Trading Plan 2015-02-14

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Important Note

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Current objectives

Short Term Objective

Being able to generate 100$ by trading session in the Friday PMs

Mid Term Objective

Being able to replace my daily average income by trading in the Friday PM – 35$*36.5/5 = 255$

Long Term Objective:

Adding a second trading day of trading while reducing my daily job week to 3 days per week

Current risk criterias

Maximum trades per day: 4

Maximum daily risk: 60$

Daily target: 100$

Target risk per trade : 20$ This is the target risk, which is an average, between 15$ and 25$ is the way to go to get an average risk of 20$ per share

Risk for 1 share ($)	Size (number of shares)	Total Risk ($)
0.01	2000	20
0.02	1000	20
0.03	700	21
0.04	500	20
0.05	400	20
0.06	300	18
0.07	300	21
0.08	200	16
0.09	200	18
0.10	200	20
0.11	200	22
0.12	200	24
0.13	200	26
0.14	100	14
0.15	100	15
0.16	100	16
0.17	100	17

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0.18	100	18
0.19	100	19
0.20	100	20
0.21	100	21
0.22	100	22

Risk/reward ratio for rotational days: 2 for 1 @ POC is the target. 1.5 for 1 @ POC is the minimum risk/reward ratio to be respected

Risk/reward ratio for out of balance / trend days: 3 for 1 at the next logic reference level

Jim Dalton's concepts – Markets in Profiles

The next section will explain in no particular order, some of the concepts that are explained and teached in the book "Markets in Profile".

Bracket and balance area on time based chart

In this section I will try to define what is the difference between a bracket an a balance area

When we have difficulty seeing the brackets and the balance areas you have to change the timeframe on your chart. You can go higher of lower, this will allow you to validate who of the markets participants might be in control …

Markets participants

1- Scalpers: In and out within seconds or minutes trying to make 0.01$ per share, even trying to be flat to collect rebate. They provide liquidity to the other market participants

2- Day Traders (I prefer Intraday Trader): They are trader that will be in the market from minutes to hours. They never carry position overnight.

3- Short Term Traders: They will keep position from 1 day to 3-5 days. These guys wants to play the balance areas inside the bracket. They get in at the extreme of a balance area to get out at the other extreme of the same balance area

4-Intermediate term Trader – Swing Trader: They will keep position from 2-3 days to 8-10 days. These guys are playing the entire bracket range.

5-Long Term Investors: These guys are attached to their securities. They will hold for months to years. They do leave big volume print in the market

When more than one market participants are active at the same time it creates volatility. For example, when an extreme of a balance area occurs at the same level as the bracket extreme, 2 groups of market participants will be active, at the same time increasing substantially the volume and the volatility.

Value

Value is the most important idea of the current approach. Value is a price zone (delta Y on the chart) where 70% of the trading time is spent. When price is situated inside that zone it is considered a being at value of fair price. When price is fair there is no opportunity. Each previous day has its value zone that is actually also called Value Area. The most important rule around Value is to stay on the latest value area direction for trading. If the current day has a developing Value Area that is higher than the previous day, then you are allow to take long opportunities only. If the current day has a developing Value Area that is lower than the previous day, then you are allow to take short opportunities only.

One Timeframing

One timeframing to the upside occurs when the low of the previous bar is not taken. And on and on again for the next bars. One timeframing to the downside occurs when the high of the previous bar is not taken. And on and on again for the next bars. It could stay at the same level or go down one tick and the One Timeframing action is not stopped. Actually it takes 2 ticks to stop the one timeframing action.

In Balance or out of balance

When price is outside the most recent Value Area we say that this level or price level is out of balance. From there on, 3 things can happens: 1- price will either accelerates a go away from the value area in search for another area to build a new value zone (bigger trading opportunity) or 2- Price will start building a new value area at this level (overlapping Value Area, smaller trading opportunity) or 3- It will look above or below the balance area and failed to attract new business and will revert to the value area other extemity (good trading opportunity). This is the one of the 2 most important concept of this approach.

Balance Area

On the upside, a balance area occurs when the latest bar is not able to clear the high of the previous bar. This would give a 2 bar balance. If the 3rd bar is not able to cross bar 1 then you have a 3 bar bar wide balance area. The minute the highest point of the balance area is taken out then you are starting a new leg and the current balance area is ended. You can have balance area that does overlap. Sometimes you will get rejection immediately when going ouside of the balance area. If the next bar is inside the balance area, we should regroup the new balance area with the previous one since actually, it is the same.

Excess

Excess mark the end of an auction and the beginning of another auction. Excess is defined on a TPO profile chart as being at least 2 ticks single print at one extremity of the profile. An auction is completed when you have excess on both extremities of the profile. This is the one of the 2 most important concept of this approach.

Gap

A gap is occurring only if we do open above or below the previous day high or low (entire day range has to be cleared at the open)

Markets are very visual

The only line or mathematical indicator Jim's uses are horizontal lines. Use the structure of the profiles (including anomalies) with horizontal levels

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Completed Profile or Auction

A Profile or an auction is completed when you have excess high and low on both side of the profile

Poor high or poor low

When a day closes and at one of either extremities you do not have an excess high or low then this high or low is considered poor. The auction is considered as not completed. A poor low for example means that the market is currently too short. This means that a short covering rally might occurs in the short term prior to complete the auction by taking out the said poor low to create a buying tail (101 40:57)

Overnight Inventory

Overnight inventory can be long or short. When the value area of the overnight inventory is above the previous day close (or settlement) we say that the overnight inventory is long. When the value area of the overnight inventory is below the previous day close (or settlement) we say that the overnight inventory is short. According to Dalton and Stuart, 65% of the time these weak hands position (overnight traders) will be squeezed (return to settlement level) in the first or second 30 minute bar of the day. On the other side (45% of the time), when the squeeze does not occurs another and more important thing might be going on: The market can be very strong (up side) or very weak (down side)

Halfback

Halfback is a day (intraday) timeframe reference level. It is the half way between the current day high and low. Only day and short term traders follows this level.   When you can see this level acting as support or resistance, you know you are alone playing with short term and day timeframe players. Intermediate and long term traders does not care about halfback.

30 minutes period

Just watch what it is happening at the end of 30 minute bars. A lot of activity occurs at these moments and this is why it is the first choice of Dalton.

Market Profile

Time is a constant and price is the variable. This is how we organize the data. The Market Profile is based on 3 major concepts: 1- Price which is simply an advertising mechanism. It advertises opportunities. 2- Time regulates all opportunities and 3- volume measures the success or failure of the advertised opportunities.

Anomalies (101 43:00)

Prominent POC is one of the anomalies. It is when the profile is uneven. The odds are god that we will revisit these areas. When there are anomalies in a daily profile, it reduces the odds of the market making a big move the next day.

POC Migration

When the POC migrate into a particular direction it means that smart money is moving the fairest price into their direction.

Gap trading rules (2014-05-30 38:00)

If the market gaps and failed to fill the gap within a short amount of time (exact time not specified) then there is a good chance that the market will trend into the direction of the gap.

On the other hand, if the market fills the gap (which gives a negative strength to the gap itself) but manage to build value (overlapping value) into the direction of the gap you are in a postion to get an affternoon movement into the direction of the gap

Prominent POC

When POC starts to be wide we call the POC a Prominent or very Prominent POC. This means that the odds of going away from this area are low while the odds of returning to this area are high.

Reference Levels

Reference level is a visual horizontal line (a price area) on any charts that has the Y axis based on price. Here are the reference levels that I will use:

1- Current high and low of day (HOD and LOD)
2- Previous day's high and low (YHOD and YLOD)
3- Any day POC can be a reference level
4- An all time high or low of the month or week
5- Halfback
6- Current day value area high and low (VAH and VAL)
7- Previous day's or any other day value area high and low
8- Anomalies
9- Yesterday's close which is also Unchanged or the Settlement

Day and short-term trader's reference levels (2014-05-30 43:00)

1- Open
2- Unchanged
3- Overnight high and low (not overnight VA)
4- Previous day high and low
5- Dynamic reference – halfback
6- Dynamic reference – high volume nodes

These are the reference levels that day and short term traders uses when thery trade. The do not have the power to push prices outside of these levels. When these levels act as resitances or these level stalls the price movement it means that only the day and short term traders are in the market at that moment (good chance of a rotational day. Long term traders do not care of these levels, they are even unaware of them. When price does not react at these levels, this is an indication that you might be in a day that the long term traders are active (good chance of a trend day)

Spikes (101 1:01)

They occurs at the end of day and there are rules to trade them

Trend or directional days vs rotational days

15% of the time we have trend days while 85% of the time we do see rotational day characteristics (inside day or overlapping day).   The most important distinction between both type is the shape of the profile. The trend day will have an elongated shape for all day. The evaluation of the open can also help to figure out what we can expect. The closer you are at the open of the center of the previous day's range (not the VA center, not the POC and not the previous close), the more likely you will get a rotational day. On the other hand, the closer you are from the extremity (201 1:35) of the previous day's range the more likely you will get a trend day or a P or b shape day.

Here are the characteristics that will help define if we are in presence of a rotational day or a trend day:

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1- Profile shape. The trend day will have elongated profile with POC migration while rotational day will have symmetric profile with prominent POC. When you get outside the value area the width of the profile outside the VA should be near or at least half of width of the POC. For example, if the POC is 6 wide then your entry should be no more than 3 wide.

2- Overnight Inventory and other short term trader reference level. Check if the overnight high or low, the opening, unchanged, the previous day high or low is acting as resistance. If so, you are more likely in front of a rotational day. On the other hand if the said overnight levels were easily broke, you are more likely in front of a trend day.

3- Opening In Balance or Out of Balance. Opening in balance is when we do open inside the previous day's range. The closer you are at the open from yesterday's range center (not the POC and not the VA center) the more likely you will have a rotational day. On the other hand, the closer you are from any of the previous day extremities the chance of getting a trend day increases. Opening out of balance means that we did open above or below the complete previous day's range. This is a gap. On a gap day we are more likely to get a trend day. The further the gap occurs from the previous days range the less likely you will get a fade.

4- One Timeframing – 30 minutes. If your stock or market did one timeframing right from the open you are more than likely in front of a trend day

Study 1 - New highs or lows that shuts off activity – leading to return towards value area versus new highs or lows that brings new participants – leading to breakout

This section has been removed. Please refer to trading plan 2014-11-23 for the full version of this section

Volume Assessment

This section will define how I do measure volume based on the previous section conclusion.

Initial Volume Sample Size or IVSS: The SMA3 of volume will be used in order to measure this metric. At the close of bar 3 of the day (9:39) this information can be collected.

Highest Volume Sample Size: The initial Volume Sample Size can be replace at any time during the day if the SMA3 of volume is challenged to the upside. From this moment, the IVSS will be replaced by the Highest Volume Sample Size or HVSS. If the VSS is at least 150% of the most recent VSS, then the type of VSS will automatically switch to Attracting new participants.

Volume Sample Size HWM: A horizontal line will act as high water mark on the volume histogram to show the IVSS or the HVSS.

Volume Sample Size Type or VSST: The Volume Sample Size (initial or highest) could be of 2 types: 1- Responsive or 2- Attracting new participants. The type responsive will be applicable when prices are returning to previous day value area section or when returning to current day VA or POC. The type Attracting new participants will be applicable when price are heading against the previous day VA and towards the YHOD or YLOD or even above or below it.

Let's look at October 17th, 2014:

We can see @ 9:39 that price were heading back towards the previous day's close. This information assesses type of the VSS which is of type Responsive. The SMA3 of volume (orange thin line on the volume histogram) was @ 260 000 at the end of bar 3 which gives us our first reference volume sample size of the day (IVSS). This level was never challenge at anytime during that day. 390 000 would have been the number to reach (150% of 260 000) in order to call a VSS type change on that day which, clearly, did not occurred. Ok, let's check October 16th, 2014.
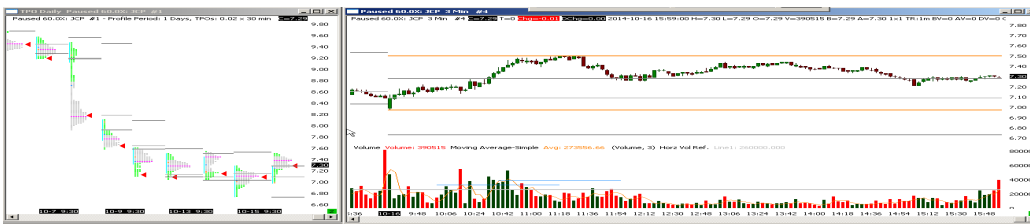
We can see @ 9:39 that price are attempting to escape from yesterday's value area by rejecting value below the close. So our VSST is of type Attracting new participants. Our IVSS is @ 250 000 (gray horizontal line). Around 10:15, our said IVSS level of 250 000 is pushed up to 331 000 giving us our first HVSS of the day. Since the type was already Attracting new participants, it will stay the same since we are reaching new daily high volume size. Then around 10:42 our HVSS of the day is pushed again at a new VSS high of 390 000. The VSS type stays of type Attracting new participants. Ok Ocober 16th now

This is an interesting one. At 9:39 I have to call it a IVSS of 520 000 with a type of Attracting new participant. Then no later than 5 bars later, price were back above the previous day low and the current open which seem to act as an attracting pole … This is the action of responsive traders …. On this case we have to change or IVSST to Responsive, it is pretty clear. Then a volume spike of 400 000 (below our IVSS) above yesterday's close while pushing the current HOD.   It would have take a volume spike of at least 780 000 to switch to a HVSS of type Attracting New Participants. I know I am going backwards here, maybe I will re-organize later. Ok, October 14th now

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Another interesting one. I did split the current day profile into single 30 minute bars for a better understanding of the open. First we open around the previous day VAL for heading immediately towards yesterday POC which is Resonsive type. IVSS is at the grey line around 430 000. Then around 9:48, volume burst that creates the first HVSS of the day @ 552 000, not enough to switch the type to Attracting new participants (150% of 430 000 is 615 000). Then around 10:42, volume burst that creates the second HVSS of the day @ 590 000, not enough to switch the type to Attracting new participants. Now the difficult question would be do we use 150% of the the IVSS or of the HVSS ? To be on the safe side we should take 150% of HVSS … I like that. So in this 2nd case, it would have take 150% of 552 000 which is 828 000 to switch the HVSS type to Attracting new Participants … And looking at the chart I think that our volume assessment method is still working well after 4 days of study … Let's test another one. Otober 13th 2013

I did enlarge the profile section to see it better. We did open right on yesterday POC which is near YLVA. After bar 3 we were heading toward's yesterday's high with a IVSS around 610 000. Going away from yesterday's POC gives us a IVSS type of Attracting new Participant. 4 bars later and on lighter volume we did cross the current open and we are back near YC and YLOD. The initial attempt did clearly failed so we have to switch our IVSS type to responsive. The 610 000 level was never challenge at all for the rest of the day.

My stock universe

These are the only stocks I am allowing myself to trade. They are stocks that I like to trade and they do have a minimum of 1.3 million shares traded in average every day.

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|	Symbol
1	INTC
2	CBG
3	AEO
4	AKAM
5	BX
6	CIEN
7	ORCL
8	CMCSA
9	PLD
10	AIV
11	GM
12	URBN
13	TS
14	MPEL
15	GT
16	X
17	TEX
18	MTW
19	MGM
20	STLD
21	GES
22	LPX
23	MBT
24	GNW

101 1:07

Day Trading Preparation – Rotational Days

Preparation task 1: Choose instruments that has rotational day charateristics – evaluate the 6 following criterias:

1- Shape of the profile, symmetric (mandatory and most important)
2- Overnight Inventory and short term trader's reference levels acting as resistance or stalling prices area
3- One timeframing from the open
4- Open In Balance or Out of Balance
5- Daily volume
6- Watch for mega volume print within the day

Lets take these 6 characteristics one by one with one example on a chart: INTC (a symbol that I watch often) at 12:30 no later than last Wednesday on one of my favorite stock (INTC):

1- Daily Profile shape

I got into the market around 12:30 which gave me the chance to evaluate the current day's profile. To be in a rotational day, you need (absolutely mandatory) to have a symmetric profile (not elongated, no multiple distributions and no P or B shape). The profile has to show a regular bell curve (only one) with no mega elongation on both side.
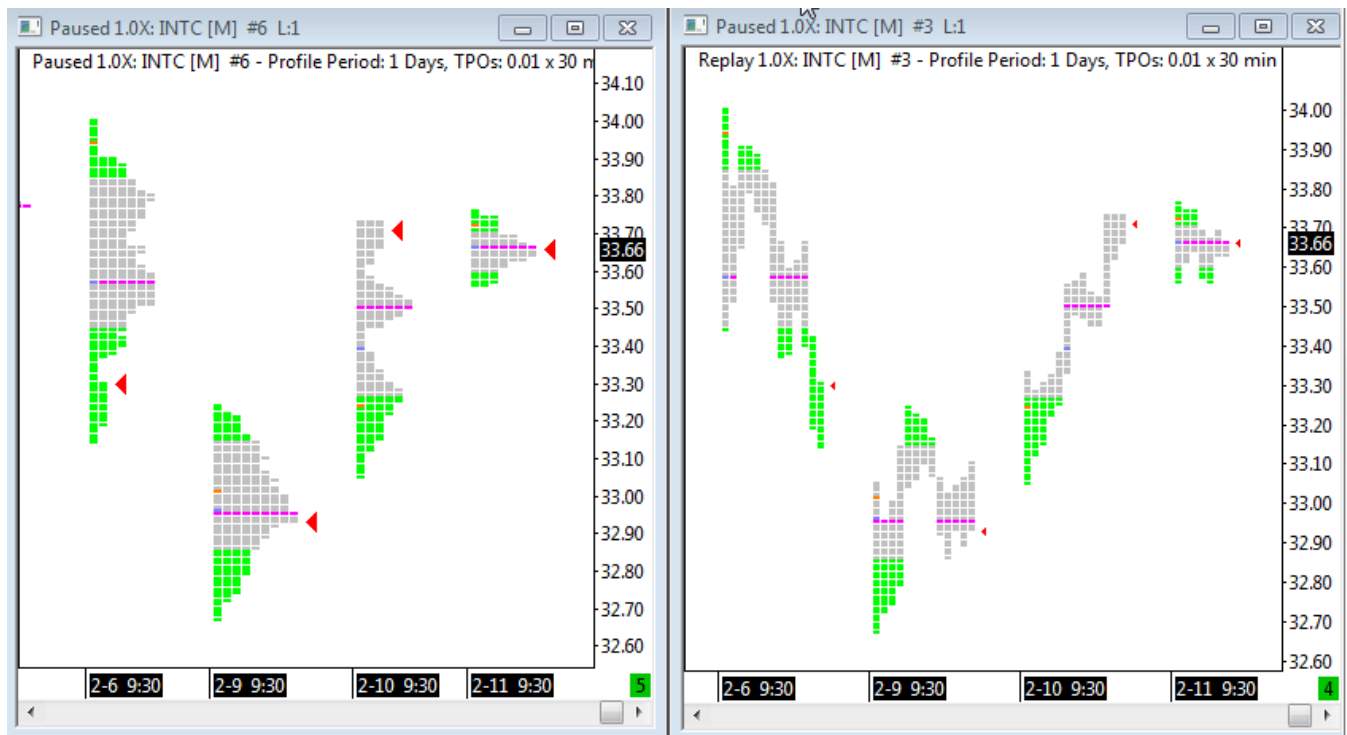
First it is pretty obvious as for the non elongated shape. Second the bell curve is (at this point) made of only one distribution.

2- Overnight Inventory and short term trader's reference levels acting as resistance or stalling prices area

Here is a quick recap of day and short term traders reference levels:

A- Overnight high and low (not the VAL neither the POC of the overnight session)
B- Opening
C- Unchanged
D- Previous day high or low
E- Halfback
F- High volume nodes
G- Current day high or low (this is not specified officially by Dalton but lets study it)

A- Here is the same example with overnight session shown and with reference levels shown:
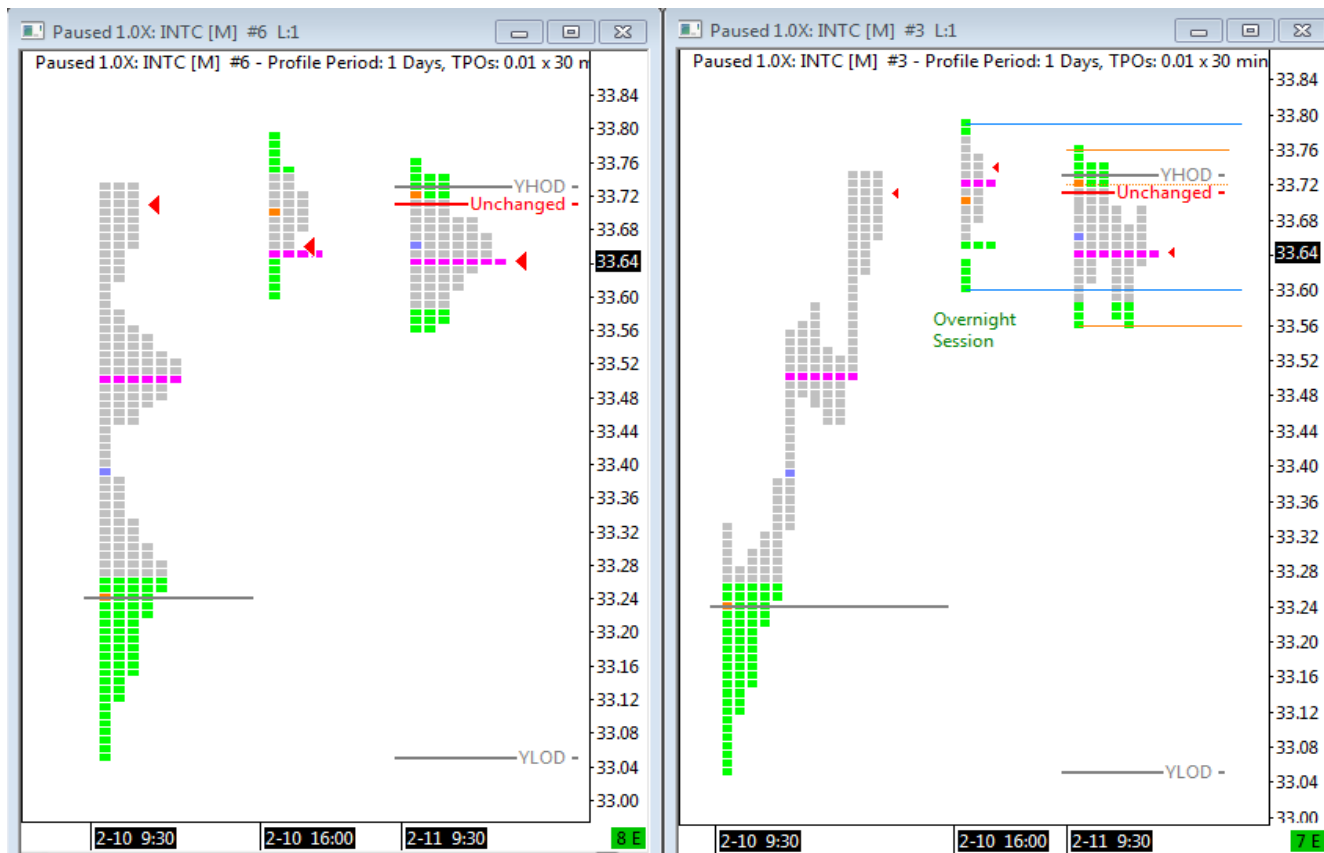
Does overnight acting as resistance ? Yes, actually both extremity did act as resistance

B- Does the opening seem to limit price action (doted orange line) ? It try to go upper and failed for 3 attempt in the morning so the open is in the limit high zone so, yes on a scale of 10 we can give a 7 at least.

C- Does unchanged seem to limit price action () ? In this case, it is similar as the opening reference level. So yes

D- Does the previous day high or low acting as resistance ? Look at the YHOD line. Price went 3 tick above and that was it. So yes, YHOD acted as resistance

E- Does halfback act as resistance (purple dot on the profile) ? Period 3 and 5 stop at 2 and 1 tick respectively from that level. Lets look more in depth on the 3 minute chart:
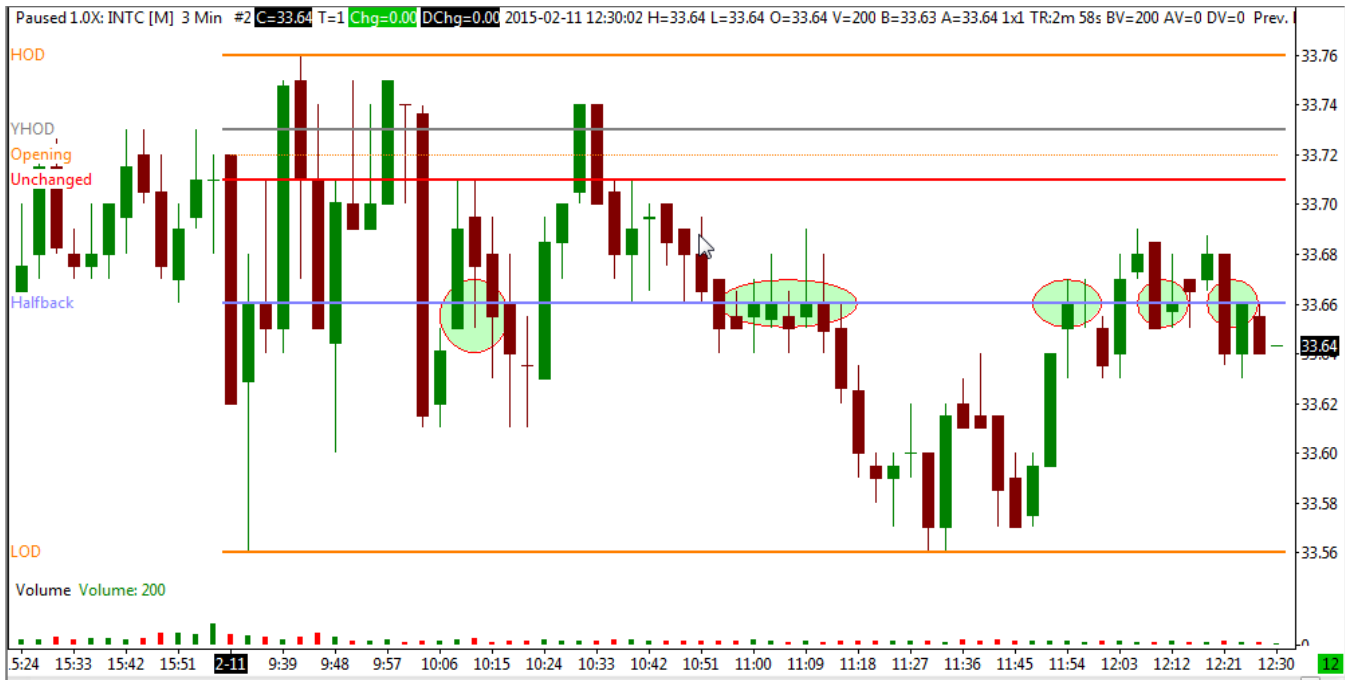
First of all, the current HOD and LOD (and by definition halfback as well) were defined within the first 15 minutes of trading and has never been modified since. So halfback is at 33.66 since 9:45. Around 10:15, halfback kind act as a magnet or stalling area. 2 bars either open or closed within 1 or 2 tick of the 33.66 level while one bar actually opens right on it. Around 11:09, 3 bars closes exactly at halfback while 3 others went above and closed lower. Around 12:00, 4 green bar closed at halfback while 4 other crossed the said reference level in either up or down direction. So I gave this a 9 out of 10 if not a 10 on 10 for halfback acting as a reference level.

F- Does the high volume nodes act as resistance and or magnet ?
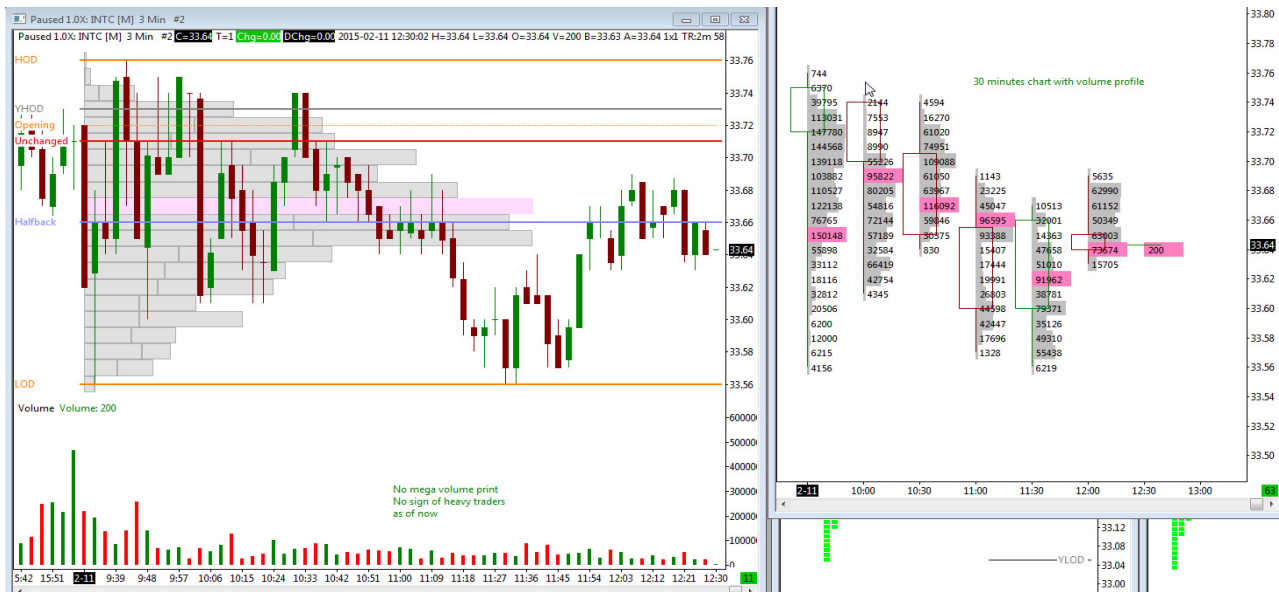
Ok, here I added a daily volume profile on my 3 minute chart and I added a 30 minute chart with individual volume profile in each bar. The pink section is the daily volume profile POC @ 33.67. It is situated at 1 tick of halfback (33.66) and at 2 tick from the TPO POC (33.64). The answer is yes, the volume POC acted as a magnet on 12:21 on the 11:36 movement down

G- Does the current high or low of day act as resistance ?

Morning low was established early @ 33.56. At 11:30, two 3 minute bar stop at the exact same reference level right on it (33.56). So yes, the current low of day act as resistance

3- Does the chart did one timeframing from the open ?

When looking at the splitted daily profile we see that the three first 30 minute bars were inside bars which is the definition of a short term balance. So, no one timeframing, 10 on 10

4- Did INTC open In Balance or Out of Balance ?

It did open inside the previous day but at the top of it. So it did open in balance but very far in the day range. So I would say a 5 on 10 for this characteristic

5- Daily Volume

Participants in rotational day are the day traders and the short term traders. They have a lot less capital than the intermediate and/or the long term trader. So a small daily volume (less than half of the average volume since we are already a half of the day – assuming the volume is evenly distributed within the AM and the PM) will be the clue as of the long term and the intermediate term are not participating (or at least the did not participate as of 12:30). Lets look at our daily volume at 12:30:
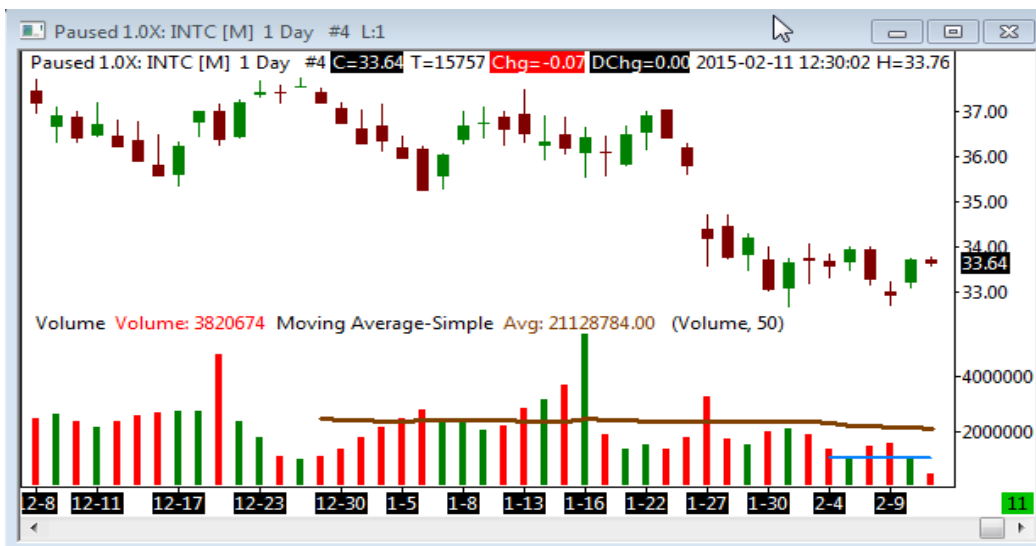
The brown line in the volume section is a 50 SMA of the daily volume. The blue line is the half level of the average volume for that day. As you can see, at 12:30 (near than half of the trading time as been already spent) the daily volume is somewhere around half of where it should be to get an average volume day. This is the kind of daily volume print (25% or less daily volume at half of the trading day) we are looking for to define a rotational day. 10 on 10 for this sample !!

6- Watch for mega volume print within the day

This might need some clarification to begin with. Some times I see mega volume print into the middle of the profile distributed here and there. By mega print I mean 3 minute volume bar that can be like 8 or more time the average volume. And these print, as I mention earlier, are situated within the VA (not at any extremity in particuliar) which tells me that the long term or intermediate term participants are averging into that instrument or stock here and there. So, when I see this kind of volume prints it tells me that they do participate on that specific day and you are most like like into a trend day.

In the current example, there is no mega volume print during the day. The open volume has to be excluded for this volume evaluation

Now we need to speed up the process of stock picking. The daily volume (criteria 5) will be the first speed screening step .On you 24 stock universe, pick only the stocks that are at 25% or less of their volume SMA 50 at 12:30. From there, evaluate the shape of the profile (criteria 1), the day and short-term trader reference levels (criteria 2) and the onetimeframing action (criteria 3). Lets assume that this second screening activity did screen the list of 12 symbol to 6 symbols. As for the third screen step, evaluate the other criterias which are: Open in or out of balance (criteria 4) and the mega volume print (criteria 6). This process will be defined with a checklist sheet called Rotational Day Check. Pick your 4 top rotational day instruments.

Preparation task 2 (for each 4 stock chosen): Evaluate if Value is up or down comparing to the previous day. 3 things needs to be in place for this rule to be valid: the center of the VA (1) and the POC (2) of the current day has to be both either higher of lower than the center of the VA and the POC of the previous day. Also, the POC migration (3) has to agree (be in the same direction) as the VA and POC previous day comparison. If these 3 metrics disagree, then you have no direction. You can get back to your stock universe to get another stock if the POC migration on another did reject your pick.

Preparation task 3 (for each 4 stock chosen): Volume Assessment. Mark the HOD and LOD volume size to get a volume assessment reference size. Draw an horizontal green line for the HOD volume size and an horizontal red line for the LOD volume size volume section.

Preparation Task 4 (for each 4 stock chosen): Mark your reference levels on all charts. Current and previous day high and low, Unchanged, Halfback - purple line are already displayed automatically on your charts. Mark any recent Prominent POC (pink lines). Also, make your top down approach by marking balance areas on your weekly and daily chart. Check for location where intermediate or long term traders/investors could be interested in getting on board. Check for trend or bracket situations on both time frame

Trading Rules and Trade Management – Rotational days

Rule 1: Risk/reward ratio. 2 for 1 @ POC is the target. 1.5 for 1 @ POC is the minimum risk reward ratio to be respected.

Rule 2: Daily Value. If value is higher than the preceding day I do allow myself to go long only. If value is lower than the preceding day I do allow myself to go short only. 2 things needs to be in place for this rule to be valid: the center of the VA and the POC of the current day has to be both either higher of lower than the center of the VA and the POC of the previous day. If these 2 metrics disagree, then stay out.

Rule 3: Value Area. Wait to be outside of the value area (in the green section of you profile). Being on the last line of the VA is also acceptable if other signals are strong. By other signals I mean responsive volume, reference level is reached, excess is clearly visible

Rule 4: Reference Levels. On the top of the VAH or VAL reference levels, one other reference level is required to take a trade. Other reference level can be current HOD or LOD, halfback, Unchanged, YHOD or YLOD, yesterday's POC or anomalies

Rule 5: Responsive volume. First, a responsive volume size is required. A near or above the previously marked volume assessment size is required (gray or blue horizontal line draw in the above preparation section). The biggest volume on the volume profile level will be marked as a thick horizontal line on all charts

Rule 7: Excess. Then we need a form of excess that will show us the the current short term auction is over. A topping tail or bottoming tail on your 3 minute is required. The volume size would normally be above average

Rule 8: Excess bar rejected on lighter volume. The bar following the Excess bar has to totally engulfed and reject the Excess bar. Also, this action has to be on lighter volume. This is the trigger bar. I might take one portion here and another portion @ responsive volume engulfment ...

Rule 8: Responsive Volume engulfment. In order to be sure that the volume is of type responsive, we need to be above the big volume level (the thick green horizontal line) to go long or below it to go short. After the Excess bar, we should get above or below the said Responsive Volume level pretty quickly and on regular to light volume. Get in by taking liquidity right there or with a stop entry @ 1 tick above or below the bar that did reached or crossed the level. The green line is a level but most important is the fact that the Responsive Volume (and maybe one or 2 other volume burst that did add) is more of a Responsive Volume Zone. When crossing back the said zone on light volume you do now know that nobody is responding to the fact that we are almost over or below the Responsive Volume Zone. This confirms that the people that got into the market in the Responsive Volume Zone are not defending their positions and at the same time it confirms that the were real responsive buyers or sellers.

Rule 9: Get in with a stop order @ 1 tick above or below the close of the trigger bar
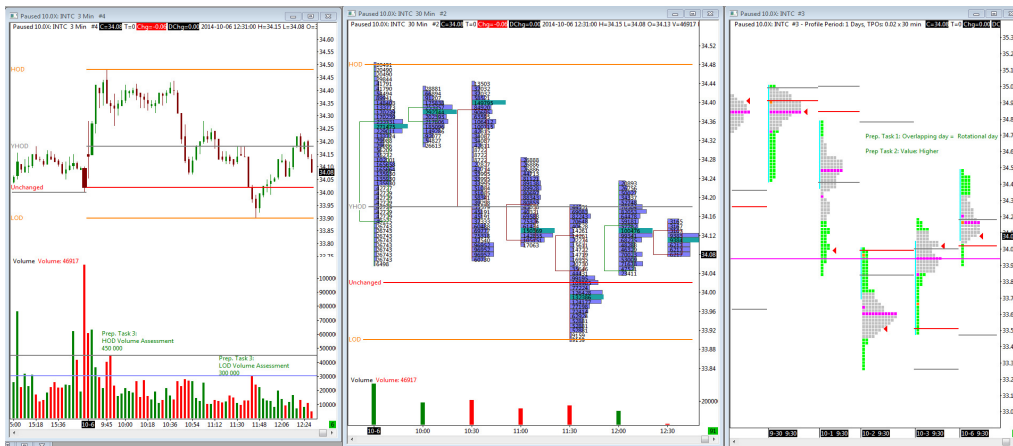
Rule 10: Security Stop-Loss. Place your stop 1 tick above or below the Excess bar.

Rule 11: Target. Place your target exit at the other extremity of the VA. Make sure you are inside the VA (in the 15% of the target area). Note that is the VA migrate against you, you have to adjust your target accordingly.

Rule 12: Monitoring. Monitor volume for any change. If volume size near or above the responsive volume size identified at rule 5, you get out get out. There is something wrong. This type of volume is supposed to come at the other extreme of the VA, not inside. If so, something changed and it is not in your favor.

Rotational Day Example

I will start trading around 12:30. Here is the portrait of the situation around 12:45. Note that the Preparation Task are labeled in green on the chart:

This has been a chosen example, so it is not a real time discovery but anyhow, it has all the rules in a clear way so I will use it. Then here is what happen at 12:39:

Some of the rules were triggered including rule 4 and 5 while rule 2 was already in place allowing me to go long only. Some bars later …

Now, rule 7 (Excess) has appeared. Rule 1 (Risk-Reward ratio is above 1.5 @ POC) and is ok. We are still under VA (Rule 3) while the responsive volume engulfment level has been determined (Rule 8) @ 33.96. Lets see the following bars …
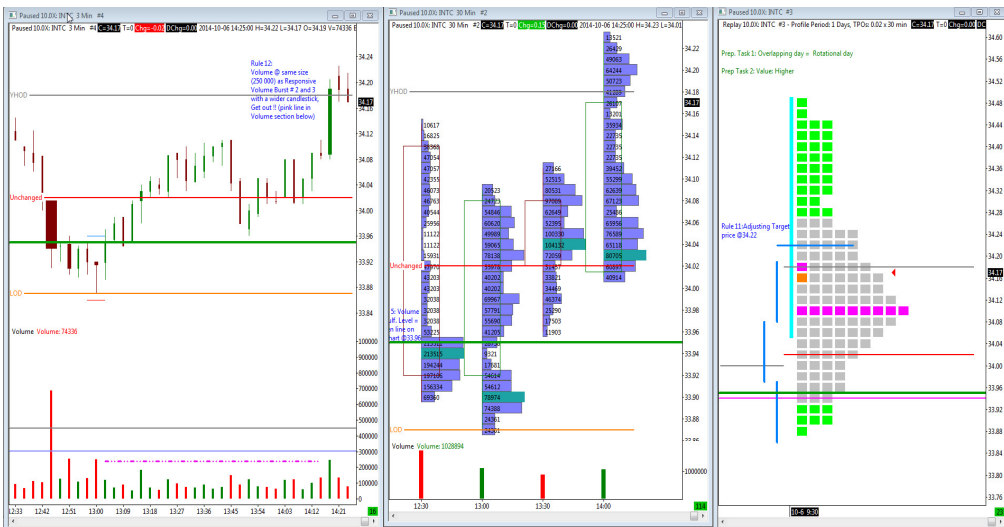
Ok, now Rule 8 has triggered so I can get in or wait for a stop entry 1 tick above (rule 9) …
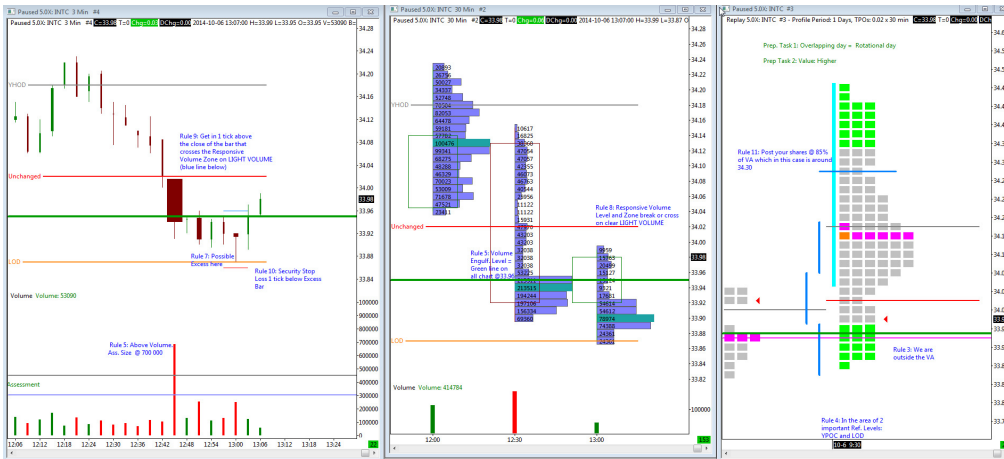
Ok, I am in the trade, security Stop Loss (Rule 10) and target Exit (Rule 11) has been executed as well …. Now lets monitor …

I did enter @ 33.96. The VAH was going against me so I did adjust my target accordingly by moving it from 34.30 to 34.22 (Rule 11). Then monitoring for volume clues … From 13:00 to 14:15 all volumes were below the lowest burst of volume (250 000 on the 3 minute chart) that did occurred in the Responsive Volume Zone between 12:42 and 13:05. Then @ 14:18 a nice up candle pushing prices near my target finally reached the 250 000 volume level. This is the punch out signal … It looks like the bar after reached 34.23 so our target should have been triggered but the right thing to do was to wait at the end of the green candle with the 250 000 volume spike and get out. This would have been a trade (assuming an exit @34.19) of +0.23 in about 1.5 hours.

301   51:38

Trend Day's rules

To come later

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Sierra Chart Configurations and procedures

Volume By Price on minute chart – 1 volume profile per bar

1-Add the Volume By Price study

2- Change the study input "Volume Graph Period Type" (row #2) to "Multiple Profiles Fixed by Bar Count"

3- Change the study input "Number of Bars for Fixed Bar Count" (row #5) to 1

4- Depending on how thick you want to see your horizontal volume bars you can set the study input "Ticks Per Volume Bar" to 1 to add price refinement to the volume bars

5- Change the study input "Display Volume in Bars" (row #17) to "Total Volume"

5- Change the study input "Highlight Point Of Control" (row #) to "Yes"

6- Change the Subgraph "Volume Bars Outline anf Fill Colors" colors to light gray (both, outline and fill color)

7- Change the Subgraph "Point of Control" color to light pink

8- To see the pre and post market (Evening Session) profiles: change the study input "Use Separate Profile for Evening Session to "Yes". Then from your Chart Settings, enable Use Evening Session and set your Evening Start time at 16:00:00 and your Evening End time to 09:29:29

Daily TPO Profiles with Overnight as separated profile

1- To see post and pre market (Evening Session) as a separated profile change the TPO study input "New Period At Day Session Start When Using Evening Session" to "Yes". Then from your Chart Settings, enable Use Evening Session and set your Evening Start time at 16:00:00 and your Evening End time to 09:29:29

POC migration gathering procedure

With the replay feature (RPL button) start your replay with a 1 min chart @ 15:59 of the previous day. Start the replay a 10X and when you get into the new day, wait for about 3 seconds and press pause. Set the Jump field to 30 minutes and press FF for one click. This will give you your POC for bar 1. And continue like that for the other bars

Linking charts or windows

From the Chart menu, choose Linking and then the proper link number

Tick based or transaction or number of trade bars configurations

Open Chart Settings and change the Bar Period (in the Intrady Chart Bar Period section) dropdown to Number of Trades per Bar. Then set the proper value for the number of trades you want winthin a single bar.

Speed or time of a number of trade bar
Use the study Bar Time Duration. Also, countown timer

How to invert a study

Use the study Multiply Bar By -1. Good for price bar only

Important Note

This is my personal trading method. The goal of publishing this document is to share trading concepts and ideas with other forum members. This document is not intended to give to others a trading methodology or trading advices. The author of this document is not responsible for any loss or profit that might occur by using the content of this document. Refer to a professional (which I am not) to validate your own trading skills, strategies or methods.

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