has in the overall strategy

---

Our brain has two general ways to memorize: « repetition » or « association ». We will combine both to maximize the probability to have it stored in the long-term memory

---

Here's how we will train your brain : you will print the following page and slice it using the dashed lines. You'll separate the pieces into 3 stacks (on for each column)

STEP 1 : Take all the pieces with the "names" and display them randomly one on top of each other. Then take the "function" pieces and try to match them one by one with the "names". Leave some blank space in between the two columns. Because you'll have to put the "definition" pieces in there later to fulfil the whole puzzle. *(let me guess.. I assume there's a reason to link the function before the definition)*. Yes indeed, because your brain likes to repeat identical patterns and we won't let that chance, so we just shuffle the deck ! Once you completed the whole piece, autocorrect by comparing it to this PDF.

STEP 2 : Let's raise the difficulty a bit, you will now fold all the pieces but make sure you keep the columns separated. Take the "definition" deck and shuffle it. Pick one, and try to tell the name of the indicator output related to it. *(this is silly, I just did the whole puzzle so this will be easy !)* I'm just using a simple memorizing technique which is doing the same exercise but reversed and blinded (cause this time you'll have to recall via memory, not vision). If you can't find it, skip to the next piece.

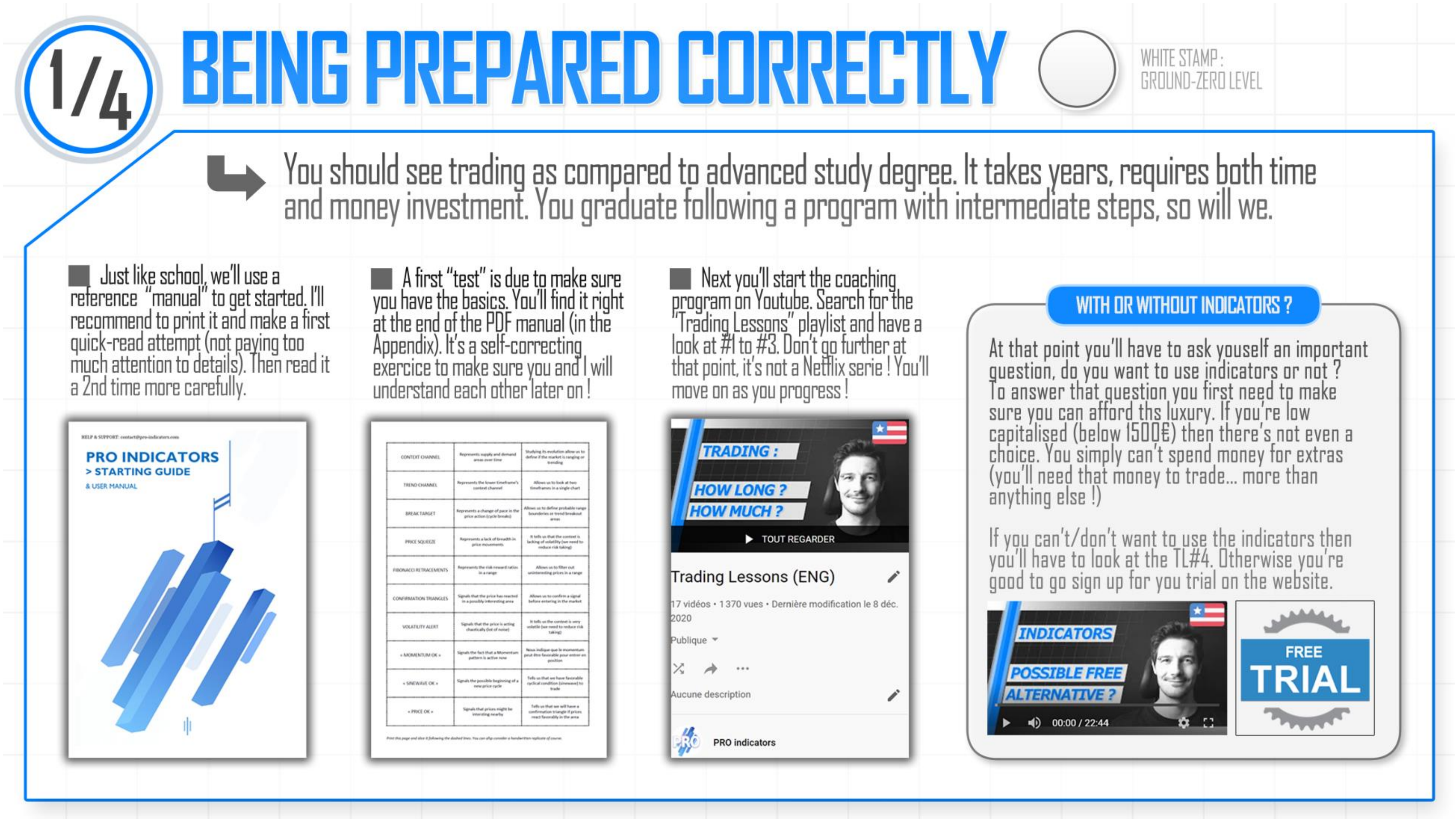
If you do more than one mistake on step2 then you'd better stop for the day.. you'll simply unfold all the pieces and try to rebuild the whole puzzle correctly. Then just move on to something else and start over tomorrow (otherwise you'll blast your way into short term memory which we don't want). Give yourself some time and don't bother ! Better be ready rather than rushing things !

STEP 3 : Finally you'll fold everything again and shuffle the whole thing in one deck. Now depending on what you pick you need to be able to tell the two other corresponding columns. If you do it straightforward, that means you have this written in your memory ! If you have troubles with one answer, then stop, go find then answer on this PDF and start over again TOMORROW !

CONTEXT CHANNEL	Represents supply and demand areas over time	Studying its evolution allow us to define if the market is ranging or trending
TREND CHANNEL	Represents the lower timeframe's context channel	Allows us to look at two timeframes in a single chart
BREAK TARGET	Represents a change of pace in the price action (cycle breaks)	Allows us to define probable range bounderies or trend breakout areas
PRICE SQUEEZE	Represents a lack of breadth in price movements	It tells us that the context is lacking of volatility (we need to reduce risk taking)
FIBONACCI RETRACEMENTS	Represents the risk-reward ratios in a range	Allows us to filter out uninteresting prices in a range
CONFIRMATION TRIANGLES	Signals that the price has reacted in a possibly interesting area	Allows us to confirm a signal before entering in the market
VOLATILITY ALERT	Signals that the price is acting chaotically (lot of noise)	It tells us the context is very volatile (we need to reduce risk taking)
« MOMENTUM OK »	Signals the fact that a Momentum pattern is active now	Tells us that the momentum is favorable for a trade
« SINEWAVE OK »	Signals the possible beginning of a new price cycle	Tells us that we have favorable cyclical condition (sinewave) to trade
« PRICE OK »	Signals that prices might be intersting nearby	Tells us that we will have a confirmation triangle if prices react favorably in the area

Print this page and slice it following the dashed lines. You can alsp consider a handwritten replicate of course.

APPENDIX 2 : THE PROCESS TO LEARN THE STRATEGY

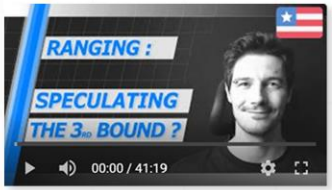


2/4 SETTING UP THE GROUND BASIS

GREEN STAMP : BEGINNER LEVEL

Before getting into the real deal (trend-follow) we'll have to start with something a bit less fancy. Tackling your natural biases will be our first priority : impatience and fear of incertainty.

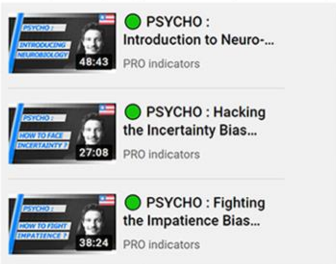
- There's not better way to fight these than forcing you to experience them where they happen the most: inside ranges. You'll learn your first strategy "context" : the 3rd Range Boundery (3RB). The Trading Lessons #5 and 6 are there to teach you the basics of a safe range trading.



- A that point your main target is to practice a lot. Scrolling random charts on Tradingview using the "replay" function. You want to be able to naturally highlight the 3RB speculative areas and avoid the common mistakes. Post your charts on the #general-analysis channel in the Discord to ask more experienced users to check and correct your work.

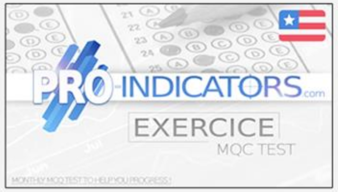
- Once you posted enough correct analysis (approx 10) you're ready to ask users to update you with the stamp and start real money trading.

- Now that you validated the technical knowledge, real money exposition will introduce the biases. It's now about time to start looking at the "psycho" videos to get you ready to fight against incertainty and impatience. Tradnig Lessons #7 to 9 will tell you how-to neutralize them while you keep trading every 3RB setup you may come across. This step can take 3-6months. Trying to do faster will only make things worse later in the program. Take your time !



WITH OR WITHOUT THE COMMUNITY ?

Requiring external assistance and helping each others sounds like a better option but some people have a "lone wolf" temper and value a fully independant process. If that's your case, just do it your way, the current program can be followed without using the Discord Community but it will require a rigourous self-correcting capacity. To progress safely you'll find a few videos in Youtube on the "Educational Content" playlist with some MCQ tests and their corrections. Instead if you decide to use Discord, then don't forget to help others later when you've been tought !



JOIN US ON DISCORD

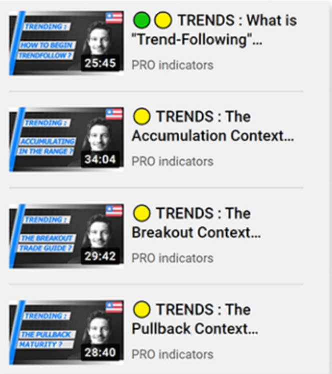
https://discord.gg/Agdf5rt

3/4 GETTING INTO THE REAL DEAL

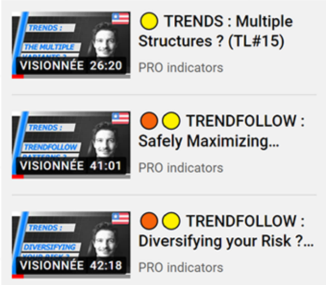
YELLOW STAMP : INTERMEDIATE LEVEL

This is were things get interesting, I'll teach you trend structures and your tradable contexts will increase from 1 to 6. But trending environment will introduce new psychological biases...

First have a look at TL#11 carefully to set the basis of trend-following. Then we need to teach you the intermediate trend maturities.through TL#12 to 14 . Take the necessary time to learn them and practice on historical data. Post your charts on the #analysis-(forex,crypto..) in the Discord for peer review.



Then I need you to master the multiple "variants" of trend structures. This will be fully detailed in the TL#15. Take at least a couple views on this one before looking at the two "trendfollow" contexts on TL#16 and 17.



Once you posted enough good analysis on the trending channels #analysis-(forex-crypto-indice) ask for your badge and start applying on realtime and real-money.

You now master the trending technicals, the varying structures, but still... these new contexts will also introduce new psychological issues. Real money trend tradng causes cognitive dissonances and you'll learn everything about this on TL#18. The following TL#19 is there to teach you how to neutralize the dissonance and avoid it's effect on your trading depending on your personal psychological profile. Working about these biases take 6-12m and there's no way to make it faster ! Be resilient !

DO I HAVE TO GO FURTHER ?

At that point you navigate ranges and trends safely. There's still a lot more to be tought but still... Many people fail to even reach that sweet spot. It's appropriate to ask yourself if you really need more ? Experts context will be much more complex. Anyhow, you'll have to terminate this sequence by looking at the TL#20 which sums up everthing. Beyond this point, you can either follow your own path, customizing my strategy to make it yours, or keep it going down the rabbit hole with me into the money manager professionnal stuff (2-5years).

You have reached the point where you can be fully **autonomous**

4/4 is the advanced stuff for those who want to dig deeper !