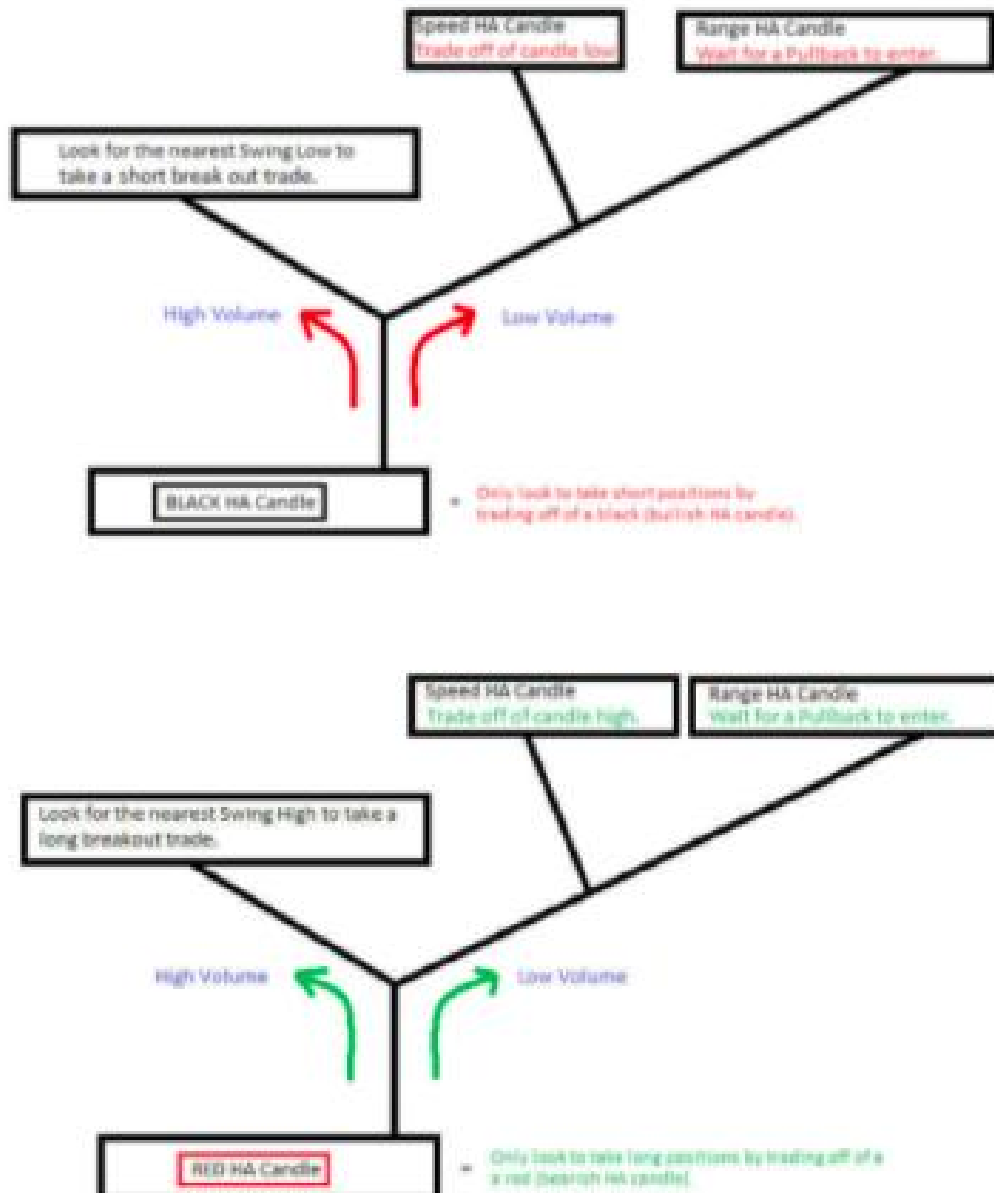
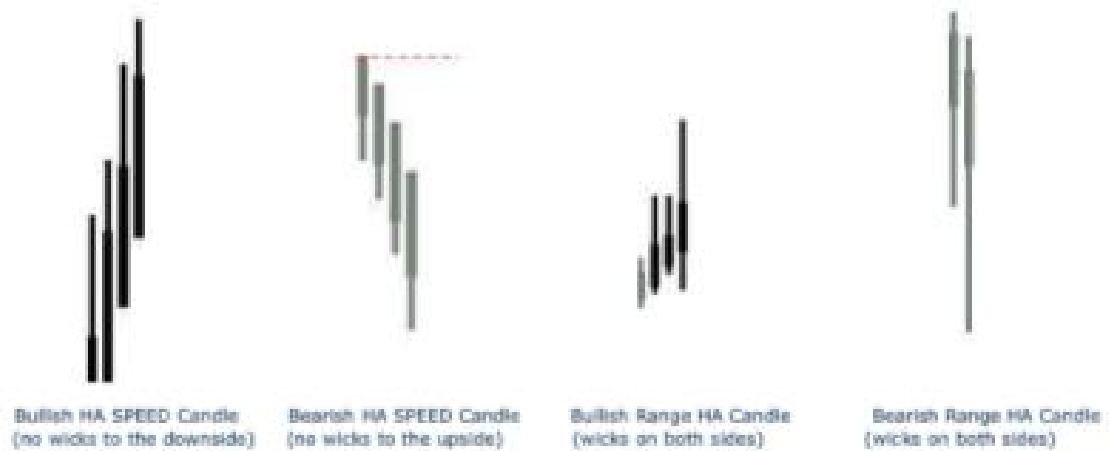


Heikin Ashi PA (price action) Volume Trading – Overview:



We are using Price Action to trade off of Heiken Ashi candles.

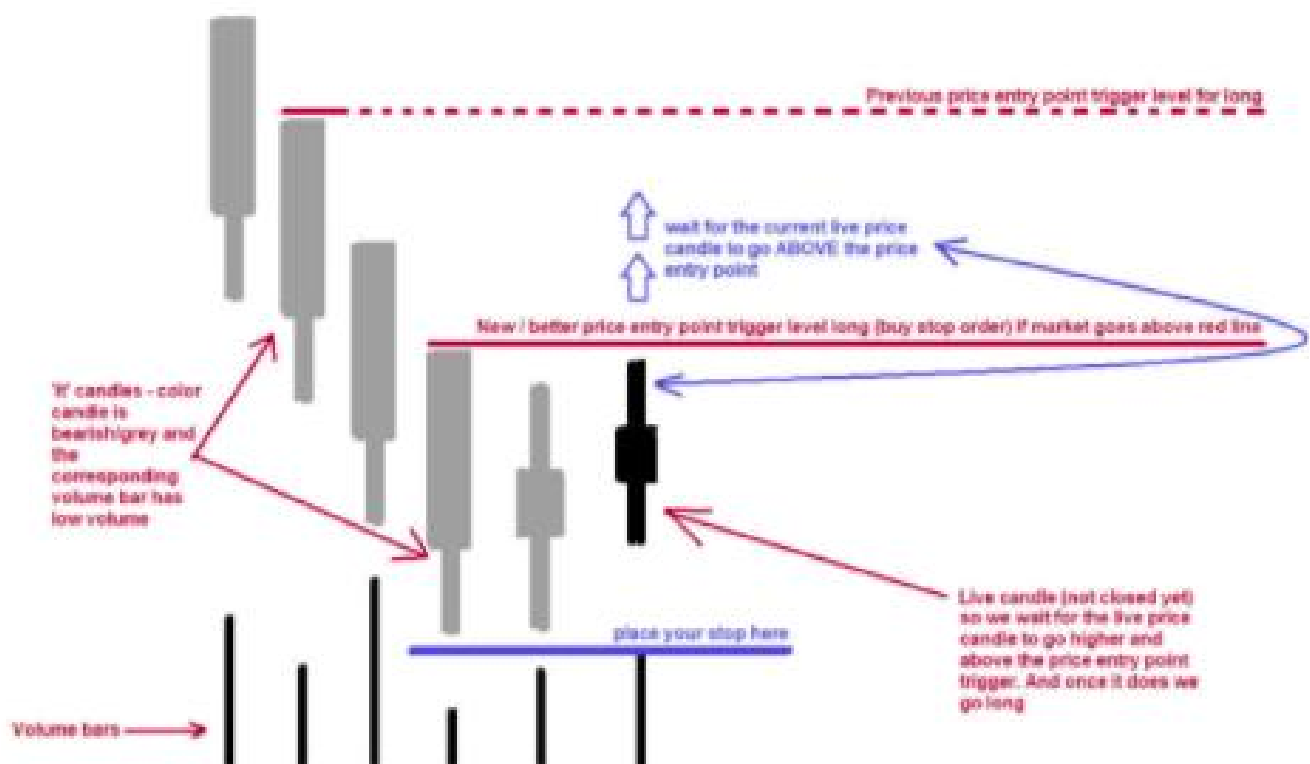
We look to go SHORT on Black coloured HA candles, and LONG on Red coloured HA candles.

We differentiate between low volume HA candles and high volume HA candles.

THE LOW VOLUME SPEED HA ENTRY:

The requirements for a Low Volume Speed HA candle to trade **LONG** positions must be as follows:

- Step 1: A bearish (**red coloured**) closed Speed HA candle
- Step 2: This closed red HA candle must have a corresponding low volume bar - this volume bar must be lower than it's previous volume bar on it's left.
- Step 3: Identify the earliest possible HA candle for an entry point for a long position, which will be, as and when price **risers and goes above** the TOP of the body of this low-volume-bearish-speed HA-candle, then, once this 'it' candle gets 'activated' by the **current (live) price going above it** - only then go long. Place the stop below the low, or, if there are an accumulation of HA candles, then place your stop there, below the candle accumulation.



Example for Long setup:

If this live price candle (live candle being, the candle to the most right hand edge of the chart) rises above the price entry level of the 'X' candle, then go long.

Wait for price to go above the price entry level

price entry level

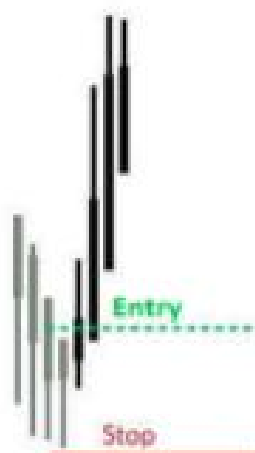
live candle

place your stop here

This is the 'X', or the trade-off of candle

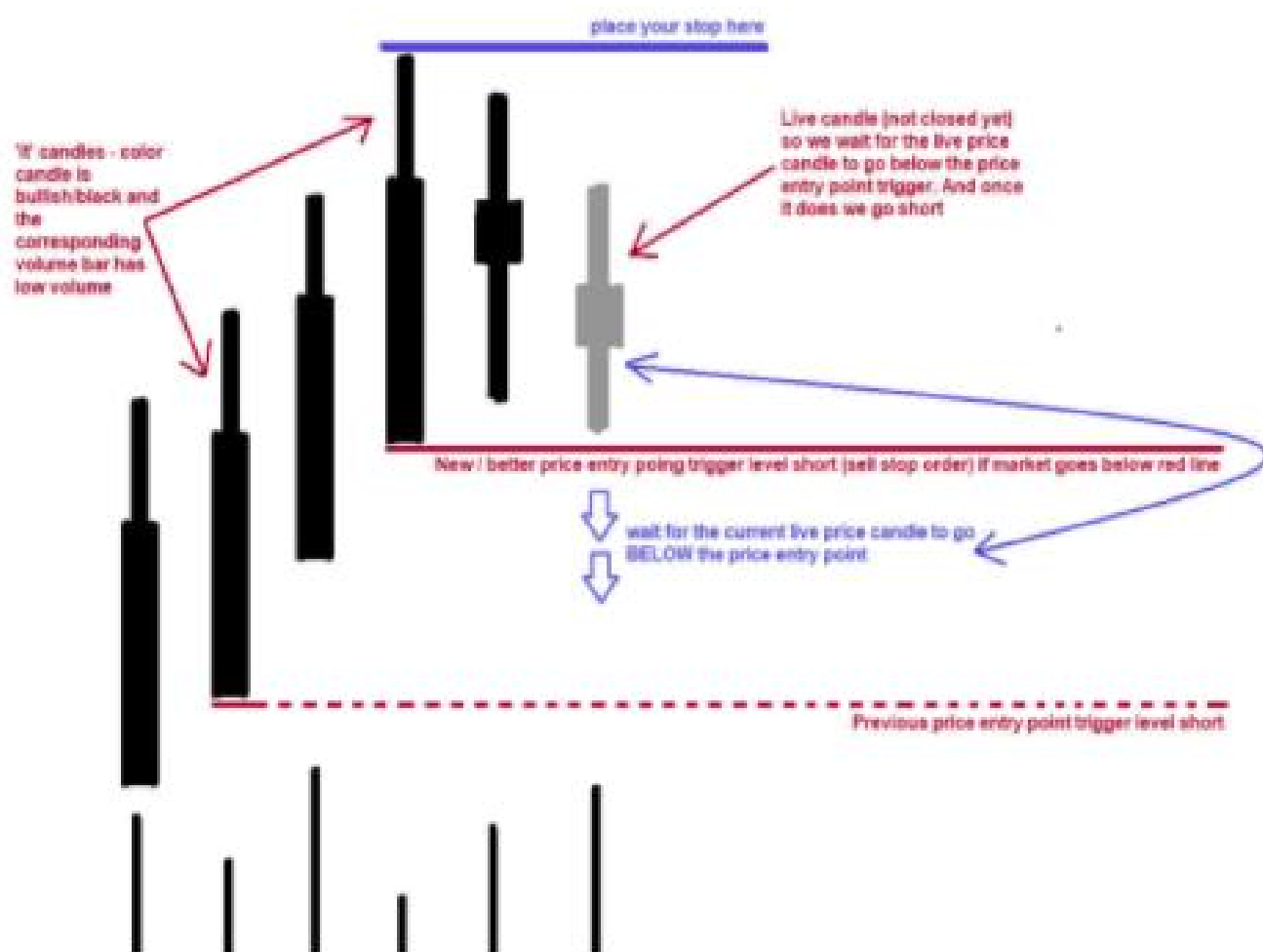
Condition met:
 - Bearish HA candle
 - Lower Volume Bar than the previous Volume Bar

The live price candle may change its colour and volume size, but, we are not interested in the current live candle's colour, nor its volume size! We only need to look for the most previous closed **red/bearish** HA candle for going **long**.



The requirements for a Low Volume Speed HA candle to trade **Short** positions must be as follows:

- Step 1: A bullish (black coloured) closed Speed HA candle
- Step 2: This closed black HA candle must have a corresponding low volume bar - this volume bar must be lower than it's previous volume bar on it's left.
- Step 3: Identify the earliest possible HA candle for an entry point for a short position, which will be, as and when price **falls and goes below** the **BOTTOM** of the body of this low-volume-bullish-speed HA-candle, then, once this 'it' candle gets 'activated' by the **current (live) price going below it** - only then go short. Place the stop above the high, or, if there are an accumulation of HA candles, then place your stop there, above the candle accumulation.





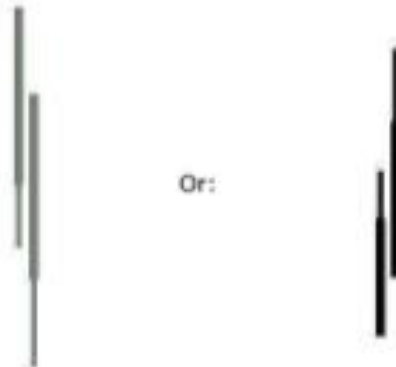
Note:

The live price candle may change it's colour and volume size, but, we are not interested in the current live candle's colour, nor it's volume size! We only need to look for the most previous closed **black/bullish** HA candle for going **short**.

The Low Volume Speed Candle Breakout Trade – overview:

What Is a Speed Candle?

A speed Heiken Ashi candle will only have one wick either on the top side of the candle if it is a **BULLISH** Heiken Ashi candle or it will have a wick on the bottom side of the candle if it's a **BEARISH** Heiken Ashi candle. Speed candles only have one wick and one large body, here are some examples:



Step 1

Make sure the speed candle you are anticipating a breakout on has low volume

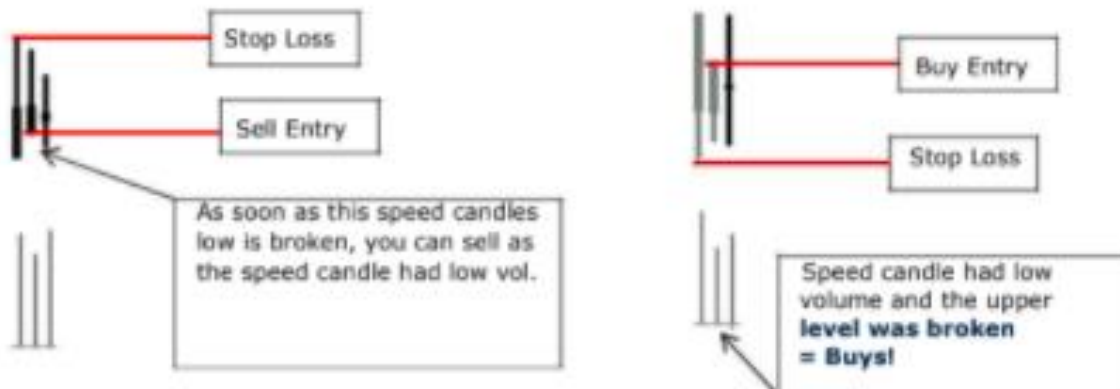
Here is an example of what low volume is:



Step 2

For **BEARISH** speed candles as soon as price BREAKS the upper level – the **current live** price **MUST** go **above** the **closed** bearish speed candle, and you check if the speed candle has low volume, then we will place a **BUY** market order.

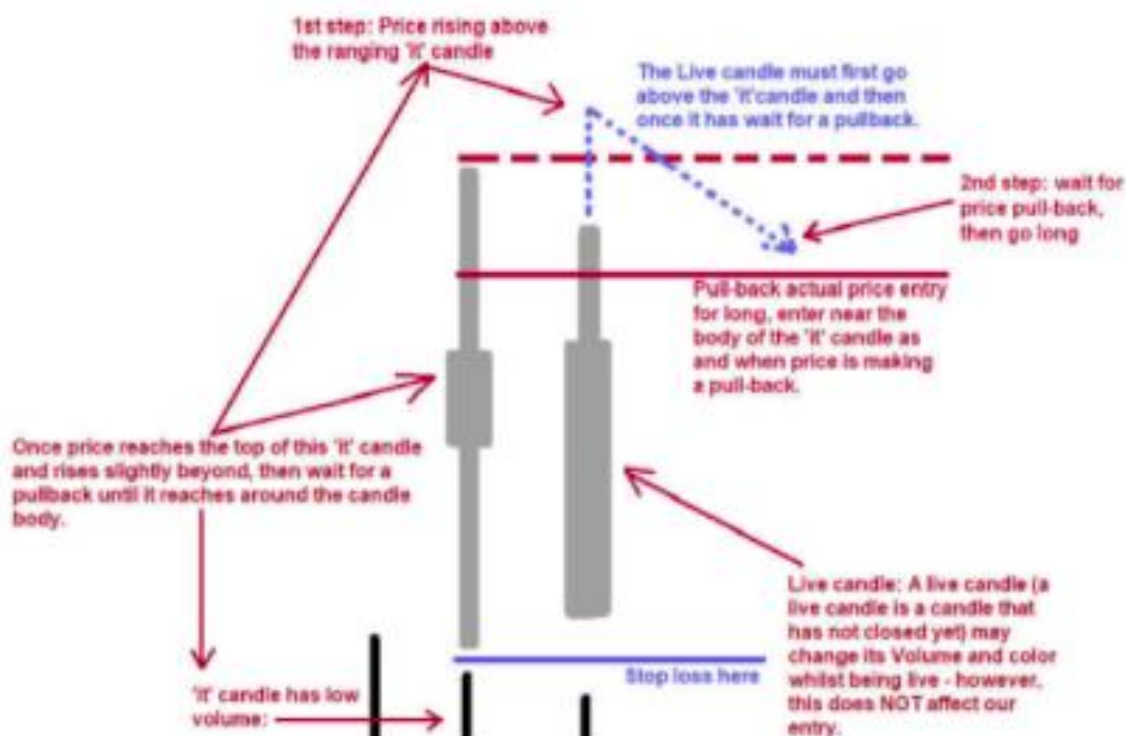
For **BULLISH** speed candles as soon as price BREAKS the lower level – the **current live** price **MUST** go **below** the **closed** bullish speed candle, and you check if the speed candle has low volume, then we will place a **SELL** market order.



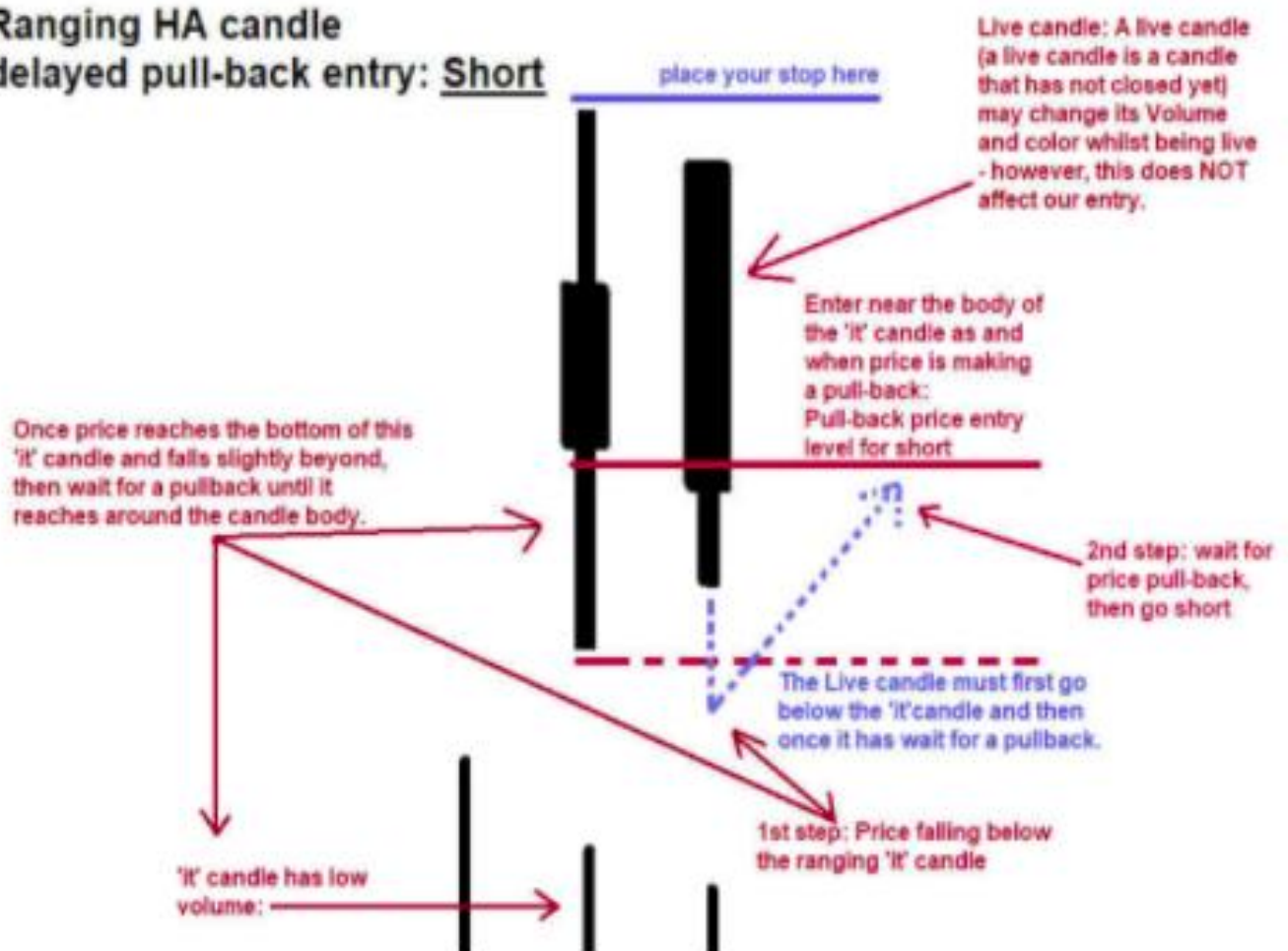
THE LOW VOLUME RANGE HA ENTRY:

In the handbook on page 54, we learn about the ranging HA (Heiken Ashi) candle. If the entry candle (or the 'trade-off of candle' / or the 'it candle') has both, an upper and a lower wick (which means, it's a ranging HA candle) it may be possible to gain some extra pips by allowing the price to pass the entry point first, but before entering a trade, to wait for a pull back below the entry point price level, and then enter a trade.

Ranging HA candle delayed pull back entry: Long



Ranging HA candle delayed pull-back entry: Short



The Range Candle Low Volume Entry – overview:

What is a Range Candle?

A range Heiken Ashi candle will have a small body and an upper and lower wick. Here is an example:



For this price action setup, we will be trading the breakout of the range candle. For **BEARISH** range candles, we will be trading the breakout to the upper wick. For a **BULLISH** range candle, we will be trading the breakout of the lower wick. **However, before we trade these breakouts we must follow the following rules.**

Step 1

The range candle you are anticipating a breakout on **MUST** have **LOW** volume. Here is an example of what **LOW** volume looks like:



When we are looking for low volume we are always comparing the volume bar size to the previous volume bar. Therefore, if the range candles volume bar is smaller than the previous volume bar that shows LOW volume.

Step 2

BEARISH (red) RANGE CANDLE = BUY ON THE BREAK OF THE UPPER WICK **SUBJECT TO A PULLBACK.**

BULLISH (black) RANGE CANDLE = SELL ON THE BREAK OF THE UPPER WICK **SUBJECT TO A PULLBACK.**

Step 3

When price breaks the range candle you **MUST** wait for pullback before you enter

Things to Remember

- When entering a trade on a **RANGE HA Candle ALWAYS** wait for a pullback/retrace
- The smaller the Heiken Ashi range candles **body** the more you wait for a pullback/retrace.
- The more Range Heiken Ashi candles are present the more you wait for even a farther pullback/retrace.