# Finding out Major resistance based on trend line.

I randomly selected USD/INR monthly chart for period starting 2006 June. At present I am not looking for chart pattern since I need to understand how we will find target based on Ascending/ Descending trend line. Please find below analysis& correct me in case I am wrong.

1. Plot a resistance line -1 on 2006-07-03.
2. Plot a resistance line – 2 on 2009-02-02
3. Now I wait for a break out & found on 2011-11-01. I select this candle as my entry point.
4. Based on MACD & stochastic I decided to Buy.
5. I plot a resistance trend line now and wait for the break out. After that, found a break out at 2013-06-03
6. If the method is correct, can I conclude Major resistance as below,
   1. Where ever my resistance trend line is broke out, we can consider it as our entry point.
   2. Based on the resistance trend line (regardless of ascending or descending), where ever it broke out, it will be my target.
7. We don’t need to consider Moving Average for now (based on SMM)
8. Also another approach to finding out major resistance is to consider “Previous top or resistance”
   1. Could you please help me to understand this point?

