

Setup 1d Chart

1. EMA(20) and EMA(100)

Setup 1h Chart

1. MACD(12,26,9)
2. Heiken Ashi Candles

Setup 5m Chart

1. SuperTrend(65, 3)

Checklists for Long

Buying

- ☐ EMA(20) is above EMA(120) on daily.
- ☐ MACD goldencross on hourly.
- ☐ 5m chart indicates good entry.

Selling

- ☐ MACD deathcross on hourly

Steps

1. Check daily chart to confirm overall trend.
2. Identify MACD hourly crossover.
3. Look for good entry on 5m chart using ST and MACD.
4. Sell on MACD hourly reverse crossover.
5. Apply the opposite checklist for shorting.

Advice

- MACD can also be used to determine if the market is consolidating, in which case you should avoid trading.
- If you are trading options, the 1h MACD predicts weekly trends, expirations should not expire within 3 days of the crossover date.

- The best price for options using the strategy for SPY is 1-2 dollars per share.
- There will be very few false positives with MACD but they do occur under certain circumstances such as economic data, news, or some earnings so stay aware of news.
- You can treat MACD or ST as entry and sell points, I just prefer MACD since it usually gets in and out before reversals.