# Simple Guide How to Be a Pro Trader within 1 Day – Learn how professional trader make tons of money by trading in forex market.

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## Step 1 – Psychological Mind-set to Trade with the trend (Momentum)

Trader need to gauge market trend and momentum. The easy way to understand this is to flashback our life experience. Take a look picture below.



Have you ever experienced this once in your lifetime? What do you need to do to get swing higher? Yes! You need to push yourself to swing higher, the more you push the higher you could reach. When you push yourself with maximum momentum, you will swing forward higher and when the momentum disappear you will swing backward and keeps on repeating again and again. Now let's see this phenomena on chart.
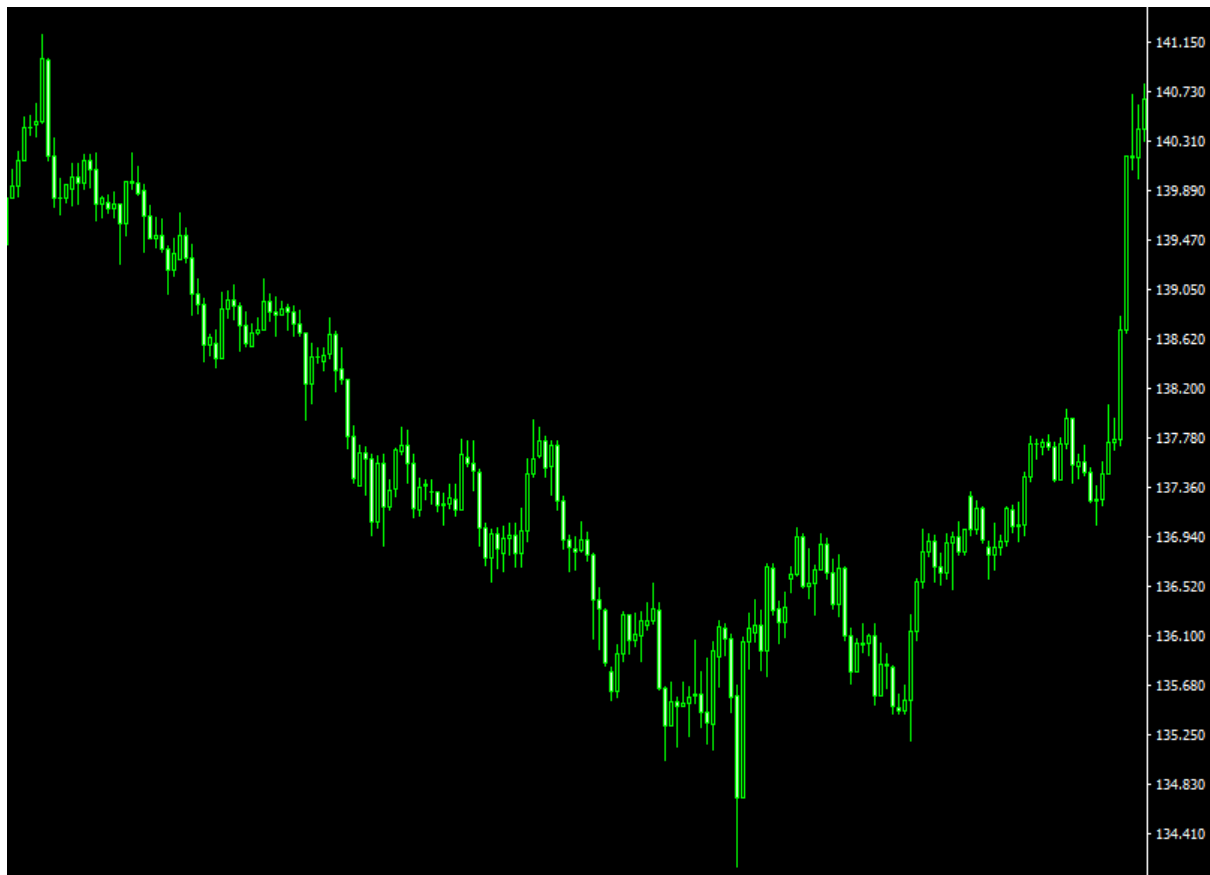
This is euro currency versus yen (EURJPY) chart. Its look like "U" shape! Now we should have in mind that this chart movement just like a swing!
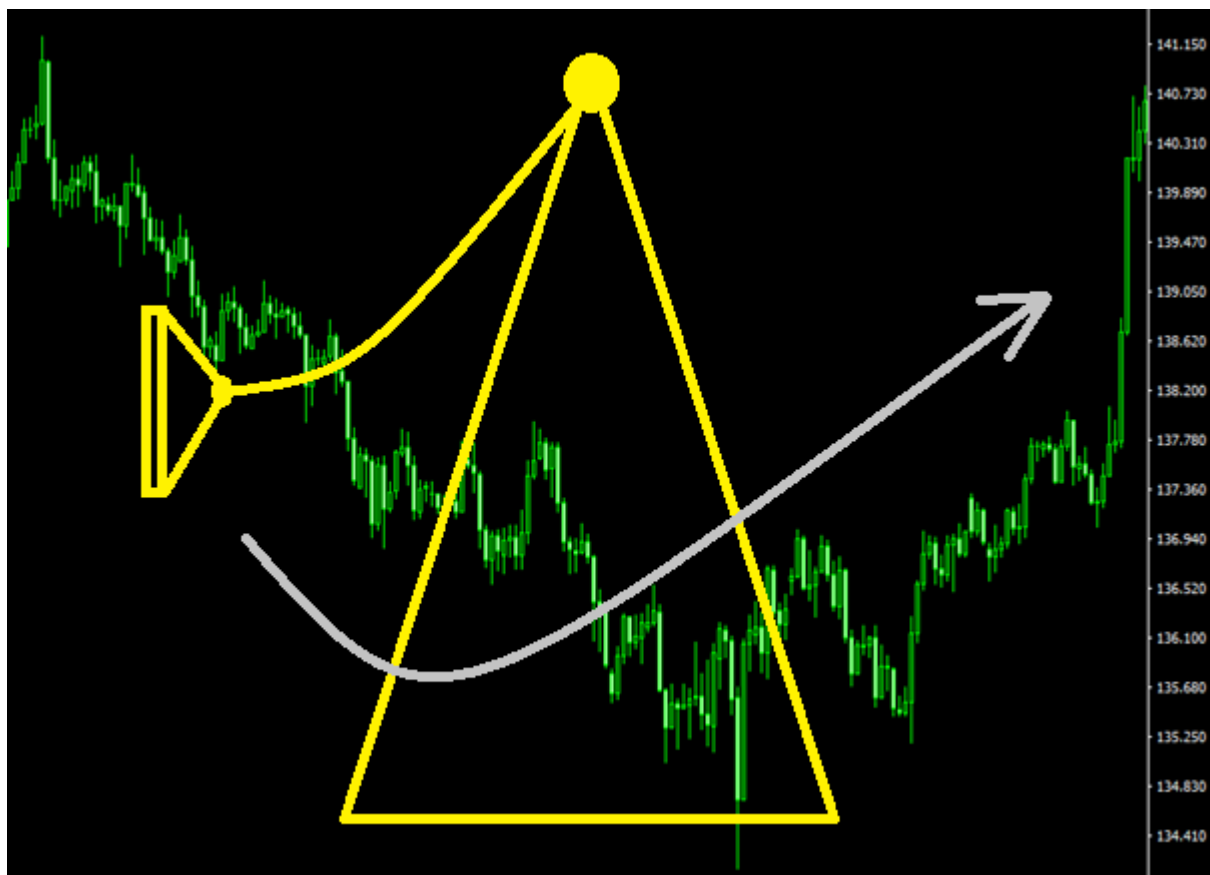
Now did you see the momentum clearly? So.. You need to have this mind-set every time you staring at chart. Now let's put some tools (technical indicator) for our extra analysis.

## Step 2 – Chart Setups

- **Any Instrument Chart (In this example we load EUR/JPY chart)**
    - Timeframe = H4 (Candle stick formed every 4hours)
    - Set to candlestick chart

- **Moving Average Indicator (EMA)**
    - Period = 50
    - MA Method = Exponential
    - Apply to = Closed price
    - Shift = 0
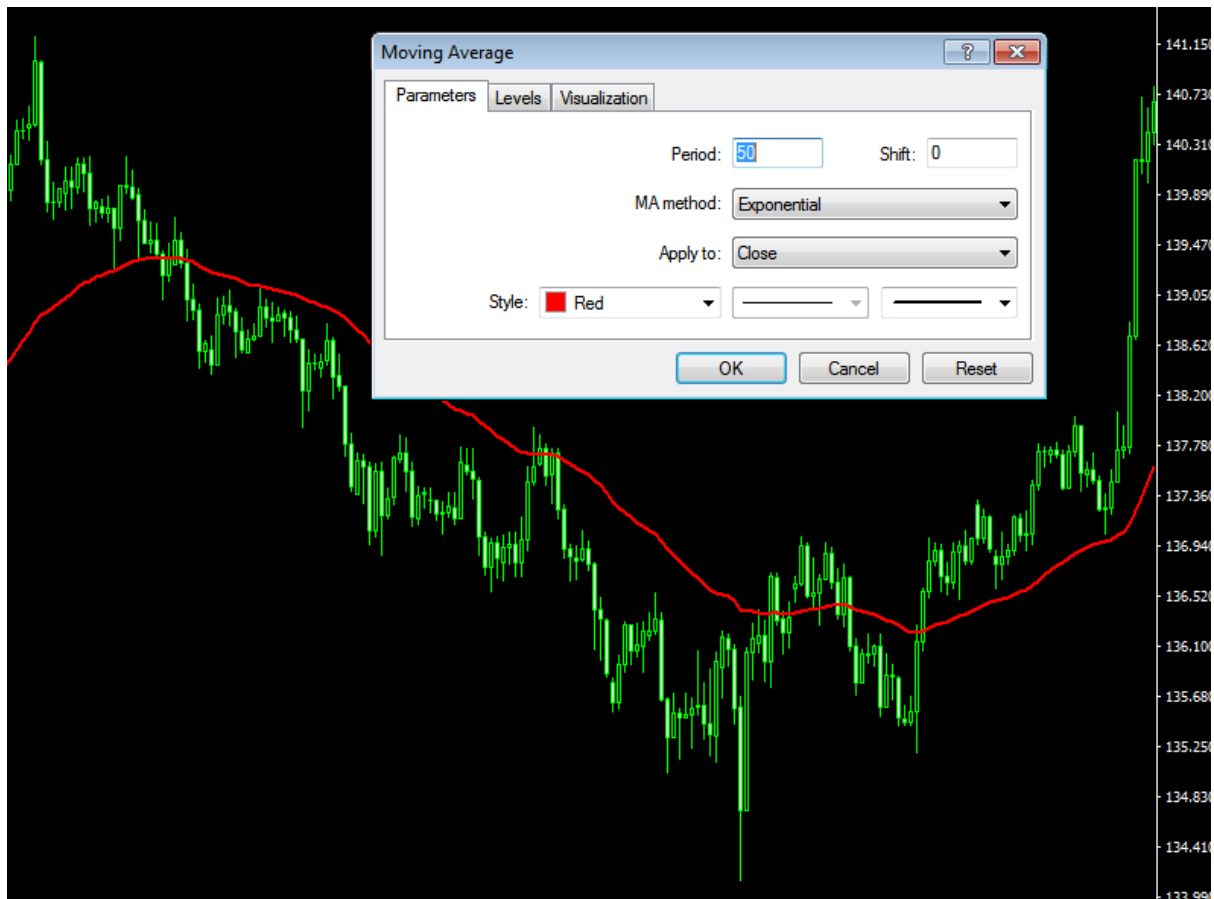
Moving Average – Used to plot chart trend, which is calculated by total sum of every closed candle price (50 closed candle price) and divided by 50 to get average price.
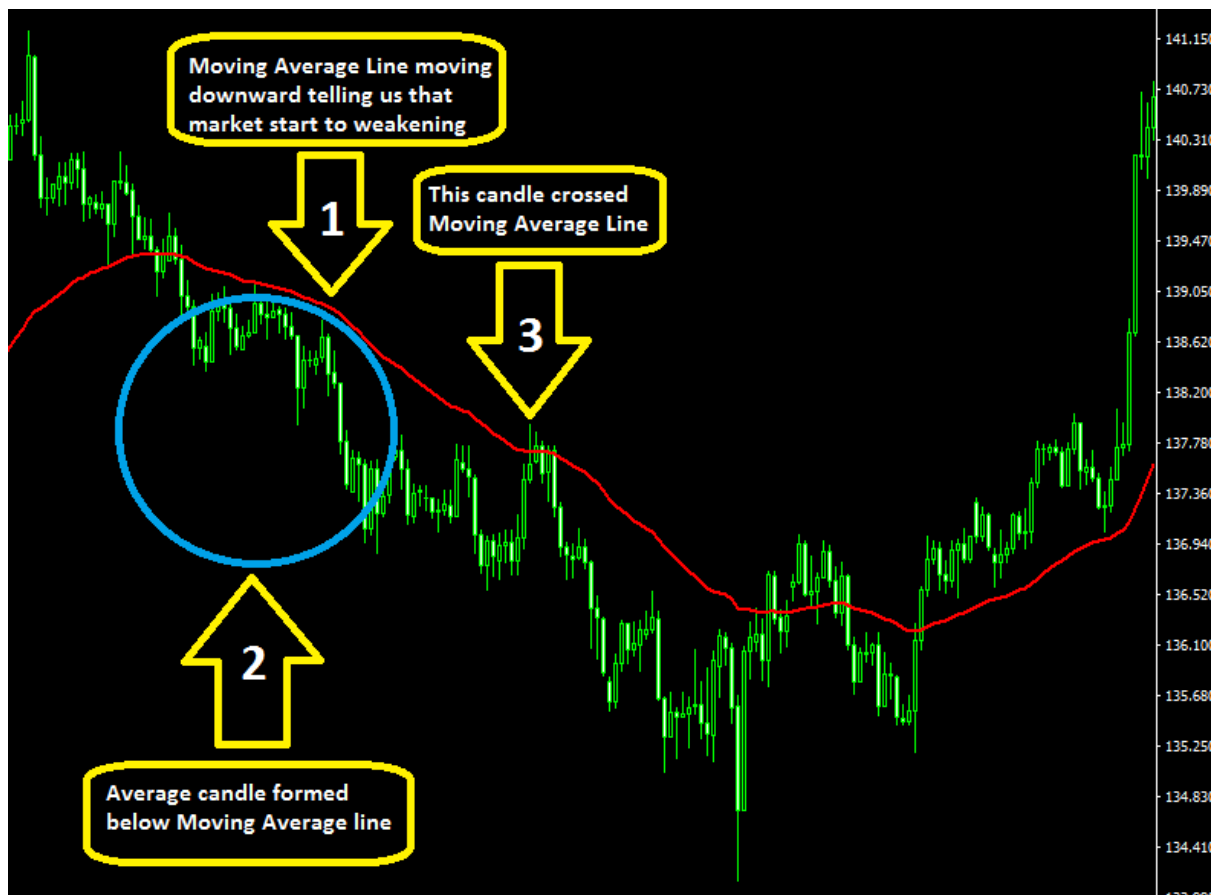
## Step 3 – Trade Decision and Setups

*How to take advantage from this momentum?*

Now we going to make decision either to make a sell order or buy order. In this example I'm going to make a sell order because the Moving Average line moving downward (as per #1 on picture above).

1. After you plot Moving Average Indicator, the first thing you should do is to see the formation of the Moving Average line either its moving upward or downward.
2. When you spot average candle is formed below moving average line, you will tell yourself "I'm going to look for sell opportunity!".
3. Wait until the latest candle to cross the moving average line (but wait until that candle completely formed!).

## "The candle that crossed Moving Average line (EMA), we called it as *SIGNAL CANDLE*"

This line is where we going to put our StopLoss price

This line is where we going to put our SellStop Order price

4. Mark the high and low price of candle (signal candle) that crossed the Moving Average line (see above picture).

"Remember to *add* 2 or 3 pip for upper marking line from candle's high price and *minus* 2 or 3 pip for lower marking line from candle's low price"
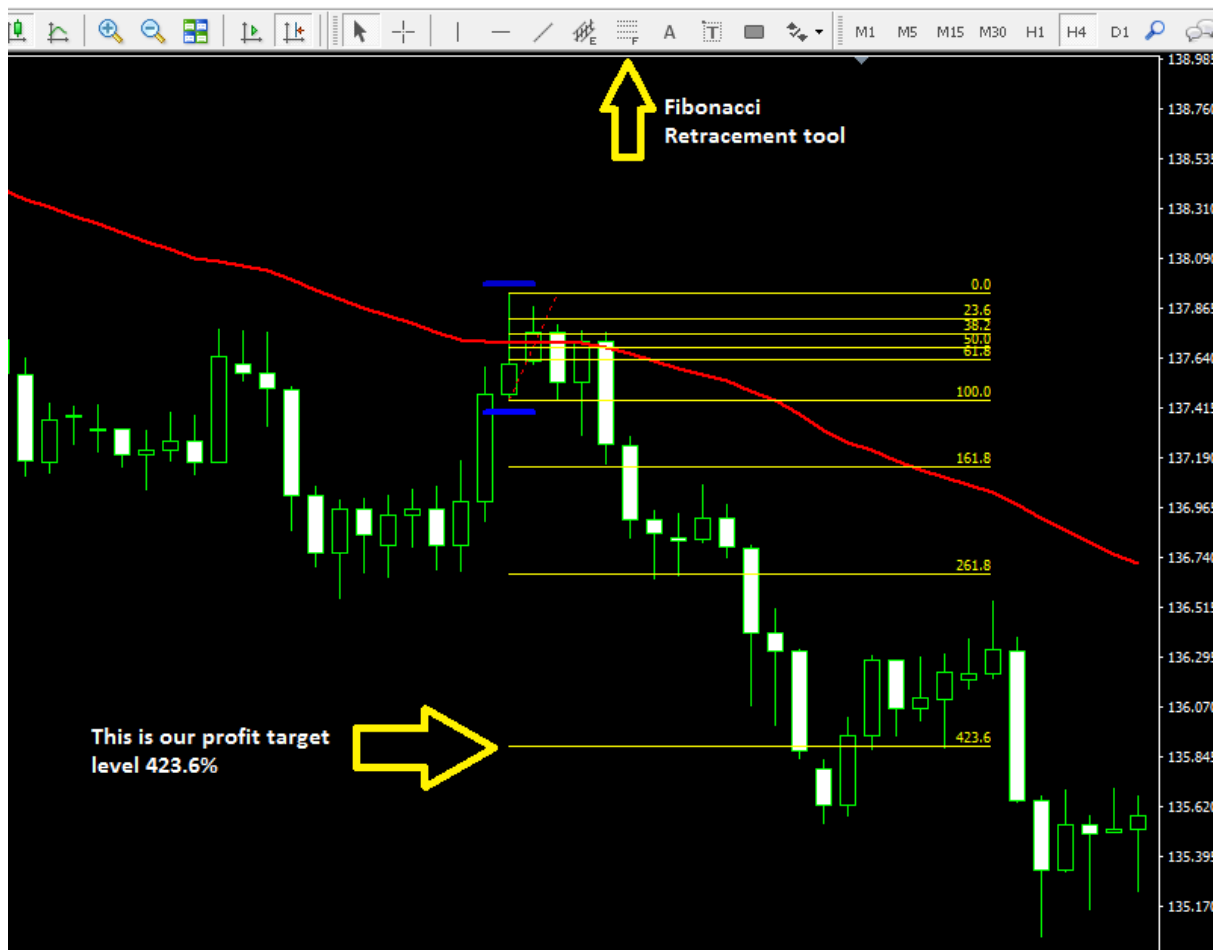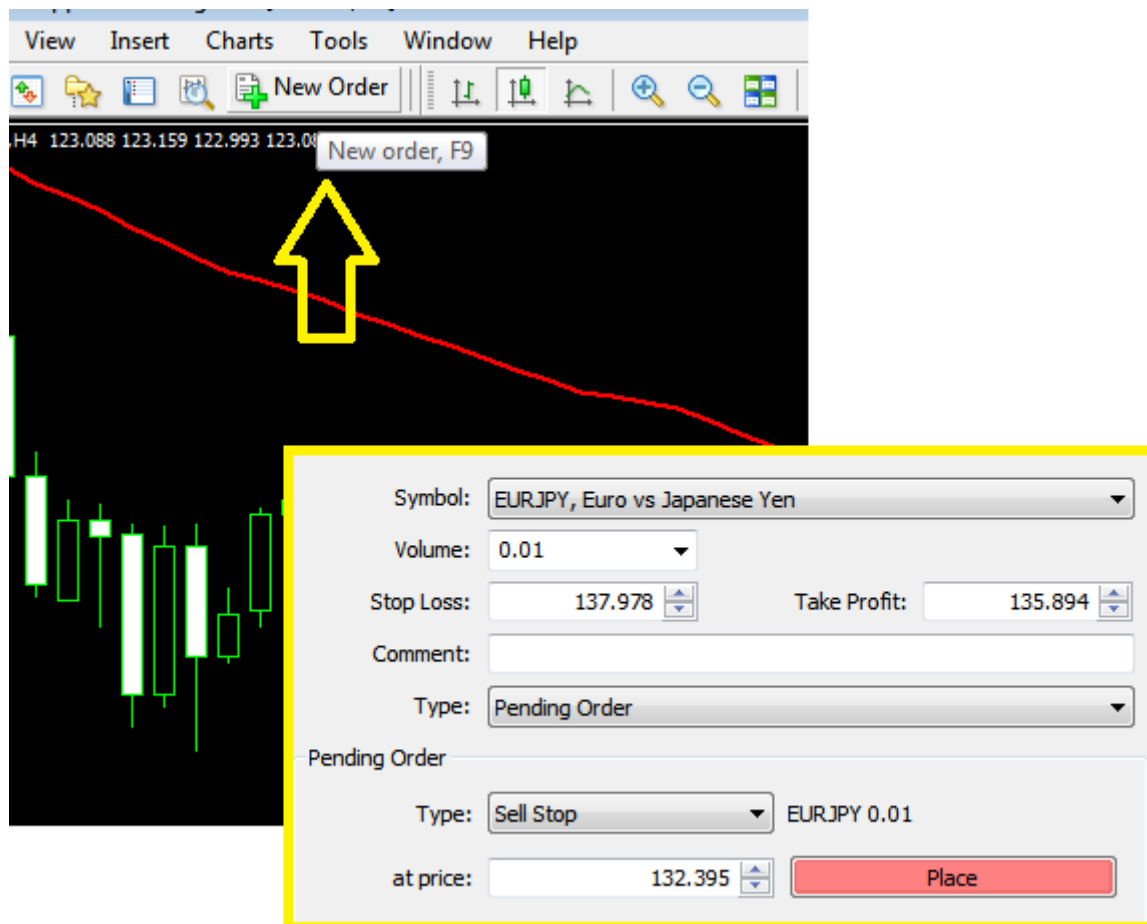
5. Use Fibonacci Tool to get profit target price (Take-Profit / TP) by drag from low candle price to high candle price.

"Fibonacci Retracement used widely by professional trader to measure reasonable risk reward"

6. Note our entry price, stop loss price, and take profit price

7. Submitting our Pending Order (PO);
   a. Entry/PO price = 137.395 (after minus 3pips from candle low price)
   b. StopLoss/SL price = 137.978 (after add 3pips from candle high price)
   c. TakeProfit/TP price = 135.894 (taken from Fibonacci 423.6% price level)

By clicking on "New Order" tab, new window will show up with order form for you to fill your order price. Make sure you choose Pending Order type and Sell Stop type (in this example we want to sell) and click "Place" button when you're done.

8. From above picture we could see that;

   1. When you see the price at this moment (candle 1), it crossed the Moving Average line but we have to wait until the candle complete its formation (4hours) before we can called it as ==signal candle==.

   2. The moment you see candle (1) complete and forming new candle (2), you should start **marking** the **high** and **low** price of **candle (1)** and **drag Fibonacci retracement** from low to high of candle (1) to get **TakeProfit** price and place your order by clicking "New Order" button to fill the SellStop order form.

   3. Candle (3) forming and until it's complete, price still not touching your pending SellStop order.

   4. Candle (4) forming and after couple of minutes, price touch your pending SellStop order at price 137.395 (this moment, your pending order activated and become sell order) and above your sell order. Even though the candle (4) closed above you sell order, it still not hitting your StopLoss price.

   5. Candle (5) forming and after couple of minutes, price fall instantly below your sell price (this moment, you are in profit).

   6. After couple of candle formed, price keeps on falling farther and finally hit your TakeProfit target and you win 150 total of pips. If you sell with 0.1lot, you will gain USD150 for this trade.

# Step 4 – Reducing Risk by filtering market noise

Now let's see another example and this time, we need to reduce our risk by adding another one indicator to simplify our entry setups. There are lot of opportunity in any financial markets but there are a lot of distortion (noise) too. This noise will minimize your winning chances if you don't know how to filter it. Let's get started!

<mark>"To filter noise, we use Average True Range Indicator (ATR)"</mark>

- *Average True Range Indicator is calculated by average (of 50candle in our setups) candle length (High price – Low Price of each candle). It is used to measure volatility instead of price direction.*

## Recap – Trade setups

- **Load Any Instrument Chart (in this example we load USD/JPY chart)**
    - o Timeframe = H4 (Candle stick formed every 4hours)
    - o Set to candlestick chart
- **Moving Average Indicator (EMA)**
    - o Period = 50
    - o MA Method = Exponential
    - o Apply to = Closed price
    - o Shift = 0
- **Average True Range Indicator (ATR)**
    - o Period = 50

## RULES - How to use ATR in our trading setups?

i) **When you spot signal candle (that crossed our EMA line), calculate how many pip its length by subtracting the High price with the Low price of that candle**

ii) **Compare the signal candle pip length with ATR value (we take ATR reading with 2 decimal point only). If the signal candle pip length is below than ATR value, we use 423.6% Fibonacci level. And if the signal candle pip length is above than ATR value, we use 261.8% Fibonacci level.**

iii) **BUT! If signal candle length is 3 times greater than ATR, the signal candle considered as not valid.**

iv) **I advise you to reduce the Take Profit (TP) value about 2 or 3 pip to avoid spread widen that might cause our Take Profit (TP) not hit.**

<mark>"If signal candle length is 3 times greater than ATR value, wait for another signal"</mark>

This chart is taken from USD/JPY currency and I believe you already saw 4 signal candle there. Now let me mark it for clearer view. Take a look at next picture.



Now from above picture you could see that we had 4 swings/wave (which marked with yellow curve line) and each swing had 1 signal candle that marked with red arrow below the signal candle. Each signal candle have their own ATR value.
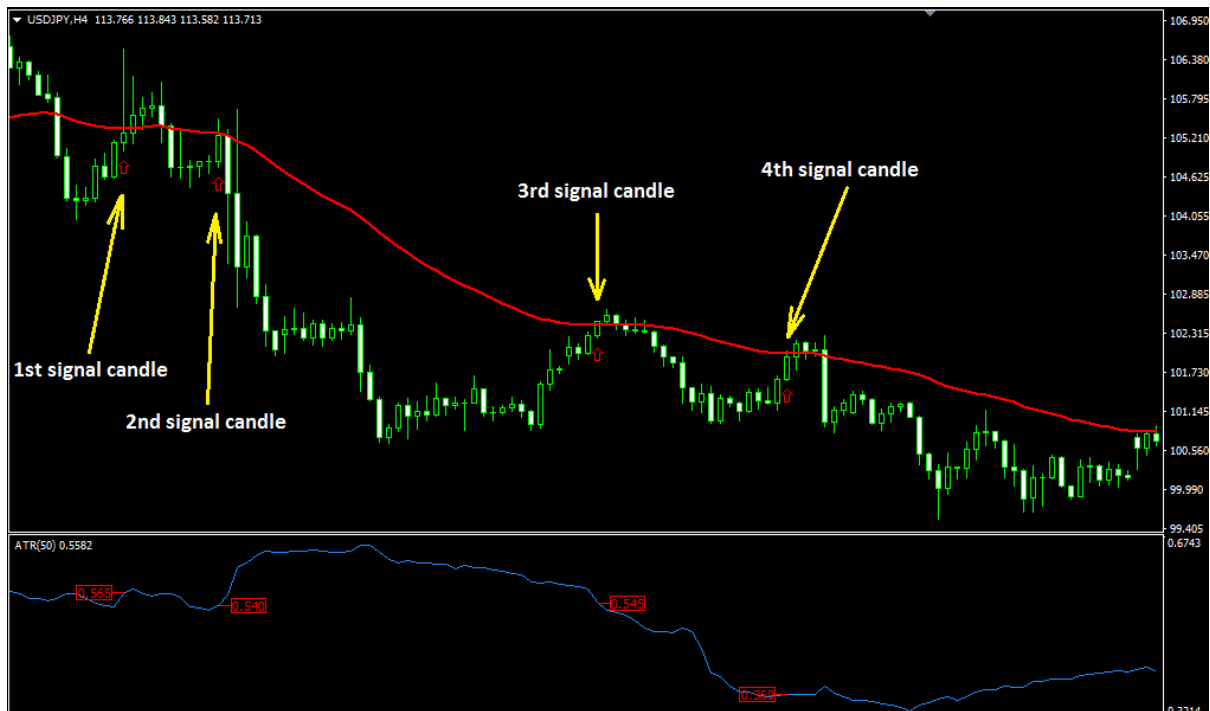
We've got 4 signal from above picture but we need to analyse their risk reward. Now let's evaluate signal by signal;
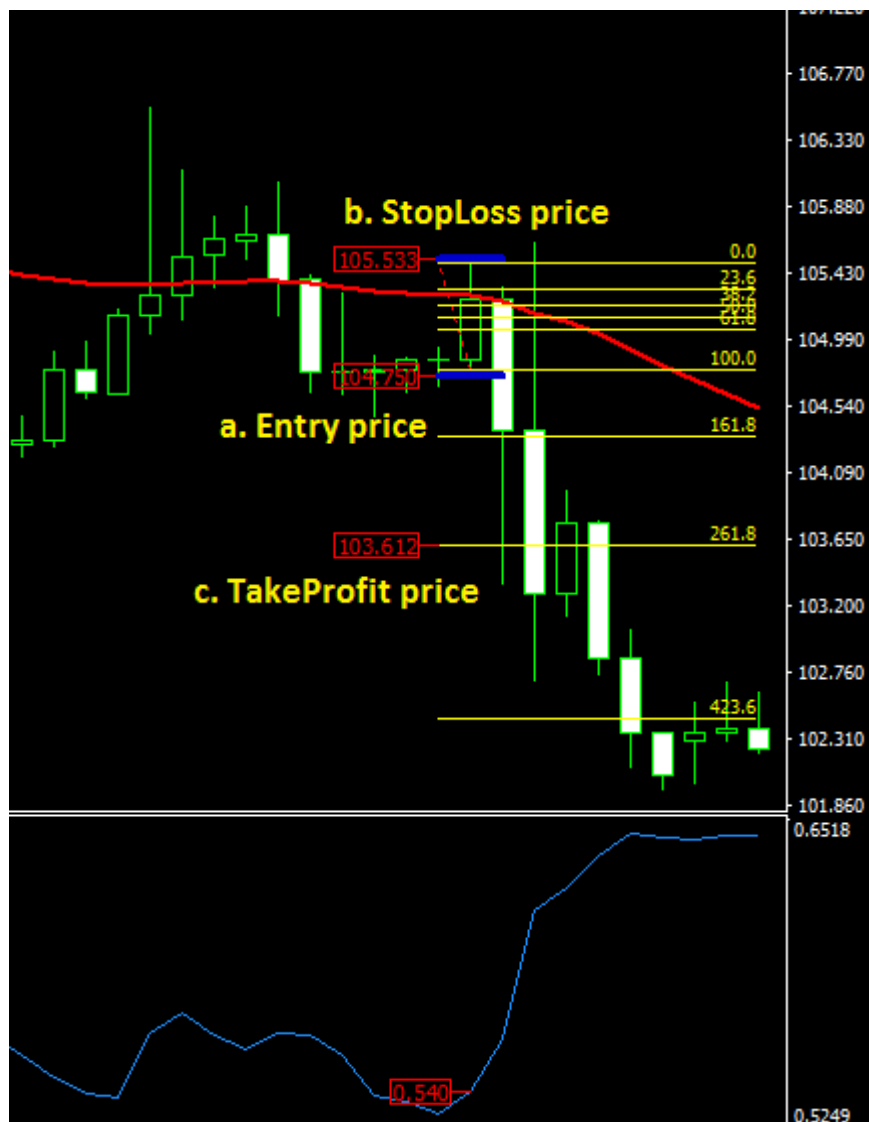
**1) 1st signal**

    i)        Candle high price = 106.542

    ii)      Candle low price = 105.027

    iii)    Candle length (High-Low price) = 151.5 pips

    iv)    ATR value (2decimal) = 57

    v)     Signal valid? = Candle length is 2.66 times bigger than ATR but not greater than 3 times, YES

    vi)    StopLoss price (SL) = 106.572 (after +3pips)

    vii)   SellStop price (entry price) = 104.997 (after -3pips

    viii)   TakeProfit price = 102.559 (261.8% Fibonacci level/candle length above ATR)

    ix)    Total profit in pip = 243.8 pips
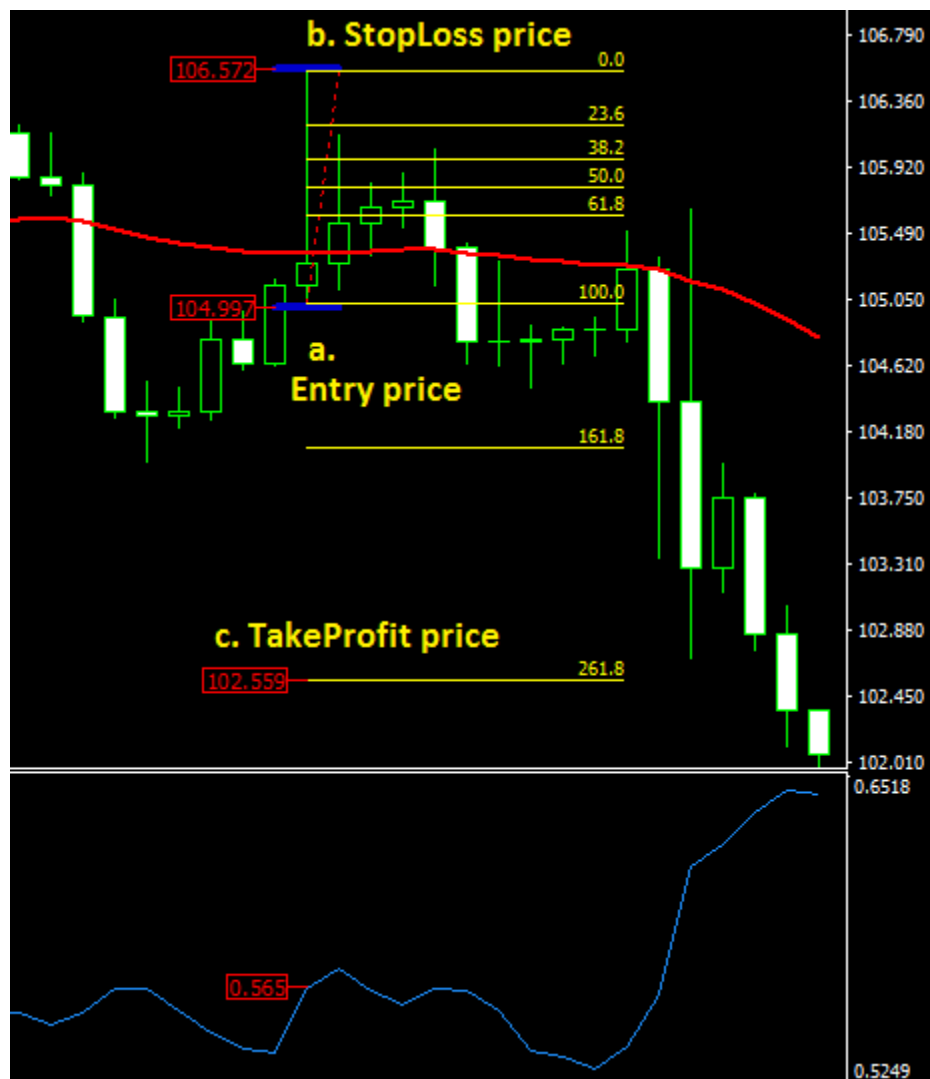


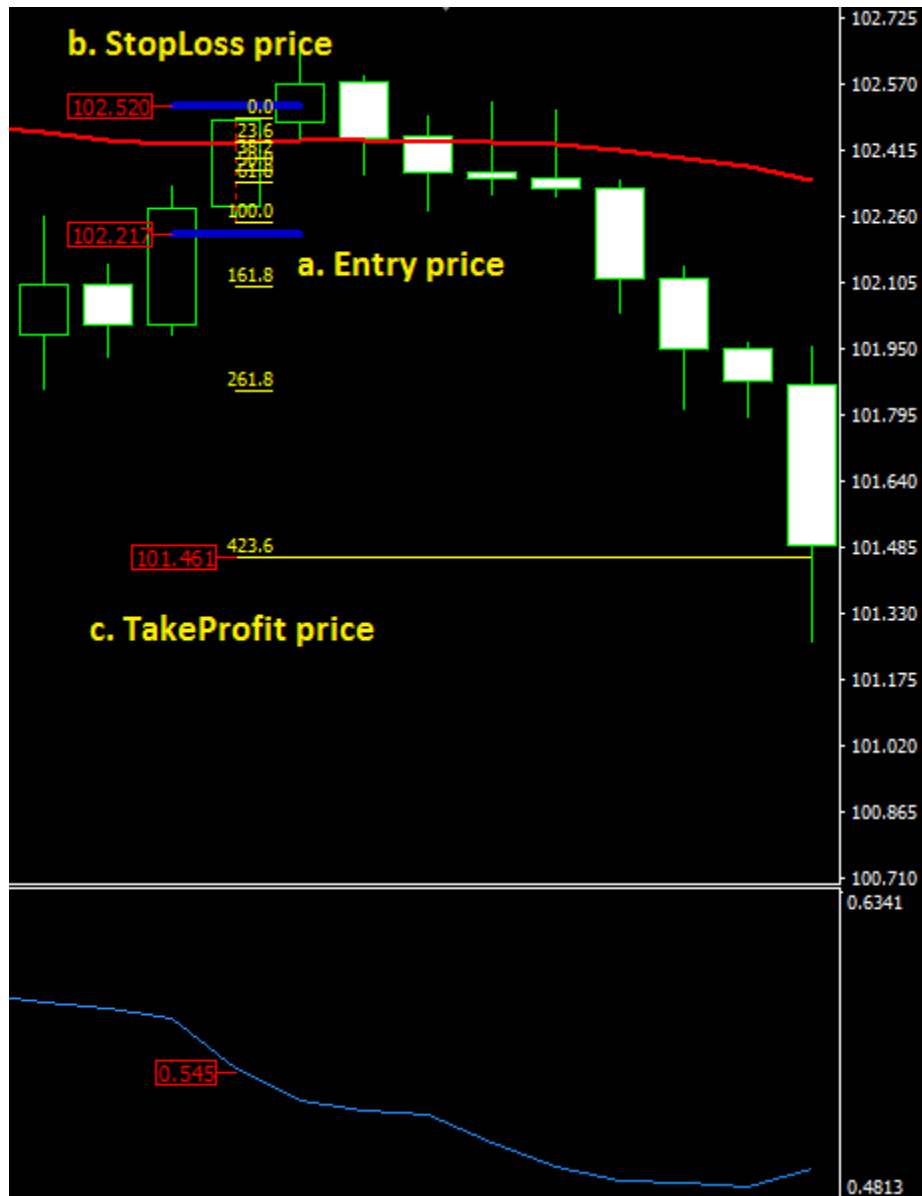SellStop order executed after 5 candle formed and hit TakeProfit at 15th candle.

**2) 2nd signal**

     i)        Candle high price = 105.503

     ii)       Candle low price = 104.780

     iii)     Candle length (High-Low price) = 72.3 pips

     iv)     ATR value (2decimal) = 54

     v)      Signal valid? = Candle length is 1.23 times bigger than ATR, YES

     vi)     StopLoss price (SL) = 105.533

     vii)    SellStop price (entry price) = 104.750

     viii)   TakeProfit price = 103.612 (261.8% Fibonacci level/candle length above ATR)

     ix)     Total profit in pip = 113.8 pips



SellStop order executed on the next candle and hit TakeProfit at the same candle.

**3) 3rd signal**

        x)        Candle high price = 102.490

        xi)       Candle low price = 102.247

        xii)      Candle length (High-Low price) = 24.3 pips

        xiii)     ATR value (2decimal) = 54.5

        xiv)    Signal valid? = Candle length is below than ATR, YES

        xv)     StopLoss price (SL) = 102.520

        xvi)    SellStop price (entry price) = 102.217

        xvii)   TakeProfit price = 101.461 (423.6% Fibonacci level/candle length below ATR)

        xviii)  Total profit in pip = 75.6 pips



SellStop order executed after 6 candle formed and hit TakeProfit at 9th candle.

**4) 4ᵗʰ signal**

| | |
|---|---|
| xix) | Candle high price = 102.054 |
| xx) | Candle low price = 101.611 |
| xxi) | Candle length (High-Low price) = 44.3 pips |
| xxii) | ATR value (2decimal) = 36.9 |
| xxiii) | Signal valid? = Candle length is 1.2 times bigger than ATR, YES |
| xxiv) | StopLoss price (SL) = 102.084 |
| xxv) | SellStop price (entry price) = 101.581 |
| xxvi) | TakeProfit price = 100.927 (423.6% Fibonacci level/candle length below ATR) |
| xxvii) | Total profit in pip = 65.4 pips |
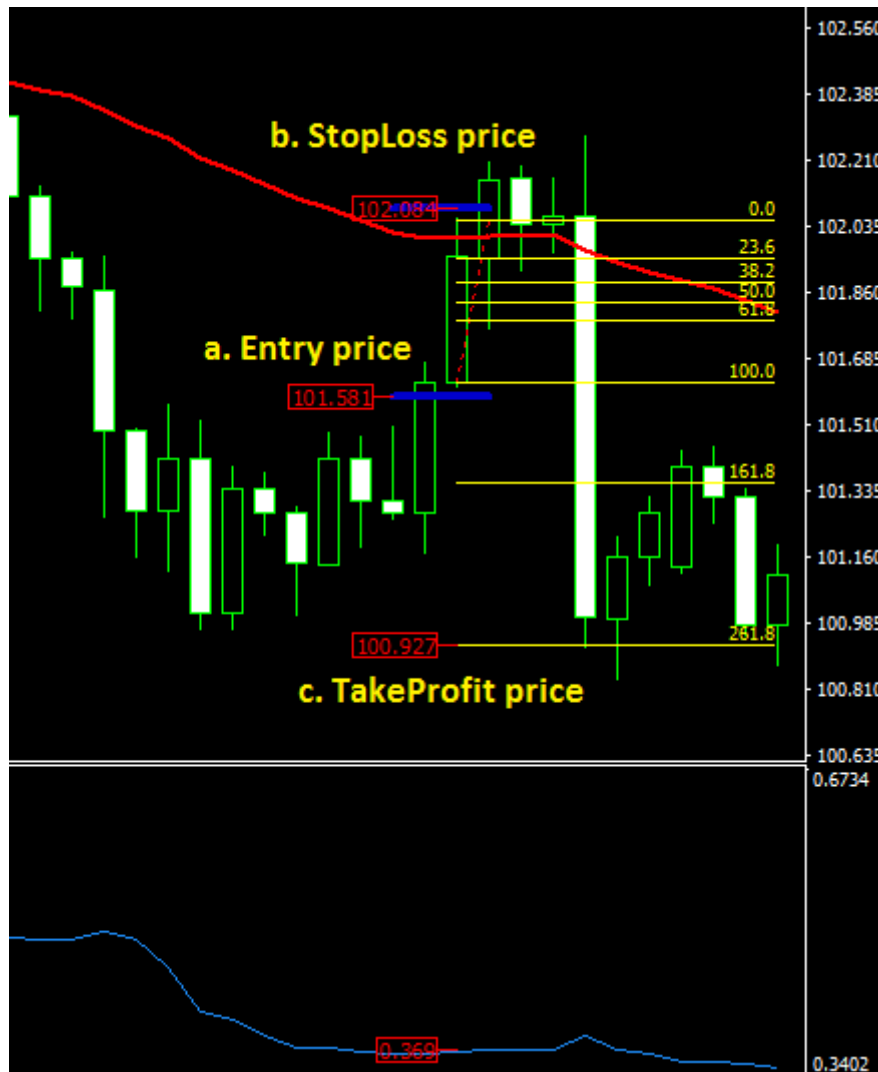


SellStop order executed after 4 candle formed and hit TakeProfit at the same candle.

All of 4 signal hit their TakeProfit (TP) with 498.3 total of pips won. If you're trade with 0.1lot for each signal, you will gain USD498.3!!