

## TRADE WHAT YOU SEE ALMOST NAKED TRADING

Sep 28, 2010 1:41



[lawgirl21](#)

Member

Member Since Dec 2009

 [6,595 Posts](#)

### Trade What You See - Almost Naked Trading

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#### THE CHART LOVERS METHOD

I am starting this thread for those of us who love charts...watching them...studying them...analyzing them and of course, making money from them.

My system is simple. It is a basic trend following one using the weekly, daily and H4 charts. I have made a goodly amount of money using this system, although I cannot say that I "discovered" it.

I have traded forex for approximately 4 years, have lost more than a few thousand dollars, have responded to more than one \$99 special offer for the holy grail. I have followed several threads on FF, some with more success than others, have downloaded about every indicator known to man. But I did not start making real money until I deleted all the indicators (except one) and started drawing trendlines and support/resistance levels.

I do not have my ego involved in this thread, as I have noticed many "thread starters" do. I have been a successful attorney for many years and have no need to prove anything to either myself or to others. I do believe in helping others though, and can think of no better way than by sharing my little knowledge with other like minded traders, hoping that we all become even more successful together.

I post on two other forums on FF and have had many traders ask about my trading and charts...so many in fact, that I thought it was a good time to set the method down once and for all so that I would no longer have to individually respond to private messages and emails, regarding same. So let's get going:

**TRADE ANY MARKET SESSION THAT MAKES SENSE FOR YOUR LIFESTYLE.  
DON'T WORRY ABOUT WHICH MARKET IS OPEN, WHICH IS CLOSED.**

#### **1. The Three Tap Trade (3 Tap H4)**

##### **A. Chart Set Up**

Save as template:

H4 candlestick chart with **period separators**. Add to this chart a standard **RSI** indicator set with period **(3)**. That's it...all there is to it! See the first chart below. It is the Almost Naked chart which is the foundation of all of the trading set-ups which I will discuss below.

## **B. Check Trend on Weekly, Daily, and H4 Charts**

This is the most important part of this method. All three (3) timeframes (TFs) **must** be in agreement (confirmation) on direction.

Perhaps, the easiest way to do this is to attach the **RSI Arrow Indicator** to your charts. The indicator and directions can be found here:

<http://www.forexfactory.com/showpost.php?p=4127792>

It is important that you develop the ability to confirm the RSI directions without using an indicator because you should visually verify the positioning of the RSI on the H4, Daily, and Weekly charts before entering a trade.

Scan through any or all pairs you wish to trade and jot down only those which have confirmation of direction on all three TFs. **Do this by observing the RSI.**

### **THINK ABOUT THE FACE OF A CLOCK**

For **LONG: RSI should be pointing between 12:00 AND 2:00 O'CLOCK**. 3:00 is neutral.

For **SHORT: RSI should be pointing between 4:00 and 6:00 O'CLOCK**. Again, 3:00 is neutral

NOTICE ON THE CHART BELOW THAT THE DIRECTION IS DOWN, OR SHORT. (RSI IS BETWEEN 4:00 AND 5:00 O'CLOCK)

Now look at the most recent price action (PA).on the chart below. Notice that it is also short. This will be a pair "of interest" if and only if the direction on the daily and weekly charts confirm the H4 chart direction.

## **C. Concentrating only on those pairs with trend confirmation and one at a time:**

On H4 chart take a long look at what you see. You know the direction you are looking for from your previous scan of the pairs. (Marking with an arrow helps give a quick reference to direction.)

Draw trendlines (TLs) connecting bottoms for LONGS and connecting tops for SHORTS.

NOTICE ON RECENT CHART #2 BELOW - USDCHF

#### **D. Entry**

Here is where patience comes in. Enter in designated direction only after PA has tapped the trendline 3 times (Knock three times on the...oh well). This "refinement" is David's idea on Trendline Scalping thread....thanks David.

NOTICE ON CHART #2 BELOW - USDCHF... THAT IT TOOK 9 CANDLES (36 HOURS) FOR THE THIRD TAP! THAT'S PATIENCE, BUDDY!...BUT LOOK AT THE PAYOFF..

#### **E. Take Profits (TP) and Stop Losses (SL)**

You can place set TP and SL if you are more comfortable with that. I use support and resistance levels for both. Remember that H4 and larger TFs must have more breathing room, so do not place SL too tightly.

Let me know if anything needs further explanation.

#### **F. Recently Asked Questions 10/27/2010**

Q: Does one wait for the close of the 3rd tap candle before entering or enter immediately?.

A: When desired trade is long and 3rd tap candle is long (green on my charts), enter immediately. When desired trade is short and 3rd tap candle is short (red on my charts), enter immediately, because both a **set-up** and a **trigger** has occurred in each of these scenarios.

Q: I notice that usually when the 3rd tap occurs, the RSI is not supporting the direction of the desired trade. Is it important that the H4 RSI support the direction of the weekly and daily RSI at this point?

A: It **is** important that the H4 RSI the daily and weekly RSIs show the same direction before entering the trade. **Remember there is a difference between a trade set-up and a trade trigger. The set-up is the 3 taps, the trigger is PA**

**in the right direction**. This is consistent with the question above.

Q: Do you use M30 or M15 charts on the 3 tap trades?

A: Although I don't use shorter time frames (TFs) for 3 tap trades, some traders have indicated to me that they use these TFs to observe price action (PA) before entry. I do use the TFs for breakout trades (BO), discussed below.

Another trade set-up for our trading arsenal-- BELOW:

## **2. The H1 4 Candle Breakout Trade (H1 4C BO)**

I have added a new trade set-up to the 3 tap trade discussed above. It works hand and hand with the 3 tap trade.

Often we can see PA going in one direction and want to get in, but need a logical way to do it. Certainly 3 tap is one way, but what if you do not see a good 3 tap set-up on the H4 chart? **Then move to the H1 chart and take a look.**

The **H1 4 candle** breakout set-up:

A. This is a **price action** (PA) trade and the weekly RSI direction does not need to match the direction of the trade. Because this is considered a "fast" trade...meaning over in a few hours at the longest...only the H4 and H1 candles need to confirm direction, but they will do that if PA moves in the desired direction.

B. You will be looking at the **bodies of the first four H1 candles** of a new trading day...disregard the tails (wicks)...whenever that is for you. That is one reason period separators need to be placed on the chart.

C. Place horizontal lines at the highest high of these four candles' **bodies** (not including the tails, if any) and the lowest low of these four candles' **bodies**, again, disregard the tails. These lines are really just R/S lines.

D. Wait for a breakout in the direction of the bias. I sometimes place a pending order below/above a R/S line before I go to bed.

E. Enter from the M15 chart, when at least one candle has completely cleared the R/S line in the desired direction. The entry takes discretion, as the quality of the candles is important to observe.

NOTE: You can set this up several hours after the fourth candle that you are observing. For example: My first four candles are from 2:00 pm - 6:00 pm. I may not get to the set-up until 8 or 9 p.m. That is ok, in fact, that gives time to observe PA. Do verify the directional bias again, however.

**PLEASE SEE POSTS #1029 - 1032 ON PAGE 69 FOR COMMENTARY AND CHART EXAMPLES**

### **3. Scrutch's Method of Finding A++ and A+++ Trades 11/24/2010**

Please don't use Scrutch's screening of trades until you are totally familiar and comfortable with the **3 Tap H4** trade and the **H1 4C BO** trading systems.

**Q:** Do you consider an A++ trade one in which both setups occur on the same pair?

**A:** Yes, both setups need to be in agreement for an A++ trade.

If you only have one of the two setups and the RSI's are in agreement, I consider that to be an A+ trade. When they happen together, the odds of a *great* trade increase dramatically. I don't take these just any time that both conditions are true.

*I*, want to see the H4-3T happen first, most likely the RSI's won't be in total agreement at that time.

*Then*, I want to see the breakout happen within a few hours, two or three at the most, with four hours maximum. After four hours I feel that the real advantage has expired. Not that it will not or could not still be a very nice trade, just that it no longer has the force of the dual confirmation behind it.

The CADJPY breakout occurred about two and a half hours after the H4-3T. The USDCAD breakout occurred about three hours after the H4-3T.

For either of these trades I'm looking at the M15 chart for the breakout confirmation, and yes price action needs to reflect the momentum as well.

If, the H4-3T setup occurs *and* the H1-4C-BO setup occurs in thirty minutes or less, then..., I think that would be an A+++ trade. When this happens I'm usually looking at a M5 chart for entry because I want to get in as early as I can...depending again on price action.

**Q:** Do you limit the number of pairs you look at and trade?

**A:** I watch the majors mostly but also keep an eye on the others as well. To keep a close watch on them all is a bit daunting but it's doable because of the time frame involved. I do pay close attention to the spread, which influences whether I want to take the trade or not. If the spread is large, then I'll just pass on the trade.

I draw all potential H4-3T's that I see and adjust them as the market moves, regardless of the RSI's. At times I'll have two H4-3T's drawn, a bullish **and** a bearish. Then I adjust them as the market dictates direction.

I draw all the H1-4C-BO's at the close of the fourth hourly bar from period separator to period separator. At times I will start drawing these sooner...depends on what the RSI's are showing me.

#### **4. Indicators (Optional)**

##### **RSI Arrow Indicators**

<http://www.forexfactory.com/showpost.php?p=4127792> - to read explanation and download to chart.

#### **5. New Daily Entry (MONEYTREE) added May 18, 2011**

In commemoration of reaching 1000 pages and while waiting for the paint dryingly boring monthly chart trades, I have been working on a new entry on the daily charts that seems to be working very well. It is quite simple.

1. There must be directional confirmation on both the **weekly** and **daily RSI**. If monthly also, the better, but not necessary.
2. **Enter** using either the H1 4C BO entry or 3 Tap entry or other entry of your choice in the direction of the RSI **within the first few hours of the beginning of your new daily candle, if possible** (whatever time of day that is for you), say within the first 6 hours (although 6 is arbitrary). The point is, we are trying to capture as much of the full day as is possible.
3. Immediately place a **30 pip SL**. Then forget about it.
5. Next day at around the same time check the trade. It will have done one of 3 things: a) hit the SL, b) taken off, or c) ranged around.

If:

- a) Oh, well...go to the next trade;

b) Great, decide whether to TP or add a position if direction continues;

c) Wait it out,

That's all there is to it.

Rinse and Repeat....



Attached Images



**\*\*\*\*\*SUMMARY OF THE METHODS TRADED HERE\*\*\*\*\***

**Many thanks to Anthar for doing this..**

There are in total three methods being traded in this thread, you can find the first two, which are 3Tap H4 and H1 4C BO, in post # 1. Read this post thoroughly.

The third method is called Zorro Continuation (ZC) you can find all about it here:

<http://www.forexfactory.com/showthread.php?p=4249295>

The only indi you'll need can be found in post #1 when you read about 3Tap H4. And it's exact setting can be found in the following post:



<http://www.forexfactory.com/showpost...postcount=6248>

Finally the box template for H1 BO trades can be found here:

<http://www.forexfactory.com/showpost...postcount=6254>

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*Last edited Jun 18, 2011 17:01 | Reason: Updated*

Sep 28, 2010 2:28



[lawgirl21](#)  
Member

Member Since Dec 2009

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## USDCHF - H4

### RECENT SHORT TRADE

Attached Thumbnails



Sep 28, 2010 3:08



[lawgirl21](#)  
Member

Member Since Dec 2009

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## EURUSD

Quote:

Originally Posted by **tradpat**

*Hi lawgirl*

*Would you post more charts for better understanding?  
I like PA with limited indicators.*

*Cheers*

A 200+ pip trade last week.  
Attached Thumbnails



Sep 28, 2010 3:11



[lawgirl21](#)  
Member

Member Since Dec 2009  
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Quote:

Originally Posted by **Flamenco143**

*Lawgirl: Would you be so kind as to include **your** indicator for showing Support & Resistance? I accidentally deleted mine. Thanx a bunch!*

I have no S/R indicator...just zoom out on a weekly chart and mark levels, then go to daily and mark those levels. I use daily levels more than any other for H4 trades.

Sep 28, 2010 3:13



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ [6,595 Posts](#)



Quote:

Originally Posted by **Yebisu**

*Hi there*

*sorry, but can you expand on what you mean by 3rd tap..??*

It's as simple as it sounds. PA hits or taps the trendline for a third time. It's really a pullback before trend continuation.

Sep 28, 2010 3:31

[billbss](#)  
Member

Member Since Apr 2006  
10+ [3,382 Posts](#)



Quote:

Originally Posted by **lawgirl21**

*It's as simple as it sounds. PA hits or taps the trendline for a third time. It's really a pullback before trend continuation.*

Does the RSI have to be pointing in the right direction on the third tap?

It seems unlikely it would be since it's a pullback.

Sep 28, 2010 3:37



[lawgirl21](#)  
Member

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Quote:

Originally Posted by **billbss**

*Does the RSI have to be pointing in the right direction on the third tap?*

*It seems unlikely it would be since it's a pullback.*

After initial scan, drawing of TLs, taking note of PA and looking at S/R levels, it does not matter so much what the RSI does on the H4 and I never pay attention to H1 RSI...BUT if I have entered a trade, I want the weekly trend to "stay with me".

Sep 28, 2010 4:02



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Member

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GBPJPY

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Another chart with recent trades: each over 200 pips  
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Sep 28, 2010 4:06



[lawgirl21](#)  
Member

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Quote:

Originally Posted by **pedross**


*Count me in lawgirl! Will set up a new demo account as suggested \$10,000.*

*What are your SL and TP levels?*

*Pete*

What's your risk level? I don't want to go into MM here, I'm assuming that everyone knows recommended levels of risk on any one trade is 2-5% of account. My risk tolerance is pretty high.

Start reviewing charts and posting potential trades. Last week was a real profitable one....this week seems to be taking a breather on most pairs so far.

 Sep 28, 2010 4:23

[Lonestar](#)  
Member

Member Since Feb 2008  
 [128 Posts](#)



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Quote:

Originally Posted by **lawgirl21** 

*Another chart with recent trades: each over 200 pips*

The first two trades were during the same week yet opposite directions. Are you changing your weekly directional bias mid week?

Sep 28, 2010 4:42



[lawgirl21](#)  
Member

Member Since Dec 2009  
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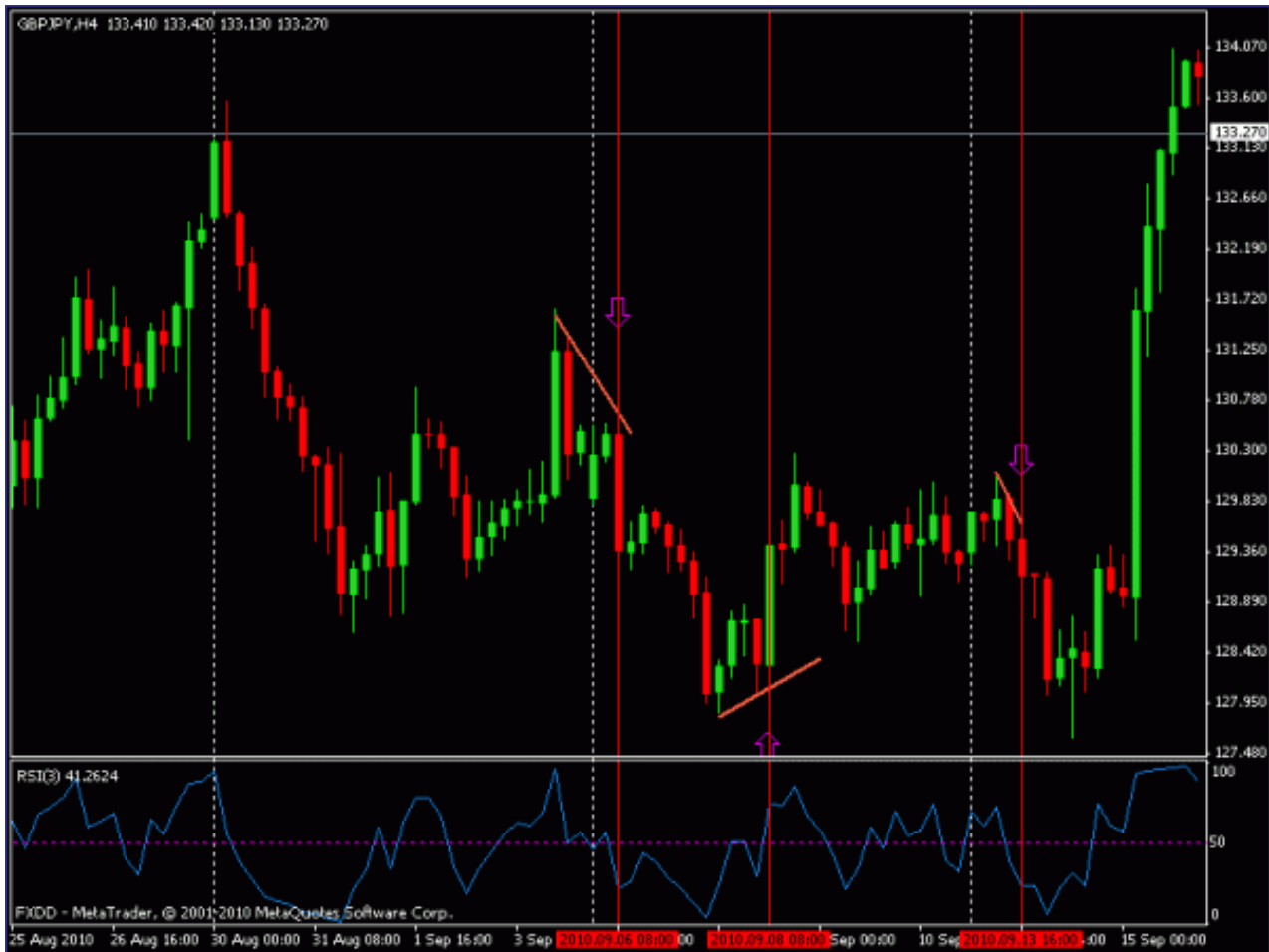
Quote:

Originally Posted by **Lonestar** 

*The first two trades were during the same week yet opposite directions. Are you changing your weekly directional bias mid week?*

Depends on what day trend is checked..weekly trend does indeed change. I have found that it is not "reliable", meaning it is not totally set, until about midweek. I re-checked the RSI for these 3 trades on all TFs and it was, indeed, showing the bias of the trade. I do know that I made money on that one pair on those three trades. Missed the big jump up though. But that's ok.

Attached Thumbnails



Sep 28, 2010 6:14



[lawgirl21](#)  
Member

Member Since Dec 2009  
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Quote:

Originally Posted by **Lonestar** [➤](#)

*Checking weekly doesn't seem to do much especially, as you mentioned, it really doesn't show the overall trend until well into the week and that can be seen by just looking at the last couple daily bars and looking at that price action. Basically looking for HH/HL or LL/LH to get your directional bias. And using RSI (3) if you look closely it just follows the bars. If it's an up bar rsi is signaling long and if it's a down bar it's signaling short. Flat seems to only happen when there is a doji or the like and which can all be seen by just looking...*

The trendlines ARE LL/LH, but most new traders are confused by that. Of course trendlines ARE directional bias. RSI merely is a visual to confirm, that most people can look at and understand instantly. Of course RSI directions ARE following the bars, so do the trendlines. Dojis ARE a candle denoting indecision (neutrality) So is the 3:00 RSI. The three touches ARE bounces and rallies. You merely confirm this trading method. Thanks. And thanks for your good wishes.

Sep 28, 2010 6:32



[lawgirl21](#)  
Member

Member Since Dec 2009

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USDCHF

Examples of support/resistance levels. Take a look at this chart. Monthly, weekly, daily and H4 trends are all down. PA is going sideways (consolidating). I like these patterns because sooner or later there will be a breakout to one side or the other. HOWEVER, PA is at a 3 year low level. (zoom out and take a look at the weekly chart).

Price should go lower according to trend, but will it? A three year low is a very, very significant support level. An interesting chart to watch.

Attached Thumbnails



Sep 28, 2010 6:48





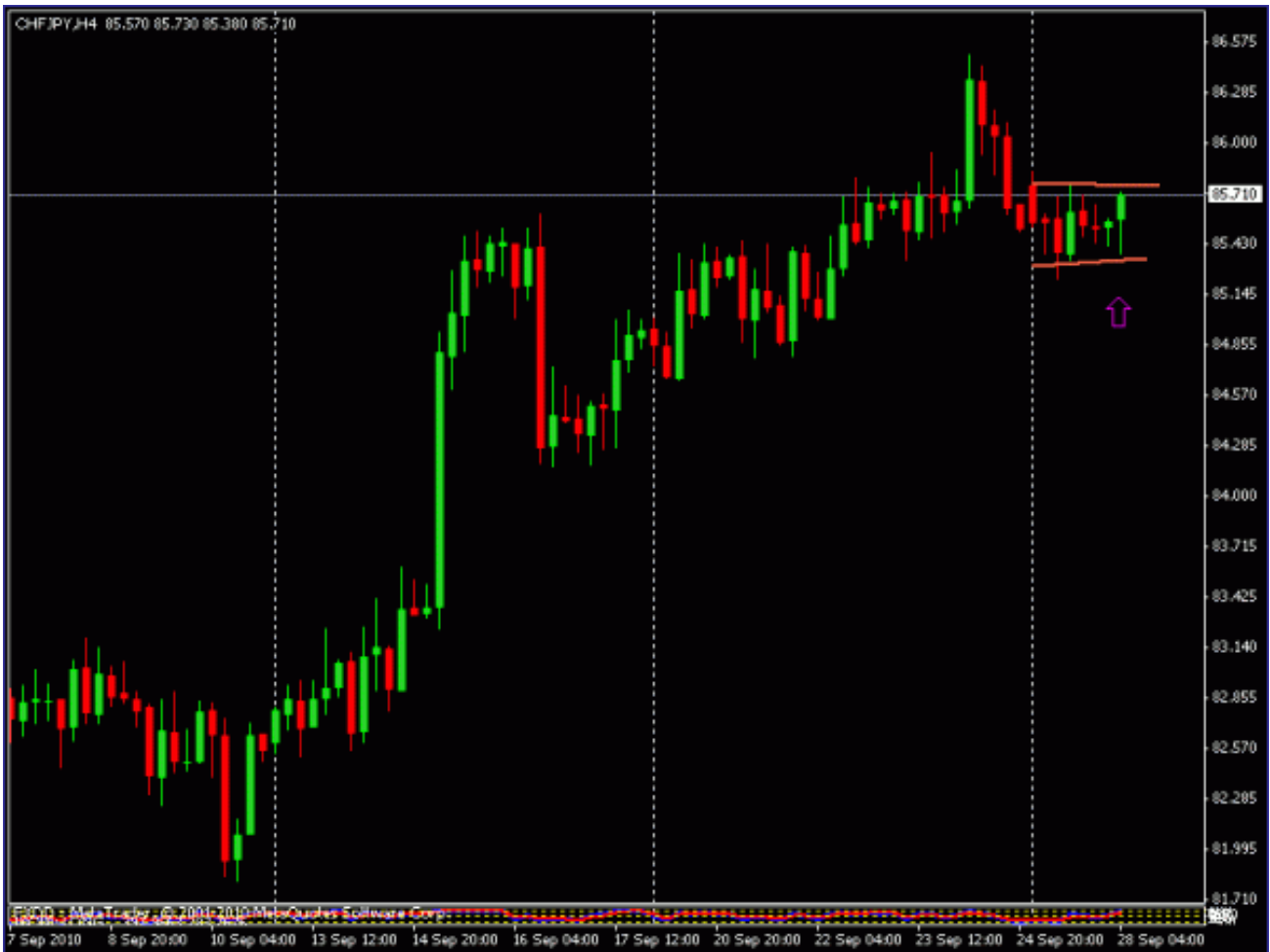
[lawgirl21](#)  
Member

Member Since Dec 2009  
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## CHFJPY

Pretty much the same chart as above. All TFs are long. PA is in consolidation. Breakout will occur sooner or later. Should be to upside where there is alot of up room. But will it break long? Another interesting one to watch.

Attached Thumbnails



Sep 28, 2010 15:36



[lawgirl21](#)  
Member

Member Since Dec 2009  
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## USDCHF

Interesting week. This pair looks like the two above. All TFs are down, but PA is flat.

Breakout will be coming. Should be down. Another wait and see.

Attached Thumbnails



Sep 28, 2010 15:44



[lawgirl21](#)  
Member

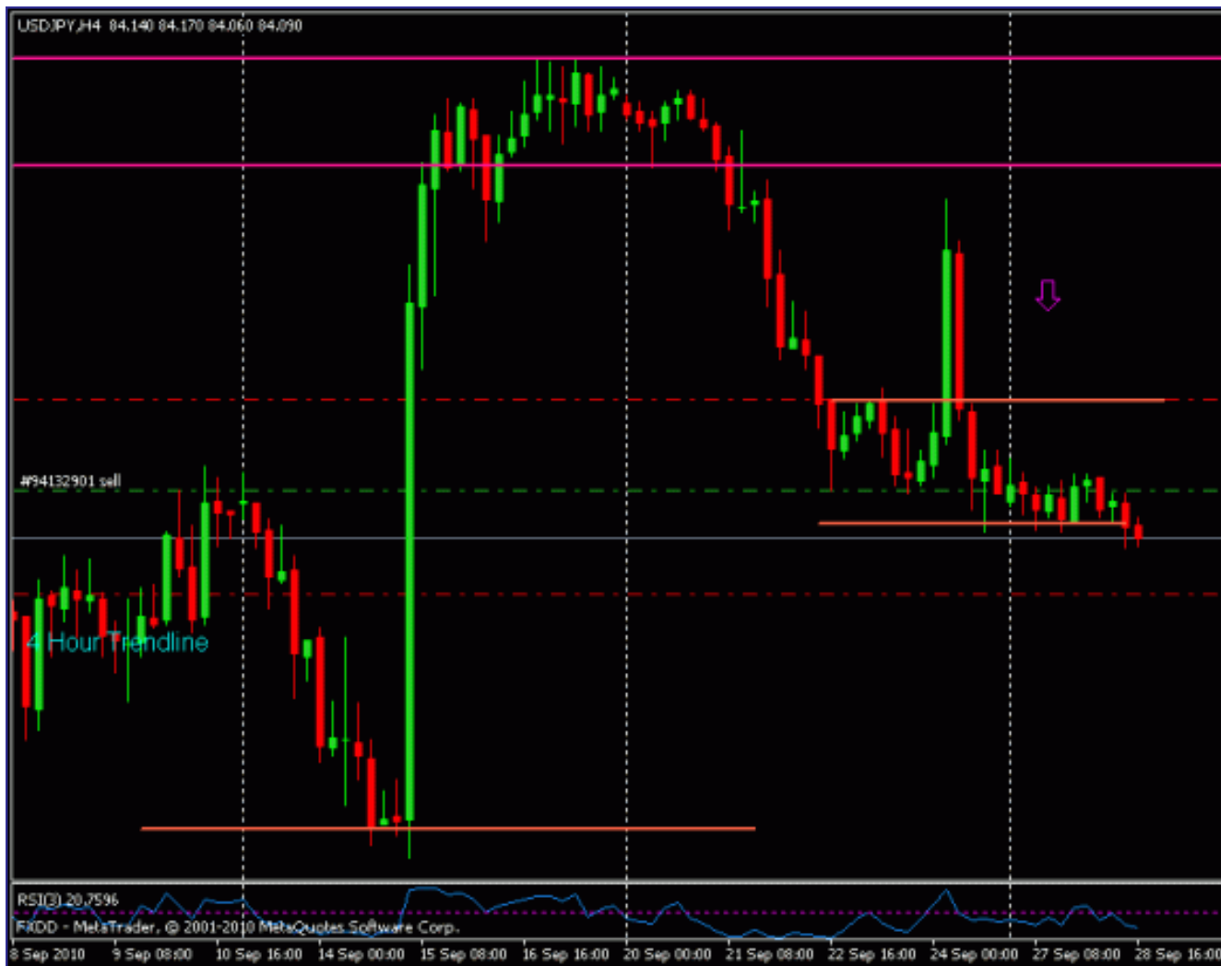
Member Since Dec 2009

[10+V](#) [6,595 Posts](#)

 USDJPY

I'm currently in this trade. PA finally broke out of the tight range and is headed down as I believed it would. It was a long wait though. Notice the weeks before when it did the same thing. That was a very profitable trade.

Attached Thumbnails



Sep 28, 2010 16:12



[lawgirl21](#)  
Member

Member Since Dec 2009  
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 USDCHF

Pair finally broke out of the consolidation "ditch" to the downside, like it was anticipated that it would.  
Attached Thumbnails



Sep 28, 2010 16:28



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)



Quote:

Originally Posted by **lawgirl21** [➤](#)

*I'm currently in this trade. PA finally broke out of the tight range and is headed down as I believed it would. It was a long wait though. Notice the weeks before when it did the same thing. That was a very profitable trade.*

TP hit. Out with +47 pips.

Sep 28, 2010 16:34



[lawgirl21](#)  
Member

Member Since Dec 2009  
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Quote:

Originally Posted by **lawgirl21**

*Pretty much the same chart as above. All TFs are long. PA is in consolidation. Breakout will occur sooner or later. Should be to upside where there is alot of up room. But will it break long? Another interesting one to watch.*

Followup on this pair looks like it is ready to "pop" out of the range ditch and head up. I will enter this trade when it clears the top line. This is a breakout trade, not a triple tap trade.

Attached Thumbnails



Sep 28, 2010 16:47



[lawgirl21](#)  
Member

Member Since Dec 2009  
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## NZDUSD

Another trade I am currently in which has been in the range bound ditch for about 2 days. It finally broke to the upside, which RSI and PA indicated that it would. Now in the money. Not a 3 tap trade.

Attached Thumbnails



Sep 28, 2010 17:02



[lawgirl21](#)  
Member

Member Since Dec 2009  
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Quote:

Originally Posted by **lawgirl21** 

*Another trade I am currently in which has been in the range bound ditch for about 2 days. It finally broke to the upside, which RSI and PA indicated that it would. Now in the money. Not a 3 tap trade.*

TP hit. Out with +17 pips.

Sep 28, 2010 17:12



[lawgirl21](#)  
Member


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Quote:

Originally Posted by **steroidman** 

*Really appreciate you doing this thread. Do you follow or trade Gold, Silver or the S and P? I own large chunks of public companies that deal in silver and gold, so its pretty important to me.*

*I trade mostly now and am trying to achieve 25% on my account a month. I am currently doing about 10% for the most part. But it seems to take a ton of energy just doing that. Still I am competitive and determined. This is a TOUGH game. You are making it slightly less tough for me. Thanks again.*

Hi Sman...I do not trade metals, but you can do it just as easily with this method of trading..trading what you see. Just analyze the same way as you would any pair.

I set a dollar amount goal for myself per week, not a percentage like I believe most people do. I have met my weekly goal already for the week and should not trade anymore this week, but probably will. I also pull money off the table every time I reach a certain level.

So glad I can help make this a little easier. I certainly don't have all the answers, I just know that this has worked for me and so should for others.

Sep 28, 2010 17:58



[lawgirl21](#)  
Member

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Quote:

Originally Posted by **steroidman**

*Lawgirl, are there any other threads/posters that you follow? Or find useful?*

Yes. The thread that finally convinced me to start one was Trendline Scalping H4 by David. When I first discovered that thread I thought I had found a home, but to me, it got sidetracked by auto trading using an NN (no idea what that is, and not interested to find out).

Then curgir started a spinoff thread from that, Triple Taps, and again I thought I had found a home, but that thread rapidly became too "frenzied" for me and indicators seemed to be flying all over the place...hence I started my own. I hope to attract like minded traders whose main interest is making money with no need to be proven right all the time.

I also use an EA trading GBPUSD on H1 chart. I have made lots of money with it, but it must be monitored (I discovered the hard way). Simple H1 GBPUSD EA by Geoff.

Sep 28, 2010 18:03



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)

ERUUSD

I missed this trade, but a really good breakout to the long side which all TFs indicated that it would. Anyone in this trade?

Attached Thumbnails





Sep 28, 2010 18:04



[lawgirl21](#)  
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Sorry, wrong chart..

EURUSD...correct chart  
Attached Thumbnails



Sep 28, 2010 18:26



[Baloo](#)  
Member

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[23 Posts](#)

### **clarifying questions**

Hi Lawgirl,

I found you through Dave's 3-taps thread. I'm glad you started your own thread. As you said, the 3-taps seemed to get bogged down in the neural network stuff and your analysis is great!

I just had some questions I was hoping you could help me with.

- from post #13, it seems you do not necessarily wait for a complete touch of the trendline for entry on 3-taps. Is this true?
- In Dave's rules for the 3-taps system he discards set-ups where there are less than 2 candles between the leg1 and leg2 of the trendline. Does your system follow this rule?
- It seems he also has a rule to only take setups where the first candle starts in the same week as the 3rd tap. Is this part of your rules or do you find it unnecessary?

It seems you don't like to go into specifics about the SLs, but would you be willing to show how/where you place your SLs on some of your trades?

Thanks for your help! Keep up the good work!

Sep 28, 2010 20:26



[lawgirl21](#)  
Member

Member Since Dec 2009  
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Quote:

Originally Posted by **Baloo**   
*Hi Lawgirl,*

*I found you through Dave's 3-taps thread. I'm glad you started your own thread. As you said, the 3-taps seemed to get bogged down in the neural network stuff and your analysis is great!*

*I just had some questions I was hoping you could help me with.*

- *from post #13, it seems you do not necessarily wait for a complete touch of the trendline for entry on 3-taps. Is this true?*

*[list][\*][size=2]In Dave's rules for the 3-taps system he discards set-ups where...*

Hi Baloo..I will try to answer your questions.

\*#13 chart--The TL did touch, just my sloppy TL drawing that may give

impression that it did not. But remember, numbers are not exact in trading, rather it is areas and acting on PA.

\* No, my system does not follow this rule. It appears to me to be arbitrary. Depending on PA and trend direction, all 3 candles may be next to each other (although I don't think I have ever seen that).

\*There was confusion about that on David's thread. I started "reaching back" to the prior week, with what I called "bridge trades" and posting them. That is one reason I broke off from his thread. I did not want to be disrespectful of the thread and go outside of the "rules".

This system looks back to the prior week if that is where the TL is formed.

I will be as specific as I can about SLs. I will try to post charts showing some that I have used.

Sep 28, 2010 21:10



[lawgirl21](#)

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 AUDJPY

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Another potential breakout to the long side. All TFs are long.

Attached Thumbnails



Sep 28, 2010 21:24



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GBPJPY

I missed this little breakout, but would have been good for around 50 pips.  
Attached Thumbnails



Sep 28, 2010 21:28

[fugly](#)  
Member

Member Since Aug 2007  
1 772 Posts



lawgirl whats ur reward:risk like on these trades?

Sep 28, 2010 21:35



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ 6,595 Posts



Quote:

Originally Posted by **fugly** >

*lawgirl whats ur reward:risk like on these trades?*

I never determine it. If I had gotten in on this trade, I would have set my TP at the orange line, a support level and my SL at the top yellow line.

Attached Thumbnails



Sep 28, 2010 21:45



**lawgirl21**

Member

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Quote:

Originally Posted by **lawgirl21** >

*If anyone is watching this pair for a breakout, move to the 15M chart and wait for a candle to close and not touching the top line for an entry.*

15M Chart

Attached Thumbnails



Sep 28, 2010 22:20



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Quote:

Originally Posted by **SkyzerFX**

*Hello, I discover that earlier, probably going to wait till it's clears 81.40 or so. Personally don't think that would occur (due to the Continued claims Employment data on Thursday) but still plenty of time.*

*Let's watch what would happened.*

Happy to see you Sky! I am not a news person at all.



Sep 28, 2010 23:10



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CHFJPY

Watching this pair. Looks like it is breaking long, which all TFs indicate would be the breakout direction.

Attached Thumbnails



Sep 29, 2010 0:30



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



Quote:

Originally Posted by **The Fool** >

*Not being a "news person" might be a blessing in disguise - lol. I think about the BoJ recent intervention on a dip below U/J 83.0 when I see your JPY trades. U/J sitting at 83.83 right now... See that - the paralysis of analysis.*

I was told once, by someone I highly respect, that I could be a really great trader, if I just paid more attention to news. I tried, but found myself, in analysis paralysis...second guessing the market and myself until I could not take a trade. Now I don't pay attention to what the BOJ or any other entity might do and what its effect might be on the market. I get burned by the news sometimes, but not often enough so that it really matters.

Sep 29, 2010 2:08



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

 EURCHF

Another breakout trade to watch. Trend signals are mixed, so this pair may just pop out on the up side and not the down side. I'm going to watch it, then confirm trend on longer TFs before entering.

Attached Thumbnails



Sep 29, 2010 5:28



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ 6,595 Posts

CHFJPY

This breakout trade has become a 3 tap trend trade. This should be further confirmation that PA is long..we'll see.

Attached Thumbnails



Sep 29, 2010 5:52



[ozziedave](#)  
Ozziedave

Member Since May 2007  
5v 898 Posts

Trendlines

Hi Lawgirl..

Question about drawing trendlines. On the original USDCHF example from post 1 I believe you drew the yellow trendline to demonstrate how you trade. Like anything else trendlines can be drawn almost anywhere by anyone who has some imagination.

In that same down sequence would you have drawn the red trendline first and then drawn the yellow trendline after the candles developed? I ask this because if someone had drawn the red trendline and not moved it and just waited for the next touch they would be still waiting seeing it never did revisit that trendline. So what prompts you to draw a trendline in a particular candle sequence and when or how do you decide to move your trendline?

Attached Thumbnails



Sep 29, 2010 6:28



[lawgirl21](#)  
Member

Member Since Dec 2009

10+y [6,595 Posts](#)



Quote:

Originally Posted by **ozziedave** 

*Hi Lawgirl..*

*Question about drawing trendlines. On the original USDCHF example from post 1 I believe you drew the yellow trendline to demonstrate how you trade. Like anything else trendlines can be drawn almost anywhere by anyone who has some imagination.*

*In that same down sequence would you have drawn the red trendline first and then drawn the yellow trendline after the candles developed? I ask this because if someone had drawn the red trendline and not moved it and just waited for the next touch they would be still waiting seeing it never...*

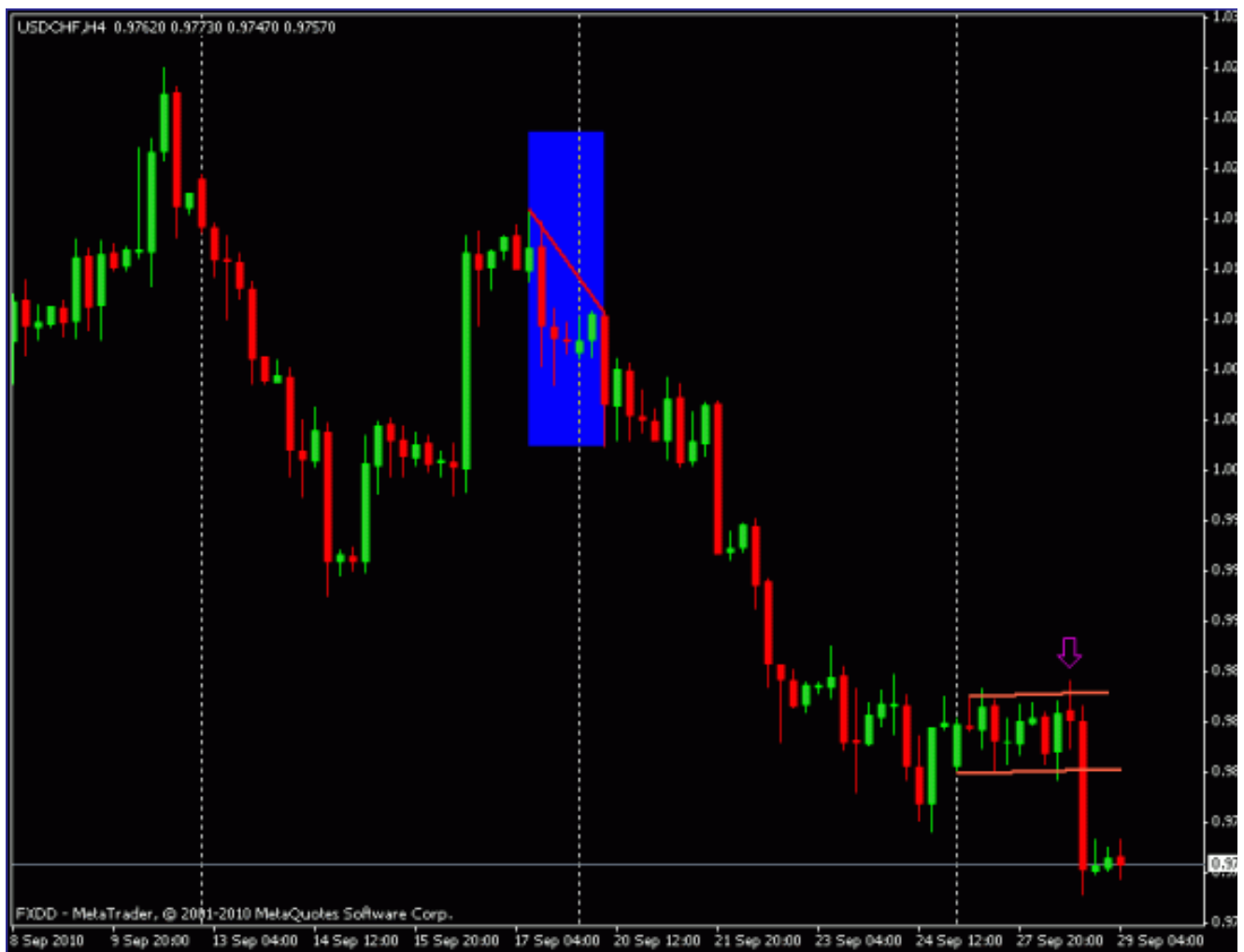
I don't agree that trendlines are that arbitrary, but that is exactly why I never use Fibs...I could manipulate them too easily.

Yes, had I caught this trade at the very beginning of the week I would have drawn the red line first, but not the way you drew it. See my chart below, blue rectangle. I would have drawn it this way and picked up about 50 pips. But I missed that trade. That never bothers me because I know another one will be coming, which it did and a very good trade at that.

Analyze forward as candles are formed trying to reach back into the previous week by only a few candles. I like to check the charts at "candle change" whenever possible (i.e. 2:00, 6:00 and 10:00 on FXDD and PST), this allows me to see set-ups as they are forming.

Hope this helps.

Attached Thumbnails



Sep 29, 2010 6:29

[duffypratt](#)  
Member

Member Since Sep 2010  
5v [563 Posts](#)



LG:

Thanks for starting this. I've been interested in your approach since you showed up on Dave's thread. I'm also interested in the answer to ozziedave's question. I noticed the same issue with that trade. (Cross post here, thanks for the explanation.)

I'm also curious about how you enter on breakout trades. The basic set-up looks clear enough. But in several of your examples, it appears that the breakout line has already been pierced. Do you wait for a close above the line? Or maybe for a certain level above the line?

Sep 29, 2010 6:40



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **duffypratt**

LG:

*Thanks for starting this. I've been interested in your approach since you showed up on Dave's thread. I'm also interested in the answer to ozziedave's question. I noticed the same issue with that trade. (Cross post here, thanks for the explanation.)*

*I'm also curious about how you enter on breakout trades. The basic set-up looks clear enough. But in several of your examples, it appears that the breakout line has already been pierced. Do you wait for a close above the line? Or maybe for a certain level above the line?*

The breakout line may very well be pierced, there is plenty of time to watch for PA to follow. I often move to a 15M chart and wait for a close totally outside the breakout line. Sometimes even then I will wait to see that PA is moving in right direction. To be really cautious, I go to an H1 chart and wait for a complete close outside of breakout line.

Sep 29, 2010 14:42



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **lawgirl21**

*Hit SL overnight and is now back in "ditch".*

Chart

Attached Thumbnails



Sep 29, 2010 14:45



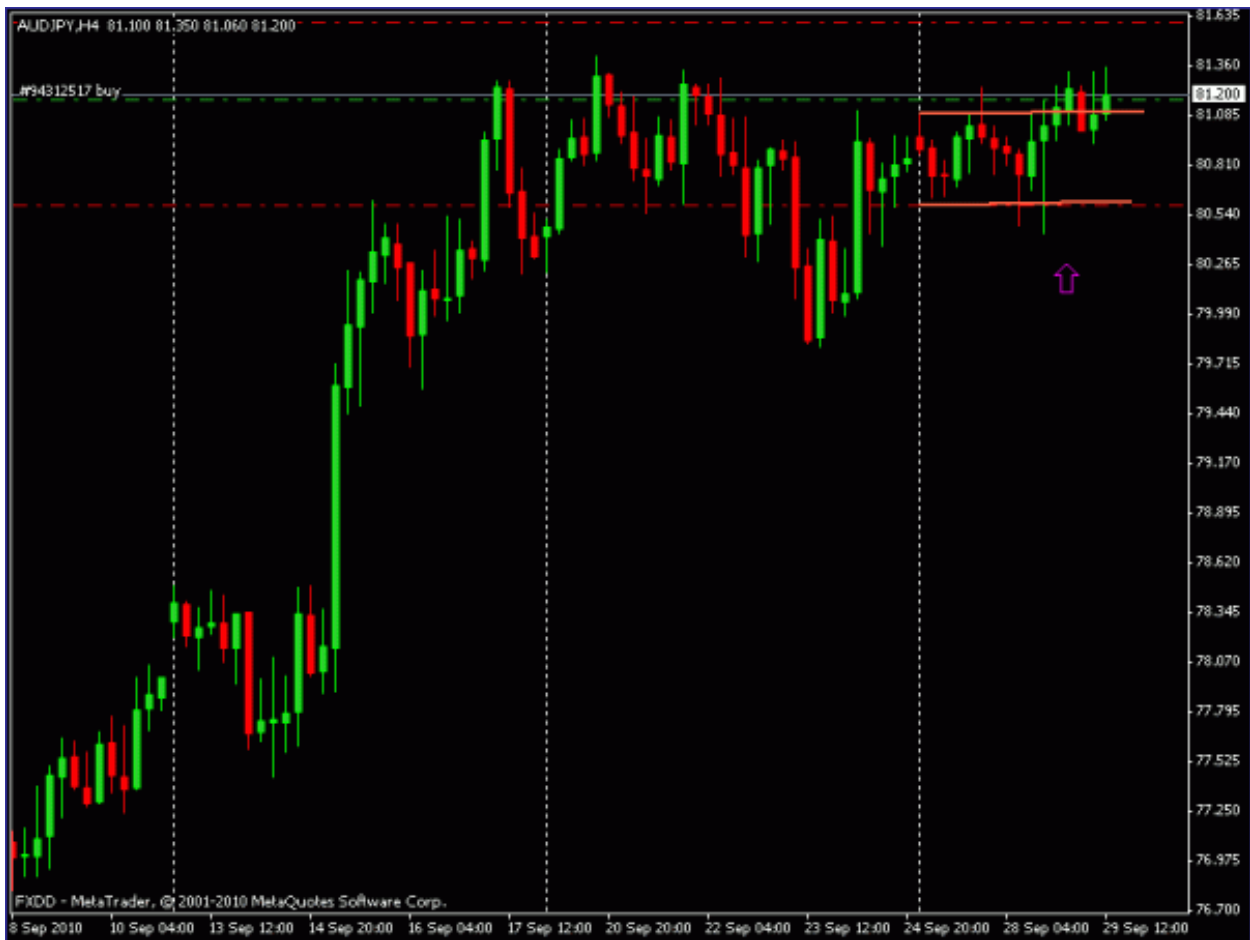
[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 AUDJPY

Struggling, but still above water.  
Attached Thumbnails





Sep 29, 2010 15:10



[lawgirl21](#)  
Member

Member Since Dec 2009

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## EURCHF WATCH

Potential 3 tap trade (finally this week). Watch for third tap/touch and continuing up.

Attached Thumbnails



Sep 29, 2010 15:20



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 GBPJPY

Quote:

Originally Posted by **SkyzerFX** 

*This maybe worth to watch but keep in mind possible*

*BOJ intervention:*

Thanks Sky, I'm in it already as breakout trade.  
Attached Thumbnails



Sep 29, 2010 15:27



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by [hironant](#)

*Currently long on USD/CAD from touch at 10242 and short on CAD/CHF from 9535.*

*Also considering long on EUR/CAD from 13944 although it hasn't quite touched.  
What do you think?*

Looks like you are already in the money on USDCAD. Good job!  
Attached Thumbnails



Sep 29, 2010 15:32



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+y [6,595 Posts](#)

**EURCAD**

Quote:

Originally Posted by **hirnant**

*Currently long on USD/CAD from touch at 10242 and short on CAD/CHF from 9535.*

*Also considering long on EUR/CAD from 13944 although it hasn't quite touched. What do you think?*

I like to have the weekly going in same direction. But PA is down. It would a toss up for me.

Attached Thumbnails



Sep 29, 2010 15:40



[lawgirl21](#)  
Member

Member Since Dec 2009

10+yr [6,595 Posts](#)

EURCAD long trade

Chart

Attached Thumbnails



Sep 29, 2010 16:35

[k.k](#)

Member

Member Since Sep 2010

[1 v](#) [51 Posts](#)



Hi lawgirl 21, In usd/cad we have trade line which price go to TL AND COME BACK, but when looking in rsi we dont have conformation for shorting usd/cad my mean in daily is going down but in weekly is gong up. I WANT TO KNOW is it correct to dont trade ?

Sep 29, 2010 16:39



[lawgirl21](#)

Member

Member Since Dec 2009

[10+v](#) [6,595 Posts](#)



Quote:

Originally Posted by **wickstedFX** 

*Hi lawgirl21*

*Interesting thread, however I am not clear on your trading plan. You mention early on that the most important thing to do is check the trend on 3 TFs then check RSI, then look for 3 touch on 4h TL.*

*In the last few trades you discuss you are only looking for the 3rd touch with not consideration to RSI and multiple TFs.*

*Can you please post some screenshots shows the 3 TFs etc?*

*Thanks and sorry for being a pain!*

*Cheers*

*Tim*

Hi Tim... It's not "check the trend on 3 TFs then check the RSI". Checking the RSI on 3 different TFs is just a quick and simple way to confirm direction of trend, or no definite trend when the TFs differ.

Once we start finding trends in the direction we are looking for, because the RSI scan indicated the direction, we look for the triple taps.

Notice that really until Wednesday of this week, there were few discernable trends, thus we were looking at breakout trading....one type of trading done were trends are not established.

Sep 29, 2010 16:47



[lawgirl21](#)  
Member

Member Since Dec 2009

 [6,595 Posts](#)



---

Quote:

Originally Posted by **k.k** 

*Hi lawgirl 21, In usd/cad we have trade line which price go to TL AND COME BACK, but when looking in rsi we dont have confermation for shorting usd/cad*

*my mean in daily is going down but in weekly is gong up.  
I WANT TO KNOW is it correct to dont trade ?*

Unless you are already in this trade, as L is, I would not get in it now. The 3rd tap occurred over 4 hours ago (on the last H4) candle and it has been going up since then. I believe at this time, that it is a missed trade. Don't worry, there will plenty of upcoming trades.

That is why it is good to scan trades for direction and trendlines. Look for 2 taps, then watch for that 3rd tap to enter.

Sep 29, 2010 17:02



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 EURCAD Chart

---

New Chart

Attached Thumbnails





Sep 29, 2010 17:07



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ v [6,595 Posts](#)



Eurchf watch - update

PA did come down and tap the TL and has started up. I am in this trade long.

Sep 29, 2010 17:08



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ v [6,595 Posts](#)



EURCHR chart

chart

Attached Thumbnails



Sep 29, 2010 18:05



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



EURCHF

Quote:

Originally Posted by [lawgirl21](#) >

*PA did come down and tap the TL and has started up. I am in this trade long.*

Moved SL to BE+.

Sep 29, 2010 18:17



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

## EURUSD - 3 TAP TRADE

PA has now tapped the TL for a long trade.

Attached Thumbnails



Sep 29, 2010 22:00



[lawgirl21](#)  
Member

Member Since Dec 2009

 [6,595 Posts](#)



Quote:

Originally Posted by **PurePrice** 

*Here is what I am referring to when I mentioned the longer term TL and the PA hitting top of up trend channel. It may bounce back down once PA touches upper channel line. Sorry I did not know how to post chart before.*

And if it touches, we will look to what I call a channel trade..one of my most

favorite ways to trade, but more risky.

Sep 29, 2010 22:24



[lawgirl21](#)  
Member


Member Since Dec 2009

 [6,595 Posts](#)

 EURUSD Channel

---

Quote:

Originally Posted by **PurePrice** 

*Agreed, I would be shorting the touch of the upper channel line, not going long, as was originally suggested by the 3 taps method. However, still remember that the overall trend is up, so I won't risk too much on the touch of the upper channel line. Like you said Lawgirl, it is a bit more risky ... However, if that channel line is broken though, then a nice long trade would be in order 😊*

My chart shows a goodly distance from top channel line.

Attached Thumbnails



Sep 29, 2010 22:33



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

EURCAD

Out of trade with +29 pips.

Sep 29, 2010 22:36



[lawgirl21](#)  
Member

Member Since Dec 2009

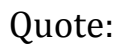
10+V [6,595 Posts](#)

EURGBP

Sep 29, 2010 22:48



 [6,595 Posts](#)



*Out with +15 pips. Forgot about that one.*

## Attached Thumbnails



Sep 29, 2010 22:50



[lawgirl21](#)  
Member

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 [6,595 Posts](#)

EURUSD

Chart

Attached Thumbnails



Sep 29, 2010 22:52



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **PurePrice**

*Is there a particular reason you are exiting these trades right now, or is it the end of trading day? I am thinking of staying in eur/chf to ride it out..I moved SL to BE+1*

No, no reason whatsoever. I want to be fairly clear for the start of the new trading day (2:00 p.m. PST). Ordinarily I would ride it out, but I had too many open trades.

Sep 30, 2010 1:25

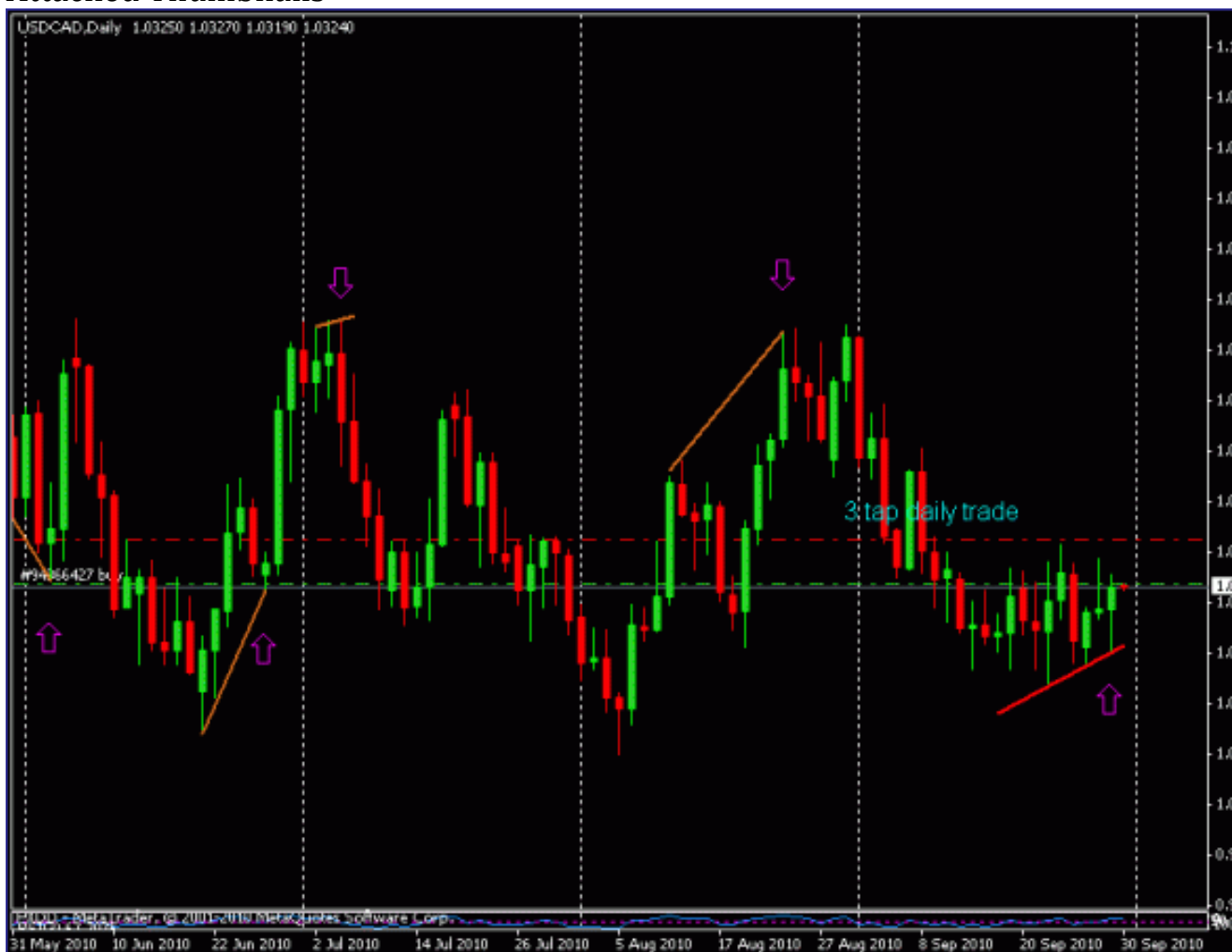


[lawgirl21](#)  
Member

Member Since Dec 2009  
10+[6,595 Posts](#)

 USD/CAD

I'm trying something I have not tried before. 3 tap trade on daily chart. Don't know if I have the patience for it...will see. Daily and weekly trend is up.  
Attached Thumbnails





Sep 30, 2010 1:30



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **Flamenco143**

*Still unclear about when you're exiting your trades. (Chalk it up to advanced years, few remaining brain cells and Arizona heat!) I re-read post#1 a couple of times but it's still not clear, as it seems you're arbitrarily exiting your trades at different pip profit levels.*

*A chart showing where you exited and why would be sooooo beneficial to me, or perhaps anyone out there could help me see the picture more clearly?*

I generally exit at reasonable support or resistance levels. Today I exited positive trades basically because I was tired. But I have no set exit levels..i.e. 50 pips, 80 pips etc. But that is a perfectly good way to manage exits.

Sep 30, 2010 1:44



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Resistance Levels for TP

Quote:

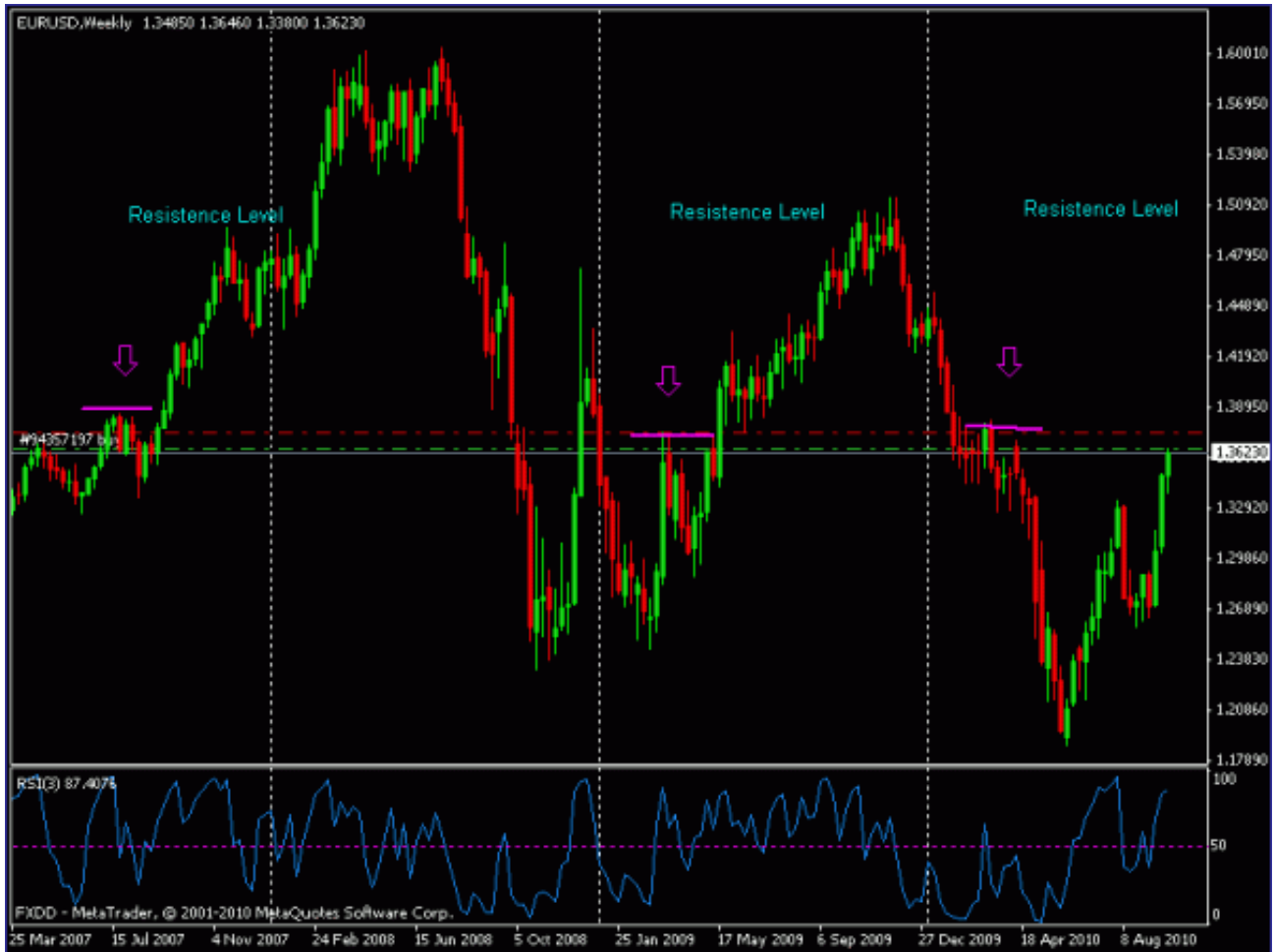
Originally Posted by **lawgirl21**

*I generally exit at reasonable support or resistance levels. Today I exited positive trades basically because I was tired. But I have no set exit levels..i.e. 50 pips, 80 pips etc. But that is a perfectly good way to manage exits.*

Take a look at this weekly chart on my current EURUSD trade. My TP level was determined by the following:

1. I zoomed out on a weekly chart to check S/R levels. The pink arrows and lines highlight historic resistance levels. (These levels also act as support, but we won't go into that now.)
2. Notice that I placed my TP along that line.

3. I may, and probably will, adjust the TP down somewhat because of PA Attached Thumbnails



Sep 30, 2010 4:43

[PurePrice](#)  
Member

Member Since Aug 2010  
4 [2,334 Posts](#)



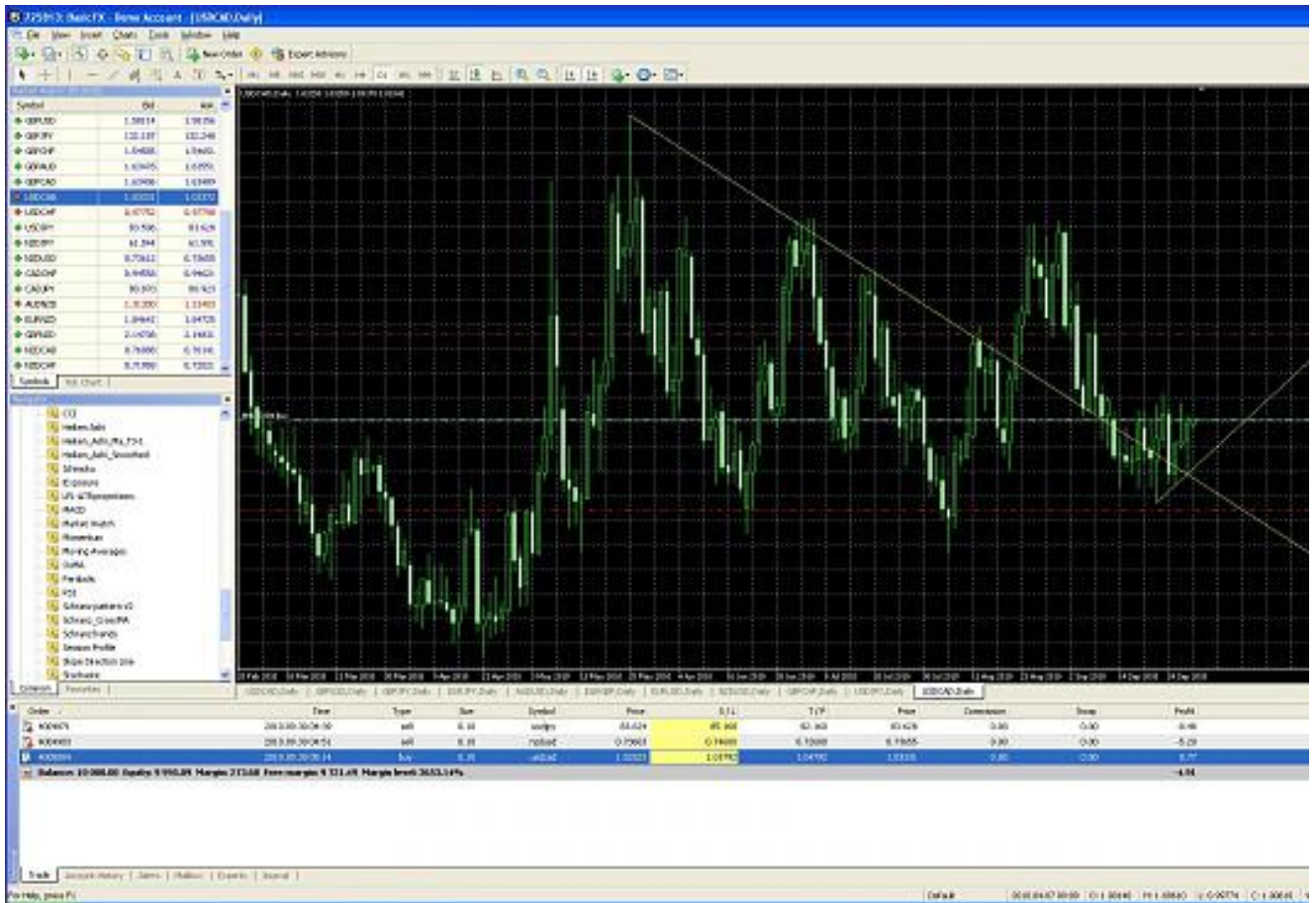
Quote:

Originally Posted by [lawgirl21](#) >

*I'm trying something I have not tried before. **3 tap trade on daily chart**. Don't know if I have the patience for it...will see. Daily and weekly trend is up.*

3 taps on USDCAD daily chart looks great ... Also note that the USDCAD has also broken above the down daily trend line and has retraced back to it, and is bouncing back up again.

## Attached Thumbnails



Sep 30, 2010 5:00



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **PurePrice** ➤

*3 taps on USDCAD daily chart looks great ... Also note that the USDCAD has also broken above the down daily trend line and has retraced back to it, and is bouncing back up again.*

I just added to the trade.

Sep 30, 2010 15:22



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

## GBPJPY

---

Woke up out of trade +30 pips.

Sep 30, 2010 15:23



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

## EURUSD

---

out of trade..+22 pips

Sep 30, 2010 15:27



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

## USDCAD

---

My experiment with 3 tap daily is not working out well. When I went to sleep last night it was in positive pips..but when I woke up..  
Attached Thumbnails



Sep 30, 2010 15:33



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **JGforex7780** ➤  
*A long buy???*

Not quite yet..almost. Daily and Weekly direction is long. That 3rd tap hasn't hit either on your chart or mine. Here's how my chart looks. Let's wait for the 3rd tap and then watch PA for awhile.  
Attached Thumbnails



Sep 30, 2010 15:39



[lawgirl21](#)  
Member

Member Since Dec 2009

**10+V** [6,595 Posts](#)



Quote:

Originally Posted by **piprac**

*My biggest losses have been letting a trade run overnight through the late Asian & most of the London. I just don't do it anymore but it's my personal style and I'm sure others can make the opposite argument. A daily or weekly trade might be another story. p.*

I have trades open overnight all the time. Most are ok. This one really surprises me as all the trades that I looked at for the last few weeks followed the rules. Good thing I only have a very little money in the trade. I'm going to let it ride to see what happens.

Sep 30, 2010 15:48



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **JGforex7780**   
*hit. but rsi down??*

Put it on you close watch list..let it pull away from the TL. You want to make sure it doesn't continue down through it since you caught it right at the 3rd tap.

Sep 30, 2010 15:55



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **JGforex7780**   
*I am looking closely not sure to enter when rsi turns up*

No forget about the H4 RSI for now. Watch PA..RSI will follow.

Sep 30, 2010 15:57



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **lawgirl21**   
*No forget about the H4 RSI for now. Watch PA..RSI will follow.*

Look at GBPUSD now! This is why you watch PA!

Sep 30, 2010 15:59




[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## GBPUSD

Quote:

Originally Posted by **lawgirl21** 

*Look at GBPUSD now! This is why you watch PA!*

chart

Attached Thumbnails



Sep 30, 2010 16:04



[lawgirl21](#)  
Member

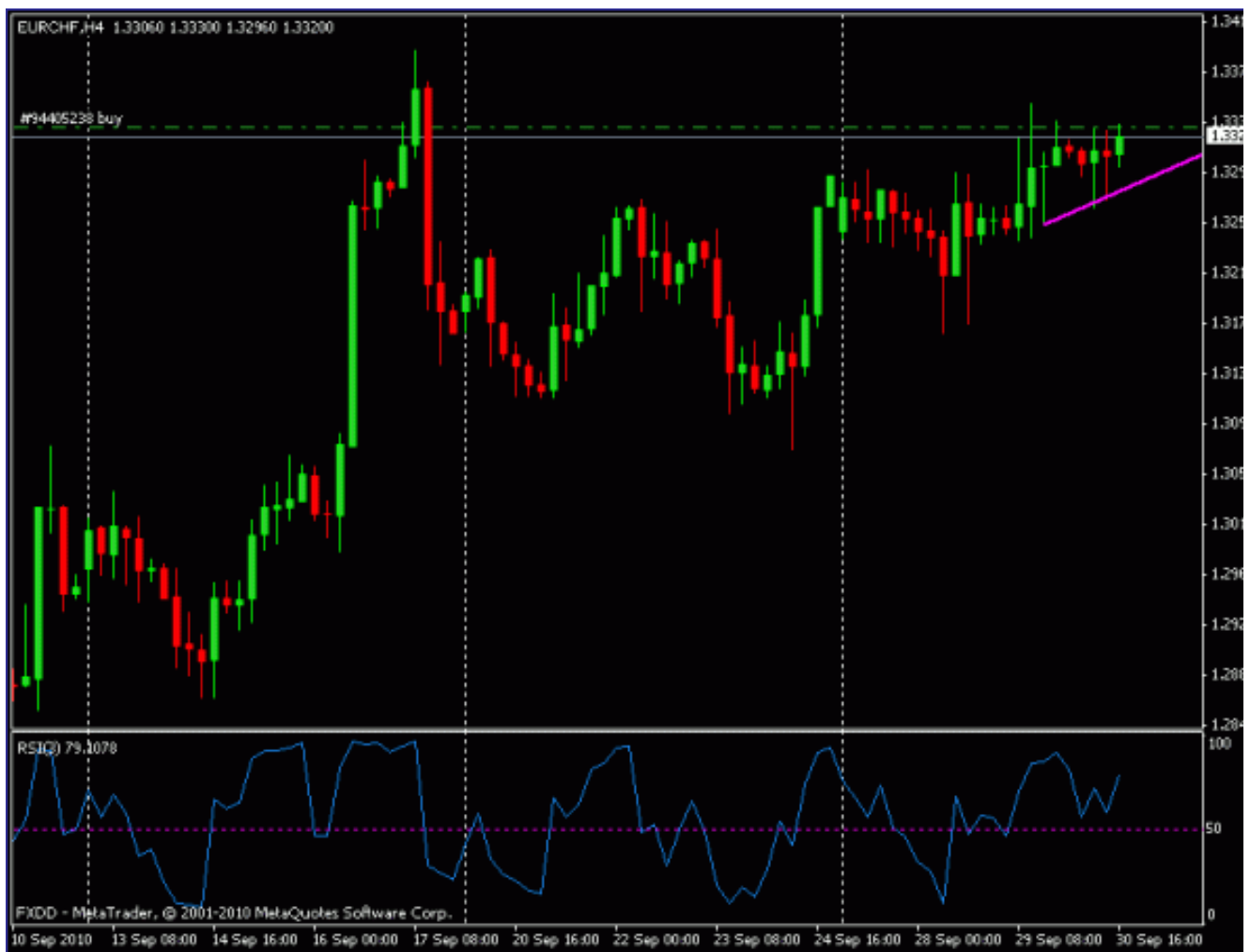
Member Since Dec 2009

 [6,595 Posts](#)

## EURCHF

Just entered long. All TFs are long. Three taps and PA continues in long direction.  
Attached Thumbnails





Sep 30, 2010 16:07



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 EURGBP

Entered this long a few minutes ago..already in the money..hope it stays  
Attached Thumbnails



Sep 30, 2010 16:16



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURGBP

Up 25 pips already. Anyone else in this trade?

Sep 30, 2010 16:30



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

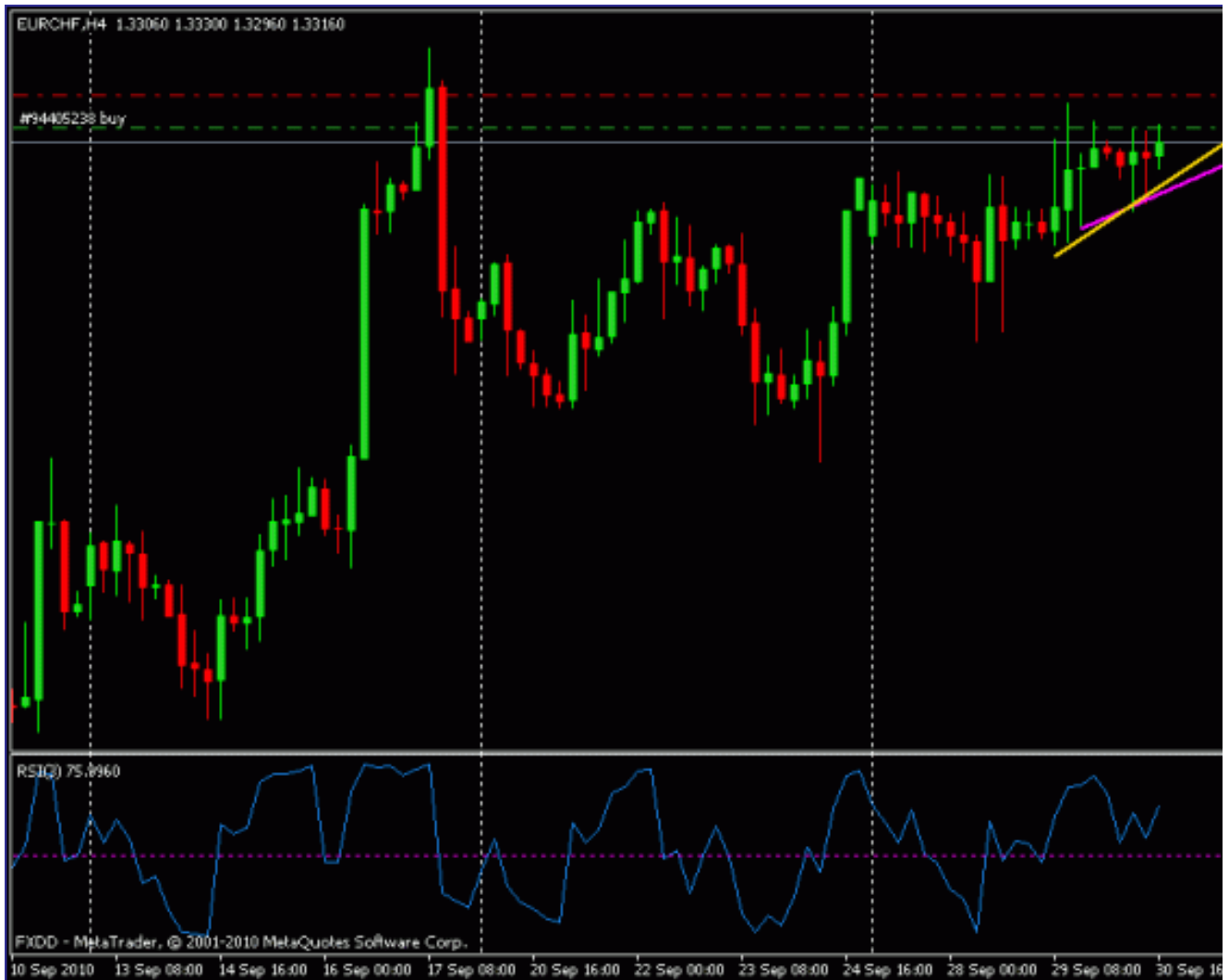
Originally Posted by **duffypratt** [➤](#)

*This example raises a question for me about how you draw your trendline. You have it starting at the 7th candle back. Why not one candle even further back than that? Or, if you went from bottom to bottom, I would think you might even go back to the long red candles which both defined the bottoms of retracements.*

*It also looks to me like the last method would get you close to a trade, but not in it. I can't verify this on my account because my charts use different close times for the candles and show a somewhat different picture.*

DP, I knew I would get some questions on my TL there. I could have drawn it further back. Look at the chart below, yellow line, with TL drawn further back. Nothing really changed. Had I not "come late" I would probably enter long there, but I did not find the trade at that time. I determined that the trade was still "live" when I scanned it and entered it.

Attached Thumbnails



Sep 30, 2010 16:49



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **lawgirl21**   
*Up 25 pips already. Anyone else in this trade?*

Out with +22 pips.

Sep 30, 2010 16:52



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **lawgirl21**   
*What is your TP on EURCHF?*

Out with +15 pips.

Sep 30, 2010 17:06

[PurePrice](#)  
Member

Member Since Aug 2010  
 [2,334 Posts](#)

AUD/USD setup ??

Is this setup valid?  
Attached Thumbnails



Sep 30, 2010 17:12



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V 6,595 Posts



Quote:

Originally Posted by **PurePrice** ➤

*Is this setup valid?*

Weekly, Monthly charts are long. Daily and H4 are short. Current PA is short.  
Too mixed for me, especially if you are looking to go long. I would stay out.

Sep 30, 2010 17:16



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V 6,595 Posts

AUDUSD

Maybe a breakout trade for quick pips..  
Attached Thumbnails



Sep 30, 2010 17:31



[lawgirl21](#)  
Member

Member Since Dec 2009

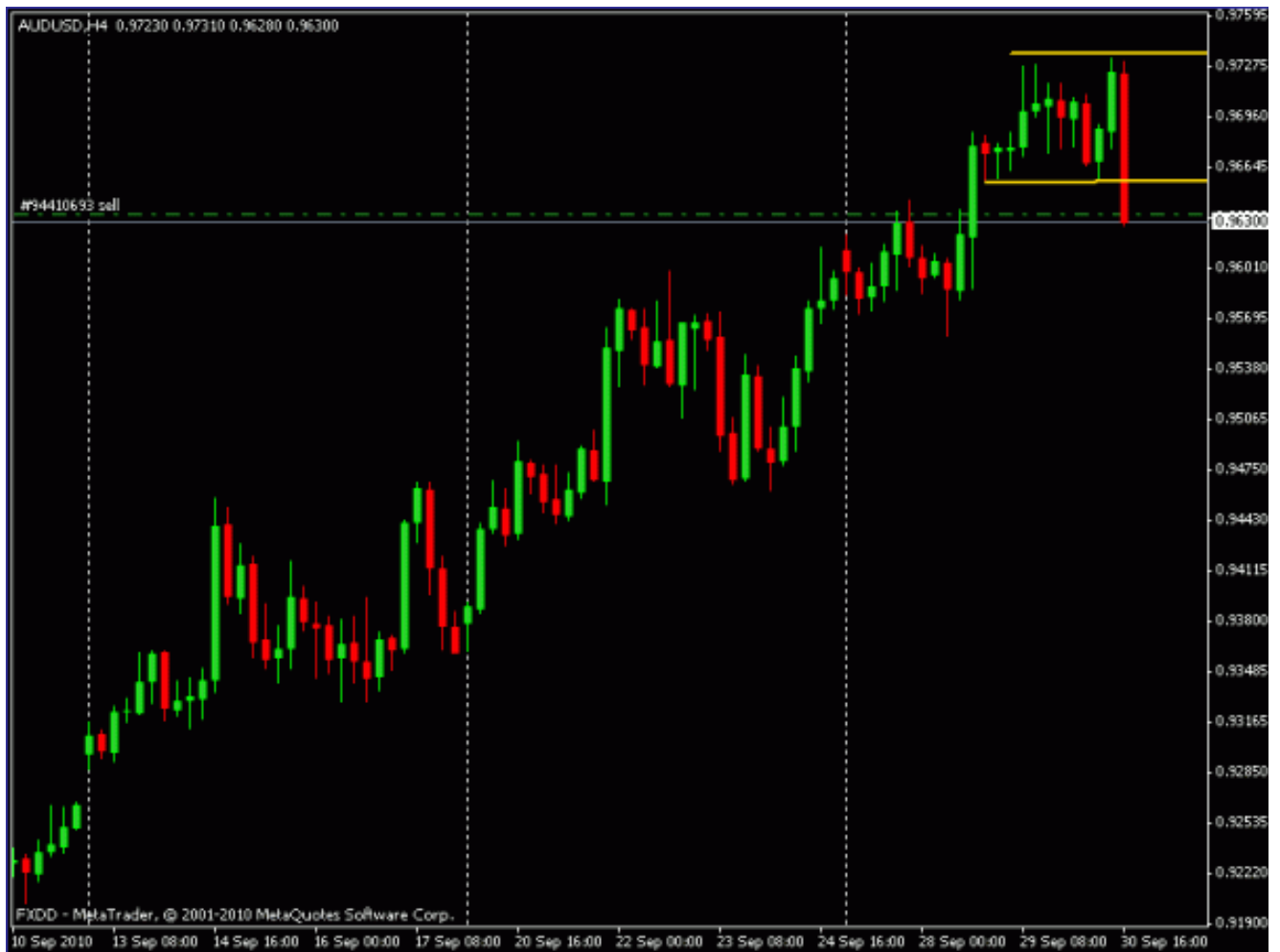
 [6,595 Posts](#)



Quote:

Originally Posted by [lawgirl21](#)   
*Maybe a breakout trade for quick pips..*

Just took short trade here as a breakout trade. Will probably get in and out pretty quickly.  
Attached Thumbnails



Sep 30, 2010 17:36



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)



Quote:

Originally Posted by **roundrock** >

*lawgirl, where would you put your tp, sl for this breakout trade ? would you take it if the risk reward is less than 1:1 ?*

I don't look at ratios, only logical places. For this trade, since I believe it is a countertrend trade, I am looking at 15-20 pips.

Sep 30, 2010 17:49



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

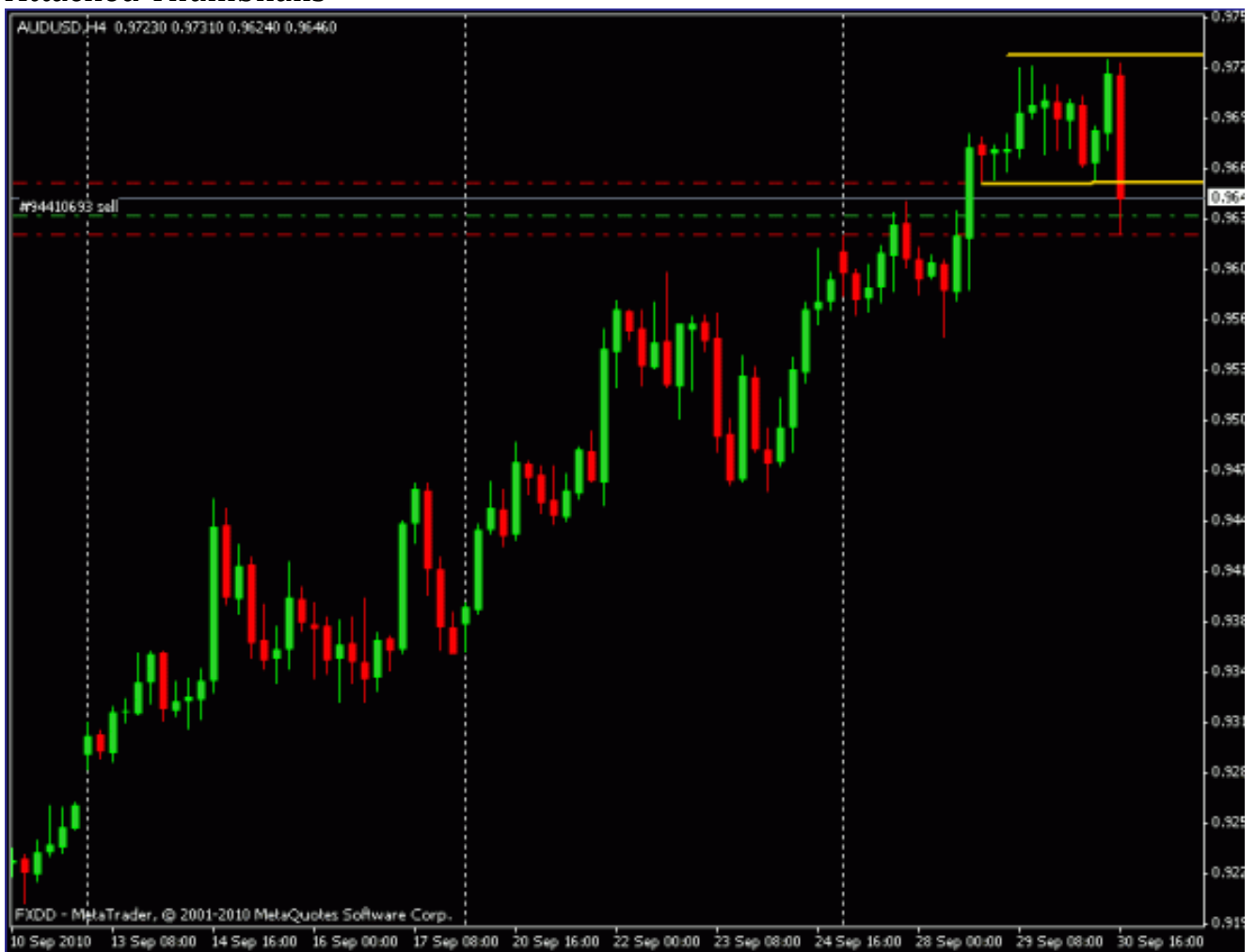
## Breakout trade

Quote:

Originally Posted by **lawgirl21**

*I don't look at ratios, only logical places. For this trade, since I believe it is a countertrend trade, I am looking at 15-20 pips.*

Quick trade with SL and TP  
Attached Thumbnails



Sep 30, 2010 17:58




[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)





Quote:

Originally Posted by **PurePrice** 

*Sorry about this, but can you show us how you decide the mixed directions? Is it just the RSI (3) direction? Thank you.*

Yes, and PA. I'll post charts. Compare PA with direction of RSI in each TF.

Attached Thumbnails




Sep 30, 2010 18:00



[lawgirl21](#)  
Member

Member Since Dec 2009

 [6,595 Posts](#)



Weekly

chart

Attached Thumbnails



Sep 30, 2010 18:04



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ v [6,595 Posts](#)

Daily

Trend differs from last two.  
Attached Thumbnails



Sep 30, 2010 18:08



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

H4

Chart down trend, as daily. So directions are mixed. I almost never place a trend trade against weekly chart direction especially this late in the trading week.  
Attached Thumbnails



Sep 30, 2010 18:16

[PurePrice](#)  
Member

Member Since Aug 2010  
4 v [2,334 Posts](#)

thanks

Quote:

Originally Posted by **lawgirl21**

*Chart down trend, as daily. So directions are mixed. I almost never place a trend trade against weekly chart direction especially this late in the trading week.*

Yes the cahrts are very helpful ... I was thinking of going LONG with the weekly and monthly trends. However, I understand now that daily and H4 are down ... so we can wait till that trns up maybe and if there is another opportunity, I would look at it then.

Sep 30, 2010 18:42

[duffypratt](#)

Member

Member Since Sep 2010

 [563 Posts](#)



Another pretty obvious question here: When the third tap happens, price action will always be against the trend, by definition. For example, on a long trade, the trendline is drawn from low to low, and the price has to come down to hit for the third time.

It's also pretty clear from some of these examples that you will wait before jumping in, at least on some of these trades. If the price continues to march through the line, you bail on the trade. But how much does it have to move in your favor before you decide to take it? (In this regard, your approach seems different from David's. As I understand it, he jumps on a third tap at the moment it hits. And I think there are other people who may wait for the candle to close. But I don't think you are doing either of those necessarily.)


Sep 30, 2010 18:52



[lawgirl21](#)

Member

Member Since Dec 2009

 [6,595 Posts](#)



Quote:

Originally Posted by **duffypratt** 

*Another pretty obvious question here: When the third tap happens, price action will always be against the trend, by definition. For example, on a long trade, the trendline is drawn from low to low, and the price has to come down to hit for the third time.*

*It's also pretty clear from some of these examples that you will wait before jumping in, at least on some of these trades. If the price continues to march through the line, you bail on the trade. But how much does it have to move in your favor before you decide to take it? (In this regard, your...*

Yes, that is correct: third tap is against the trend. You can call it a retrace, a pullback, an attempt to break through the TL.---it's all those things.

If because of my schedule, I come to a potential trade at the time of the 3rd tap, I will wait to see if PA breaks through the TL or heads back into the trend

direction. If I come to a potential trade after the 3rd tap, then my analysis is different: how many candles ago was the tap? is there room to travel (reasonable R/S levels above and below)? are all TF trends still in confirmation?

Sep 30, 2010 19:35



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **Scrutch**

*I'm wondering if you have ever tried dropping to a lower time frame for you entries. I don't have your charts up (I'm watching a few things of my own at the moment) so I don't know if your daily AU {AUDUSD} chart is showing a long direction as the weekly and monthly did a while ago but for the sake of an example, say all three have given a green light and the daily just tagged your trendline for the third time.*

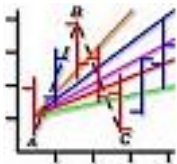
*Example Only:*

*Drop down to an AU 5min chart...there is an excellent PA entry to go long with very small risk...?*

I have never liked anything lower than 15M, but I often use the 15M chart to enter breakout trends--a close of candle completely away from TL.

I would probably want to see a couple of 5M candles close before entering..so I would probably just use the 15M, which would require more patience, but would be 3x the confirmation of a 5M entry.

Sep 30, 2010 20:05



[Scrutch](#)  
Get rich slowly...

Member Since Dec 2008  
 [650 Posts](#)



Quote:

Originally Posted by **lawgirl21**

*I have never liked anything lower than 15M, but I often use the 15M chart to enter breakout trends--a close of candle completely away from TL.*

*I would probably want to see a couple of 5M candles close before entering..so I would probably just use the 15M, which would require more patience, but would be 3x the confirmation of a 5M entry.*

LG...do you use the same approach to enter on you 3tag methodology as well?  
Providing that you have all rsi's showing the same direction.

Perhaps you would be so kind as to show an example of how you would enter on the recent EJ 3tag. Think all watching your thread would be very interested in a walk through on this as well.

Sep 30, 2010 20:58



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **Baloo**

*hi Lawgirl, what do you think of this breakout on the EUR/AUD?*

For some reason, I missed this post. Sorry I'm so late in responding. Excellent, all TFs were long. Did you make pips on it?

Sep 30, 2010 21:04



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **starlite**

*Hi There Lawgirl21*

*I've been following this thread for a while and wanted to ask, do you have any performance figures for this method. I know you set a dollar value for your weekly goal, but if you had to guess, how long would you say it would take you to double you account, obviously using proper MM (not risking more than 5% per trade).*

I have no performance figures. I do not attempt to double my account. I pull money off the table every time I am up a certain amount of money. As I have stated before, at first I let my winning trades accumulate until it did not feel like

"real" money and I got careless. That is why I withdrawn money.

Sep 30, 2010 21:10



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



---

Quote:

Originally Posted by **Scrutch**

*LG...do you use the same approach to enter on you 3tag methodology as well? Providing that you have all rsi's showing the same direction.*

*Perhaps you would be so kind as to show an example of how you would enter on the recent EJ 3tag. Think all watching your thread would be very interested in a walk through on this as well.*

Yes I often use the same method of going to 15M chart and waiting for movement in my direction with PA. Not always, depending on what I'm seeing PA doing on the H4 chart, but I think it is a good and cautious idea.

Sep 30, 2010 23:20



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)

GBPUSD

---

I totally missed this trade. Did anyone catch it? A 200 piper.  
Attached Thumbnails





Sep 30, 2010 23:43



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)

### New Day Scan of Pairs

My new trading day started about 30 min. ago. I have just finished a quick scan of 16 pairs and found an amazing number of them with 3 TF confirmation. Now I will go back through them and look for taps, breakouts and channels. They are:

USDJPY - short  
AUDJPY - short  
EURGBP - long  
GBPJPY - short  
EURCHF - long  
EURAUD - long  
CHFJPY - short

Oct 1, 2010 0:25



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

CHFJPY

This pair had its third tap on the 6:00a.m. candle (my time). This has been going down since for 70-80 pips.

Attached Thumbnails



Oct 1, 2010 2:19




[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



---

Quote:

Originally Posted by **547261646572** 

*At last, here is an intelligent thread by someone who can obviously trade: no ego and no pedestal. Some owners of the biggest threads would do well to take a leaf out of your book.*

*Nice one and thanks Lawgirl21.*

*If I'm not mistaken, you enter on the close of the 3-touch bar (forgetting trend direction for now). Have you had any experience of entering on a lower time-frame (as I believe you do for range breaks), to get a better R:R? e.g. you have your 2-bar TL on 4hr but enter on a subsequent 1hr TF touch, off the 4hr TL - make sense?*

*I...*

Thanks for your kind words.

No need to wait for 3rd touch close, just verify by PA that trade is going in desired direction. I often do go to a 15M chart to watch PA and enter after close of 15M candle in desired direction. Waiting for close of H4 candle would lose too many pips, I think.

I like your idea of a 2-bar TL on the daily. Try it and let us know how it is working. I have a trade going on now with a 3 touch long on daily chart on USDCAD pair since yesterday..still negative. I will post an update on that trade.

Oct 1, 2010 3:52



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **Scrutch** 

*Yeah, that was the short...your FXCM chart is almost identical to LG's. Seems in the background of my gray matter that I remember that FXDD uses FXCM data. Think they are New York based but perhaps Chicago. Also think they use Chicago time for their chart base. My MT broker is New York based and they use New York time for their chart base. BTW...My charts look nothing like yours or LG's, the third tap on my chart (GU) is a penetration of the trend line by 30 pips.*

LG...This is just getting started 🤞 ...Good Luck  
BTW...I've tried a couple of...

Don't get me wrong, I'm not complaining. It is amazing how well this method/system (I really don't know what to call it!) works. I actually think if a trader limits him/herself to say no more than three pairs and have those pairs up on charts at all times, there is almost unlimited money to be made. I will do that eventually because I do not like anything that seems frenzied and scanning 16 pairs is frenzied to me.

Oct 1, 2010 8:03



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **freedomsg** ➡  
*Hi Lawgirl,*

*I like this sentence in yr first post "TRADE ANY MARKET THAT MAKES SENSE FOR YOUR LIFESTYLE. DON'T WORRY ABOUT WHICH MARKET IS OPEN, WHICH IS CLOSED." I lost my life since i start trading... 1 year back. Everynight I will switch on my pc after work and starring at it till i go to bed. My wife and daughter complaining that I look at the monitor more than i look at her...haha*

*I decided to drop back and look at the bigger tf. There are different way of trading, some trading MTF and it really need screen time in order to place a trade....*

Hi freedom--I tried setting my alarm clock to wake up at 3:00 a.m. or whatever because someone said to trade the London market..it about killed me. Then I found I could make money trading anytime I had a chance to get to a computer. Trading is lonely enough.

I don't see much happening for EJ right now. H4 is in the ditch, being indecisive. Daily is short, but weekly and monthly are long..although PA for monthly on my chart is short. Too much confusion for me. This is beginning of new trading month, so I would give direction a little more time.  
Attached Thumbnails



Oct 1, 2010 13:40



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by [lite27](#) ➤

*Hi Lowgirl, please explaine me how to understand the RCI: For **LONG: RSI should be pointing between 12:00 and 2:00**. 3:00 is neutral.*

*For **SHORT: RSI should be pointing between 4:00 and 6:00**. Again, 3:00 is neutral why not above/below 50%? Sorry, I did not understand how you use RCI, but RCI is an important part of your strategy, correct? Thank you,*

RSI is used, along with PA, to determine direction only. It is not used to indicate overbought/sold for our purposes. Basically, RSI needs to be pointing up for

long and down for short.

Oct 1, 2010 14:03



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



Quote:

Originally Posted by **juzgood1978**

*This sytem is excellent just that speaking on behalf newbies it has a couple of "vagueness" or grey area. Like how far the taps can we go and the tap touches is it base on bid or ask? Also when there's a zigzag pattern do we take long or short?*

*This is an amazing trading thread and I love it an personally see light and hope in forex trading now. Just that if we can't get the. "vagueness" sort out it will affect on our emotions during real money trading I guess..*

JG, I do not believe that this system is really a good newbie system. I think that even though it is simple, it is really an advanced system of trading. And one reason is that there will always be vagueness, because there are no exact numbers involved..only areas i.e. areas of support, areas of resistance etc.

Another reason I believe this is a better system for advanced traders is that we are really trading three different styles, based on trend and PA alone.

1. 3 tap system - the easiest. Basically find the trend. Look for taps.
2. Breakout system - when there are no discernable trends. The first three days of this week were like this on many pairs.
3. Channel Trading - knowing the trend, but trading the bounces off of trend channels. The hardest and riskiest of the three, in my opinion, because countertrend trades are involved.

There are whole threads and indeed books written on each of these styles of trading. We are using them interchangably because we are "reading the charts" and can determine what type of market we are in. And we can determine what type of trade is called for. We can also determine when a pair doesn't fit into any of our trade types and move on to another pair. This is advanced trading.

Oct 1, 2010 15:15



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

## USDJPY Trade

---

I want to show you guys a trade I took last night that gave me 25 pips. This is an extension of my post # 338 above, a Breakout trade with a twist..

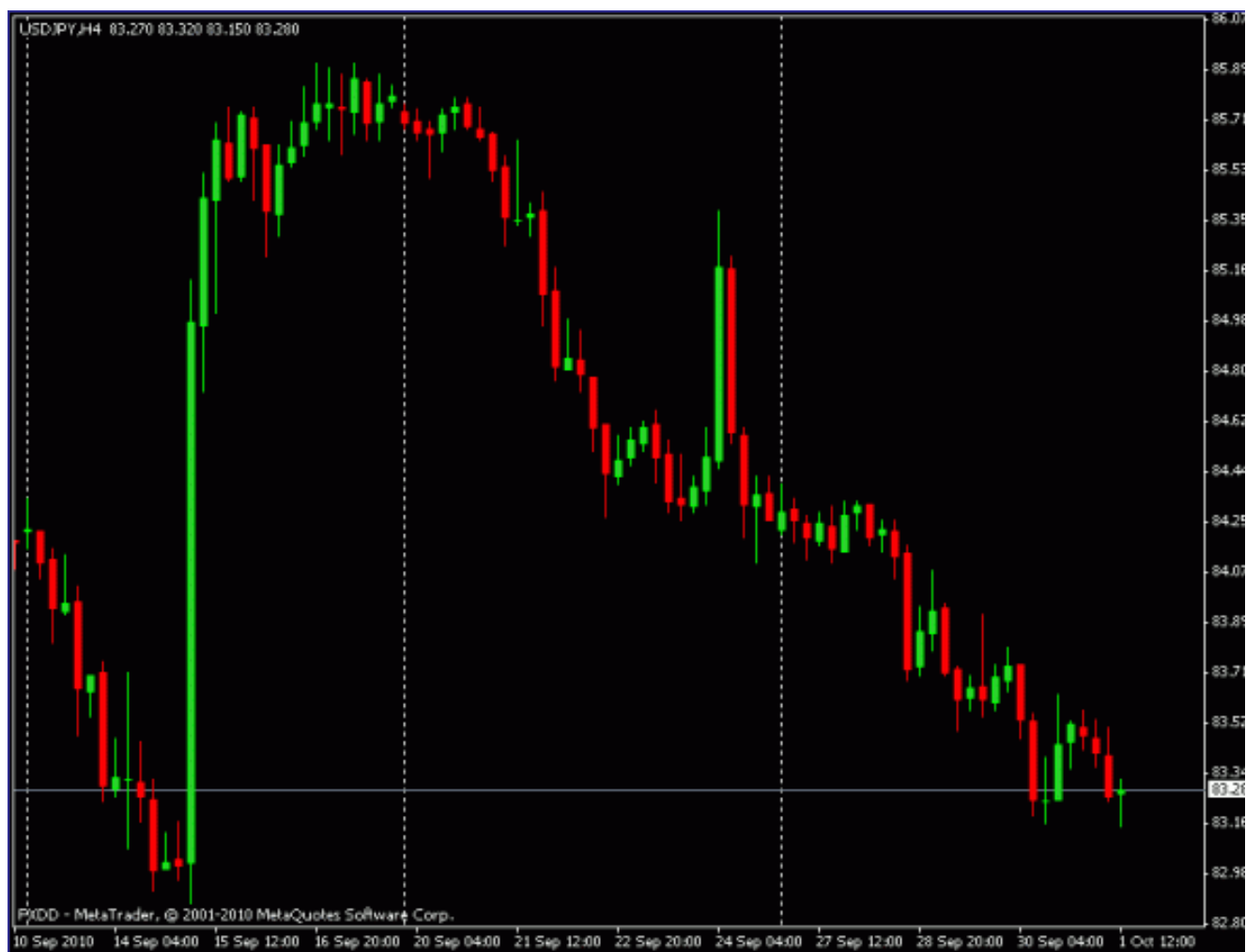
From my scan yesterday, I knew this pair had a short directional bias. I confirmed this bias before I set up the trade. H4 chart below

I could not find a valid 3 tap entry on the H4 chart. So I moved to the H1 chart and marked the highest high and lowest low of the first 4 candles of the start of my trading day (2:00 p.m. PST for me at FXDD, you have to know the start of your trading day). In other words, I drew horizontal lines only considering the 2:00, 3:00, 4:00, and 5:00p.m. candles. I did this around 8:00pm my time. H1 chart below

I waited for PA to pop out below my bottom line, stay there and continue down. It did, although I had already gone to bed. I had set a pending order below the bottom yellow line and caught the pips down.

Just another way we can skin this cat when we know the trend, but don't see a 3 tap set-up.

Attached Thumbnails







Oct 1, 2010 15:38



[chonghm](#)  
Member

Member Since Aug 2009

 [36 Posts](#)



Hello Lawgirl21,

Charts attached for you scrutiny.

Thanks,

chonghm

Attached Thumbnails



Oct 1, 2010 15:47



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **chonghm**

*Hello Lawgirl21,*

*Charts attached for you scrutiny.*

*Thanks,  
chonghm*

Let's go through the process. For NZD all TFs are long. The 3 taps occurred. You may have entered a little late. Looks like you entered more than 8 hours after 3rd tap. Where is your next resistance level, which you will use for TP? Also remember that this is a short trading day. I would take my profit as quickly as I could.

Oct 1, 2010 15:57



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **Baloo**

*Potential setup on USDCHF. What do you think Lawgirl?*

I want you to go through the analysis. I will help you, but you tell me why you think this is a good trade.

Oct 1, 2010 16:13



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Good. All TFs are short. Three taps occurred. You can see what is below you. Again, this is a shortened trading day so keep it tight on your TP.

Attached Thumbnails



Oct 1, 2010 16:22



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



Quote:

Originally Posted by **Baloo** >

*Thanks! So you would take profit around .9745?*

Move to a 15M chart now with that TP marked to watch the trade. Consider taking half your profit at that level, let the other half travel on down to .9725-30 level. PA seems to be moving in your direction.

Oct 1, 2010 17:15



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

#### Recent Missed Trades

---

I am going back through the 6 major pairs and for the week and looking at missed trades. Hopefully you guys caught some of these.

EURUSD

Oct 1, 2010 17:16



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

#### Chart

---

Sorry, forgot it.  
Attached Thumbnails



Oct 1, 2010 17:26



[lawgirl21](#)  
Member

Member Since Dec 2009

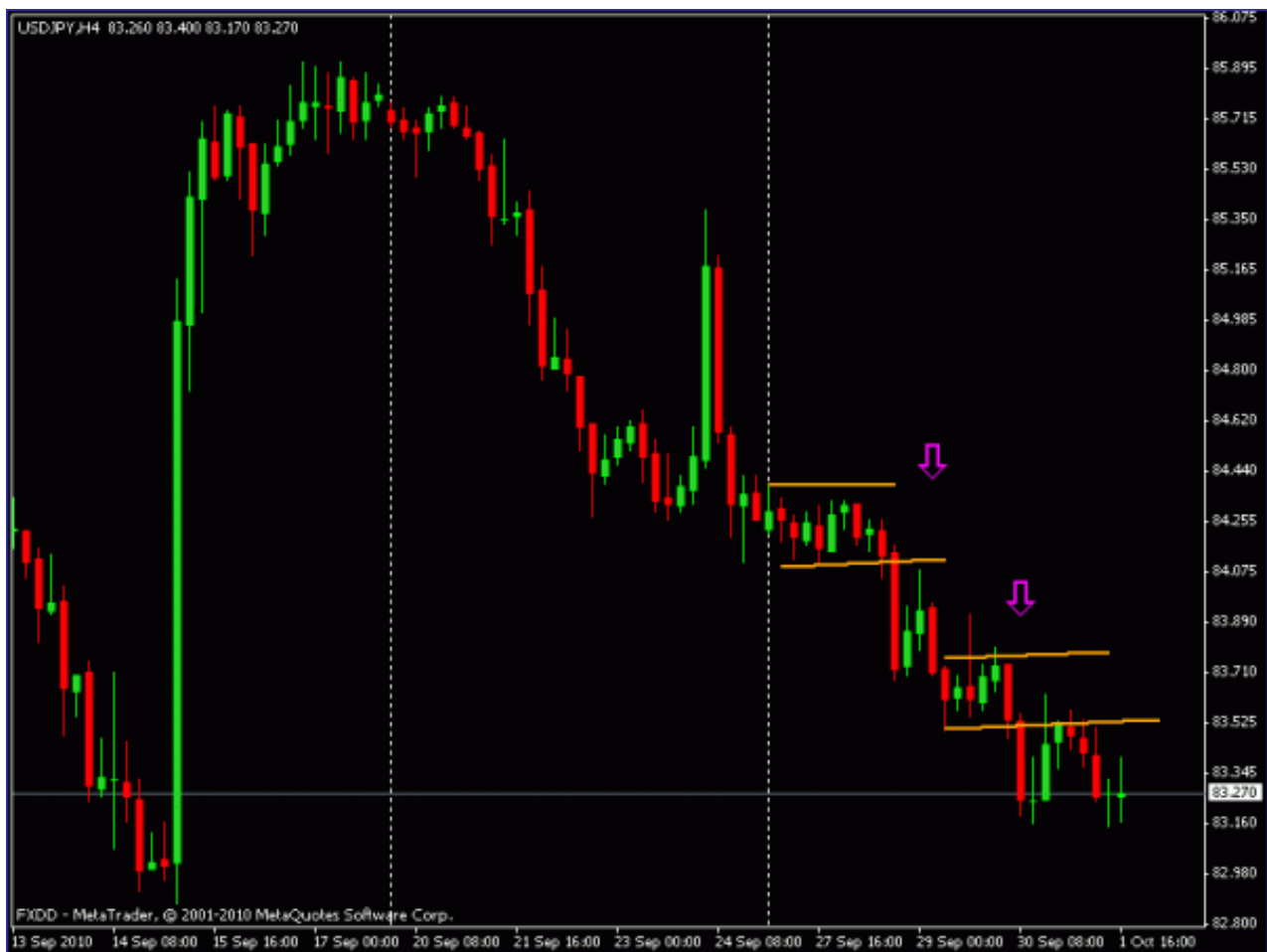
10+y [6,595 Posts](#)



**At least two Breakout Trades**

USDJPY

Attached Thumbnails



Oct 1, 2010 17:26



[lawgirl21](#)  
Member

Member Since Dec 2009

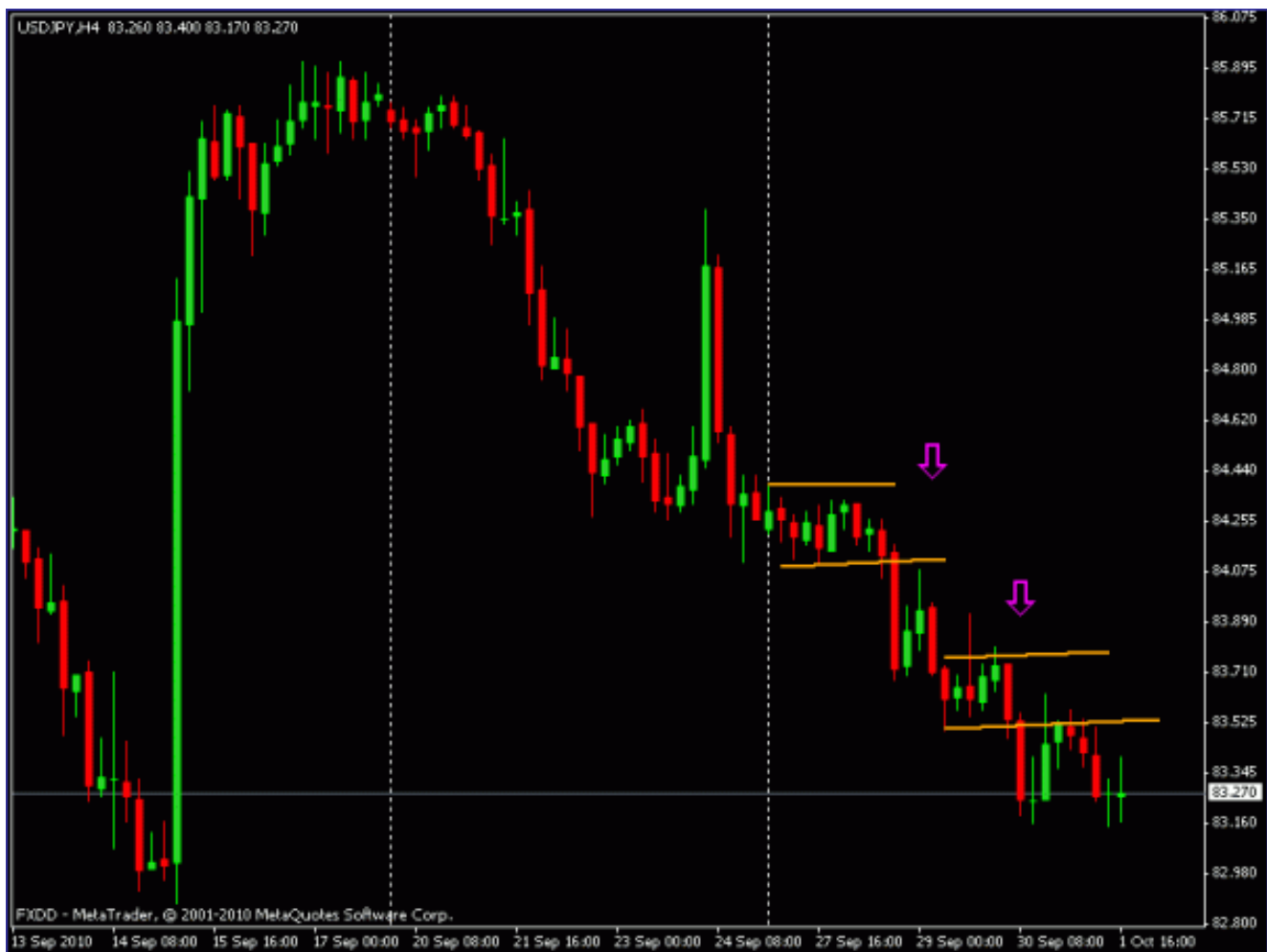
10+V [6,595 Posts](#)



At least two Breakout Trades

USDJPY

Attached Thumbnails



Oct 1, 2010 22:10



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **PurePrice** >

*I normally would not touch this trade with a 6-ft pole since it is about closing time before the weekend (4:00PM EST). But since this is a demo account and I lose nothing but virtual pips if this doesnot work out, I am wiling to take this trade on a demo account just to see where the trade goes. It just looks so damn perfect I could not resist 😊*

*Please see chart...*

Sorry PP, by the time I was able to look at the chart, it had turned into a beautiful channel. Did you make some pips before the upswing?

Attached Thumbnails





Oct 1, 2010 22:28



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

Have a great weekend everyone!

I'm done until Sunday afternoon. It has been an interesting week. Very different from the week before, when pairs were trending more (better?). But I met my goal and hope everyone else did too, even though I believe I had to work alot harder.

If you have a chance to study charts, pick one or two of the major pairs and go back through the last week and look for patterns of 3 taps, breakouts and channel trades. Note the ones that worked out and, just as importantly, the ones which did not.

Note end of month directional bias of the pairs you are studying, mark S/R levels and jot down what you believe, based on PA and trend direction, the trend will do. Will it continue? Pullback?.. Of course, we have no control over trend continuation, but it is surprising how often it does continue. Remember too, that the same analysis is used when looking at the

monthly charts...i.e. trading within a range (take a look at USDCAD..trading within a range for the last 10 months!), trending, breaking out.

Get some rest, spend time with your families..see you back on Sunday afternoon.

Oct 2, 2010 16:32



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **roundrock**

*hi lawgirl, how many trades you take in a day ? from the charts posted here looks like you are taking many trades. i am still struggling to understand the MM aspect of it. where to put sl, tp. lot of times i am seeing sl is too far away than tp. so in such case do you move sl to be ?*

RR, some of the charts that I posted were not traded, they were examples of missed trades, potential set-ups, etc. I generally have 4-6 trades per week. I trade to reach a particular weekly goal. But that is just me and what works for me. You should have your own weekly/monthly goals. ( From my experience, a daily goal is too pressured. Others may like a daily goal.)

I won't go into MM on this thread. There are tons of threads that do that. I am assuming that everyone here understands and knows how to implement sound MM.

I use resistance and support levels for TP and SL. Often I never place a SL at all, but I am not recommending that to others. I often close a trade in profit when I don't like what I see on the H1 or 15M chart. I sometimes close a profitable trade "just because" (usually when I am tired.)

Oct 2, 2010 21:42



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **sashasan**

*you mean the yen?*

*unfortunately no, but will follow up closely starting by this week*

This system produces many trades and on the same pairs. That's why it is better, I believe, to limit the number of pairs that are watched.

Oct 2, 2010 22:30



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

GBPUSD

Quote:

Originally Posted by **lawgirl21**

*This system produces many trades and on the same pairs. That's why it is better, I believe, to limit the number of pairs that are watched.*

Here's an example of 3 Tap Trades only (no channel trading, no breakouts) on GU for the last 3 weeks. Now, it is not likely that all of these trades could have been caught ( a trader has to sleep sometimes!) but If that is the only pair being watch...a nice living could be made with just this pair.

Attached Thumbnails



Oct 3, 2010 0:20



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **laimonk**

Hi LG

*Fantastic work - great stuff!!!! This feels like home!?*

*In this 3 tap example (post 410), As I understand it, in your system, you wait for month, week, day and 4hr to align. So this is only an example right? You won't be trading both long and short within a week - OR is there another trading system in play here?*

*Thank you and Cheers*

You might be trading two directions in a week. Go back and look at GBPUSD H4 chart and re-test the direction of the RSI on the third tap for this last week and the bridge trade for week before last. You will notice that the weekly RSI is at 3:00 on both of these, but daily and H4 have already changed direction. This is when PA steps in and dictates the trade.

Attached Thumbnails



Oct 3, 2010 0:38



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **laimonk**

Hi LG

*Fantastic work - great stuff!!!! This feels like home!?*

*In this 3 tap example (post 410), As I understand it, in your system, you wait for month, week, day and 4hr to align. So this is only an example right? You won't be trading both long and short within a week - OR is there another trading system in play here?*

*Thank you and Cheers*

Glad to have you here and thanks for the kind words. Monthly does not have to align for 3 taps (unless you are trading on a daily chart.)

Oct 3, 2010 14:21



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **lite27**

*Hi Lawgirl, I need to precise the RCI role in determining 3 timeframes trend direction. As I understand you compare the RCI moving with hour hand of clock? exactly as clock hour hand shows time you regard direction and angle of RCI moving? Do you determine first the trend just using the RCI moving direction on W, D, H4 and no other tools?/ for example trendlines on W,D,H4/? Sorry for maibe my stuped questions, but I want to understand the role of RCI in your system and if before taking a 3 taps or breakout or channel trade on H4 we must determine...*

Yes, my initial scan of pairs is looking at RSI direction alone...if all three TFs are either up or down, the pair makes my short list. I disregard any pair that does not have RSI going in the same direction. The disregarded pairs are deleted from my screen. Then I go back through the pairs on my short list one at a time and look for trades. I even write what I am looking for on my chart. I will post an example. BUT before I place a trade, I will again confirm the direction as it may have changed.

Oct 3, 2010 14:28



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



USDCAD Chart to Myself

Quote:

Originally Posted by **lawgirl21**

*Yes, my initial scan of pairs is looking at RSI direction alone...if all three TFs are either up or down, the pair makes my short list. I disregard any pair that does not have RSI going in the same direction. The disregarded pairs are deleted from my screen. Then I go back through the pairs on my short list one at a time and look for trades. I even write what I am looking for on my chart. I will post an example. BUT before I place a trade, I will again confirm the direction as it may have changed.*

I have looked at the different pairs and made notes to myself on the charts as to what I will be looking for this coming week. May sound crazy, but it works. Here's one example.

Attached Thumbnails



Oct 4, 2010 3:15



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

USD/CAD

Happy Trading Week, Everyone..

I'm looking at UC as a possible Breakout trade short. This pair has been in a H4 channel for weeks. I'll switch back and forth between H1 and 15M charts to watch PA for an entry.

Attached Thumbnails



Oct 4, 2010 3:22



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+ [6,595 Posts](#)

 EURCAD

Another possible 4candle Breakout short.  
Attached Thumbnails



Oct 4, 2010 3:27



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURCAD

---

Will enter if candle on 15M chart closes completely outside the bottom yellow line.  
Attached Thumbnails





Oct 4, 2010 3:44



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



USDJPY

Just entered this Breakout trade.  
Attached Thumbnails



Oct 4, 2010 3:50




[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by [lawgirl21](#)   
*Just entered this Breakout trade.*

Out with +12 pips.

Oct 4, 2010 3:53



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



USDJPY

Also a 3 tap trade.  
Attached Thumbnails



Oct 4, 2010 4:09



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

EURCAD

Quote:

Originally Posted by **lawgirl21**

*Will enter if candle on 15M chart closes completely outside the bottom yellow line.*

Notice what happened here? The 15M chart and a little patience kept me out of that trade.

Oct 4, 2010 4:24



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

GBPJPY

In this trade.

Attached Thumbnails



Oct 4, 2010 4:27



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **pierre23**

*I believe the news release helped nudge the xxx/JPY pairs more than usual, good trading. I'm currently short on EU at 1.3181, after a small bounce from the top of a weekly, daily and H4 channel, we'll see how this one develops..*

Looks like it will be a good trade.  
Attached Thumbnails



Oct 4, 2010 5:15



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 USDCAD

---

PA is poking out the bottom support line on Breakout H1 trade.  
Attached Thumbnails



Oct 4, 2010 6:44



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

EURCAD

Time for a second look. Trend is down on 3 TFs. PA has broken out of support line and 15M candles have closed. BUT, there is very little movement on the 15M candles. I'm going to wait longer.

Attached Thumbnails



Oct 4, 2010 14:19



[lawgirl21](#)  
Member

Member Since Dec 2009  
[10+ v](#) [6,595 Posts](#)

 **EURCAD**

Did finally break out and down for about 40 pips, but I missed it... was asleep.  
Attached Thumbnails



Oct 4, 2010 14:23




[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

 EURJPY

Quote:

Originally Posted by **juzgood1978**   
*Looks like a nice one coming?*

I was watching this pair for a Breakout trade. It did breakout short for about 70 pips.  
Attached Thumbnails





Oct 4, 2010 14:31



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

USDCAD

..came out of the H4 channel that it as been in for weeks, then went right back into it.  
Attached Thumbnails



Oct 4, 2010 14:37



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



Quote:

Originally Posted by **juzgood1978**

*Can I clarify that we can solely use the RSI pointing up and down to define trend or using the whole higher high lower low to determine?*

It's a 2 step process done in this order:

1. scan using RSI for direction
2. only on pairs with confirm direction, study PA and draw TLs

Oct 4, 2010 14:55



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)

EURGBP

I'm in this trade, short.  
Attached Thumbnails



Oct 4, 2010 17:11



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



Quote:

Originally Posted by **mrhb30jr**

*Hi Lawgirl21,*

*just check with you usdchf sell entry 0.9770 sl 0.9790*

*TP1 0.9715 now i'm waiting for the tp2.... it's the valid signal sell base on your system..... plz advise if i made the right way enclosure usdchf 4hr tf*

*cheers*

Should be a good trade.  
Attached Thumbnails



Oct 4, 2010 18:00



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **JGforex7780**

*Hi all,*

*do you see a uptrend movement in GBPUSD.*

*I am using dealbook360. cant post the chart out. seems to be different from mt4*

Yes, I do.

Attached Thumbnails



Oct 4, 2010 18:23




[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **fxtsun**   
*lawgirl,*

*Just a quick question, perhaps it was already answered before, if you are looking to enter long, does the RSI on all three TF's needs to be above (or below for short) the 50 level?*

*Thanks,*

*fxtsun*

---

*"Chance favours the prepared mind" - Louis Pasteur*

No, the 50 level is just a point of reference. Some believe trend is stronger if above the 50, but you can totally take it off the indicator if you like.

Oct 4, 2010 18:40



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



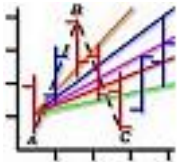
Quote:

Originally Posted by **Baloo**

*but it seems that sometimes we ignore H4 RSI because many trades are pullbacks to the H4 trendline so usually these pullbacks are movements in the opposite direction of the trendline.*

Taps occur after pullbacks. We are looking for a continuation after the 3rd tap (pullback) The only time we might ignore the H4 RSI is if after entering a trade, it changes..then as long as the daily and weekly are "staying the course" we will usually be ok in the trade.

Oct 4, 2010 18:41



[Scrutch](#)  
Get rich slowly...

Member Since Dec 2008  
10+V [650 Posts](#)



Quote:

Originally Posted by **Baloo**

*but it seems that sometimes we ignore H4 RSI because many trades are pullbacks to the H4 trendline so usually these pullbacks are movements in the opposite direction of the trendline.*

This is not my method so perhaps I'm not the one to answer your question...but I can give you my opinion. If you already have several profitable methods to trade then it probably won't hurt your account to test different approaches to LG's method. If at this point you are still searching for a profitable method...don't change the rules LG has laid out, trade the method by the rules on the first post. Please don't take my statements the wrong way Baloo...they are only meant to help.

I've yet to see a thread that has been started here that hasn't gone through the "let's add some more indi's to this thing" stage. So far this thread has mostly escaped that. Just because the method sounds so simple don't try to make it more complex. Trade it by the rules until you get cozy with it...then make a few changes to match your own style and make the method your own. For now just try taking only the A++ trades and see if it doesn't increase your bottom line.

Oct 4, 2010 18:42



[Baloo](#)  
Member

Member Since Sep 2010  
[23 Posts](#)



Quote:

Originally Posted by **lawgirl21** >

*Taps occur after pullbacks. We are looking for a continuation after the 3rd tap (pullback) The only time we might ignore the H4 RSI is if after entering a trade, it changes..then as long as the daily and weekly are "staying the course" we will usually be ok in the trade.*

Ok, so we watch for the tap, but don't enter unless H4 RSI goes back to (or is already) the direction of the Weekly and Daily RSI?

Oct 4, 2010 18:49



[Baloo](#)  
Member

Member Since Sep 2010  
[23 Posts](#)



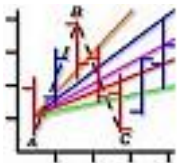
Quote:

Originally Posted by **Scrutch** >

*If at this point you are still searching for a profitable method...don't change the rules LG has laid out, trade the method by the rules on the first post. Please don't take my statements the wrong way Baloo...they are only meant to help.*

Ofcourse not, I take all the good advice I can get 😊 It's a bit confusing because following this thread it seems that sometimes trades are taken ignoring H4 RSI, and that the Daily and Weekly RSI are the most important.

Oct 4, 2010 18:57



[Scrutch](#)  
Get rich slowly...

Member Since Dec 2008  
 [650 Posts](#)



Quote:


Originally Posted by **Baloo** >

*Ofcourse not, I take all the good advice I can get 😊 It's a bit confusing because following this thread it seems that sometimes trades are taken ignoring H4 RSI, and that the Daily and Weekly RSI are the most important.*

Oki...let's cut to the chase here. The original question was posed about taking a short on the EC and I pointed out that the H4 RSI(3) was not in agreement with the D1 and W1 RSI. Would you have liked to be short this pair over the last hour or so when it was staging this retracement? By strictly following the rules we are on the sidelines for the moment and our bottom line has not been damaged. Sitting on your hands and not taking a trade that's against the rules is trading also. Most don't consider this to be trading but you "gotta know when to hold em and when to fold em" and it's one of the hardest parts to learn about trading.

Oct 4, 2010 19:04



[mrhb30jr](#)   
Member

Member Since May 2010  
 [681 Posts](#)



---

Quote:

Originally Posted by **Baloo** >

*Ofcourse not, I take all the good advice I can get 😊 It's a bit confusing because following this thread it seems that sometimes trades are taken ignoring H4 RSI, and that the Daily and Weekly RSI are the most important.*

hi ballo,

just check page no 1

"2. Check Trend on Weekly, Daily, and H4 Charts

This is the most important part of this method. All three (3) timeframes (TFs) must be in agreement (confirmation) on direction.

Scan through any or all pairs you wish to trade and jot down only those which have confirmation of direction on all three TFs. Do this by observing the RSI.

For LONG: RSI should be pointing between 12:00 and 2:00. 3:00 is neutral.

For SHORT: RSI should be pointing between 4:00 and 6:00. Again, 3:00 is neutral

NOTICE ON THE CHART BELOW THAT THE DIRECTION IS DOWN, OR SHORT. (RSI IS BETWEEN 4:00 AND 5:00 O'CLOCK)

Now look at the most recent price action (PA).on the chart below Notice that it is also short. This will be a pair "of interest" if and only if the direction on the daily and weekly charts



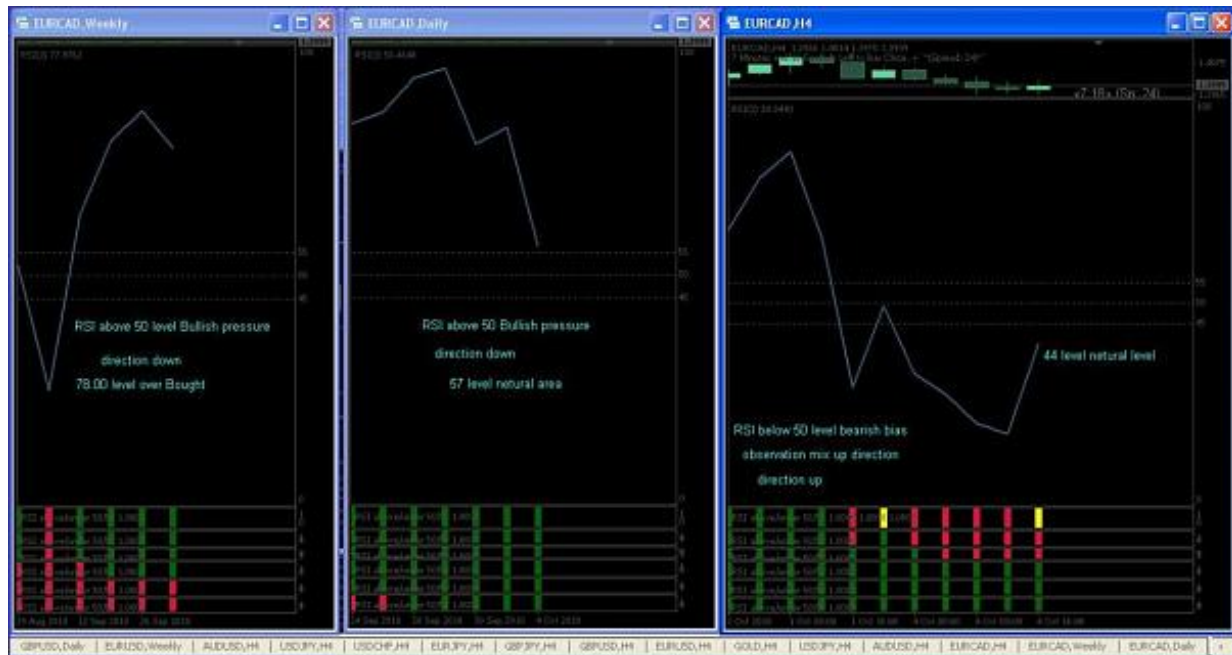
confirm the H4 chart direction.

enclosure the sample of chart ecad wktf, D1 and 4Hr and this is what i understand of this method

only taken the trade if the three tf with the same direction or close above 50 level of rsi indicator

cheers

Attached Thumbnails



Oct 4, 2010 22:48

[duffypratt](#)

Member

Member Since Sep 2010

[563 Posts](#)



There have already been two threads on this basic topic, and both of them are somewhat live. David's original thread was fantastic until shortly after he got his Neural Network running. Now it seems to exist mostly as an adjunct to his Neural Network. If you want to make some money with his method, and your broker/platform does one click execution, then figure out how to join the Neural Network and jump on the bandwagon. It seems to be doing well, but the thread doesn't offer much in the way of education or conversation anymore.

Then there is the Triple Taps thread. That started as an offshoot of David's thread. They use a similar method, and are very happy to talk about all sorts of other indicators and methods to be used in conjunction with the basic triple tap scheme. It can be a very interesting thread but is also hard for me to follow, simply because I can't get my mind around all the indicators and charts that fly by. This thread seems like it would be a perfect home for someone who is interested in incorporating some variation of Fibonacci numbers into the system

And then there is this thread, which is fascinating because of the purity and simplicity of the approach. It also looks like a very good place to get some insight about how to trade with discretion. I like it this way, and would hate to see the thread fall to indicator mania. And besides, it's LG's thread, and everyone should be willing to respect her wishes, at least here.

Oct 5, 2010 1:19



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **sashasan**   
*has anybody noticed the yen? is it too late now?*  
*should be long at 83.3xx*

Let's walk through it. All TFs including H1 are long. Third tap happened on current candle. Roughly two more hours are left on this candle. What is next most logical resistance area? Around 83.90? PA has gone up 20-25 pips already..you decide. Let us know what you are going to do.

Oct 5, 2010 1:48



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



---

Quote:

Originally Posted by **pierre23**   
*EU currently +105 pips. Position was entered with a 10pip stop so I am happy with this trade. I think I will move SL to + and see how this pair develops today.*

*Screenshot attached, **Red** lines are weekly channel, **Blue** daily channel and **Green** H4 channel. Will we see price reach the lower daily, or perhaps towards the lower weekly sometime soon? This is where trade management comes into play to try and maximize profit (patience).*

*Sorry the screenshot is shitty quality for some reason..*

Look at this chart from a Support/Resistance standpoint. Same colors: Red=Weekly; Blue = daily and Green = H4

It's going to really have to travel to reach next daily (blue) down. Could happen this week, I guess, but I don't think it's likely.

Attached Thumbnails



Oct 5, 2010 3:41



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 EURUSD

Using the same chart that has weekly, daily and H4 S/R levels marked, I have moved to the H1 chart, looking to for H1 4candle entry.  
Attached Thumbnails



Oct 5, 2010 14:06



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **K7420**

*I bailed out early instead of waiting for price to further develop. But by the way I got plenty of pips....*

+74

*This trade could have 100+ pips in total*

The great investor/trader Bernard Baruch said, "I do not try to predict the absolute top or the bottom. I am looking to take that middle 1/3, but I want to take it over and over again."

That's what you did here (or better). Now do it over and over again and you will obtain real wealth. Excellent job!

Oct 5, 2010 14:29



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## AUDJPY

Missed trade. 100+ pips.  
Attached Thumbnails



Oct 5, 2010 14:35



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## AUDCAD

Same with this pair. 100+ pips  
Attached Thumbnails



Oct 5, 2010 14:37



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 AUDUSD

We've been talking about this one.  
Attached Thumbnails



Oct 5, 2010 15:03



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

NZDUSD

Looks for now like H4 resistance is turning PA back.  
Attached Thumbnails



Oct 5, 2010 15:12



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURUSD

Take a look at the current chart and compare it with the chart at post #588. Notice that PA is once again knocking on the weekly resistance door. Will it be repelled by it or push its way through the door to the other side. This is a powerful resistance level.  
Attached Thumbnails





Oct 5, 2010 15:28



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

EURUSD

Quote:

Originally Posted by **lawgirl21**

*Take a look at the current chart and compare it with the chart at post #588. Notice that PA is once again knocking on the weekly resistance door. Will it be repelled by it or push its way through the door to the other side. This is a powerful resistance level.*

If you are watching this trade, move to the M5 chart and look at how many times PA has knocked on the door and been turned back...very interesting.

Attached Thumbnails



Oct 5, 2010 16:37



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 USD/CAD

I don't know if anyone remembers a post last week..chart notes to myself. (Re-posted below). Take a look at what has happened in the last few candles. Looks like PA has finally broken through the support line.

Notice that this is a Breakout trade, not a 3 tap trade.  
Attached Thumbnails



Oct 5, 2010 16:42



[lawgirl21](#)  
Member

Member Since Dec 2009

**10+** [6,595 Posts](#)



EURUSD - Update

PA knocking on the weekly door again.

Attached Thumbnails



Oct 5, 2010 16:44



[lawgirl21](#)

Member

Member Since Dec 2009

[6,595 Posts](#)

NZDUSD

Quote:

Originally Posted by **sashasan**

*nzd already broken 55 pips level  
looks like it will continue to go up*

A piggy-backed tap..risky.

Attached Thumbnails



Oct 5, 2010 17:19



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)



Hello Lawgirl!

I awoke late this morning to find the market topsy turvy and went to forexfactory to read news to find out what happened (CBs at it again!). Anyway, I saw this "Almost Naked Trading"

which caught my eye (yes, I knew it meant few indicators 🎯📊).

And, shazam! Here you are.....with your own new thread.

I have only scanned the first several pages at this posting, but I wanted to jump to congratulate you, and to wish you the best at sharing and helping others to grow profitable in this sometimes very mean marketplace.

I love simplicity (comes with old age) and may jump in here and there, for a test ride....so keep the setups posted! Be liberal with sharing wisdom and insight, as givers are the real receivers. Pay no mind critics. The money grubbers in the market would love all traders to be overloaded with indicators to mislead them. A trading method that is simple and successful is to them, what the cross is to Dracula!

Hold the cross high and let all come who will.

Sincerely,  
traderathome

Oct 5, 2010 18:07



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 EURJPY

---

..has finally broken out of a "ditch". A TFs are long, including H1. H4 chart has also had a triple tap.

Attached Thumbnails



Oct 5, 2010 18:10



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)


 EURJPY - H1 Breakout

Chart  
Attached Thumbnails



Oct 5, 2010 18:17



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)



Quote:

Originally Posted by **lawgirl21**

*..has finally broken out of a "ditch". A TFs are long, including H1. H4 chart has also had a triple tap.*

You posted as I was preparing this.....had to quickly set up a template. You see this as possibly breaking out long, right? But looking at "formations" this gives me the creeps, because the Daily looks like a Bear Flag.

So, what to do? Three taps....on H1 and go short? Or wait longer and see if there is a breakout long on H4?

Maybe patience is the key, here. But PA is at Weekly resistance.

Attached Thumbnails

EURJPY Daily

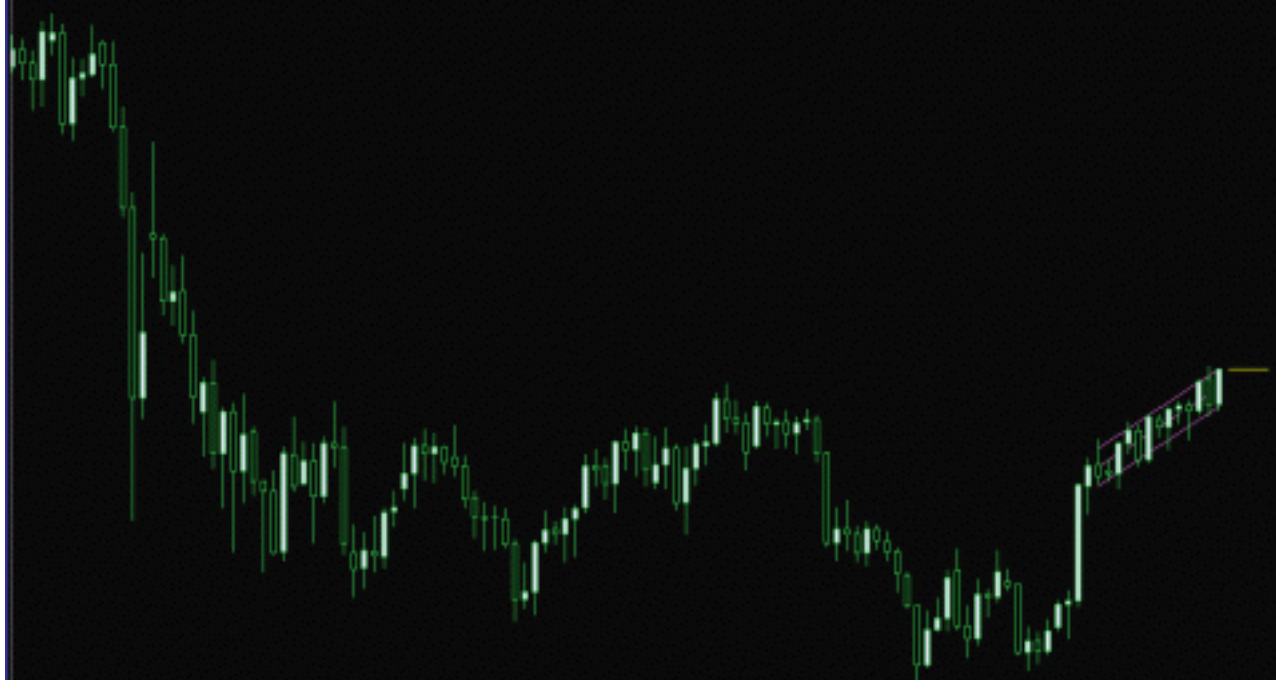
Spread 4

Range 139.131

Candle 04:44:34

**115.16**

***Bear Flag?***



RSI(14):74.3212

FXDD - MetaTrader 5 © 2001-2020 MetaQuotes Software Corp.

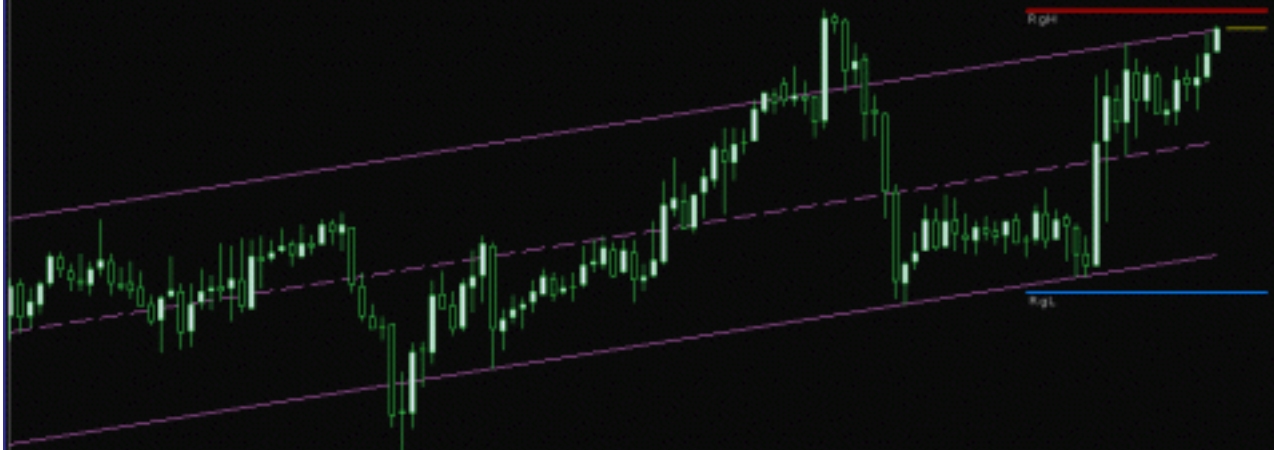
30 Apr 2020 30 Apr 2020 12 May 2020 24 May 2020 5 Jun 2020 15 Jun 2020 25 Jun 2020 7 Jul 2020 19 Jul 2020 29 Jul 2020 10 Aug 2020 20 Aug 2020 1 Sep 2020 13 Sep 2020 23 Sep 2020 5 Oct 2020



EURJPY H4  
Spread 4  
Range 139.131  
Candle 44.13  
**115.17**



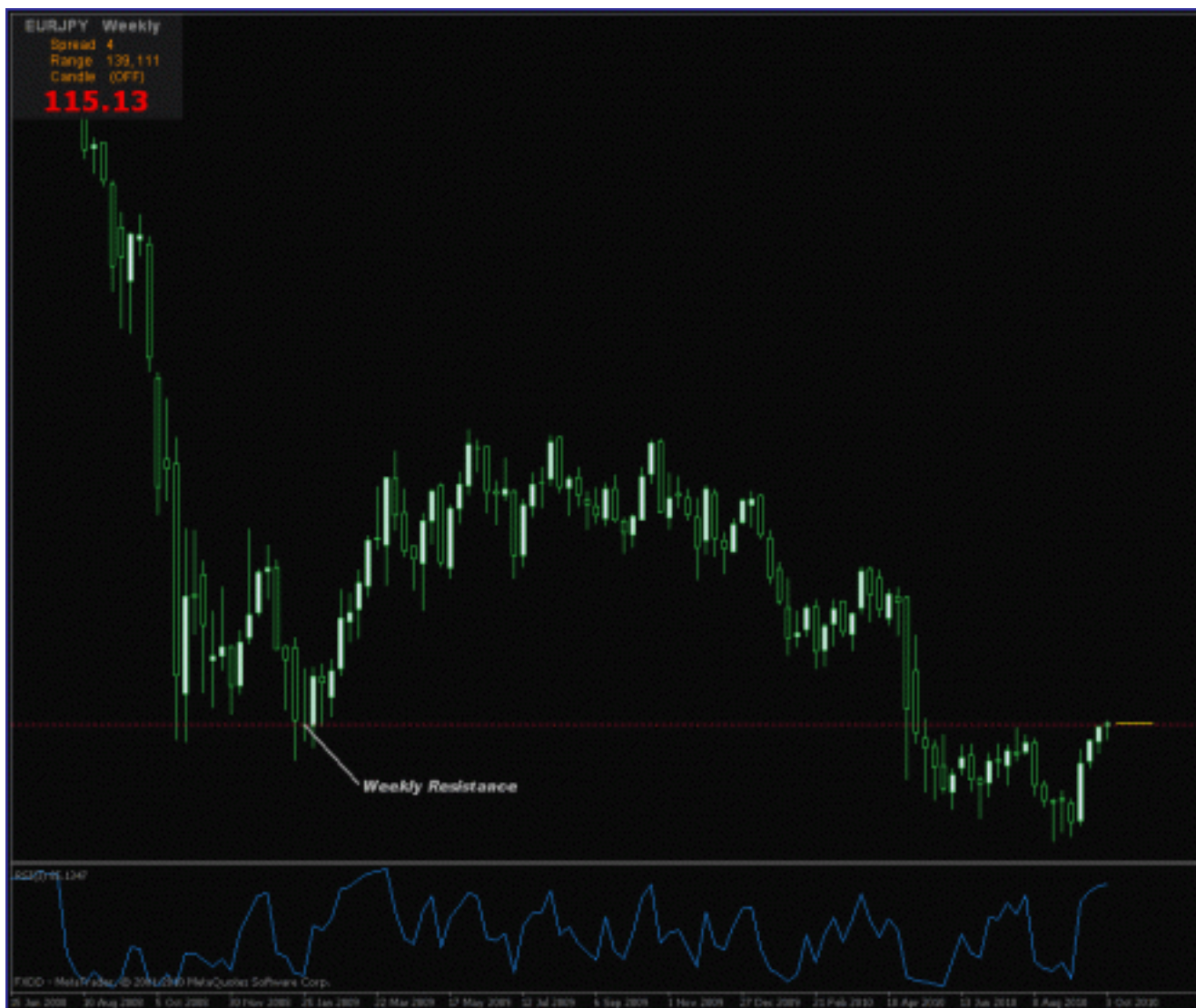
EURJPY H1  
Spread 4  
Range 139.131  
Candle 44.01  
**115.17**



RSI(14): 69.7912

FXDD - MetaTrader, © 2001-2010 MetaQuotes Software Corp.

29 Sep 2010 29 Sep 02:00 29 Sep 10:00 29 Sep 16:00 29 Sep 22:00 30 Sep 02:00 30 Sep 10:00 30 Sep 16:00 1 Oct 02:00 1 Oct 10:00 1 Oct 16:00 4 Oct 02:00 4 Oct 10:00 4 Oct 16:00 5 Oct 02:00 5 Oct 10:00 5 Oct 16:00



Oct 5, 2010 18:53



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10+V](#) [10,796 Posts](#)



USDCHF

This is at low on Monthly. Charts W and D don't change the picture much. But H4 zooms in a bit for clarity.....a long time low and a Bull Flag formation. Wait a long time for TL to reverse up, and then RSI/3 taps? Or wait for a breakout of the existing upper TL if RSI has turned up? Comments?

Attached Thumbnails

USDCHF Monthly

Spread 3

Range 109.95

Candle (OFF)

**0.9674**







Oct 5, 2010 19:10



[traderathome](#)  
 Practitioner of the Sonic R. System

Member Since Mar 2008  
 10+V [10,796 Posts](#)

EURJPY

Another thought here, lawgirl. This is a great inverted Cup and Handle formation on the Weekly, which warns PA could drop another 2,400+ pips! The Daily shows not only a Bear Flag, but also divergence with the RSI. These are things that point to possibly shorting off the top of the H4 TL/Bear Flag formation. Or, if being conservative, waiting for a break down out of the H4 formation. Comments?

Getting my feet wet here.....  
 Attached Thumbnails

EURJPY Weekly

Spread 4

Range 139.111

Candle (OFF)

115.13

## Inverted Cup and Handle Formation



EURJPY Daily

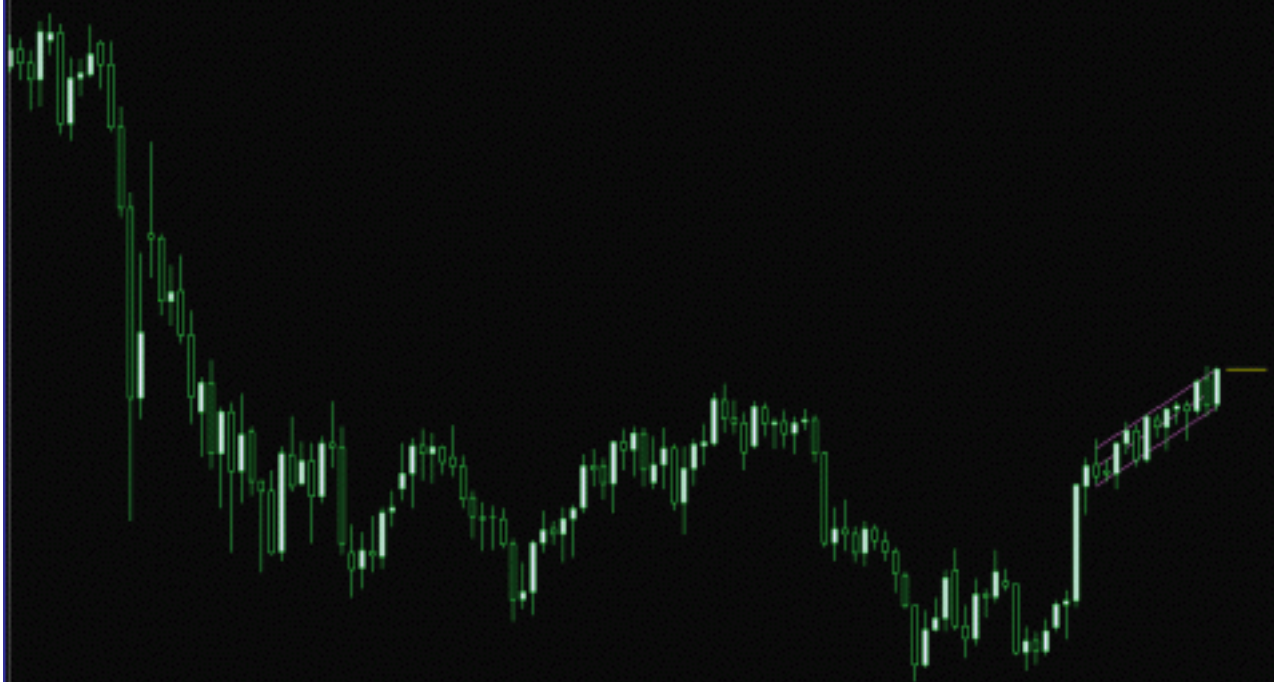
Spread 4

Range 139.135

Candle 03.32.39

115.18

## Bear Flag and Divergence



RSI(14) 74.0299

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26 Apr 2020 30 Apr 2020 03 May 2020 04 May 2020 05 Jun 2020 15 Jun 2020 25 Jun 2020 07 Jul 2020 19 Jul 2020 29 Jul 2020 08 Aug 2020 20 Aug 2020 01 Sep 2020 13 Sep 2020 23 Sep 2020 05 Oct 2020



Oct 5, 2010 19:52



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V 6,595 Posts



Quote:

Originally Posted by [traderathome](#)

*This is at low on Monthly. Charts W and D don't change the picture much. But H4 zooms in a bit for clarity.....a long time low and a Bull Flag formation. Wait a long time for TL to reverse up, and then RSI/3 taps? Or wait for a breakout of the existing upper TL if RSI has turned up? Comments?*

Sorry, I am at work and looking at charts between seeing clients.

I don't like this as a short trade because of the weekly 3 year low..like you mentioned. I think we can forget this pair for awhile until there is a pullback and turnup.



## Attached Thumbnails



Oct 5, 2010 19:57



[lawgirl21](#)  
Member

Member Since Dec 2009

10+y [6,595 Posts](#)

 EURJPY

---

I do hate missing 2 nice moves up after watching and waiting for BOTH of them! 🤔  
Attached Thumbnails



Oct 5, 2010 20:14



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)



Quote:

Originally Posted by **sashasan**

*i would probably postpone this trade (as well as any other) here just because of the typical market's weakness for this time. i noticed that the "sessional power" has its own sense - if london bumped the market (where as we know about of 33% of invested forex capital is) for ny session the most would be a half of the london's pips or even not that much, if for some reason its a "calm sea" in london, we should be ready for a "hurricane"* 😊

Good words from you, and agreement here. Unless the sessional powers...the only ones left at the table being US.....pull off a late session run, the day is already over. I just find it interesting how on these larger TF charts, pictures are so much clearer. Take the inverted Cup and Handle on Monthly for example. The formation completion points to a target area. Then compress the Monthly and see where that target area is, relative to PA history! I believe forexfactory had, a few weeks ago, a clip from Goldman Sacks about EJ dropping over the months ahead, regardless of BOJ interventions. Maybe they are going to be right (maybe because they are going to help make it happen?) 😊

In light of this, if one has lots of patience, a longer term short trade might be just about right here. BTW (not illustrated on charts below) current PA might qualify as beginning the 3rd group of taps against a downward sloping upper TL on the Monthly.  
Attached Thumbnails

EURJPY Monthly

Spread 4

Range 139.111

Candle (OFF)

**115.30**





Oct 6, 2010 0:14



[traderathome](#)  
Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)



Quote:

Originally Posted by **lawgirl21**

*Sorry I'm so late in answering you..your post slipped by me.*

*1. The 50 level is only for orientation. It visually demonstrates a neutral direction i.e. the 50 level is 3:00..anything above is long..below is short.*

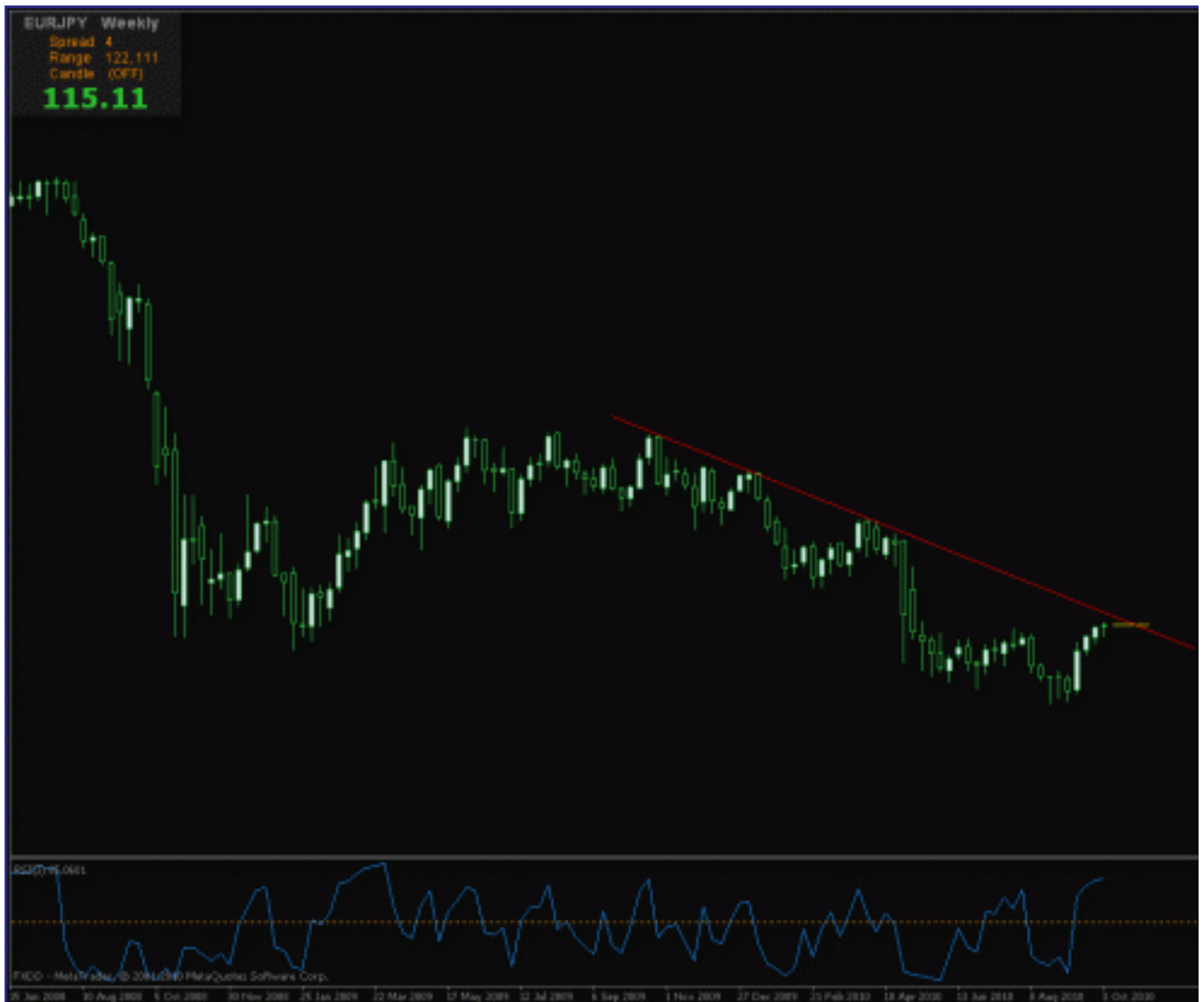
*2. If you look back to the early pages, I believe you will find my comment that the weekly direction is not totally set, if it ever is, until around mid-week..just as the monthly direction is not set by the 3rd day of the trading month (as today).*

Maybe I am confused, but it seems the "50" level is meaningless. The attached Weekly chart shows that RSI can be up or down when it is either above or below the "50" mark. And it shows that an "up" when it is above the "50" mark can be as significant as an "up" when it is below the "50" mark. And it is the same for a "down"....whether RSI is above or below the "50", a "down" can be equally significant.

So it seems that the direction the Weekly RSI is pointing, up (12 o'clock to 2 o'clock) or down (4 o'clock to 6 o'clock), is more important than if this action is taking place above or below the "50" level. And this conclusion may be especially valid if we seek only direction from the Weekly RSI because we are seeking entry on H4. I mean (unless I am missing something here) a final Weekly RSI "up" above the "50" mark can still yield a good move upwards as seen from the perspective of H4. 🤔

Someone please jump in and correct me if I am off base on this.

Attached Thumbnails



Oct 6, 2010 0:27



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **traderathome**

*Maybe I am confused, but it seems the "50" level is meaningless. The attached Weekly chart shows that RSI can be up or down when it is either above or below the "50" mark. And it shows that an "up" when it is above the "50" mark can be as significant as an "up" when it is below the "50" mark. And it is the same for a "down"....whether RSI is above or below the "50", a "down" can be equally significant.*

*So it seems that the direction the Weekly RSI is pointing, up (12 o'clock to 2 o'clock) or down (4 o'clock to 6 o'clock), is...*

You are entirely correct...the 50 level is totally meaningless and I believe I posted earlier that it should be taken out if it is too confusing. The 50 level can be utilized for overbought/oversold BUT we are not concerned with that at all and will not go there.... It is only the direction of the body of the RSI that we are looking at.

Oct 6, 2010 1:26



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **TheFutureAce**

*yupe thats what i was thinking. Here is how i trade:*

*I draw trendlines on daily and weekly timeframes and keep watching the 4hr charts. Once I get a good PA on the 4hr chart....I go into the trade. I have to learn how not to go against the weekly/daily trade or keep a tighter stop loss.*

No, no--you are making this far too difficult. TLs are the last thing to do. Try this order of doing things..

1. have you template on the screen with the first pair that your broker has displayed on "Market Watch" ( your template should look something like the chart on p.1 of this thread.) Start off with weekly. Look at RSI direction and glance at PA (red and green candles really help)

Click daily, then H4. Say outloud (No, I'm not kidding!) as you go to each TF: "up, up, down (or whatever)

2. Go to the next pair on Market Watch by dragging the pair over to the chart on the screen. Starting at weekly again saying outloud: "down, up, down" (whatever the direction)

3. Go to the next pair by dragging over to the chart and start at weekly again: this time, let's say it: "up, up, up" Write this pair down on a piece of paper. ( I use a notebook so I don't have a million scrapes of paper around.)

After doing this for all the pairs you are interested in..go back to each one and look for trends on the H4 chart and draw your TLs. I make notes for myself on the chart so that I can remember what I am looking for when I go back through for review. Hope this helps.

Oct 6, 2010 2:25



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURUSD

Quote:

Originally Posted by **lawgirl21** 

*They say it's a zero sum game. Do you see it going up to the next resistance level, I have marked around 1.4180?*

Chart

Attached Thumbnails



Oct 6, 2010 2:37





[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

10+V 10,796 Posts



Quote:

Originally Posted by **lawgirl21**

*I'm still short this pair. Down 60 pips, but I am curious about it, so will keep it.*

I think you will be ok, LG.

Based upon the Monthly chart using the Reflex Pincer Method (just made that one up ) , the PPMs (Professional Price Manipulators, for those of you that don't know) are still trying to Flea Market off their long holdings since their last pump up for a breakout failed miserably.

They'll pull the rug out from under this, soon enough.

Attached Thumbnails





Oct 6, 2010 3:20



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

## CHFJPY

Since I am over 4 hours into my new trading day, I am going to look for an H1 Breakout trade. The scan for confirming TFs is the same as for 3 taps so and this could work as a 3 tap trade also.

Attached Thumbnails



Oct 6, 2010 3:27



[traderathome](#)  
Practitioner of the Sonic R. System

Member Since Mar 2008  
 [10,796 Posts](#)

## EURJPY

We have already been thru the W and D charts on this. H4 looks to be setting up for the short. Headlines indicate nothing of high impact anytime soon, but a medium impact release comes within 3 hours, and another within 8. Based on this, why would the market movers make an earlier move down? Most likely, they won't. They'll use the intervening time to shed longs and soak up shorts. But on the H4 chart, that is only a couple of blips away. The current candle is fresh. It might not be until the end of the next H4 that we begin, in the early part of the London session.

Attached Thumbnails



Oct 6, 2010 16:25



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V 6,595 Posts



I've been in and out of this pair since yesterday. It's in the money some now.  
 Attached Thumbnails



Oct 6, 2010 16:44



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



EURJPY

PA is beginning to move up and maybe out of its ditch. Compare this chart to the earlier one posted earlier. This would be a breakout trade and not a 3 tap trade.  
Attached Thumbnails



Oct 6, 2010 18:15



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10+V](#) [10,796 Posts](#)

EURJPY

Quote:

Originally Posted by **lawgirl21**

*I'm in long.*

Could be the Bear Flag is about to end. You know what that means. The last "Hurrah!", and then.....

Attached Thumbnails



Oct 6, 2010 18:30



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

EURJPY

Quote:

Originally Posted by **traderathome**

*Could be the Bear Flag is about to end. You know what that means. The last "Hurrah!", and then.....*

I just am not seeing the resistance ahead that you are. My next resistance level on the daily is way away.

Attached Thumbnails



Oct 6, 2010 19:06



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)

EURJPY

Quote:

Originally Posted by **lawgirl21**

*EURJPY*

*How many weeks are you reaching back here?*

Ops, wrong H4 chart.....EU instead of EJ. I apologize.

The correct chart shows 3 solid taps, meaning taps created by decently strong candles.  
Attached Thumbnails



Oct 6, 2010 19:12



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+y 6,595 Posts

 EURJPY

Quote:

Originally Posted by **traderathome**   
*Ops, wrong H4 chart.....EU instead of EJ. I apologize.*

*The correct chart shows 3 solid taps, meaning taps created by decently strong candles.*

You're still going a month back. Keeping the taps within the current week and last few bars of the previous week, may be arbitrary. It will be interesting to watch what happens.

Oct 6, 2010 19:17



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)

EURUSD

Same story on EU as EJ.  
Attached Thumbnails







Oct 6, 2010 19:17



[lawgirl21](#)  
Member

Member Since Dec 2009

**10+** [6,595 Posts](#)



Quote:

Originally Posted by **kdx**

*A nice thread here its similar to how I Trade, Question Lawgirl in regards to your breakouts you have shown quite a few examples of where price has broken out of a range than back into a range, (sorry cannot post chart at work will do later) my question is do you enter after a candle is closed outside the range than enter or do you wait for price to retrace back to range level than enter I'm sorry if this has been asked before, also for your breakout trades are you only looking at the 1H timeframe perhaps entering on M15.*

Thanks

My breakouts are based on consolidation. Sooner or later there will be a breakout. I don't care in which direction the breakout occurs, but I do want confirmation on higher TFs. I wait for a closed candle on M15 chart completely outside of higher horizontal (resistance) line for long and outside of lower horizontal (support) line for short. You are exactly right, I am looking at H1 chart consolidation and breakout, entering on M15 chart.

Oct 6, 2010 19:45



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)



EURJPY

Have entered short at 115.60. I know this is early, based on fact that RSI is not down on W, D and H4.

Attached Thumbnails





Oct 6, 2010 20:58



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)

EURJPY

Quote:

Originally Posted by [traderathome](#)

*Have entered short at 115.60. I know this is early, based on fact that RSI is not down on W, D and H4.*

I'm out with 22 pips.

Oct 6, 2010 21:25



[traderathome](http://traderathome)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)

## AUDCAD

LG, you pointed this out "yesterday". W and D RSI are nicely down, and this did have a modest pip run down this session. I closed the trade with small profit believing it would be pumped up.

The H4 RSI is now up and there is a high impact AUD release in about 5 hours. Until then, PA may be pumped back up, and the release used as a trigger to pull the rug. Yes, speculation.

But this could tap the TL a third time. We thought it had before, but we may have had the TL wrong. There is the question of the high impact CAD release 12 hours later. PA could just go sideways and not mark the TL until that release. If that is the case, I speculate a bang-up drop could occur.

Attached Thumbnails





Oct 6, 2010 21:35



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V 6,595 Posts

 EURJPY

I have re-entered this pair long, but this time based on 3 taps.  
Attached Thumbnails



Oct 6, 2010 21:39



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)



Quote:

Originally Posted by **Dortmunder** [>](#)

*At first hi everybody .... I've finished late in the office today, but your statement concerning NZA/USD attracted my attention .... just to be sure about that .... what we need now - after the 3rd tap - is a turnin of RSI towards 2 o'clock???*

What I have noticed is that for a long trade, if the 3rd tap is a red candle (down), it is the next candle that will usually be the entry candle and green (up).

If the 3rd tap candle for a long trade is green, entry can be immediate.

Opposite for short trades.

Oct 7, 2010 2:16



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)



---

Quote:

Originally Posted by **traderathome** 

*The zoomed in chart shows three sets of "3 taps". 1st is 1-2-3 with RSI up. 2nd is 1-7-8 with RSI up. And 8-9-10 with RSI up.*

*Three thoughts here:*

*1) Are back to back candles cutting this a bit close?*

*2) Of all the MT4 time frame charts to use, the H4 is the ONLY one that differs between brokers that use servers that are in different time zones! This is a complication there is no way around if looking for "matching" setups for all members....except getting all memebers to use brokers with servers in the same time zone.*

*3) In consideration...*

Seems to me that if the H4 is different, then the daily, weekly and monthly TFs have to be different as well. Thats why we have to trade what we see on our own charts, which was my whole point in starting this thread. Otherwise, this would really be a signal service.

Seems also that the traders who are getting the signals before others are "forging the way" for the later signals. On a good trend, wouldn't all signals catch up?

Oct 7, 2010 5:09



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



EURJPY

---

H1 Breakout Trade possibility: H1 was down when set trade up

H4 - down

Daily - down

We're looking for PA to break down below support line before entering.

Attached Thumbnails



Oct 7, 2010 5:11



[lawgirl21](#)  
 Member

Member Since Dec 2009

**10+** [6,595 Posts](#)



GBPJPY

Same kind of trade as above  
 Attached Thumbnails





Oct 7, 2010 5:13



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

GBPUSD

Same set-up  
Attached Thumbnails



Oct 7, 2010 5:38



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



Quote:

Originally Posted by **Siam**

Hi Lg

*Just thought i'd ask what your thoughts are on fading diagonal lines when they are about to run into a heavy horizontal support or Resistance level. In my experience diagonals work best when there is some confluence whether it be fibs or a combo of of as many factors that you can find which put the trade in your favor.*

I much prefer S/R levels to diagonal lines. In my experience the horizontal S/R lines are honored by PA far more often than are TLs.

When we look for 3 tap H4 trades with the TLs, that is exactly what we are doing with the TFs confirmation..trying to find the trend bias and using it to our advantage, or putting the trade in our favor, as you said. This week, however, PA has defied us more often than not.

Oct 7, 2010 6:39



[traderathome](#)

Practitioner of the Sonic R. System

Member Since Mar 2008

[10,796 Posts](#)



Quote:

Originally Posted by [lawgirl21](#)

*But if we consider trading in prime time we are back at setting alarm clocks to try to catch a particular market. I can't do it and I think many others here cannot either. I'm not sure what you are saying about trading set-ups either.. are you saying look for 3 tap set-ups on the H1 chart, not H4. What are you purposing TAH?*

The H1 idea was not mine. You use it and it was mentioned by another here. H4 to H1 is no problem....get two taps on H4, draw line, move to H1 to manage from there. As far as "time" goes, I proposed it because volatility increases in prime hours, and having an awareness of where that span of time is can help with trading. That will be the most likely time for a 3rd tap to occur.

Oct 7, 2010 6:58



[lawgirl21](#)

Member

Member Since Dec 2009

[6,595 Posts](#)



Quote:

Originally Posted by [traderathome](#)

*The H1 idea was not mine. You use it and it was mentioned by another here. H4 to H1 is no problem....get two taps on H4, draw line, move to H1 to manage from there. As far as "time" goes, I proposed it because volatility increases in prime hours, and having an awareness of where that span of time is can help with trading. That will be the most likely time for a 3rd tap to occur.*

Let's try it.

Oct 7, 2010 7:02



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## NZDUSD

Quote:

Originally Posted by **lawgirl21**

*Let's try it.*

..is ready for the "H4 2 tap, H1 move".

Attached Thumbnails



Oct 7, 2010 7:12



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## NZDUSD Part 2

..after 2nd tap on H4 chart, move to H1 for entry. Draw horizontal lines at top and bottoms of first four candles. Enter after breakout of PA, like a regular H1 breakout trade. I usually move to 15M chart and enter after closed candle completely outside of horizontal line (S/R) ( I was already in this trade.)

I use this combination often, but never with only 2 H4 taps..let's see how it works.

Attached Thumbnails



Oct 7, 2010 15:33



[lawgirl21](#)  
 Member

Member Since Dec 2009

**10+** [6,595 Posts](#)

NZDUSD

Quote:

Originally Posted by **lawgirl21**

*..after 2nd tap on H4 chart, move to H1 for entry. Draw horizontal lines at top and bottoms of first four candles. Enter after breakout of PA, like a regular H1 breakout trade. I usually move to 15M chart and enter after closed candle completely outside of horizontal line (S/R) ( I was already in this trade.)*

*I use this combination often, but never with only 2 H4 taps..let's see how it works.*

Woke this morning out with +40 pips.

Attached Thumbnails



Oct 7, 2010 15:49



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

EURCHF

Quote:

Originally Posted by **El Dee**

*Nice 3 touches on EURCAD, EURCHF looks very similar*

WOW! Two 3 tap trades here, each 100+ pips. El Dee, please tell us that you caught at least some of these pips!!

Attached Thumbnails



Oct 7, 2010 15:49



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

 EURCHF

Quote:

Originally Posted by **El Dee** 

*Nice 3 touches on EURCAD, EURCHF looks very similar*

WOW! Two 3 tap trades here, each 100+ pips. El Dee, please tell us that you caught at least some of these pips!!

Attached Thumbnails



Oct 7, 2010 15:59




[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V 6,595 Posts

EURJPY

Quote:

Originally Posted by **traderathome**   
*PA just broke support. All RSIs are down.  
 The EU may be next, LG.*

This is one of the pairs that I set up as a breakout trade last night. It is just now finally breaking out.

Attached Thumbnails



Oct 7, 2010 16:07



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)

EURJPY

Quote:

Originally Posted by **lawgirl21** [>](#)

*This is one of the pairs that I set up as a breakout trade last night. It is just now finally breaking out.*

This is the original chart posted a few days ago ...one of my favorite charts because it shows that one can make good money just following one pair on one simple chart. This chart shows only breakout trades for the past three weeks.

Attached Thumbnails





Oct 7, 2010 17:54



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

GBPJPY

Quote:

Originally Posted by **lawgirl21**

*That is fantastic! When did you enter the trade? Yes, the 3 tap works on daily charts too..only needs more patience. Please tell us more about this trade.*

This is how that trade looks on my chart.  
 Attached Thumbnails



Oct 8, 2010 6:19



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

 **AUDUSD**

Potential "2 tap H4, move to H1" for breakout long trade that we talked about yesterday.  
 Attached Thumbnails



Oct 8, 2010 6:33



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



NSDUSD

Another..may have already made its move...

Attached Thumbnails



Oct 8, 2010 10:15



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

EURJPY

Current short trade  
Attached Thumbnails



Oct 8, 2010 10:31



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)

EURJPY

Quote:

Originally Posted by [lawgirl21](#)

*Current short trade*

Quick pick up of 20 pips

Oct 8, 2010 14:50



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **smikester**

*Lawgirl I like your thread and you are working hard. Similar to my style of trading and I'll be watching with interest. Do you see a flag on the EUR/JPY chart? Why not hold? Just wondering, cause I am... LOL.*

Hi SS, I was doing a simple channel trade there. Notice how my lines were drawn on that chart. I was in as PA went down and had TP at that support line.

Oct 8, 2010 14:55



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



USDJPY - Update

..on the chart posted earlier. I set a pending short order that was triggered overnight.  
Attached Thumbnails





[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## NZDUSD - Update

When I set this trade up, all TFs were long. Now only weekly is long. Nothing happened on this trade.

Attached Thumbnails



Oct 8, 2010 15:04



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## EURJPY

Quote:

Originally Posted by **smikester**

*Lawgirl I like your thread and you are working hard. Similar to my style of trading and I'll be watching with interest. Do you see a flag on the EUR/JPY chart? Why not hold? Just wondering, cause I am... LOL.*

Wish I had held it.

Attached Thumbnails



Oct 8, 2010 15:10



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

GBPUSD

Another set up from last night that I don't believe I posted. Am watching this closely now as PA appears to be moving above the resistance line I have drawn. If it moves beyond that level I will place a long entry. This is an H4 2 tap, move to H1 for breakout trade.  
Attached Thumbnails



Oct 8, 2010 15:56



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



NZDUSD

.. is about to pop through resistance line from previous chart.

Attached Thumbnails





Oct 8, 2010 17:15



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

NZDUSD

PA did what it was supposed to do.  
Attached Thumbnails



Oct 8, 2010 17:43



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

NZDUSD

Out with +20 pips.


Oct 8, 2010 17:54



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

Quote:

Originally Posted by **PurePrice** 

*So you shoot for about 100 pips per week?*

*do you trade this live? if so, how long have you been successfully trading this at 100 pips per week??*

*Thanks*

I trade both live and demo, using two separate computers and three screens. Almost every live trade I make, is set up on the demo screen first. I do no trade set-ups on the "live" computer. My "live" computer is used solely to take trades, not to monitor them. I monitor from the demo screen only...place R/S levels, TLs etc. As soon as a demo trade is doing what it is "supposed" to do, I go live. A few pips may be missed, but not enough to notice.

Oct 8, 2010 18:06



[lawgirl21](#)


Member

Member Since Dec 2009

 [6,595 Posts](#)



Quote:

Originally Posted by **PurePrice** 

*I find this interesting.. but what is the reason behind this strategy? I claim ignorance here*

Just works best for me. I found going from demo to live accounts on the same screen/computer frenzied and that is something I have trouble tolerating.

When you switch accounts back and forth, at least with FXDD, the screens change. I even placed a live trade, when I thought I was demoing the trade and vice versa, thought I was in live, only to realize that I had not switched accounts from demo to a live one. Just works best for me, that's all. Not necessarily suggesting that it would for others.

Oct 8, 2010 18:33



[lawgirl21](#)

Member

Member Since Dec 2009

 [6,595 Posts](#)



Quote:

Originally Posted by **lite27** 

*Hi, Lawgirl, Thank you for very good thread. I have 3 questions. 1. As I see you enter from H1 now. Is H4 not good for you or gives fewer signal and later than H1? 2.I noticed,that when H4 candle goes to trendline RSI3 on H4 change it direction and do not allow to enter. W, D and H4 are OK untill our entry candle start moving to our trendline entry. Whats to do? 3.I noticed*

*also,that the most reliable and profitable set ups when we draw trendlins using 2 nearest candles. What is your opinion? Thank you,*

These are just different types of trades, lite, depending on what we see PA doing. I have discussed them previously, so please look back through the last 20 pages or so and re-read. But basically, the H1 entries are one of the following: the new set up of 1) H4 2 tap, move to H1 for breakout,2) simple breakout of consolidation) or 3) the H1 4 candle breakout .

All three require confirmation of direction on higher TFs.

Oct 9, 2010 15:35



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

EURJPY

---

Quote:

Originally Posted by **fkforex**   
*Hey all,*

*I was just wondering whether to go against a trend when looking at a 3 tap entry.*

*I was watching EU/JPY last night and inside the larger up trend, was a 3 tap down. The third tap was an up candle, with the previous candle getting very close to the bottom end of the up trend. I set a buy stop entry looking at SR levels thinking it was a good place to go and placing a stop below the lower TL. Long story short, entry was hit and then went south. I don't have a problem with this as long as my entry was sound which I believe it was. I didn't...*

Hi FK--It would help if you had posted your chart, but here is how I saw and played this pair Friday. The RSI on the weekly and daily was down, so I believe the bias was short, not long.

Remember that by Friday, the weekly RSI is all we really need to look at to determine directional bias., as it is set, done, cooked, over, by Friday. I almost never trade against the weekly---especially from about Thursday - Friday, unless I am intentionally placing a counter trend trade.

Remember too that we are really only concerned with this week, as seen through the H4 chart. So if you isolate the week, this is our focus area (blue).

Chart 1

Oct 9, 2010 15:56



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

EURJPY

---

## Chart 1

Looking at this chart, blue area only. Do we see any 3 tap trades? I don't. That doesn't mean we give up on this pair and move to another one. Let's move to the H1 chart and take a look.  
Attached Thumbnails



Oct 9, 2010 16:03



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



EURJPY - H1 Chart

---

Chart 2 - Same as H4, but moved to H1. This is where all the trades are.  
Attached Thumbnails



Oct 9, 2010 16:10



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



EURJPY - Same chart with Friday isolated

Chart 3 - Shows Friday's trade. Not a 3 tap trade, rather a H1 4 candle breakout trade in the direction we anticipated--short.  
Attached Thumbnails



Oct 11, 2010 5:16



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



Quote:

Originally Posted by **bluemele** >

*Yah, I wonder. haha...* 😊

*Please, don't listen to me, but my feelings are a retrace is in order? If you get the pull back, then it could be a heck of a runner up....*

*Seems like it has hit a brick wall. I know you don't do fibs, so I won't mention it.* 😊 *Seems like the \$ is doing the same on all the currencies tonight.*

The reason I don't do fibs, blue, is that everyone's are different..they can show whatever one wants to see..at least in my experience.

Oct 11, 2010 5:56

[AndreasF](#)  
Member

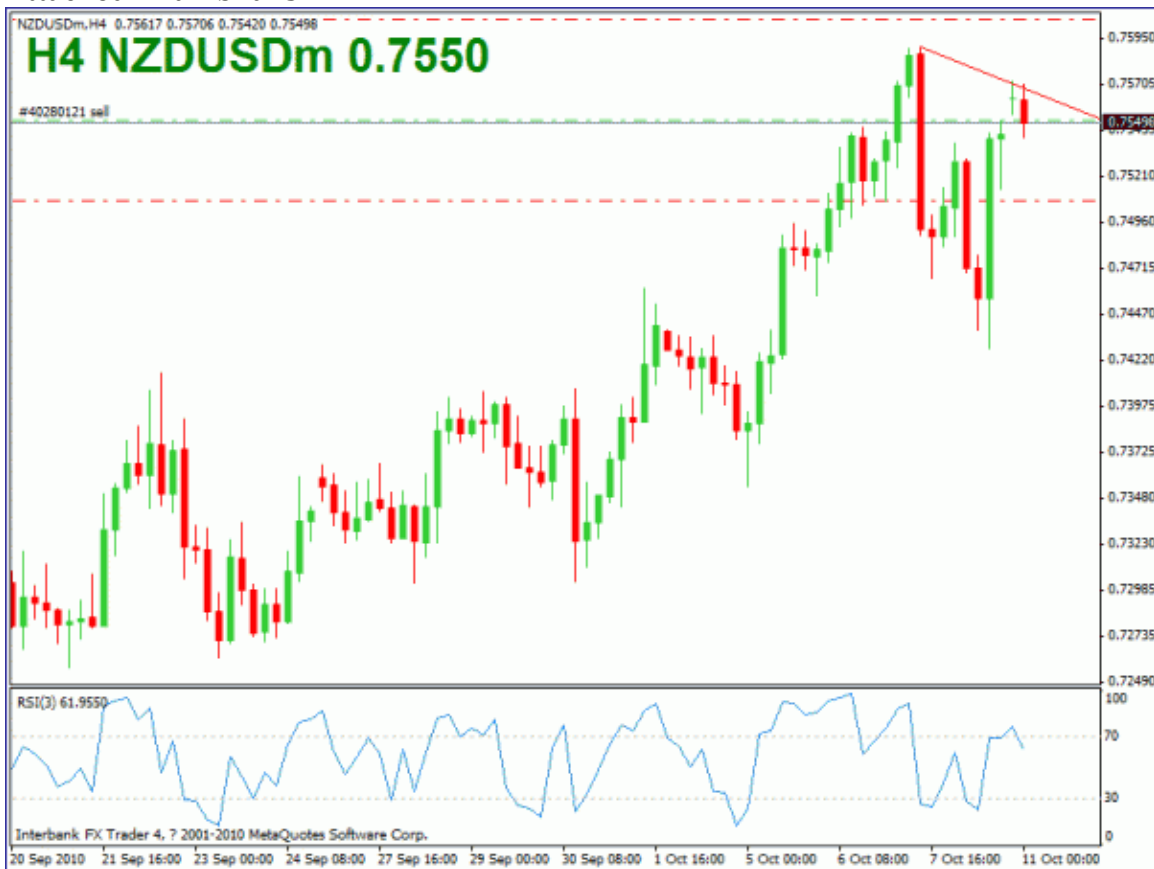
Member Since Apr 2008

[356 Posts](#)



NZDUSD H4

W1, D1 and H4 are short.  
I entered at the 3rd touch.  
Attached Thumbnails



Oct 11, 2010 6:23



[lawgirl21](#)  
Member

Member Since Dec 2009

[10+V](#) [6,595 Posts](#)

NZDUSD

Quote:

Originally Posted by **AndreasF**

*W1, D1 and H4 are short.*

*I entered at the 3rd touch.*

This is very interesting. My charts are now reflecting Andreas' chart for a short trade. He has what should be a successful 3 tap trade short and I am now looking for a H1 4 candle BO trade short.

Attached Thumbnails



Oct 11, 2010 6:34



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

NZDUSD

Quote:

Originally Posted by **lawgirl21**

*This is very interesting. My charts are now reflecting Andreas' chart for a short trade. He has what should be a successful 3 tap trade short and I am now looking for a H1 4 candle BO trade short.*

Moved to M15 chart and will enter short at close of candle completely outside the support line.

Attached Thumbnails





Oct 11, 2010 15:49



[lawgirl21](#)  
 Member

Member Since Dec 2009

[6,595 Posts](#)

NZDUSD

Quote:

Originally Posted by **lawgirl21**

*I moved to the H1 chart to look for entry and didn't see anything. Now I'm looking at the 15M chart to see if there is anything and I notice that PA is in a ditch. I marked that ditch and will wait for a BO below the support line to enter short.*

Take a look at the 15M chart now, just a little later than the last one. I fully expected a break on the support line, but no it turned around and broke the resistance line.

Attached Thumbnails



Oct 11, 2010 16:02



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

NZDUSD

Quote:

Originally Posted by **El Dee**

*I think it had already made it's move by the time I called it*

You were so right about this pair..it had already made its move.

Oct 11, 2010 16:12



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

NZDUSD

Just entered long 3 tap trade. All TFs are long.  
 Attached Thumbnails



Oct 11, 2010 16:49



[lawgirl21](#)  
 Member

Member Since Dec 2009

10+V [6,595 Posts](#)



EURUSD

Out of trade -22 pips.

Oct 11, 2010 17:05



[lawgirl21](#)  
 Member

Member Since Dec 2009

10+V [6,595 Posts](#)



GBPUSD

BO trade on H1 chart.  
 Attached Thumbnails



Oct 11, 2010 18:26



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



GBPUSD

Out with +30 pips.

Oct 11, 2010 20:52



[lawgirl21](#)  
Member

Member Since Dec 2009

10+V [6,595 Posts](#)



GBPJPY - Daily 3 tap

Here's a trade I took last Thursday based on 3 taps, but on a daily chart. It's like watching paint dry, but is in the money.  
Attached Thumbnails



Oct 12, 2010 2:13



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

#### Pair Scan

Just finished a quick scan of pairs and found 6 pairs with conforming directions at this time.

NZDUSD - short  
USDJPY - long  
USDCHF - long  
AUDUSD - short  
EURCAD - short  
AUDCAD - short

Does anyone see any pair differently?

Oct 12, 2010 2:31



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

#### USDCHF - long

I have found three pairs with H4 2 taps, move to H1 for BO trades. Here's the first:  
Attached Thumbnails



Oct 12, 2010 2:33



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

 AUDUSD - short

Second pair, same set-up. 2 taps on H4 chart, then move to H1 and wait for 4 candle BO  
 Attached Thumbnails



Oct 12, 2010 2:35



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



AUDCAD - short

Same type of set-up  
Attached Thumbnails



Oct 12, 2010 2:55




[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 AUDCAD - update

Quote:

Originally Posted by **lawgirl21**   
*Same type of set-up*

Moving down  
Attached Thumbnails





Oct 12, 2010 3:32



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V 6,595 Posts

AUDUSD

Quote:

Originally Posted by **lawgirl21**   
*Moving down*

Have enter a short trade.  
 Attached Thumbnails



Oct 12, 2010 3:34



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

AUDCAD

Waiting to see if there is a 15M BO and close below the support level.

Edit: The label in upper left hand corner did not change, but this is a 15N chart.  
 Attached Thumbnails



Oct 12, 2010 3:45



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

EURAUD

Quote:

Originally Posted by **pierre23**

*Would have been up 40pips if I had taken this trade... but was already in another trade (GBPJPY).. when my GY trade is complete I will wait for a decent pullback before looking for another long entry on the EURAUD*

I am in it.


Attached Thumbnails



Oct 12, 2010 3:50



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



AUDUSD

Also in this trade.  
Attached Thumbnails



Oct 12, 2010 10:03



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 USDCHF

This was a beautiful trade. I meant to set a pending long trade, but didn't.  
Attached Thumbnails



Oct 12, 2010 10:05



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



EURAUD

Out with +23 pips.

Oct 12, 2010 10:25



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)



Quote:

Originally Posted by **lookas**

*Hi lawgirl21,*

*Thanks for sharing this strategy and dedicating time to following this thread.*

*I have a question about the initial scan of the pairs. I see you mention that, on the first scan, you look for pairs that have RSI(3) on W1+D1+H4 either all up, either all down.*

*As H4 might already be on the countertrend to forming the 3rd tap, don't you agree it's*

possible to have W1+D1 opposite to H4, and yet having a "worth watching" pair?

Check the attached chart.

[Attachment 559481](#)

Thanks for your advise.

Glad to have you here lookas.

Of course, one can have any pair they like on the watch list. But my initial scan is to narrow down that list, in other words, I don't even look at a pair that, at the time I scan them, does not conform on all time frames. THEN I go back to each pair individually and "see what I can see" i.e. look for set-ups. Sometimes at this point, the trade has been missed, sometimes it is just starting, sometimes there is no discernable trade.

I don't generally care which pair/s I trade. If you are watching a particular pair, however, yes it is possible to have H4 in a countertrend as you are watching for that 3rd tap. Hope this makes sense, it is the middle of the night for me...

Oct 12, 2010 10:35



[lawgirl21](#)

Member

Member Since Dec 2009

[6,595 Posts](#)

AUDUSD

This trade is doing well.

Attached Thumbnails



Oct 12, 2010 10:45



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

EURCAD

This trade is forming as I write.  
Attached Thumbnails



Oct 12, 2010 16:02



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

AUDUSD

Out with +26 pips.

Oct 12, 2010 16:05



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

USDJPY



A pair from my short list yesterday..a late bloomer, but weekly, daily, and H4 are all still short, so it may still take off.

Attached Thumbnails



Oct 12, 2010 16:11



[lawgirl21](#)  
Member

Member Since Dec 2009

**10+** [6,595 Posts](#)



AUDUSD

3 Tap Set-up short  
Attached Thumbnails



Oct 12, 2010 17:42



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)

EURCAD

Quote:

Originally Posted by **AndreasF**   
*Did you close your EURCAD breakout trade yet?  
That was a nice one!*

I did close it for +40 pips. I forgot about it.

Oct 12, 2010 19:31



[lawgirl21](#)  
Member

Member Since Dec 2009

[6,595 Posts](#)

AUDJPY and GBPJPY

I set 2 trades on my accounts at my office before I left work. They were extremely successful 3 tap short trades.

AUDJPY + 40 pips

GBPJPY +140 pips

Attached Thumbnails



Oct 12, 2010 19:35



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

GBPJPY

Quote:

Originally Posted by **lawgirl21**

*I set 2 trades on my accounts at my office before I left work. They were extremely successful 3 tap short trades.*

*AUDJPY + 40 pips*

*GBPJPY +140 pips*

This was the one that was like watching paint dry.

Attached Thumbnails



Oct 12, 2010 21:46



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 NZDUSD

Quote:

Originally Posted by **lawgirl21** 

*I like that all higher TFs are long, including monthly. I don't like that it is at 8 month highs right now, although there is certainly room to travel up, but then we are looking to 2009 levels. You decide. Put it on demo first.*

Another 3 tap daily trade that is at yearly high levels and next resistance area takes it back to 2009 levels.

Attached Thumbnails



Oct 12, 2010 21:51



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURUSD

Quote:

Originally Posted by **PurePrice** 

*Looks like the FOMC statement is putting a heavy burden on USD again ... I am guessing eurUSD is gonna test the 1.4000 level again soon at minimum, as EUR/USD is moving back into the up channel that has been in place for a long time*

3 tap daily set-up long

Attached Thumbnails



Oct 13, 2010 0:58



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURCAD

Quote:

Originally Posted by **Codeslinger** 

*LG--On behalf of all of us 'newbies' lurking out here in the shadows, thanks SO much for helping us learn this stuff! I've always wished that I could peek over the shoulder of a good trader to learn how they do what they do, and your thread is the next best thing!*

*Can you confirm that I'm seeing what I think I'm seeing--a short 3-tap trade developing on the EURCAD pair? I'm not sure of myself yet to make the call, but I'd value your opinion!*

Sorry it's taken me so long to get back to you, CS. I'm still at my office. If this is pretty much what you are seeing, I believe a short 3 tap set-up is forming. I would wait until PA moves a little more before considering an entry, then confirm directional bias once again before entering.

Attached Thumbnails



Oct 13, 2010 1:47



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



NZDUSD

This is turning into a good trade. 3 tap daily long  
Attached Images



Oct 13, 2010 3:30



[lawgirl21](#)  
Member

Member Since Dec 2009

 [6,595 Posts](#)



USDCHF

Want to see something really impressive? Look at how powerful the 3 tap system is on the weekly TF. 1st trade over 700 pips, 2nd trade over 1200 pips. This would take incredible patience, but I think it is how the big boys make money.  
Attached Thumbnails





Oct 13, 2010 4:16



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by **WaveTop**

*Why aren't more newbies over here checking out this thread? What a shame.*

*Calling all Newbies. Newbie Alert! Newbie Alert! If you need to build some confidence and make some pips while doing it, without dipping into the technicalities behind multi-dimensional trading, then you really do need to be in this thread thread.*

*I've seen posting about how they are going to give up on trading and want to know what they should do next. Well, here, would be a good start to the "next" question. Its simple. Straight forward and it makes pips. There are...*

I guess this is a compliment WT! But I never considered this a beginners' system for several reasons. First because there are no exact numbers and newbies want to know exactly when to enter, when to exit, when to set up, when to trade, etc. Second, because personal judgment is so important. (Not that newbies don't have good judgment, but usually newbies don't have good judgment). Third, newbies generally have massive egos that are either on top of the world with a single winning trade, or in the depths with a loser. That confidence swing must be controlled to be a good trader--not easy for experienced traders, but especially new ones. I know all this because I used to be one.

Oct 13, 2010 6:51



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



NZDUSD and EURUSD

Out of these trades on daily charts +15 and +25.

Oct 13, 2010 15:36



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



GBPUSD

3 tap trade on H4 Chart  
Attached Thumbnails



Oct 13, 2010 15:43



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Goal Setting

I have gone way beyond my weekly pip goal at this point and thus will be placing no more live trades until a new market week opens. At this point, preserving what I have made is the #1 goal, and no matter how good a trade looks to me, I will not go live on it.

I will, however, continue looking for good trades and posting them.

Oct 13, 2010 15:56



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



NZDUSD - 3 tap daily

I got out early on this trade. It's still doing well.  
Attached Images



Oct 13, 2010 16:03



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



AUDUSD

Weekly, daily and H4 even monthly are all long.  
Attached Images



Oct 13, 2010 16:11



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

USDCAD

I first looked at this pair for a 3 tap H4 trade. Didn't see anything. Then I looked at it for a H1 4 candle BO and there it was...what a beautiful trade that would have been. Did anyone catch it?  
Attached Images



Oct 14, 2010 1:54

[pierre23](#)  
Member

Member Since Mar 2009  
[101 Posts](#)



---

Quote:

Originally Posted by **Cencored** >

*Completely outside means high and low of candle is completely outside of S/R band on m15?  
Is it possible to backtest this system properly? Using the D1 candle, the RSI direction can  
change on the latest candle. Do you use the RSI direction from the day before?*

I think some people are taking this method (LG's BO and 3 tap) way to literally.. breakouts are very discretionary. What you see as a breakout, others may not and vise versa (even IF you are all waiting for the SAME "signals" to take the trade).

sorry but people are making it way to complicated for themselves. This is why LG said the way she trades isn't for beginners in this market, as there is always a level of discretion one will need, even if they follow everything she says to the tee

edit: by the way Cencored, whereabouts in Australia are you? =)

Oct 14, 2010 2:24



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

GBPUSD

---

Great 3 tap trade. All longer TFs are long, including monthly. By this point in the trading week, the weekly trend is set, barring some unforeseen event.  
Attached Images



Oct 14, 2010 2:27



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)



AUDUSD

Third tap taking place on the current candle.  
 Attached Images



Oct 14, 2010 2:52



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)

NZDUSD

I'm looking for a way to re-enter this trade long. It has been a beautiful 3 tap daily trade, which I exited awhile back. But all TFs are still long and there have been several pull backs.

So, I am looking at a 2 tap H4, move to H1 BO trade.

Chart - 2 tap H4



## Attached Images



Oct 14, 2010 2:54



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

 NZDUSD

Now move same chart to H1 and mark BO levels. I will now wait for a long BO, by moving to an M15 chart and waiting for a 15M candle to close completely outside the upper yellow line (resistance level).

Then I will re-enter long.

Attached Images



Oct 14, 2010 4:07



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)



Quote:

Originally Posted by [pierre23](#)

*I appreciate your comment, thank you. I have been doing well, but not well enough to quit my day job (yet! 😊) lol. This thread is definitely helping me achieve results, it's been good for me,*

*so I thank you =)*

You are probably very young. ..don't quit your day job, don't even think about it!


(sounds like you mother, doesn't it) Not in todays global economy. Keep your day job and use your trading abilities to accumulate wealth. Wealth can be a very good thing. It is the wealthy who create jobs and are able to help others. Your ability to trade can never be taken away from you, while a day job can. But there are so many good things about day jobs other than a paycheck. Being around others for one thing, getting up and getting dressed. Smiling and laughing with your office mates. Trading is a very very lonely business..... Do both, have the best of both worlds.

Oct 14, 2010 4:18



[lawgirl21](#)  
Member

Member Since Dec 2009

 [6,595 Posts](#)



NZDUSD - Update

---

PA has broken through upper resistance level, but is not still traveling up. Will wait and watch PA.

Attached Images



Oct 14, 2010 5:24



[lawgirl21](#)  
 Member

Member Since Dec 2009  
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USDJPY

Quote:

Originally Posted by **Censored** >

*USDJPY looking good for a South. Tried the m15 entry I learned from LG and am in the trade. There are rumors of BOJ intervention, perhaps at 81, so I will only take 20 odd pips on this one.*

Good job, CC.

Attached Thumbnails



Oct 14, 2010 13:28



[lawgirl21](#)  
 Member

Member Since Dec 2009  
 10+V [6,595 Posts](#)



Quote:

Originally Posted by **fxwalla** >

*Ok I get it. Thanks. It is the first four candles... But can we enter later in the day if those levels are reached again and the indications are in the trend direction....*

*Yesterday I went long at 1.3965 with TP +20pips for a short trade (look where it went) and it did succeed ... was it correct or just a lucky shot....*

Yes, you enter at any time there is a valid BO. If later in the day you mean to re-enter a trade that you have already gotten out of..be careful, but I look for ways to re-enter in a good trend all the time.

Look at the posted charts for NZDUSD above, I was trying to find a re-entry there, but it never materialized. I'm glad I didn't just jump in because I would have lost money.

Here's how that chart looks now...never took off long again.  
 Attached Thumbnails



Oct 14, 2010 13:37



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)



Quote:

Originally Posted by **laimonk** ➤  
*Hi LG*

*If the first 4 candles of the day has a wide range - would you still take the BO? Is there a max limit to the range before you would skip the trade?*

*I was thinking maybe 60% of ATR max before giving it a miss? Otherwise there may not be much meat left? What say you?*

*Thanks.*

A good question, laimonk. Usually the first four candles don't have that wide a range, but if one of the candles had a huge spike up or down, I would probably skip it. Otherwise, there are generally at least 20 pips in most BOs. I try to be aware of levels above me and levels below me in a trade. "Know what's on top and what's on bottom." Don't try to measure it exactly, it will keep you frustrated.

Oct 14, 2010 13:47



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

USDCHF

Did anyone catch this beautiful 3 tap trade? All TFs are short, including monthly.  
Attached Images



Oct 14, 2010 13:53



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

## GBPUSD

3 tap - Daily - 300+ pip move  
Attached Images




Oct 14, 2010 13:57



[lawgirl21](#)  
Member

Member Since Dec 2009

 [6,595 Posts](#)

## EURUSD

3 tap - Daily - 300+ pip move from 3rd tap



Attached Images



Oct 14, 2010 14:02



[lawgirl21](#)  
Member

Member Since Dec 2009  
 [6,595 Posts](#)

AUDJPY

Quote:

Originally Posted by **AndreasF**

*Of course I missed this setup...lol*

*Waiting for AUDJPY -maybe a trigger soon.*

Careful with it AF, it's been in a trading range/ditch for almost a month.  
Attached Thumbnails



Oct 14, 2010 15:07



[lawgirl21](#)  
Member

Member Since Dec 2009  
10+V [6,595 Posts](#)

 EURJPY

Quote:

Originally Posted by [freedomsg](#) >

*Ji LG, can it be a valid setup on Ej? RSI diverence too right? Thanks*

No, you have gone back into last week to find taps. We are trading only the current week for H4 taps, except at the beginning of the trading week where we can reach back somewhat into the last week. Having period separators on your chart really helps to see this. Also, the pair is ranging now. See chart below.

Attached Images

EURJPY H4

Spread 4

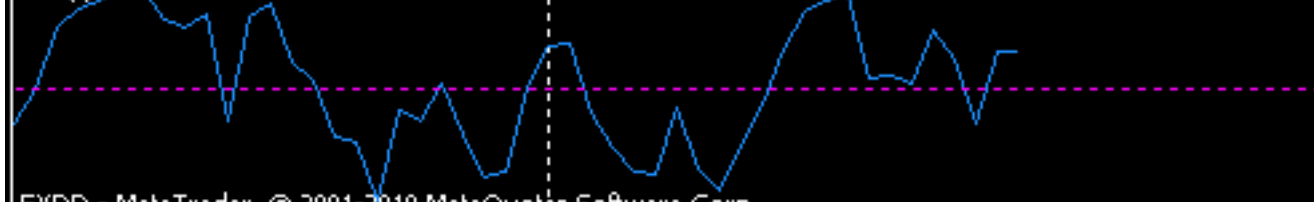
Range 118,100

Candle 53:15

114.37



RSI(3) 65.9238



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4 Oct 2010 6 Oct 04:00 7 Oct 12:00 8 Oct 20:00 12 Oct 04:00 13 Oct 12:00