**PRICE ACTION**

Understanding price action is one of the most important skills for day traders

There is a debate between price action traders and indicator traders and who has the better edge to trade to me they

are both important to my trading strategies and so in this video I'm going to show you how exactly price action and indicators Coexist in my trading setup are you tired of blindly

guessing whether the stock is going to go up or down have you been trying to time your entries with no success are you getting frustrated because you always get into a trade too late or at a price that's too high if you answered yes then you need to learn how to read and trade with this price action strategy when I first started trading I was also wondering how people were able to time the entry so perfectly well all I knew were just drawing support and resistance levels and just guessing where the next move is there were many things that I had to learn the hard way before finally flipping my p l from red to green and price action was definitely one of the most important and rewarding one for my day trading trajectory

In this price action extended crash course you're going to learn step by step the five key points on trading price action

* First Look for overall Market sentiments using price action Trends
* second look out for Candlestick wax aka the breakouts and the breakdowns
* time your perfect entries with a golden reversal time frame number four learn to trade the front side versus the back side number five understand Trader psychology behind price action trading if you're new to this channel I'm a full-time Trader who's been trading for over eight years now I've shared many trading strategies and videos that are helpful for beginner Traders there's absolutely no Lamborghini BS here only some lame jokes about my ex-husband Mike bag holder and of course asking you to smash the like button thank you very much.

what is price action trading and why is this so useful here's a quick price action 101 for my new Traders price action refers to the Rhythm a stock is moving up and down in prices understanding price action is very important especially if you're trading short term or any momentum trading or scalping as someone who's been through the ups and downs of day trading understanding price action and risk management are two very important Milestones that help me become profitable one was brand new to day trading number one understanding the overall Market sentiment using price action Trends the first step to understanding price action is to identify the overall Market Trend and direction on a bigger picture I'm going to demonstrate my techniques to draw trend lines that are actually useful when trading price action now as you can see on the screen we have two time frames open for the stock FRC entry day five minutes on the right hand side and the daily chart on the left hand side now the mistake a lot of Traders do is that they always Focus only on the

intraday time frame and try to trade you

know longer or short using the intraday

Trend however what you need to do is

zoom out

so I'm gonna full screen the daily chart

zoom out and look at the bigger picture

and use a bigger picture Trend that you

see on the daily chart to trade intraday

so that's what we're gonna do right now

so looking at the stock FRC First

Republic Bank as you probably already

know it's probably one of the banks

that's in the center of the spotlight

especially as after svb fell out

so you can see this stock ever since it

broke down of this daily daily Support

over here at 116. this thing tanked all

the way to like 12 dollars so you can

see this this needs no explanation it's

a very clear downtrend ever since you

broke down that daily support and when

you have extreme downtrend like this

example you have lower lows after

cracking the key daily support lower

lows and lower highs you can see the

recent little Bounce from 18 to almost

fifty dollars this is technically a

lower high in comparison to the little

spikes from the last couple of days and

ever since then you have you know

another high here over here around 39

that's once again lower than the 50

range and you are making lower lows

cracking through the recent support so

the most recent support is around twenty

dollars over here and today is a day

that you cracked below it so make no

mistake this stock is extremely weak and

in a steady downtrend on the dating

chart

so knowing about the sentiment for the

stock on the daily charts if you're

trading the short term on the intraday

chart you got to be careful if you're

going long because even on the 15 minute

time frame here as you can see on screen

you can see that we are indeed in a

downtrend even if you are using like the

the smaller time frames you have the

highs here 95 gap down to the highs

around 50 that we talked about so if you

Mark that high Mark the high all of

these levels are steadily lower than the

one before so if you're trading these

little intraday you want to zoom out and

look at the retest of creating lower

highs so you want to be careful that

you're not buying the higher of the day

breakout on stocks like these if

anything these little retests of the

downtrend over here

these retails are great short selling

entries so if you're sure to hear on

this retest of the previous 40 support

around 37 40s that's a great short you

have a downside to 25s and another

little pop here the next day 29 and sold

off to 19 and today this morning I

didn't catch this one it had like a

small little pop

um that would have been a great short

21s and Faded all the way to 12 dollars

remember the bigger time frame Trends is

your best friend if you're trading these

intraday on the five minute two minute

or one minute chart that's totally fine

just make sure you understand that we

are in an overall downtrend so if you're

buying the breakout that's probably not

a good idea using another stock AMD as

an example this is an example of a

really strong uptrending chart so in

this case you wouldn't be short in the

pops like you would on FRC this will be

a buy the dip example

okay so over here on the daily chart for

AMD you can see the stock had you know

the lows on the year was around like 62

dollars over here and ever since like

this thing broke out reclaimed you held

a higher low on 72 dollars and

especially after testing the Orange Line

the daily daily 200 SMA that's the most

important

um indicator on the daily chart that a

lot of big funds investors and swing

Traders use as the overall sentiment for

the stock so big picture wise if the

stock is over the 200 SMA it's

considered bullish so now you can see

AMD was finally starting to break out of

that 200 SMA pulled back you know break

under a little bit but really quickly

reclaimed a couple weeks ago and now

you're making new highs so when you have

these higher lows low here higher low

second higher low and another one here

that's how you see the uptrend on the

stock

so if you draw a quick trend line here

you can see the stock you know is indeed

forming an uptrend over the 200 SMA

and zooming in on the intraday charts

for AMD like you can see over here you

can see on this day when the stock had

the first red day after like multiple

four days of green run when you're sold

out from you know I didn't open 97 80s

down to 93 dollars you know when all you

know hope seems lost it had a decent

decent balance you can see this thing

you know from double the bottom intraday

and one for 93 dollars and bounce huge

to 95 saying eventually back to 96

dollars so this is what we call a

v-shape recovery and this usually

happens on stocks that's up trading very

strong on The Daily charts and had a

strong recent breakout and how exactly

do you catch this reversal to the upside

we're going to talk about later on in

the video also a quick refresher always

look for the bigger picture uptrend or

downtrend in this case looking for

higher lows right at least three contact

points one two three all those lows are

higher than the one before and that's

how you get this trend line and if AMD

that's a pulls back you know sell off

with the market you should expect this

to pull all the way back from 96 dollars

to around like 88 89 to test this

uptrend and that's when you can expect a

decent dip buy if you were swing trading

moving on to the second key point for

trading price action make sure to look

out for Candlestick wicks for breakouts

and breakdowns now that you understand

how to draw trend lines and look for the

overall stock sentiment I'll show you

how to use candlesticks to identify

price action breakouts and breakdowns

this is especially true if you're

trading momentum and want to avoid false

signals

we're looking at the daily charts for

the stock coin coinbase so we want to

zoom into the recent action here from

pretty much the beginning of the year

you can see the stock went through to

reclaim that same 200 SMA that we talked

about earlier spiked over it to make a

high of 84 dollars I think Bitcoin was

like going to a moon or something at a

time and you had a huge pullback now up

here that's where you have these little

Wicks you can see when the stock went to

the highs 85 dollars is sold off and

closed at 81 instead and the next day

the exact same action it went all the

way open down here at 74 went to a high

of 87 probably a short squeeze and then

sold off and close on a day read at 73

dollars

so when a stock is retesting the highs

in this case the highs of around 83

dollars and kept on failing multiple

times that's when you have this Wix on a

daily chart now we have that line over

here you can see if you zoom out the

wait on a daily chart 83 85 dollars

range if you line it across right we

want to see three contact points once

twice three times and actually four

times here these are previous levels so

no wonder you have resistance up here

and have false breakouts around the key

daily resistance

now the opposite would be true as well

when the stop breaks down and then got

Bots back up so a really good example is

after this installed off from like

83.84 down to 55s huge range on the

stock it bounced over a 200 SMA once

again to retest the previous highs 72s

sold off and then rebalanced back to

like 68 70 and sold off to 52 dollars

now over here when you wanna really look

at is all these Wicks at the bottom this

time around so you have a lot of wigs

over here around the 57s range remember

these wigs whether it's upside for

resistance or downside wicks for support

they're always going to be rough areas

depending on the stock price right

they're never gonna be exact to the Cent

so you know another one down here is 57

and you have a little bit more Wicks

down here around the 52 dollars area

so whenever you see long Wicks at the

bottom is the exact opposite as the long

wigs at the top like you see earlier

which at the bottom means the weakness

is getting bought back up people

investors funds they're picking up the

stock for cheap so that's where you have

these support around 52 and 57 dollars

now on the upside when you have Wicks at

the top it means when the stock tries to

break out sellers stepped in to sell the

stock that's why you have a lot of

selling pressure up here and that's how

you have the resistance so now we

understand the basics of Candlestick

price action with Wicks on the top and

bottom let's talk about false breakouts

and false breakdowns

false breakouts are like what we said

earlier on coinbase when the stock tried

to break out through the previous higher

day so you break through the previous 85

40s clear through that went to 88 for

just a little bit and immediately sold

back down that's how you have a false

breakout and false breakouts is

generally great short selling

opportunities now we also have false

breakdowns as well you can see this

thing broke down the previous support

around like 57 it broke down to went to

52 so when everything was looking dire

and the market seems like it's gonna go

down to earth and this thing could

potentially go back down to like 44.45

this thing actually reclaimed you have

you know if you zoom in here you have a

small small breakdown 51 went down to 50

so that's a small breakdown of one

dollar that's a really small range for

coinbase but really quickly you actually

have higher volume here right always

consider the volume when you're trading

the stock higher volume on a day and on

the buy side as well

and that's when you have that reclaim

actually broke through the previous

holiday 56 and went to the highs of 60

dollars so this is what we consider a

false breakdown is when you break down

the previous lows for a little bit and

you actually got buyers step in to buy

the stock to go up higher and making new

highs and hence that consecutive one two

three four five six six days of green on

a short squeeze

I want to show you another example of

false breakdown with the stock Nvidia

because a lot of people are really

bearish on tech stocks and that's fine

but you want to be careful and so you

don't get trapped

um a media another false breakdown over

here you can see the previous lows on

the daily chart is 225s area on this day

you broke down to 25 and went to 222

right so you broke down that key support

by three dollars theoretically speaking

you should have sold off even more down

to like 215 or 210s however because

they're strong demand for the stock and

they did amazing on the last earnings in

February

22nd last month that's when you have

actually buyers step in to buy the stock

and weakness you have the lower candle

Candlestick Wicks down here right buyers

step in to buy the stock and you

actually had a Green Day

a lot of false breakdowns are actually

followed by consecutive green days so

same idea as coinbase earlier one two

three four five six six days of green

days all the weakness are getting bought

back up so that's how you know the stock

is actually pretty strong and that's

usually followed by false breakdowns so

learning about this kind of false

breakdown price action is very important

because as short sellers I should sell a

lot of stocks I used to get trapped and

I'll get squeezed when the stock

actually reclaims to highs so I don't

want you to make the same mistake if

you're ever being a victim a false

breakout or false breakdowns You are not

alone I stand in solidarity with you but

did you know that if you smash the like

button right now your chances of falling

for another one decreases by 90 percent

I know it's magic trust me it really

helps if you're enjoying the video so

far I really appreciate your support now

that you understand how to identify

breakouts and breakdowns and avoid false

signals The Next Step I have for you is

to time the perfect entries this will

definitely take your trade into a whole

new level not many Traders will share

the Strategic time frame that I'm about

to share with you

just remember to keep this between you

and I okay

foreign

so going back to the AMD intraday and

daily chart that we talked about earlier

you can see on this day when AMD had the

first red day stock sold off from 9680s

down to 93. this thing had a gnarly

bounce all the way from 93 dollars to 96

dollars we're talking about three

dollars per share on the bounce and we

talked about earlier that this is

extremely strong in comparison to the

rest of the market stocks so why is it

so strong and how do you time this

perfect entry the first thing you need

to make sure to check when trading these

stocks and trying to buy and time the

perfect reversal entry like you see this

v-shape entry is that you need to make

sure that this is a stock that has no

fundamentally bearish news so you don't

want to be trying to Long the reversal

on this bounce move on the banks like

FRC like we talked about earlier in this

scenario AMD it didn't have any you know

company specific bearish news it simply

sold out off with the rest of the market

a couple other key criterias to remember

no bearish news we talked about that and

also you're on a daily uptrend right we

talked about this earlier quick review

your stock is breaking above 200 SMA and

you're on multiple green days you are up

trending on a daily chart and with a lot

of breakouts so when that's the case for

your individual stock that meets all the

criteria we talked about then you want

to go in the intraday chart either on

five minutes or 15 minutes and you wait

for the balance that usually happens

around 10 30 to 11 o'clock okay so this

example you can see first red day AMD

stock sold off all the way to 93 dollars

at around 10 o'clock 10 10 40 over here

it made the lows a lower day at 93.29

and after that this thing you know

reclaim over the highs remember this is

a five minute chart I don't trade on the

one minute or two minutes when it comes

to large cap stocks like these so you

can see the stock broke out about the

above this five minute consolidation

range at around 11 o'clock once it broke

above it you went to the highs right

this is a huge balance we're talking

about 93 to 94 all the way to 95 30s now

after that you pull back to make a

really clear higher low right this low

at 12 o'clock is a lot higher than the

one at 10 40. made the higher low and

that's why you have a steady intraday

Trend up breaking through the previous

higher day 95s and went to the highs at

close 96 60s in case this wasn't clear

if you go to the trend line function

here lining up all the previous lows at

90 to 93 dollars here and 93.90s and all

the lows that you're making on the five

minute chart this is when you have a

trend reversal so you have the downtrend

of the open first red day on the stock

from 97 down to 93 and at 10 30 to 11

o'clock this golden reversal time frame

that's where you have the reversal of

the trend reversing to the upside

so this is a great tip if you're looking

to trade reversal during the middle of

the day and go long on the bounce

another example of Tesla you can see

today on the same day it didn't affect

any of the criteria like we talked about

AMD meta it didn't sell off so that's

automatically not fitting for the

reversal long setup so really quick

refresher on trading this golden

reversal time frame and timing a perfect

entries with this price action tips

number one make sure your stock doesn't

have fundamentally bearish news make

sure it's a large cap socks that tend to

follow the market and wait for your

entries higher lows consolidation on the

five minute and look for reversal on the

long side around 10 30 to 11 A.M market

time

number four another important part of

price action trading is to learn the

front side versus backside once you

mastered with timing the perfect entries

with a golden reversal time frame I want

to show you the technique that I use to

better my price action trading when

trading the front side versus backside

the soul front side and back side is

almost like the mini intraday Trends now

when you're trading momentum scalping

you definitely need to understand so on

the screen here you see the stock Ambi

this is a low float small cap stock like

if you take a quick look at vimbus

you'll see that this thing is in the

industrial's waste management industry

um not a lot of history on The Daily

charts but you can see over here the

float is only 2.18 million and the

market cap is only 126 million market

cap so this is definitely a small cap

penny stock so you can see a lot of wigs

on the top of the candle right upper

wigs here on this day second day and all

the way down to most recent high volume

breakout you have the high you know a

lot of Wicks around like 22 dollars area

so like what we learned earlier is that

we have a lot of Wicks at the top of the

candle especially on the daily chart

that means every time the stock tried to

break out built and higher or lower

volume sellers stepped in to sell the

stock and if you check out the SEC

filing probably has a lot of dilution as

well so so that brings us to intraday

today when the stock started breaking

out we go to a two minute chart

so I I love I like to use two minutes

when I'm trading a lower float

um small cap stocks so you can see this

thing actually popped up to no news

popped up from like 8 50 all the way to

13 that this is like what a 50 increase

within you know 30 minutes

so when you actually broke down below V

web

um this is actually a pretty simple

Short Selling strategy v-wop is my guide

for what I'm shorting the stock so I was

in this short the stock around like 12

11 60s planning to add if it like keep

on selling down below view app forming

the intraday downtrend and in that case

that would be a backside move right how

do you determine that if you look at the

most recent

um highs on the stock right if you look

at the daily charts before today the

previous highs was here around this 11

area you can see eleven dollars Mark and

above that you have upside to 14 14 here

so in today when I'm looking to short

the stock I want to make sure these

stocks stay below and stay below the

recent key level of 11 so if it did stay

below that 11 key level from the daily

chart then that would be considered a

backside move then I'm safe to show the

little pops risking that 11 Syria so I'm

looking for eleven dollars short

downside to that ten dollars like

eventually nine dollars and potentially

even lower

however when the stock really quickly

reclaimed that eleven dollars area and

especially if it breaks through v-wap

that's a sign that hey this stock is not

done yet so if you're shooting the stock

thing in this backside you have to stop

out so if you think about it the other

way when the stock is not staying

beneath the key level and not staying in

the back side of the move and keep on

reclaiming through highs you can see it

didn't get not a similar move around 11

40 reclaiming v-wab into the highs this

is actually front side of the moon so if

you create it really quickly look at

this

all these intraday higher lows on two

minutes are forming into the uptrend

this is true even if you are on the five

minute chart you can see higher lows on

the five minutes bounce off the 11 key

level right away at 10 30 down to highs

break out pull back another higher low

and close at highs so that's how you

know the stock is still on the front

side of the move into the uptrend like

we talked about with at least three

contact points one two three four

actually four four highs if you're short

selling the stock like I was you

definitely want to be careful and avoid

shorting the front side of the move so

now that we know what a front side looks

like on a and b i let's take a look at

an example of backside we mentioned this

previously really um briefly

um FRC so how do you know it's the back

side of the moon very simple intraday

you're looking at intraday staying below

the daily key level so if you look at

the day today on FRC this thing had a

small small support on the daily chart

around just call it twenty dollars round

number here twenty dollars here

previously this thing bounced off at

twenty dollars right you can see when it

sold out from 90s to 20 is a bounce

that's why you have this long Wick at

the bottom of here I don't know if you

can see long Wick here and you have over

here another candle Green Day you open

at twenty dollars and everything got

bought back up right so one two three

here and today this thing actually broke

down that previous support and once the

daily support key daddy support is

broken down that support becomes

resistance so that's how you have the

stock same below that key daily level 20

and you know you can see it's sold off

to uh 12.50 this wouldn't happen in

stock I would have bounced no no way way

too risky bounce to 17 lower high the 17

area lower high this High here is lower

than 20 dollars lower high and sold off

into the close that's how you know this

is the back side if you're on intraday

backside of the move you don't want to

go long you want to be shorting each and

every single pop

before we move on if you're enjoying

this price action trading video so far

make sure to drop a like down below and

subscribe because there's so much more

free content coming soon number five the

next thing you should learn about is

Trader psychology behind price action

trading for any trading strategies

whether you're scalping learning to buy

the dip on my Channel or elsewhere you

should always understand the psychology

behind it remember you can master all

the technical aspects of a strategy but

still fail to execute your setup if you

cannot manage your emotions I've said

this many times before in my previous

Trader psychology and discipline videos

technical analysis is only 10 percent of

trading the other 90 is managing your

emotions and staying disciplined you

cannot control the market and the market

is not always going to move in your

direction and that's the reason why

trading is a stressful job but we can

learn to avoid human Mistakes by

understanding the psychology behind

trading and your own trading Behavior

patterns so here are some of the pro

tips I found to be very useful when

navigating difficult emotions in trading

number one write down your trading

emotions per trade just like how I

recommend you keep a trading journal and

record all of your entries and exits

profits or losses every time you make a

trade you should also consider making a

note of how you feel and your emotions

and your mental state when you are

trading that ticker so for example let's

say you have consecutive red days what's

happening in your head when you are

trading those takers are you still angry

about the fights you had last night with

your partner are you going through a

divorce I hope not but if you are going

through a divorce that's probably

affecting the mental part of your

trading executions by tracking those

human behaviors with your red days and

green days that's when you can start

seeing some patterns in your decision

making when you're pressing the buy or

sell buttons so yeah I definitely

recommend you to record both your

emotions human behavior as well as your

actual trading entries and exits and

find patterns hand in hand a second tip

for improving your trading Psychology

was reading books on routines human

psychology and understanding your mind

in particular I find these books to be

extremely helpful that have drastically

helped my trading over the years they

are Trader Trader by Queen Tatro trading

in a Zone by Mark Douglas and atomic

Habits by James Clear I'll leave links

to all the books down below but if

you're still thinking but Shay I still

get really upset and angry when I lose

money I get it I've been there and I

want to tell you it's completely normal

I promise you with practice over time

you will get better at managing emotions

but you first have to start tracking it

now that you have a good understanding

of price action trading with all all

five of the tips we talked about in this

video you should definitely make sure

you have a solid foundation in technical

analysis so make sure to drop a like And

subscribe down below if you want to see

more and remember to check out this free

technical analysis crash course next on

this video