

NNF Essentials on Core Concept Videos

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

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

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

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 sitting above or below price and how big those are (*t = 06:30*). The banks move the pices 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 that the USD pairs, e.g. GBP/JPY. (*t = 26:20*)
 - Don't trade the news! (*t = 27:50*)

[Big Banks Part Two](#) / [- - -]

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*)
 - **Metals** limited influence on gold and silver (*t=24:30*)
 - **stocks** banks influence (*t=26:00*)
 - **Crypto** isn't "traded". Allmost 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.