

TRADING PLAN



BLINDERS FOREX  
FINANCIAL SERVICES

BFFX

---

# INTRODUCTION:

Introduction:

- My trading plan revolves around primarily focusing on indices. As a short to medium-term trader, I aim to capture significant market moves, leveraging both swing trading and momentum strategies. While I primarily trade indices, I keep an eye on opportunities that align with my trading style.



---

# Market Analysis:

*Market analysis is solely based on price action (market structure), focusing on technical indicators and chart patterns. I do not rely on fundamental analysis but remain aware of major news events to avoid potential disruptions to my technical analysis. My approach involves identifying key support and resistance levels, trend direction, and momentum using various technical tools and methodologies.*

---

---

# Trading Strategy:

I employ a risk-to-reward ratio of 1:5, aiming for profits five times the size of potential losses. My risk tolerance is set at a maximum drawdown of 20% per trade and a profit-taking target of 100%.

My trading strategy utilizes multiple time frame analysis, focusing on the Weekly Time Frame (WTF), Daily Time Frame (DTF), and 4-Hour Time Frame (4HTF) to gain a comprehensive view of market direction. I identify key support, resistance, and liquidity levels for entry on the daily and 4-hour charts and wait for confirmation signals on the 4HTF.

Once confirmation is received on the 4HTF, I then look for the same entry opportunities on the 1-Hour Time Frame (1HTF), focusing on support, resistance, and liquidity zones to fine-tune my entries.

Additionally, I use the Average Directional Index (ADX) and Relative Strength Index (RSI) as additional confirmation tools, seeking confluence between price action and these indicators to strengthen my trading decisions.

---



---

# Trade Execution:

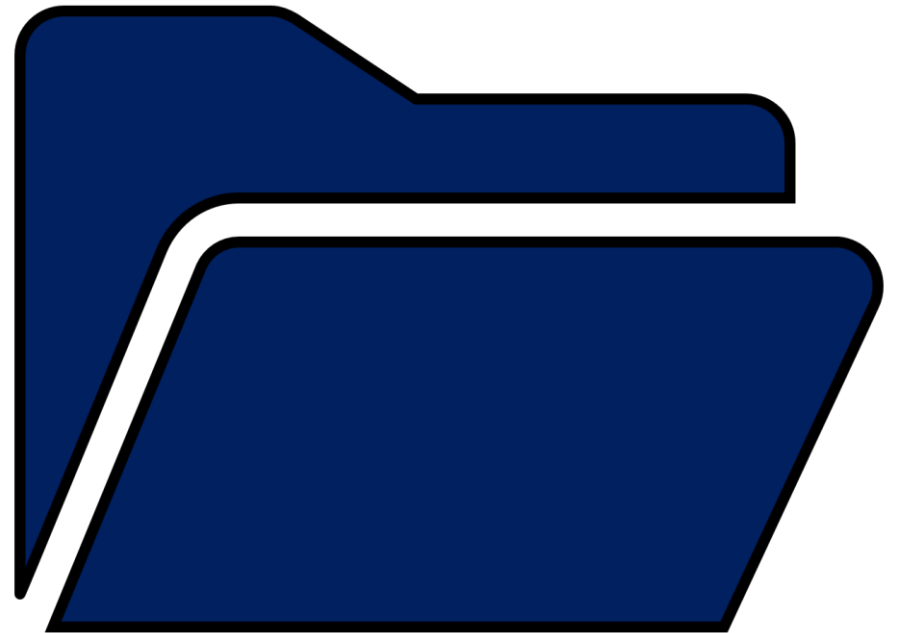
Trade Execution: Trades are executed during regular market hours using a combination of limit and market orders. I trade during economic events to capitalize on the volatility, basing my execution on market structure rather than fundamentals. My trading decisions are influenced by technical analysis and market patterns to identify optimal entry and exit points. Position sizes are determined based on the percentage of my trading capital allocated to each trade, ensuring effective risk management.

---

---

# Record Keeping:

All trades are meticulously documented in a trading journal, including entry/exit prices, trade rationale, and emotions felt during the trade. I conduct a weekly review of trade performance to identify strengths and weaknesses and make necessary adjustments to my strategy.



---

# Psychological Considerations

To maintain discipline, I adhere strictly to a predefined set of rules and resist the temptation to deviate from my trading plan impulsively. I recognize the importance of emotional control and practice mindfulness techniques to remain calm and focused during trading sessions.

Additionally, I implement a rule to take breaks during periods of high stress to prevent emotional decision-making. Once I've placed a trade, I detach emotionally from the market, avoiding the urge to constantly monitor price movements to prevent overtrading and emotional responses to market fluctuations.

---

---

# Review and Evaluation

Four 3D stars are arranged in a row on a dark, reflective surface. The stars are dark blue or grey with a slight 3D effect, casting soft shadows. The background is a dark teal color.

I review my trading plan quarterly to ensure alignment with my goals and make adjustments as needed based on changing market conditions or personal circumstances. Performance is evaluated based on risk-adjusted returns, win rate, and adherence to the plan.

---



---

# Fundamentals

---

Central Banks (Interest Rates)

CPI & PPI (Inflation)

GDP, Trade Balance & Retail Sales (Growth)

Unemployment Rate (NFP) (Labour Market)

Consumer Confidence Survey (Market Sentiment)

Economic Releases (Company Profits)

---

## Trading Strategy

### Fundamental Analysis

1. Central Banks (Interest Rates)
2. CPI & PPI (Inflation)
3. GDP, Trade Balance & Retail Sales (Growth)
4. Unemployment Rate (NFP) (Labour Market)
5. Consumer Confidence Survey (Market Sentiment)
6. Economic Releases (Company Profits)

## Trading Interest Rates (PPI and CPI) on EURUSD and GBPUSD

### New York Session:

- **Interest Rates:**
  - Increase in interest rates = Decrease in growth
- **Inflation Rates:**
  - Increase in US interest and inflation rates = Decrease in base currency and increase in quote currency (Sell EURUSD)
  - Decrease in US interest and inflation rates = Increase in base currency and decrease in quote currency (Buy EURUSD)

### London Session:

- **Interest Rates:**
  - Increase in interest rates = Decrease in growth
- **Inflation Rates:**
  - Increase in London interest and inflation rates = Increase in base currency and decrease in quote currency (Buy GBPUSD)
  - Decrease in London interest and inflation rates = Decrease in base currency and increase in quote currency (Sell GBPUSD)

**Note:** Pause in interest rate is positive for base currency pairs (Sell the Euro, buy the Cable).

## Trading Interest Rates (PPI and CPI) on Dow Jones, US100, and GER40

### New York Session:

- **Stocks:**
  - Increase in interest and inflation rates = Negative results (Sell Dow Jones and US100)
  - Decrease in interest and inflation rates = Positive results (Buy Dow Jones and US100)

### European Session:

- **Stocks:**
  - Increase in interest and inflation rates = Negative results (Sell GER40)
  - Decrease in interest and inflation rates = Positive results (Buy GER40)

**Note:** Trading interest and inflation on news releases compare actual figures with forecast (Actual Figure vs. Forecast).

---

### Trading the Gross Domestic Product (GDP)

- Positive GDP Numbers:** Positives for exchange rates, stocks, and commodities (WE BUY)
- Negative GDP Numbers:** Negatives for exchange rates, stocks, and commodities (WE SELL)

### Unemployment Measured by the NFP (Non-Farm Payroll)

- Higher than Expected Unemployment:** Negatives for exchange rates, stocks, and commodities (WE SELL)
- Lower than Expected Unemployment:** Positives for exchange rates, stocks, and commodities (WE BUY)

**Note:** For NFP news releases, compare actual figures with forecast (Actual Figure vs. Forecast).

---

### Political Stability

- High Political Risk:** Decrease in exchange rates, stocks, and commodities.

**Note:** We do not trade political news releases.

---

### Consumer Confidence Survey (Market Sentiment) (PMI & IFO)

- PMI (Big Business Feedback):** Positive increase = Positives for exchange rates, stocks, and commodities.
  - IFO (Consumer Feedback):** Positive increase = Positives for exchange rates, stocks, and commodities.
  - Negative increase in PMI & IFO:** Negatives for exchange rates, stocks, and commodities.
-

---

# How I Trade

## Trading Strategy:

**1. Check for Significant News Events:** Monitor significant news events that could impact the market, while not solely relying on fundamental analysis.

**2. Trend Confirmation:** Ensure the market is in a clear uptrend or downtrend, avoiding trading in range-bound conditions.

## 3. Uptrend Trading:

1. **Identify Support Levels:** Locate key support levels on the Weekly, Daily, and 4-Hour time frames.
2. **Candlestick Confirmation:** Wait for candlestick confirmation patterns at these support levels and for price to fill liquidity zones at those levels if any exist.
3. **Entry Point:** Once a valid setup is confirmed, buy with the aim of reaching the next resistance level.

## 4. Downtrend Trading:

1. **Identify Resistance Levels:** Locate key resistance levels on the Weekly, Daily, and 4-Hour time frames.
2. **Candlestick Confirmation:** Wait for candlestick confirmation patterns at these resistance levels and for price to fill liquidity zones at those levels if any exist.
3. **Entry Point:** Once a valid setup is confirmed, sell with the aim of reaching the next support level.

## 5. Technical Indicators for Trade Confirmation:

### 1. Uptrend Buys:

1. **ADX Indicator:** Ensure the ADX (+DI) is above (-DI) for buy entry.
2. **RSI Level:** Confirm the RSI is around the 30 or 50 level for buy entry.
3. **Liquidity Zones:** Locate possible liquidity zones for buys. Apply Fibonacci from the top wick of the bearish or bullish candlestick to the close at a support level or previous resistance turned into new support, dragging the Fibonacci right to left. The buy entry zone requires price rejection at the 38.2, 50.0, and 61.8 levels, with a bearish candlestick closed above one of these levels. Enter on the new candlestick open.
4. **Candlestick Pattern:** At a support level or previous resistance turned into new support, wait for two bullish candlesticks. The first candlestick should close at least 50% of the bearish candlestick, and the second candlestick should close 100% above the bearish candlestick, indicating the end of the retest (pullback). Then, look for buying opportunities with other mentioned confluences.

### 2. Downtrend Sells:

1. **ADX Indicator:** Ensure the (-DI) is above (+DI) for sell entry.
2. **RSI Level:** Confirm the RSI is around the 70 or 50 level for sell entry.
3. **Liquidity Zones:** Locate possible liquidity zones for sells. Apply Fibonacci from the top wick of the bearish or bullish candlestick to the close at a resistance level or previous support turned into new resistance, dragging the Fibonacci left to right. The sell entry zone requires price rejection at the 38.2, 50.0, and 61.8 levels, with a bullish candlestick closed below one of these levels. Enter on the new candlestick open.
4. **Candlestick Pattern:** At a resistance level or previous support turned into new resistance, wait for two bearish candlesticks. The first candlestick should close at least 50% of the bullish candlestick, and the second candlestick should close 100% below the bullish candlestick, indicating the end of the retest (pullback). Then, look for selling opportunities with other mentioned confluences.

**6.1-Hour Time Frame Entry:** Use the 1-Hour time frame to enter the trade once all the conditions are met on the larger time frames.

**7. Alignment of Conditions:** Only place a trade when at least 3 of the above conditions align to increase the probability of success and reduce risk.

---



---

# Conclusion:

This trading plan serves as a roadmap for achieving my financial goals through disciplined trading. I commit to following this plan diligently, adhering to the predefined rules and criteria outlined within. I understand the importance of continuous improvement and will actively work on honing my skills to become a successful trader.

---