

3clipz3 System: “DTB -Rock Paper Scissors Trading V1.2”

Objective:

To play on the weaknesses of the market environment like playing Rock Paper and Scissors but seeing first what the market has chosen to do, then you can choose your game play for that session. Combines 4 trading styles of scalping support and resistances averaging in, break-out (Semafor 3 Hourly Break-Outs), reversals from resistance areas on the daily chart (Semafor 3 Hourly Reversals) and trades held longer term to follow Dr.Sivaraman. into one trading plan. Also incorporate some Fundamental indicators and also daily prediction from Dr.Sivaraman. In short, these strategies allows you to see in advance and take break-outs, see in advance reversals swings and scalp quick pips, all the while predicting when major moves are likely or going to occur. Take advantage of break-outs when there is stop hunting predicted and confirmed. If you lose on the day in reversals, you can average out by your gains in breakouts, scalping, Dr.Sivaraman’s prediction trades, or better yet if you win them all you are just taking more of what the market is offering.

Trading Style:

Trading 4 styles for a higher probability of end-day or week success rather than trading one style like most traders do. We strike with one major hit of 500+ pips long term trend predictions, 20+ break-out and reversal medium term moves, and 3-6 pip scalps. All styles, except for scalping, are built around tight stop losses, larger rewards and “doubling-up or adding-to” on losing trades. Scalping, break-outs and reversals are held longer and use stops to secure profit and allow winners to run. There is no timeframe bigger than 1 day candles used not because this system is designed around trading in the most recent moment around “now.” This system also supports Fundamental Analysis such as watching the Stock Market and of course awareness of news releases and following Dr.Sivaraman’s predictions. You will likely be both long and short on a currency pair so you will need 4 separate accounts: Scalping, Break-Outs, and Reversals and Swing trades.

Pip Potential:

Expect no specific pips from the market or this system. Take what it gives when the opportunity pattern appears without thought or hesitation if it's going to work or not. Good news is that what is considered a “trade opportunity” happens all day long. If trading a break-out on just currency pair can make you 20-40 pips, trading a reversal for 20-40 pips, and scalping 20-40 pips on daily Fib retracements: between a breakout, swing trader and scalper can make a total of 100 daily pips on 1 pair. Some might think 100-300+ pips a day is a lot and if you think of it as the market moves tens of thousands of pips on one currency pair each day, 100-300 isn't being greedy, unrealistic or overtrading at all. You decide your limits, nobody else so just take what the market gives you. But keep in mind that if you are past your goal for the day, trade lighter positions or quit if you start giving too much back to the market.

Indicators:

Dtb_rps_1min Template (mod of Drain The Banks V.2)

Dtb_rps_1hour Template

Dtb_rps_1day Template

3_Level_ZZ_Semafor

SP_Range

TRO_Multimeter_CandleColor MT4

Level_ZZ_Semafor_345

SHI_Channel_True

Setup:

*To show only Semafor #3, edit indicator inputs, change Period1 and Period2 to 0.0

1-Minute Chart:

-Place Dtb_rps_1min Template MT4

1-Hour Chart:

-Place Dtb_rps_1hour Template MT4

1-Day Chart:

-Place Dtb_rps_1day (not required, just helps see possible daily retracements from the day's high/low)

Statistics & Other Tools:

-<http://www.forexfactory.com/calendar.php?s=3fde460a2c3d5f49d076179d04668430>

-http://finance.yahoo.com/#market_summary_us

-<http://blogs.fxstreet.com/marketreadings/>

Rock: Break-Out Attack Strategy “White Sema6 Break-Out”

Market Symptoms: Some break-outs are natural while others are created from stop-hunting. Great for taking advantage of Dr.Sivaraman’s stop-hunt predictions -<http://blogs.fxstreet.com/marketreadings/>
Major pairs are headed to test a white Sema6 on the 1-minute time frame that likely break 20 or more pips. Multiple pairs simultaneously, are most profitable for this strategy but can be taken no matter the market condition. The large changes in strength or weakness in the USD can give violent 80+ pips in an hour on a single currency. If stock market is green say, USD has bearish pressure and when red bullish pressure. +100 or -100 on the DOW can cause break-outs. (When there is market panic, people put their money in the safest currency USD)

1. At some point, when the #6 white semafor line gets too long (40 minutes or more) the probability of price breaking increases. All this means price hit a high once before and is now testing it again for a possible break) Sema 3 hourly break-outs often but not always appear if price breaks a line of white sema 6’s on the 1-minute chart. Usually you will get about 1-2 of these per day per currency pair. Statistically, these trades appear between 30-minutes before London open to the New York session.

2. If you see price heading towards a long line-up of sema 6’s 20+ on the 1-minute chart, put your order on that price. If there is another line of semafors for example sema #5’s not too far (I just use my judgement) before the sema #6 line, take that break-out trigger. Avoid the first touch line if it’s near a psycho price 00,25,50,75 as these will almost always bounce and hit your tight stop and wait a good 10 or more pips bounce so you don’t get caught in and dragged down.

3. You look to take multiple break-outs if for example the EUR/USD is headed to the trigger, chances are the USD/CHF is. You can hold these for 20-100 pips profits. Don’t risk too much as if one break-out fails often the others will too. Take your risk and spread it out over the number of break-outs you are going to play.

4. Cut your first attempt trade at -7 pips. Consider this “a pause,” and increase your position by double or more at the same trigger if price does come back, this is your “original position.” If the 2nd attempt fails, leave the break-out trade alone. This is a strong indicator there is still a lot of resistance and the break-out might not be as big anyhow. You can still look to trade the reversal trade even if the break-out does eventually happen.

5. If you see at least 20 pips profit and price heads against you, cut the trade at -7 pips. When price hits 20 pips close 70% of your position. 25% of your position target 40 pips or -7. If you hit 40 target, close 4% at 60 pips have a stop loss of +10-15. If you hit 60, the remainder 1% will go for 80 pips or stop at +15-20 profit. When the break-out trade hits the 20 pip profit target, the trade is basically put on auto-pilot and up to the market. When it’s put on auto-pilot, proceed on trading the reversal method.

Special Note: If you get the 20 pip target and price is headed back up against you don’t panic and close the trade. More than often price will come back to **TRY** and wiggle you but remember we took a S/R price that if it broke will likely now resist/support in your favour. So don’t be surprised that after you hit

your 20 pip target price comes back up and put you at B/E or -5 then rockets down to give you your 40, 60 and 80 targets. This happens VERY often in my experience.

Paper: Scalp Attack Strategies: (EUR/USD and USD/JPY)

Ideal Market Conditions: The 1-minute chart shows unbroken Sema 3,4,5 and 6 lines. This shows that there isn't much "repainting or adjusting" and the market is trend bouncing nicely off support and resistances. Those semafors are also forming at the top or bottom of price, when price appears at the top only for say 1 or more hours it's best to stay out. Spreads are preferably under 1 pip and no more than 2 pips. This strategy works great during Asian session, the start of London and NY lunch from 12-1:30pm their times respectively and also the NY session close from 4pm-7pm EST. This strategy does not work well when market is breaking out violently one direction or stop-hunting is expected or happening.

1. Watch the 1-minute chart. When a semafor number shows, wait for that minute to close and if the next Semafor opens at the same level, and price has still stalled and not reversed up yet, enter immediately for the reversal with your small position size. Your window of opportunity is between 1 and 2 minutes so you have to be very quick! For this reason I use 1-click button market orders if the first entry is not near a psych price and limit orders if price pasts a few pips past psych level and I am going to play off a bounce.

2. The idea is that when price stalls at a semafor on this time-frame, it is likely to reverse for a few pips. You will see in hindsight that the semafor lines look unbroken, or if broken won't look like price broke too far away before reversing, and that's the edge we are trading here.

3. If that 2nd semafor breaks that away from the line, wait again for the next entry signal and increase your position by 50% each time. Remember that psych prices make great bounce plays to use in your favor. We are basically attempting to get-in "at a bottom/top" of a scalp retracement with the intention to take a few pips.

4. Since the 6 is the highest semafor number, price often reverses the hardest from that. Given that theory, the bigger the semafor the more profit we can scalp for the reversal. So if you are trading a reversal of a sema 3 line, go for 3 pips profit, sema 4 = 4 pips profit and so on and so forth. If price is breaking hard 6 semafors, there could be news or stop-hunting going on. Constantly monitor Dr.Sivaraman's blogs for updates while you trade.

5. You will have many small winners in this style of scalping but because you are adding to losing position in attempt to average out with profit, if price just goes against you far against you, cut the trade at 5-10% of your scalping account. The only times this has really happened was when something was going on either news, strong fundamental changes or stop-hunting.

6. If you are past -5% down, start closing your positions to minimize losses. Close your first position trade and as price goes against you start cutting the next up. This is so if price does finally if you lose the first trade, keep increasing steadily your next position by 50%. You are allowed to lose a max of ½% of your account. If you fail all three it means price is breaking out too strongly for a reversal and you will wait, watch and miss out as the market reveals where the retracement reversal was. Or just wait out for the hour. Then you are refreshed to take the next line trigger that forms.

7. If you win the trade on the sema line you are done with the trade. Chances are the semafor line has gotten longer and is now weak for a break-out if price comes back down. In other words, NO DOUBLE DIPPING triggers even if price breaks the line and forms a new semafor line of that same number. You must wait for the next number say you did a 3 line, you can only do a 4 line for 4 pips.

Special Note: If you have your first entry and it's struggling hard to make it to your target profit for too long, a resulting semafor line will start appearing underneath you. This means if the line gets too long it's now weak for a break-out, just cut the trade with what you can and get look for another play. You will find often when price struggles too hard to climb, the opposing side of your trade will slowly push you back until it breaks against you. Remember that as price goes against you, the trick is to have a bigger position to average out your trade in profit and get out as soon as you can before it falls further away from your first position.

Scissors: Swing Attack Strategy "Sema3 Hourly Reversal"

Market Symptoms: Major pairs are having sema 3 hourly break-outs (if any) one at a time not simultaneously. Daily resistances are easy to see and are usually from the within around a week. If you cannot spot the areas clearly, don't trade this strategy. Reversal are the next phase after a break-out. You will see a #3 semafor finally appear on the opposite side of price signally it's safe to go for a reversal. Trade a fraction of your regular sizes or avoid the trade completely if Dr.Sivaraman's predictions of stop-hunting exists as the price action will purposely blow past reversal points.

1. Look to use this strategy after you take the break-out trade. Usually you will get about 1-2 of these per day per currency pair. After break-outs or the day session is over, price often retraces back to at least 1 daily Fibonacci dot price level on the Fib_Retrace template.

2. Look at the daily chart and pick strong support or resistance areas for your triggers. Draw a line in your mind to where price is at on the daily chart and look for days where it reached that high. Consider these strong reversal triggers other traders will be looking for to take profit or take reversal trades.

3. If your spread is 1 enter your reversal trigger 1 pip below the trigger. Put 1/3 your order size after price has passed a minimum of 7 pips from your trigger. This will help prevent drawdown and allow you to get carried by price VS guessing that price will reverse on your trigger to your profit target.

4. If price does move against your first entry by -20, put another 1/3 position and look for a stronger resistance point to take a reversal by looking at the daily chart. Enter your final 1/3 position at the best obvious resistance point you can. If your final entry moves -15 pips, cut your first position and cut all your positions if your final entry moves -20 pips.

6. Your final chance to trade the reversal is to put one more entry 50% more than your combined entries at the last price you took when it returns. Have a stop-loss on this of -15 pips. Ignore the reversal trade if this fails too as this might not be the top of the break-out yet until a #3 semfor appears on the opposite side of price signally a break-out is exhausted and a break-down reversal is likely to follow. Put your other ½ order size immediately when this shows.

5. Exit strategy is the almost the same as break-outs. Close out 70% of your position out at 20 pips profit, and 30% at 40 pips. While the reversal trade is holding, monitor it and continue with scalping as the reversal keep pulling back but if it's pulling back too violently, wait for more ranging to show on the 1-minute.

Money Management:

Never risk more than 10% of each total account per trade period (or have trades on risking 5% total) If two go against you that could be -10% of your total account so if you are doing multiple trades on a strategy, keep it under 5% risk.