

NNF Essentials on Core Concept Videos

YouTube: <https://youtube.com/playlist?list=PLPqWQo6-TXfHyC12MRHK5doA5oUeGwpkV>

Blog: <https://nononsenseforex.com/category/forex-basics/>

[FX Trading Strategies \(Big Banks\) - Ep 2](#) / [\[Blog\]](#)

Who controls the price?

Answer: *The Big Banks*

- Over 50 % of the **Inter Bank System** is **controlled by** about **4-5 major banks**, such as Chase, Citi, HSBC, Deutsche and some Chinese.
- They **need liquidity** to move the prices, so they eat **spot forex traders** for breakfast, lunch *and* dinner.
- For all currency pairs, **they know** of the collective amount of orders, how many are long or short, if they sit above or below price and how big those are (*t = 06:30*). The banks move the prices the **opposite** way of the popular positions. An extreme example is the EUR/CHF crash in Jan 2015 (*t = 13:30*).
- **IG** is a big trading company that **tells where the positions of their traders** are. They are a **sample size** big enough to assume that this holds true for the rest of the trading world. (*t = 19:30*). It's called the IG Client Sentiment Indicator: <https://www.dailyfx.com/sentiment-report> On their charts you can see how the price most of the time moves in the opposite direction of the most popular positions. This happens **especially on the USD pairs**, since the USD is the most popular traded currency.
- What we can do, what to avoid (*t = 25:00*)
 - Don't use the same tools everyone else does (e.g. [Dirty Dozen](#)).
 - Trade more often pairs other than the USD pairs, e.g. GBP/JPY. (*t = 26:20*)
 - Don't trade the news! (*t = 27:50*)

[Big Banks Part Two - Ep 3](#) / [\[- - - \]](#)

Primary Video Content

- Words on success rate of [followers](#) (*t=05:20*)
- Recap on Big Banks' behavior (*t=11:55*)
- There are two *Sentiment Indicators* (*t=20:05*)
 - **IG Client Sentiment** ([IG website](#))
 - **FXCM SSI** ([Twitter](#), [FXCM article](#))
- More on sentiment indicators and big bank influence (*t=21:05*)
 - Banks limited influence on **metals**, such as gold and silver (*t=24:30*)
 - Banks influence on **stocks** (*t=26:00*)
 - **Crypto** isn't "traded". Almost all positions are long. (*t=28:25*)
- **Don't use** sentiment indicators **as a real indicator** in your algorithm (*t=28:55*). Because it doesn't matter where traders currently are, but where they are going. There are good indicators that can tell, but we have to find them! VP gives hints in different places, but we've gotta find them on our own.

[The Best FX Trading Tip - Ep 4](#) / [\[Blog\]](#)

You must know what to avoid!

- The tip is a method used by champion chess players, best fighters and top militaries.
- It's about getting rid of bad habits or practises carried over from a previous profession.
- This reduces predictability, so you can adjust to any situation possible.
- **Taking away a loss is the same as getting an extra win.** So for e.g. instead of focusing on finding that additional winning indicator, why not get rid of a losing one first? (*t = 4:15*)
- There are three ways to tackle this (*t = 7:00*):
 - Stop using **tools** that don't work ([Dirty Dozen](#)) and fundamental analysis alltogether. (*t = 7:40*)
 - Stop trading by **emotions**, such as fear of missing out. Have confidence in your system. Don't put the *statistics* against you! ---> (*t = 9:20*)
 - Trade with a consistent **trade management** in place. After entering a trade, know exactly what to do, by following something **written out on paper**, sitting right next to you. (*t = 14:30*)
- VP sketches out a crude version of a trade management system! (*t = 15:30*)
 - Be adjustable, means **adapt** values such as **stop loss** to a currency pair's **volatility**. *Different situations/pairs need different measures!* (*t=16:30*)
 - **Don't chase losses!** Means, never move a **stop loss** further back if a trade doesn't go in your favour, hoping it bounces back your way. (*t=18:30*)
 - Don't cap your wins. The small wins basically offset your losses. But the big wins fill your pockets. If a trade continues to go in your favour, let it go until your indicators tell you to leave. (*t=19:30*)
 - **Example** given with **stop loss, take profit, break even** and **trailing stop**. (*t=21:30*)
- Upcoming in future videos:
 - More trade management strategies
 - Entry strategies (indicators)
 - Learn more things to avoid
 - More trading psychology