

20 Things to Consider Before and During a Technical Trade

1. Be aware of any economic announcements and stay out of the market during these times.
2. Be aware of the time of day and the market that you are trading. It is best to trade when there is volume and the European and US markets provide the best movement. If it is after 12pm EST then chances are the volume is gone for the day.
3. Locate the Fibonacci levels on the Week, Day, 4hr, and 2hr, 30 min, and 15 min using the obvious trading ranges. If you have a hard time finding them, then you are looking too hard; use what is obvious. You must have an overall visual awareness of the market at all times.
4. Identify major trend lines on the larger compressions as well as the 1hr, 30min, and 15 min. The market will react off of these levels so be sure to be aware of them.
5. Calculate the pivots for the day using the calculators provided with this course. If you are using the MT4 charts then verify that the pivots have updated by switching to the day chart momentarily, this will reset the pivots if they haven't done so automatically. Only enter a trade when the market is near a Pivot level; this way you can be sure to have a tight stop just on the other side of the level.
6. Be aware of your margin size and know ahead of time what your available trade size is using 3% as your maximum risk. This will simplify things when you get ready to enter the market.
7. Identify the trend direction for the session you are trading and only trade with the trend.
8. Be aware of the daily range for the currency you are trading. If the currency has already fulfilled its daily range than be cautious with your entries. For example: the Eur/Usd has an ADR of 76 pips and if it has already moved 68 pips than it is possible that it will make a correction at this point and retrace.
9. IF you are anticipating a reversal verify that there is a reversal pattern or formation in place and that the market has broke out of the former trend before entering.
10. When identifying the trend for the session, look to the 1hr chart.
11. Have a target in mind. Never enter a trade without knowing where your first or only target is.
12. Know where your stop needs to placed then assess how many lots you can trade using

the needed stop and still stay within your 3% risk model.

13. Always place a stop before or immediately after entering a trade. This will protect your margin.

14. Remember that a stop is there to protect your margin incase something happens causing the market to move in an unexpected way very quickly. If you see that the market has broken thru a level that you were anticipating holding it back, then you don't have to allow the stop to be hit. Be willing to close the trade down before it hits your stop if you see that the trade is going bad, this will further protect your margin.

15. Keep a running record of all your trades complete with screen shots and notes. If you are considering entering the market take a screenshot so that if you do enter you will have a record of the market conditions prior to your entry. This will help you to identify your strengths and weaknesses as you trade.

16. Do not scalp the market. Scalping in the Forex is a vicious cycle of give and take. You will end up giving more than taking so just steer clear of this type of strategy.

17. When analyzing the market start at the larger compressions and work your way down. It is important not to get caught up in the 15 min chart. Be sure to look at the larger compressions from time to time to get an idea where things are going long term.

18. Never Trade just to be trading. If there isn't anything happening then wait.

19. Protect your profits, once the market begins to move your way and you have removed a portion of your trade, move your stop to your entry or a technically calculated position that will lock in the profits you have made.

20. One of the most important concepts in trading is trading within your means. What does this mean exactly? IF you enter a trade and within 5 minutes you have chewed your fingernails to the bone and you are dripping with sweat than you have traded beyond your means. In order to make solid decisions you must trade with money that you can afford to lose. There can be no emotional attachment to a trade, only solid decisions based on factual information and technical analysis. There is no place for wishing and hoping in the Forex.