

# BLUE GOLD AURA

## TRADING GUIDANCE

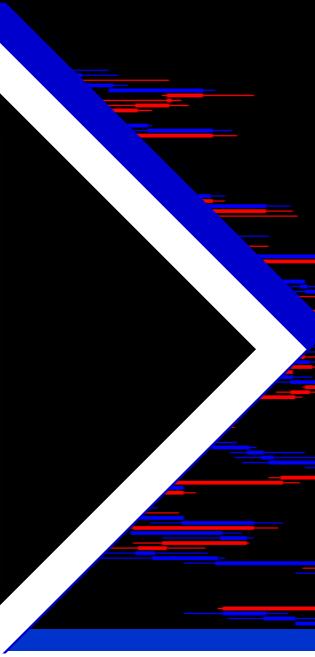


### MAKING MONEY

## TRADING VOLATILITY INDICES



BLUE GOLD AURA FX  
"Creating Generational Wealth"



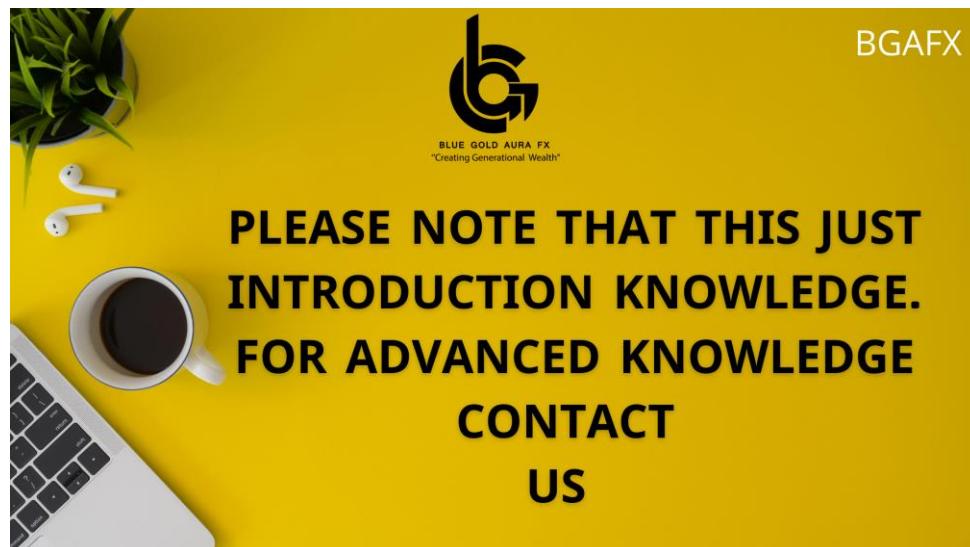
AUTHOR: L. Mapfuti

(Founder of BGA FX  
Trading Guidance)



This book and its contents remains the property of Blue Gold Aura FX (L. Mapfuti) and cannot be resold, republished, reproduced, transmitted or sold in whole or in part, or any form, without the prior written consent of L. Mapfuti (Blue Gold Aura FX). If you are interested in the contents and would love to help others gain financial freedom through this material please feel free to contact me via

email at [bluegoldaura@gmail.com](mailto:bluegoldaura@gmail.com)



*Shout out to all young people out there who are trying to earn a living and investing through trading the financial markets. You guys are soldiers. Keep on pushing, you will surely get there “Consistency is the key to unlocking the mastery realm”.*



## ADVANCE PRAISES

This is a very excellent comprehensive guide I have ever come across when it comes to indices, especially VIX. L. Mapfuti really pours out his heart into grey areas in Technical Analysis that has scared away traders who tried the journey without a ready-to-go toolbox like this. He is a great friend and his passion for trading and sharing his experience is clearly evident throughout this book. The rarest element about this book is that, L. Mapfuti is not just a trainer but also an active trader who has disruptive ideas and strategies when it comes to the financial markets. I believe this book unlocks the master Key to unlocking massive wealth for the African Child. It will easily become a popular compass for every trader and indices enthusiasts in the region.

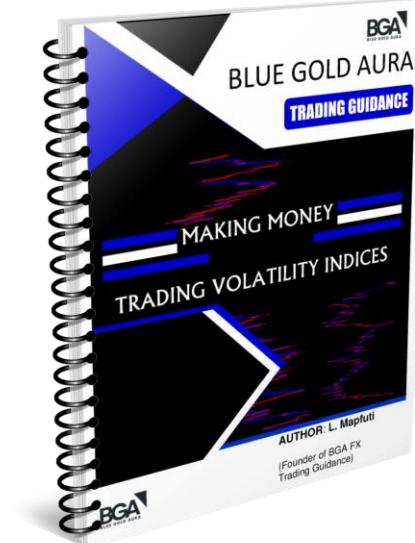
**M. W**

**Forex Trader and CEO of FUTUREGOLD  
CONSORTIUM**

Have you ever had information but still feel like it's not enough? This book quenched my thirst for knowledge and answered all my hidden current and future questions. I haven't just made it yet, but I have become more attached and totally taken away by what this book can give...!!

**It's more than just a book its money making  
cheat code!!**

**T. Phil**



For more info  
CALL/WHATAPP





## DISCLAIMER

1. Blue Gold Aura FX or any of their representatives are not:
  - a. Authorized financial services providers, representatives or intermediaries, or render financial services in respect of financial products.
  - b. Authorized users or brokers, or render securities services in respect of securities
  - c. Registered with, or authorized or approved by the Financial Securities.
3. Neither Blue Gold Aura FX nor any of their representatives, agents or distributors shall be liable for any damages or other loss you or any third party may suffer, be it direct, indirect, special, consequential or punitive as a result of trading this strategy.
3. Trading carries risks. Volatility Indices are highly volatile and they fall into the highest risk category on the market. **Never trade with money that you are not prepared to lose.**
4. The secrets are a private study of the author and are meant to serve as trading knowledge for his students. This material has been complied with the assumption that the trader has a basic and not a beginner's knowledge of the Forex trading. If not, one can visit [www.babypips.com](http://www.babypips.com) and any other free trading sites.
5. Forex carries 90% risk and without the right guidance LOSSES can EXCEED ones capital.
6. We will combine the theory with the practical by making use of your demo account and thereafter placing trades in a live environment.
7. By reading this guide, you agree that I and my company is not responsible for the success or failure of your business decisions relating to any information presented in this guide.
8. Information contained in this product is not an invitation to trade any specific investments.

For more information  
CALL/WHATSAPP



# MAKING MONEY TRADING VOLATILITY INDICES

For more information  
CALL/WHATSAPP



Authored by: "L. Mapfuti BGA FX"

Private Fx Trader & Mentor

Instagram-@bluegoldaura\_fx

Facebook- Blue Gold Aura Fx

Website: [www.bluegoldaurafx.com](http://www.bluegoldaurafx.com)

Telegram Free Group:

<https://t.me/joinchat/AAAAAEWXamlshFNg6nWXTw>

Email: [bluegoldaura@gmail.com](mailto:bluegoldaura@gmail.com)

YouTube Channel: BGAFX

PLEASE NOTE THAT AFTER WE RELEASED OUR BOOK, SO MANY TRADERS HAVE BEEN

LOOKING FOR US AND DIDN'T HAVE ENOUGH INFORMATION ABOUT US AS BGAFX AND ME

AS THE AUTHOR. IT IS AT THIS TIME THAT I WANT TO POINT OUT THAT I DO NOT HAVE

REPRESENTATIVES WHATSOEVER ANYWHERE AROUND THE WORLD. ANYONE CLAIMING TO

BE ONE SHOULD BE REPORTED. ANY PERSON WHO IS TRYING TO SELL YOU NOW, AS LONG

AS HE IS NOT ME, HE IS TRYING TO STEAL YOUR MONEY EVEN IF HE OR SHE IS YOUR FRIEND.

TO CONTACT ME USE THE DETAILS ABOVE AND YOU WILL BE ABLE TO TALK TO ME DIRECTLY.

THIS IS OUR BOOK WHICH WE RELEASED IN 2019 JUNE AND SO MANY LIVES HAVE CHANGED

WITH THE KNOWLEDGE. WE NOW HAVE A FULL MENTORSHIP PROGRAM FOR THOSE OF YOU

WHO ARE INTERESTED. PLEASE SHARE YOUR TESTIMONIES AND RESULTS WITH US.



AUD/JPY	81.411	AUD/CHF	0.69193	AUD/CAD	0.9850	USD/CAD	1.26948	USD/CHF	0.89151	USD/JPY	104.927	USD/JPY	104.927					
1.433	Bid 81.387	Spread 0.046	Ask 0.69226	Bid 0.69171	Spread 0.00055	Ask 0.98533	Bid 0.98487	Spread 0.00046	Ask 1.26961	Bid 1.26926	Spread 0.00035	Ask 0.89173	Bid 0.89138	Spread 0.00035	Ask 104.938	Bid 104.90	Spread 0.038	Ask 14.56

Integrated by [Ultravibe](#)

 BGAFX MEET THE CEO STORE COMMUNITY 

[Telegram Group](#)

## "CREATING GENERATIONAL WEALTH THROUGH TRADING THE FINANCIAL MARKETS"

 Email BGAFX

GelButton

Windows taskbar icons: File Explorer, Task View, WhatsApp, Telegram, Adobe Photoshop, Adobe Premiere Pro, Google Chrome, Microsoft Edge, Microsoft Word, Microsoft Excel, Microsoft Powerpoint, Microsoft Access, Microsoft Project, Microsoft Visio, Microsoft Publisher, Microsoft Word, Microsoft Excel, Microsoft Powerpoint, Microsoft Access, Microsoft Project, Microsoft Visio, Microsoft Publisher.

System tray: ENG IN 13:02 2021/02/14

 BGAFX MEET THE CEO STORE COMMUNITY 

[Telegram Group](#)

## ASSETS TRADED AT BGAFX

OUR COURSES AND STRATEGIES ARE DESIGNED IN THE MOST SIMPLISTIC AND EASY TO FOLLOW STEPS. BGAFX OFFERS A HYBRID OF INSTRUCTIONAL VIDEOS WITH LIVE TRADING STRATEGIES TO ACCELERATE YOUR KNOWLEDGE IN FOREX, VOLATILITY INDICES, STOCK INDICES AND CRYPTOCURRENCIES.

Synthetic Volatility Indices 90%

Forex Trading 85%

Stock Indices 85%

Cryptocurrency 85%

 Email BGAFX





## BGAFX EDUCATION

**MARKET ANALYSIS**

WE PROVIDE OUR COMMUNITY MEMBERS WITH MARKET INSIGHTS AS WELL AS PAIRS TO LOOK AT. WE WILL ALSO GUIDE OUR MEMBERS IN SELECTING THE BEST PAIRS TO CAPITALIZE ON. AS A MEMBER OF THE COMMUNITY, YOU WILL GET DETAILED INFORMATION AS TO WHY WE ARE LOOKING TO INVEST INTO A CERTAIN INSTRUMENT. JUST BECAUSE WE ARE TRYING TO BUILD SELF SUSTAINED TRADERS, OUR TRADERS IN THE COMMUNITY WILL ALSO HAVE THE OPPORTUNITY TO SHARE THEIR ANALYSIS UNDER OUR SUPERVISION.

**LIVE WEBINARS AND MEET UPS**

WE HOST WEEKLY WEBINARS TO ALL OUR BGAFX MEMBERS, BOTH NEW AND OLD STUDENTS. THE MAIN AIM IS TO MAKE SURE THAT THEY ARE ENGAGED, ASK QUESTIONS, SHARE IDEAS, SHARE LIVE MARKET TRADE SETUPS AND INSIGHTS. EVERY MEMBER GETS TO TALK TO BGAFX CEO AND MENTORS IN REAL TIME. WE ALSO HAVE MEETUPS THAT WE WILL BE PLANNING IN DIFFERENT LOCATIONS OF THE WORLD TO HELP OUR NEW TRADERS IN THE FINANCIAL MARKETS. MEMBERS WILL ALSO MEET IN PERSON AND SHARE MARKET INSIGHTS.

Email BGA Fx
GetButton
BGAFX TELEGRAM



## BGAFX COMMUNITY

IN OUR BGAFX COMMUNITY, WE ARE EAGER AND PASSIONATE TO MAKE THINGS HAPPEN. WE BELIEVE THAT TRADING RESULTS ARE A RESULT OF A PROPERLY LAID OUT AND EXECUTED TRADING PROCESS. WE BELIEVE THAT TRADING SUCCESS TAKE TIME, YOU DONT ACHIEVE WORTHWHILE GOALS QUICKLY AND EASILY. WORTHWHILE TRADING RESULTS TAKE TIME AND RESTLESS PURSUIT, DAY IN DAY OUT, OUR COMMUNITY IS MADE UP OF INDIVIDUALS ALL OVER THE WORLD. WE BELIEVE THAT FOR ONE TO BE SUCCESSFUL, HE OR SHE NEEDS TO BE AROUND INDIVIDUALS WHO SHARE THE SAME VALUES, GOALS, AND VISION. THESE INDIVIDUALS SHARE DIFFERENT LIFE EXPERIENCES AND KNOWLEDGE WHICH THEY CAN PROVIDE TO EACH OTHER DAILY. DAY IN DAY OUT, TRADING SETUPS, LIFE EXPERIENCES, CHALLENGES, SOLUTIONS, AND REQUESTS ARE SHARED AS THEY CHAT WITH EACH OTHER THROUGH OUR PLATFORMS UNDER OUR PROPER SUPERVISION. THE MAIN MOTIVE IS TO WALK WITH EACH OTHER, SHARE POSITIVE ENERGY, ENCOURAGE EACH OTHER AS WELL AS GROW TOGETHER AS A COMMUNITY.

BGAFX COMMUNITY MEMBERS ALL AROUND THE GLOBE.

Email BGA Fx
GetButton
BGAFX TELEGRAM




BGAFX
MEET THE CEO
STORE
COMMUNITY
▼
Login or Register

## Trading Packages

**FX PACKAGE**

**COMPLETE BGAFX FOREX TRADING PROGRAM**

costs **00**

OUR COMPLETE TRADING PROGRAM PRESENTS YOU WITH ALL THE BASICS AND ADVANCED KNOWLEDGE REQUIRED TO BE ABLE TO ANALYSE AND TRADE THE FOREIGN EXCHANGE MARKETS FROM A LONGER TERM PERSPECTIVE. WE PROVIDE YOU WITH ALL THE REQUIRED TOOLS TO BECOME A CONSISTENT DAY OR SWING TRADER AND OUR HEAD MENTOR IS ON HAND TO HELP YOU THROUGH YOUR JOURNEY. THE COMPLETE FOREX TRADING PROGRAM IS THE MOST PREFERRED PACKAGE AS IT INCLUDES :

- Email BGA Fx FOREX TRADING STRATEGY
- LIVE TRADING TRAINING LESSON

 GetButton

**ADVANCED TRAINING**

**INDIVIDUAL TRADING PROGRAM**

costs **00**

- FOREX TRADING FOUNDATIONS
- MASTERING TRADING PSYCHOLOGY
- ADVANCED TECHNICAL ANALYSIS & MULTIPLE TIME FRAME ANALYSIS
- ADVANCED MARKET STRUCTURE
- WEEKLY MARKET PREP ANALYSIS & TRADES
- SNIPER ENTRY STRATEGIES
- DEEP CORRELATION KNOWLEDGES

**INDICES TRADING**

**STOCKS TRADING PROGRAM**

costs **00**

- STOCKS/ INDICES TRADING FOUNDATIONS
- MASTERING TRADING PSYCHOLOGY
- ADVANCED TECHNICAL ANALYSIS & MULTIPLE TIMEFRAME ANALYSIS
- ADVANCED MARKET STRUCTURE
- WEEKLY MARKET PREP ANALYSIS & TRADES
- SNIPER ENTRY STRATEGIES

 GetButton


BGAFX
MEET THE CEO
STORE
COMMUNITY
▼
Login or Register

- LIVE TRADING TRAINING LESSON
- WEEKLY/ DAILY WEBINARS
- ACCESS TO WEEKLY MARKET BREAKDOWN
- MARKET INSIGHTS WITH BEFORE AND AFTER TRADE SETUPS
- ACCESS TO OUR EXCLUSIVE TRADING COMMUNITY
- LIFETIME MENTORSHIP

 INQUIRE

 GetButton

Email BGA Fx

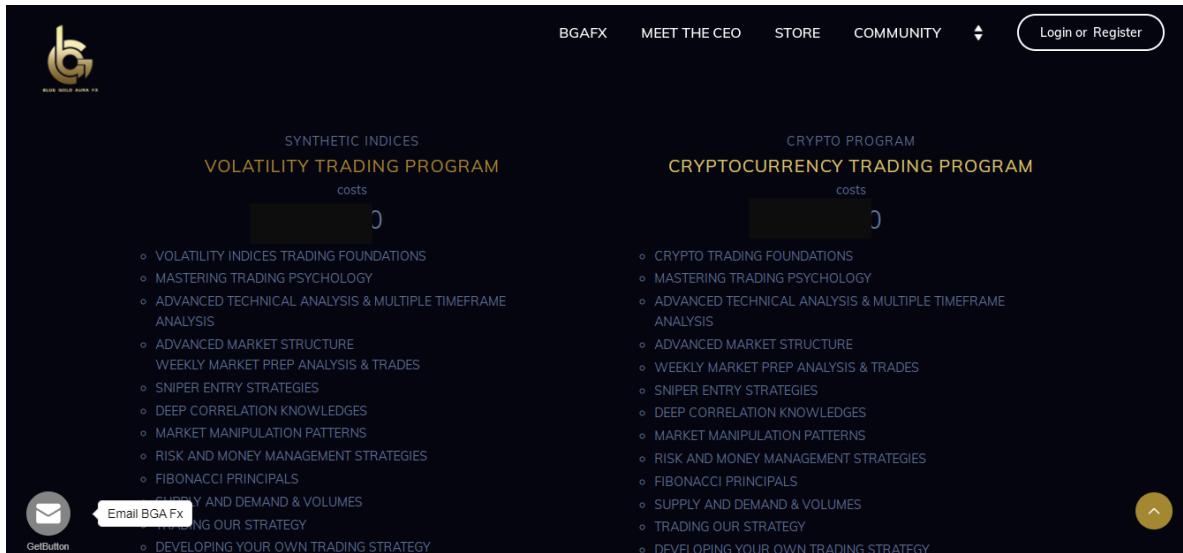
- DEEP CORRELATION KNOWLEDGES
- MARKET MANIPULATION PATTERNS
- FUNDAMENTAL ANALYSIS
- RISK AND MONEY MANAGEMENT STRATEGIES
- FIBONACCI PRINCIPALS
- SUPPLY AND DEMAND & VOLUMES
- TRADING OUR STRATEGY
- DEVELOPING YOUR OWN TRADING STRATEGY
- LIFETIME MENTORSHIP
- ACCESS TO OUR EXCLUSIVE MEMBERS GROUP
- ACCESS TO WEEKLY MARKET BREAKDOWN
- WEEKLY WEBINARS

 INQUIRE

- SNIPER ENTRY STRATEGIES
- DEEP CORRELATION KNOWLEDGES
- MARKET MANIPULATION PATTERNS
- FUNDAMENTAL ANALYSIS
- RISK AND MONEY MANAGEMENT STRATEGIES
- FIBONACCI PRINCIPALS
- SUPPLY AND DEMAND & VOLUMES
- TRADING OUR STRATEGY
- DEVELOPING YOUR OWN TRADING STRATEGY
- LIFETIME MENTORSHIP
- ACCESS TO OUR MEMBERS GROUP
- ACCESS TO WEEKLY MARKET BREAKDOWN
- WEEKLY WEBINARS

 INQUIRE

 GetButton



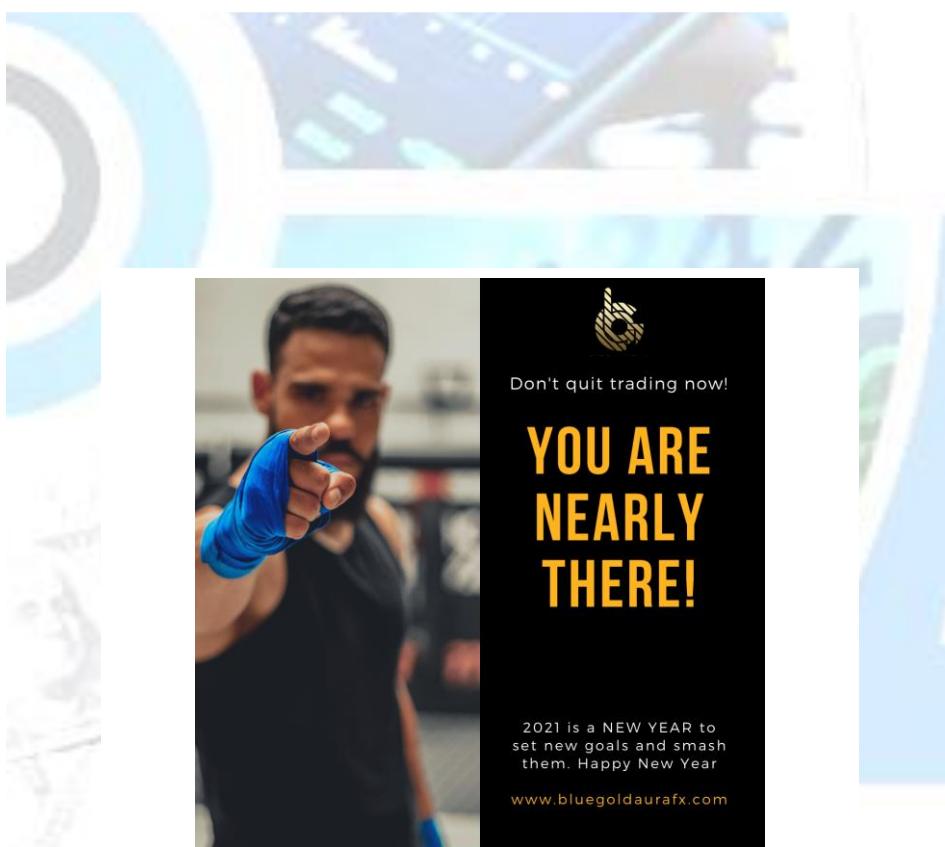
The screenshot shows the BGA website's homepage. At the top right, there are navigation links: BGAFX, MEET THE CEO, STORE, COMMUNITY, a dropdown arrow, and a "Login or Register" button. Below the navigation, there are two main sections: "SYNTHETIC INDICES" and "CRYPTO PROGRAM". Each section has a title, a "costs" link, a progress bar (both at 0%), and a list of training modules. On the left side of the main content area, there is a "GetButton" icon with an envelope symbol and the text "Email BGAFX". On the right side, there is a yellow circular icon with an upward-pointing arrow.

**SYNTHETIC INDICES**  
**VOLATILITY TRADING PROGRAM**  
costs

- VOLATILITY INDICES TRADING FOUNDATIONS
- MASTERING TRADING PSYCHOLOGY
- ADVANCED TECHNICAL ANALYSIS & MULTIPLE TIMEFRAME ANALYSIS
- ADVANCED MARKET STRUCTURE WEEKLY MARKET PREP ANALYSIS & TRADES
- SNIPER ENTRY STRATEGIES
- DEEP CORRELATION KNOWLEDGES
- MARKET MANIPULATION PATTERNS
- RISK AND MONEY MANAGEMENT STRATEGIES
- FIBONACCI PRINCIPALS
- SUPPLY AND DEMAND & VOLUMES
- TRADING OUR STRATEGY
- DEVELOPING YOUR OWN TRADING STRATEGY

**CRYPTO PROGRAM**  
**CRYPTOCURRENCY TRADING PROGRAM**  
costs

- CRYPTO TRADING FOUNDATIONS
- MASTERING TRADING PSYCHOLOGY
- ADVANCED TECHNICAL ANALYSIS & MULTIPLE TIMEFRAME ANALYSIS
- ADVANCED MARKET STRUCTURE
- WEEKLY MARKET PREP ANALYSIS & TRADES
- SNIPER ENTRY STRATEGIES
- DEEP CORRELATION KNOWLEDGES
- MARKET MANIPULATION PATTERNS
- RISK AND MONEY MANAGEMENT STRATEGIES
- FIBONACCI PRINCIPALS
- SUPPLY AND DEMAND & VOLUMES
- TRADING OUR STRATEGY
- DEVELOPING YOUR OWN TRADING STRATEGY



For more information  
CALL/WHATSAPP



Our main goal in summary is to make sure that you understand the following subjects with regards to trading Volatility Indices. For a much more detailed breakdown, you can visit the table contents.

### UNDERSTANDING PRICE ACTION

- Candlestick Patterns
- Legit Support and Resistance
- Channels
- Stop Bombs
- Supply and Demand (Market Stations)

### TRADING DAILY BIAS

- Continuation patterns
- Reversal Patterns
- Daily Pivots

### INDICATORS

Fibonacci Tool

TDI

CCI

Moving Averages

For more information

CALL/WHATSAPP



## Table of Contents

CHAPTER 1: INTRODUCTION .....	15
Before we get started.....	15
CHAPTER2: STRATEGY REVIEW TASKS .....	16
1st Practical.....	16
2nd Practical.....	16
3rd Practical .....	16
4th Practical .....	16
5th Practical .....	16
6th Practical .....	16
7th Practical .....	17
7th Practical .....	17
8th Practical Exercise .....	17
CHAPTER 3: WHAT IS VOLATILITY INDEX .....	18
CHAPTER 4: OUR PORTIFOLIO.....	18
CHAPTER 5: VOLATILITY INDEX TRADING SESSIONS .....	19
CHAPTER 6: WHY WE TRADE VOLATILITY INDICES .....	19
CHAPTER 7: MARKET STRUCTURE: BASIC PURE PRICE ACTION.....	20
CANDLESTIC PATTERNS.....	20
LEGITIMATE SUPPORT AND RESISTANCE LEVELS.....	29
CHAPTER 8: THE CORE OF THIS TRADING SYSTEM .....	36
CHAPTER 9: REVERSAL POINTS WITH FIBONACCI.....	36
FIBONACCI RETRACEMENT SETTINGS.....	37
APPLYING FIBONACCI ON CHANNELS .....	46
CHAPTER 10: (SUPPLY AND DEMAND)- MARKET STATIONS.....	49
CHAPTER 11: HOW TO DRAW AND TRADE MARKET STATIONS .....	50
CHAPTER 12: FTR AND FTBS (MINOR MARKET STATIONS).....	52
BULLISH AND BEARISH FTR ZONES .....	52
FTR - FAIL TO RETURN MARKET STATION .....	53
AN FTR MARKET STATION AS A CONTINUATION PATTERN .....	54



FTB– FAIL TO BREAK FTR MARKET STATION.....	56
CHAPTER 13: PUTTING FTR, FTB MARKET STATIONS (SUPPLY AND DEMAND) TOGETHER .....	58
CHAPTER 14: BGA (BLUE GOLD AURA) NUMBERS.....	61
MAJOR SNIPPING ZONE .....	67
CHAPTER 15: STRUCTURE OF THE STOP BOMBS .....	72
SPIKE GANG PATTERN.....	72
M DIVE (M DIVERGENCE).....	74
W DIVE (M DIVERGENCE).....	75
JET HOOK.....	75
SIX GANG.....	78
CHAPTER 16: M AND W (PATTERN).....	79
THE PSYCHOLOGY BEHIND AN M AND W PATTERN .....	80
CHAPTER 17: DAILY BIAS PIVOTS .....	85
CHAPTER 18: TREND ASSESSMENT USING THE TDI .....	90
BGA FX TDI INDICATOR APPLICATION.....	90
TDI EXPLANATION .....	92
VOLATILITY BANDS:.....	92
QQE INDICATOR .....	94
CHAPTER 19: DIVERGENCE.....	95
CHAPTER 20: TRADING AND TRADE SETUPS USING TDI .....	96
BUY SIGNAL EXAMPLES.....	96
SELL SIGNAL EXAMPLE .....	97
CHAPTER 21: PUTTING IT ALL TOGETHER .....	98
WHEN TO BUY OR SELL: .....	98
CHAPTER 22: GETTING PERFECT ENTRIES USING CCI .....	103
BUY SIGNAL WITH OUR TOOL BOX .....	108
SELL SIGNAL WITH OUR TOOL BOX .....	108
CHAPTER 23: PUTTING EVERYTHING IN PRACTICAL .....	111
BUY SETUP CASE STUDY.....	111
SELL SETUP CASE STUDY .....	117
SELL SETUP CASE STUDY .....	117
CHAPTER 24: TRADING ON YOUR PHONE.....	123
TDI SETUP ON MOBILE .....	125



CCI SETTINGS.....	127
CHAPTER 25: RISK AND MONEY MANAGEMENT- BGA FX.....	129
POSSIBLE ERRORS TO GUARD AGAINST:.....	130
FINAL REMARKS .....	131
ADDITIONAL FOREX RESOURCES THAT YOU MIGHT BE INTERESTED IN: .....	132
ABOUT THE AUTHOR.....	133





## CHAPTER 1: INTRODUCTION

### Before we get started...

In my trading journey, it has never been easy and smooth. After being introduced to the subject of trading forex a few years ago, I became so interested and started looking for a mentor to learn more and more about this subject. I searched around me to get a mentor but to no avail and as a result I decided to use the cheapest resource I had “The Internet”. The first day I got introduced to trading forex, I found myself on my laptop researching on how I could make money trading forex. I remember sleeping around 3-4am in the morning watching YouTube videos, reading all trading material I could get my hands on.

I hoped from one trading strategy to another in the hope that I will find the holy grail of trading and possibly become a millionaire just like everyone else. That is the goal and mantra for everyone joining the trading community. For me it was a daunting and exhilarating experience. I remember delving into any trading material I would come across on the internet, test on demo accounts and would get excited after having a winning streak. However I would get disappointed after having a series of losing trades and would hop to the next trading system. I know all of you are very much interested in my journey and how it ended but that's not my focus right now.

My main focus right now is to make sure that you understand that I have been where you are now and I understand the struggle. For some of us it has never been easy because we did not have direct mentorship and we had to make things work. As a result of this realization, I have decided to share with you this system and possibly make it easier for you to learn how to trade and be profitable. As I begin this book I want all of you to focus on mastering the skill rather than focusing on the money. If you focus on the skill, no one can take away that investment you would have given yourself. Always have an investor's mindset i.e. thinking in the long term. Blowing accounts is part of the game and the learning process. You must never give up until you become a master.

This book is purely based on my experience trading Volatility Indices and hence my interpretation of the market is simply customized to trading Volatility Indices.

For more information  
[www.bgaforex.com](http://www.bgaforex.com)



## CHAPTER2: STRATEGY REVIEW TASKS

### 1st Practical

Identify Pivots (Highs and Lows) of the day on H1 or M15. In addition to that, mark the Weekly and Monthly periods indicating the High, Low and period open.

### 2nd Practical

Study the Pivots over a period of 21 days, mark up your charts and try to understand why and where manipulation or Stop Bombs, OTE 79, 62, 70.5 Fibonacci retracement might happen without placing BGA numbers.

### 3rd Practical

Study the Pivots over a period of 21 days, mark up your charts and try to understand why and where manipulation, Stop Bombs, OTE 79, 62 and 70.5 Fibonacci retracement might happen with BGA numbers.

### 4th Practical

Take your Fibonacci tool go to the last 21 days and mark the charts according to our strategy understanding why price moved the way it moved and why it reversed the way it reversed using Support and Resistance as well as Channels

### 5th Practical

Identify Market Stations (Bearish / Bullish order blocks) on H1 timeframe looking at the last 21 days of trading.

For more information:

### 6th Practical



Identify FTRs, FTBs Market Stations, Ms and W patterns looking at the most recent 21 days of trading on M15.

## 7th Practical

Mark and explain price reversal using TDI, QQE and CCI indicator. [I recommend that you do it on the M15, H1 and H4 understanding divergence on the TDI].

## 7th Practical

Go and mark BGA whole and half numbers on D1-H1 (Doing the “Snipping Zone” identification drill).

## 8th Practical Exercise

Create your own BGA trading plan relating to when you will enter and exit the market.





## CHAPTER 3: WHAT IS VOLATILITY INDEX

Investopedia defined Volatility Index as an index which was created by (CBOE) Chicago Boards Options Exchange to reveal the volatility markets expectation for 1 month. This was designed using implied volatilities on S&P 500 Index options. This Volatility Index is commonly known as “Investor Fear Guage” or “Fear Index”. Investors, research analysts and portfolio managers look at VIX values as a way of measuring market risk, stress and fear before investing. So logically, fear can increase when stock prices are falling (there is a high rise of investors losing their investment portfolios) so this will result in VIX price plummeting. Similarly if prices of stocks increase, there is a high rise of excitement resulting in VIX price going down.

## CHAPTER 4: OUR PORTFOLIO



**OUR PORTFOLIO**

WE USE THIS STRATEGY TO TRADE THE FOLLOWING PAIRS:

1. **Volatility 75 Index (Favourite)**
2. **Volatility 100 Index**
3. **Volatility 10 Index**
4. **Volatility 100 Index**
5. **Volatility 25 Index**
6. **Volatility 50 Index**

Figure 1: Our Trading Portfolio



Volatility Indices as the name says vary in their volatility. Even though we trade a portfolio of more than 5 indices, Volatility Index 75 is an example of the most volatile indices whilst Volatility Index 10 is an example of the least volatile indices. There is also a class of Volatility Indices on the broker we use and these are classified as HF (High Frequency) Indices. The main difference between the HF and the ordinary indices is that the HF indices are 4 times faster. Understanding this can give us the advantage we want in the markets. However because of their volatility, we can make more pips faster when we are on the right side of the market and the opposite is also true when caught on the wrong side of the market.

## CHAPTER 5: VOLATILITY INDEX TRADING SESSIONS

Unlike Currencies, Stocks and CFDs etc. which have a window period of trading, Volatility Indices are traded everyday i.e. 24 hours a day, Monday all the way to Sunday, 365 days including public holidays. As traders we can use this to our advantage and this also means that one can do other things during the day and trade whenever we are free. If you have a side business or full time job you can actually trade Volatility Indices during your spare time and still make consistent profits.

## CHAPTER 6: WHY WE TRADE VOLATILITY INDICES

You are probably wondering why we are so much concerned about trading Volatility Indices when there is a bucket of other instruments like Forex, Stocks, and CFDs etc. Yes we trade other instruments but here we just want to exploit the benefits of trading Volatility Indices.



- They have low margin requirements, i.e. one can start to trade with as little as USD10. Note that with our strategy we recommend that one starts with at least USD 100.
- Your basic Pure Price Action works well- although here we back it up with other tools which will be explained in the following chapters.
- Unlike currencies where there is direct manipulation of spreads so that one doesn't profit especially when scalping, here there are low to fixed spreads.
- Synthetic Indices derived by binary.com are preprogrammed and simulated computer algorithms which use randomly generated numbers to reflect the true financial market behaviour. The fact that synthetic indices movement is preprogrammed, binary.com cannot influence or predict which numbers will be generated by their algorithm in real time. Due to this fact, we can easily predict the market movement 80% of the time and take advantage of the movement.
- Volatility Indices are not affected by Fundamentals like CFDs, Stocks and Currencies and this narrows our focus only to Technical Analysis.

## CHAPTER 7: MARKET STRUCTURE: BASIC PURE PRICE ACTION

### CANDLESTICK PATTERNS

Before we go any further, we just want to make sure that the trader is familiar with candlestick patterns. It is of paramount importance to understand that candlestick patterns will go a long way to help us understand what price is doing. Basically there are so many candlestick patterns out there but here we are just going to focus on a few that I have found to be effective when trading Volatility Indices.



I am not saying that the other candlestick patterns are not important but these ones are the most common candlestick patterns especially at reversal points which will be explained in the following chapters. Below is a candlestick pattern list that are common in the Volatility Indices charts. Note that these candlestick patterns are only relevant when interpreted in the right context of the market and not everywhere.

## 1. ENGULFING PATTERN

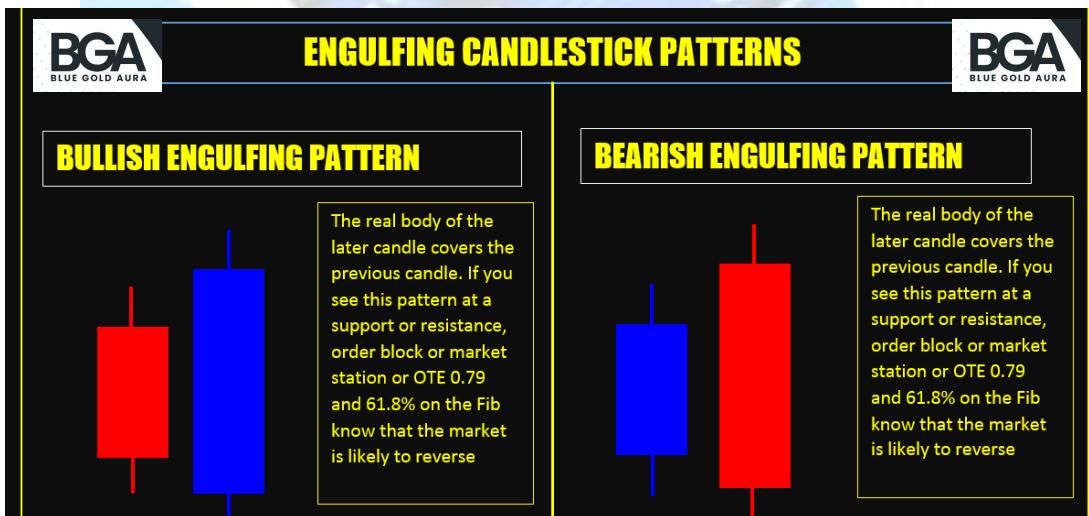


Figure 2: Engulfing Candlestick Pattern

On this pattern, price just taps the reversal points reverse in one big candle. The bigger candle closes below or above the small candle (engulfing it) signaling a change in market sentiment. In essence the second candle would have retraced more than 100% on Fibonacci retracement breaking the opening price of the previous candle. The above illustration is a textbook example, below is a chart with these patterns in real life.



Figure 3: Engulfing Patterns on a real chart.

## 2. RRT (RAIL ROAD TRACK PATTERN).

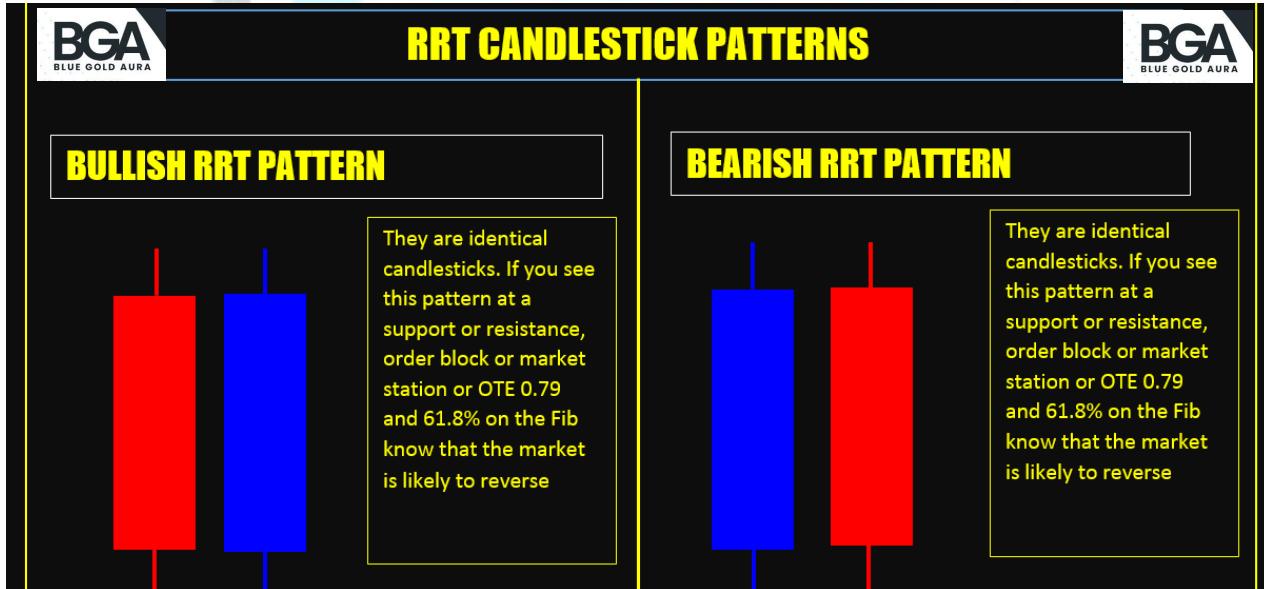


Figure 4: RRT Patterns

This is a common candlestick pattern when trading Volatility Indices. They are found everywhere but only relevant at our reversal points we have indicated on the Engulfing Patterns above. These candles are similar in shape and length and they



also look like railroad tracks, hence the term RRT. You will see the forming of the previous candlestick and immediately another candlestick similar to the first one will be formed. What would have happened here is that price would have retraced approximately 100% Fibonacci retracement levels i.e. beyond 62, 70.5 and OTE 79 Fibonacci retracement levels. RRT patterns are used to tap reversal points before the market moves or reverses. The above illustration is a textbook example, below is a chart with these patterns in real life.

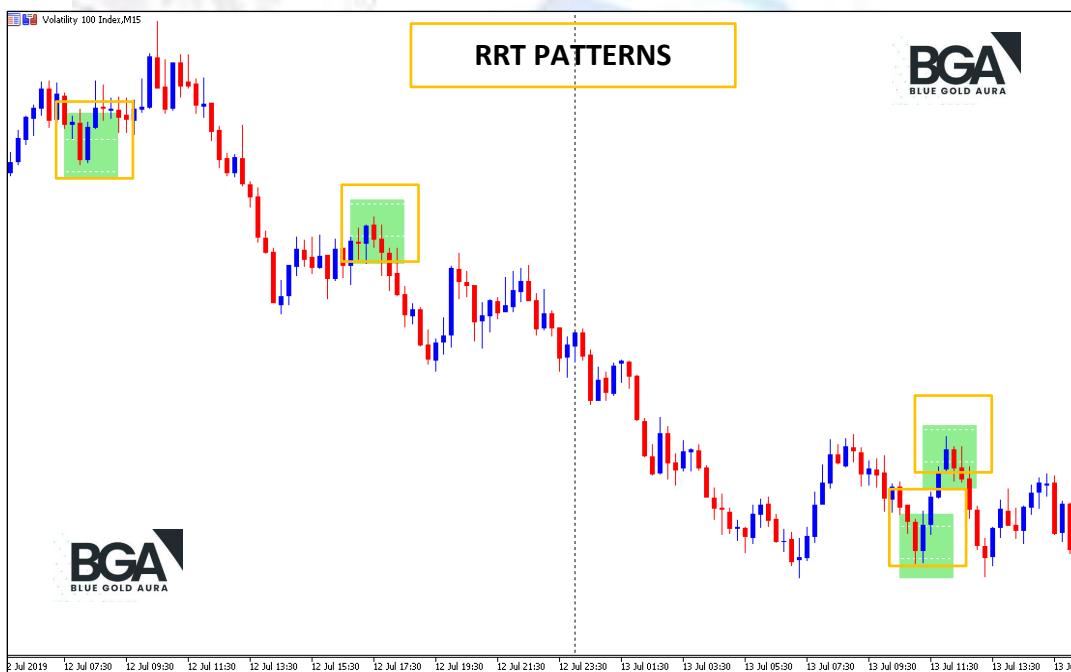


Figure 5: RRT Pattern

### 3. DOJI CANDLES

Doji candles are so common when trading Volatility Indices. I am not going to go deeper about their variations but I am going to show you what they look like. Dojis are unusually small and very short compared to neighboring candlesticks. Price usually opens and close near to its opening price. They are normally used to hold price at a reversal point i.e. extending time at a reversal point before reversal.



Figure 6: DOJI CANDLES

The above illustration is a textbook example, below is a chart with these patterns in real life.

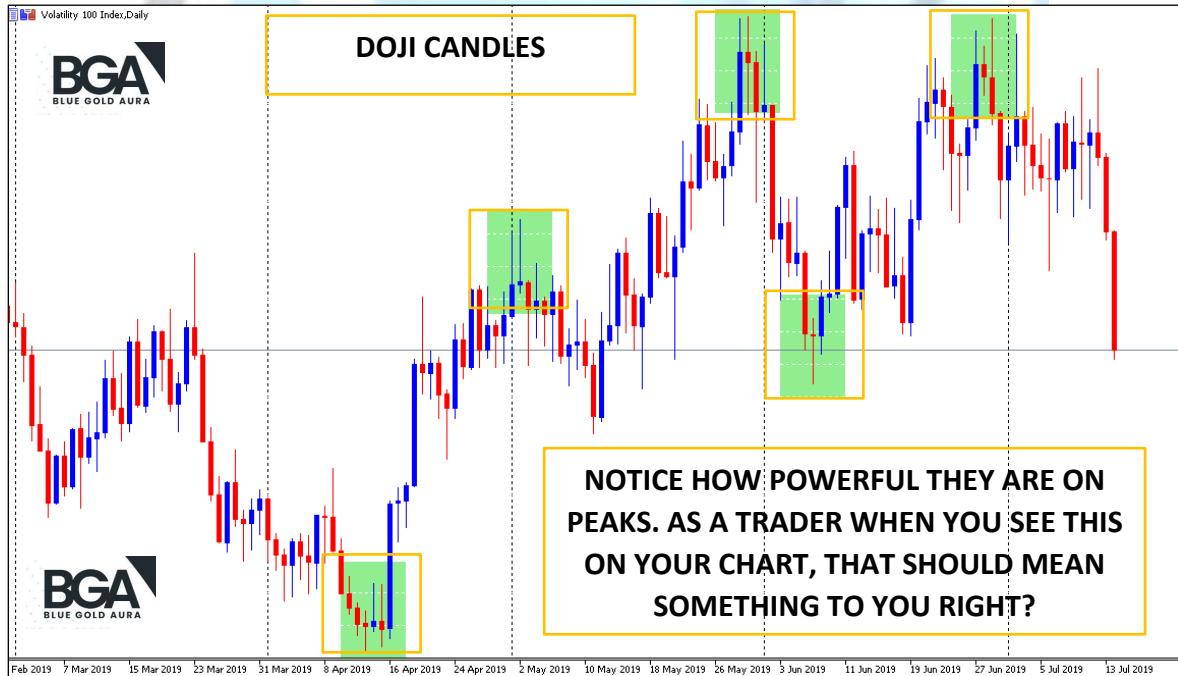


Figure 7: DOJII CANDLESTICKS



#### 4. MORNING AND EVENING STAR CANDLES

Morning and evening star candles are so common when trading Volatility Indices. This is a reversal candlestick pattern when interpreted in the right context of the market i.e. on the places described on the picture below. This is where price holds a reversal for an extended M15, H1, H4 or D1 before price reverses. It happens after a series of bullish or bearish candles. The market can retrace 0-20-15% of the previous candle. You can clearly see this behaviour on smaller timeframes. This clearly shows that there was zero to no price movement for that period.

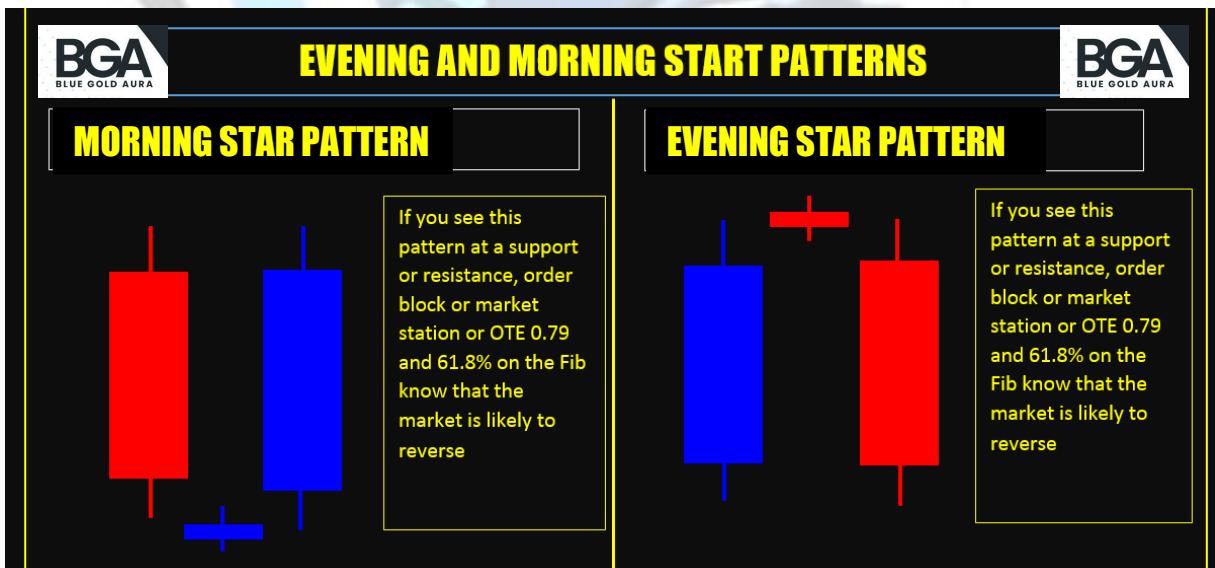


Figure 8: Morning and Evening Star Pattern

The above illustration is a textbook example, below is a chart with these patterns in real life.

For more information:  
CALL/WHATSAPP

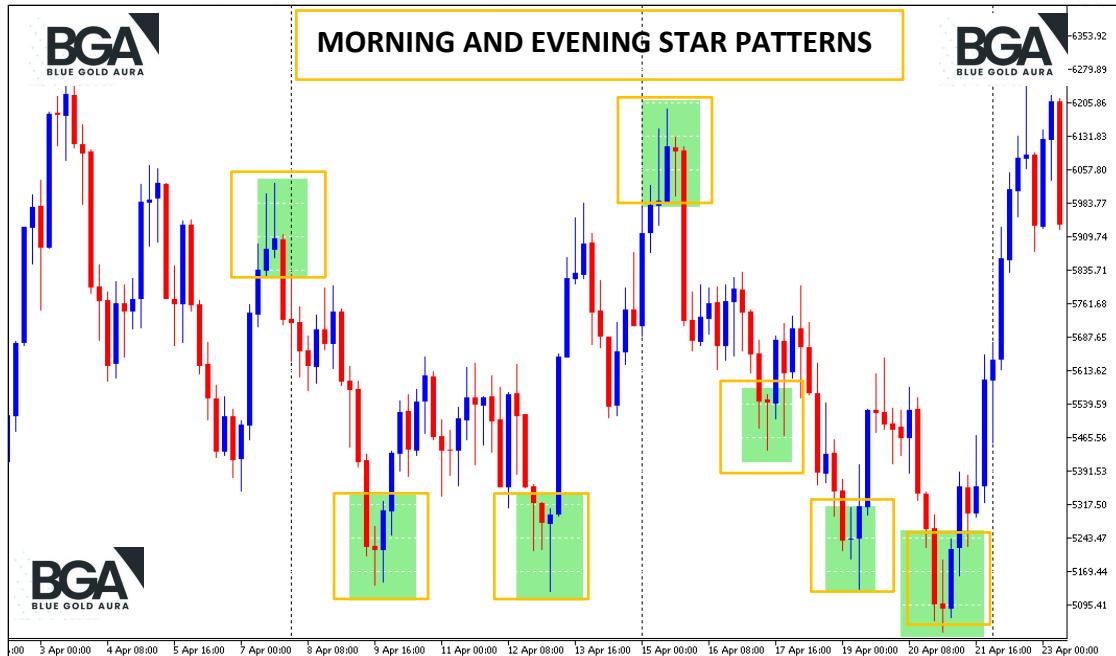


Figure 9: Evening and Morning Star Patterns

Below is a list of other candlestick patterns to look out for at our reversal areas:  
We expect that the trader is familiar with the following candlestick patterns.

## 5. SPIKE CANDLES

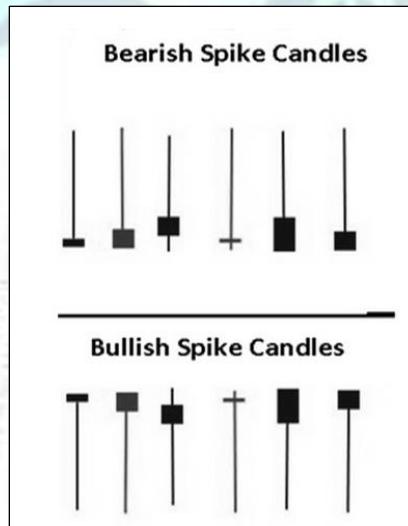


Figure 10: Spike Candles



Spike candles are a “family of reversal candles i.e. morning/evening stars, dojis, hammers, dragonflies, and pin bars etc. They are mostly found at reversal points. What happens here is that price pushes over or below a reversal point in a big way but close to the end of the session, the candle pushes in the other direction trapping and inducing trades closing close to where it opened.

You will see that the market would have retraced up to 60-80 % of the wick [that's OTE 0.79 and 62% on the Fibonacci retracement level. If you see such a pattern at our reversal points, know that reversal is imminent. The above illustration is a textbook example, below is a chart with these patterns in real life.

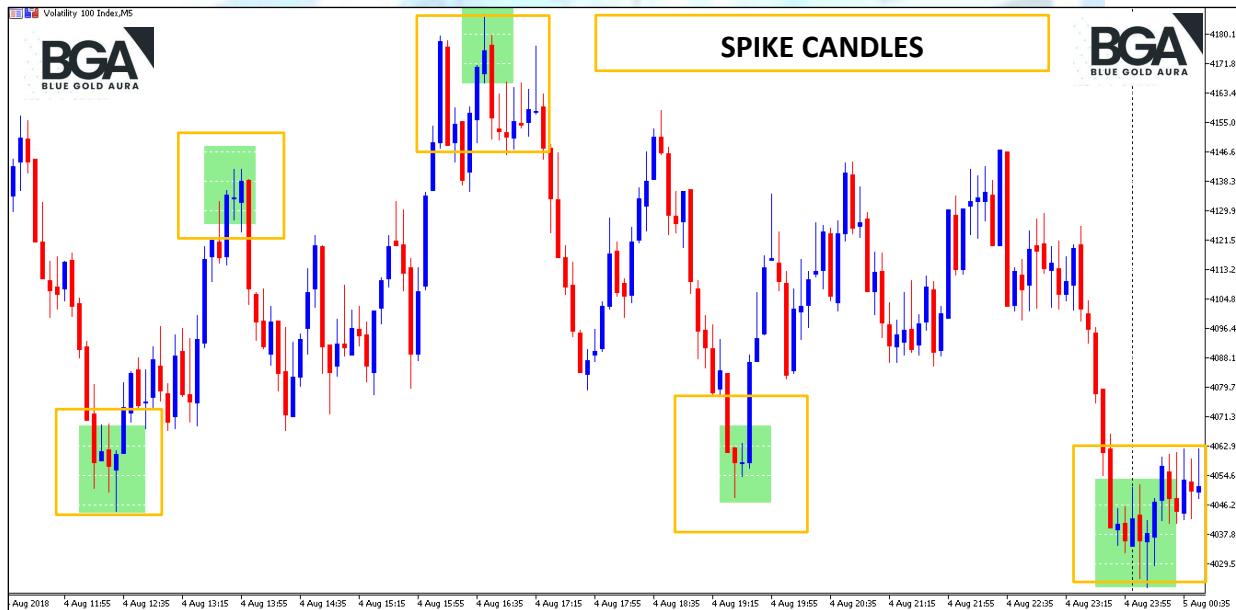


Figure 11: Spikes in a chart



## 6. INSIDE BAR CANDLESTICK PATTERN

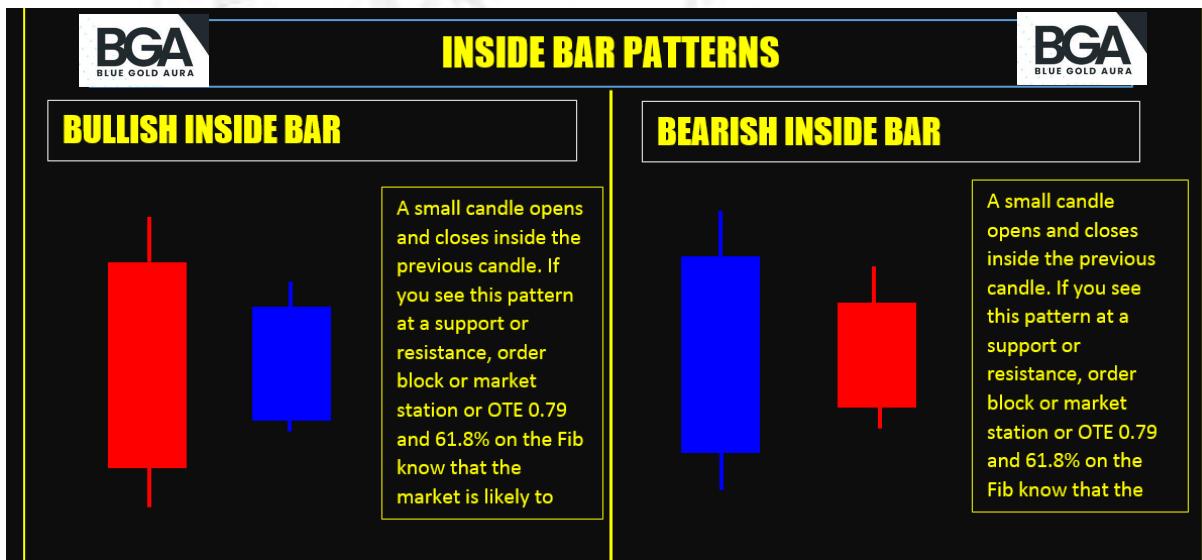


Figure 12: Inside Bar Pattern

The above illustration is a textbook example, below is a chart with these patterns in real life.

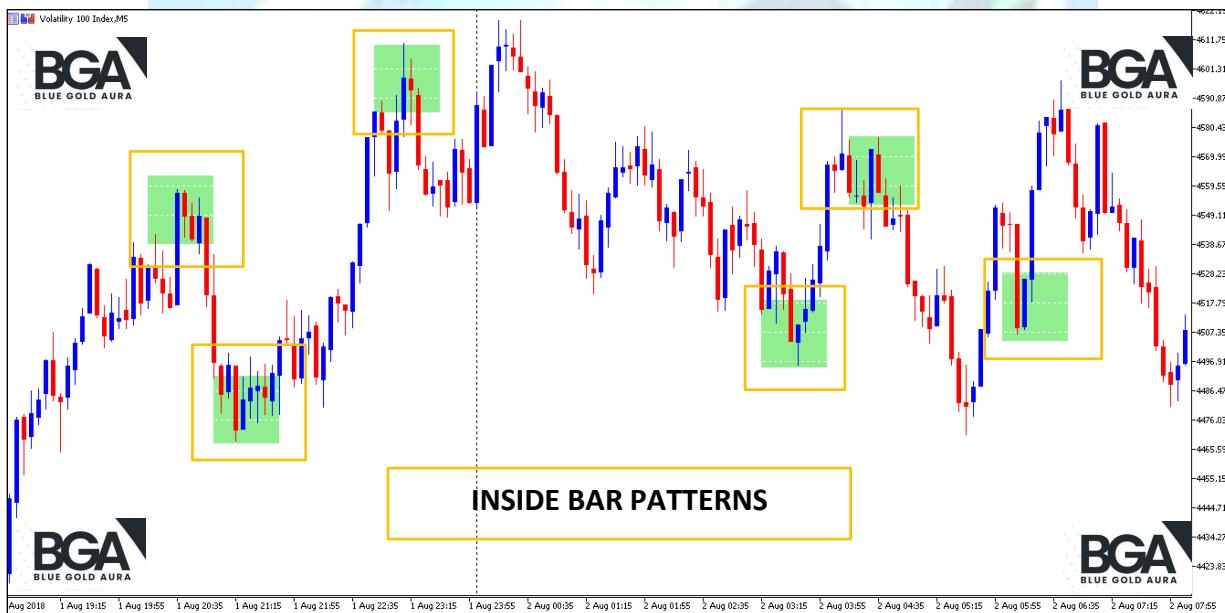


Figure 13: Inside Bar Pattern



This candlestick pattern is very much common when trading Volatility Indices. They are a powerful reversal pattern. In some circles, these are called Haramis. They look like a pregnant woman simply because a small candle opens and closes inside the previous candle. This pattern simply tells us that the trend or direction is about to change. By applying our analysis tool, we are able to get high probability trades.

## LEGITIMATE SUPPORT AND RESISTANCE LEVELS

As a trader, you must be able to understand one of the most widely used concepts in trading. During my study, I was able to understand that Volatility Indices respect support and resistance especially of higher timeframes such as H4, Daily and Weekly. Below we are going to define what Support and Resistance is together with real market examples. This chapter is here to give you a basic understanding of support and resistance and we are going to expose deep secrets about these areas later. Note that we will look for trades in these areas.

**Support:** This is the floor of the price and for a support to be valid, you must be able to track this point 3-5 times from the past data.

**Resistance:** This is the roof of the price and for a resistance point to be a valid point, you must be able to track this point 3-5 times from the past data.

**NB: When a support zone is broken it becomes a resistance and the opposite is true for a resistance point.**

We are going to treat support and resistance areas as zones rather than a line and we will explain why in the coming chapters.

CALL/WHATSAPP



## STATIC SUPPORT AND RESISTANCE

Below is a concept which we shall call STATIC SUPPORT AND RESISTANCE simply because price has been in a ranging or consolidating market moving between support and resistance. In the trading circles, this is usually called a Horizontal Channel.

**Note that this behaviour is very much common when trading Volatility Indices especially after a big move.** We are very much interested in the zones and you will understand why in the coming chapters.



Figure 14: Resistance and Support example 1

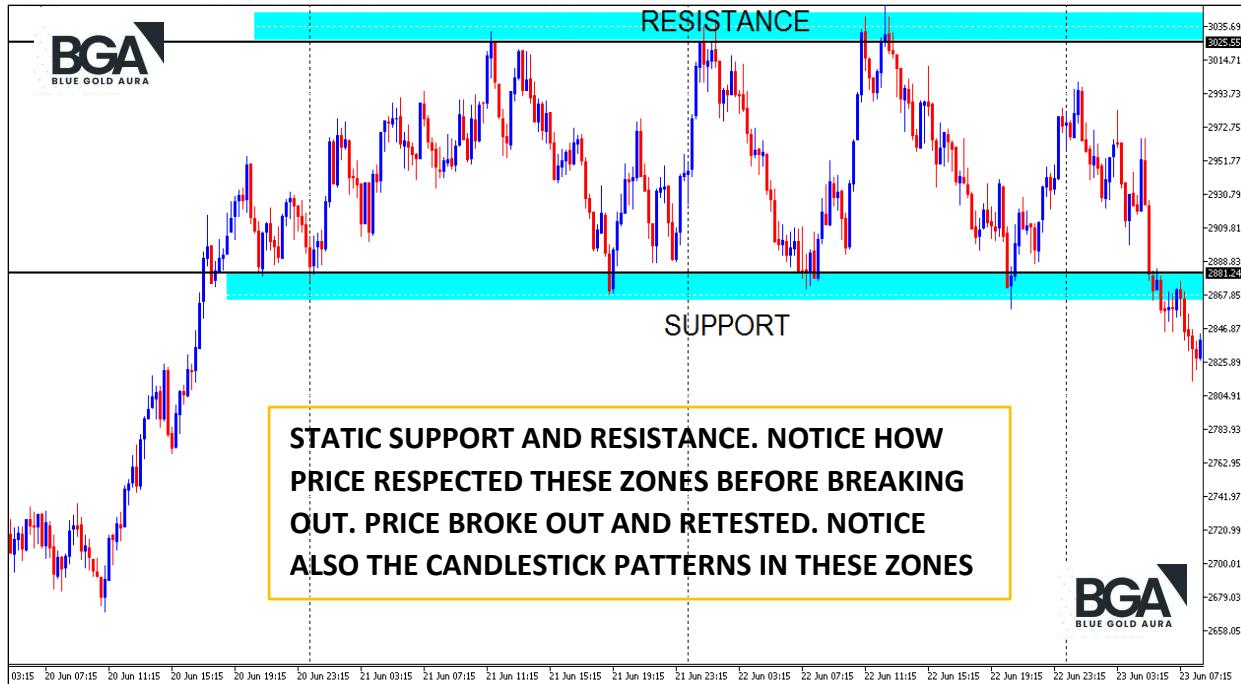


Figure 15: Resistance and Support example 1

The concept that says “What used to be support will be resistance or vice versa” is best illustrated on the chart above and below. You can clearly see that price will always try to come back and retest a broken support zone. **Understanding this concept will allow us to trade with the trend i.e. buy on a major support and sell at a major resistance considering that all our conditions are met.**

**UPTREND MARKET:** Expect to **BUY** in an uptrend market.

**DOWNTREND MARKET:** Expect to **SELL** in a downtrend market.

In this chapter, don’t worry much about entries but rather focus on understanding how to identify and draw these zones. We will show you what we look for when entering the markets in the coming chapters.

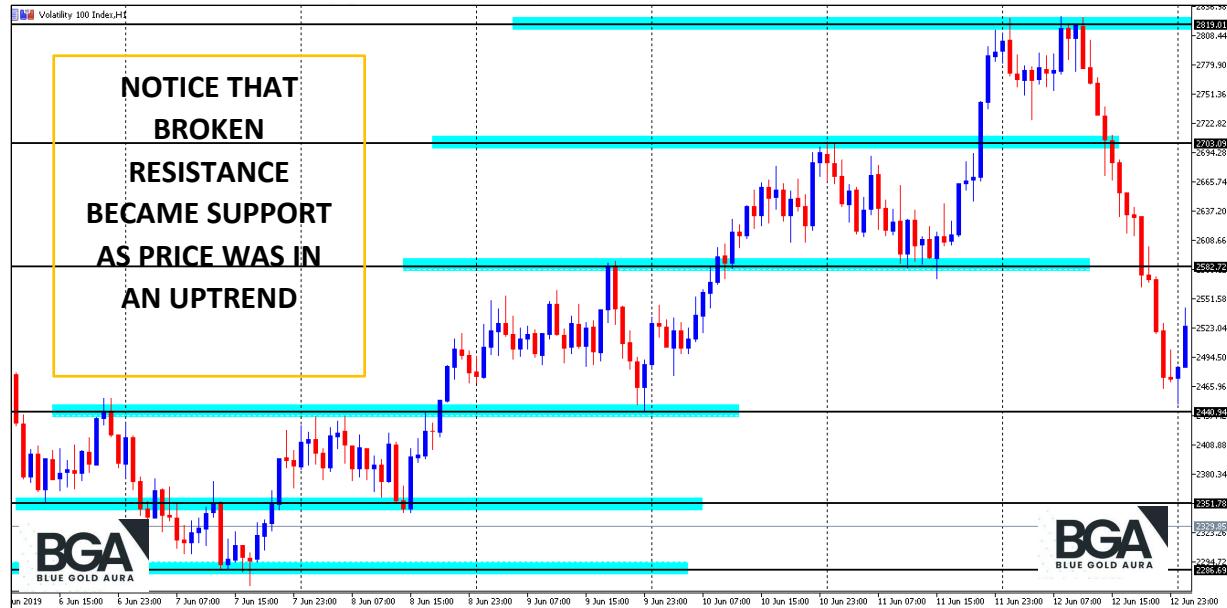


Figure 16: Support and Resistance chart example

## HOW TO DETERMINE SUPPORT AND RESISTANCE ZONES

There are so many ways to determine Support and Resistance but here I am going to use the way I found to be easy.

- Go to the weekly and daily timeframe.
- Look for the current price and mark your last price roof and floor.
- Make sure you put your line on candle close (or use a line chart as it is based on candle close).
- Go to H4 and adjust accordingly as your zone. Make sure the zone was tapped at least 3 times.
- You can mark zones up to H1 (but note that these ones are minor Support and Resistance zones).
- We will add more things to look for in these zones in the following chapters and this is going to be mind-blowing I tell you. **CALL/WHATSAPP**



## DYNAMIC SUPPORT AND RESISTANCE- CHANNELS.

Whenever you are trading Volatility Indices, there is a behaviour which is going to fascinate you. Indices like to move in channels i.e. dynamic support and resistance. If you open your charts right from the M1- W1 you will notice this behaviour. Price will be making higher highs and higher lows (up trending) or lower highs and lower lows (down trending). Channels are borrowed from the concept of trend lines i.e. price will be following parallel trend lines. There are 2 types of dynamic channels which are:

- Ascending channel (higher highs and higher lows).
- Descending channel (lower highs and lower lows).

Below are real life examples of channels in Volatility Indices.



Figure 17: Ascending Channel example

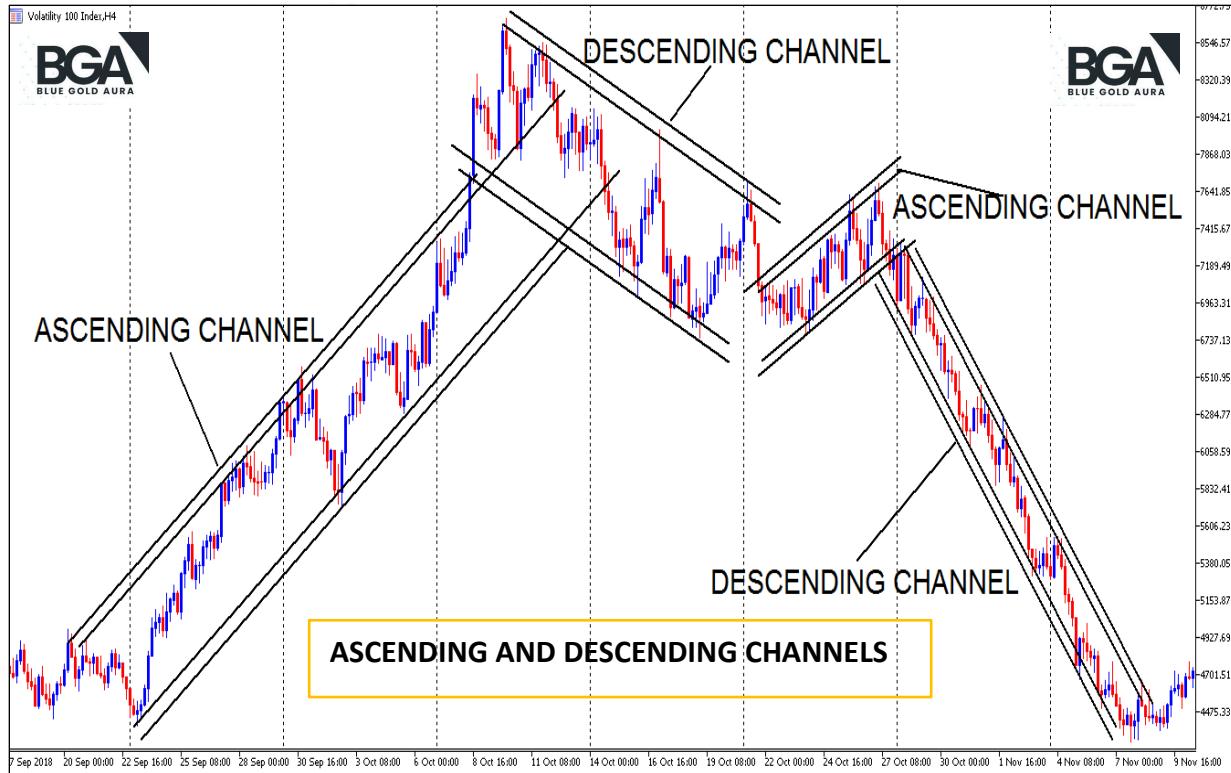


Figure 18: Ascending and Descending Channels

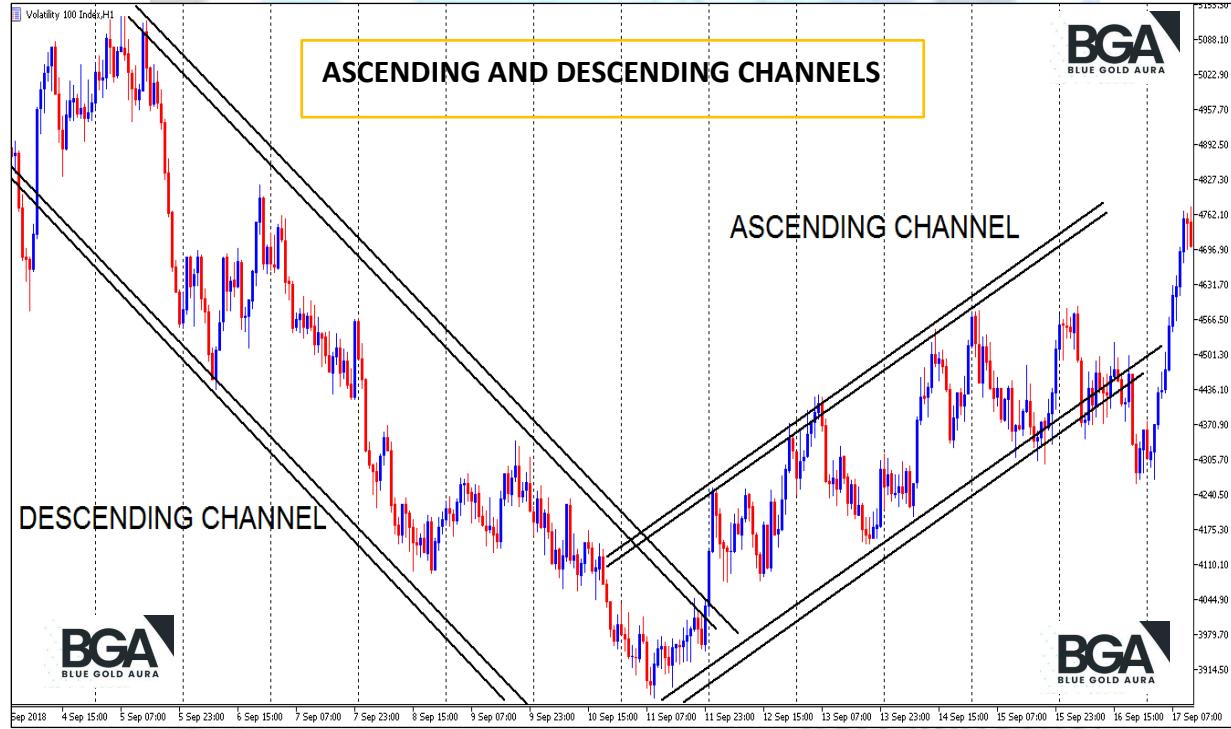


Figure 19: Ascending and Descending Channel

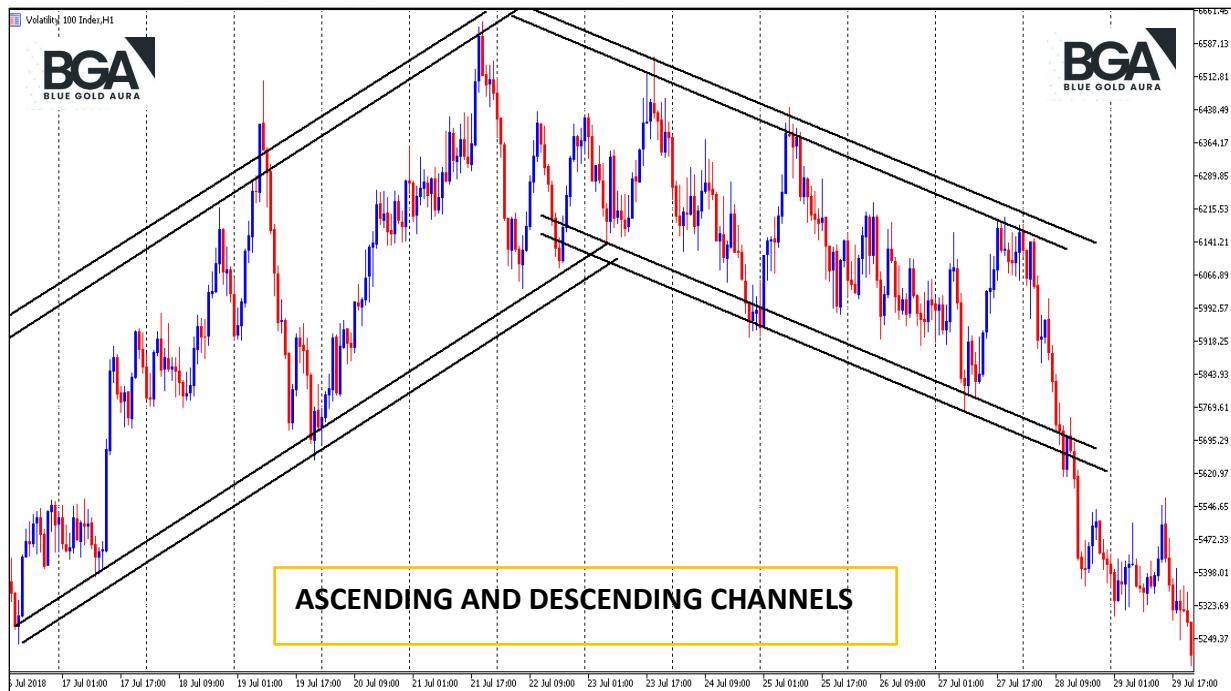


Figure 20: Ascending and Descending Channel

We can go on and on but I am really sure that we can all see that channels are everywhere on the Volatility Indices charts. There is also something that is interesting about these channels because inside these channels there are minor or small channels especially when you go to small timeframes. Now as an exercise, go to your charts and start marking these channels, you will see that they are everywhere.

Like I said earlier, in this section you should not worry much about how we are going to trade them. We will cover that in the following chapters. I tell you, if you haven't enjoyed trading, this time around you will definitely enjoy it.

**NB: HERE IS A SECRET I DISCOVERED ON CHANNELS- PRICE HAS A TENDENCY OF TAPPING THE PARALLEL TRENDLINE 4-5 TIMES BEFORE BREAKING OUT FROM IT i.e. you will get at least FOUR (62, OTE 70.5 and 70% Fibonacci) entries before a channel breaks out**



## CHAPTER 8: THE CORE OF THIS TRADING SYSTEM

I know most of you have been introduced to a lot of trading systems and they are now a part of you. The way we are going to interpret the market might not resonate well with your thinking but this marks the basis of our trading. I suggest that you put aside what you have learned especially when trading forex and focus on this strategy to win.

We trade in a market that is infested with various players and all these players want to make money. “Winning Guys” i.e. big players own at least 30% of the money circulating in the trading markets and can influence the market direction at will and as a result are always winning and hence the term “Winning Guys”. These “Winning Guys” are also traders and their objective is to also make it like us. By understanding this, we will have to think like them and win with them. In this book we shall call them the “Winning Guys”. A very good example of the trading market is that one of Casino’s, they put in place a lot of facilities for people to bet but the truth is that the house always wins. Note also that Winning Guys are here to hunt and win. So as you finish this section, you have agreed to think like the “Winning Guys”. Therefore **“IF YOU CANT LOSE BE THE WINNING GUY.”**

## CHAPTER 9: REVERSAL POINTS WITH FIBONACCI

In this section we are going to talk about Fibonacci retracement and how we use it to trade Volatility Indices. I am not going to dwell much on the history of Fibonacci and how it came to be, if you are interested about this subject you can Google about it. The history is not of paramount importance in our trading right?



Fibonacci retracement is pretty much the level of retracement the market makes after a big move either in an uptrend or a downtrend. Remember in the markets there are buyers and sellers. We use Fibonacci to know where the retracement might end after an impulse move and join the trend. For example if we are in an uptrend, price might retrace down (as Winning Guys are hunting or collecting their profits) and then continue with the trend. If you know how to use Fibonacci, then you will be able to join and ride the trend. If you understand this, you are no longer worried about missing a big move. Price will in most cases retrace and give you a perfect entry point.

## FIBONACCI RETRACEMENT SETTINGS

Before trading, make sure that you have these Fibonacci Settings.

LEVELS	DESCRIPTION
<b>0</b>	Profit Scaling on Retracement
<b>0.5</b>	50% equilibrium (BUY OR SELL)
<b>1</b>	100.1
<b>0.705</b>	%\$ – 71
<b>0.79</b>	%\$ - 79 Percent
<b>-0.62</b>	Target 2
<b>-0.27</b>	0.27
<b>-1</b>	Symmetrical Price
<b>-2</b>	Symmetrical Price 2
<b>-3</b>	Symmetrical Price 3

Figure 21: Fibonacci Settings



Notice that you draw your Fibonacci on an impulse move ignoring candle wicks.  
i.e.

**Uptrend:** You draw it from the low to the high. Relative low to relative high.

**Downtrend:** You draw it from the high to the low. Relative high to relative low.

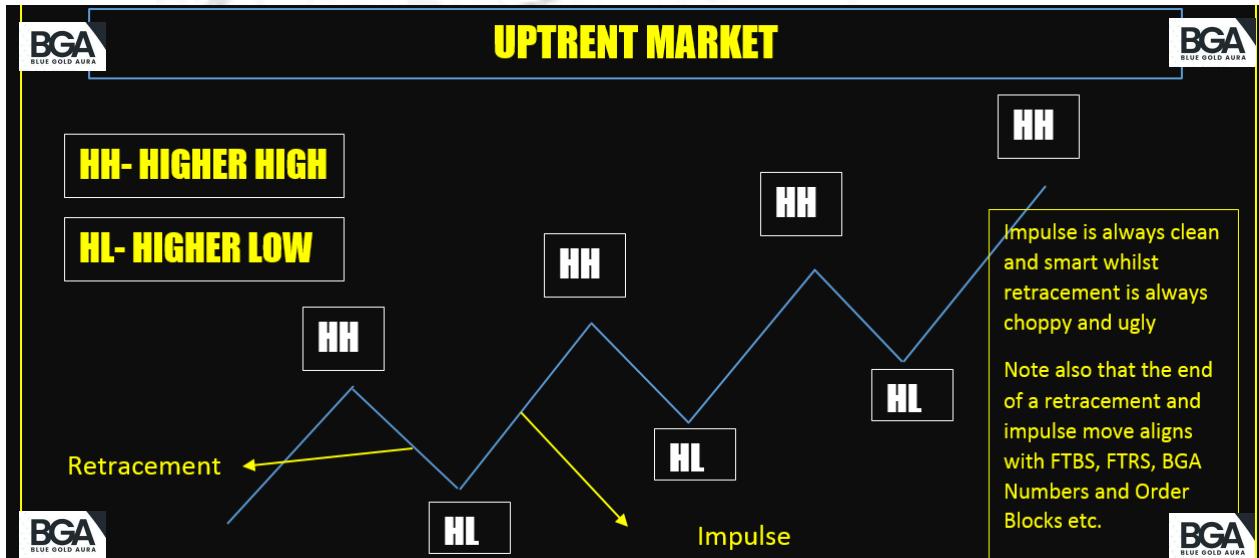


Figure 22: Uptrend Market

**UPTREND MARKET:** An uptrend signifies that the market is trending in the upward direction, creating higher highs and higher lows.

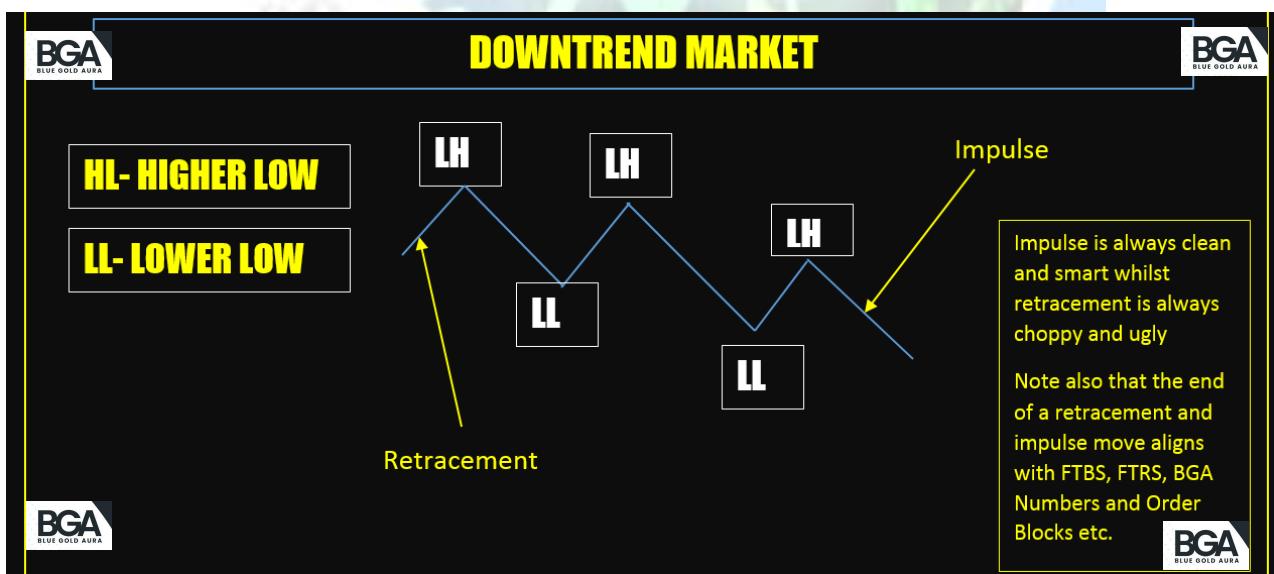


Figure 23: Downtrend Market



**DOWNTREND:** A downtrend signifies that the market is trending in the downward direction, creating lower highs and lower lows.

**NB: THE GOLDEN ENTRY NUMBERS ARE: 0.71 (OPTIMUM ENTRY),  
0.79, 0.62 AND 50% RETRACEMENTS LEVELS. YOU CAN ALWAYS  
SCALE IN ON 0 (SCALE IN ON RETEST).**

## HOW TO APPLY FIBONACCI ON A BEARISH REVERSAL



Figure 24: Applying the Fibonacci Tool

Notice how price pinned exactly at our golden numbers. Do you recognize that candlestick pattern, if so you must be smiling right now? We are the “Winning Team” and therefore we 80% of the time know exactly where price reverses. Below is another example of how we apply Fibonacci on a Bullish Reversal.



## HOW TO APPLY FIBONACCI ON A BULLISH REVERSAL

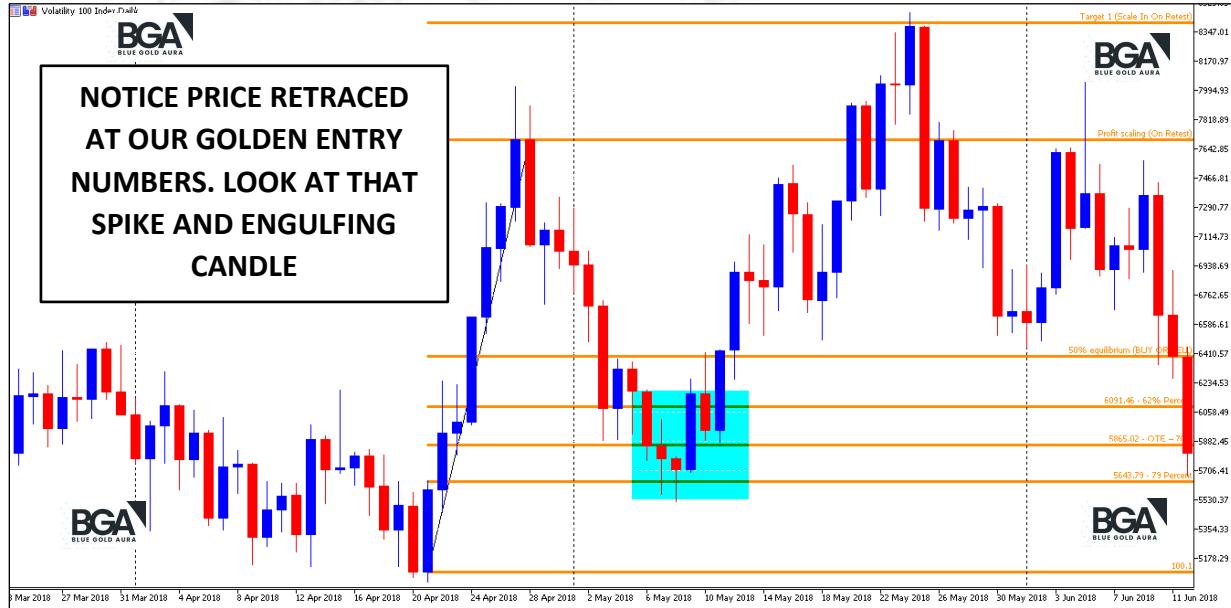


Figure 25: Applying the Fibonacci Tool



Figure 26: Retracement with Fibonacci tool



Above is an illustration of how we draw and maximize on Fibonacci Retracement levels as the “Winning Guys”. Always mark from candle body to candle body ignoring wicks (price manipulation or retracement on Fibonacci). We always want to target price close as illustrated well by a line chart as indicated below.

Notice that price pinned and retraced at an OTE level and closed below it. This is a very good sign that price is about to continue with the trend. As a trader that's where you join the trend. Below is an illustration of the same chart on a line chart.

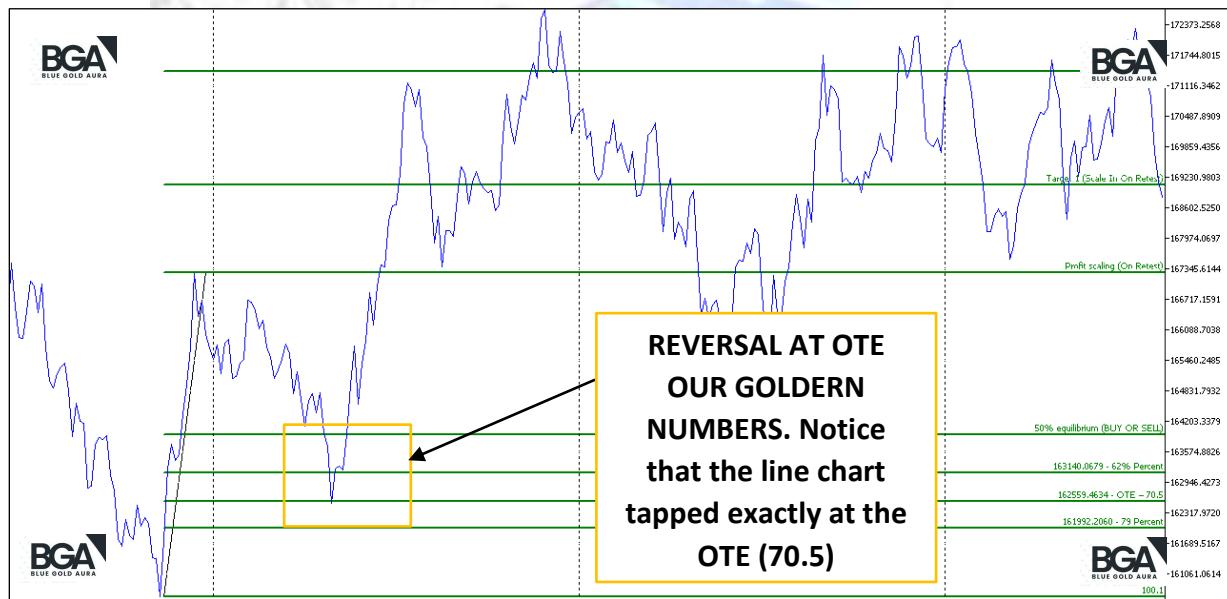


Figure 27: Notice why we focus much on candle close rather than wicks to draw our Fibonacci levels.

Below are more examples of this concept with entry and exit rules.

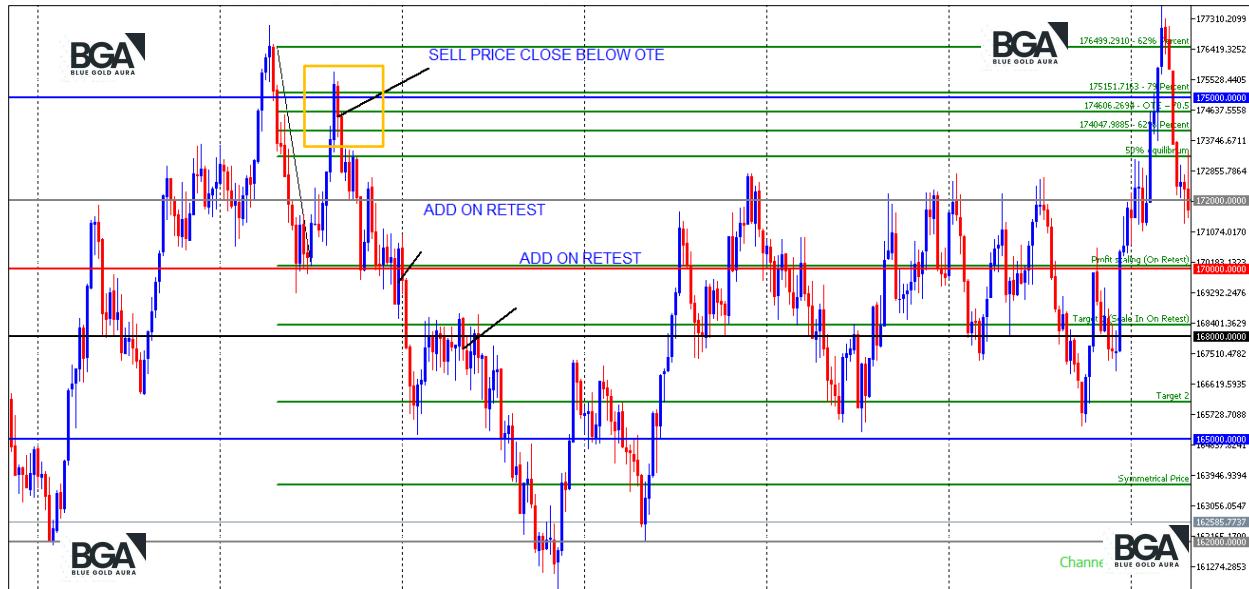


Figure 28: Sell signal below the OTE and on the 50 retracement level



Figure 29: Price retraced at the 50 equilibrium level

For more information  
CALL/WHATSAPP

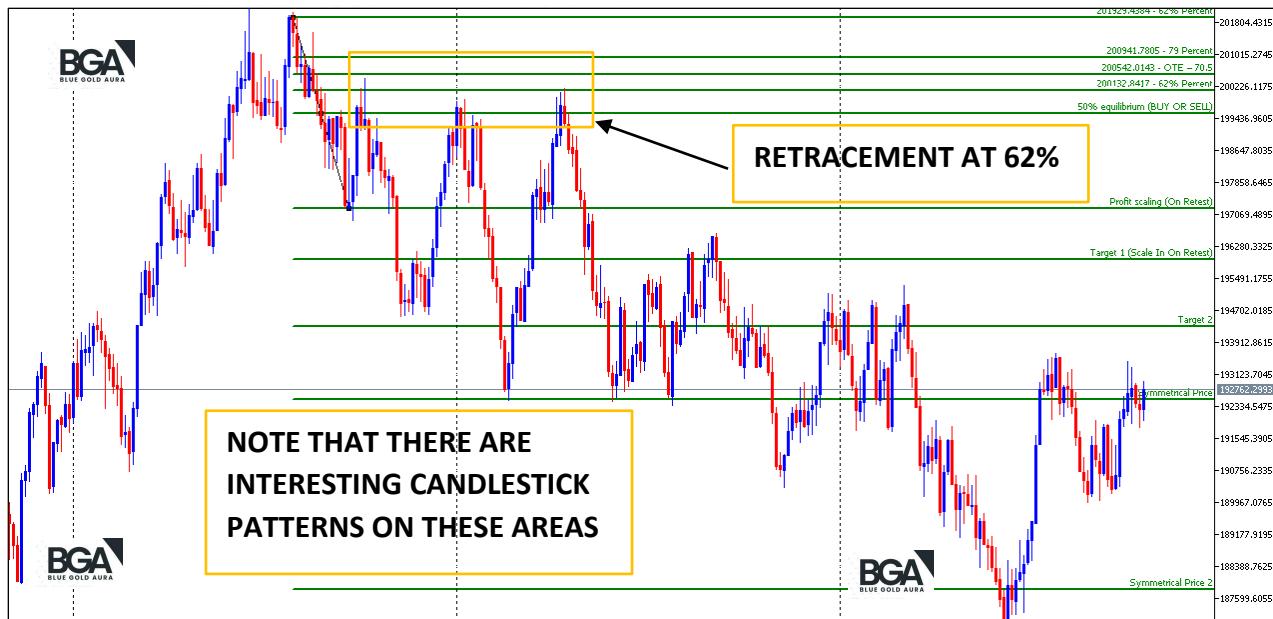


Figure 30: Check how price reversed at 62 golden retracement level, came back to retest it



Figure 31: What to look for when selling



Figure 32: Price failed to reverse at OTE but instead reversed at 100.1 level



Figure 33: Price retrace on 50% equilibrium level



Figure 34: Price reversed at OTE and tested the zone 3 times giving you more entries

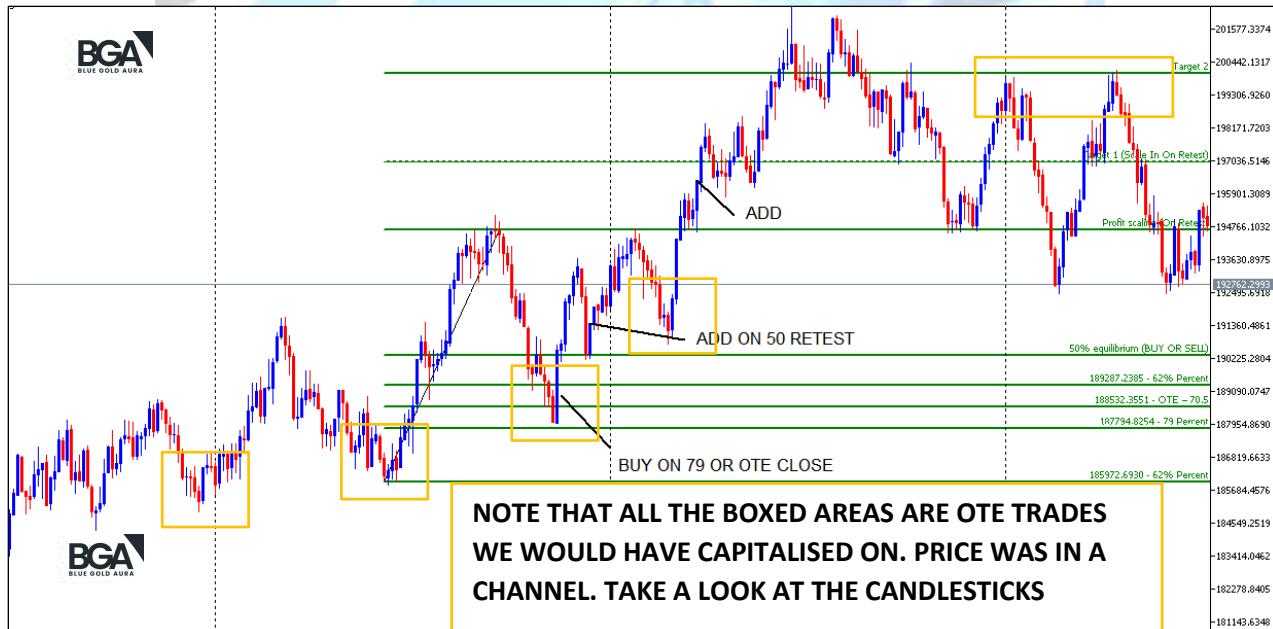


Figure 35: Example 79 and OTE close

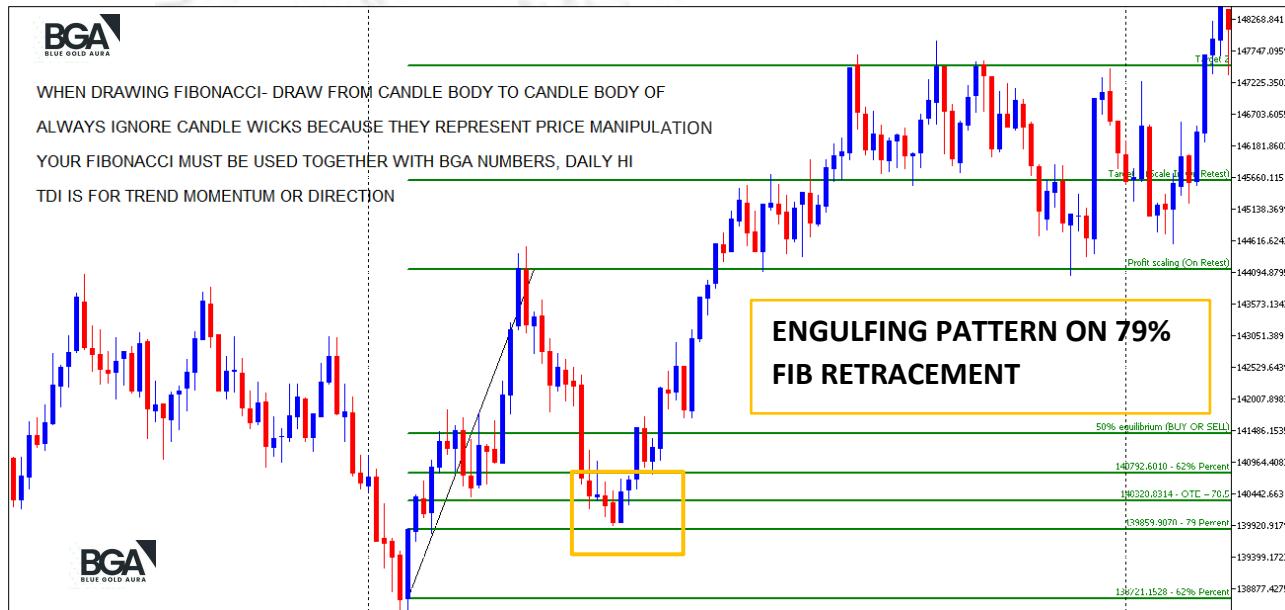


Figure 36: How to draw Fibonacci Retracement Level

## APPLYING FIBONACCI ON CHANNELS

Remember in the previous chapters we managed to see that channels are everywhere when trading Volatility Indices and therefore it is very important to know how to trade them using our Golden Fibonacci Retracement levels.

Note that the secret here is that: **In an uptrend we buy the deeps and do not sell the peaks. Inversely in a downtrend sell the peaks do not buy the deeps (troughs). To use the Fibonacci tool effectively, one needs to understand the daily or weekly bias.**

Below are examples of channel charts illustrating where we look for OTE 70.5, 62%, and 79% Fibonacci retracement levels.

For more information  
CALL/WHATSAPP

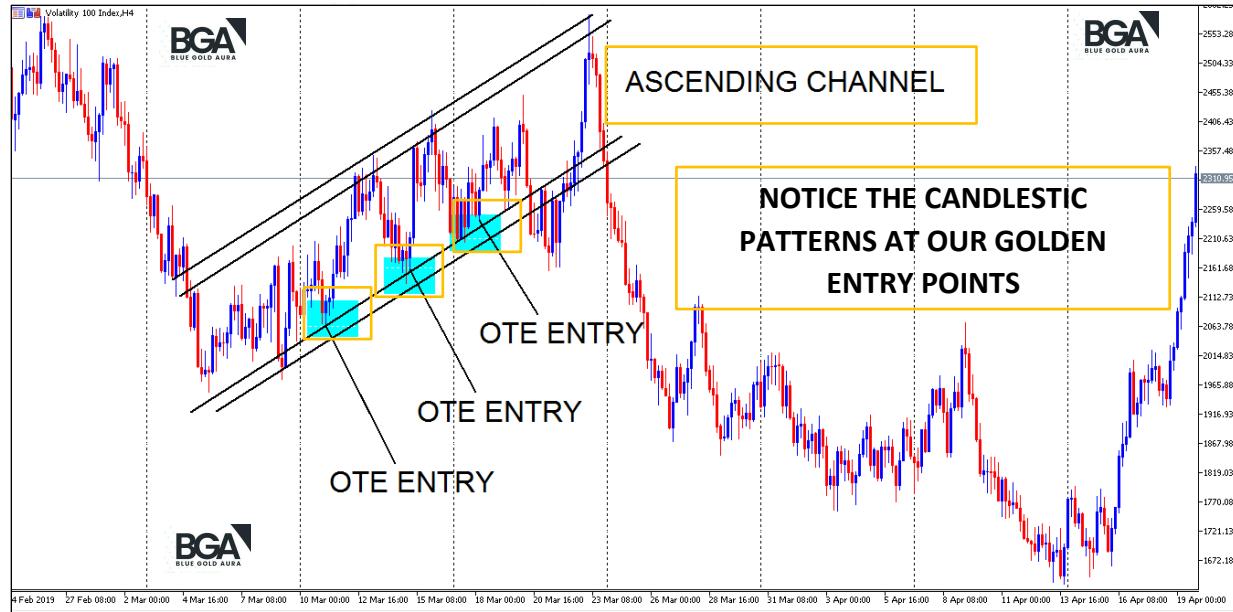


Figure 37: Channel (Areas to look for Fibonacci Entries)

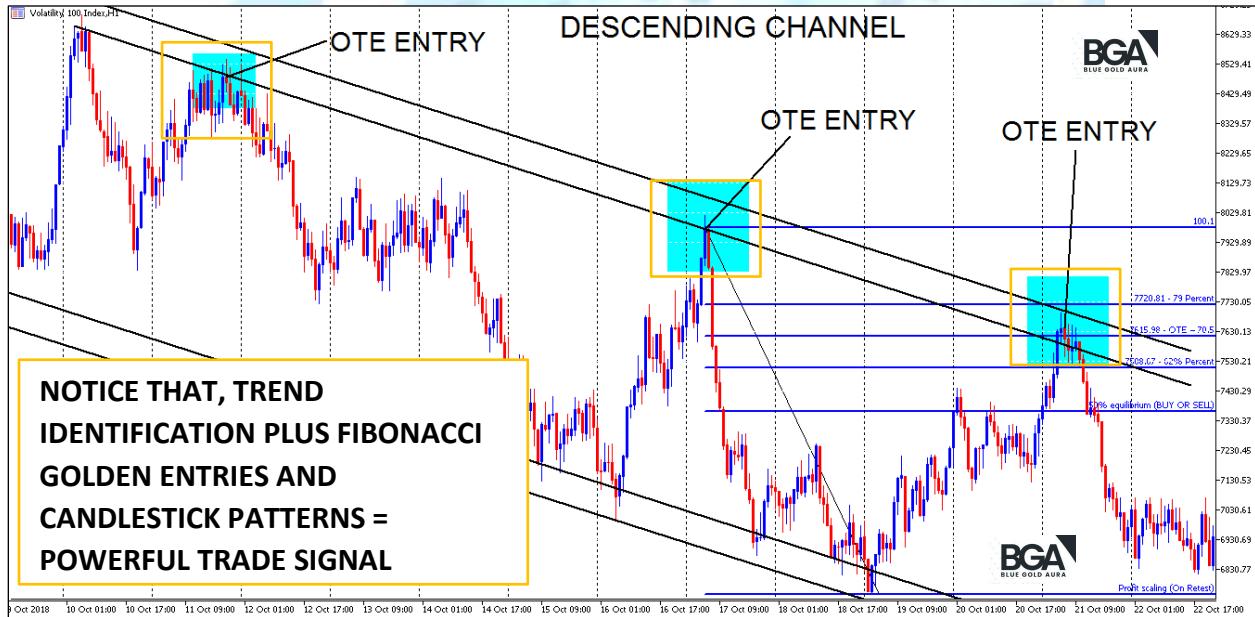


Figure 38: Channel (Areas to look for Fibonacci Entries)

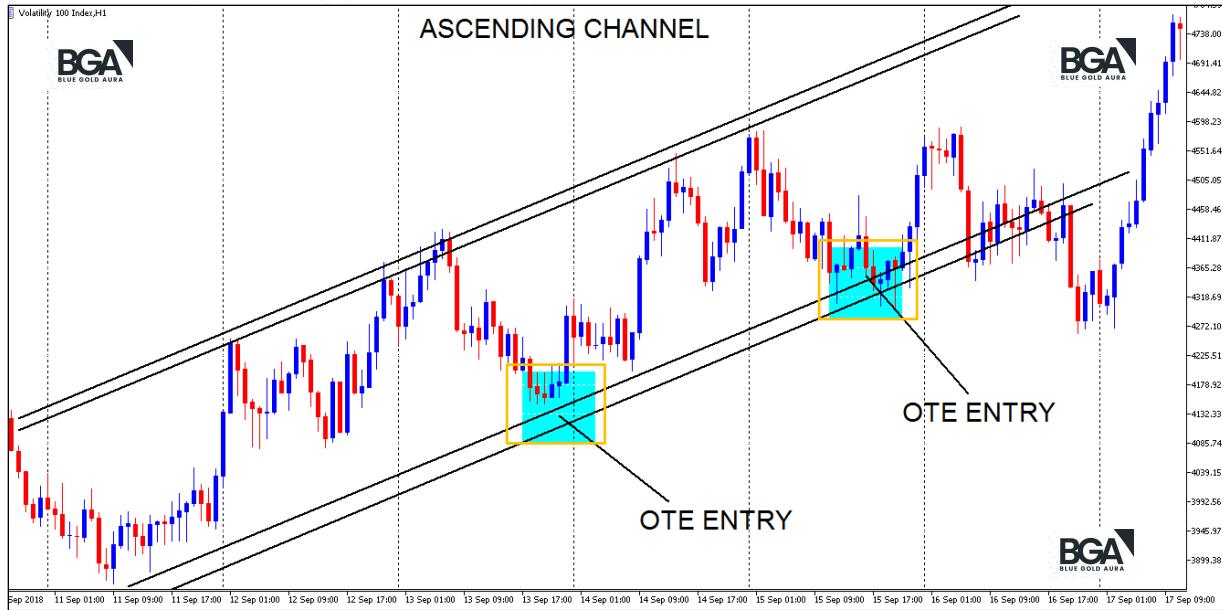


Figure 39: Channel (Areas to look for Fibonacci Entries)

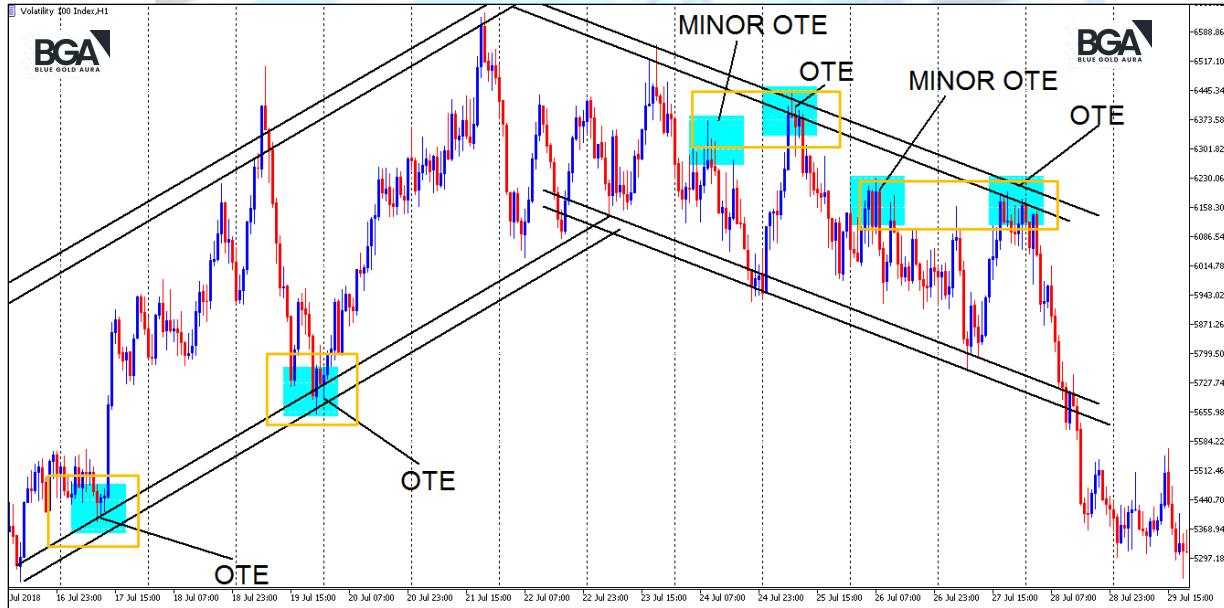


Figure 40: Channel (Areas to look for Fibonacci Entries).



## CHAPTER 10: (SUPPLY AND DEMAND)- MARKET STATIONS

This is a very important and key concepts when trading the markets. This is the heart of every market because for every market to function there has to be some goods and services on offer [supply] and people who are willing and able buy them [demand]. Winning Guys trade daily, weekly, monthly, and yearly, because of this reason, they plan to take trades before other traders get in the market.

They have the ability to do this because they have enough resources to do so. As an example, if Tesla releases a new car those guys who are moneyed will get it first before the public. By the time the public affords to buy it, the rich guys will be looking for the next model. When you look at the charts carefully, there are areas where price previously tapped and reversed aggressively. To the traders out there, these are support and resistance areas. However to the Winning Guys, these are Market Stations where they order and hence the term “Market Stations” - “Winning Guys” see money whenever they see these areas”. For one to trade and make money consistently, you must be able to understand what happens in these areas. Remember that:

**Supply Zone:** This is where sellers are willing to sell and buyers are trapped through price manipulation before the market moves down.

**Demand Zone:** This is where buyers are willing to buy and sellers are trapped through price manipulation before the market moves up.

For more information  
CALL/WHATSAPP



## CHAPTER 11: HOW TO DRAW AND TRADE MARKET STATIONS

Below is an illustration of how one can mark and draw a Supply or Demand zone. You have to first of all identify a point where price moved aggressively and then cover the reversal previous candle's body.

**The general rule for trading these Market Stations is to wait for price to come back to retest the zone. If it is not violated or broken you buy or sell on the first candle that closes above or below the zone and place your stop loss behind the zone.** This becomes your supply or demand zone as indicated below.

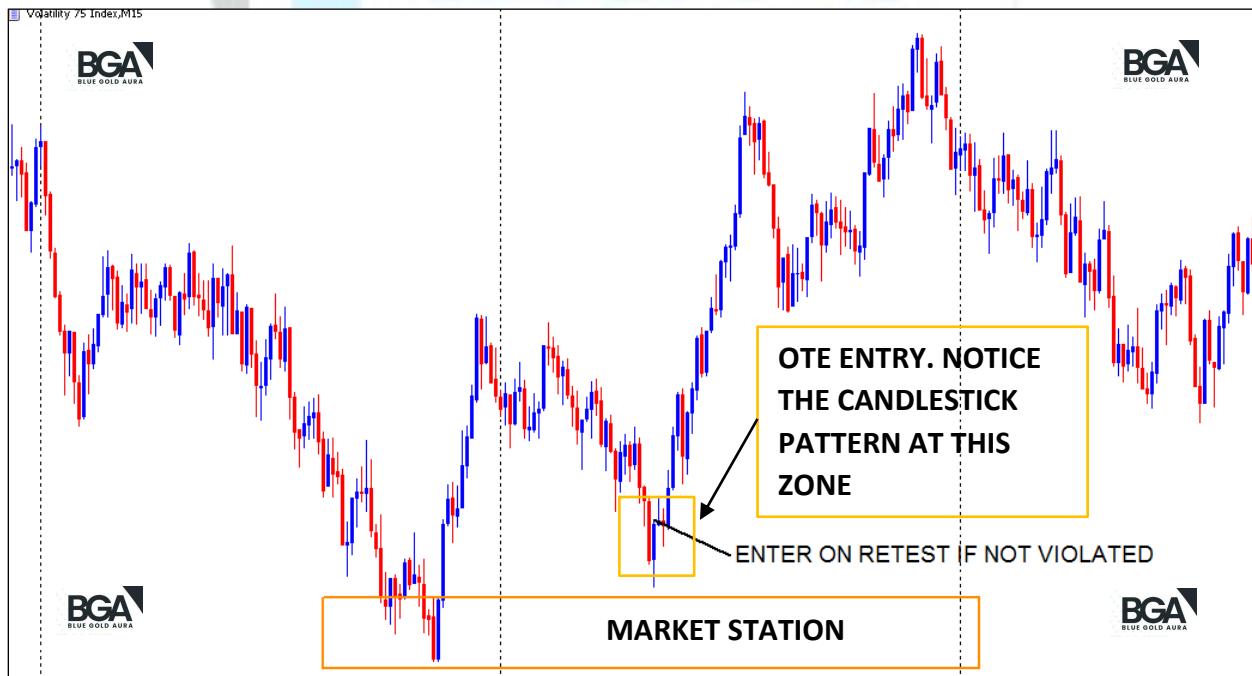


Figure 41: Notice that price made an aggressive move before coming to retest.

For more information  
CALL/WHATSAPP

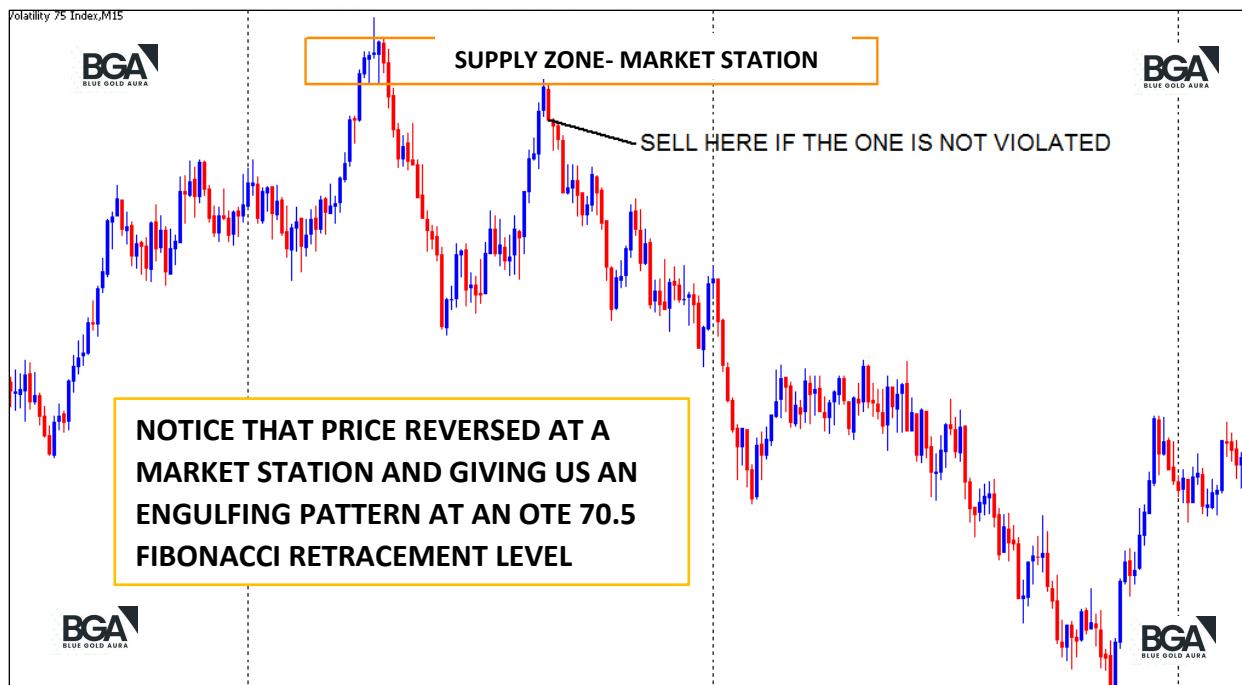


Figure 42: Notice that price made an aggressive move before coming to retest.





## CHAPTER 12: FTR AND FTBS (MINOR MARKET STATIONS).

In the markets we have potential reversal points and Winning Guys usually leave their orders here and that's where you expect the highest level of price manipulation. Winning Guys know where retail traders put their orders and expect to take trades and so they target these places to make money out of you through Stop Bombs.

### BULLISH AND BEARISH FTR ZONES

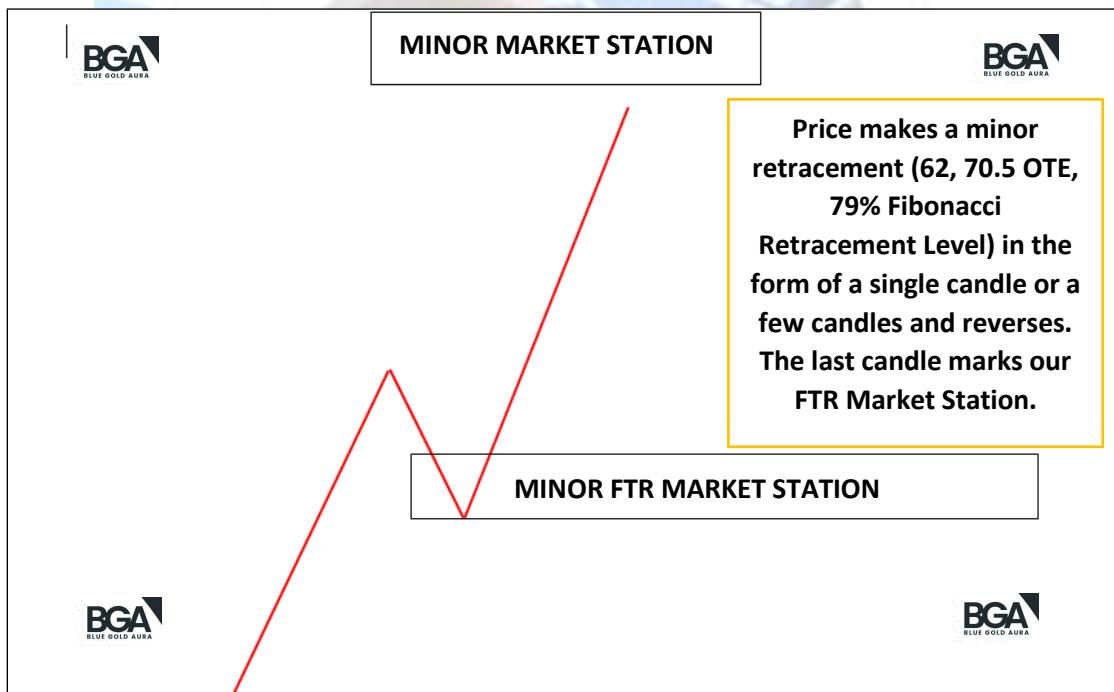


Figure 43: FTR Market Station Illustration

An FTR Market Station is when price tries to reverse but there is no enough momentum to push price in the opposite direction and this usually happens in a single reversal candle or a few candles. For example, the illustration above shows that price was bullish but price tried to push down but failed. This is usually caused



by the Winning Guys taking their profits and this effect usually make price retrace up to 62, OTE 70.5 and 79 Fibonacci golden points. On M15 you might see a few candles and on H1 it will be a single candle.

**The rule of an FTR Market Station is that you cover the last reversal candles body and mark it as an FTR Market Station. Note that you have to wait for price to come back to this station to test it for an entry.** If price breaks the station i.e. candle closes below the FTR Market Station, then it is violated. For an entry, wait for price to come and retest the station and allow a candle to close above it and enter- you can put your stop loss below the station. Below is an example of an FTR Market Station in real life. Note that the opposite is true for a Bearish FTR station.

## FTR - FAIL TO RETURN MARKET STATION



Figure 44: FTR Market Station



## AN FTR MARKET STATION AS A CONTINUATION PATTERN

During my journey of trading Volatility Indices I have discovered that there is a common continuation pattern. This type of pattern is almost everywhere on the chart. We have defined an FTR Market Station in the previous section but here we are going to highlight a few things.

On this one, price tries to reverse but there is no enough momentum to push price in the opposite direction and this reversal candle. The next candle engulfs the reversal candle and closes above it showing you that the trend is still going up or down. If this happens, we will look for entries i.e. they happen at right place and at the right time. If you visit smaller timeframes when this happens you will find out that this reversal candle full filled our golden Fibonacci numbers i.e. 62, OTE 75 and 79%.

**Always avoid entering a trade close to reversal points which will be discussed in the following sections.** Below are examples of this continuation pattern in real life.

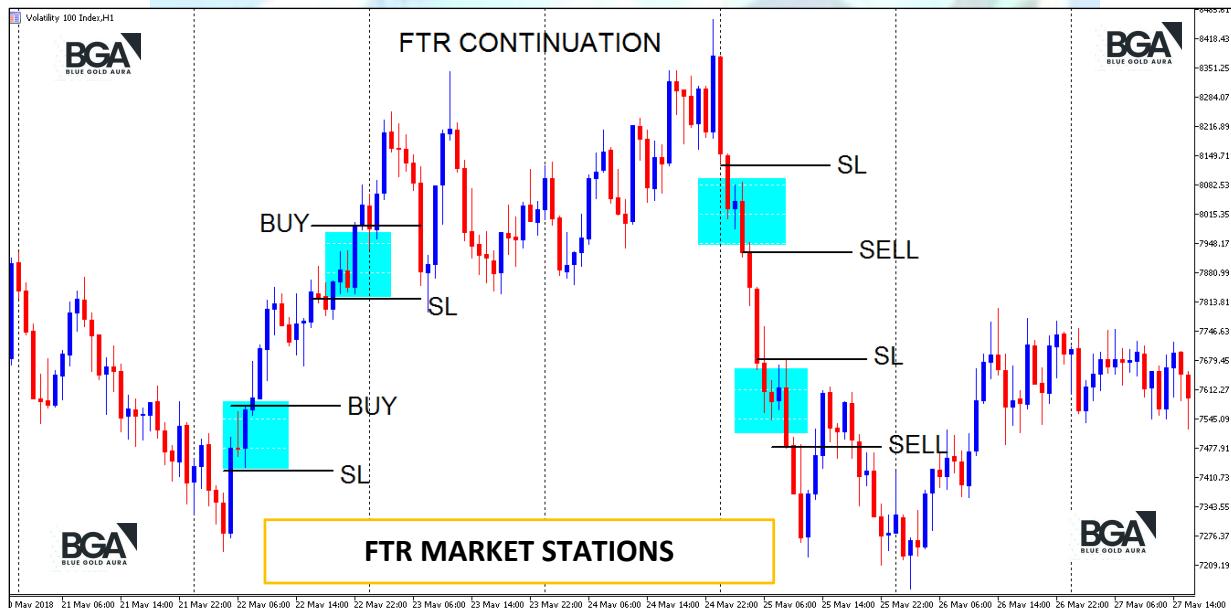


Figure 45: FTR Market Station Continuation Patterns.

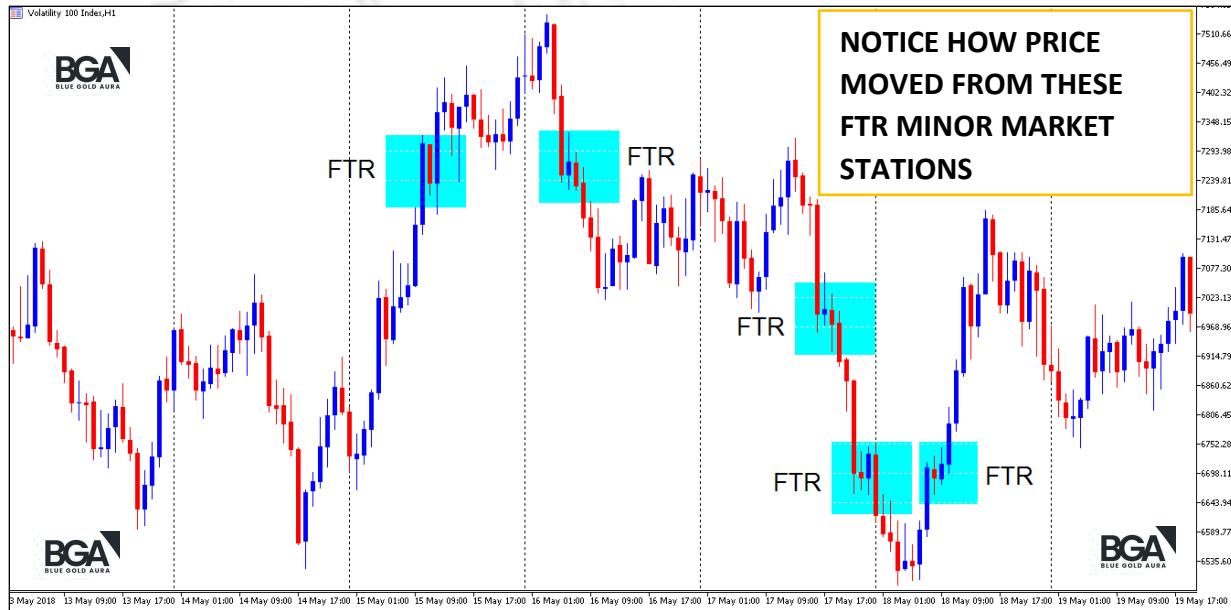


Figure 46: FTR Market Stations Continuation Patterns

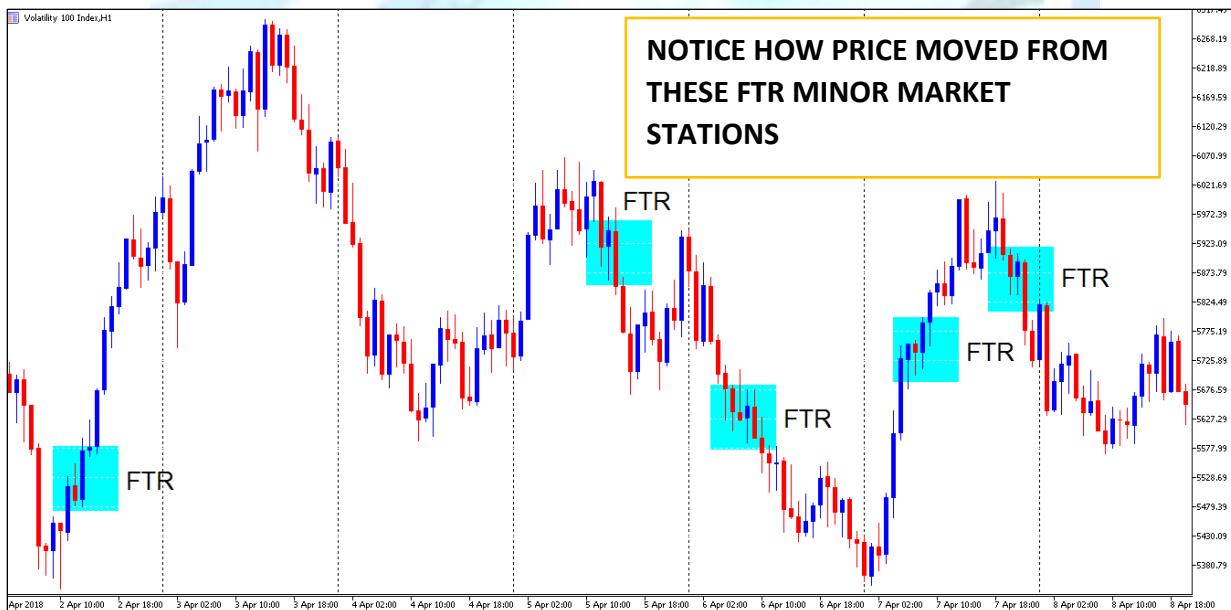


Figure 47: Continuation Patterns

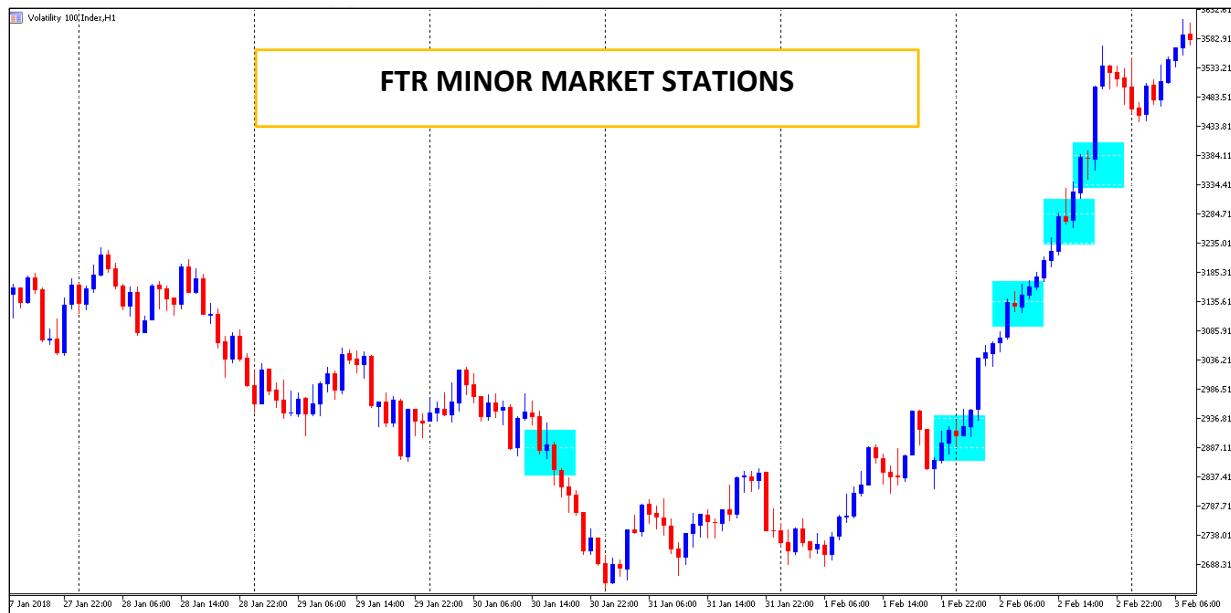


Figure 48: Continuation Patterns

From the above charts, we can clearly witness that these patterns are everywhere and can pay you big time when traded in the right way. I want you to note that these patterns are actually 62, 70.5 OTE (Optimal Entry) to 79% Fibonacci retracement points on lower timeframes. We will discuss more about the OTE and other components that we will consider when taking these trades.

### FTB – FAIL TO BREAK FTR MARKET STATION.

This is when price comes to test the FTR zone but fails to break it. This usually becomes a powerful future reversal zone. And again, just like you trade the FTR, you wait for price to come and retest the FTB zone and enter on the candle that closes above it if the zone is not violated.

For more information:  
CALL/WHATSAPP

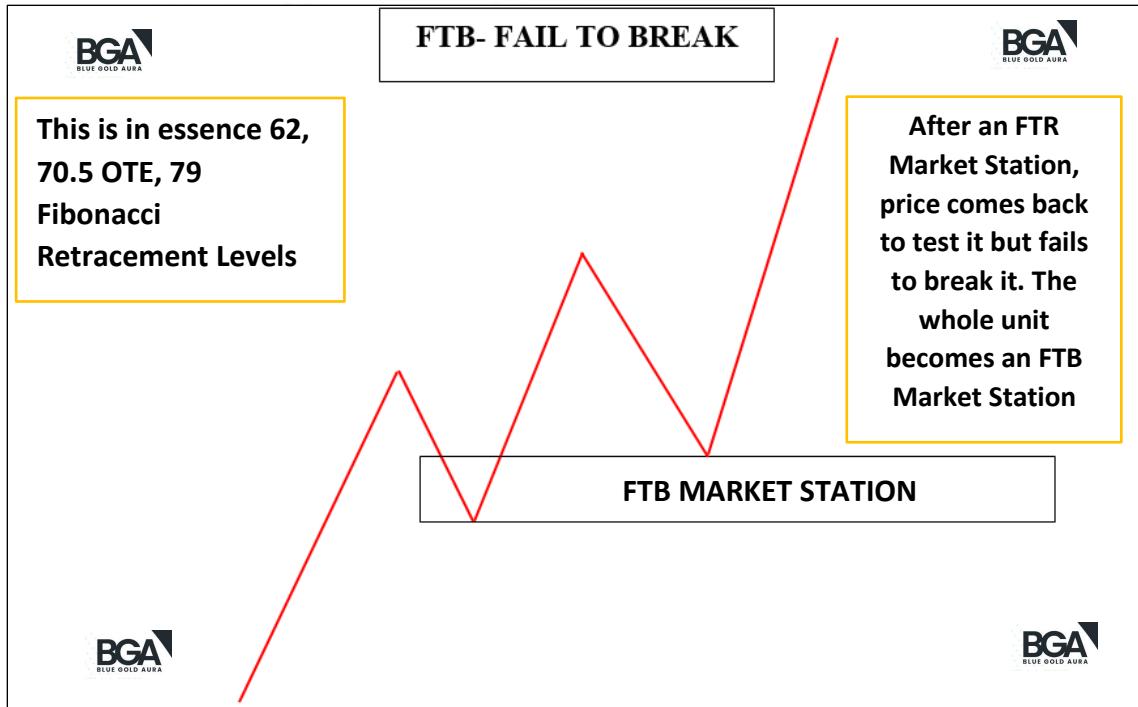


Figure 49: FTB Market Station Illustration

**Important Note:** This is an FTR Market Station that is retested again without being violated. Notice also that in these zones. Winning Guys have a tendency of leaving orders and taking partial profits in these stations. So always take note of such stations and take advantage of them buy trading with the Winning Guys. It is very important to go in your charts, study these patterns and write notes- (Remember “**The key to mastery is practice**”).



## CHAPTER 13: PUTTING FTR, FTB MARKET STATIONS (SUPPLY AND DEMAND) TOGETHER

Below are marked charts of FTR Market Stations, FTB Market Stations, and (Supply and Demand) zones. When you do an exercise of marking your charts, you must be able to spot these Market Stations without any challenge and that will give you an advantage when trading.

Remember our main goal here is to make sure that we understand why the market moves the way it moves and trade with the Winning Guys.

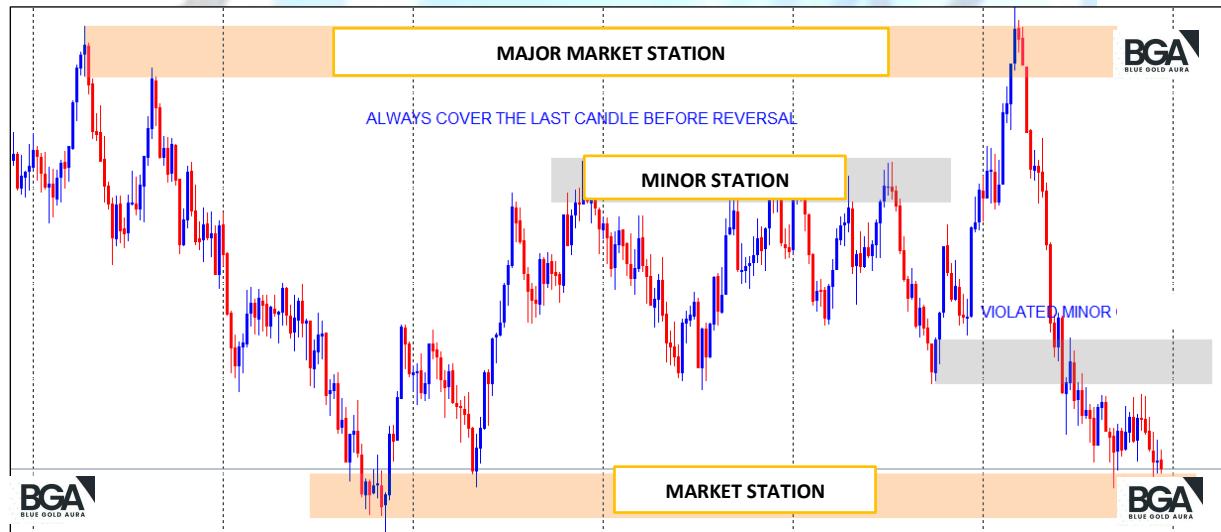


Figure 50: PUTTING FTR, FTB AND MARKET STATIONS

For more information  
CALL/WHATSAPP

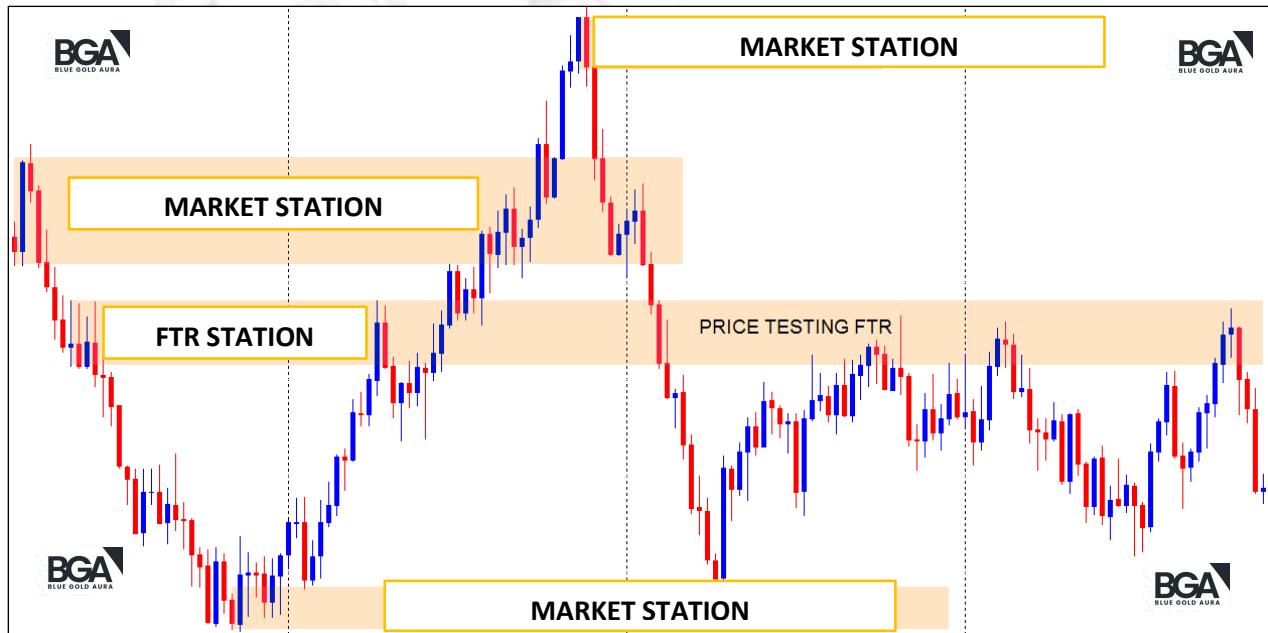


Figure 51: PUTTING FTR, FTB MARKET STATIONS



Figure 52: PUTTING FTR, FTB MARKET STATION



It is of paramount importance to always check to the left before trading i.e. what has happened to price in the last 3- 5 days. By so doing, you will be looking for potential reversal points in the market which will give you the consistency you need. You can all see that price will always do what it has done before and the Winning Guys take advantage of trader's ignorance to make money. Also notice how price is moved aggressively into these zones to entice people, pin and reverse aggressively without breathing.



Figure 53: PUTTING FTR, FTB MARKET STATIONS

For more information  
CALL/WHATSAPP



## CHAPTER 14: BGA (BLUE GOLD AURA) NUMBERS

Trading should be interesting and less stressful. If you always find yourself stressing when trading then you should be in a position to understand that you are doing it all wrong. There is a lot of information circulating out there and some of it is sponsored by these so called Winning Guys to make retail traders lose and get more confused. Ignorance of traders, fear and greed are some of the tools that the Winning Guys use to get money from traders like you and me.

This chapter is going to make you enjoy trading, if not make you scream or jump out of your bed. Since we all understand that the market is moved by the Winning Guys, it's much more interesting to note that they don't just go for shopping anywhere. They have specific areas that they place their orders and it's not everywhere that they do this.

Winning Guys are interested in MARKET STATIONS, FTRS, FTBS, SUPPLY AND DEMAND (SUPPORT AND RESISTANCE), Ms (60-80 Fibonacci Retracement) and Ws (60-80 Fibonacci Retracement) etc. as their reversal and price manipulation points.

**The markets always respect whole numbers i.e. \$1. 25, \$1.50, \$1.50, \$1.75 and \$2.00.** If you go can and check your charts you will see that price always reverse in these areas. Price will always make support and resistance in these areas. The retail community doesn't understand what's behind what they are trading. Notice also that EAs or robots used by Winning Guys are usually coded with these whole numbers.

Winning Guys like place their orders as well as manipulate price in these areas.

So to give room for price manipulation represented by spikes, we have rounded off the figures to 0.20, 0.50, 0.80 and .00. (**This is a concept which me and my partner**



**N. Jimu co-founded and later developed it to suit my personal trading strategy in Volatility Indices).**

So in this exercise we will call the **0.20- BGA Q1, 0.50 BGA HALF, 0.80 BGA Q2 and .00 BGA WHOLE numbers**. Note that these estimations are based on Fibonacci personal application on retracement areas.

**BGA Q1= 20% of a range between 2 whole numbers, BGA HALF= 50% of a range, BGA Q2= 80% of a range and lastly BGA WHOLE= 100%**. As an example, the range between \$3 and \$4 will be \$3.20, \$3.50, \$3.80 and \$4.00

When trading Volatility Indices, you will notice that that these ranges are too big as compared to currencies. However, we use the same concept of 1 BGA 1 whole number to the next e.g. 170000.0000 to 180000.0000 we have 172000.0000, 175000.0000, 178000.0000 and 180000.0000.

**NB: We always treat these BGA numbers as zones to cater for price manipulation indicated by candle wicks (62, OTE 70.5 and 79 Fibonacci Retracement).**

Below is an example, notice how the market respects these BGA numbers.

**Settings: BGA WHOLE- RED, BGA Q1- GREY, BGA HALF- BLUE and BGA Q2- GREY**

For more information  
CALL/WHATSAPP

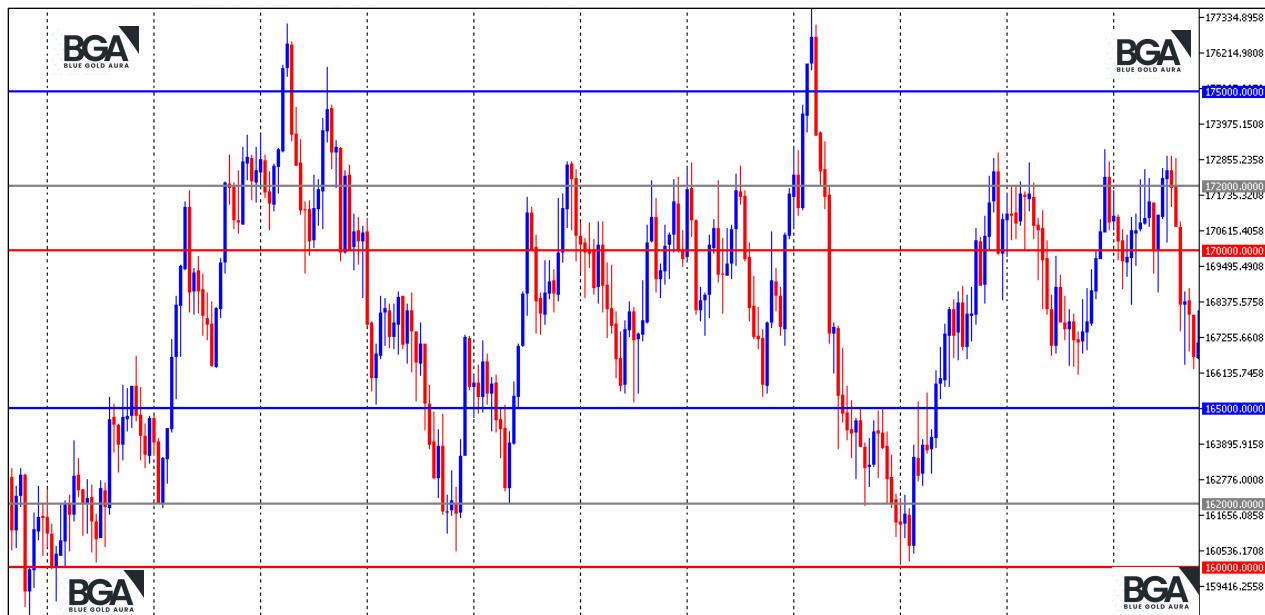


Figure 54: Price respecting BGA Numbers

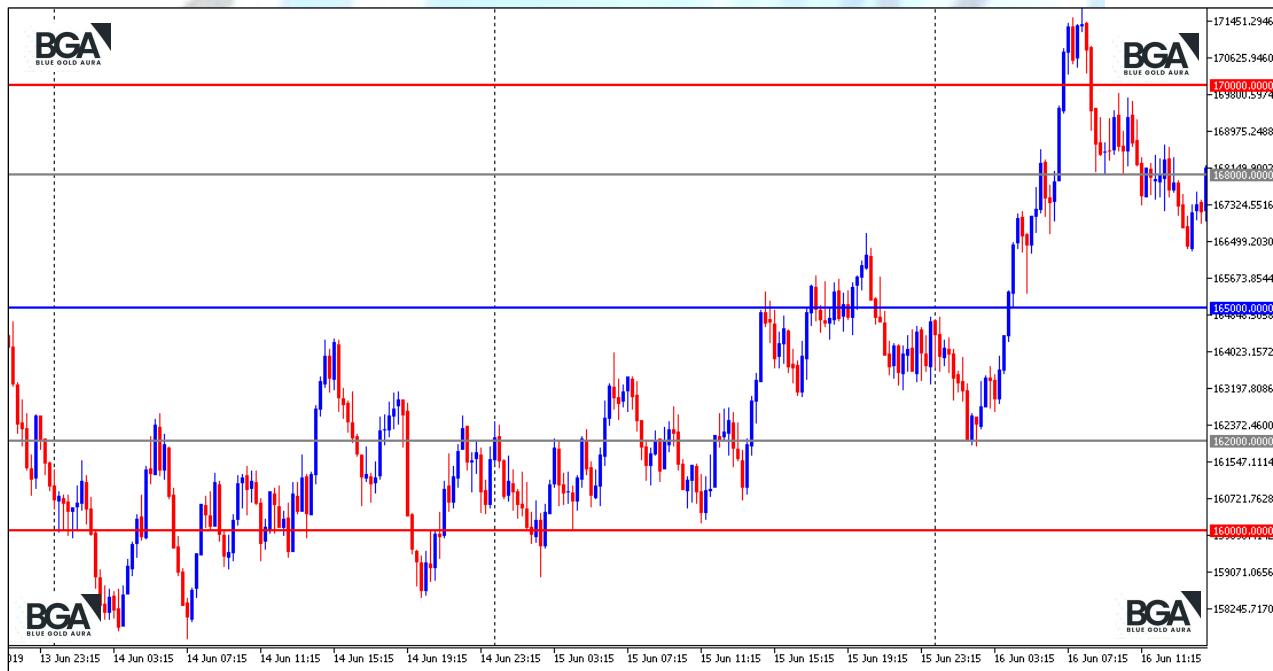


Figure 55: Notice price respecting and spiking on these numbers

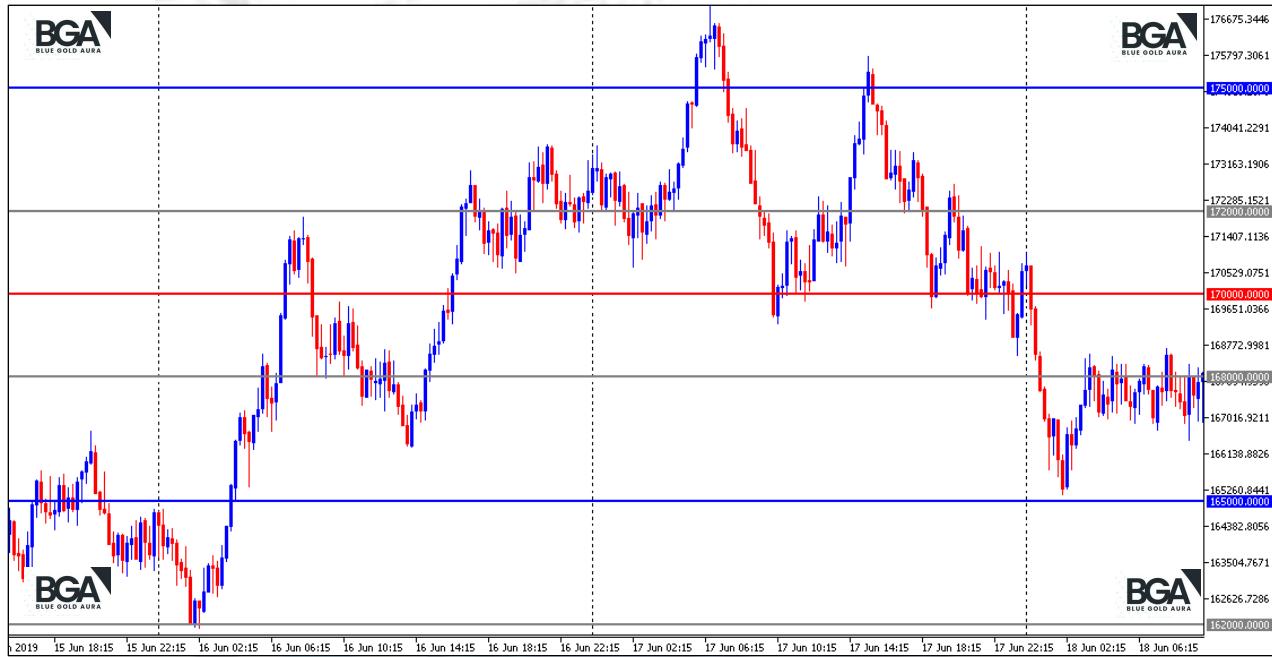


Figure 56: Notice price respecting and spiking on these numbers

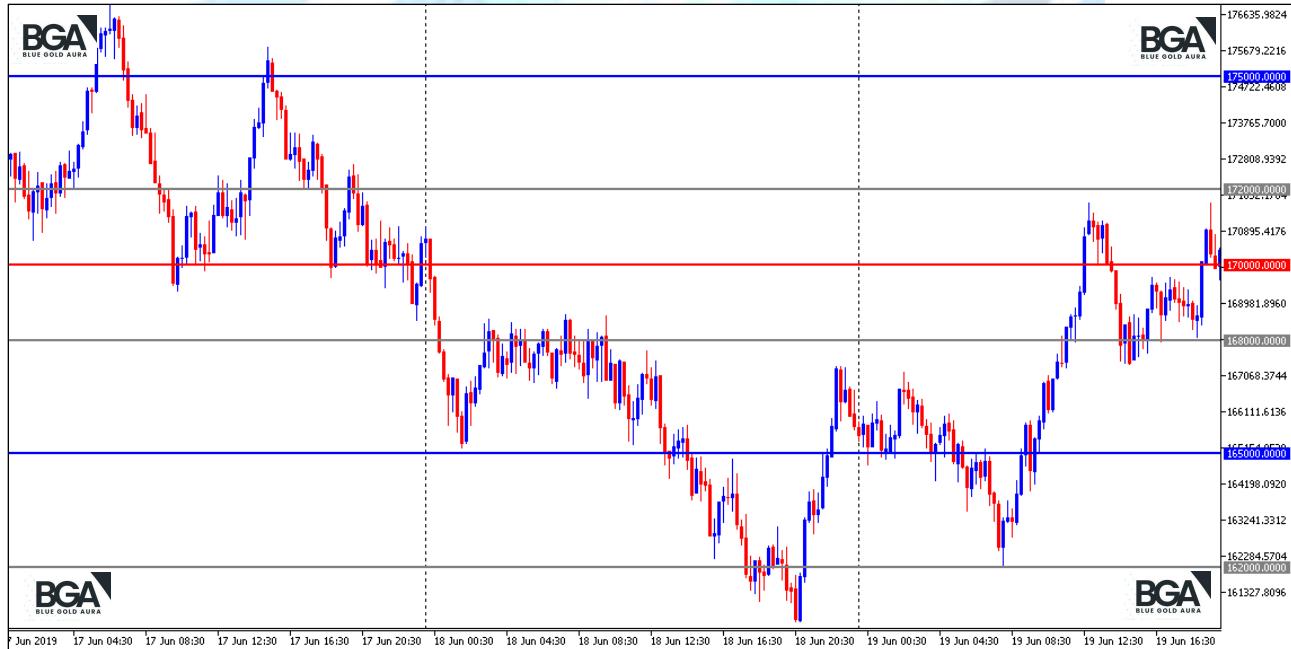


Figure 57: Notice price respecting and spiking on these numbers

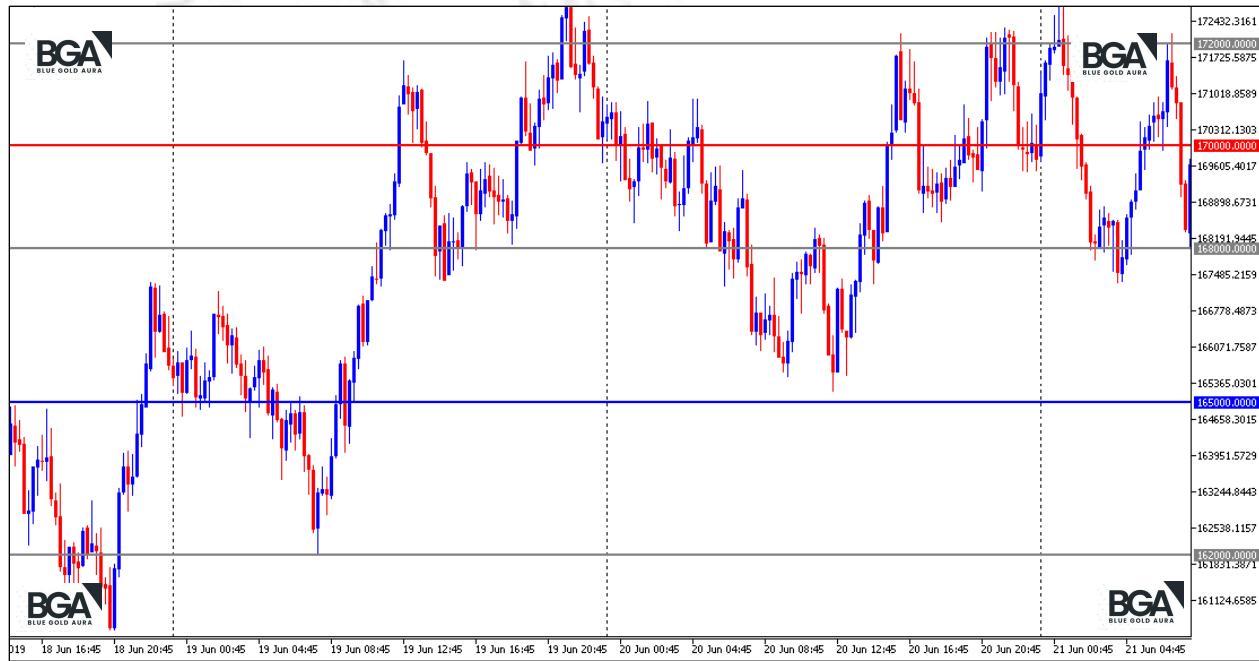


Figure 58: Notice price respecting and spiking on these numbers

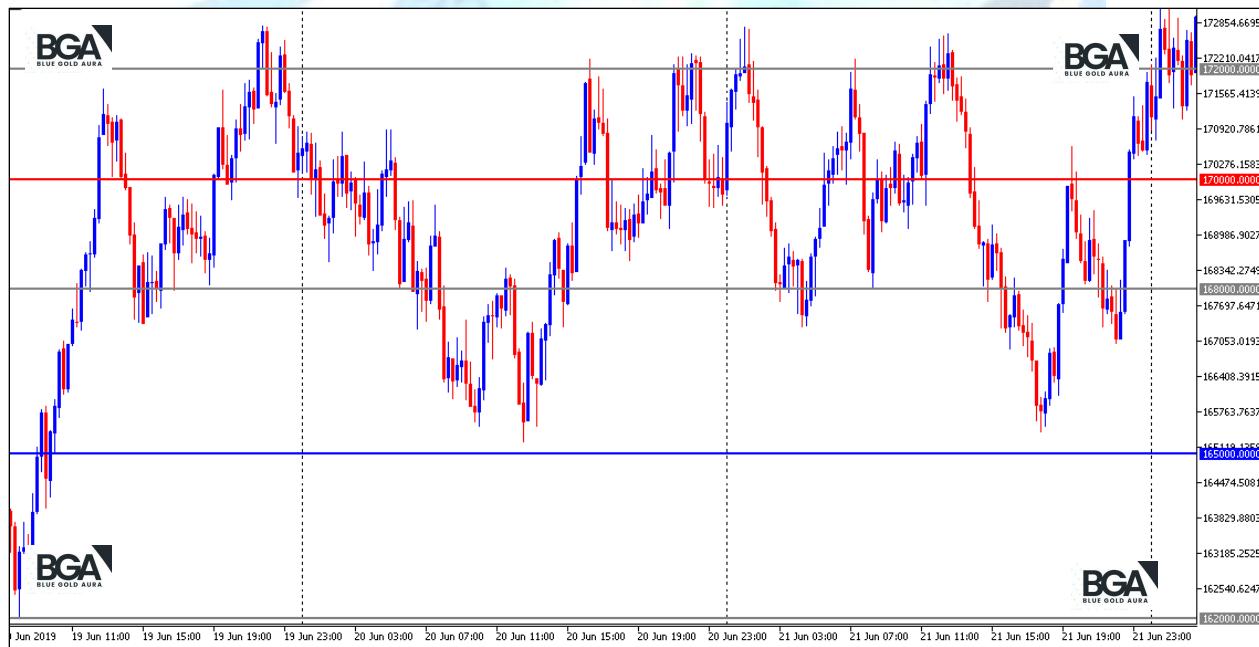


Figure 59: Notice price respecting and spiking on these numbers

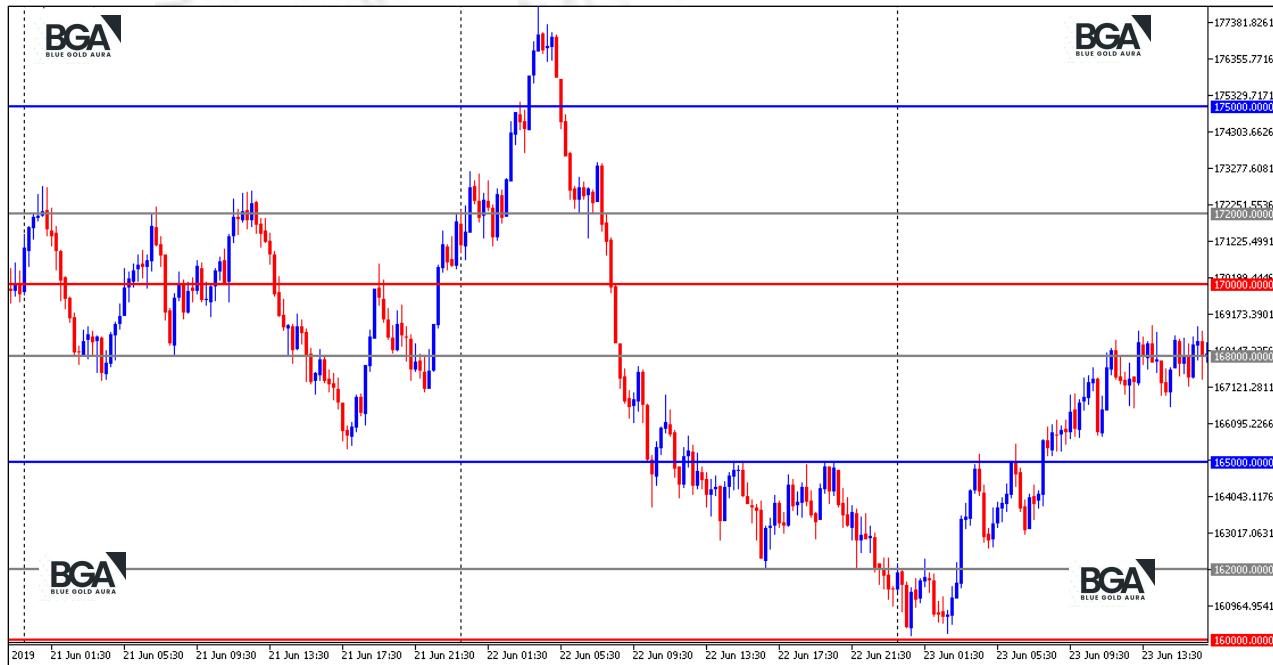


Figure 60: Notice price respecting and spiking on these numbers

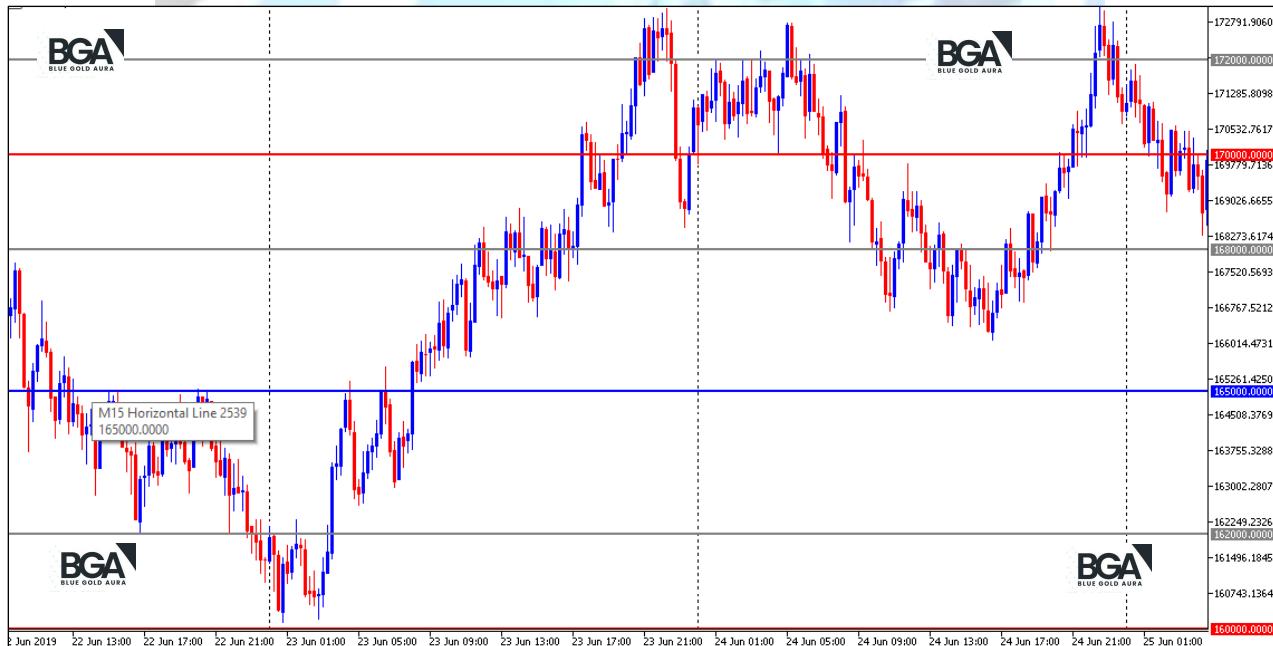


Figure 61: Notice price respecting and spiking on these numbers

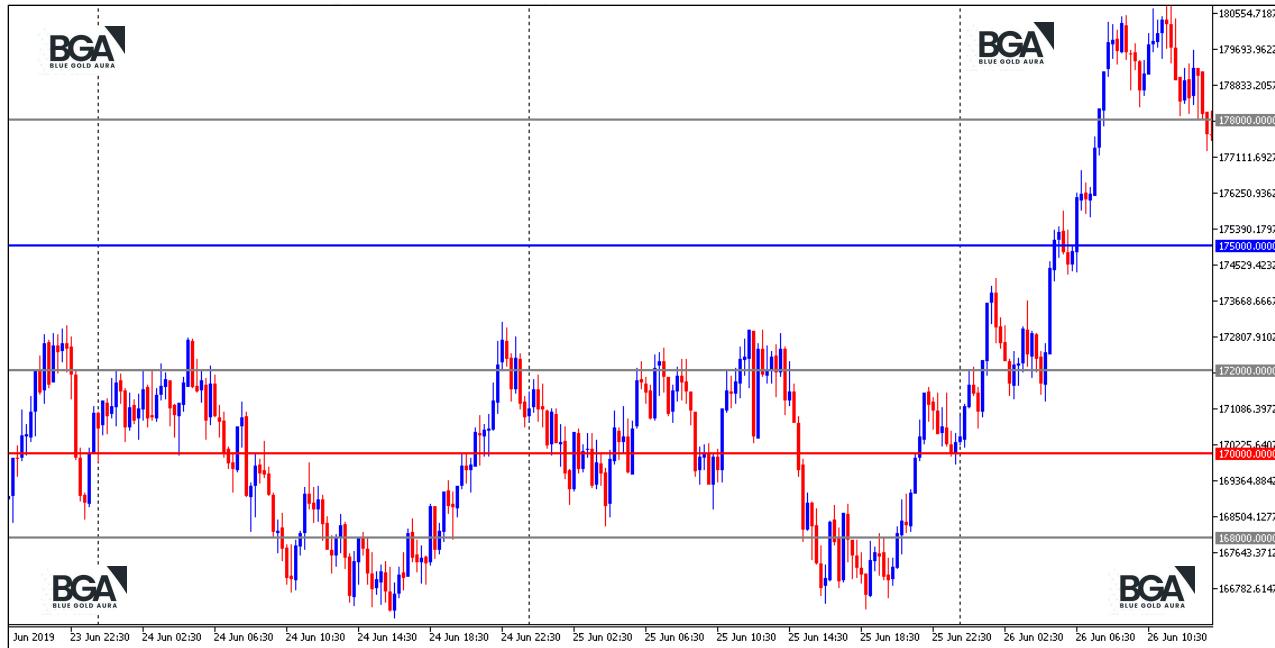


Figure 62: Notice price respecting and spiking on these numbers

## MAJOR SNIPPING ZONE

When trading, it is of paramount importance to note that true Support and Resistance is found on higher timeframes such as Weekly, Daily down to H4. Here is a secret I discovered trading Volatility indices. Remember we spoke about BGA numbers and how they affect the market.

Here we are going to do an exercise that is very interesting. We will use BGA Whole and BGA Half for this exercise. E.g. If price is being pegged let's say in thousands, we will divide the range into 2 e.g. 2000, 2500 and 3000.

Make sure you mark the BGA whole in red and BGA half in blue on a daily timeframe. The main goal of this exercise is to make sure that we mark major reversal points for the purpose of getting the directional bias and entries.



**Step 1:** Mark BGA whole and Half numbers on D1 above and below the current price.

**Step 2:** Go down to H4 timeframe to see the number that is being approached by price.

**Step 3:** Check to the left side to see if price has bounced off that area before. If price did bounce for at least 3 times then that's a good area.

**Step 4:** On H1 timeframe, Mark the BGA Q1 (20) and BGA Q2 (80) number from your BGA whole or BGA half that you would have marked on your daily. Mark this as your potential reversal zone. We shall call this zone the “Snipping Zone”. Note that price can sometimes tap and reverse at a BGA whole or Half on D1 without extending a Stop Bomb inside the “Snipping Zone”.

**Step 5:** Look for reversal patterns, Fibonacci Golden entries and candlestick patterns in the zone

**Step 6:** If you see reversal pattern in the “Snipping Zone”, bull or sell without hesitation

**Step 7:** Make sure that you are buying and selling with the trend

**Step 8:** If you see that the “Snipping Zone” has **been** violated (i.e. you see a large candle closing above or below it, scratch the trade).

**Note that you will be holding your trade from BGA number to a BGA number on the daily. You will only exit at the next BGA number when a reversal signal fires.**

Below are chart markups to illustrate this process.

For more information  
CALL/WHATSAPP

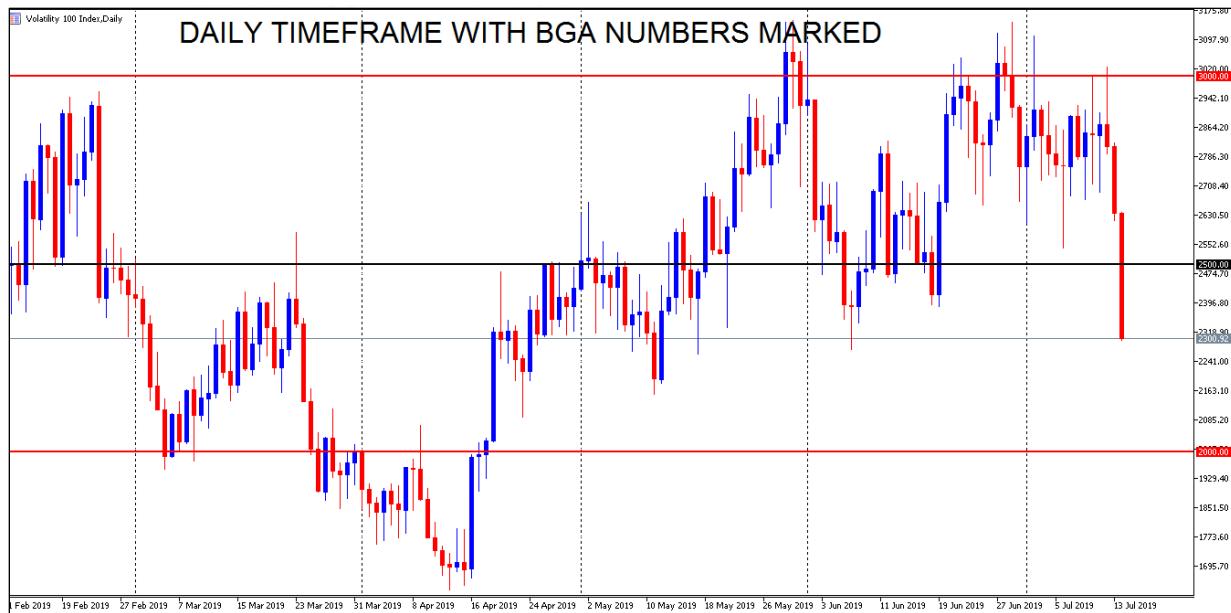


Figure 63: Daily Timeframe Marked with BGA Numbers

Note that major support and resistance respect these numbers. If price breaks a number, it will go to the next number. Notice also that price makes reversal patterns on these numbers and zones. Now we will go to H4 timeframe.

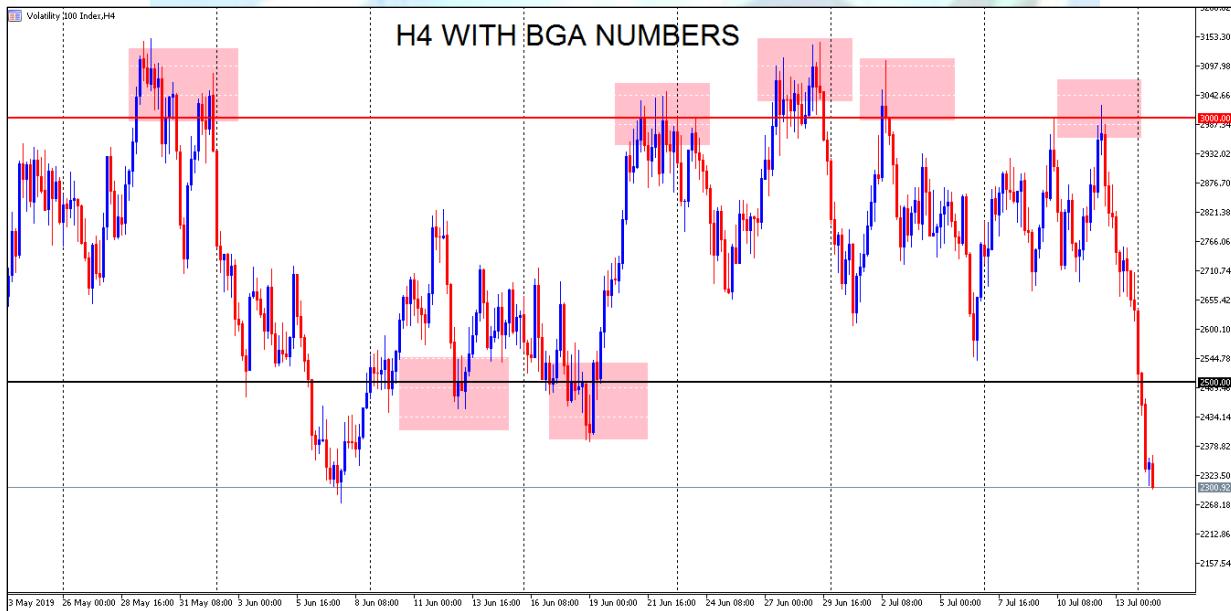


Figure 64: H4 Timeframe Marked with BGA Numbers

Major support and resistance respect these numbers. If price breaks a number, it will go to the next number. Notice also that price makes reversal patterns on these numbers and zones. Now we will go to H1 timeframe to mark the “Snipping Zone”. We have provided the chart as candlesticks and line chart for clarity.

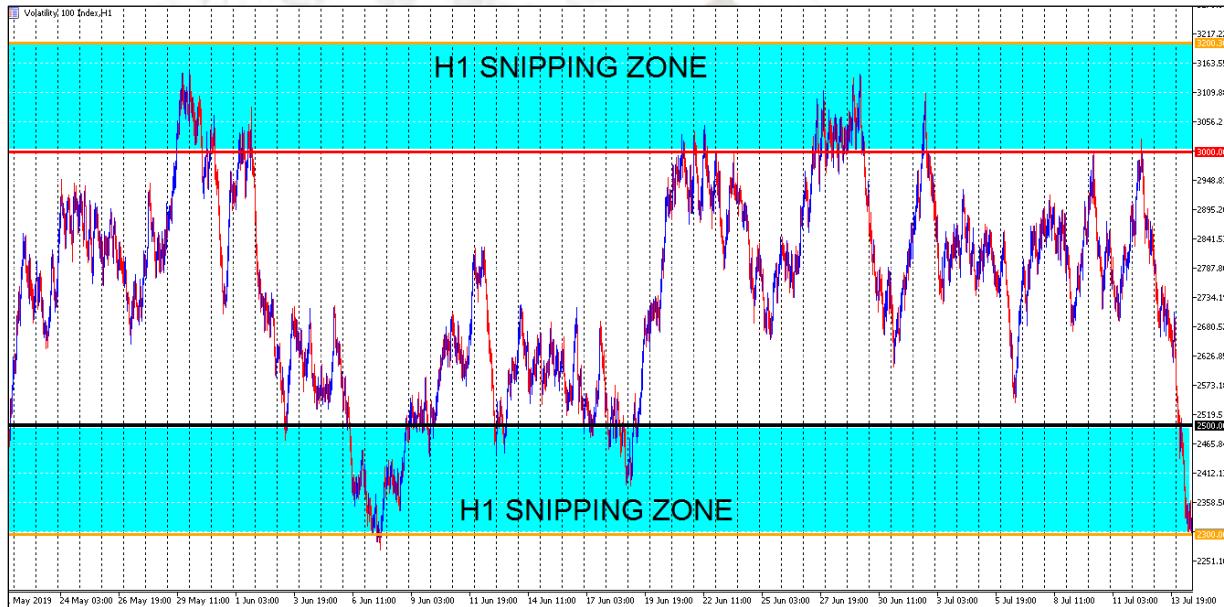


Figure 65: SNIPPING ZONE

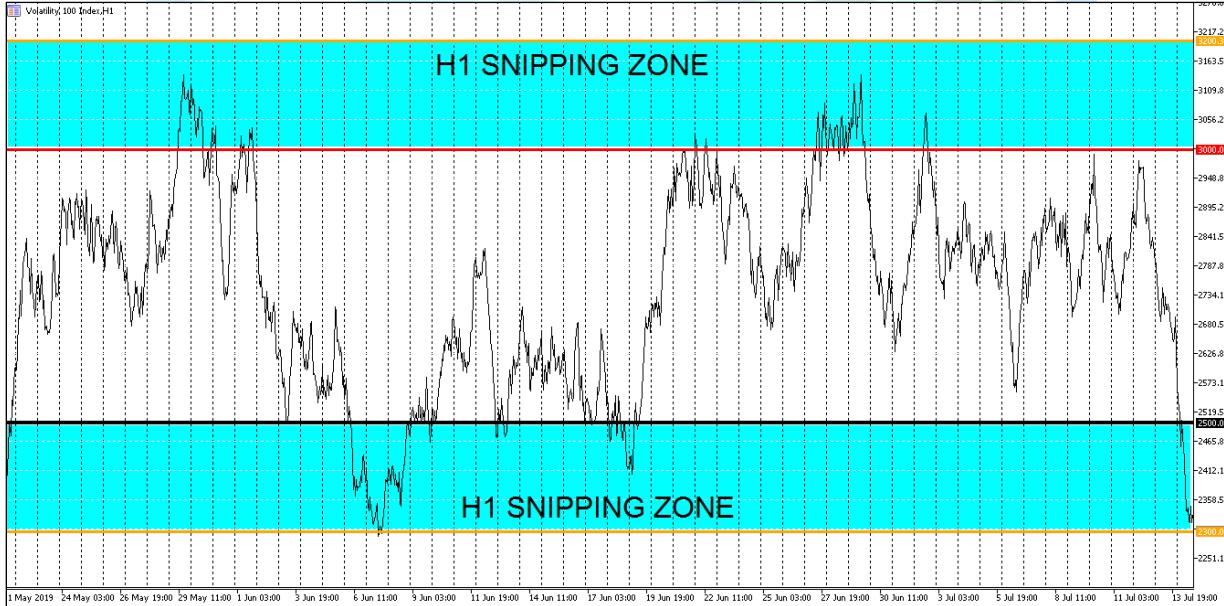


Figure 66: SNIPPING ZONE



I am sure that you are smiling after seeing this secret. Notice how price respected and respected the “Snipping Zone”. Understanding this concept will allow you to get in the market before anyone else and swing a trade for as long as you want maximizing profits. Remember the ultimate goal is to make more pips which will eventually give you the freedom you are looking for.

**NB: YOU CAN ALSO DO THIS DRILL ON SMALLER TIMEFRAMES LIKE H1-M5 FOR SCALPING PURPOSES. FOR THAT, YOU DEVIDE THE BGA WHOLE ON DI INTO 10 UNITS.**





## CHAPTER 15: STRUCTURE OF THE STOP BOMBS

From my study and experience of trading Volatility Indices, I have discovered certain price behaviour close to or at reversal areas. Here we will be focusing on the behaviour rather than a single candle or specific patterns. Note that we are not much concerned about candlestick patterns, however it's an added advantage if one is able to identify them.

Remember patterns are only relevant when interpreted in the right context of the market. Below is a list of reversal pattern behaviors'.

### SPIKE GANG PATTERN



Figure 67: Spike Gang



Spike Gang as I have named them, is a situation where you see a cluster of spikes in one place usually on a reversal zone. These spikes are used to induce and entice people to take trades in the wrong direction. If you can see that these candles were once solid and closed above trapping traders. This behaviour is common when trading Volatility Indices. Once you spot such a pattern, it's surely a good setup which can give you more pips.



Figure 68: SPIKE GANG VARIATION

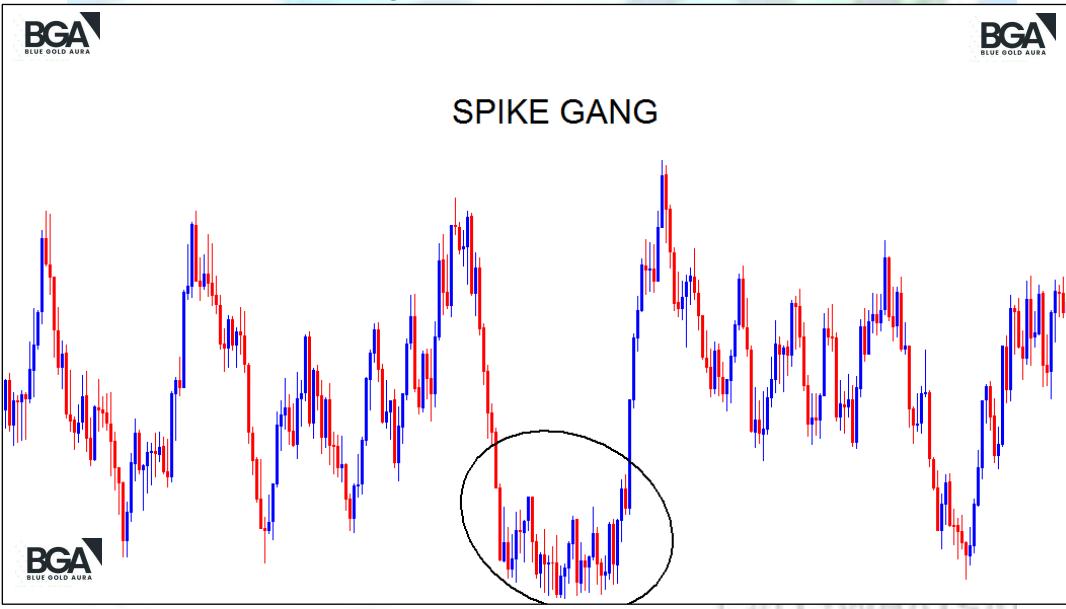


Figure 69: SPIKE GANG VARIATION



## M DIVE (M DIVERGENCE)

This is a type of an M seen on Volatility charts. The first leg of the M is short and the 2<sup>nd</sup> leg is very long. This is done to entice long traders to take long positions by the Winning Guys. As soon as the bait is taken, breaks are applied and price is reversed very fast. Price will be showing higher highs and on the TDI, the RSI price line will be showing lower highs and in most cases price would have been contained back in the volatility bands. This is called Divergence in the trading circles and hence the name “M Dive”.



Figure 70: M DIVE

For more information  
CALL/WHATSAPP



## W DIVE (M DIVERGENCE)

This is a type of a W seen on Volatility charts. The first leg of the W is short and the 2<sup>nd</sup> leg is very long. This is done to entice long traders to take short positions by Winning Guys. As soon as the bait is taken, breaks are applied and price is reversed very fast. Price will be showing lower lows and on the TDI, the RSI price line will be showing higher lows and in most cases price would have been contained back in the volatility bands. This is called Divergence in the trading circles and hence the name “W Dive”.



Figure 71: M DIVE

## JET HOOK

This is another variation of price reversal pattern. Price will shoot in an inclined angle very fast, induce and reverse without giving people a proper signal to enter. If you take a look at the pattern, it literally looks like a jet and hence “JET HOOK”.



Figure 72: BULLISH JET HOOK



Figure 73: BEARISH JET HOOK



Figure 74: BULLISH JET HOOK



Figure 75: BEARISH JET HOOK



## SIX GANG

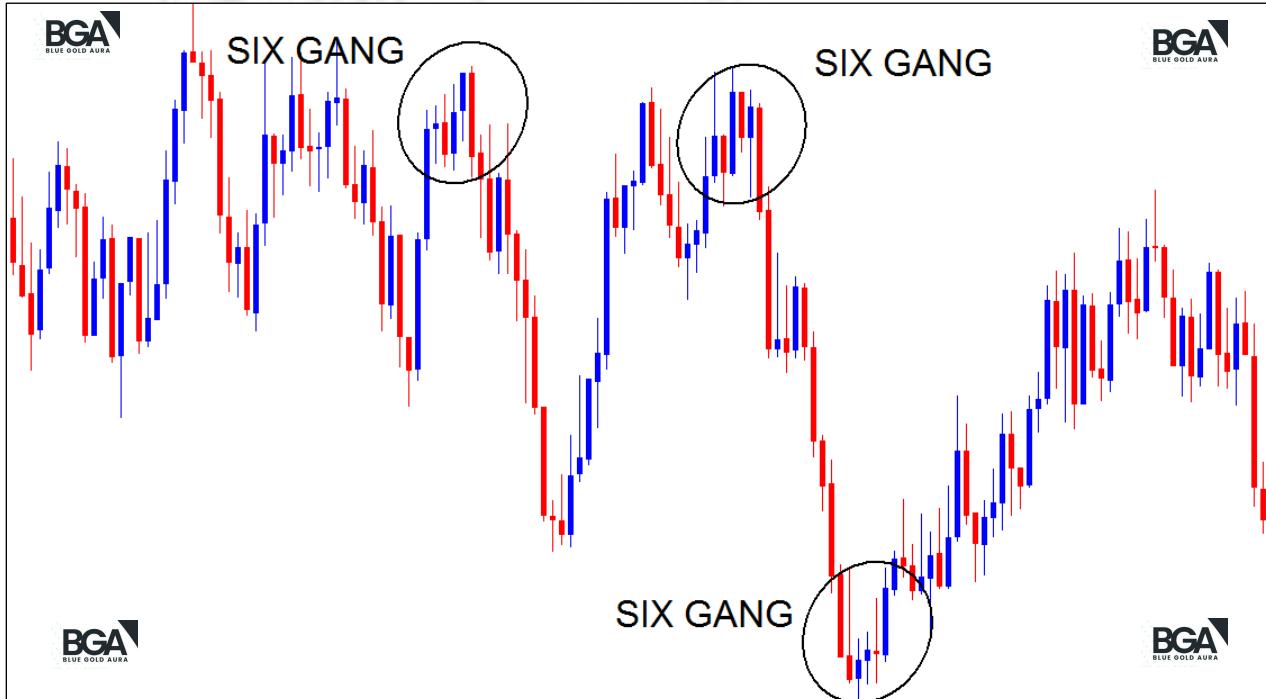


Figure 76: SIX GANG REVERSAL BEHAVIOR ON H1



CALL/WHATSAPP

Figure 77: SIX GANG REVERSAL VARIATION ON H1



Six gang is another variation of reversal patterns seen on Volatility Indices. Price taps a reversal zone and hold the zone for 5 candles and leave on the 6<sup>th</sup> candle. This 6<sup>th</sup> candle usually engulfs all the other candles. This behaviour is done to trap the impatient and make traders close their trades in a loss. Have you ever been in a trade and you see it playing around your entry point in a loss back and forth? You close the trade only to find out later that price moved in the direction you were anticipating.

## CHAPTER 16: M AND W (PATTERN).

Before trading the markets, one must understand what price usually do at reversal points. In some circles these patterns are called double tops and bottoms. These are psychological patterns in the markets. Remember that in the previous chapters we have talked about the Winning Guys.

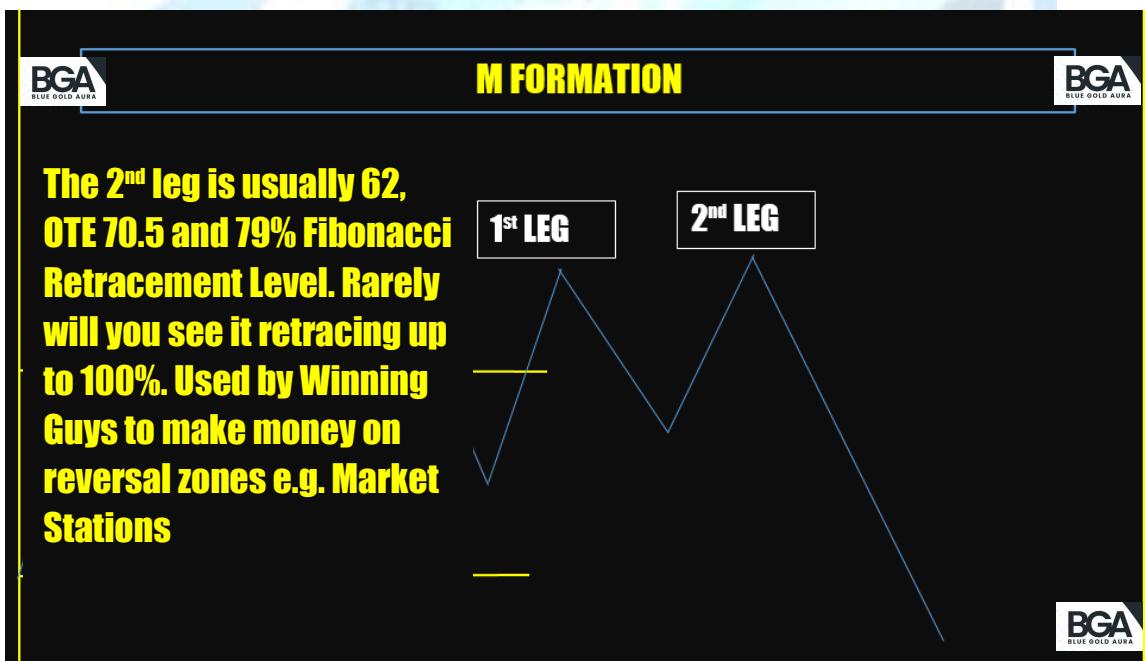


Figure 78: M Formation or Double Top.



These Ms and Ws patterns are used to induce traders to take a trade in the wrong direction, take out reversal traders stops, and trap traders. Remember that the main motive of Winning Guys is to make money out of the markets. So whenever you and me sell, the Winning Guys buy from us and when we buy they sell to us.

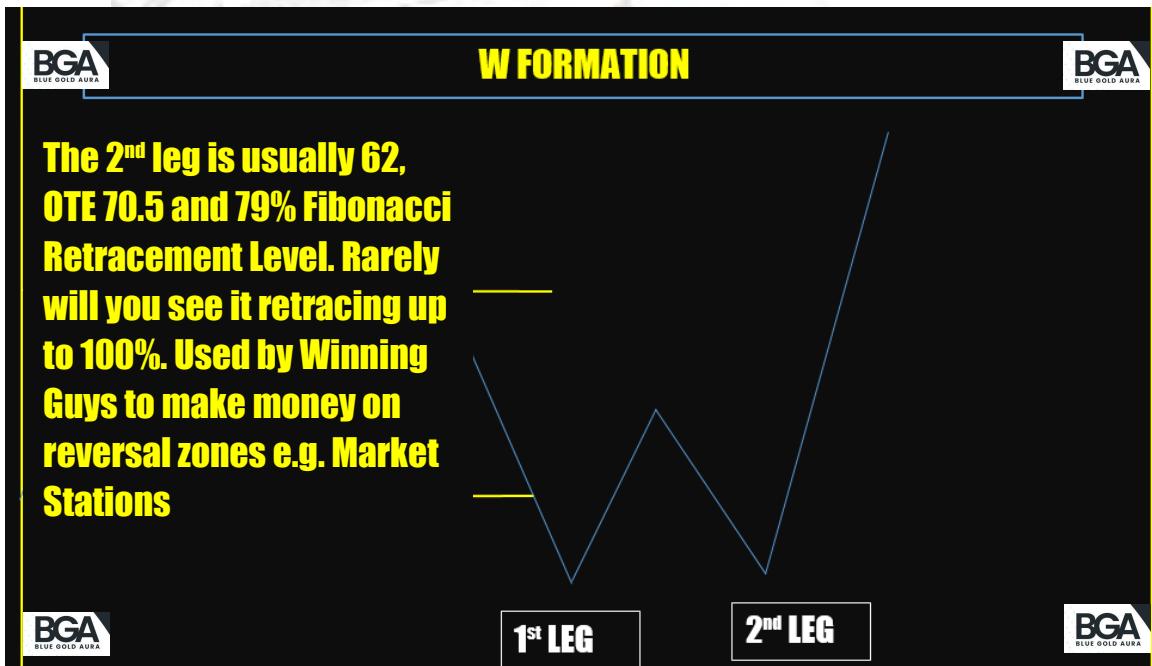


Figure 79: W Formation

## THE PSYCHOLOGY BEHIND AN M AND W PATTERN

Note that this can happen anytime especially at a reversal point e.g. that's OTE 70.5%, 79 and 62%. Price is usually held in a range, at a Market Station or consolidating for some time and this usually happen when the market wants to make a big move. Price will be moving up and down testing the previous highs and lows as well as Pivots and Market Stations. The Winning Guys as I have stated before, does this to make money.



This behaviour of double top or bottoms Stop Bombs, you will usually see the candlestick patterns we have talked about in the previous chapters. So whenever you see this patterns forming at a reversal point, get ready to see price reversing and with our Fibonacci Golden number we can get early entries. Note that the opposite is true for a W pattern. Price can at times retrace up to 100% to 120.2 retracement levels before reversing. You can clearly see this behaviour as M divergence.

Below are real live charts with M and W patterns.



Figure 80: M Formation or M Pattern

On the M pattern above, note that price was ranging between the previous highs/Market Stations. Price then broke out of the range to form an M Pattern.

Even though the second leg of the M came to test the first high of the M, the candle closed below the first highs candle.

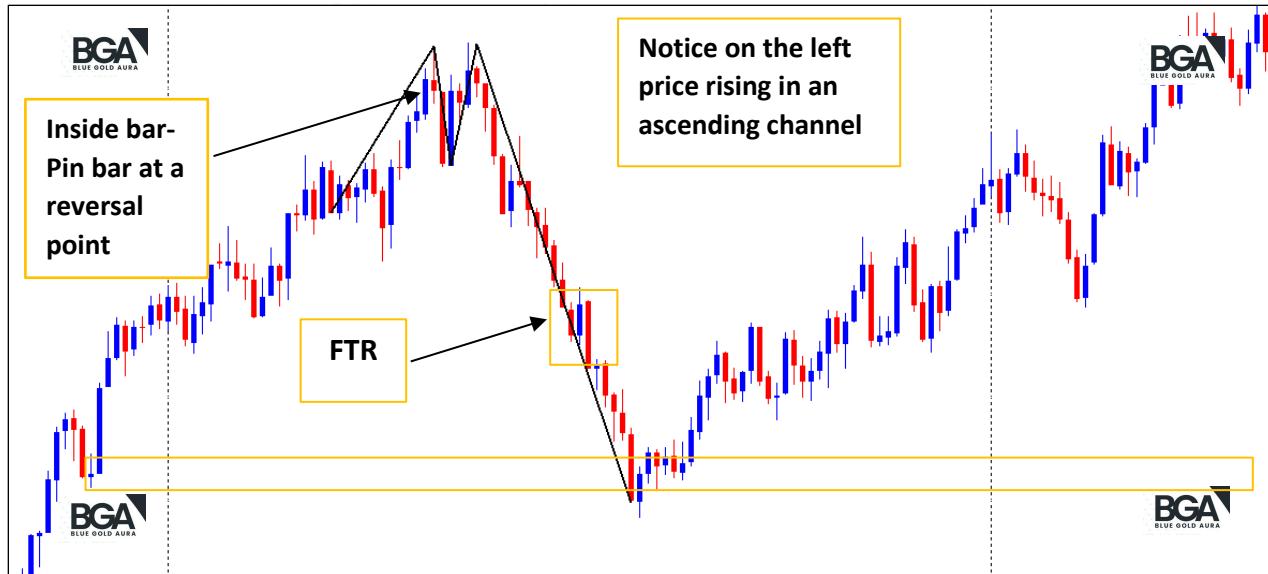


Figure 81: M Formation or M Pattern Variation

This is an M pattern variation. Price was pushing up. After stopping at a reversal point, price made an M pattern before running away with the money. Notice that the 2<sup>nd</sup> legs candle closed below the first Ms High. The 2<sup>nd</sup> leg retraced beyond the 62, OTE 70.5 and 79 Fibonacci retracement levels.

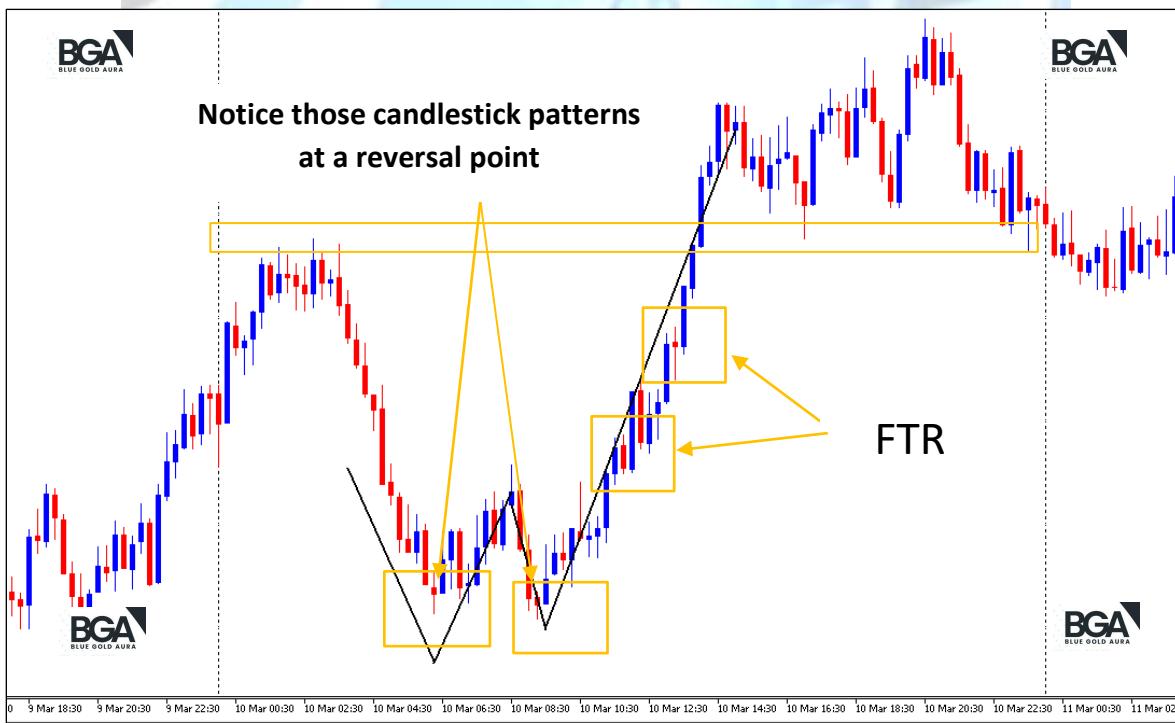


Figure 82: W Formation or M Pattern Variation



We can go on and on trying to illustrate this but we can all see that price always does what it has been doing before. This pattern is similar to the previous M pattern. The Winning Guys did the same thing on this reversal area.

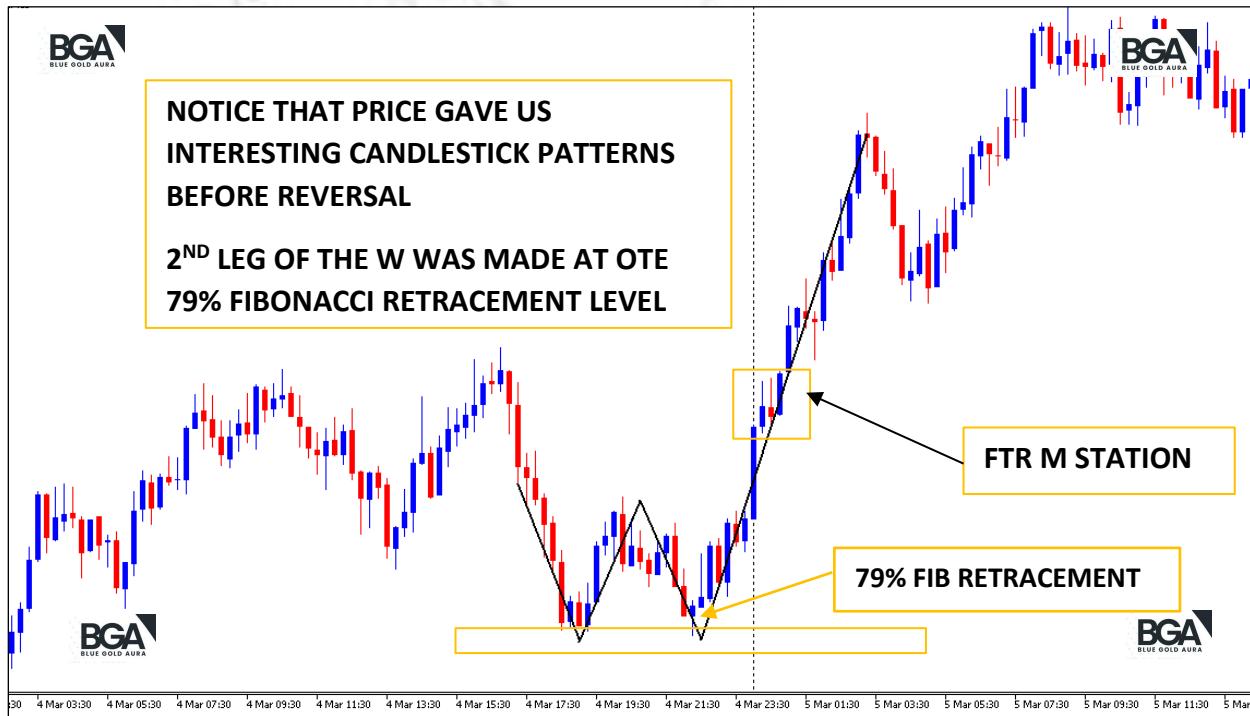


Figure 83: W Formation or M Pattern Variation

This W pattern is actually similar to the first M pattern chart. Price broke out of the range to pitch a W Pattern below. Notice also that the 2<sup>nd</sup> legs tapped below with a wick but closed above the first legs low. If you go through your charts you will see this behavior happening over and over again.

### Rules for trading these patterns:

- Don't fall for Winning Guys their false moves.
- The best way to trade is to wait for 2nd leg setup i.e. 62, OTE 70.5, 79 and 100% Fibonacci retracement levels.

For more information:  
CALL/WHATSAPP



So as traders, if we understand the psychology behind these movements, it's easy for us to understand why price is moving and predict the next move.

Now go to your charts on M15- D1 timeframe to spot these price movements.





## CHAPTER 17: DAILY BIAS PIVOTS

As explained in the previous chapters, price movement leaves footprints behind and these footprints are later exploited by the Winning Guys. In the markets we have periods right from 1 Day, 1 Week, 1 month and 1 year. For each and every period, we have the following:

1. Period Opening and Closing Price (Pivot).
2. Period Highest Price (Pivot).
3. Period Lowest Price (Pivot).

Buy understanding this we are able to capitalize on this and make consistent profits.

As a trader you must be aware of the following Pivots.

1. Opening and Closing of a Monthly Candle (Pivot).
2. Opening and Closing of a weekly Candle (Pivot).
3. Opening and Closing of a Daily Candle (Pivot).

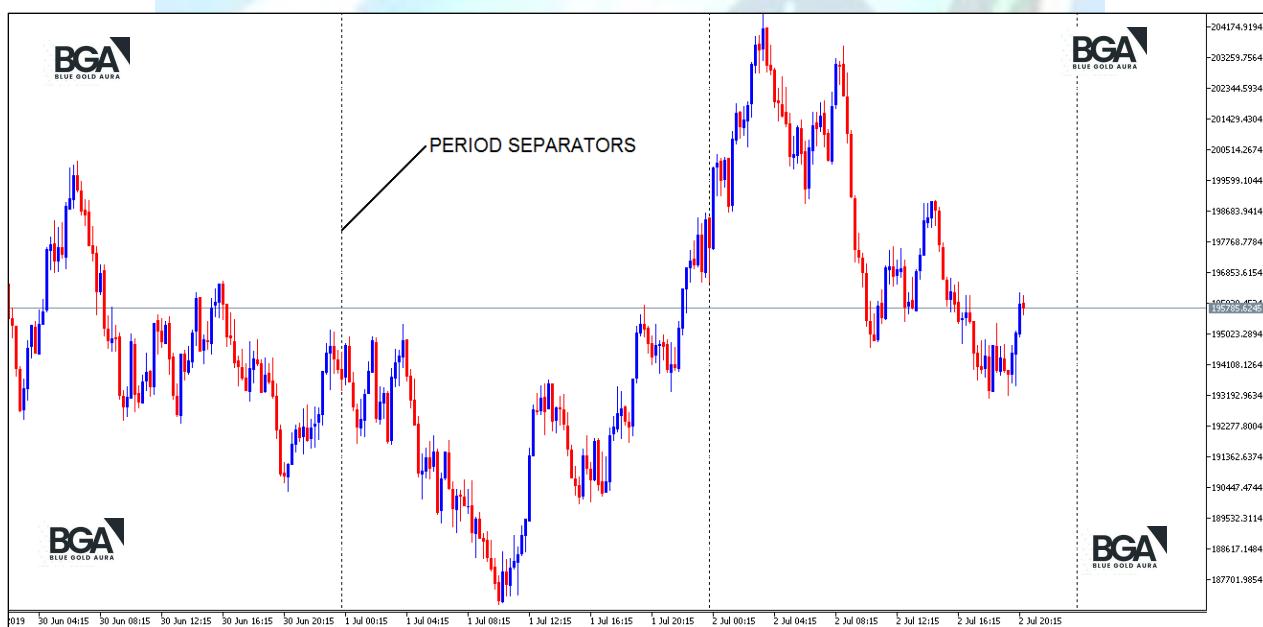


Figure 84: Period Separators



For our strategy we are interested in what happens in a day even though we work with higher periods when analyzing the market i.e. on an H1 and M15 timeframe. Your period is indicated by period separators on MT5. **To activate these period separators you need to press “Control Y”.** Below is a plain chart showing period separators.

On each and every day i.e. price always moves to create High and Low (Pivots) of the day. Winning Guys have a tendency of enticing traders to take trades in false direction from the daily open price line. From the daily open price line, price can go to test the previous day's high, low or open. These areas usually coincide with the BGA numbers as well as Support and Resistance, FTR and FTB (Market Stations). Below is an illustration of how you mark the daily open line, daily high and daily low.

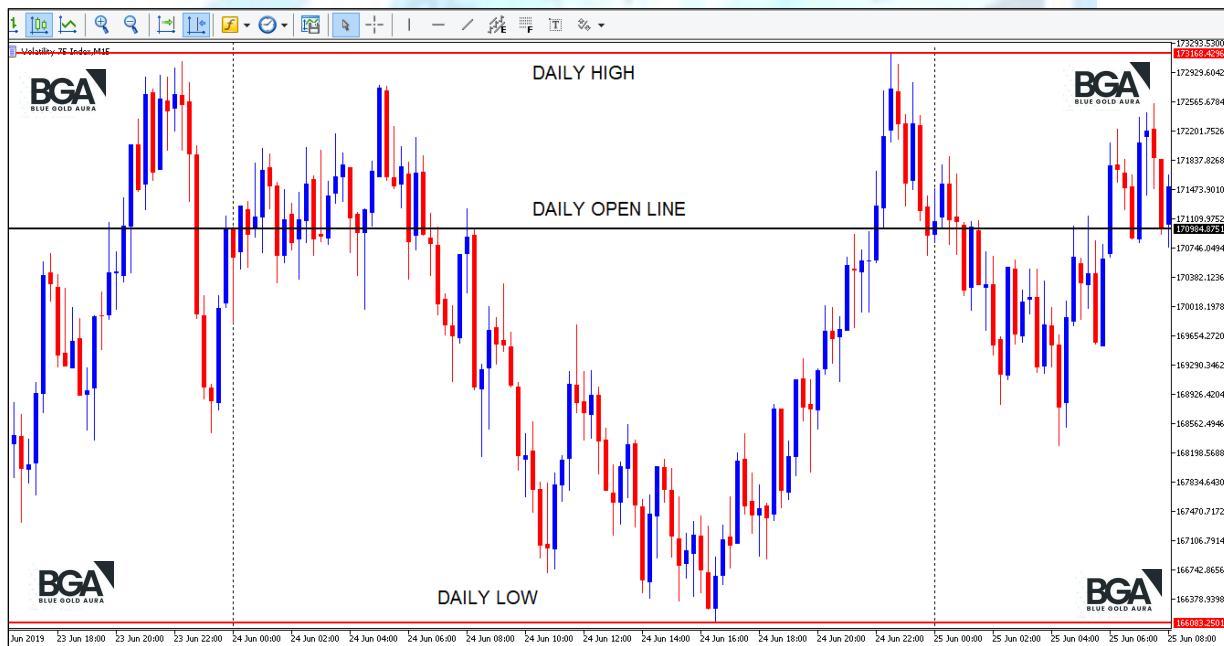


Figure 85: Daily High – Low



From the chart below you can actually see that price tested the previous day's high and low before reversing. This behaviour actually happened at price reversal points. From the chart below, note also that price opened with a bearish candle and pushed up to pin the yesterday's high with an RRT (Rail Road Track Pattern) before reversing. Whenever you see such setups, be ready to take a trade as these trades are high probability trades especially when they coincide with BGA numbers, zones and Fibonacci retracement numbers.

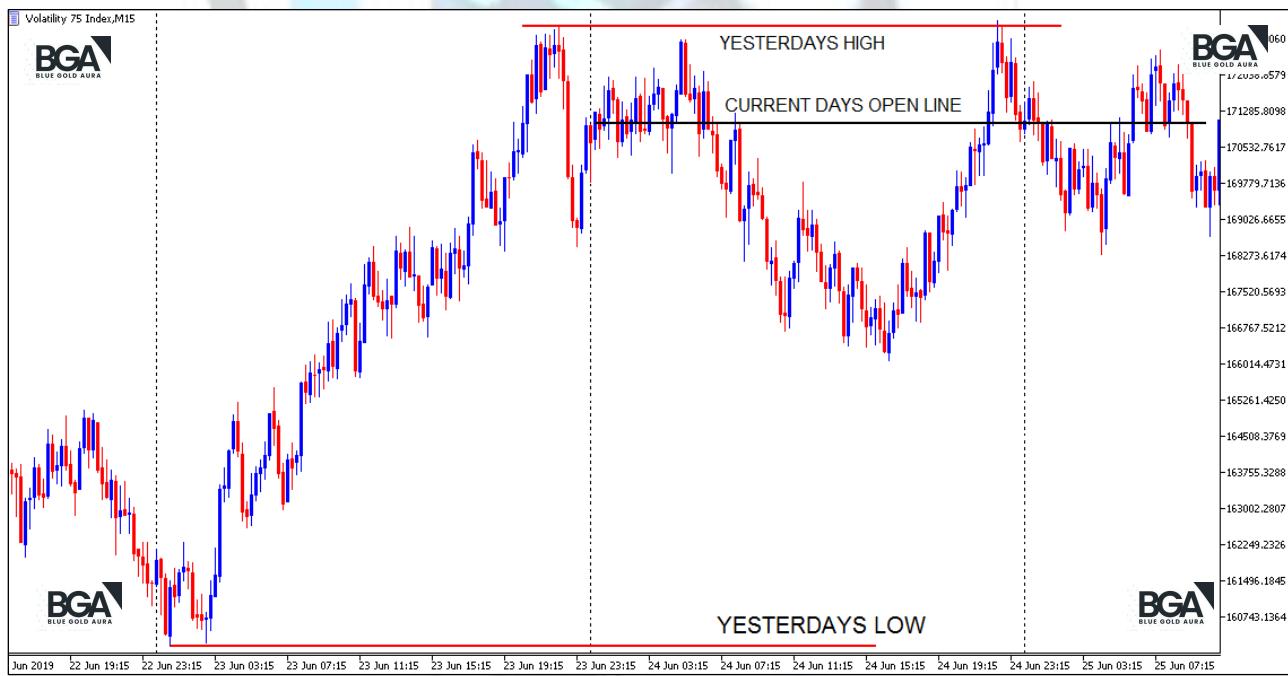


Figure 86: Price illustration on Daily High-Low

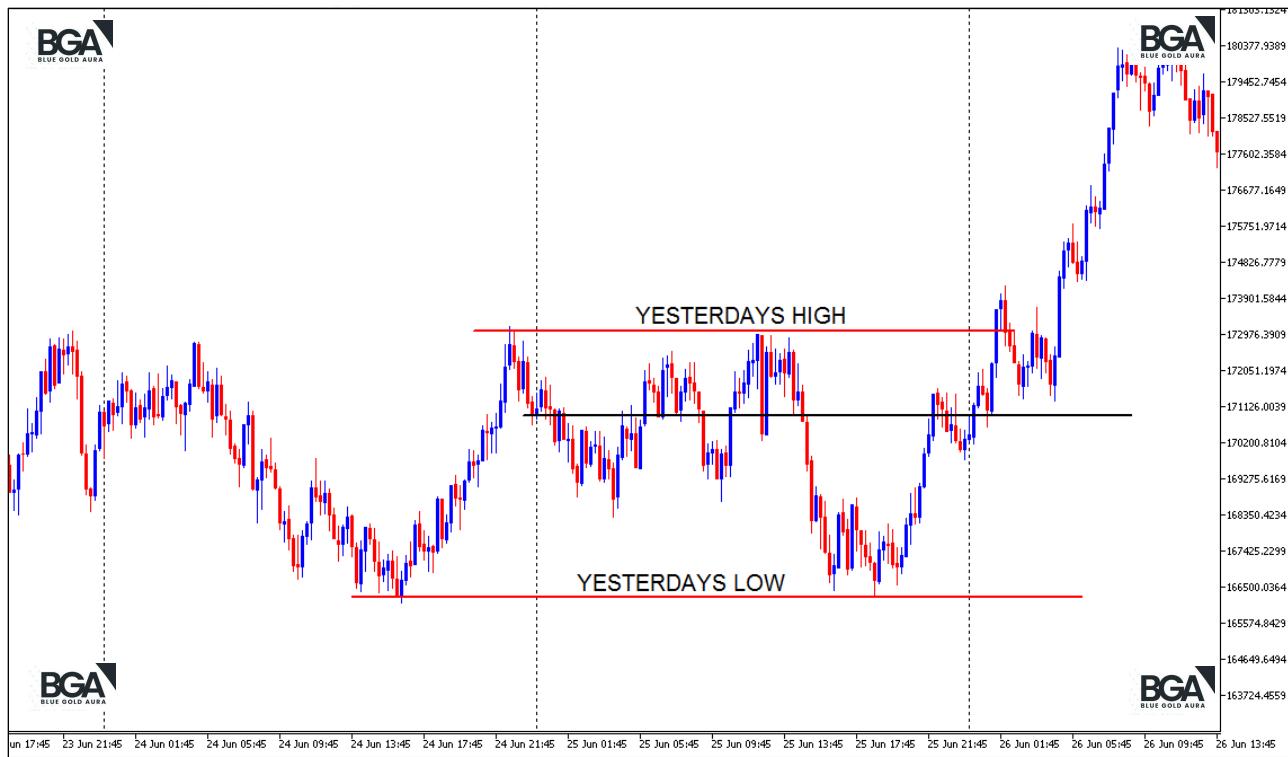


Figure 87: Price illustration on Daily High-Low

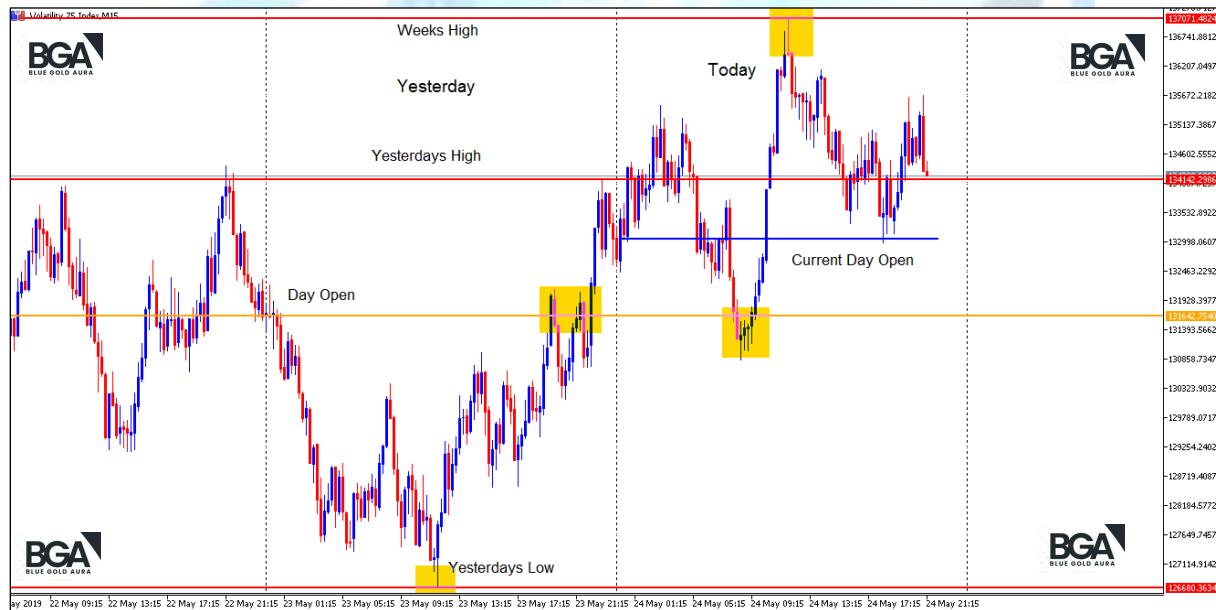


Figure 88: Hilo Illustration



**Note that on a weekly uptrend we expect price to do a Stop Bomb below the pivot then swing it high if it's a down trend the opposite happens though it is not daily when the bias is clear.**

Now that we understand what happens during a day, we are able to apply the same concept to the weekly and monthly high and low. The same price manipulation happens on the weekly high/low, monthly high/low and yearly high/low.





## CHAPTER 18: TREND ASSESSMENT USING THE TDI

Now that we understand how the markets move and potential price reversal points, we now need to establish the market sentiment. For us to do this we have modified the TDI (Traders Dynamic Index).

### BGA FX TDI INDICATOR APPLICATION

The core indicator in TDI is the RSI. We use the TDI to:

- Spot the right segments of the market.
- Stay the course.
- Add to a winner.
- Spot Divergence.

In order to understand TDI, you must understand its underlying indicator RSI (Relative Strength Indicator). RSI is based on candle close and won't fall for spikes. Excellent for confirming shift in momentum. TDI is also excellent for spotting divergence.

### RANGE ANALYSIS WITH RSI- TDI

Parameters of the RSI Line- Red Line

1. Value of RSI: 0 – 100
2. Normal Range: 32- 68
3. Bull Range: 80/40
4. Bear Range: 60/20
5. Overbought/ Oversold 80/20



## 6. Mid-Point or Basis Level

Note that the Signal Line is the Red Line.

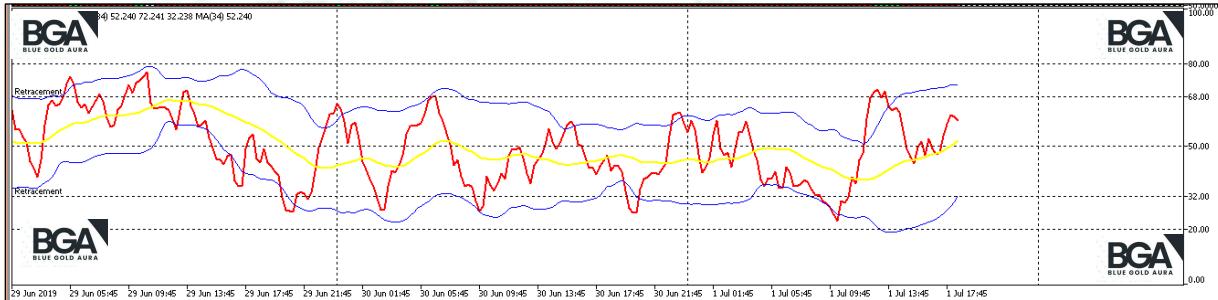


Figure 89: TDI we use for change of momentum

### BGA TDI SETUP

We have 3 components on our TDI i.e. RSI line, Bollinger Bands (Volatility Bands) and SMA.

RSI Line: Period- 14      Typical Price (HLC/3)      Colour Red      Apply to: Close

LEVEL	DESCRIPTION
20	Extreme oversold level
32	Buy
50	Midpoint
68	Sell
80	Extreme oversold level

Figure 90: RSI Settings

### VOLATILITY BANDS:

For volatility we use Bollinger Bands and the settings are as follows:

Period: 34      Deviation: 1.619      Style: Blue      Apply to: First Indicators Data



## MARKET BASELINE:

Moving Average: Simple 34 Style: Yellow Apply to: Close

## TDI EXPLANATION:

### Market Baseline:

The yellow line is the dynamic moving market baseline. [Standing as the liquid or moving 50 market baseline]. When the dynamic market baseline crosses with the signal line, it's a trend change confirmation and you can also enter into a trade.

## VOLATILITY BANDS:

They are similar to Bollinger bands. They act as support or resistance based on the close, much stronger. The bands of the Bollinger bands are support and resistance and therefore:

- When price breaks out of the bands, it's a sign of momentum shift and a breakout
- If price breaks and comes back inside the bands, you can sell or buy and add when price line crosses the MBL.
- When the bands contain the RSI line after a Break, It is Divergent (Stop Hunt).
- When viewed in a proper context, they can identify Stop Bombs, Scale Ins and Exits.



- The MBL angle can give you a rough sentiment i.e. if it's pointing up, know price is buying and the opposite is also true when it's pointing down. Note that this is based on Volatility Indices personal study.

**Note that when the MBL is above trending above the 50 fixed RSI level, the market will be in an uptrend and the opposite is true for a bearish market. line.**

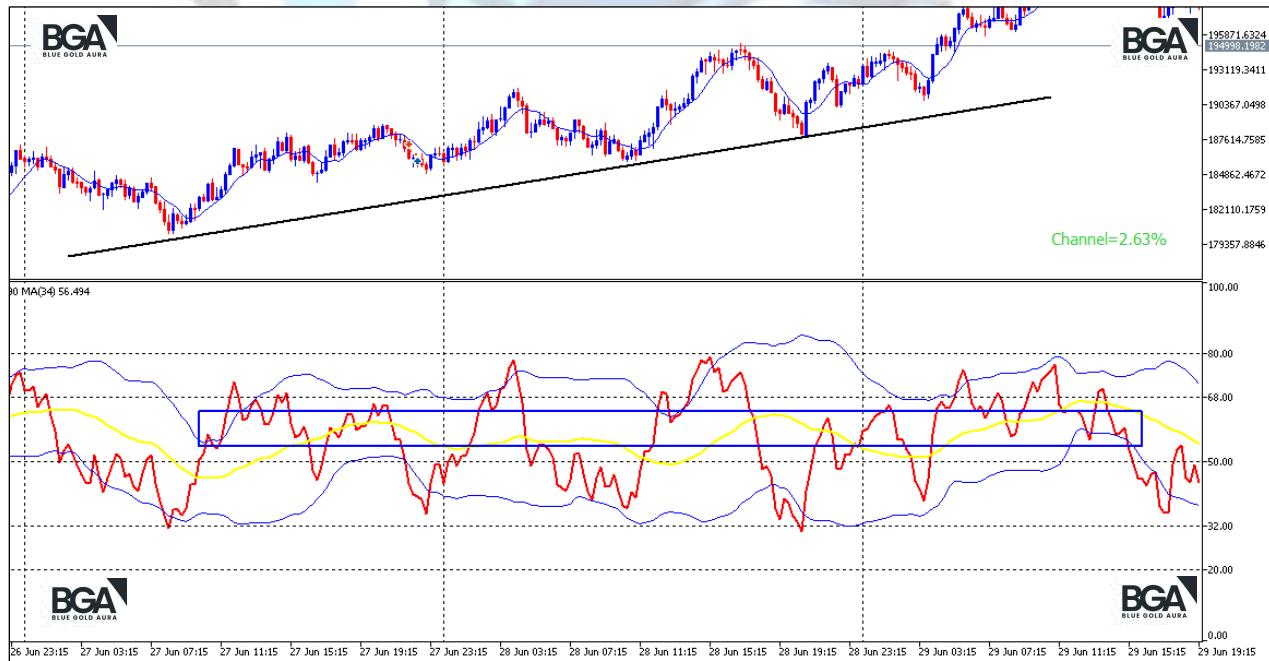


Figure 91: Notice that when price is in a downtrend, the MBL is below the 50 fixed RSI line.

For more information  
CALL/WHATSAPP



Figure 92: Notice that when price is in a downtrend, the MBL is below the 50 fixed RSI line.

When the MBL is above the 50 RSI always look for buys and the opposite is true for a bearish market.

### The relationship between the Volatility Bands and Signal Line.

Notice that when price bursts out of the volatility bands, it's a very good sign of momentum (fake and real). When price is contained back into the volatility bands it's a good sign that price is about to reverse, however we should consider the other factors before taking a trade.

## QQE INDICATOR

We also use the QQE indicator in this BGA Strategy for signal confirmation and entries. We shall provide the settings when one has acquired this strategy.



## CHAPTER 19: DIVERGENCE

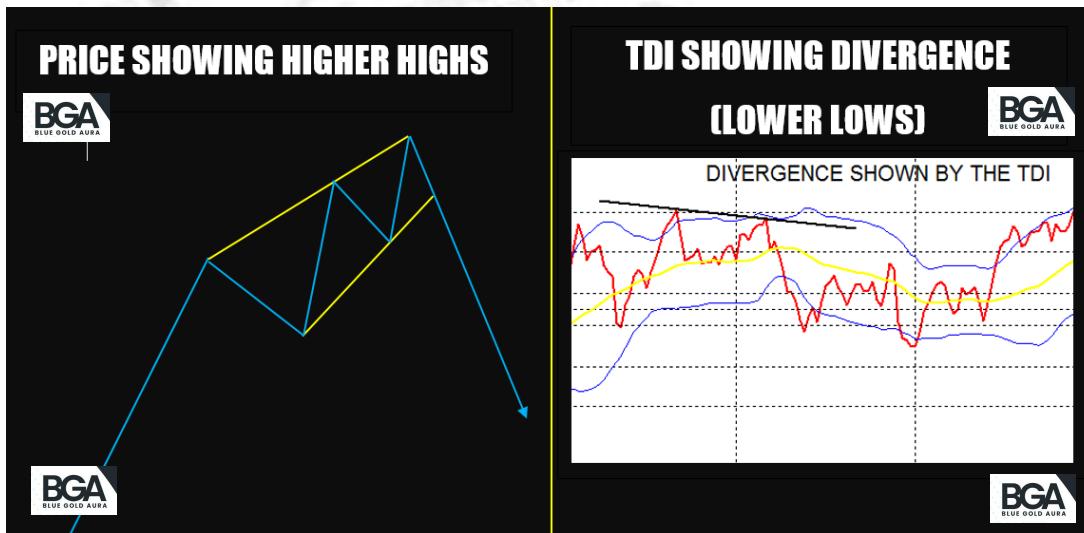


Figure 93: Divergence in an Uptrend

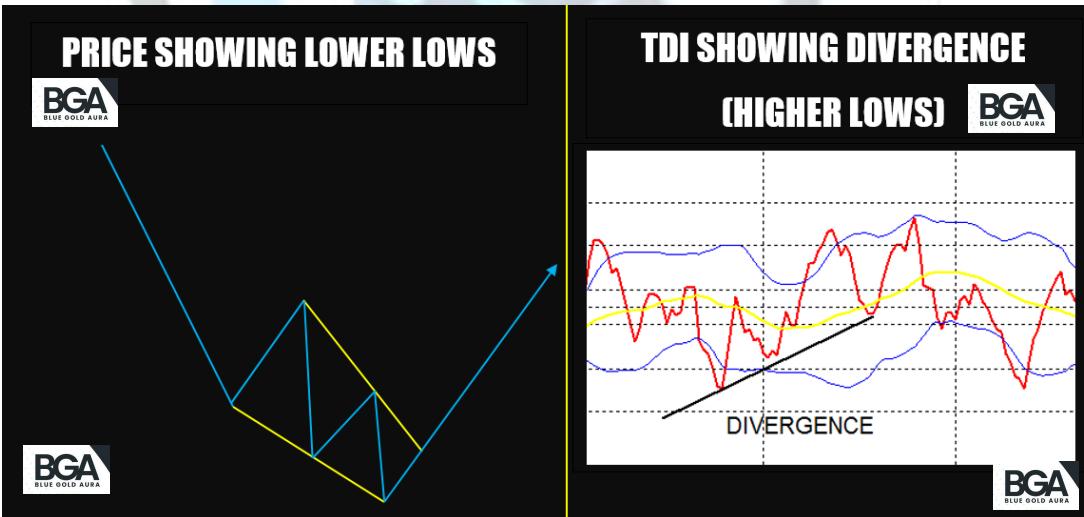


Figure 94: Divergence in an Uptrend

If you notice at a reversal point that price has extended beyond the 100% Fibonacci retracement, you should check the TDI to see it's a true breakout. If you see that what's happening on your charts is opposing what's happening on the TDI (that's a fake out), get ready to pull the trigger because the market is about to reverse.



## CHAPTER 20: TRADING AND TRADE SETUPS USING TDI

### BUY SIGNAL EXAMPLES

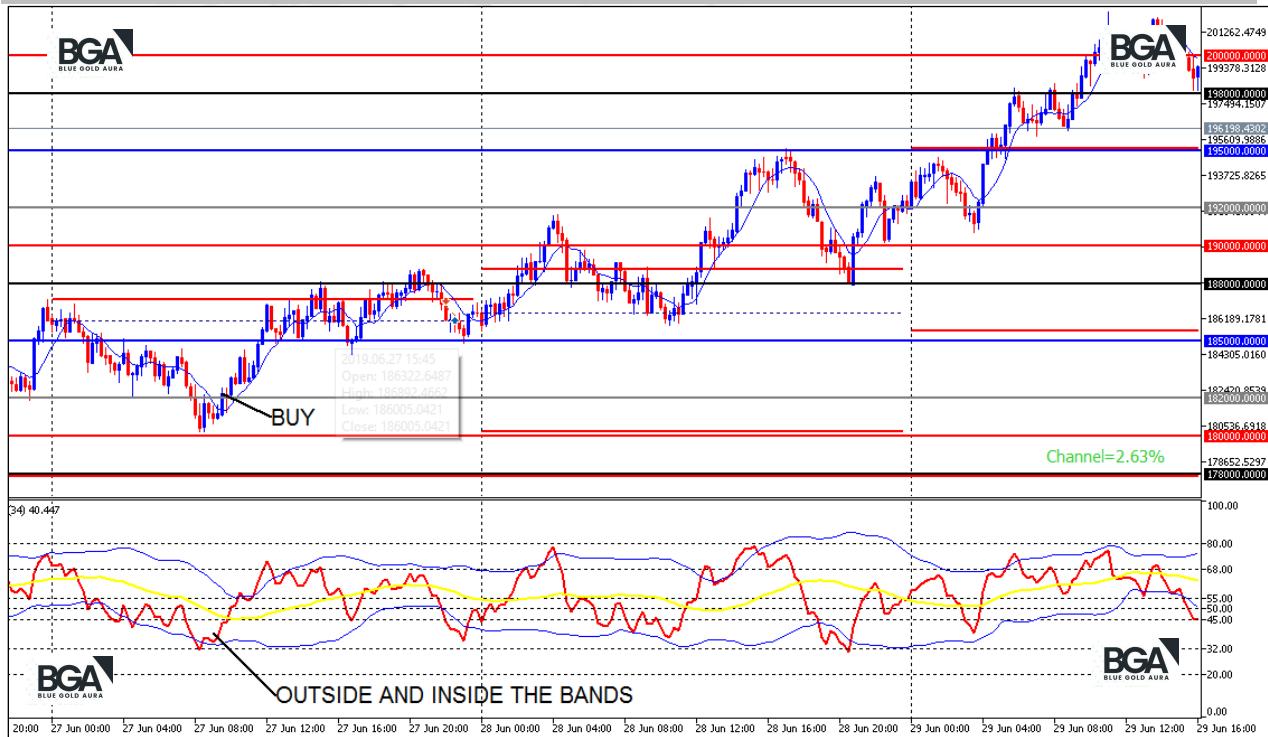


Figure 95: Buy Signal

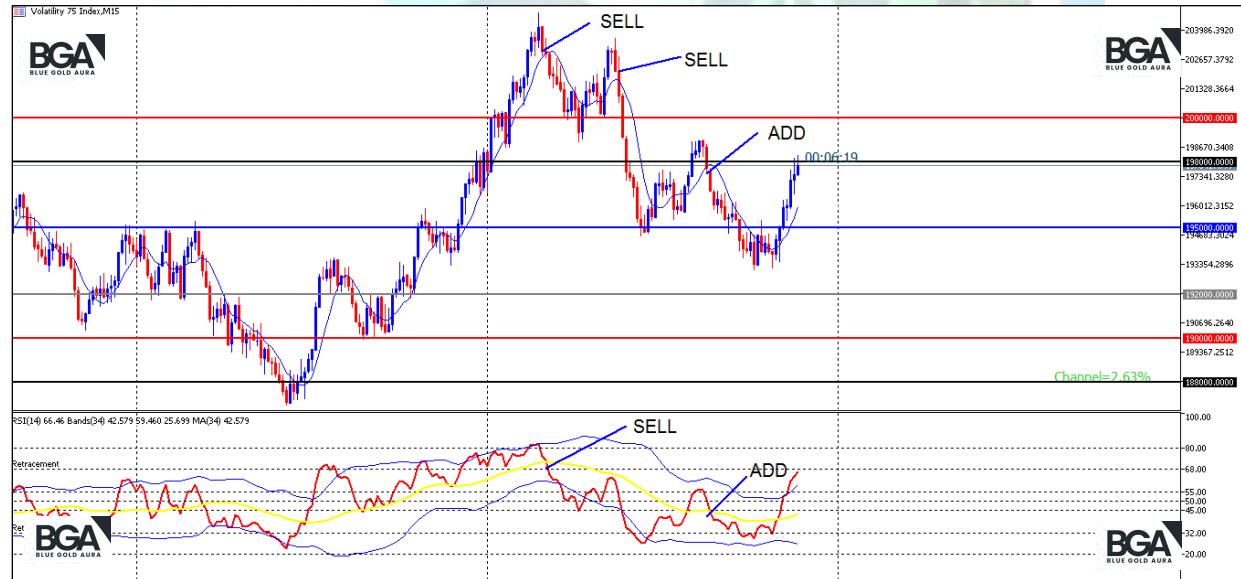


Figure 96: TDI ENTRY SIGNAL



## SELL SIGNAL EXAMPLE

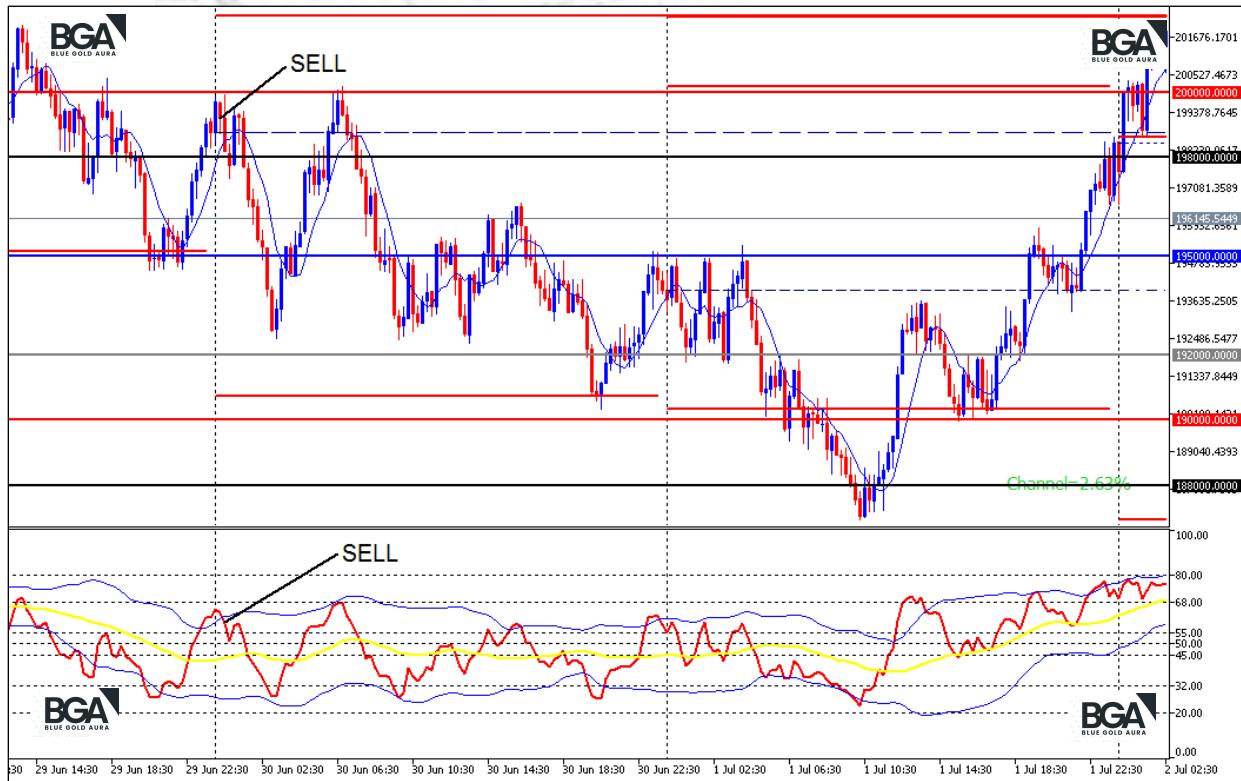


Figure 97: Sell Signal



## CHAPTER 21: PUTTING IT ALL TOGETHER

This is the core of this trading strategy. All other tools like indicators are designed to complement this core system. Remember when you place a trade here; you trade from zone to zone or swing to swing. Expect to hold a trade for hours or days if it permits you to.

**NOTE: INDICATORS ARE LAGGING AND THEREFORE ONE MUST MASTER KEY REVERSAL POINTS AND TRADE WITH PURE PRICE ACTION. MOST PEOPLE WHO HAVE BEEN SUCCESSFUL TRADING THIS SYSTEM DON'T USE INDICATORS AT ALL. HOWEVER IF YOU ARE STILL STRUGGLING AND LEARNING, YOU CAN USE INDICATORS TO COMPLEMENT OUR SYSTEM. REMEMBER YOUR EYE IS THE BEST INDICATOR YOU CAN EVER HAVE.**

### WHEN TO BUY OR SELL:

1. Analysis is carried out of the DI, H4, H1 and M15 timeframe and entries are placed on M15. It's also good to look at the bigger picture i.e. D1 and W1
2. The first question to ask yourself where the current price is- (apply your Support and Resistance)?
3. Mark up BGA numbers i.e. above and below price?
4. What is the trend? (UPTREND OR DOWNTREND) you can see that by looking at price or looking at the TDI MBL (Market Baseline) position.
5. Which areas might cause price to reverse i.e. **BGA NUMBERS, MARKET STATIONS, FTRS, FTBS, DAY HIGH-LOW or DAILY**



**OPEN (PIVOTS). Note that these zones usually coincide with BGA Numbers e.g. 119000.0000 might coincide with an FTR MARKET STATION AND 62, OTE 70.5, 79% FIBONACCI RETRACEMENT LEVELS.**

- 6. Check the current BGA NUMBER RANGE and any number that is close to the price.**
- 7. Do you see any possible M AND W PATTERN, CHANNELS, SPIKE GANG, M AND W DIVE, JET HOOK AND SIX GANG on our potential reversal points?**
- 8. Are there any MAJOR FIBONACCI - PRICE REVERSAL ZONES within the current period? With your Fibonacci tool, mark the swings i.e. On upswing- from relative low to the relative high. On downswing- from relative high to the relative low.**
- 9. Can you identify any form of CANDLESTICK pattern?**
- 10. Is there a good risk to reward ratio, is the trade worth taking?**
- 11. After reversal, wait for price to retrace or come back then enter on OTE 70.5, 79, , 62 and 50%.**
- 12. Wait for a candlestick to close below or above SMA 8.**
- 13. On your TDI, the price line must have been contained back by the volatility bands.**
- 14. At the same time your QQE indicator must have fired a cross signal or CCI. (Notice that one can trade without indicators as they are always following price- this initiative was made to assist those who are struggling to get perfect entries. However the best indicator is your eye).**
- 15. Place your stop loss behind the last swing and TP on the take profit targets laid out on Fibonacci tool.**



Figure 98: Sell Signal

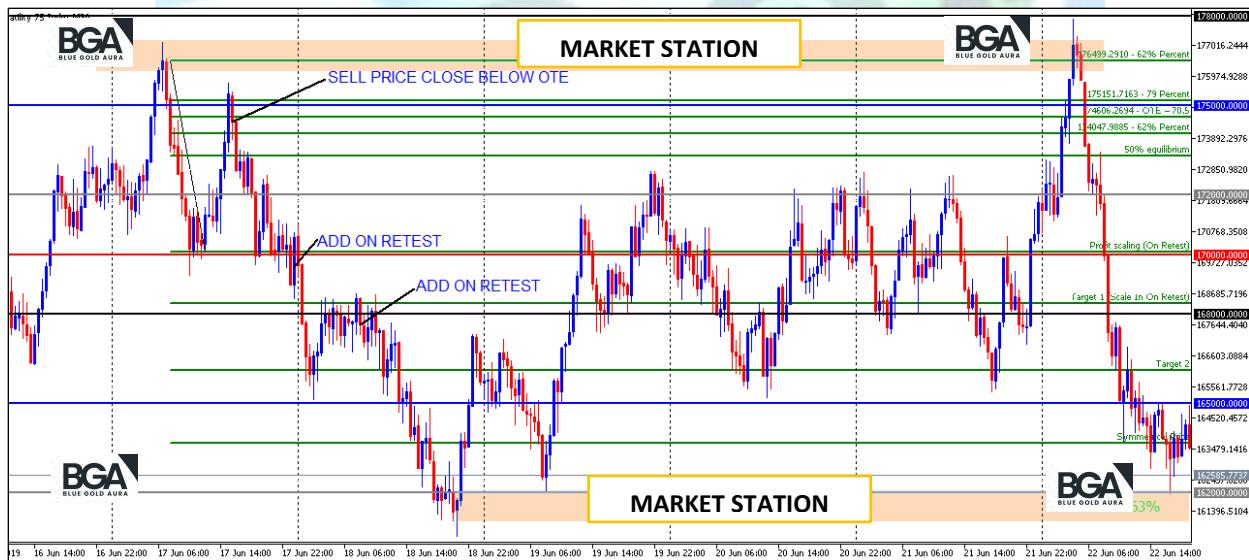


Figure 99: Market Stations

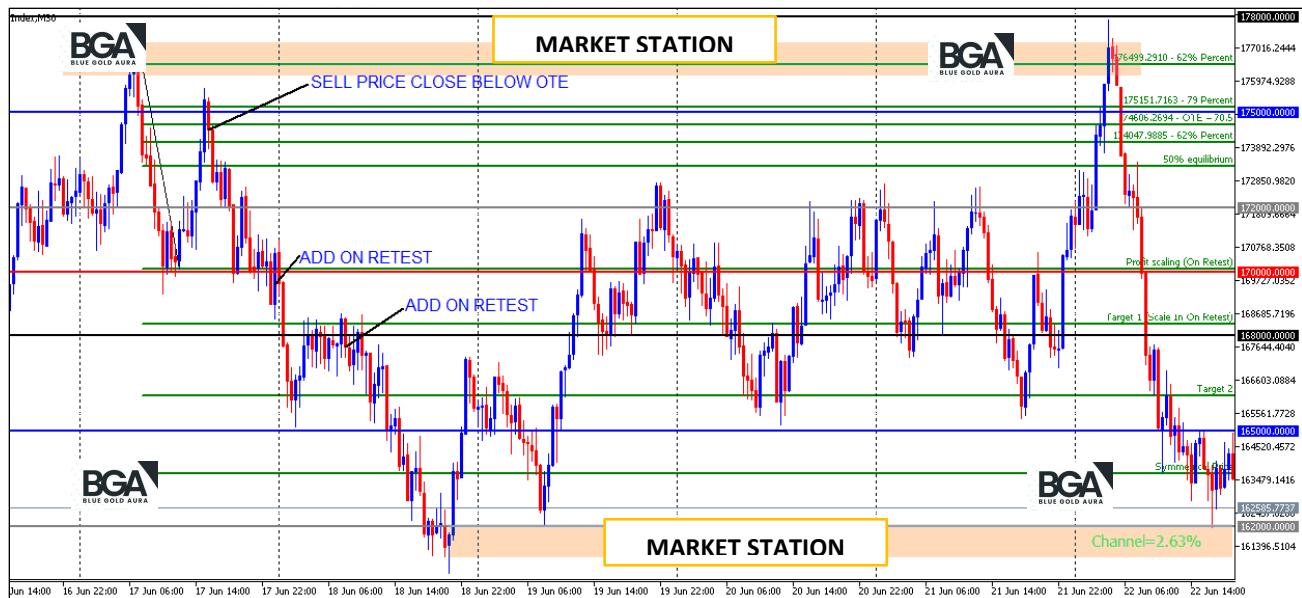


Figure 100: Sell Signal with Market Stations



Figure 101: Buy Signal

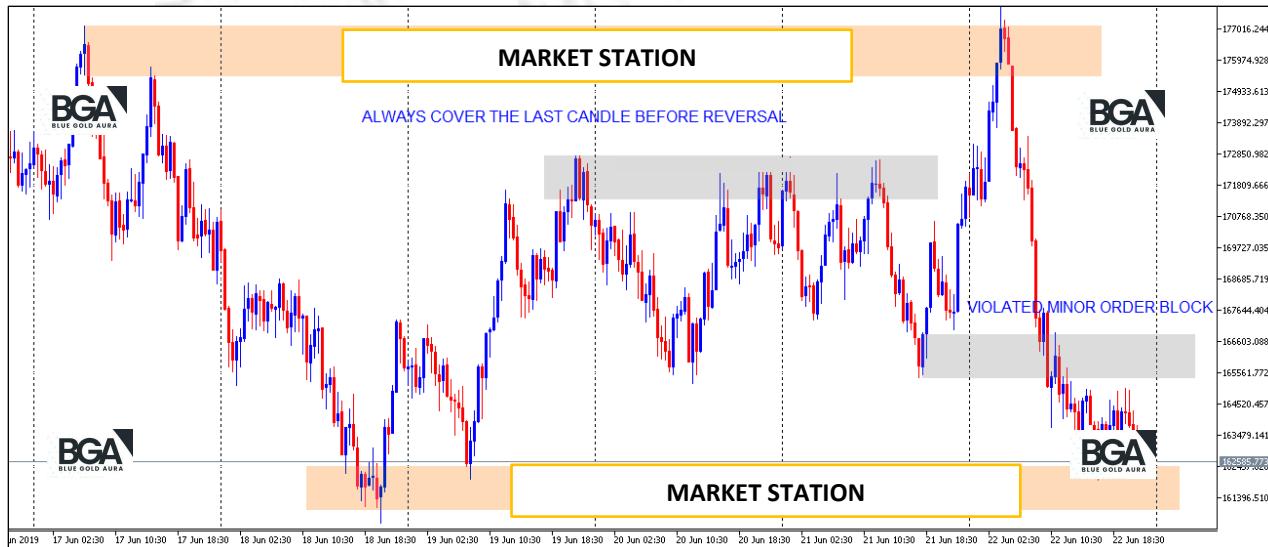


Figure 102: Market Stations at Play

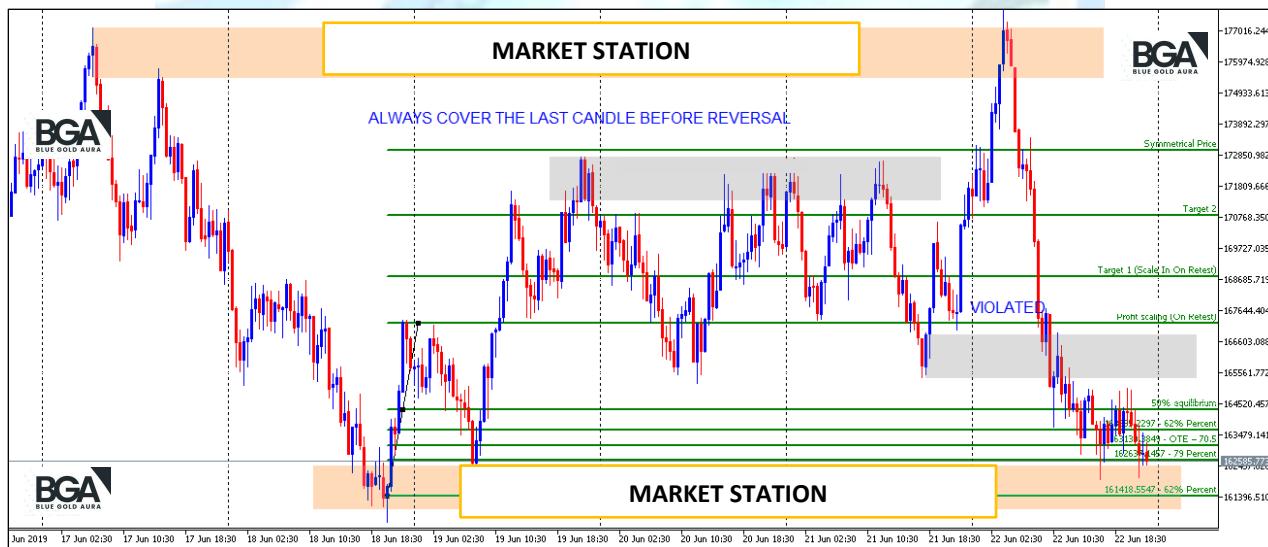


Figure 103: Buy Signal on Market Stations



## CHAPTER 22: GETTING PERFECT ENTRIES USING CCI

From my study and during the strategy testing process, I discovered that most of my students struggled to get perfect entries after spotting a reversal point whilst learning. **Remember that trading is a skill which is comes with “Hard work, Desire, Determination and the Will to Win”.** I added a CCI (Commodity Channel Index) indicator with customized settings to make life much easier for a newbie. For those that struggle to use the TDI, this can help you spot trades whilst you are learning. **Note that indicators are lagging and hence should be used as part of your trading tool box. We have made this chapter especially for newbies and those struggling to identify patterns, entry confirmations etc. remember I don’t want you to dwell much on indicators as they lag- I want you to master our key reversal tools i.e. high low of the day, Daily Opening, BGA Patterns, Fibonacci points, BGA Numbers etc.** Below is a plain chart with BGA numbers only.

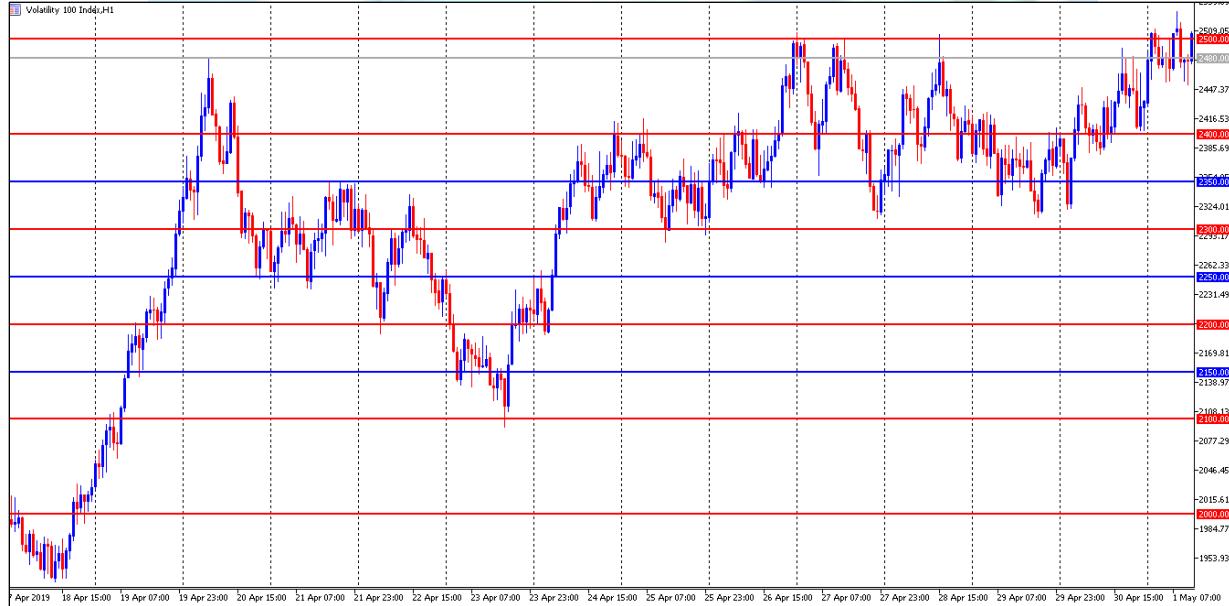


Figure 104: Plain Chart with BGA Numbers only



Note that from the chart above we can see that price has a tendency of reversing at BGA Numbers and therefore our main goal here is to look for a confirmed entry using the CCI whenever there is a reversal. Our CCI is our confirmation tool together with other tools. Below I have laid out our CCI settings.

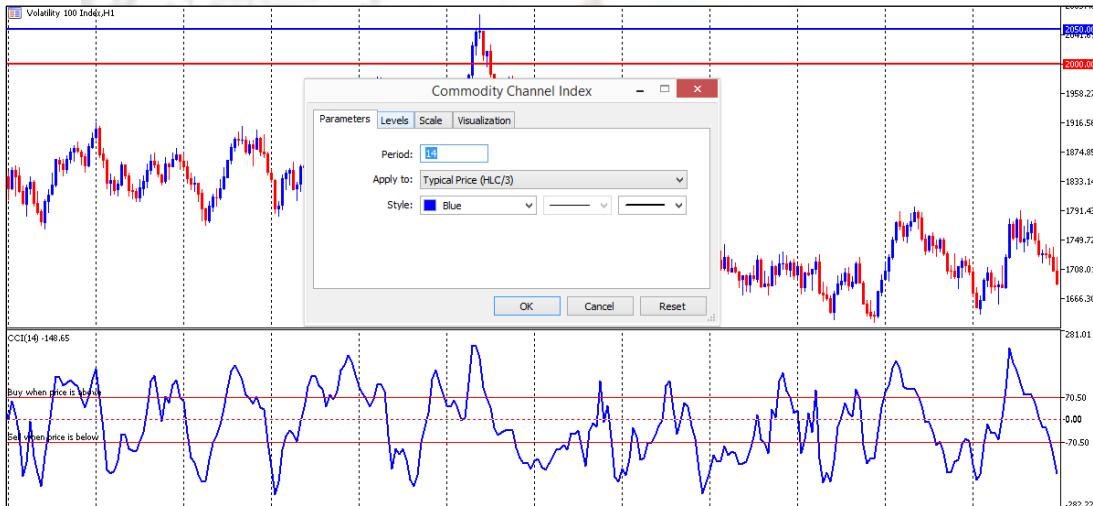


Figure 105: CCI Settings

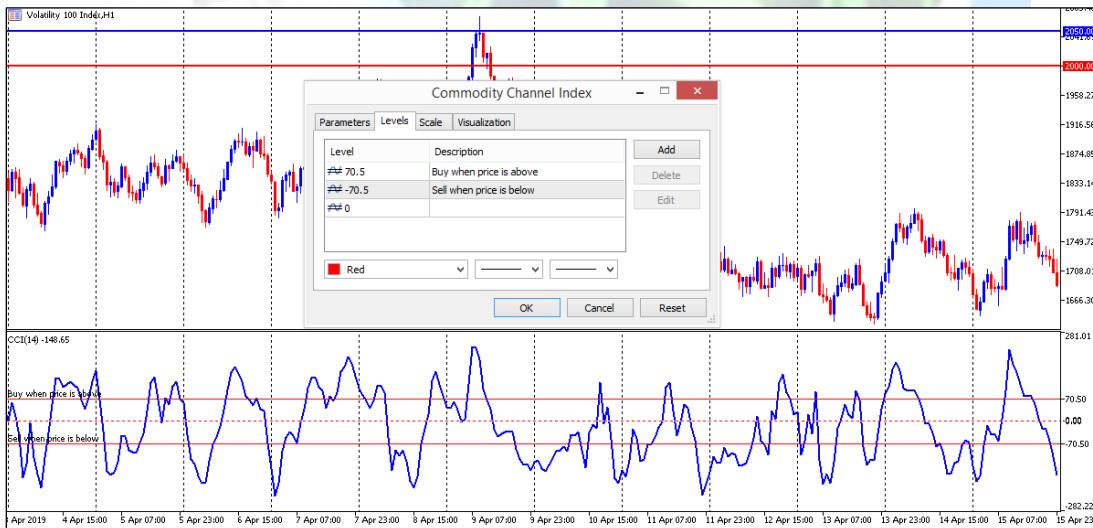


Figure 106: CCI Indicator Settings

After setting up our CCI and our usual 8SMA indicator, your chart should look like this:

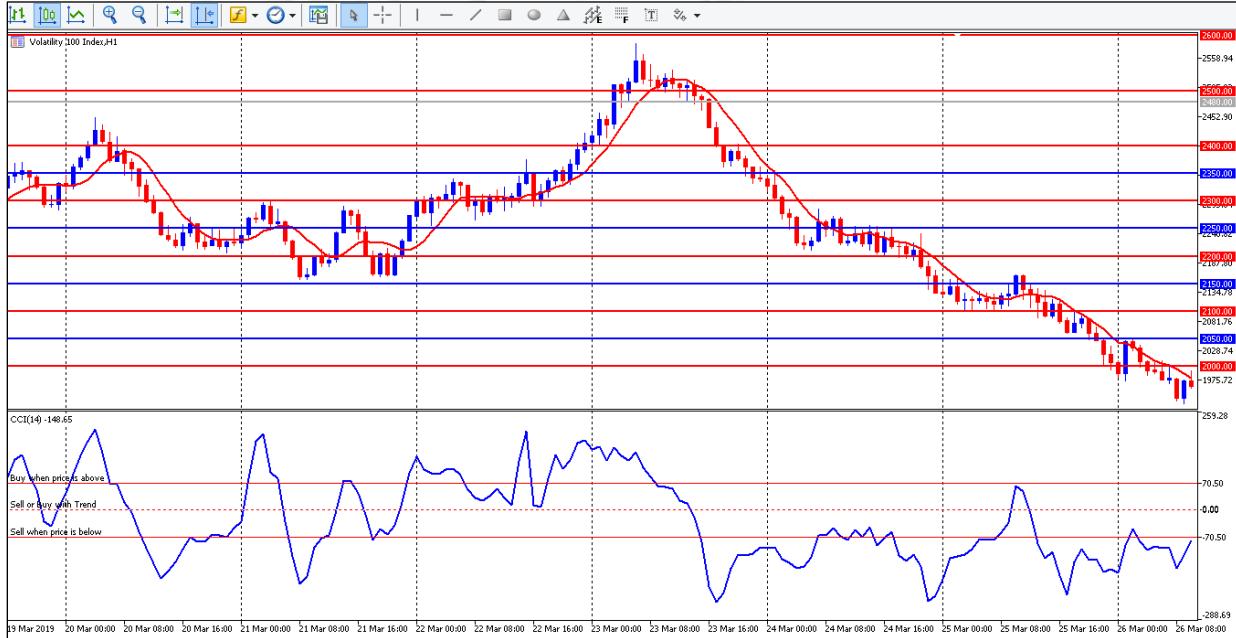


Figure 107: Our Chart should look like this

Here is how we use the CCI indicator for entries.

- 1. When CCI price line crosses the 0 and is above 70.5 line, BUY at a reversal point.**
- 2. When CCI price line crosses the 0 and is below -70.5 line, SELL at a reversal point.**

Below we are going to explain to you how we are going to explain how we use the CCI on a real chart combining everything we have learned in this book. Note



that our system is a combination of tools that we use to our advantage to increase our probability in the market.

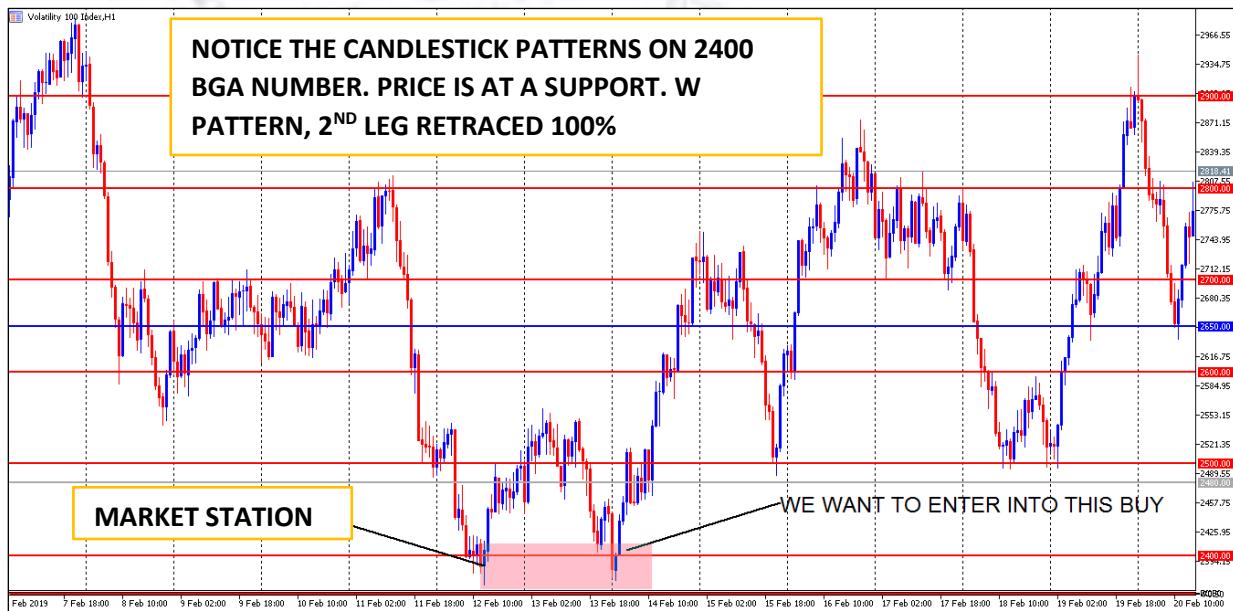


Figure 108: CCI Application

From the chart above price has been falling for 2 days on the left. We are anticipating that price has to reverse and give a long position. Notice that price stopped and gave us a spike gang at 2400.00 BGA whole number. Now that we have an idea of what price is likely to do, we are now looking for an entry to go long.

Here is where our TDI and CCI come into play, but here we are going to concentrate on the CCI and 8SMA. For now let's ignore the TDI and QQE indicator. If you have understood the concepts in the previous chapters notice how price has been pushed down to entice sellers to jump in before putting breaks at the 2400.00 point.

For more information  
CALL/WHATSAPP

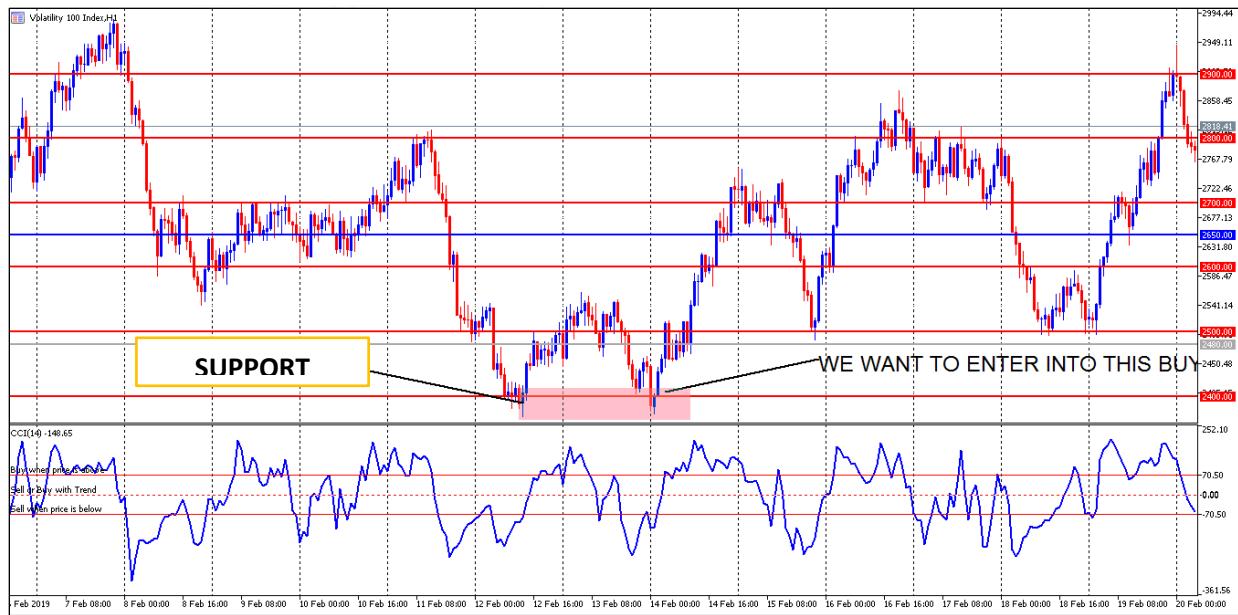


Figure 109: Plain Chart for Illustration.

Now that our chart is ready and we have established that we are looking to go long, we now need to get our entry using CCI. Remember that:

1. When CCI price line crosses the 0 and is above 70.5 line, BUY at a reversal point.
2. When CCI price line crosses the 0 and is below -70.5 line, SELL at a reversal point.

It is always important to enter trades with all tools on your side. In as much as we might be accurate most of the time, there are times where price might choose to do something else. In such moments, we want to make sure that we minimize losing trades and maximize on our winning trades. One might be wondering why we have explained a lot of concepts in the previous chapters when entering a position is this simple. Notice that with all those tools, you are able to understand what is happening with price and then enter a position. Like I said, the goal is to give you a tool box that will give you a signal with at least 3 powerful confirmations.



## BUY SIGNAL WITH OUR TOOL BOX



Figure 110: Buy Signal Using CCI and price action

## SELL SIGNAL WITH OUR TOOL BOX



Figure 111: Sell signal using CCI and price action



Now that we know how to enter a Buy or a Sell signal using CCI, now I am going to show you a lot of examples using the same concept. Make sure you mark at least 21 days' worth of charts to master this concept as your exercise.

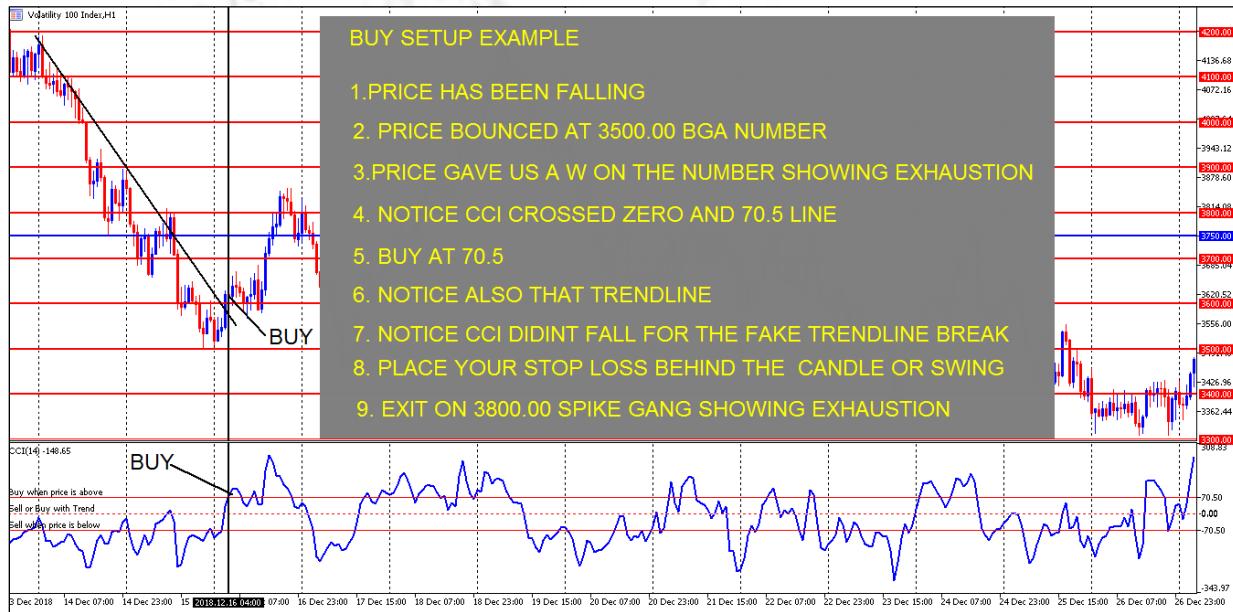


Figure 112: Buy Signal Example

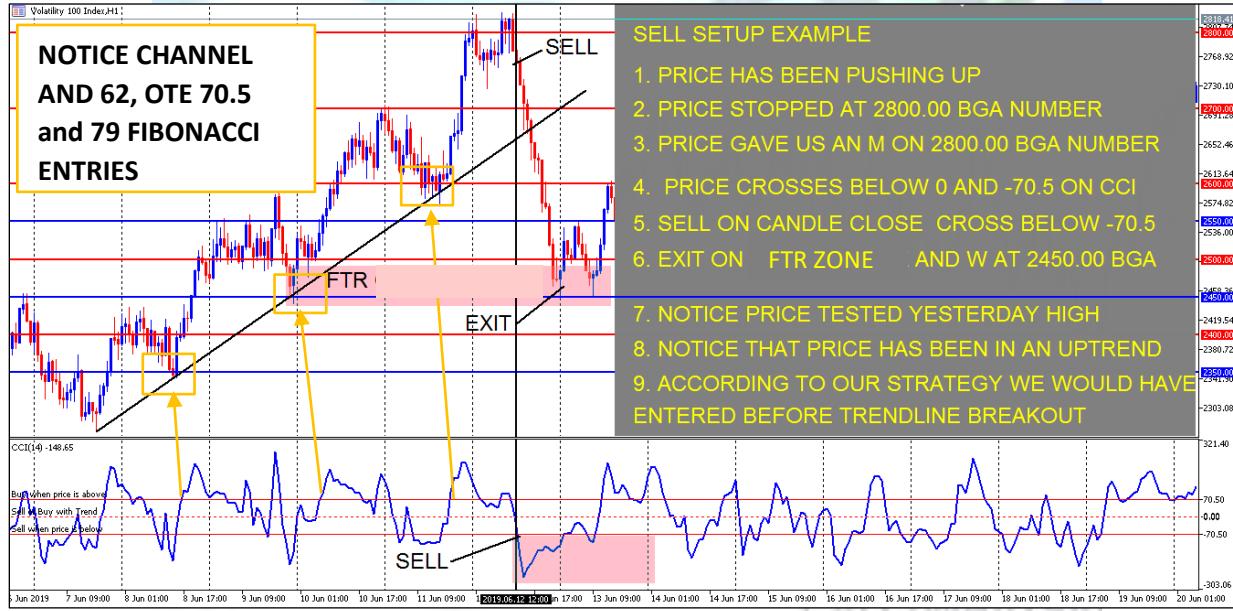


Figure 113: Sell Signal example with our rules.



Figure 114: Sell Signal Example.



Figure 115: Buy Signal Example



## CHAPTER 23: PUTTING EVERYTHING IN PRACTICAL

Now that we have explained every concept, it's now time to put everything together. Like what I have indicated in the previous sections that we will make our trading simple and interesting with our special tool box. In this section we are going to do a BUY and SELL SETUP applying all our concepts.

Below is a plain chart we are going to use as our case study for a BUY setup. Note that the highlighted as our current day. (**1 Period is equivalent to 24 hours or 1 Day**).



Figure 116: Buy Setup: Case Study

### BUY SETUP CASE STUDY

**STEP 1: THE FIRST THING YOU DO IS TO ASK YOURSELF WHERE THE CURRENT PRICE IS: (LET'S ASSUME IN THIS CASE THAT THE CURRENT PRICE IS AT 2298.00.**

For more information:  
CALL/WHATSAPP



**STEP 2: MARK UP BGA NUMBERS I.E. ABOVE AND BELOW PRICE FROM D1, H4 and go down to M15?**

REMEMBER THAT OUR NUMBERS ARE: **0.20- BGA Q1, 0.50 BGA HALF, 0.80 BGA Q2 AND .00 BGA WHOLE NUMBERS.**

**BGA Q1= 20% of a range between 2 whole numbers, BGA HALF= 50% of a range, BGA Q2= 80% of a range and lastly BGA WHOLE= 100%.**

**Colour Settings are as follows: BGA WHOLE- RED, BGA Q1- GREY, BGA HALF- BLUE and BGA Q2- GREY.**

Now go to your charts and start marking BGA numbers close to price i.e. above and below price. For a start you can use BGA WHOLE and BGA HALF then fine tune with Q1 and Q2 when price is so close. We are going to mark our case study chart. Start with BGA whole numbers as follows:

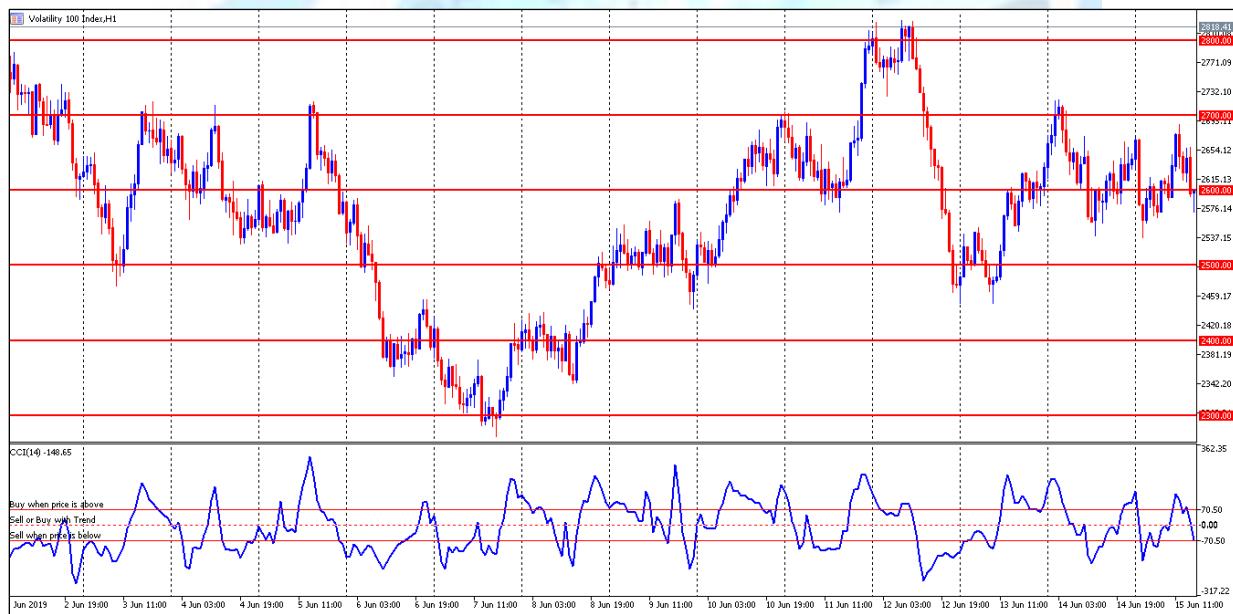


Figure 117: BGA Whole Numbers Application

If you don't know how to edit the horizontal lines you can Google about that.



Once you are done with the BGA whole numbers, you can add the BGA Half and the rest of the numbers when price is approaching them.

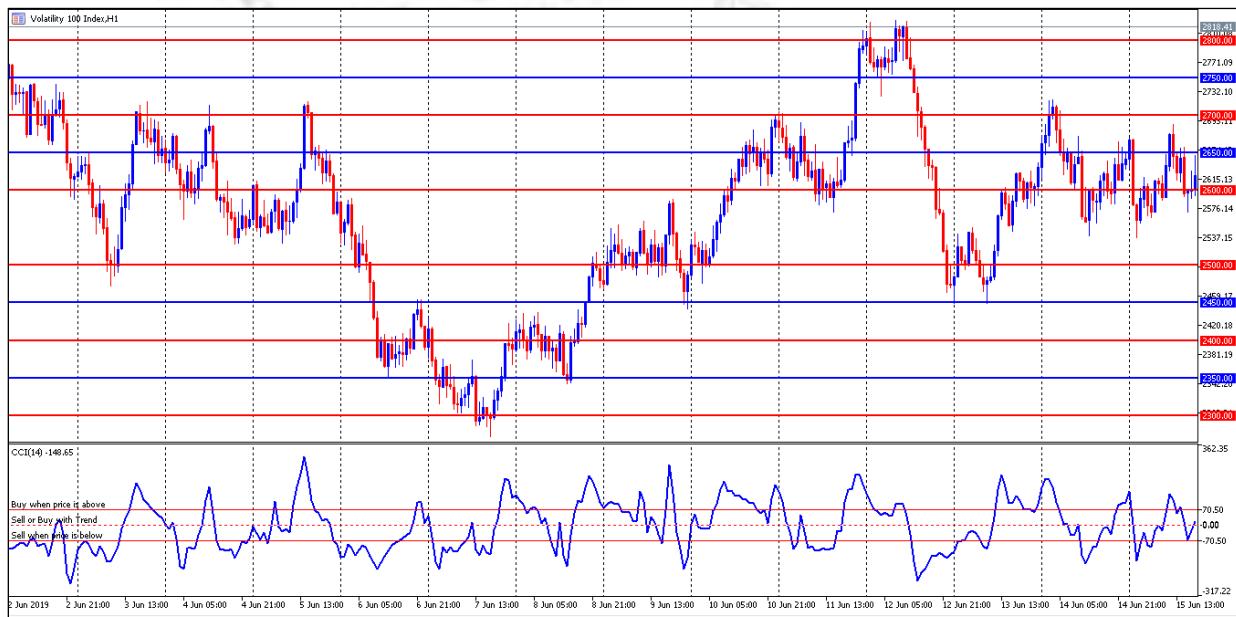


Figure 118: BGA Half Numbers Setup

**STEP 3: WHAT IS THE TREND? (UPTREND OR DOWNTREND) YOU CAN SEE THAT BY LOOKING AT PRICE OR LOOKING AT THE TDI MBL (MARKET BASELINE) POSITION.**

From the chart above we can see that price has been on a downtrend on the left i.e. making Lower Highs and Lower Lows. For those that prefer the TDI, see below that the TDI Market Baseline is below the 50 RSI line signaling downtrend.

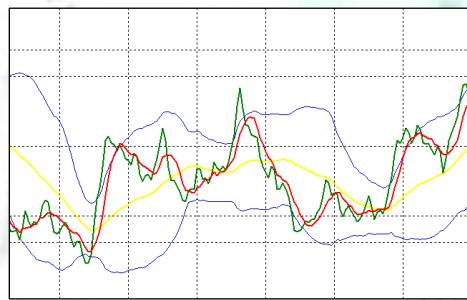


Figure 119: MBL below 50 signaling that the market is selling



## STEP 4. WHICH AREAS MIGHT CAUSE PRICE TO REVERSE I.E. BGA NUMBERS, MARKET STATIONS, FTRS, FTBS, DAY HIGH-LOW OR DAILY OPEN (PIVOTS), SUPPORT AND RESISTANCE.

Check if the previous day's High or Low is close to your price to determine if it's going to affect our entries or trade. From our case study chart, note that previous day's High and Low coincide with BGA numbers.

## STEP 5: Do you see any possible M AND W PATTERN, SPIKE GANG, M AND W DIVE, CHANNELS, JET HOOK AND SIX GANG on our potential reversal points?



Figure 120: W PATTERN AND 6 GANG PATTERN IDENTIFIED

Notice how price made a W pattern with a 6 Gang pattern inside the W. By looking at this, we can tell that price is about to reverse. Note also that this happened at a BGA whole number.



Now that we have established everything, we want to look for an entry to go long. This is where we use our CCI indicator or TDI depending on your preference. I prefer trading without indicators, but for your sake we will use CCI indicator.



Figure 121: Buy Setup: Case Study

Here is how you get buy entries combining all the tools I have shown you. On how to manage your trade, you can visit the Money Management and Risk Management section.

## ADDING TO YOUR POSITION USING FIBONACCI

To add to your positions, you can use FIBONACCI numbers. You wait for price to finish an impulse move and come back or start retracing for entries as shown below.

For more information  
CALL/WHATSAPP



*Figure 122: Impulse move identification*



*Figure 123: FIBONACCI APPLICATION*

**Notice how I have applied the FIBONACCI tool to add positions and know if the retracement has ended. (I have BGA Number, Fibonacci Number and CCI as my entry tools. This will give you a high probability trade with little or no drawdown. From the chart we can see more swings and areas to add positions,**

**but for the sake of learning, I want you to mark up at least 21 days of data to perfect your Fibonacci Entries**

## SELL SETUP CASE STUDY

Below is a plain chart we are going to use as our case study for a SELL setup. Note that the highlighted as our current day. (1 Period is equivalent to 24 hours or 1 Day).

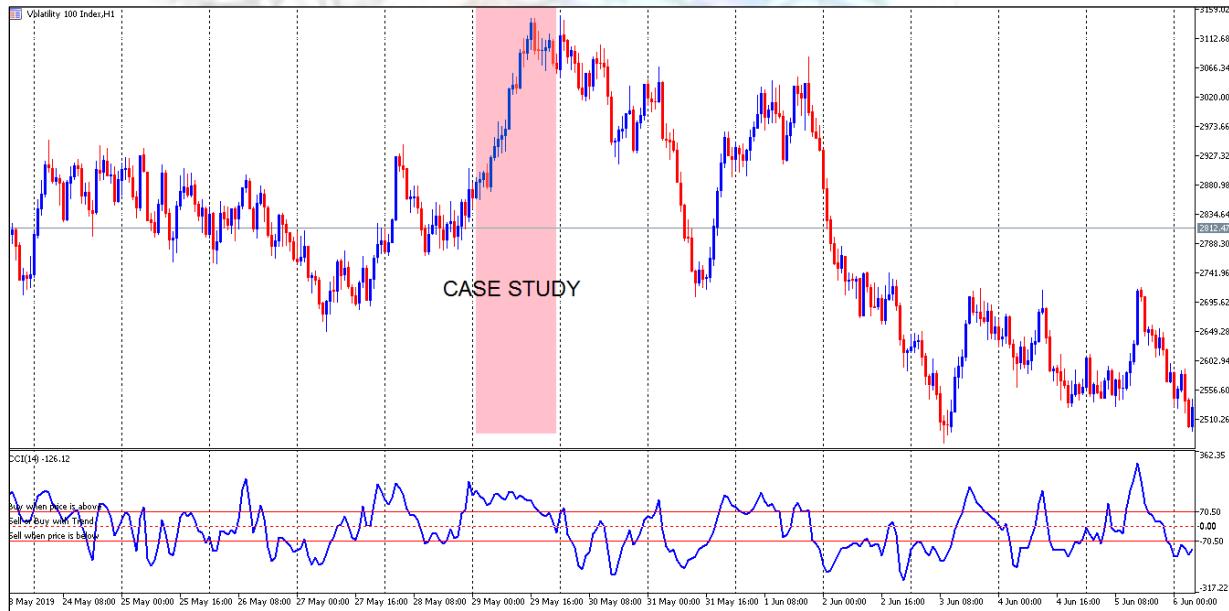


Figure 124: Sell Setup: Case Study

## SELL SETUP CASE STUDY

**STEP 1:** THE FIRST THING YOU DO IS TO ASK YOURSELF WHERE THE CURRENT PRICE IS: (LET'S ASSUME IN THIS CASE THAT THE CURRENT PRICE IS AT 3157.00).

**STEP 2:** MARK UP BGA NUMBERS i.e. ABOVE AND BELOW PRICE FROM D1, H4 and go down to M15.



**REMEMBER THAT OUR NUMBERS ARE: 0.20- BGA Q1, 0.50 BGA HALF, 0.80 BGA Q2 AND .00 BGA WHOLE NUMBERS.**

**BGA Q1= 20% of a range between 2 whole numbers, BGA HALF= 50% of a range, BGA Q2= 80% of a range and lastly BGA WHOLE= 100%.**

**Colour Settings are as follows: BGA WHOLE- RED, BGA Q1- GREY, BGA HALF- BLUE and BGA Q2- GREY.**

Now go to your charts and start making BGA numbers close to price i.e. above and below price. For a start you can use BGA WHOLE and BGA HALF then fine tune with Q1 and Q2 when price is so close. We are going to mark our case study chart. Start with BGA whole numbers as follows:

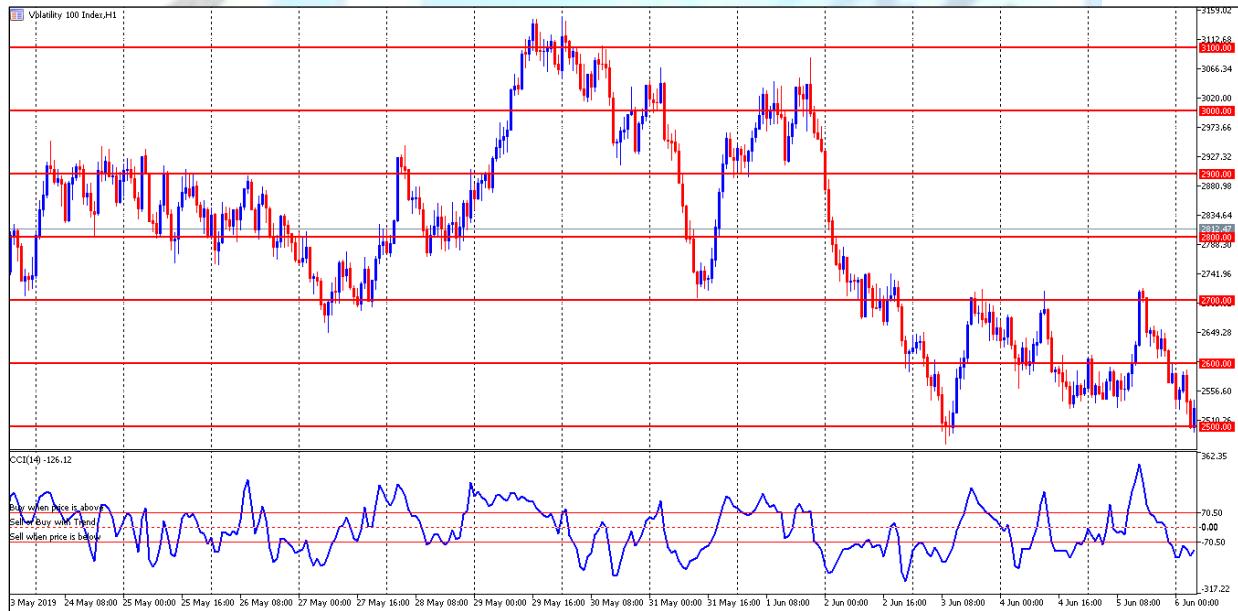


Figure 125: BGA Whole Numbers Application

If you don't know how to edit the horizontal lines you can Google about that.



Once you are done with the BGA whole numbers, you can add the BGA Half and the rest of the numbers when price is approaching them.

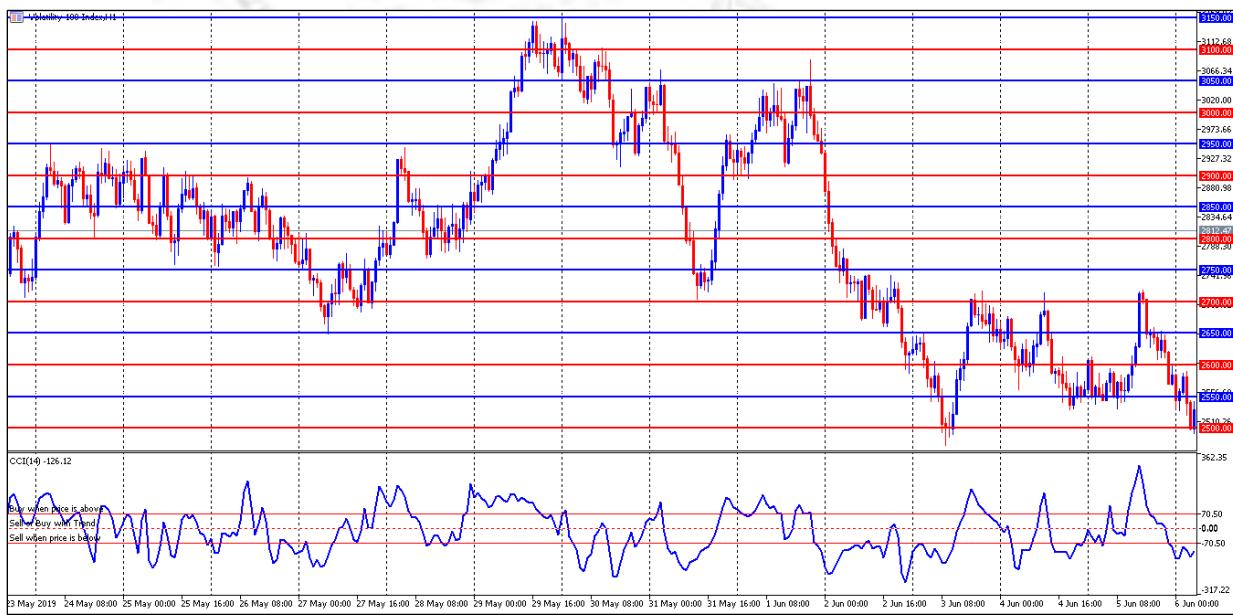


Figure 126: BGA Half Numbers Setup

**STEP 3: WHAT IS THE TREND? (UPTREND OR DOWNTREND) YOU CAN SEE THAT BY LOOKING AT PRICE OR LOOKING AT THE TDI MBL (MARKET BASELINE) POSITION.**

From the chart above we can see that price has been on an uptrend on the left i.e. making Higher Highs and Higher Lows. For those that prefer the TDI, see below that the TDI Market Baseline is above the 50 RSI line signaling uptrend.

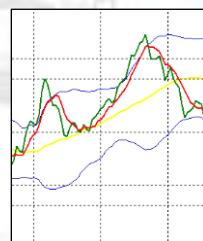


Figure 127: MBL below 50 signaling that the market has been buying



## STEP 4. WHICH AREAS MIGHT CAUSE PRICE TO REVERSE I.E. BGA NUMBERS, MARKET STATIONS, FTRS, FTBS, DAY HIGH-LOW OR DAILY OPEN (PIVOTS), SUPPORT AND RESISTANCE

Check if the previous day's High or Low is close to your price to determine if it's going to affect our entries or trade. From our case study chart, note that price came back to test the previous days high.

## STEP 5: Do you see any possible M AND W PATTERN, SPIKE GANG, M AND W DIVE, CHANNELS, JET HOOK AND SIX GANG on our potential reversal points?



Figure 128: M PATTERN IDENTIFIED

Notice how price made an M pattern at a 3150.00 BGA number. By looking at this, we can tell that price is about to reverse.



Now that we have established everything, we want to look for an entry to go short. This is where we use our CCI indicator or TDI depending on your preference. I prefer trading without indicators, but for your sake we will use CCI indicator.



Figure 129: Sell Setup: Case Study

Here is how you get sell entries combining all the tools I have shown you. On how to manage your trade, you can visit the Money Management and Risk Management section.

## ADDING TO YOUR POSITION USING FIBONACCI

To add to your positions, you can use FIBONACCI numbers. You wait for price to finish an impulse move and come back or start retracing for entries as shown below.

For more information:  
CALL/WHATSAPP



Figure 130: Impulse move identification

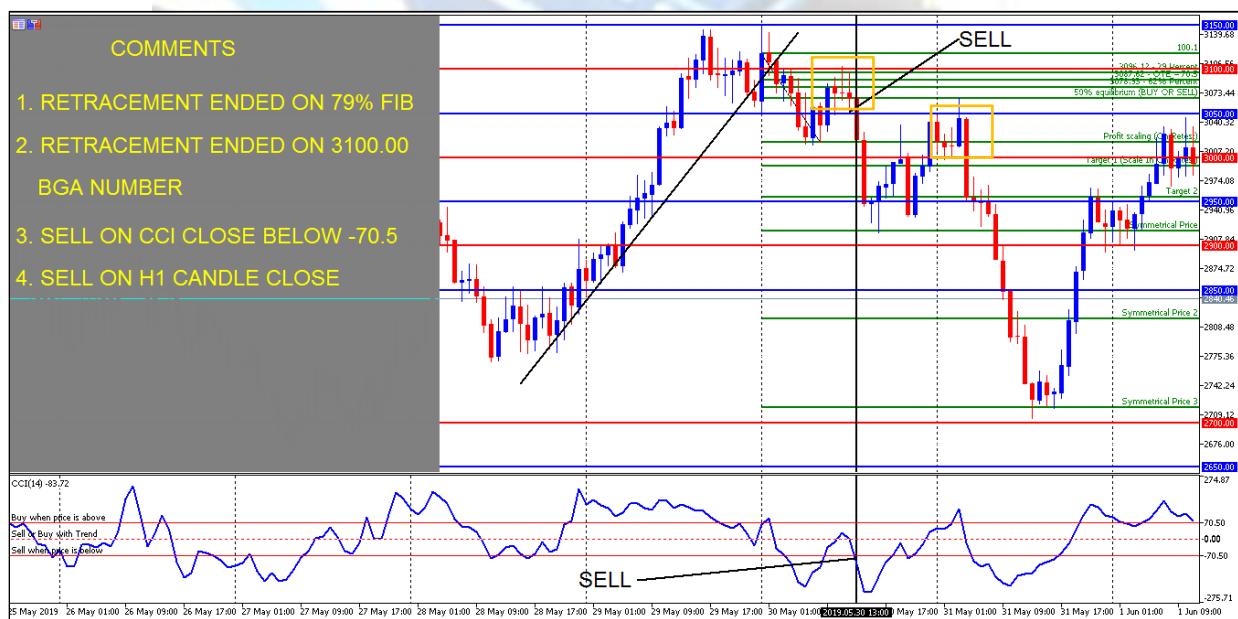


Figure 131: Fibonacci Entries

Notice how I have applied the FIBONACCI tool to add positions and know if the retracement has ended. (I have BGA Number, Fibonacci Number and CCI as my entry tools. This will give you a high probability trade with little or no drawdown.



## CHAPTER 24: TRADING ON YOUR PHONE

For one to be able to have the trading system when mobile, we have provided the following settings for your MT5 mobile phone platform.



Figure 132: Select f on the main chart to go the indicators dashboard



Figure 133: Here is the Indicators dashboard that pops up on your MT5

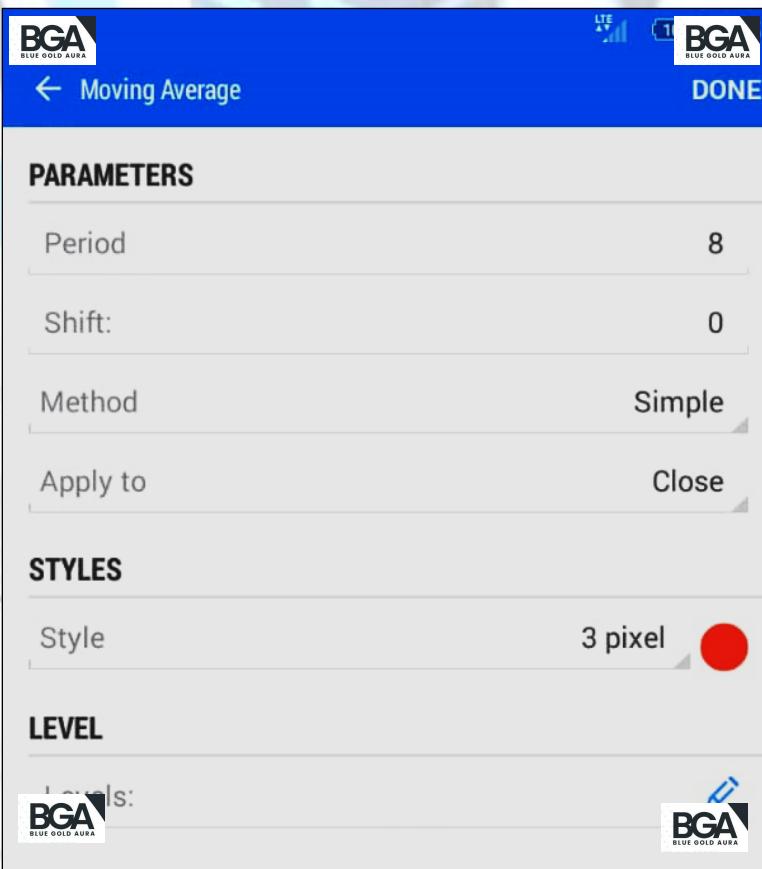


Figure 134: Tap f+ on the MAIN CHART tab and select moving average



## TDI SETUP ON MOBILE

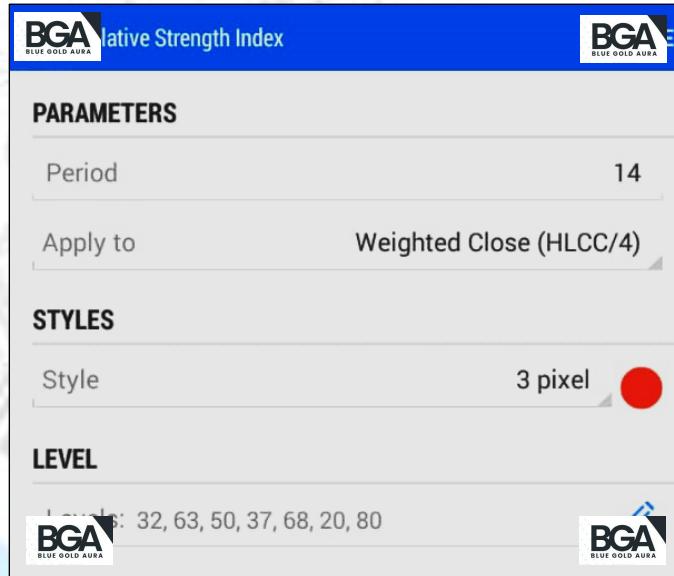


Figure 135: Tap *f+* on the Indicators Window tab and select RSI- Copy the above settings.

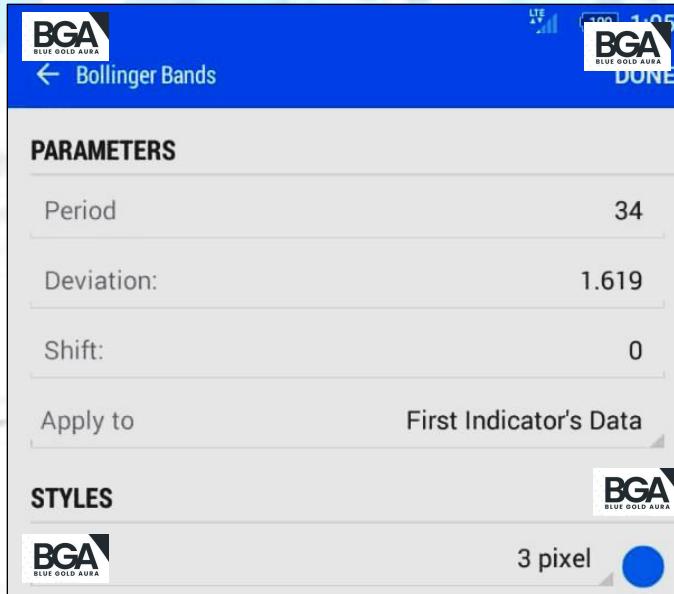


Figure 136: Tap *f+* on the Indicators Window tab and select Bollinger Bands- Copy the above settings.

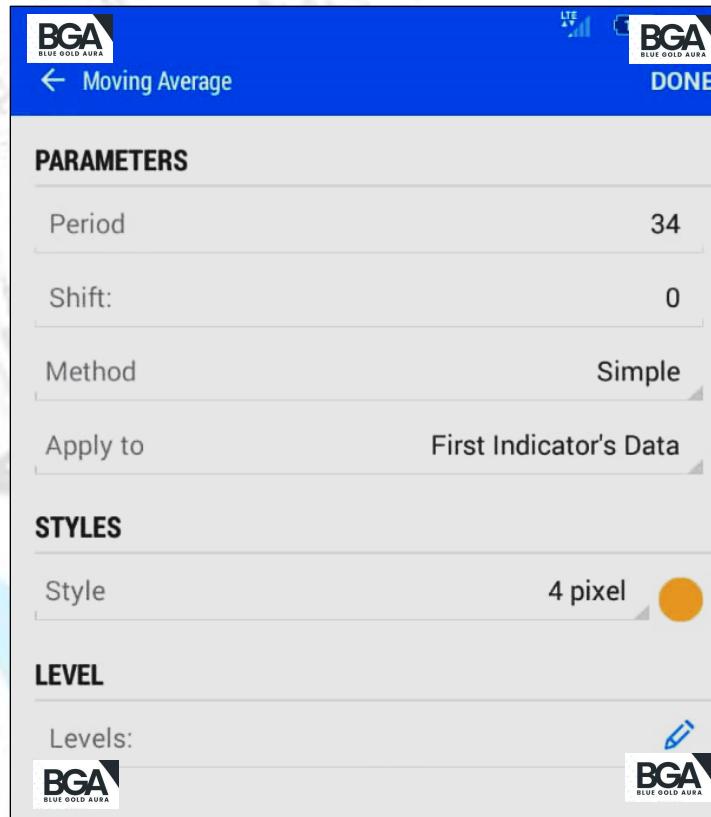


Figure 137: Tap f+ on the Indicators Window tab and select Moving Average- Copy the above settings.



Figure 138: Mobile phone MT5 chart setup with our Fibonacci tool



After setting up the strategy, it should look like the chart above.

## CCI SETTINGS

Now that you know how to add indicators, we will just give you values for our customized CCI indicators.

### Parameters:

**Period:** 14   **Apply to:** Typical Price (HLC3/)   **Style:** Blue

### Levels:

LEVEL	DESCRIPTION
70.5	Buy when price is above
-70.5	Sell when price is below
0	Sell or Buy with Trend on cross

Figure 139: CCI Indicator Settings

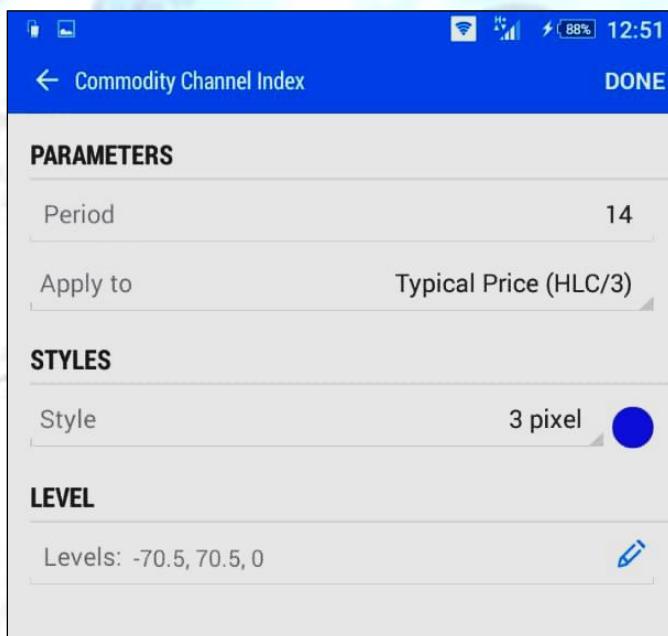


Figure 140: CCI Settings

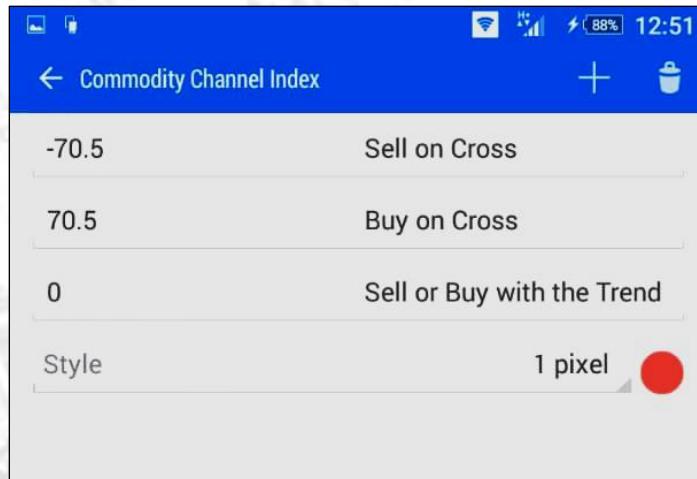


Figure 141: CCI Settings

When you are done with setting up, your chart should look like the chart below.



Figure 142: CCI Chart Setup



## CHAPTER 25: RISK AND MONEY MANAGEMENT- BGA FX

This is an area that differentiates successful and unsuccessful traders. Many have failed in this game simply because they want to be rich in a short space of time. Remember that your account is your asset and therefore treat it as an egg. There is no need to rush the process- Rome was not built in one day and therefore it cannot be destroyed in one day. Similarly grapes must be crushed to make wine. Olives are pressed to release oil. Diamonds come from great heat and pressure. What I am trying to say here is that you are powerful when you trust the process.

**I advise that whilst you learn, never risk more than 2 % of your account per trade. Never take a trade that has a risk to reward ratio that is less than 1:3.** Do not open many trades on a single pair. Volatility indices are more volatile and unlike currencies, they can wipe your account in a flash if you don't treat this seriously.

Risk in trading is defined as what % of our account balance would be lost if our trade went to Stop Loss.

- Mastering entries can allow one to trade with a PURE 3:1 Risk to Reward Ratio. Meaning one can lose three trades in a row and still have enough margin to come back and negate the loss with just one trade.

**NB:** After we take a STOP OUT, we come out with the same SL and lot size until we negate the loss. If you lose 4 times, re-calculate your LOT size using the account balance.

**NB: No Impulsive increases in LOT SIZE will make up for a LOSS**



**STOP LOSS PLACEMENT:** After entering into a trade, always place your Stop Loss behind a swing or behind the last H1 candle that closed before your entry and hold your trade until its profitable.

## POSSIBLE ERRORS TO GUARD AGAINST:

1. Moving your stop loss after you have placed it- allow price to move at least 2 times your stop loss distance before moving to break even.
2. Putting on multiple positions that add up to your % risk. If you want to do that, divide all the positions into your single risk LOT SIZE.
3. Not having the DESCipline to KEEP to the Risk Plan as described.
4. Mis-calculating Lot size
5. Not having HARD Stop Losses and Take Profits WITH THE BROKER. Never try it when trading Volatility Index. **If you don't put a Stop Loss, when will price hit if the market goes against you- nowhere right.**



## FINAL REMARKS

If you have made it to this point, I just want to say Congratulations! I have poured my heart out and have equipped you with the BGA FX Volatility Indices system which I am so confident about. **THE MAIN GOAL HERE IS TO PRODUCE SELF-SUSTAINING TRADERS WHO DON'T RELY ON SIGNALS.** I know this information might be overwhelming and could actually be different from what you have learned before, but you now have it and its time for you apply it into your trading and be profitable. **I WISH YOU NOTHING BUT THE BEST.**

Below are a few thoughts I would like to share with you before I round this up.

### Rome wasn't built in one day

Rome wasn't built in a day and Rome wasn't destroyed in one day either. Diamonds as precious and glittering as they are, are a result of great heat and pressure. You see, trading and making money can be a daunting task to some and very exciting to some. However like any other profession you might want to invest your time into, you have to put in the work, trust the process and do away with fear. Most degree graduates spent up to 8 years in college studying. What about a new trader mastering a skill that could give him financial freedom for life? Don't think about the money just yet. Just focus on doing the right things and mastering what you have been taught. I know some of you have seen the flashy cars, houses, expensive staff that successful traders have. To be honest with you, you can achieve all those things if you are patient and carry the investor's mindset in you. Trading is not a get rich quick scheme, if you treat it like a business you will definitely eat like a king in the long term. There are

CALL/WHATSAPP



countless mistakes to learn from when trading and every lesson you take seriously will take you a step closer to your dream.

## **Don't Trade Real Money before trying the system on Demo**

There is absolutely no reason why you should jump into trading with live money before mastering the trading skill. However when trading a demo account, treat it as if you are trading with real money. Never shy away from asking for help when you need it. People like myself are happy to assist people like you.

**REMEMBER: “It’s not whether you are right or wrong that’s important but how much money you make when you’re right and how much money you lose when you’re wrong”- George Soros**

### **ADDITIONAL FOREX RESOURCES THAT YOU MIGHT BE INTERESTED IN:**

If you want to open a live Volatility Indices trading account and get paid while trading, you may need to: check this out and open a live forex account through them.

- Open a demo account [www.binary.com](http://www.binary.com) and select synthetic indices.
- Open a live account [www.binary.com](http://www.binary.com) and select synthetic indices.

If and when you are having great success using my strategy, I would really love to hear from you on how you are doing. Please send me an email and tell me about your success.

My email: [bluegoldaura@gmail.com](mailto:bluegoldaura@gmail.com) , Instagram: @bluegoldaura\_fx , Facebook: Blue Gold Aura Fx



## ABOUT THE AUTHOR

L. Mapfuti founder of Blue Gold Aura FX (Private Fx Trader & Educator), is the creator and moderator of this strategy. After a long struggle of seeking Financial Freedom in the journey of trading, L. Mapfuti decided to share this strategy to people who are looking for consistency in the markets. He decided to share his years of experience studying the markets. This strategy together with the advices shared will not make you rich but will surely change your perception of the markets. This strategy was made available to create a rare group of traders who are self-sustainable i.e. traders who don't rely on signals from others to make money.

**Remember: “DO NOT LET YOUR BACKGROUND PUT YOUR BACK ON THE GROUND”.**

**Thanks to:**

Editor: K. T. SB.

M. W – (FUTUREGOLD CONSORTIUM) Founder.

N. J- Trading Partner.

C. Ka- Trading Partner and the Blue Gold Aura FX team.

**TO GOD BE THE GLORY**