# MY TOP TRADING PATTERNS

#### Presentation by Christopher Terry

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## My Top Trading Patterns

- First Cross Buy & Sell
- Buy & Sell Divergences
- Power Buy & Sell

## The First Cross Trade

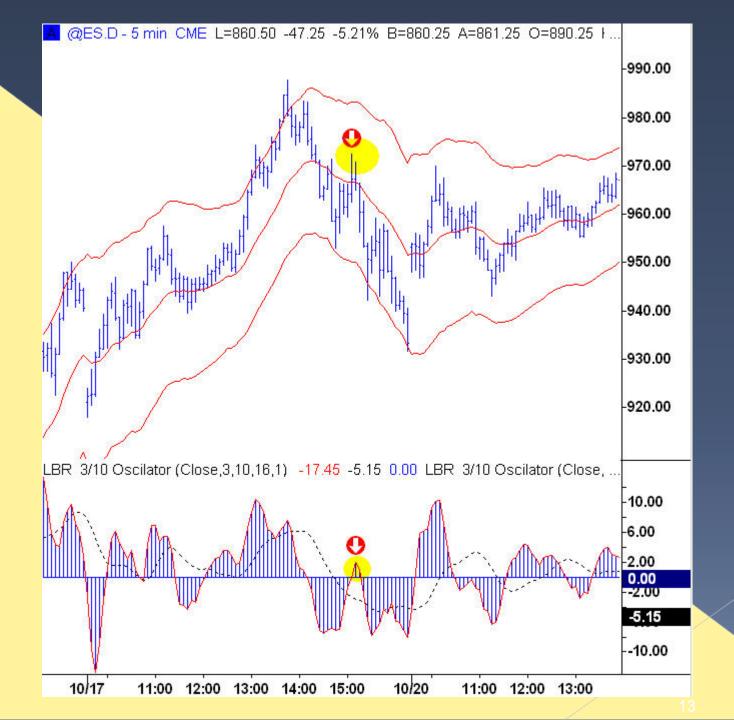
### The First Cross Buy -

- This is a pullback that most often the first higher low is formed after a base or consolidation period. The "slow" line, or 16 MA of the 3/10 oscillator crosses ABOVE the zero line for the first time. The "fast" line or 3/10 oscillator pulls back below zero as the price forms a higher low. First Cross refers to the fast that it is the first pullback in price after the "slow "line has crossed from below zero to above zero.
- Reverse is true for a First Cross Sell.

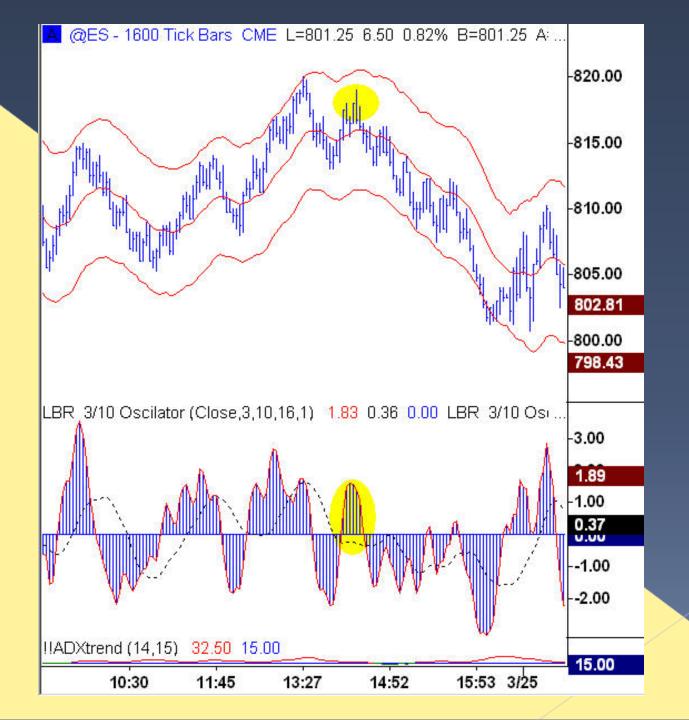












# Divergence

#### **Sell Divergence Trade** –

- We look for buy and sell divergences using the 3/10 oscillator. The best ones occur when the move is extended along the Keltner Channels (2.50 ATR around 20 ema).
- We also like to see the oscillator stay BELOW the zero line as the divergence is forming.
- A divergence does not necessarily imply a trend reversal. Thus, we look for a retracement back to the 20-period EMA as the minimum objective.

# Divergence

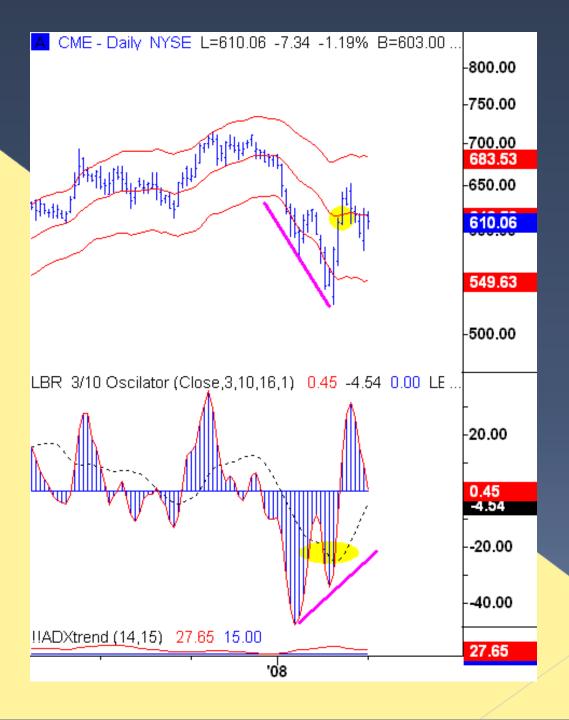
#### **Sell Divergence Trade** –

- Price makes higher high, 3/10 oscillator makes lower high, there is also a type of divergence when price makes. Three Pushes up, and 3/10 oscillator makes lower highs to the price highs.
- Risk point for Sell divergence is just above the swing high once price turns.
- Pattern works best when the "slow" line also forming a divergence.
- Reverse is true for a Buy Divergence.

















# Power Buy/Sell

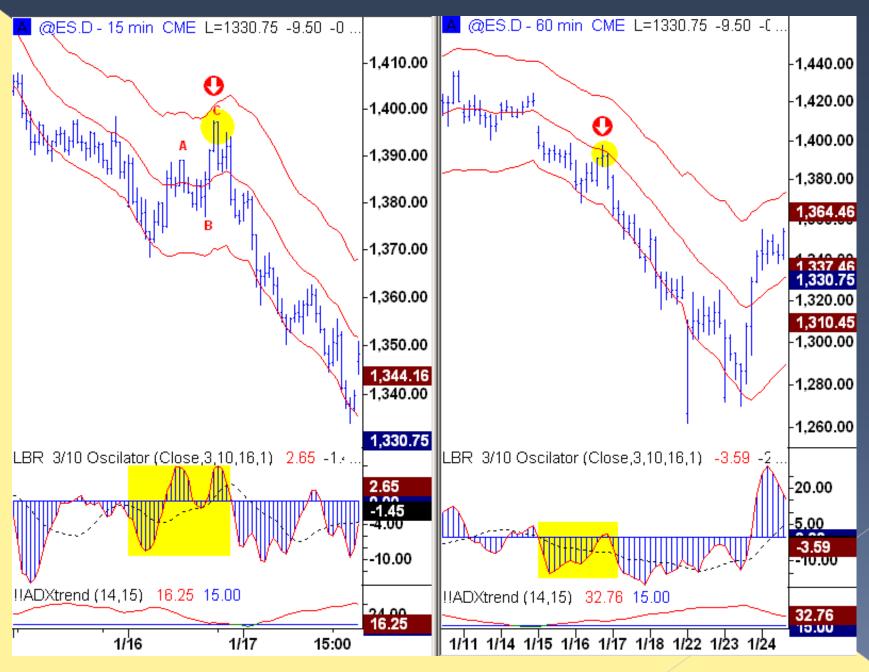
#### Power Buy -

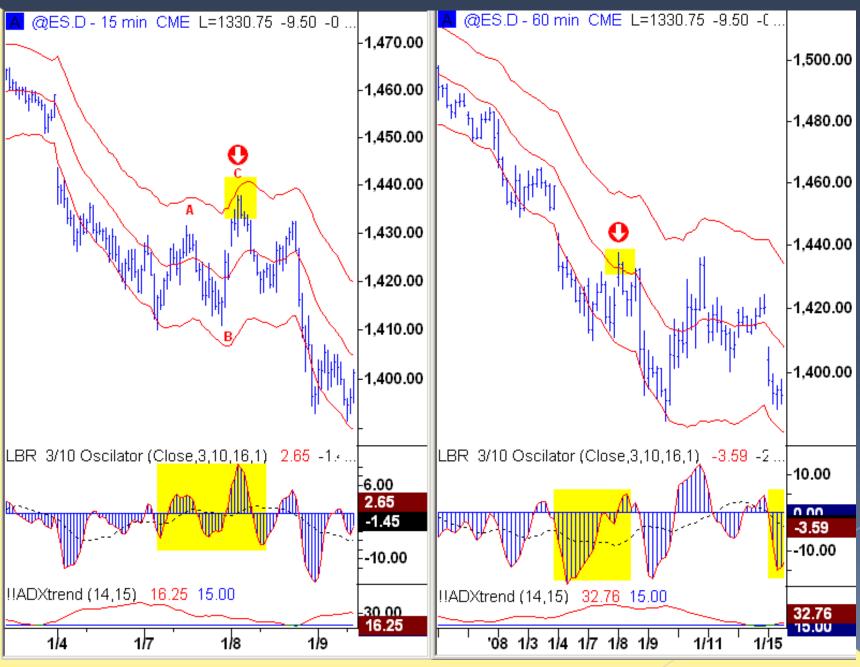
- This setup is formed by a combination of two time frames.
- A two part corrective wave down on the shorter time frame occurs within the context of a bull flag on the higher time frame.
- Power Buy is triggered when price trades below the prior swing low on the short time frame.

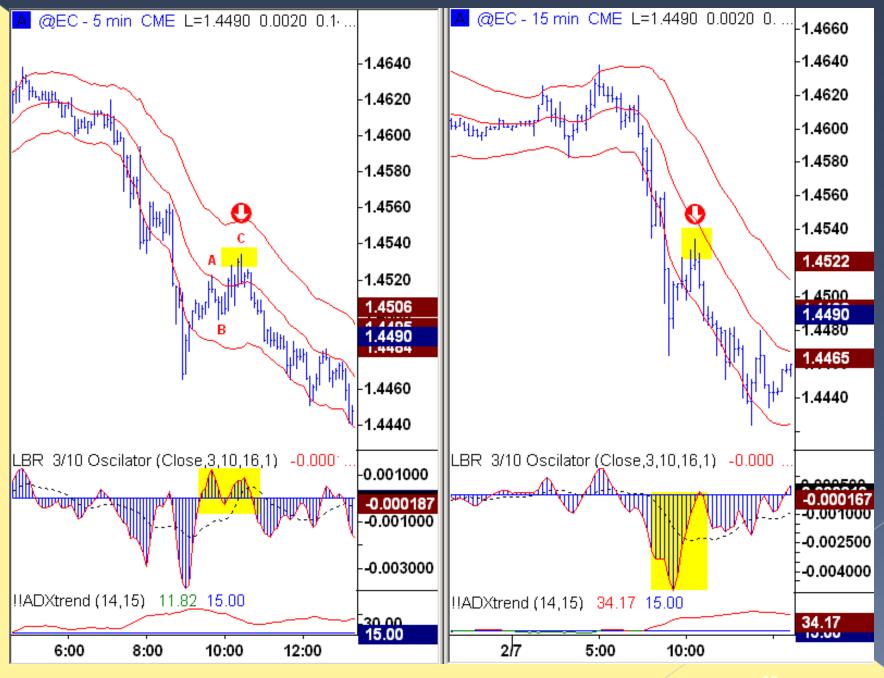
## Power Buy/Sell

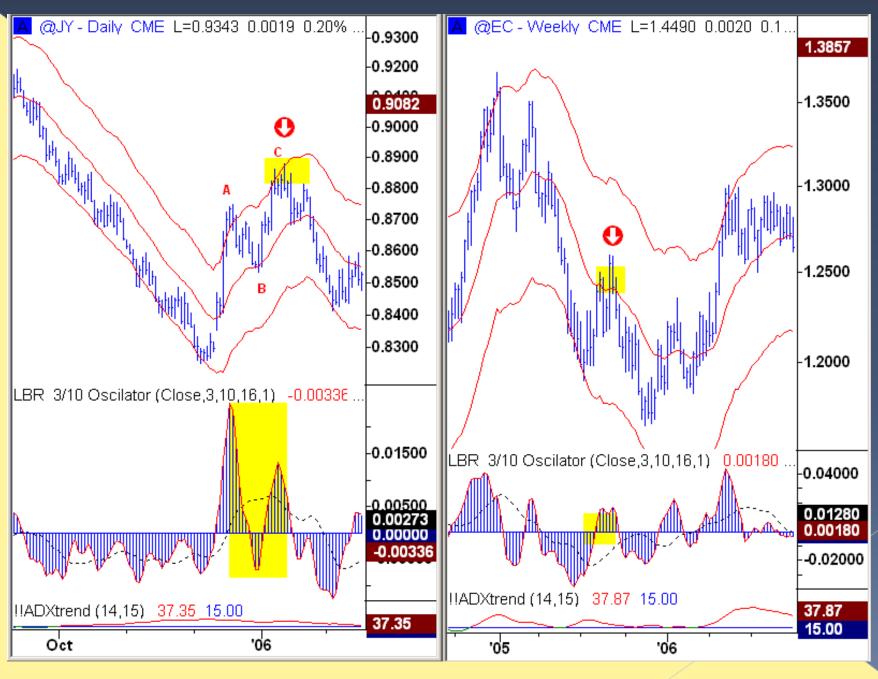
#### Power Buy -

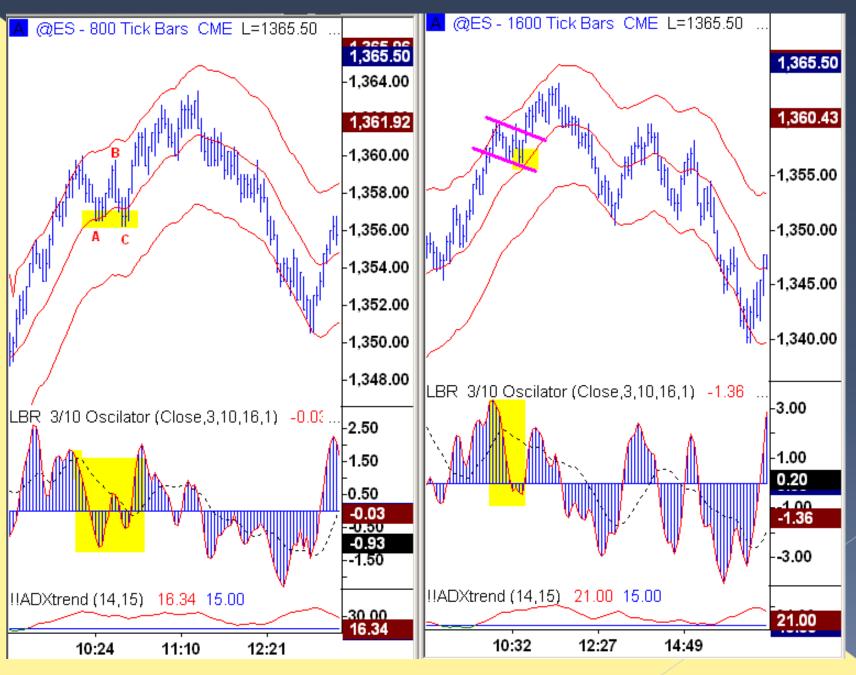
- This creates fuel for the fire when the market then reverses to the upside as the trend on the higher time frame kicks back in.
- The higher time frame 20 exponential moving average acts as support.
- Reverse is true for Power Sale











## THANK YOU!

Go to www.LBRgroup.com for more information.

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