



GARY GOLD TRADER
CONNECTING DREAMS, TRADING SUCCESS.

GARY

Gold Trader

17 Chapters

-
- Introduction
 - currency
 - Type of Chart
 - Name of Candle
 - TimeFrame
 - Type of Order
 - Pip Calculation Point
 - Nature Market
 - Pattern Chart
 - Price Action
 - Type of Trader
 - Technical Analysis
 - Trendline
 - SNR & SBR & RBS
 - Supply and Demand
 - Engulfing
 - Money Management
-



**CONNECTING DREAMS,
TRADING SUCCESS.**

DISCLAIMER

Trading in the Forex market is a challenging opportunity where above average returns are available to educated and experienced investors who are willing to take above average risk. However, before deciding to participate in Forex trading, you should carefully consider your investment objectives, level of experience and risk appetite.

Most importantly, do not invest money you cannot afford to lose. There is considerable exposure to risk in any foreign exchange transaction. Any transaction involving currencies involves risks including, but not limited to, the potential for changing political and/or economic conditions that may substantially affect the price or liquidity of a currency.

Moreover, the leveraged nature of FX Trading means that any market movement will have an equally proportional effect on your deposited funds. This may work against as well as for you. The possibility exists that you could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position.

If you fail to meet any margin call within the time prescribed, your position will be liquidated, without prior notice to you, and you will be responsible for any resulting losses. Investors may lower their exposure to risk by employing proper risk management strategies including the use of stop loss.

OPEN TRADING ACCOUNT : <https://my.octafx.com/open-account/?refid=ib6163548>

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WHAT IS FOREX??

1. FOREX INTRODUCTION

- Forex (**Foreign Exchange**) is a foreign currency exchange .
- All sales and currency exchange transactions are done online and nowhere
- which is fixed (**HQ**) to do the transaction.
- 24 hours, Monday - Friday. (Saturday and Sunday) the market is closed
- Traders will trade forex through a broker.
- Daily transactions involve 3 trillion **US Dollars**

2. CURRENCY

SYMBOL	CURRENCY
USD	US DOLLAR
EUR	EURO
GBP	GREAT BRITAIN POUND
JPY	JAPANESE YEN
CAD	CANADA DOLLAR
NZD	NEW ZEALAND DOLLAR
AUD	AUSTRALIAN DOLLAR
CHF	SWISS FRANC

- Currency is divided into 2, namely **major** and **minor**.
- Commonly traded currencies are **USD, EUR, GBP, JPY, CAD, NZD, AUD and CHF**
- Currency pair is divided into two, namely major pair and cross pair.
- Other than that is minor
- One of the major pairs related to the USD pair for example
EURUSD/GBPUSD/USDCHF/USDCAD/USDJPY/AUDUSD/NZDUSD
- Cross pairs that are not paired with USD, for example
GBPJPY/GBPNZD/EURJPY

3. TYPE OF CHART



A. CANDLE STICK CHART

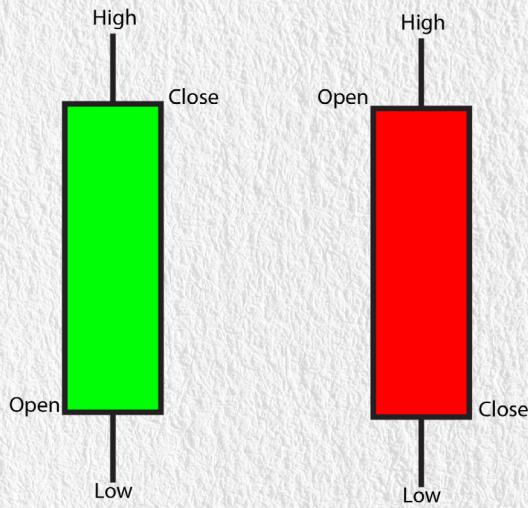


B. BAR CHART



C. LINE CHART

4. NAME OF CANDLE



BULLISH CANDLESTICK

- **Bullish** candlestick is a candle which opens at a low price and closed at a high price.
- **Bullish** is momentum that bring price to go up

BEARISH CANDLESTICK

- **Bearish** candlestick is a candle which opened at high prices and closed at a lower price.
- **Bearish** is momentum that bring price

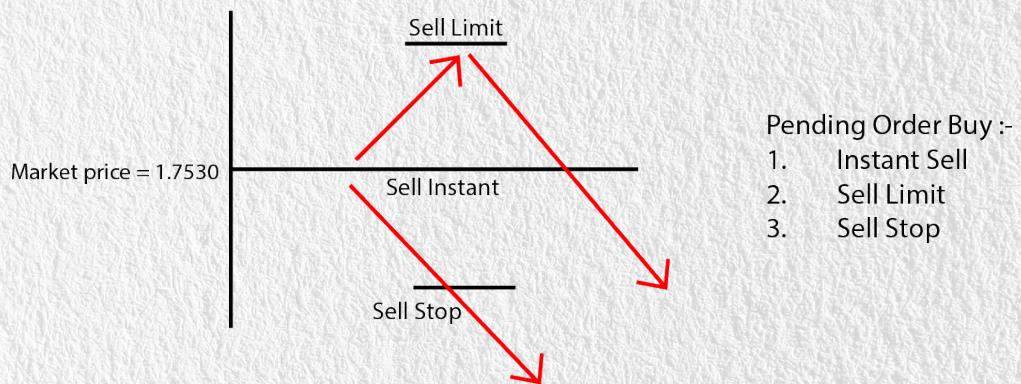
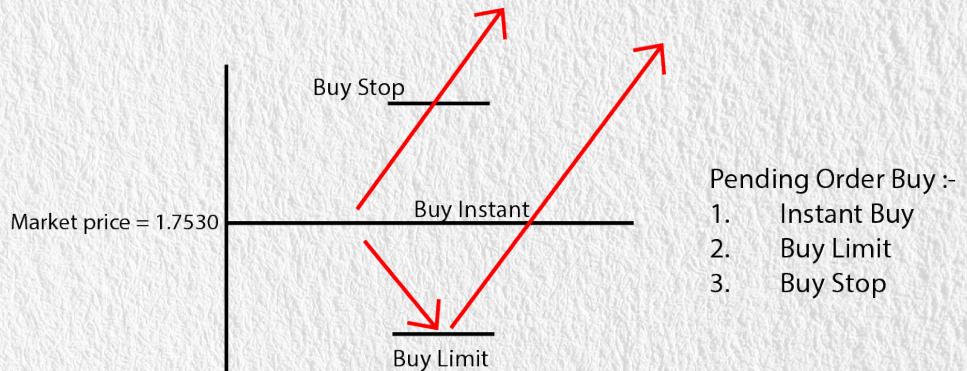
5. TIMEFRAME

- In this platform, There are several types of time frames that represent price movement in graph form

The time frame used in this platform is :

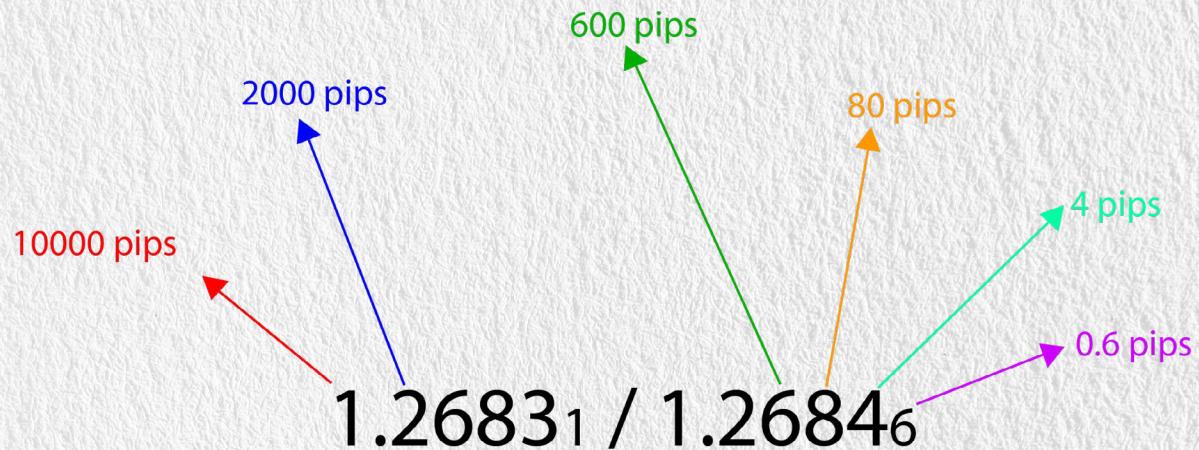
- M1 (1 MINUTES)
- M5 (5 MINUTES)
- M15 (15 MINUTES)
- M30 (30 MINUTES)
 - H1 (1 HOUR)
 - H4 (4 HOUR)
 - D1 (1 DAY)
 - W1 (1 WEEK)

6. TYPE OF ORDER



- Buy = Up = **Profit**
- Buy = Down = **Loss**
- Sell = Down = **Profit**
- Sell = Up = **Loss**

7. PIP CALCULATION POINT

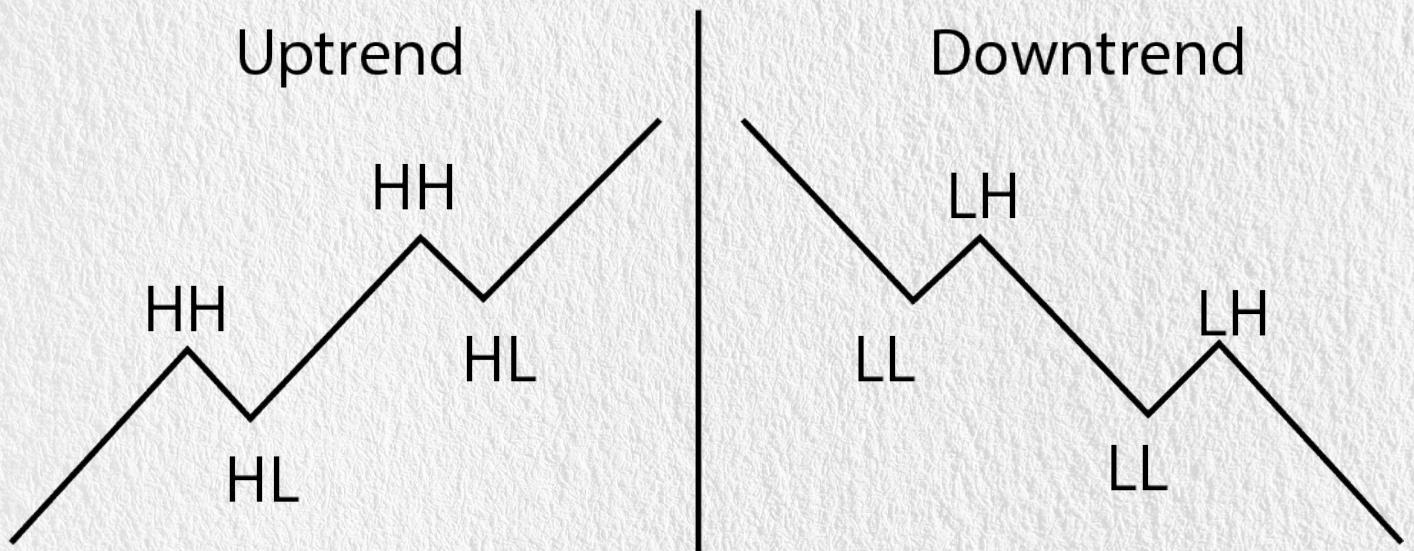


Sell by Market

Buy by Market

- 10 Points = 1 Pips
- 100 Points = 10 Pips
- 1000 Points = 100 Pips
- 10000 Points = 1000 Pips

8. NATURE MARKET



- Price Movement
- Buy currency at the lowest price
- Sell currency at the highest price
- Every price that goes up and down will move in the form of a wave.
- The most important thing in this trading is not to chase the market.
- Follow what the market wants to do.



A. UPTREND EXAMPLE



B. DOWNTREND EXAMPLE

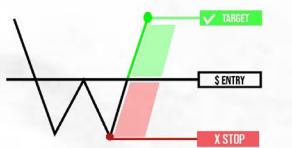
9. PATTERN CHART



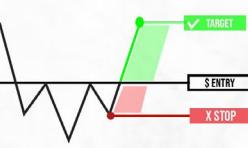
CHART PATTERNS

REVERSAL CHART PATTERNS

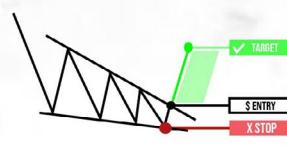
DOUBLE BOTTOM



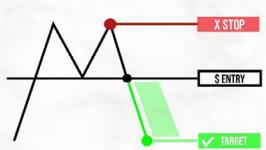
INVERSE HEAD & SOULDER



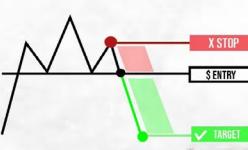
FALLING WEDGE



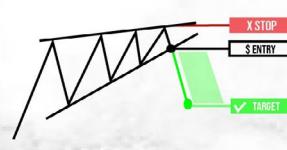
DOUBLE TOP



HEAD & SHOULDER

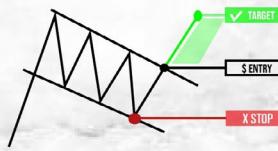


RISING WEDGE

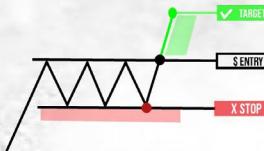


CONTINUATION CHART PATTERNS

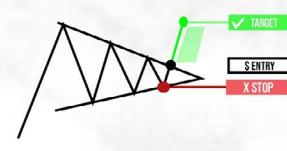
BULLISH FLAG PATTERN



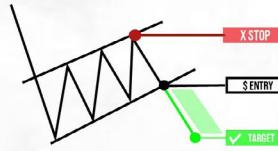
BULLISH RECTANGLE



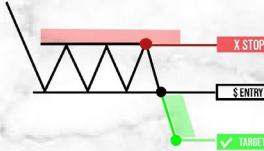
BULLISH PENNANT



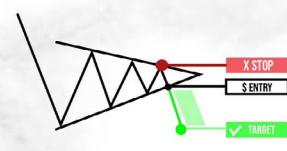
BEARISH FLAG PATTERN



BEARISH RECTANGLE

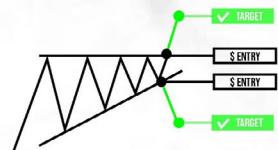


BEARISH PENNANT

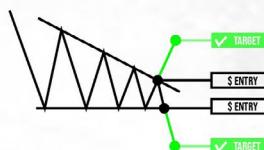


NEUTRAL CHART PATTERNS

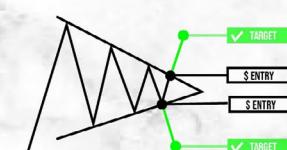
ASCENDING TRIANGLE



DESCENDING TRIANGLE



SYMMETRICAL TRIANGLE



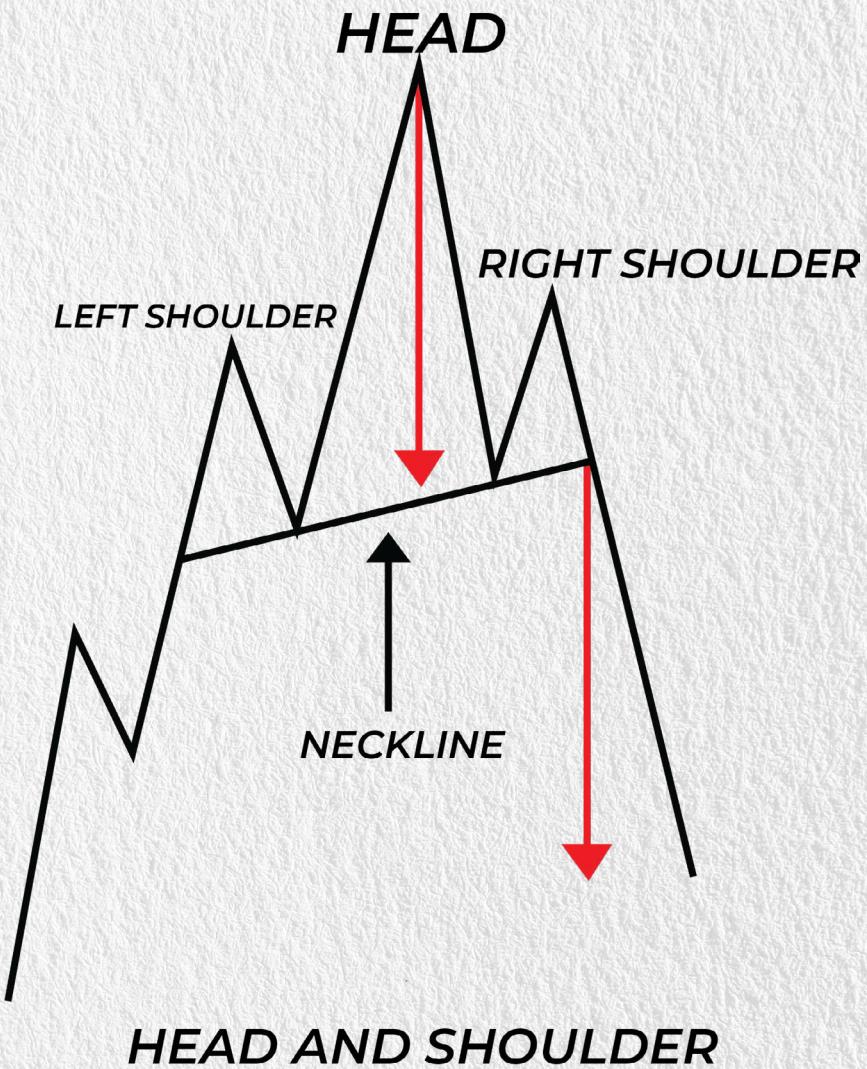
GARYGOLDTRADER

Chart patterns in forex trading refer to specific formations or shapes that appear on price charts. These patterns can provide valuable insights into the future direction of price movements and are widely used by traders to identify potential trading opportunities.

Here are some common chart patterns in forex :

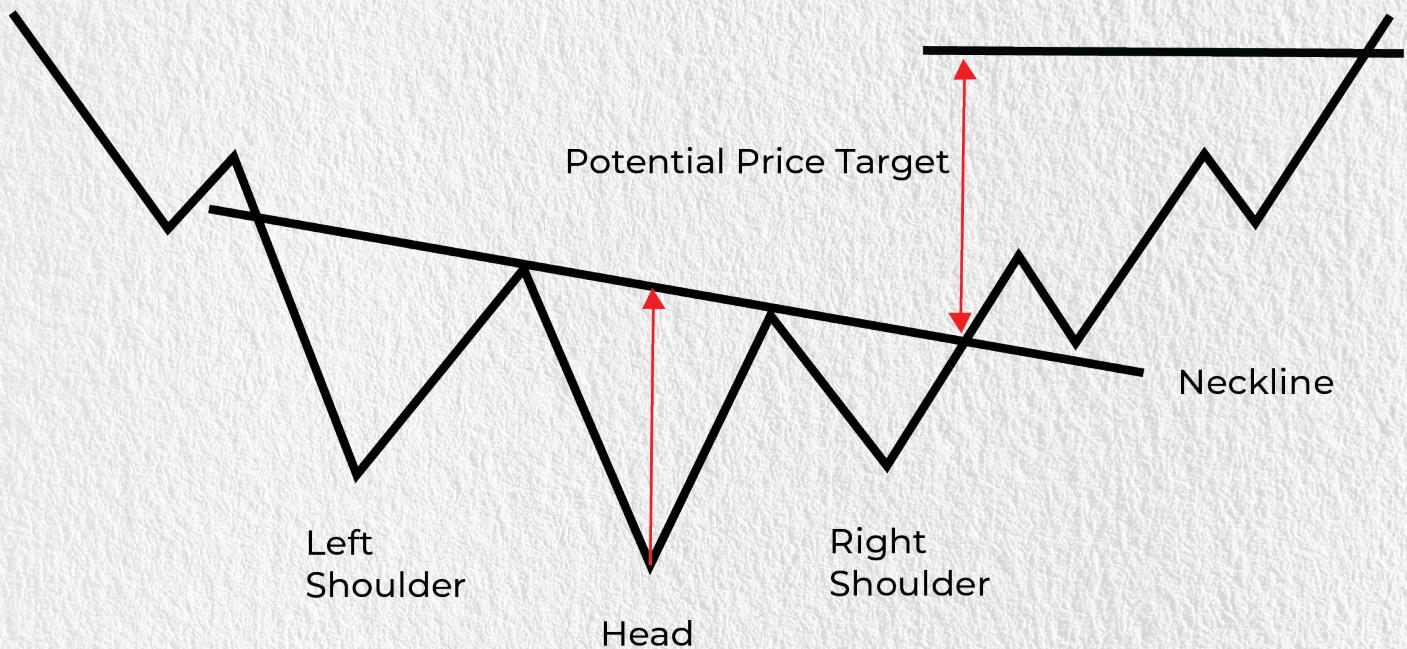
HEAD AND SHOULDER PATTERN

HEAD AND SHOULDER TOP



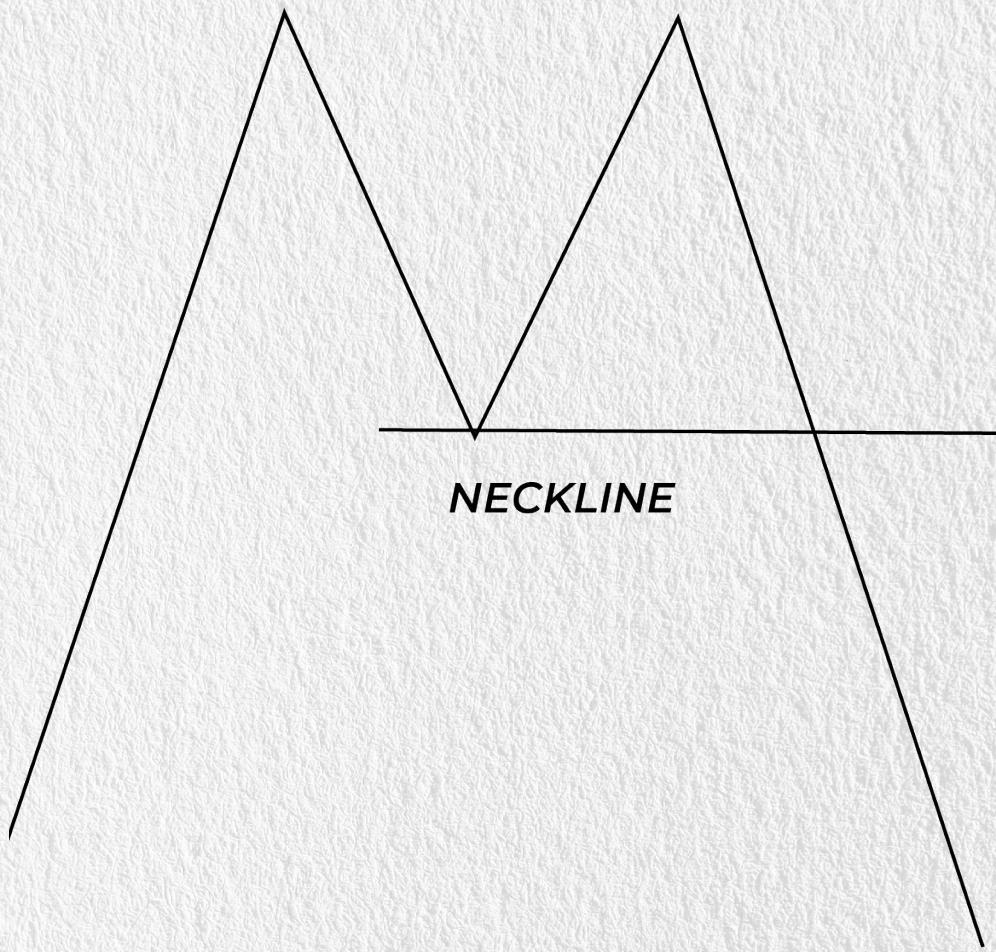
- Head and Shoulders Top : This pattern typically occurs at the end of an uptrend and consists of three peaks, with the middle peak (the head) being higher than the two surrounding peaks (the shoulders). It suggests a potential trend reversal from bullish to bearish.

HEAD AND SHOULDER BOTTOM



- Double Bottom: The inverse of the double top pattern, it occurs when the price reaches a support level twice, forming two troughs at around the same price level. It suggests a potential reversal from bearish to bullish.

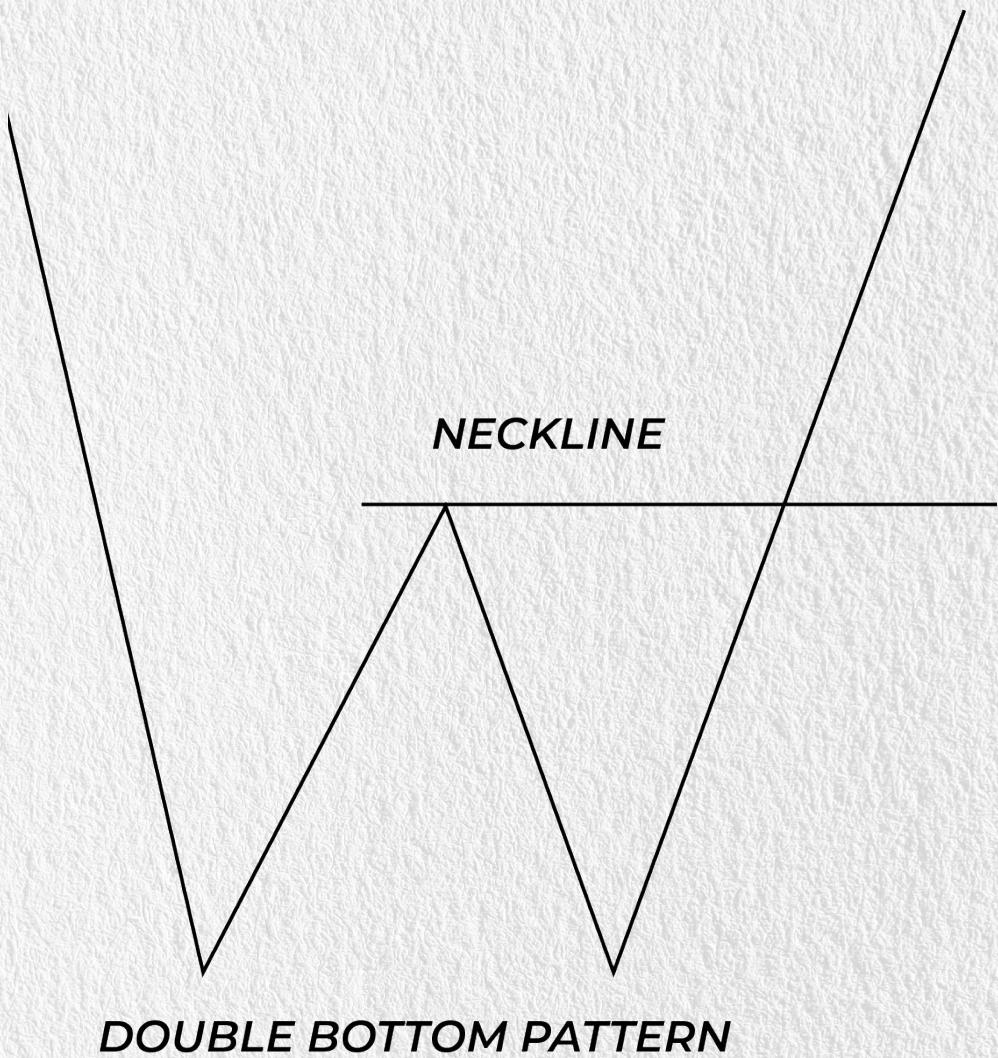
DOUBLE TOP PATTERN



DOUBLE TOP PATTERN

- Double Top: This pattern forms when the price reaches a resistance level twice, creating two peaks at approximately the same price level. It indicates a potential trend reversal from bullish to bearish.

DOUBLE BOTTOM PATTERN

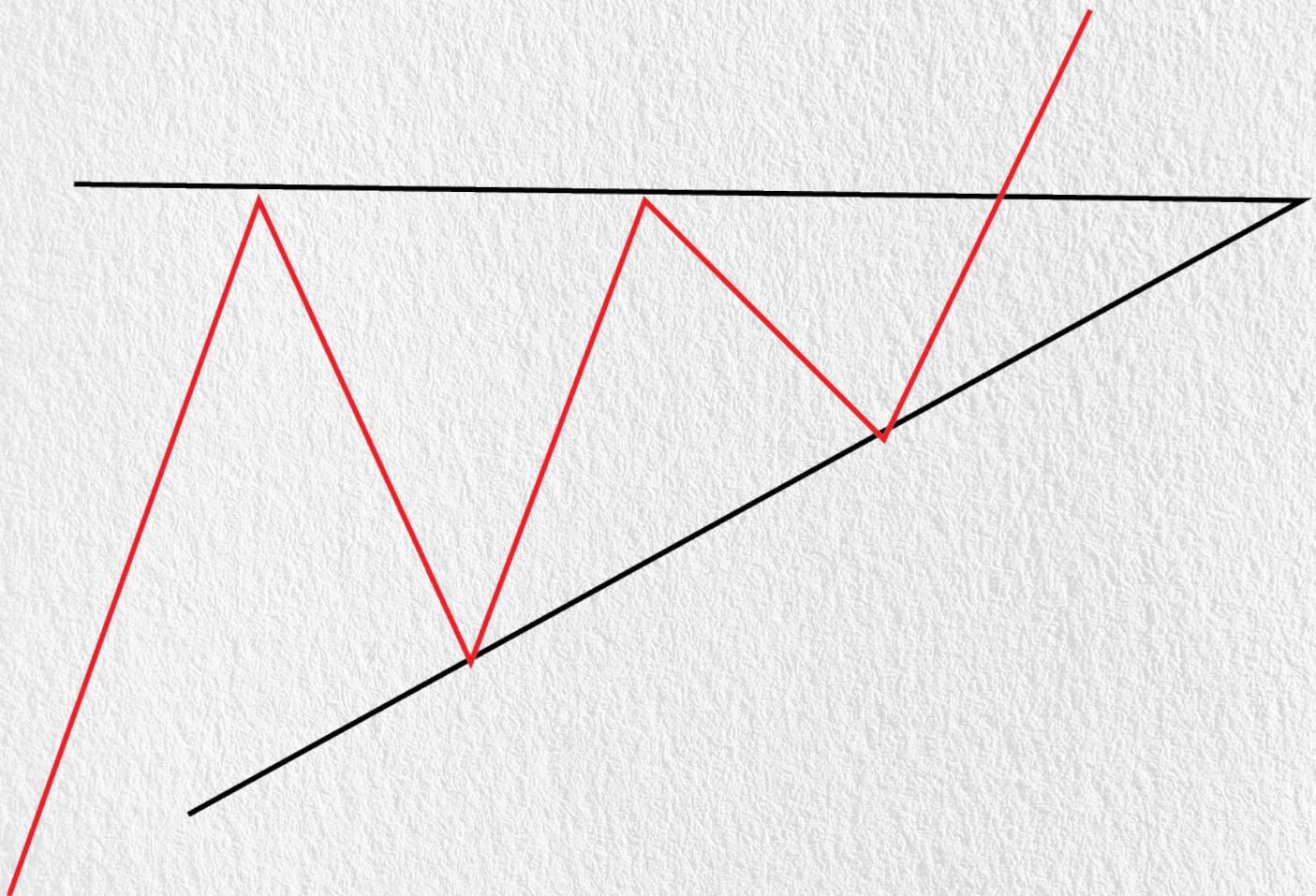


DOUBLE BOTTOM PATTERN

- Double Bottom: The inverse of the double top pattern, it occurs when the price reaches a support level twice, forming two troughs at around the same price level. It suggests a potential reversal from bearish to bullish.

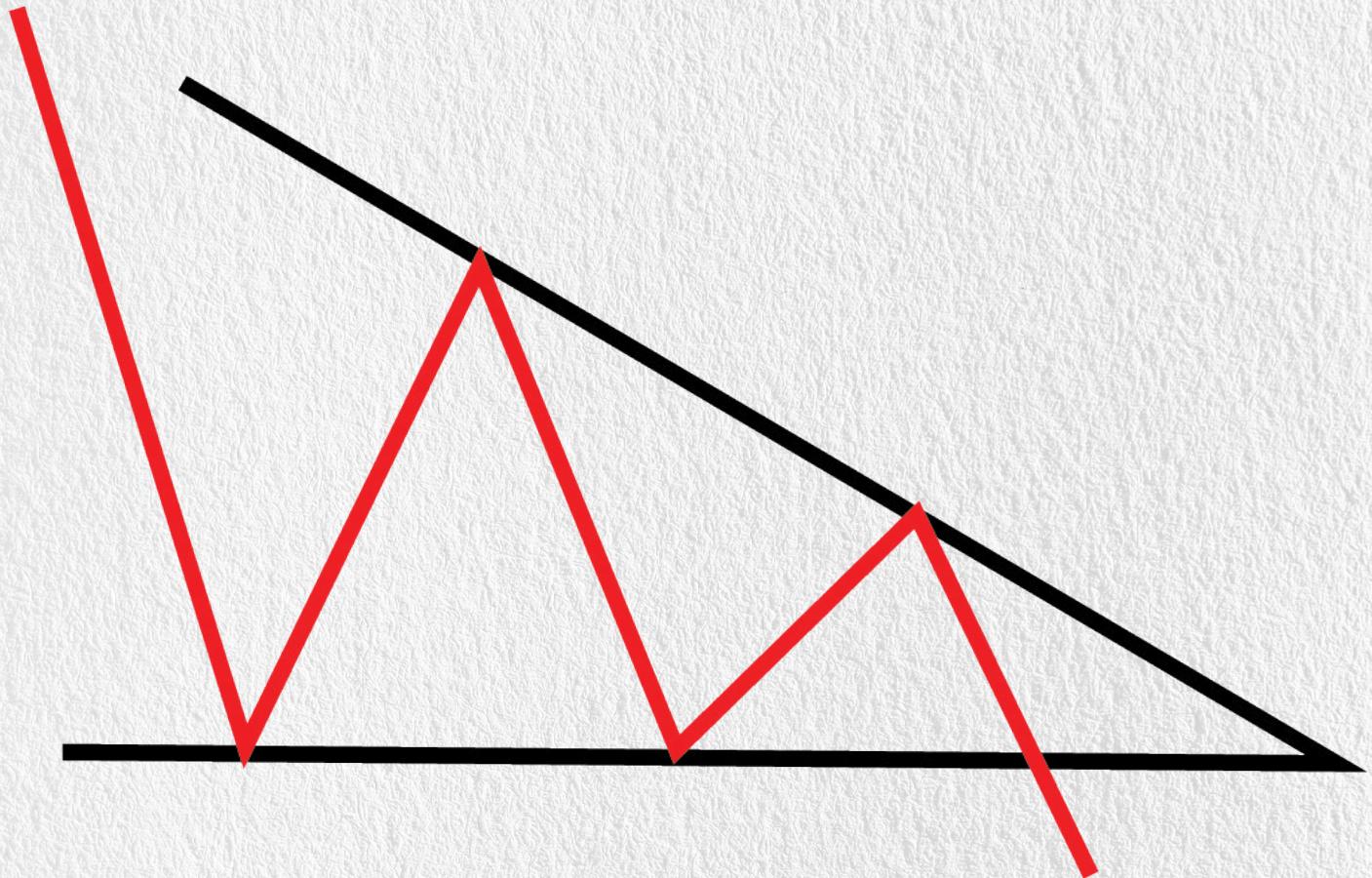
TRIANGLE PATTERN

ASCENDING TRIANGLE



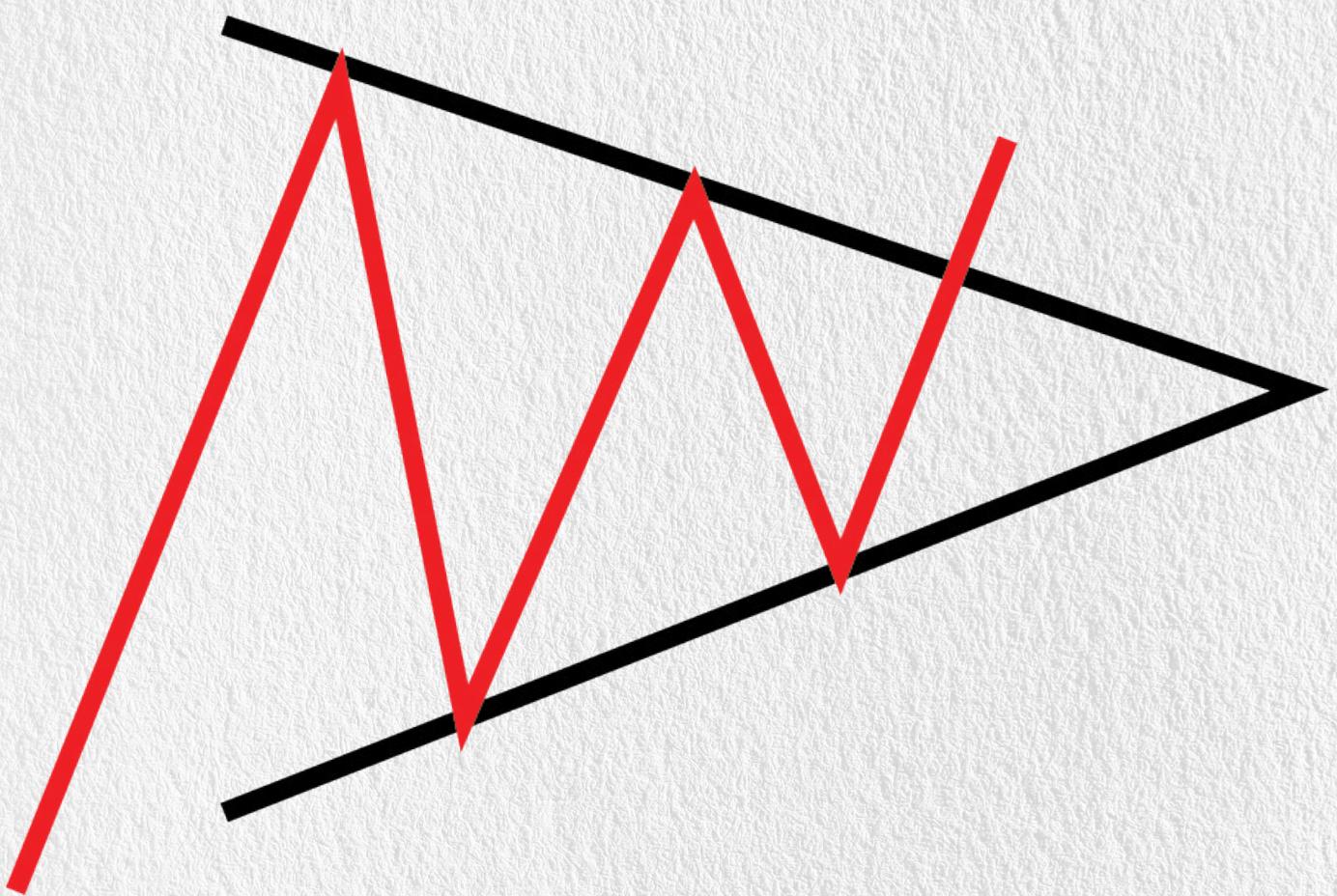
- This pattern forms when the price creates higher lows and a horizontal resistance level. It suggests a potential breakout to the upside

DESCENDING TRIANGLE



- The inverse of the ascending triangle, it occurs when the price forms lower highs and a horizontal support level. It indicates a potential breakout to the downside.

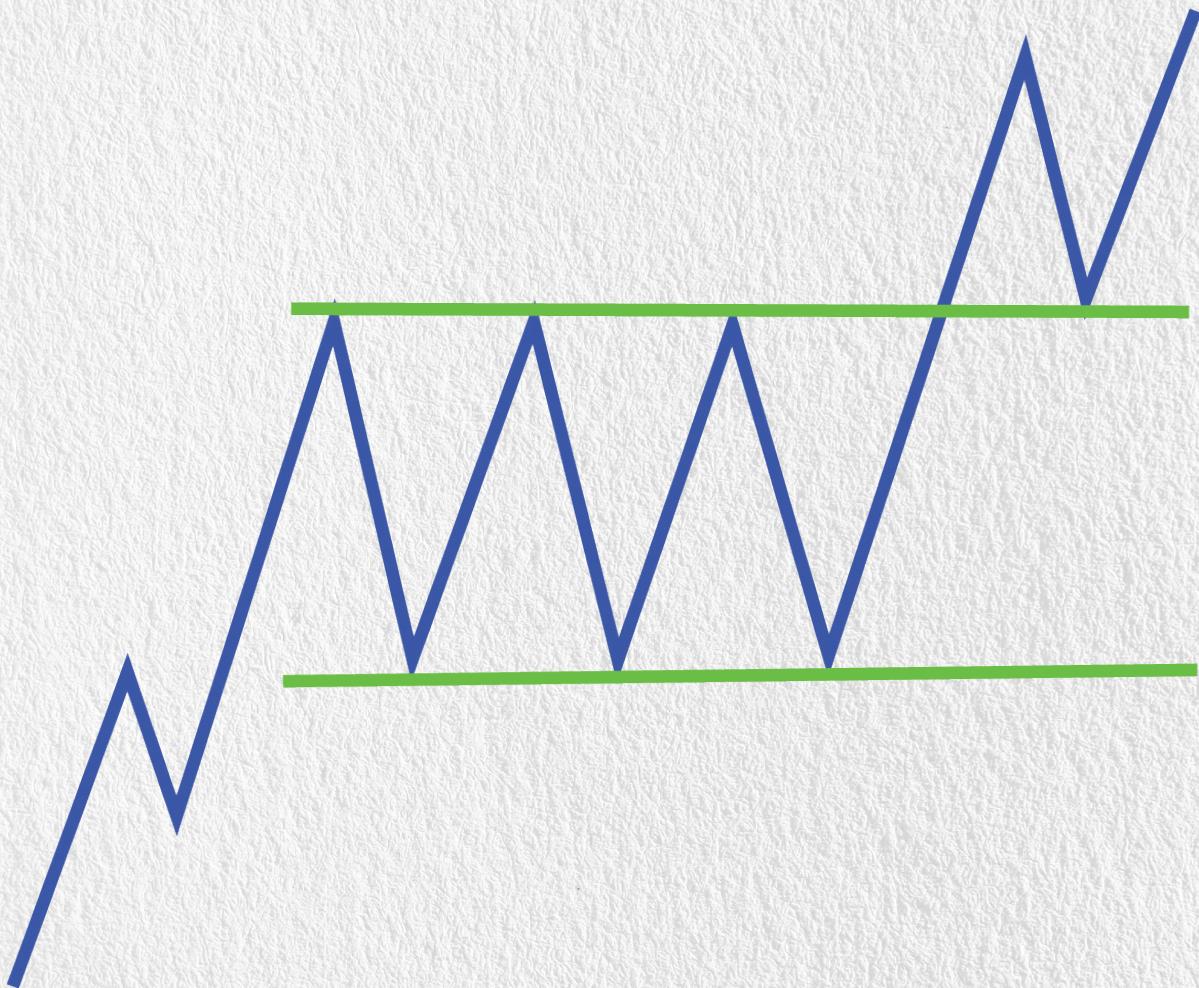
SYMMETRICAL TRIANGLE



- This pattern forms when the price creates lower highs and higher lows, resulting in converging trendlines. It signifies a period of consolidation and suggests a potential breakout in either direction

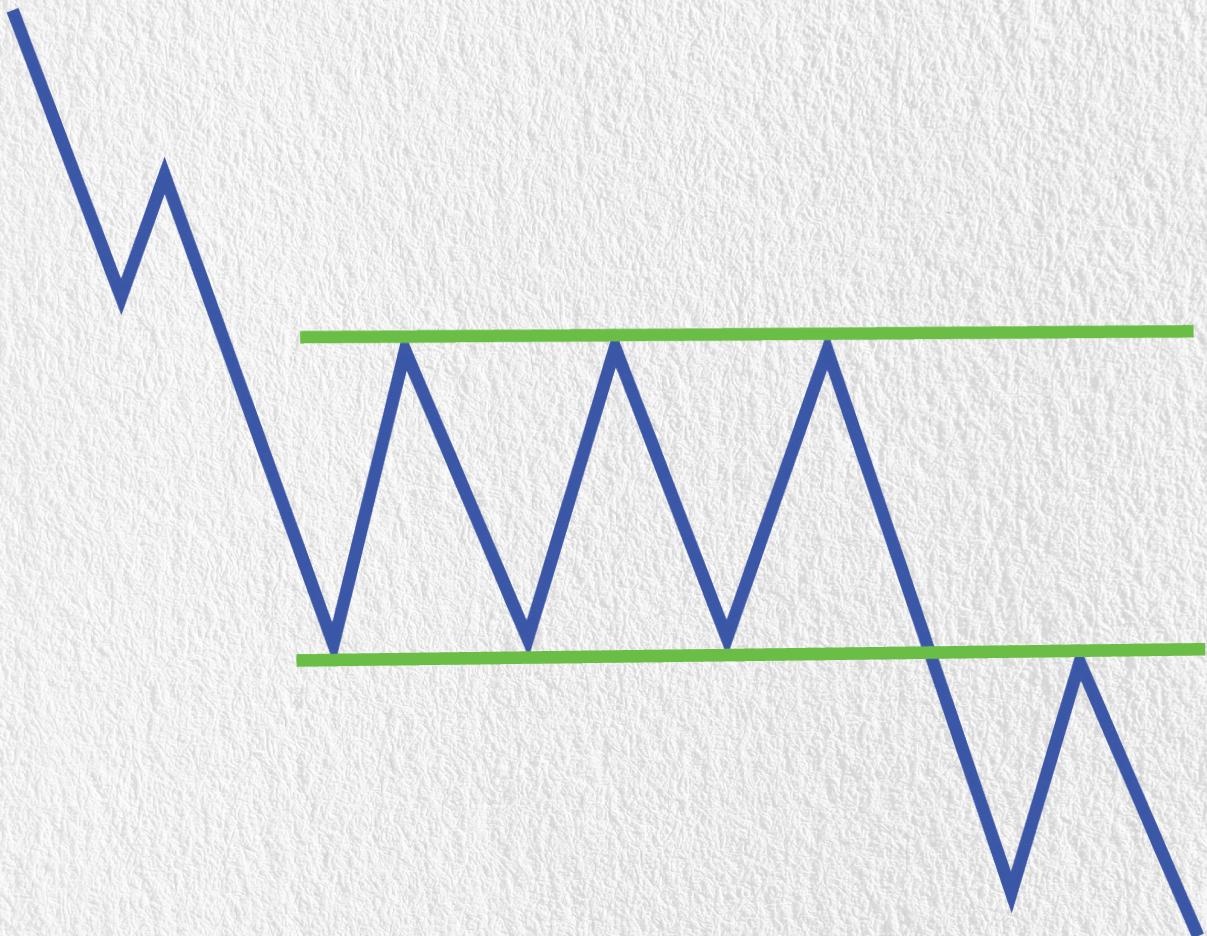
RECTANGLE PATTERN

BULLISH RECTANGLE



- This pattern forms when the price moves between a horizontal resistance level and a support level. It indicates a period of consolidation before a potential bullish breakout

BEARISH RECTANGLE



- The inverse of the bullish rectangle pattern, it occurs when the price consolidates between a horizontal support level and a resistance level. It suggests a potential bearish breakout.

LET'S TAKE A BREAK

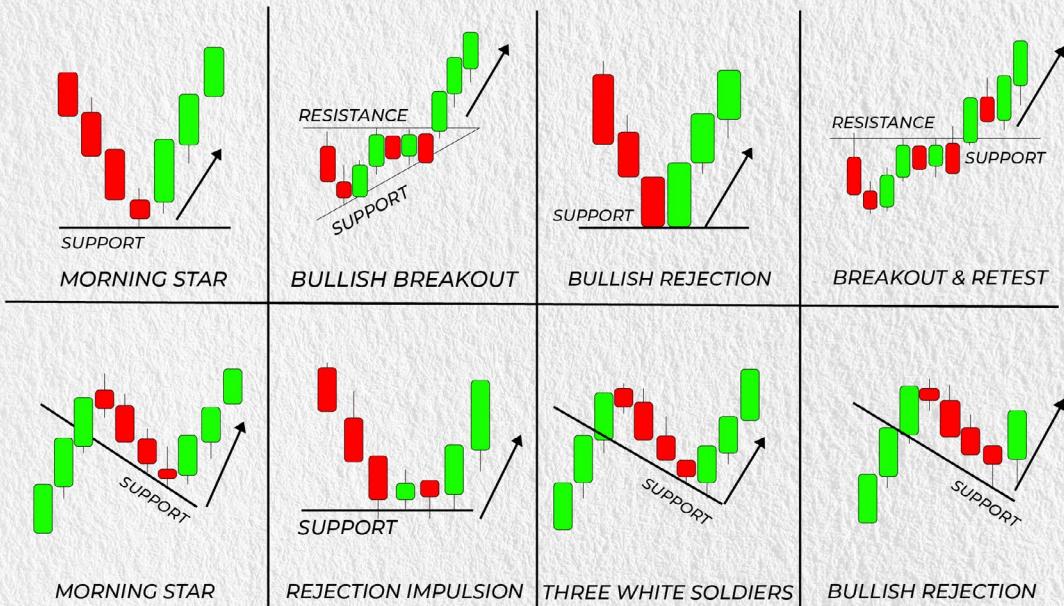
GARY GOLD TRADER

M	I	R	L	G	O	K	G	G	O	L	D	BULLISH
A	S	E	E	O	S	A	A	L	I	N	E	CANDLESTICK
B	E	W	N	I	R	M	G	B	K	B	L	RISK
U	L	A	R	Y	U	A	P	A	C	P	Y	SUPPORT
Y	L	R	E	U	E	N	A	R	I	B	C	PLAN
P	G	D	C	P	H	A	T	P	T	R	N	RESISTANCE
D	R	B	N	T	S	G	T	E	S	E	E	TRADING
T	E	U	A	R	I	E	E	D	E	A	R	CURRENCY
R	P	L	T	E	R	M	R	R	L	K	R	SELL
A	L	L	S	N	A	E	N	A	D	O	U	BEARISH
D	A	I	I	D	E	N	D	T	N	U	C	UPTREND
I	C	S	S	S	A	B	T	K	I	A	T	SCALPER
N	S	H	E	T	D	A	K	O	C	R	R	PATTERN
G	L	E	R	S	U	P	P	O	R	T	C	GARY

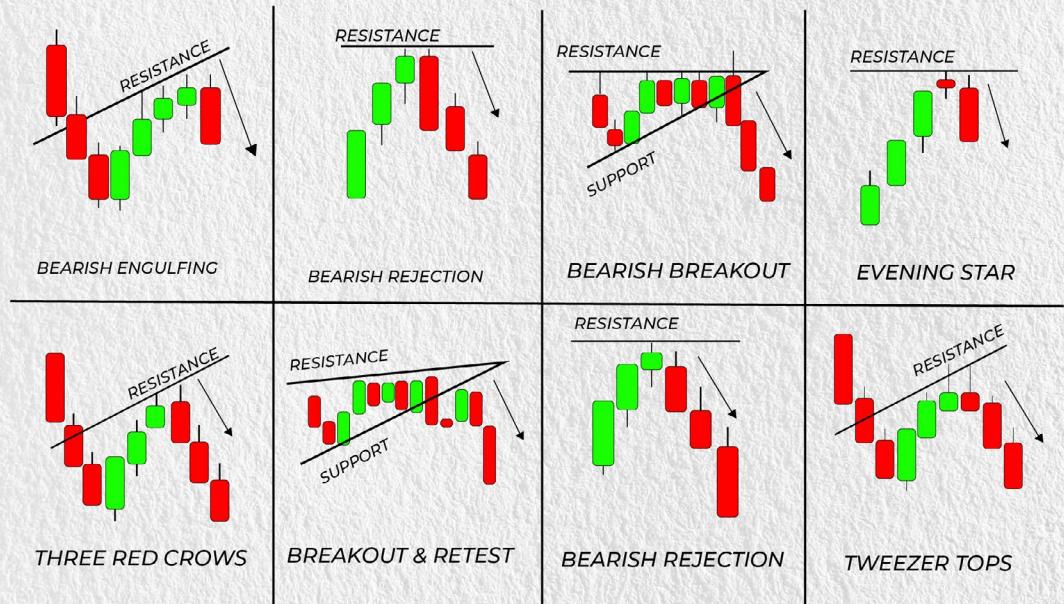
10. PRICE ACTION



PRICE ACTION FOR BUY SETUP

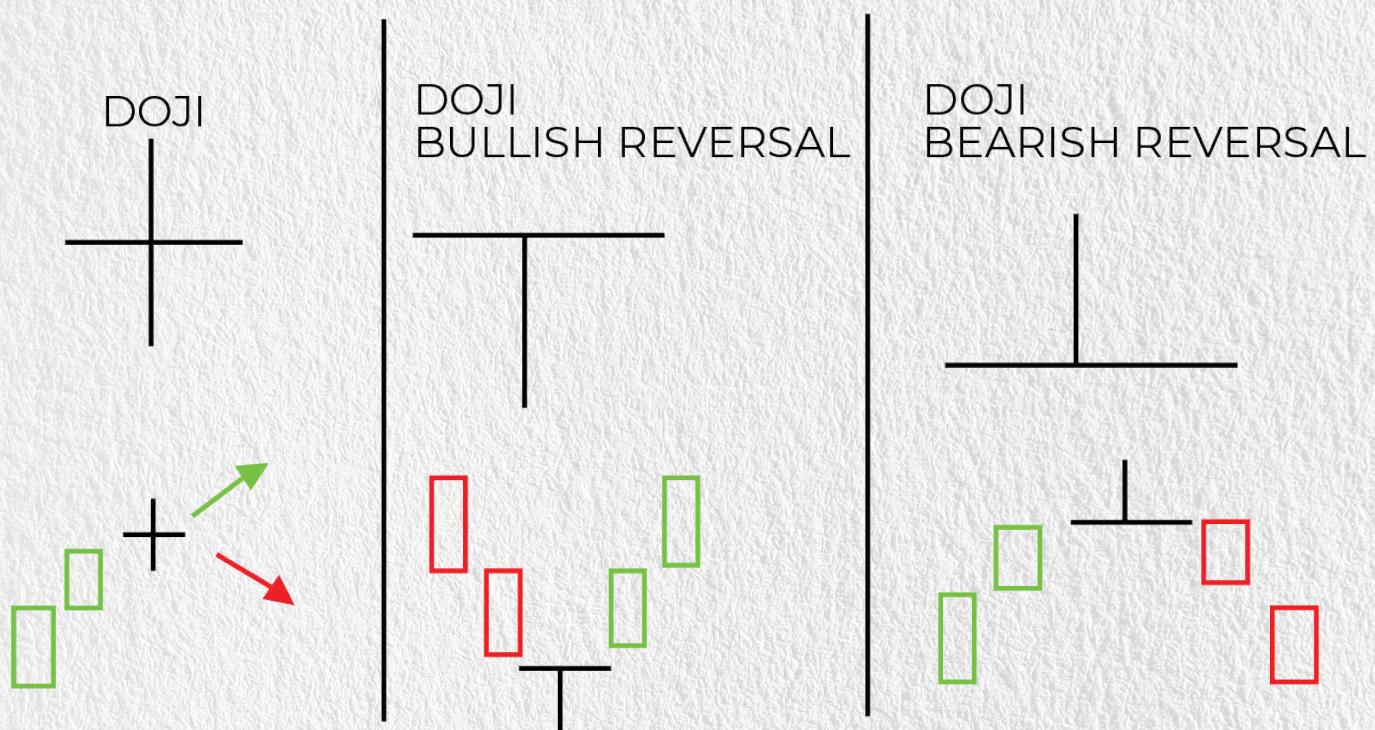


PRICE ACTION FOR SELL SETUP



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DOJI



REVERSAL CANDLE

SHOOTING STAR



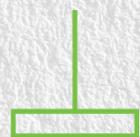
HANGING MAN



HAMMER



INVERTED HAMMER



11. TYPE OF TRADER

A. SCALPER

- Using the **scalping technique** that is to take a little profit.
- Scalpers often trade more than **10 times a day**.
- Earn a lot of profit by opening many positions and collecting the amount of **pips** which is a little for each position .

B. DAY TRADER

- Positions open not more than **24 hours**
- Is a **short term trader**.
- Will often open lot positions based on **analysis**

C. SWING TRADER

- They prefer to trade in the direction of trends, especially **big trends**
- Lot positions are open more than **24 hours** and several days in a period of time.
- Is a **Mid-Term Trader**.
- Time frame **H4** and **Daily**

D. POSITION TRADER

- Lot positions are open for **several weeks, months or years.**
- The timeframe that is the main reference is **Weekly and Monthly**
- This type of trader has an understanding of the market for the **long term**
- Often the Trader's actions are based on market factors during **analysis.**

E. MOMENTUM TRADER

- This type of **time frame** for the momentum market will usually last for several hours up to a few days and it also depends on how quickly the currency changes direction.
- This type of trader is a person who will only enter the Forex market only when there is “**HOT NEWS**” or “**BREAKING NEWS**” by taking maximum profit which is able to go through the market momentum that occurs at that time with the number of lots large in one direction of movement of the currency.

12. TECHNICAL ANALYSIS

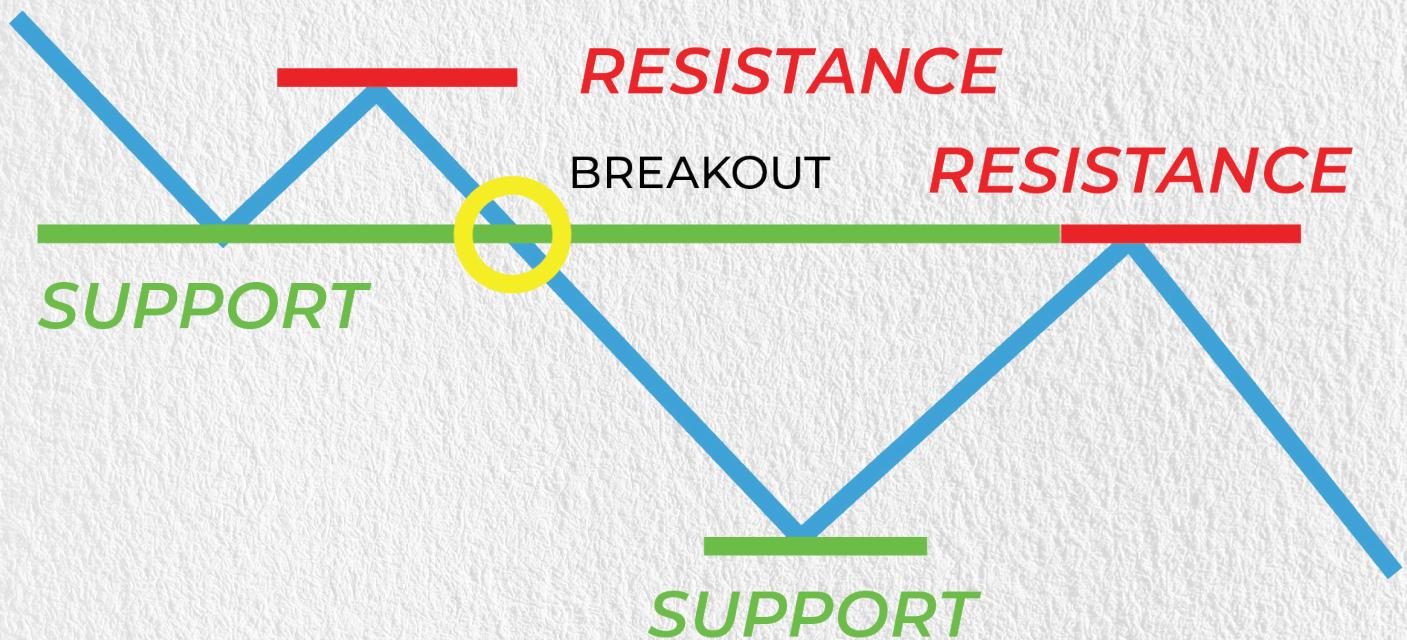
SUPPORT AND RESISTANCE

- Support and Resistance (S&R) are terms that are often used in investment and trading.
- It is very important in helping traders to analyze price movements technical. S&R is used to determine the price level of a stock whether it has potential to continue the uptrend or downtrend

HOW TO USE SUPPORT AND RESISTANCE

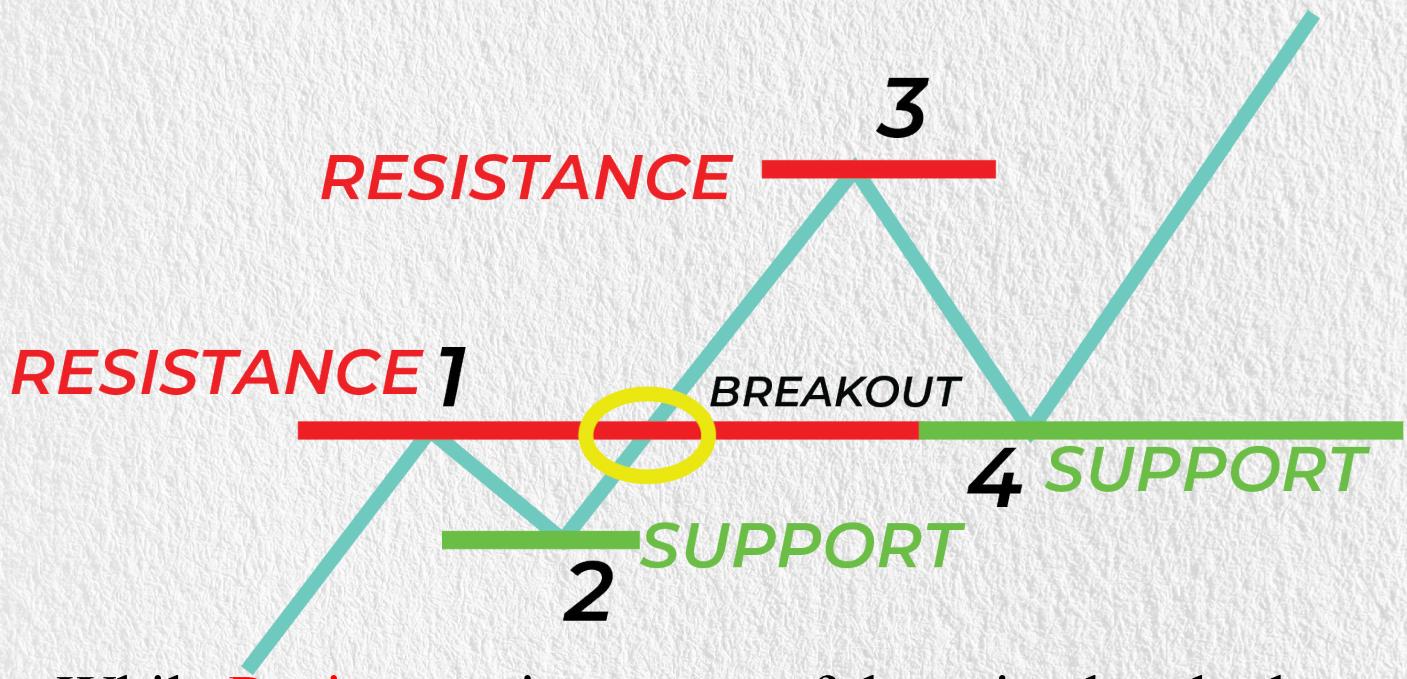
- When the support and resistance lines are repeatedly touched but they still cannot penetrated, this means the support level or resistance level of the stock is very strong.
- So it is very useful to determine Entry Level (Buy) or Exit Level (Sell) for get as much profit as possible
- For example, buy when the market has penetrated or a valid breakout against resistance
- While sell when the market has penetrated or a valid breakout against support.
- Apart from that, the nearest Support and Resistance are also very useful to make as a Stop Loss, at the same time helping to minimize losses.

SUPPORT BECOME RESISTANCE (SBR):



- **Support** is an area of the price level, where at that level DEMAND is sufficient large to withstand the price drop ($\text{DEMAND} > \text{SUPPLY}$). At this level, the price tends to stop moving down and most likely go up again. Easily, **support** is a level that will prevent price movement from **bearish** (down). Because of that, it is called a **floor**
- During a correction (Retracement, if the price touches **support**, the price like bounce back up. If this **support** is penetrated (**Breakdown**), then the price will fall until the existence of the latest **support** level.

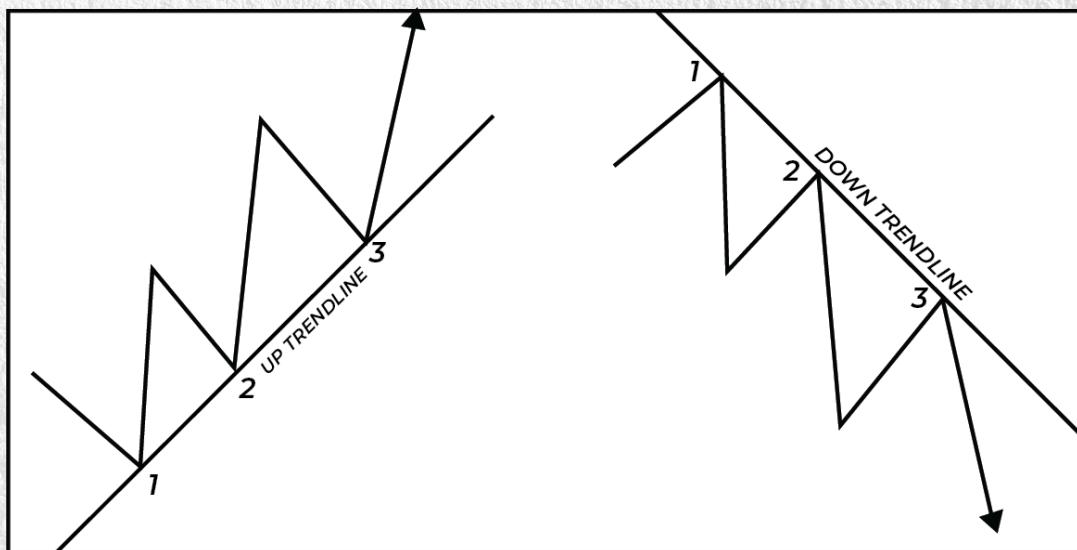
RESISTANCE BECOME SUPPORT (RBS):



- While **Resistance** is an area of the price level where at that level, SUPPLY is large enough to stop the price from rising ($SUPPLY > DEMAND$). On At this level, the price tends to stop moving up and will most likely go down again. Simply put, **resistance** is a level that will hold a **bullish (up)** movement. Thats why , it is called a **ceiling**.
- If the stock successfully penetrates the **resistance** level (**Breakout**), the price will rise to form the new resistance before **retracement (correction)** again .

13. TRENDLINE

- The main use of **Trendline** is to see trends and also **trend changes**
- A trend line is a **straight line** that **connects** the points of the valley (**bottom**) that rise in the same way sequentially in an **up-trend** state, or peak points (**top**) that fall sequentially on **down-trend** situation. To create a trend line, there should be at least two price points connected .
- The more price points that are **connected**, the more valid and the **stronger** the trend line said to hold the **support** or **resistance** points in the next test.
- The more **valid a trend line** is, the more it will be noticed and obeyed by the actors market .



- What is interesting is that the price moves **higher** or **lower**, it does not mean that the price continues up without stopping or down without **stopping**.
- Price moves in wave form. Therefore the price will go **up** then **down**, **up** and **down**, **up** and **down**.



UPTREND

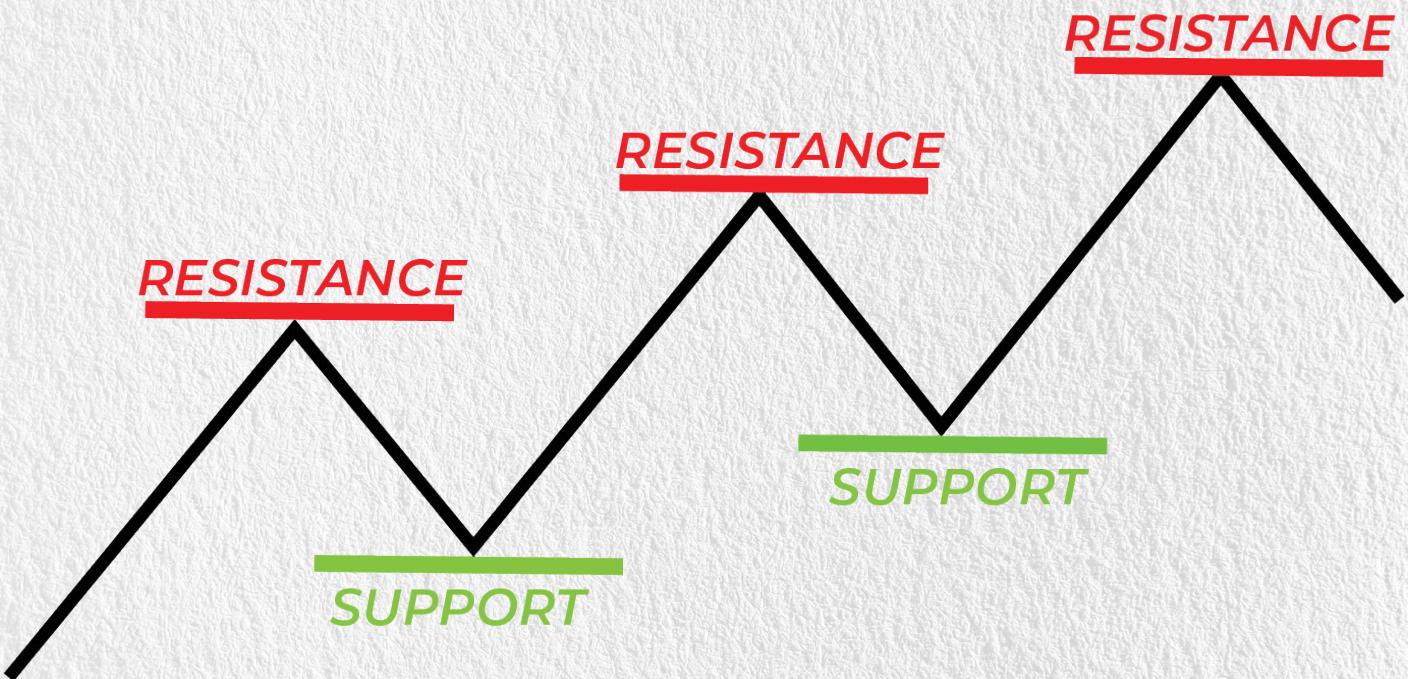


DOWNTREND

14. SNR & SBR & RBS

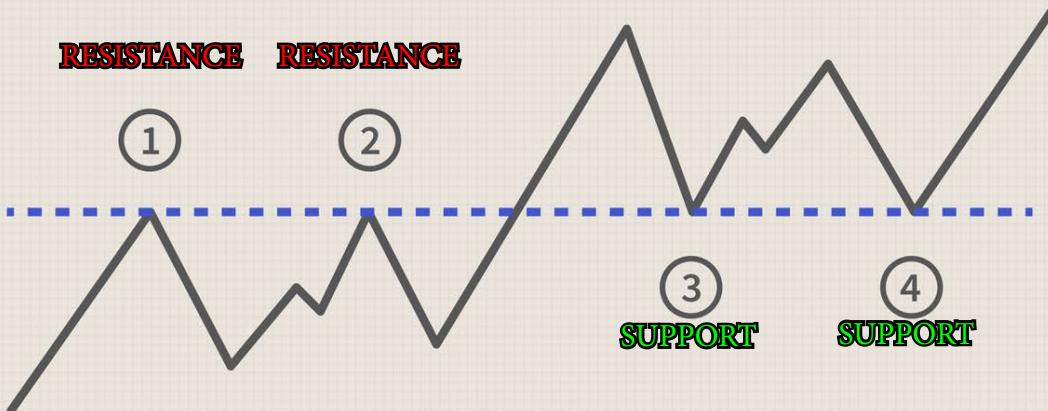
EXPLANATION OF SUPPORT AND RESISTANCE

- **Support and Resistance Levels:** Support and resistance are key concepts in technical analysis used to identify potential price levels in the **financial markets**



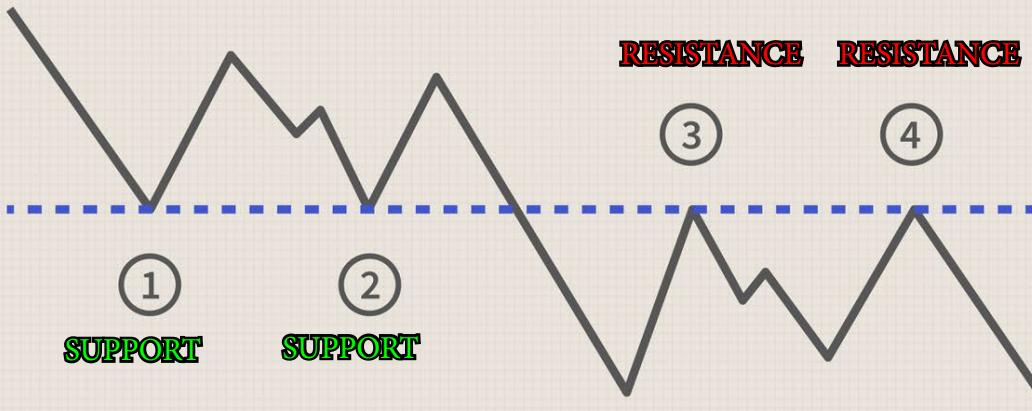
- **Support :** A **support level** is a price level where **buying** pressure is expected to be **strong** enough to prevent or reverse a further **decline** in the price of an asset.
- **Resistance:** A **resistance level** is a price level where **selling** pressure is expected to be **strong** enough to prevent or reverse a further **rise** in the price of an asset.

EXPLANATION OF RESISTANCE BECOME SUPPORT



- Resistance becoming support refers to a previously strong resistance level that, once broken, may act as a new support level in the future. Traders see this as a shift from bearish sentiment to bullish sentiment.
- After the breakout, traders often observe that the previous\ resistance level, which has now been breached, may later act as a support level. Market participants who missed the initial breakout may look to enter buy orders near the previous resistance-turned-support level, expecting it to hold and potentially push the price higher.

EXPLANATION OF SUPPORT BECOME RESISTANCE



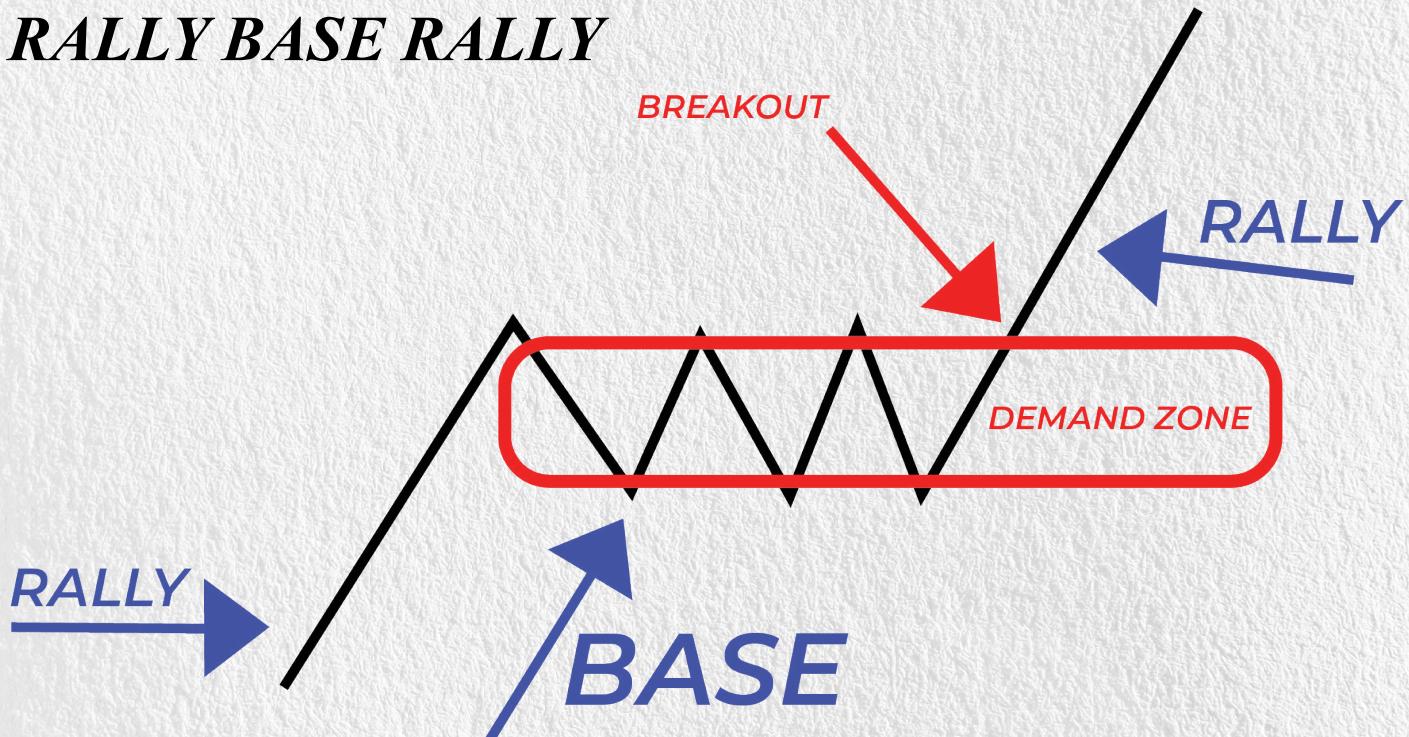
- Support becoming **resistance** occurs when a previously strong **support level**, once broken, may act as a **new resistance level** in the future. Traders view this as a shift from **bullish** sentiment to **bearish** sentiment.
- After the **breakout**, traders may notice that the former **support level**, which has now been breached, could potentially act as a **resistance level** upon a subsequent rally attempt. Market participants who missed the initial breakdown might consider **entering sell orders** near the previous support-turned **resistance level**, expecting it to hold and potentially push the price lower

15. SUPPLY & DEMAND

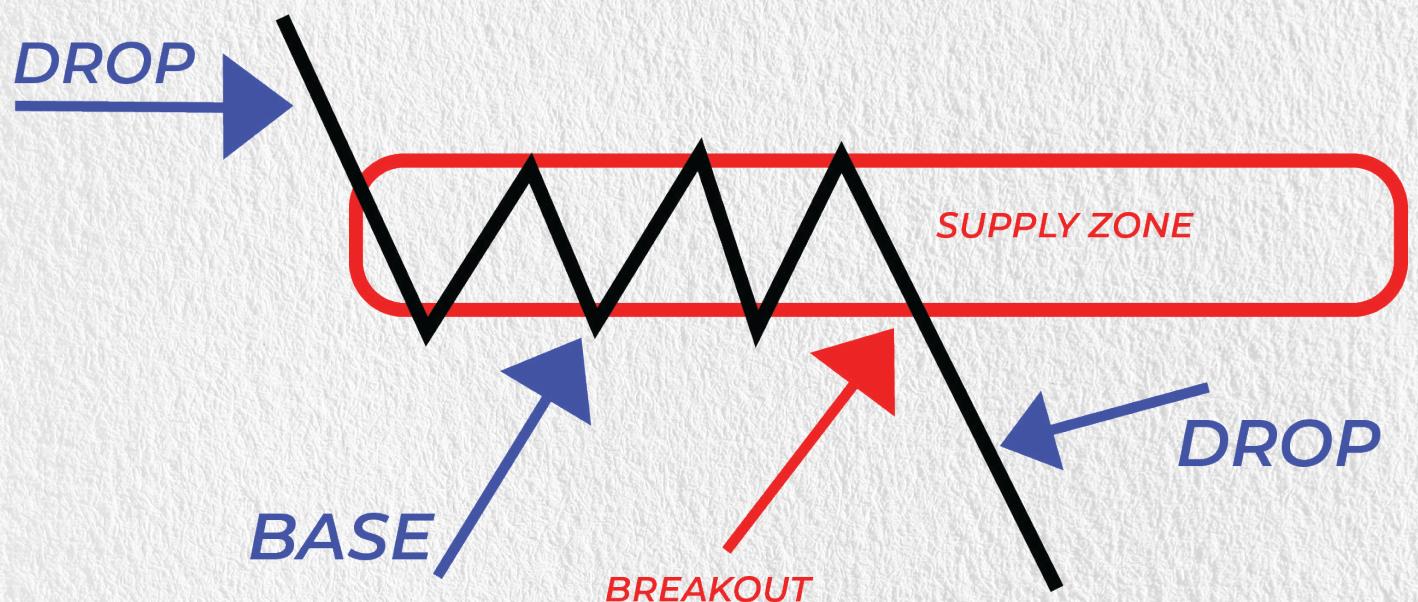
Supply and demand play a crucial role in determining the exchange rates of different currencies in the forex market. Forex trading involves buying one currency while simultaneously selling another. The exchange rate between two currencies reflects the

DEMAND = DOWN = BUY
SUPPLY = UPPER = SELL

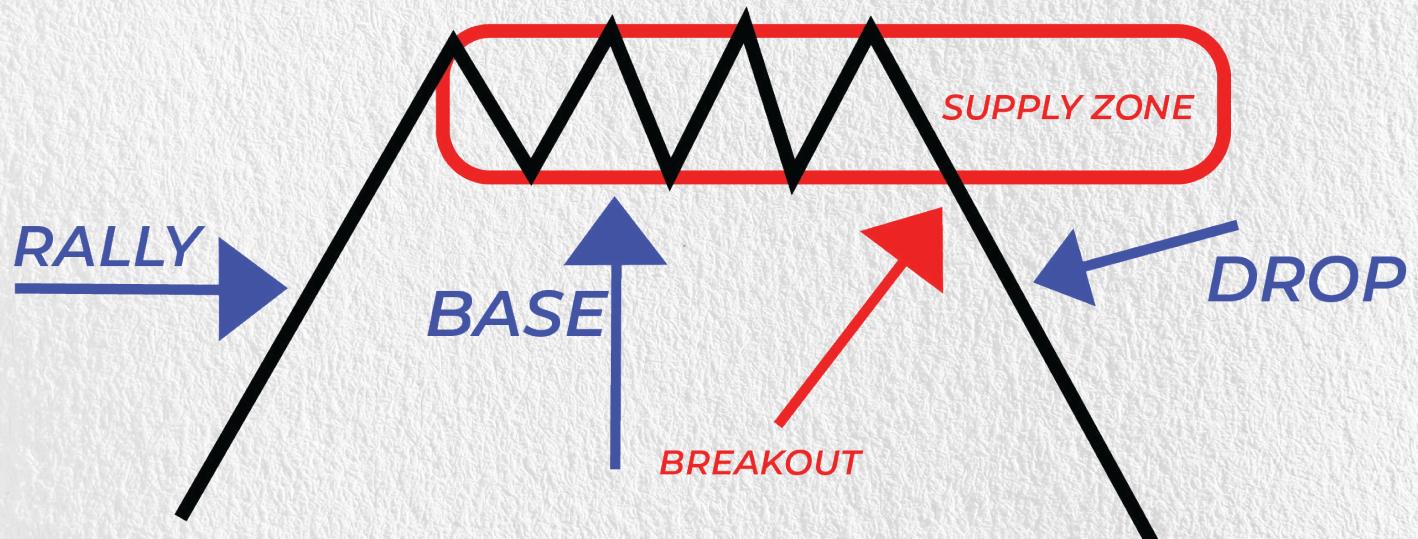
RALLY BASE RALLY



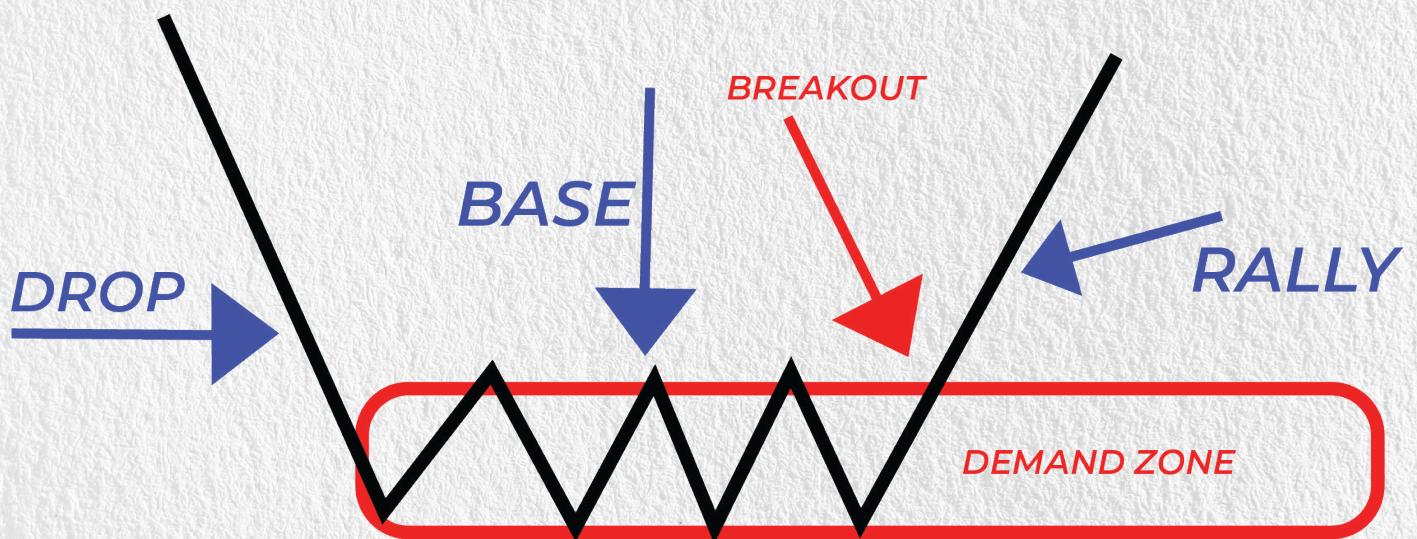
DROP BASE DROP



RALLY BASE DROP

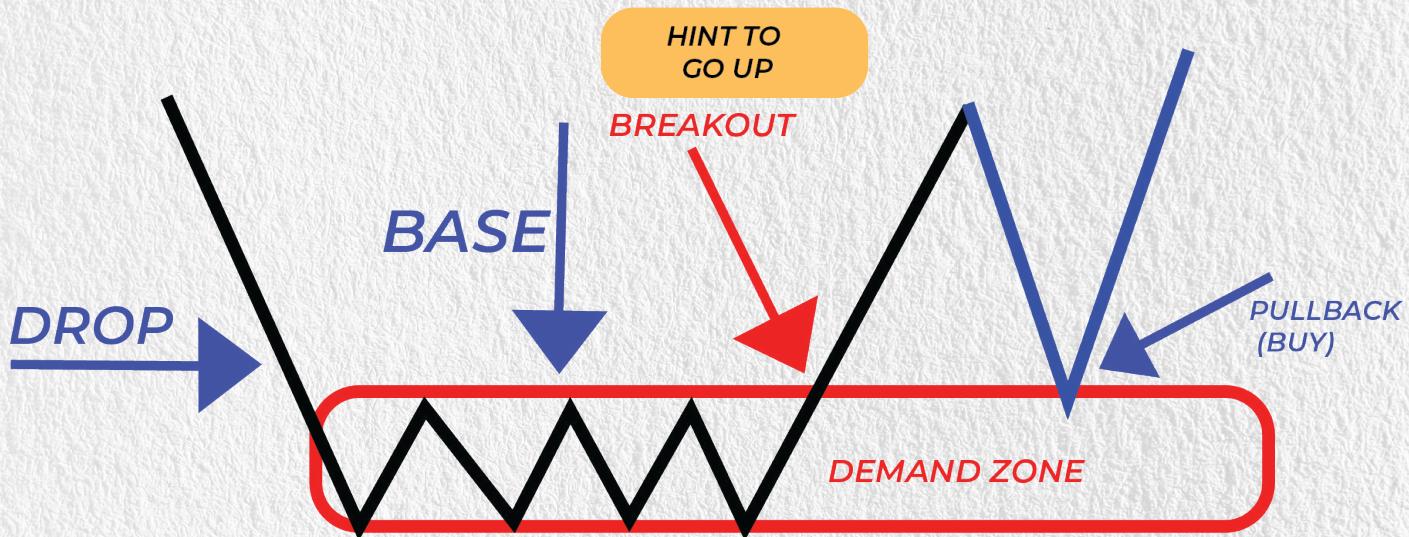


DROP BASE RALLY



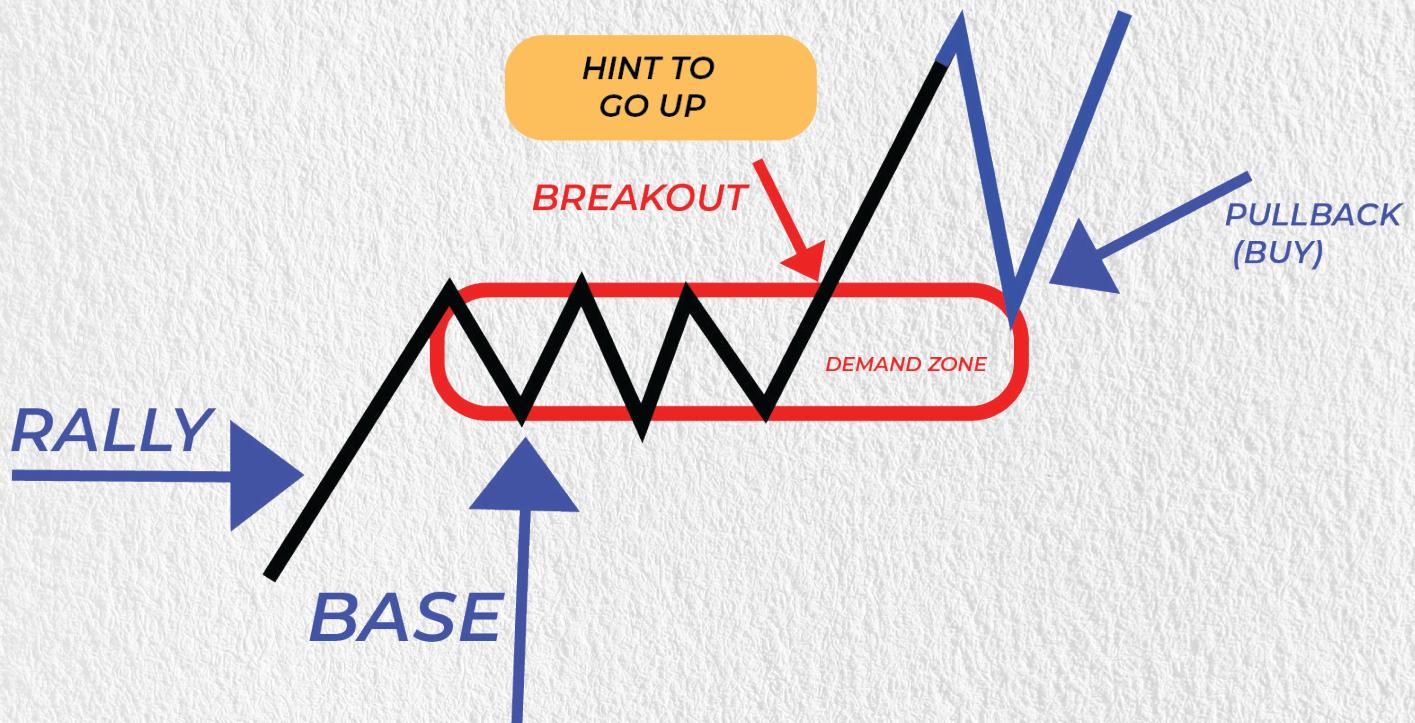
BREAKOUT & PULLBACK

- When the breakout price of the place we marked wait for a pullback for us to enter
- Do not chase the market price. Wait for the right price



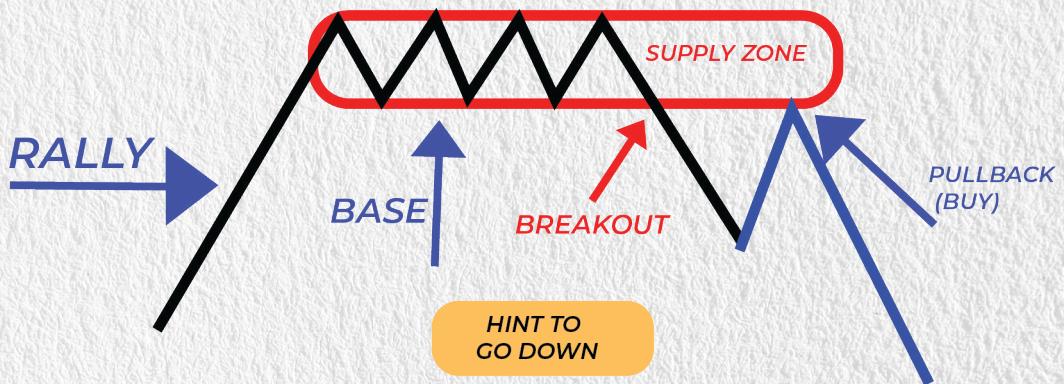
- Example Drop Base Rally > Breakout & Pullback {Demand Zone}





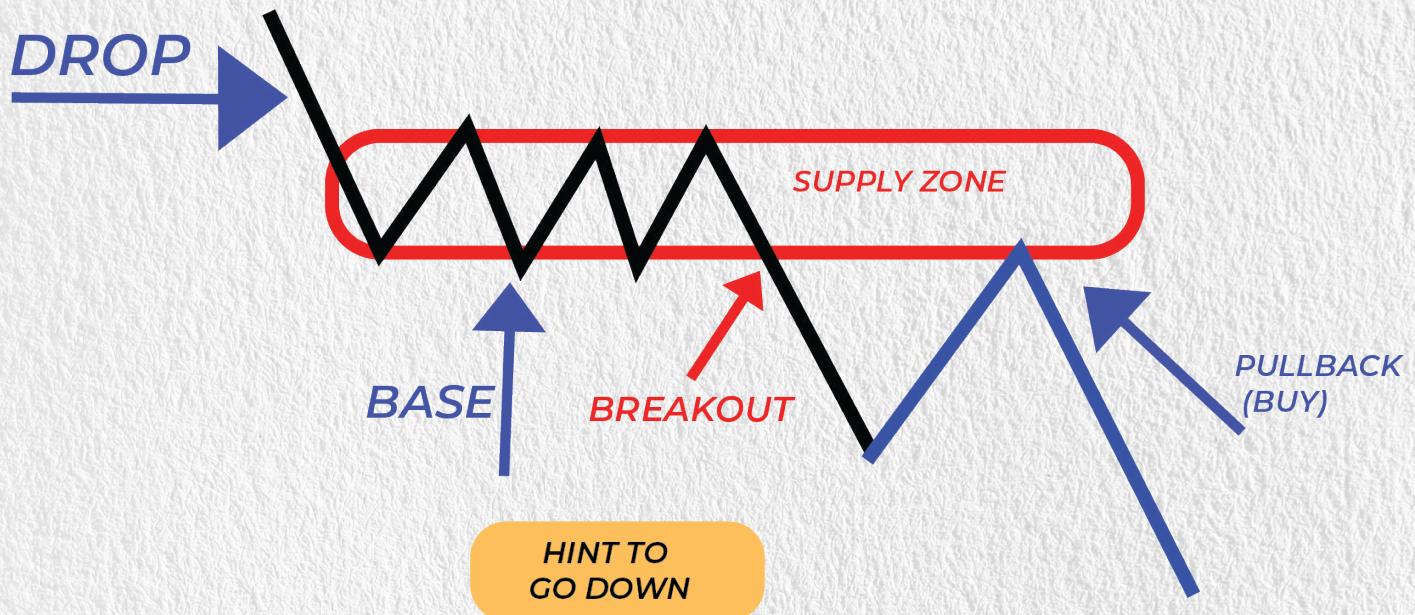
- Example Rally Base Rally> Breakout & Pullback {Demand Zone}
- Continuation Trend





- Example Rally Base Drop > Breakout & Pullback {Supply Zone}





- Example Drop Base Drop > Breakout & Pullback {Demand Zone}
- Continuation Trend



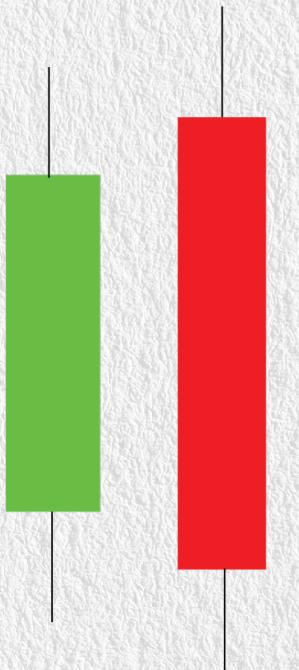
16. ENGULFING

What is Engulfing?

“Engulfing refers to a candlestick pattern in technical analysis where one candlestick completely engulfs or covers the body of the previous candlestick. It typically consists of two consecutive candlesticks and can be either bearish or bullish”

What is Bearish Engulfing ?

- **Bearish** engulfing is a candlestick pattern that typically occurs during an uptrend and suggests a potential reversal towards a downward trend. The pattern consists of two **candlesticks**:



BEARISH ENGULFING

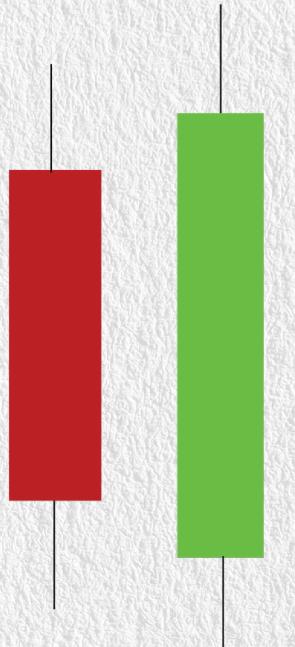
- The first candlestick is a smaller **bullish (upward)** candlestick, indicating that **buying** pressure is still present in the market.
- The second candlestick is a larger **bearish (downward)** candlestick that completely engulfs the body of the previous **bullish candlestick**. The **bearish candlestick** represents increased **selling pressure** and the potential dominance of **bears** over bulls in the market.
- The **bearish engulfing** pattern suggests a shift in market sentiment from **bullish** to **bearish**, indicating that sellers may have gained control and that a **downtrend** might follow. Traders and analysts often interpret this pattern as a potential **selling signal** or an indication to be cautious about further price **declines**.

Bearish Engulfing View:



What is Bullish Engulfing ?

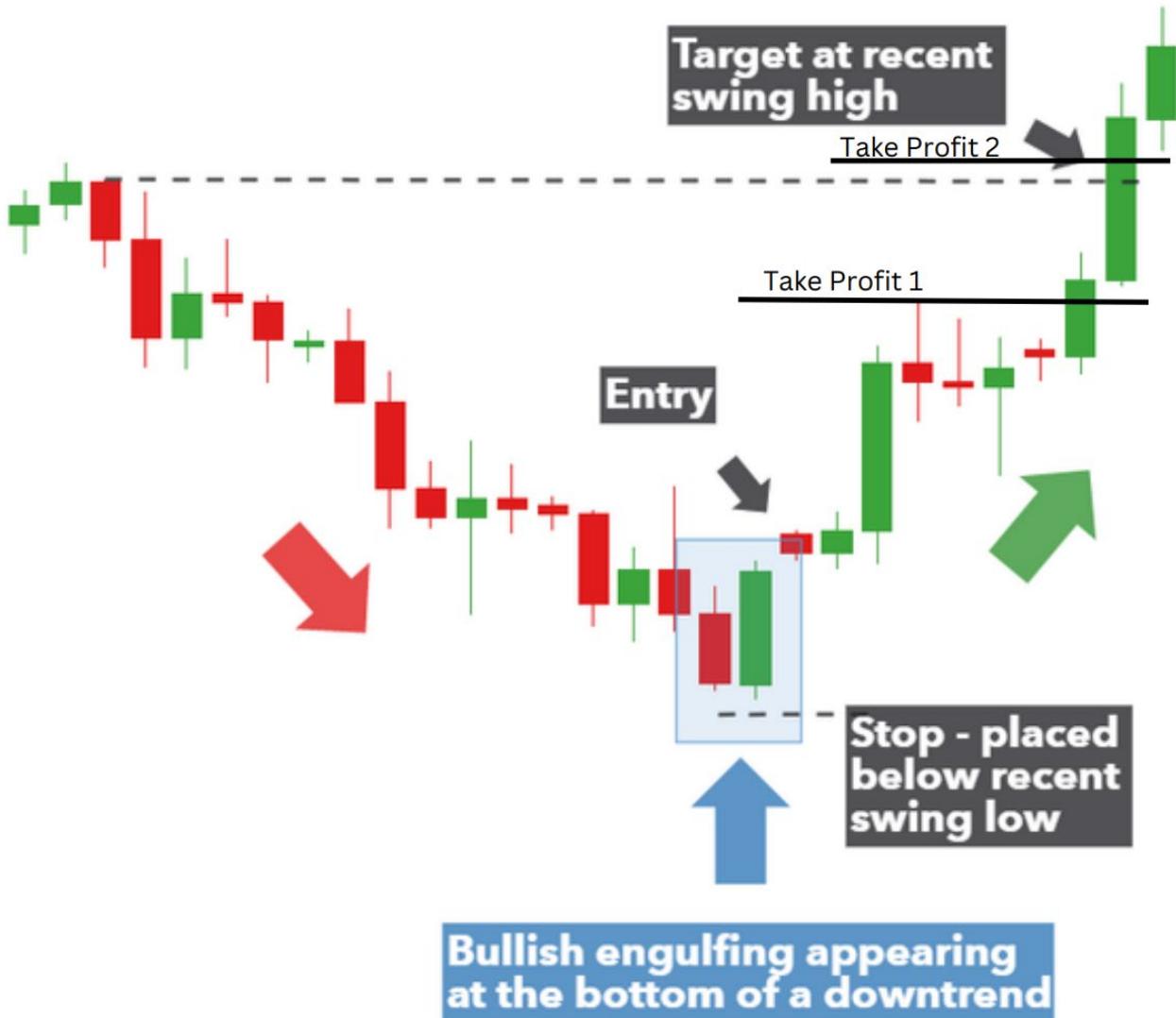
- **Bullish engulfing** is a candlestick pattern that usually occurs during a downtrend and indicates a potential reversal towards an **upward trend**. The pattern also consists of two **candlesticks**:



BULLISH ENCULFING

- The first candlestick is a smaller **bearish (downward)** candlestick, reflecting the prevailing **selling pressure**.
- The second candlestick is a larger **bullish (upward)** candlestick that completely engulfs the body of the previous **bearish** candlestick. The **bullish** candlestick represents increased **buying** pressure and the potential dominance of **bulls** over **bears** in the market.
- The **bullish** engulfing pattern suggests a shift in market sentiment from **bearish** to **bullish**, indicating that **buyers** may have gained control and that an **uptrend** might follow. Traders and analysts often interpret this pattern as a potential **buying signal** or an indication to be cautious about further **price increases**.

Bullish Engulfing View:



Bullish/Bearish Engulfing Pattern:



17. Money Management/Reward Ratio/Trading Plan

Money management, reward ratio, and trading plan are important concepts in trading. Money management involves strategies to protect your funds and limit risks. Reward ratio measures potential profitability compared to risk. A trading plan outlines goals, strategies, and risk tolerance. These elements are vital for successful trading and consistent

Money Management

Money management refers to the process of managing your financial resources effectively and efficiently, particularly in the context of trading or investing. It involves making strategic decisions about how much capital to allocate to different trades or investments, setting risk limits, and controlling potential losses. Money management aims to protect your capital, maximize profitability, and minimize risks. Some key principles of money management include:

- **Setting a budget**: Determine how much capital you can afford to invest or trade with, without putting your financial well-being at risk
- **Risk management** : Set appropriate risk limits for each trade or investment to control potential losses. This can be done by defining a maximum percentage of your capital that you're willing to risk on any single trade.
- **Position sizing** : Determine the appropriate position size for each trade based on your risk tolerance and the specific trade setup. This involves calculating the number of shares, lots, or contracts to trade.
- **Diversification** : Spread your capital across different asset classes, sectors, or trading strategies to reduce the impact of any single loss.

Reward Ratio

Reward ratio, also known as risk-to-reward ratio, is a metric used to assess the potential profitability of a trade or investment relative to the risk undertaken. It is typically expressed as a ratio, comparing the potential reward (profit) to the risk (loss) of a particular trade. For example, a reward ratio of 2:1 means that the potential profit target is twice the size of the potential loss. A higher reward ratio indicates a potentially more favorable trade,

- **Reward ratio** is an essential element of risk management. By analyzing reward ratios, traders and investors can determine if a trade is worth pursuing based on its potential profitability and the likelihood of achieving the profit target. It is important to note that reward ratio should be considered alongside other factors such as the probability of success and overall market conditions.

Trading Plan

*A **trading plan** is a comprehensive set of guidelines and rules that a trader follows to make informed and consistent trading decisions. It outlines the trader's trading strategy, goals, risk management rules, entry and exit criteria, and other important aspects of their trading approach. A well-defined trading plan helps traders stay disciplined, make rational decisions, and avoid emotional or impulsive trading.*

- **Trading strategy** : Define your trading approach, including the type of securities or markets you'll trade, the timeframes you'll focus on, and the indicators or techniques you'll use for analysis.
- **Risk management** : Determine your risk tolerance, set risk limits for each trade, and establish rules for position sizing and stop-loss orders.
- **Entry and exit criteria** : Define the conditions or signals that will prompt you to enter a trade, as well as the criteria for taking profits or cutting losses.
- **Trade monitoring** : Specify how you'll track and monitor your trades, including the frequency of reviewing and adjusting your positions.
- **Review and evaluation** : Establish a routine for reviewing your trading performance, identifying strengths and weaknesses, and making necessary adjustments to your plan.

SUMMARY

Effective money management is the bedrock of successful forex trading. Begin by never risking more than 1-2% of your trading capital on a single trade. Use stop-loss orders to limit potential losses and protect your capital. Diversify your trades across different currency pairs to spread risk. It's also essential to have a clear understanding of your risk tolerance and adjust your position sizes accordingly. By following these principles, you can weather losses and remain in the game for the long term.

Emotions like fear and greed can be the downfall of many traders. To control these emotions, develop a well-defined trading plan that includes entry and exit strategies. Stick to your plan religiously and avoid impulsive decisions based on emotional reactions to market fluctuations. If you find yourself becoming too emotional during trading, consider taking a break. Remember that losses are part of the trading journey, and learning to accept them without revenge trading or excessive risk-taking is crucial for your overall success.

The psychological aspect of trading cannot be overstated. Maintain discipline by adhering to your trading plan, even when faced with losses. Cultivate patience, as forex trading often involves waiting for the right opportunities. Continuously educate yourself and stay adaptable to changing market conditions. Self-awareness is key; recognize how emotions affect your decision-making and take steps to mitigate their impact. By focusing on mastering your emotions and psychology, you'll be better equipped to make rational and informed trading decisions.