

Futures I-Trade Show

Short term e-mini strategies *that work*

Keynote presented by:

Al Brooks

@ES.D - 1 Tick Bars CME L=1372.00 -1.50 -0.11%

1 tick chart (each bar is one tick)

**Every tick is a signal.
One person sees it as a buy
and another as a sell.**

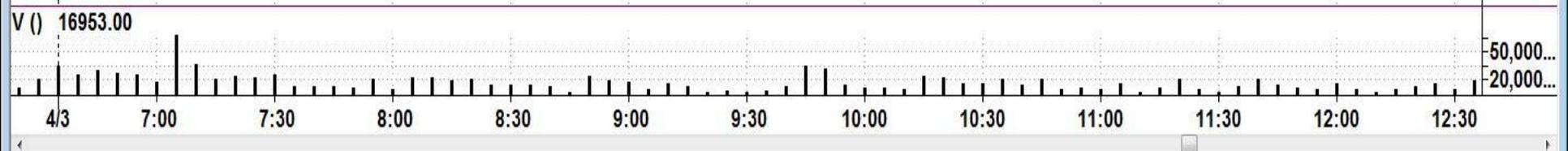


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Why 5 min charts and not 1 or 3 min,
which offer many more set-ups?



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



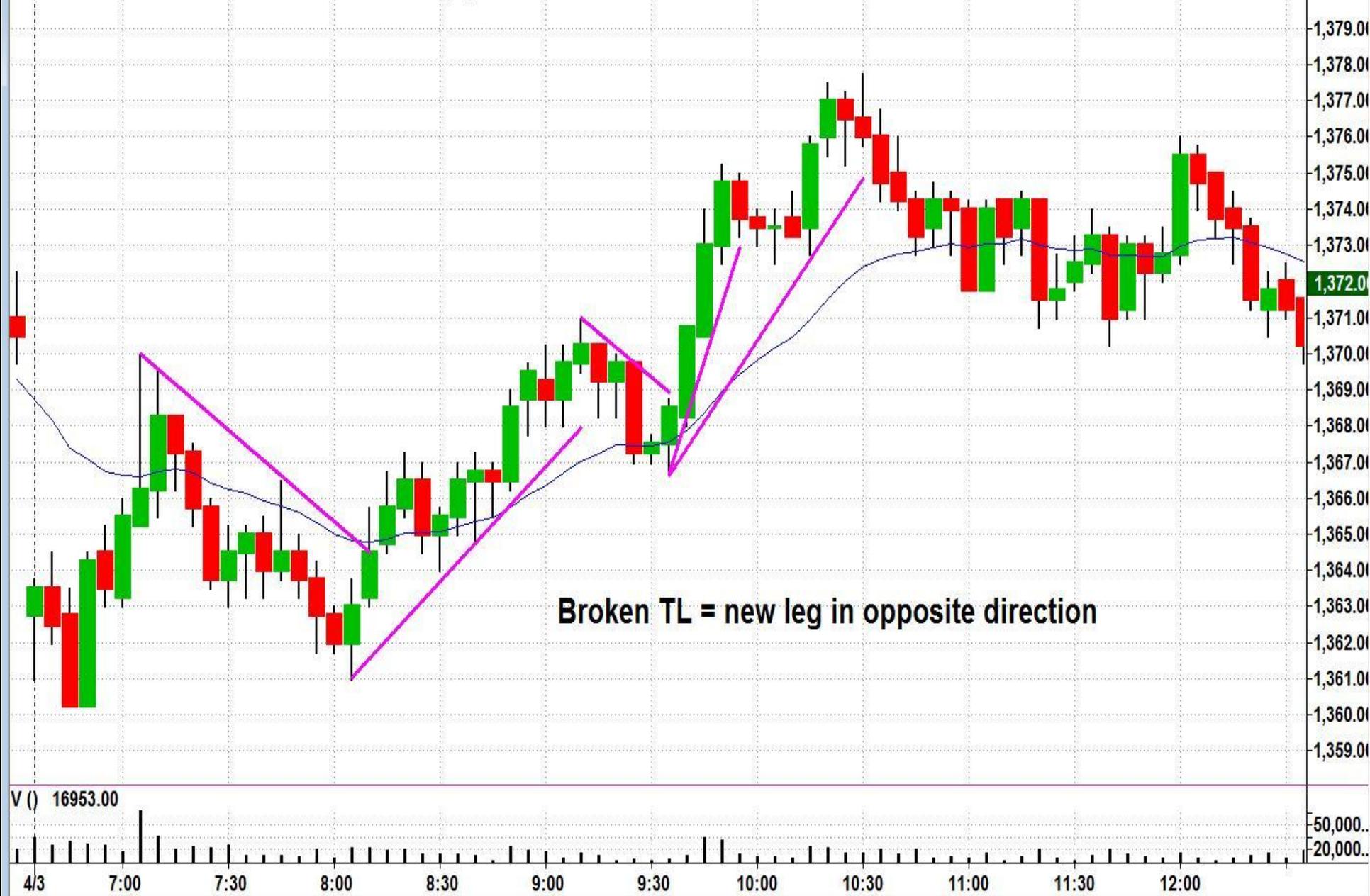
ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Look for all Trendlines

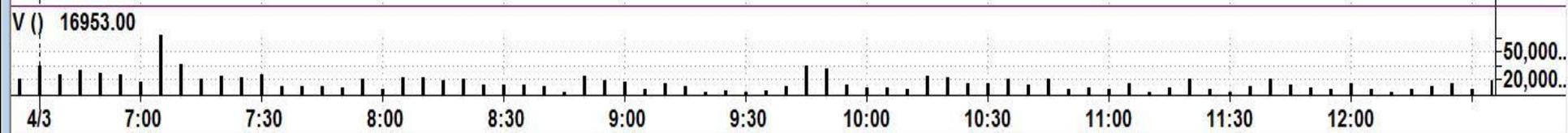


V () 16953.00
13:00 4/3 7:00 7:30 8:00 8:30 9:00 9:30 10:00 10:30 11:00 11:30 12:00 12:30

ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



Broken TL = new leg in opposite direction



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



Trend Channel lines

Trendline

A

B

C

D

E

V () 16953.00

ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



H1

H2

L1

L2

H2

L3

L1

H2

L2

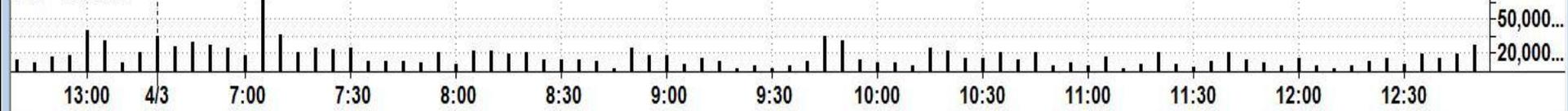
L3

H1

H4

H1 = 1st bar in down or sideways mkt with H > prior bar's H
 H2 = 2nd occurrence
 L1 = 1st bar in up or sideways mkt with L < prior bar's L

V () 16953.00

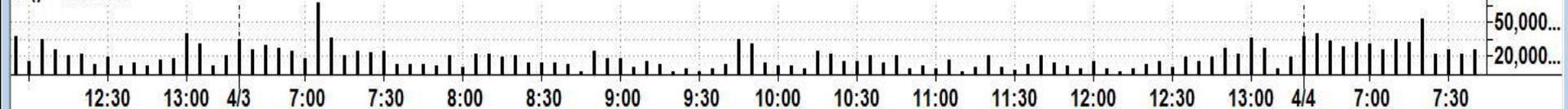


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Variant: H1 can also be 1st up close after 1st bar with down close.



V () 16953.00

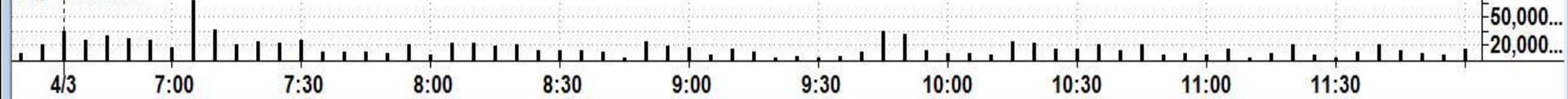


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

break above MA after TL break



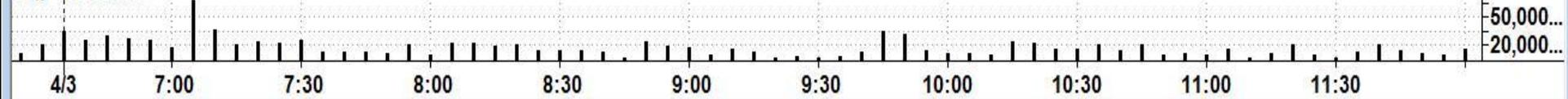
V () 16953.00



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



V () 16953.00

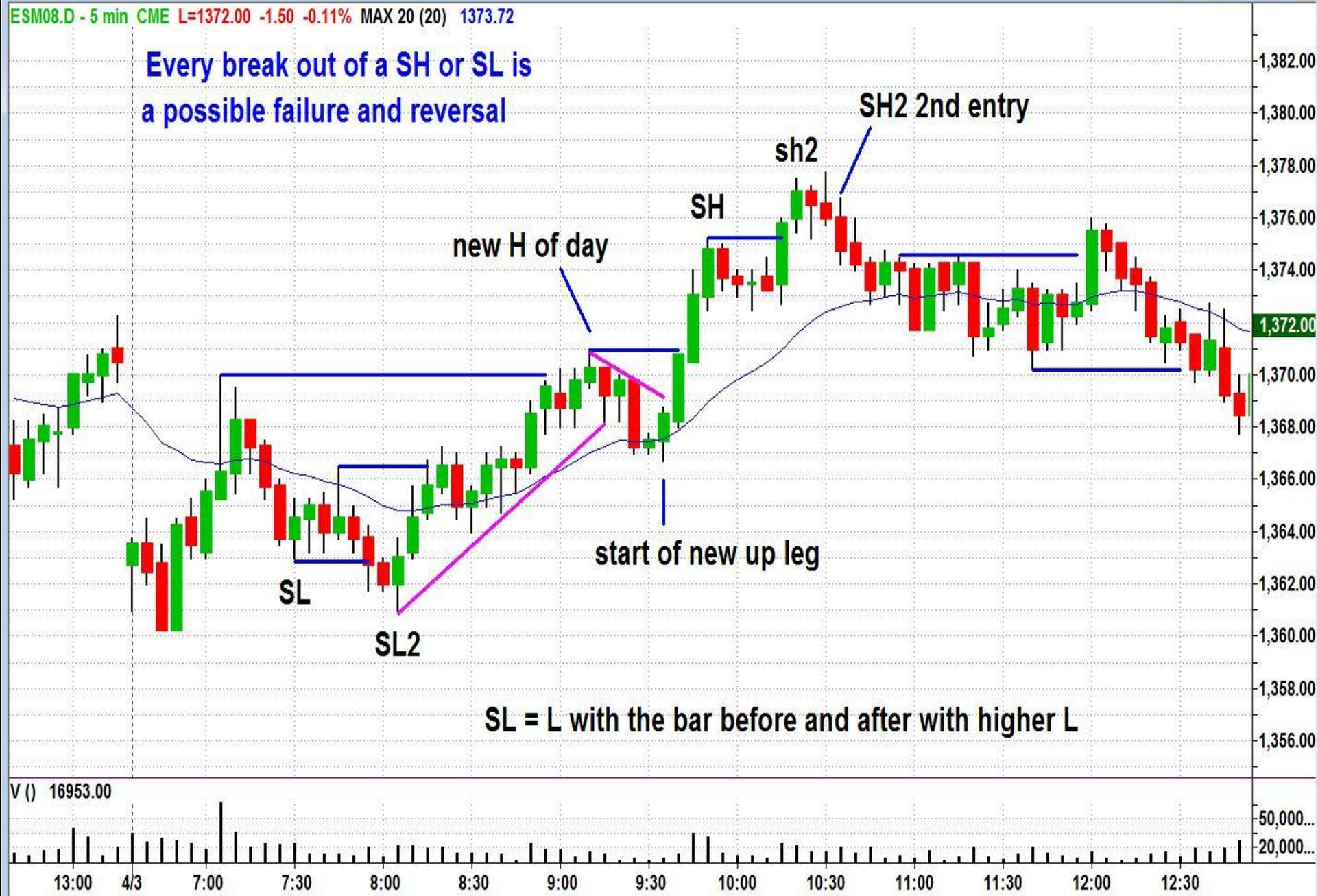


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Every break out of a SH or SL is a possible failure and reversal



SL = L with the bar before and after with higher L

V () 16953.00

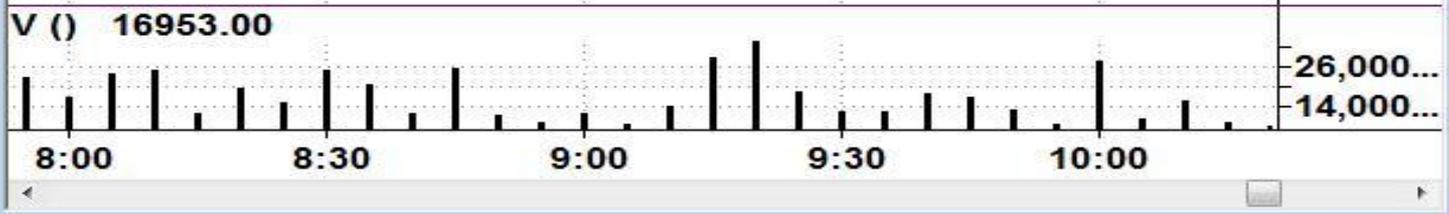
13:00 4/3 7:00 7:30 8:00 8:30 9:00 9:30 10:00 10:30 11:00 11:30 12:00 12:30

ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 137...

**Buy on a stop at
1 tick above prior bar's H**



**You need a 6 tick move
to make 4 ticks on a scalp**



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

You need a 6 tick breakout to make 4 ticks



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Do a Google search for Paul Rotter

**He daytrades 150,000 contracts/day,
scalping about 3 ticks.**

Rumored to net \$60 million/year.

www.trading-naked.com/paul_rotter.htm

1,372.00

V () 16953.00

9:00 9:30 10:00 10:30 11:00 11:30 12:00 12:30 4/9 7:00 7:30 8:00 8:30 9:00

ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

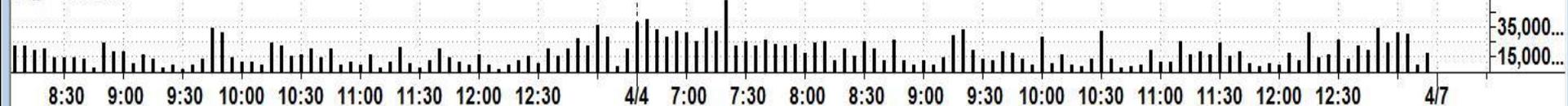
Quote attributed to Warren Buffett:

"If it's worth a penny, it's worth a dime."



When you have a great entry, trade your maximum size and let some swing!

V () 16953.00



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Almost always want 2 reasons to take a trade.

A 2nd entry alone qualifies. Or, you need 2 others, like

Failed Breakout of anything: Prior H or L, TL, Trend Channel, flag, etc.

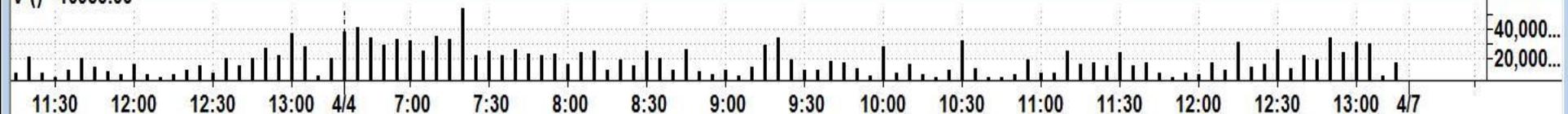
Strong Reversal Bar

MA pullback



Act quickly and don't debate whether both are adequate...ANY TWO things are good enough!!

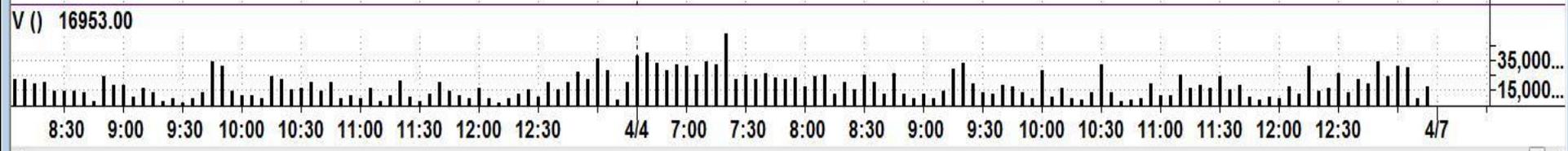
V () 16953.00



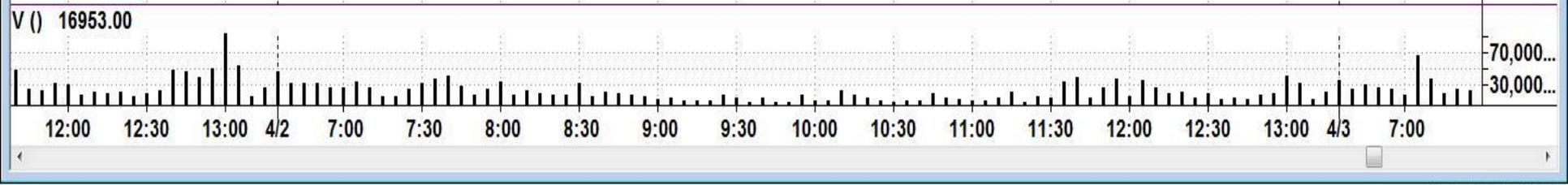
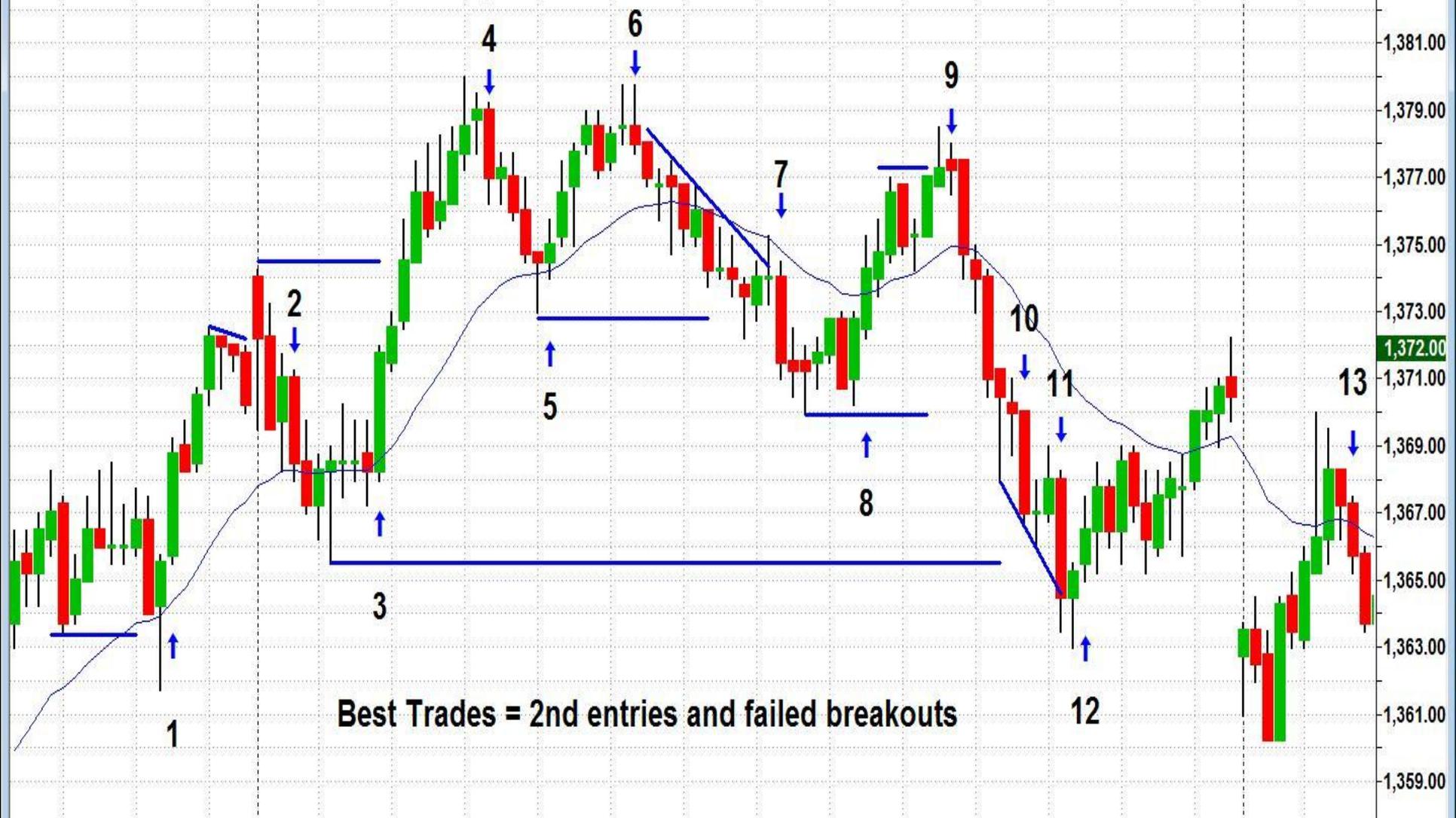
ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

Learn to anticipate so you will be ready to take the trade.

Be ready and focus as you wait!

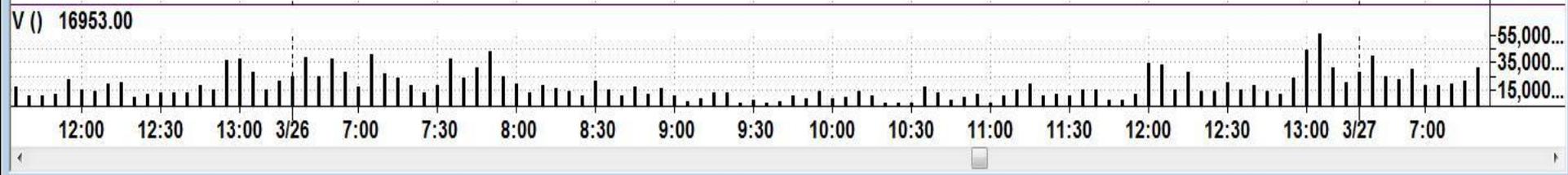


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

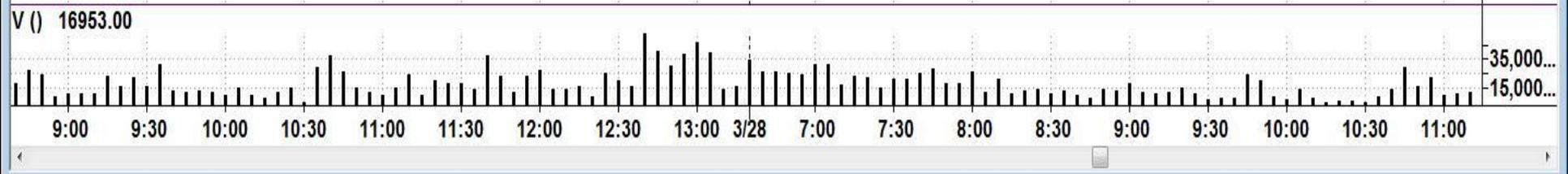


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

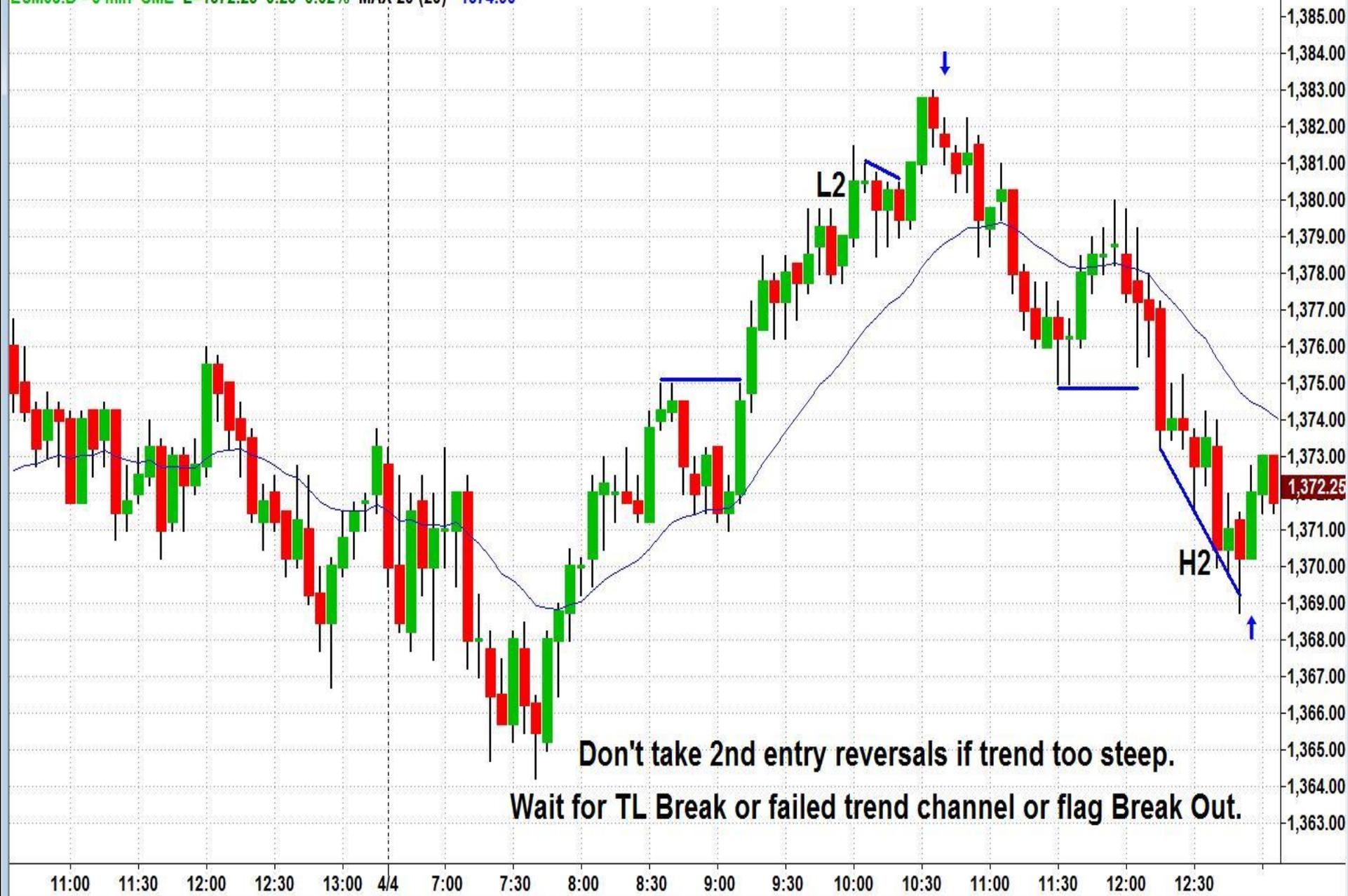
Concentrate on the BEST Trades!!
Don't take every signal, but you must take the best ones.



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



ESM08.D - 5 min CME L=1372.25 0.25 0.02% MAX 20 (20) 1374.90



**Don't take 2nd entry reversals if trend too steep.
Wait for TL Break or failed trend channel or flag Break Out.**

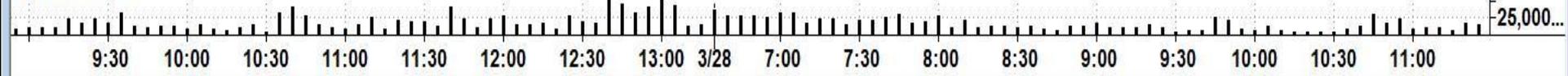
ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



Don't trade if:
3 or more Bars that have a lot of overlap
Big Tails, Small Bodies
Next to MA

Wait for Failed Breakout or any new signal

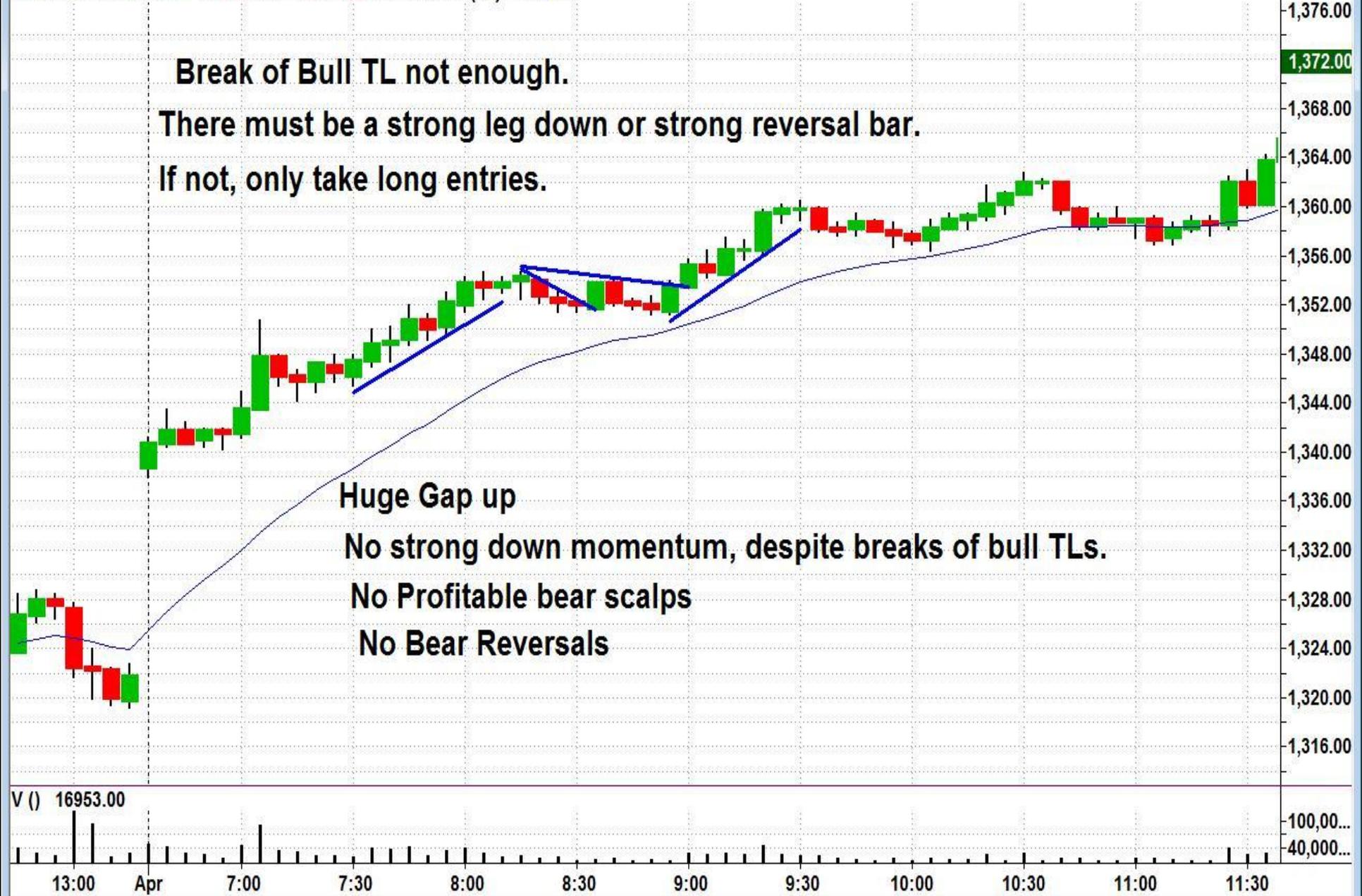
V () 16953.00



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

**Break of Bull TL not enough.
There must be a strong leg down or strong reversal bar.
If not, only take long entries.**

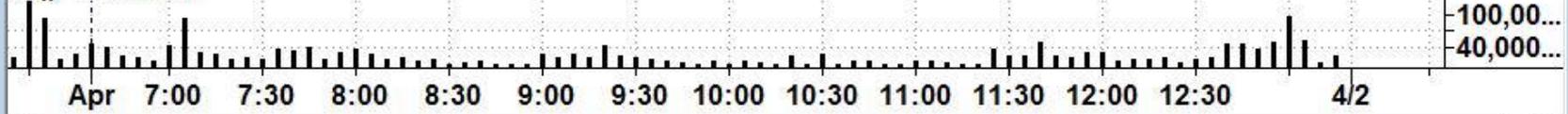
**Huge Gap up
No strong down momentum, despite breaks of bull TLs.
No Profitable bear scalps
No Bear Reversals**



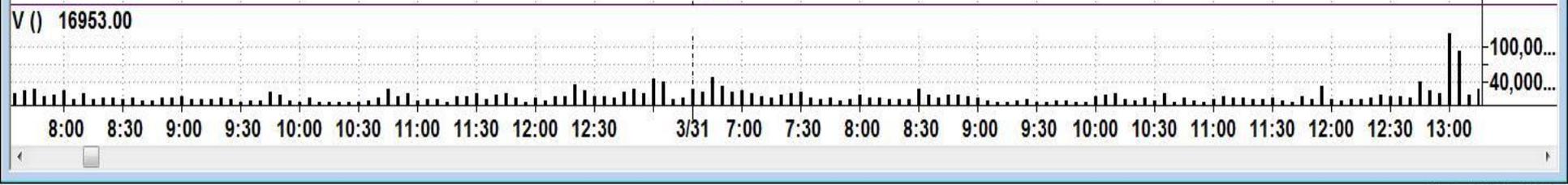
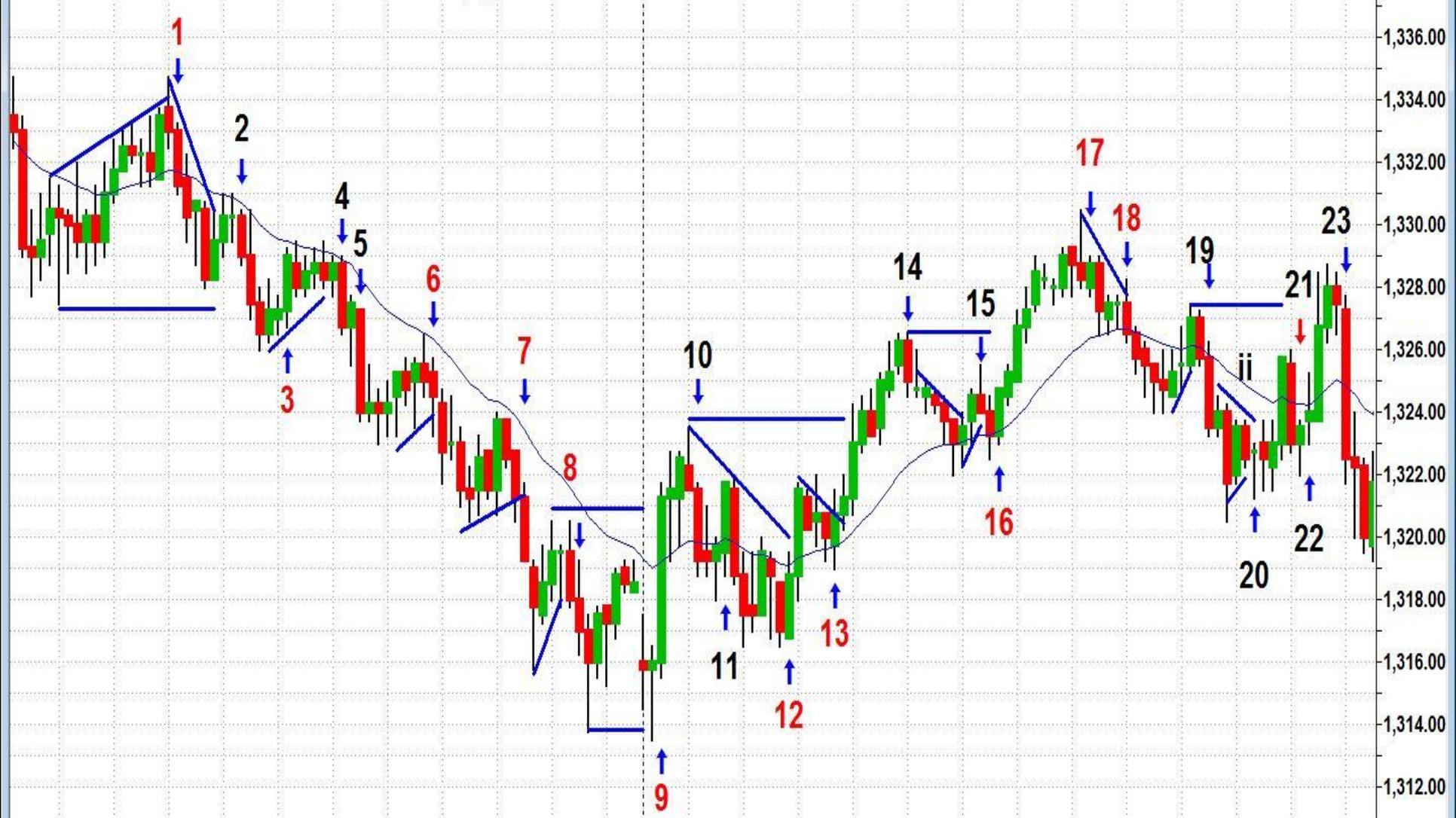
ESM08.D - 5 min CME L=1370.25 46.25 3.49% MAX 20 (20) 1367.34



V () 26713.00



ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

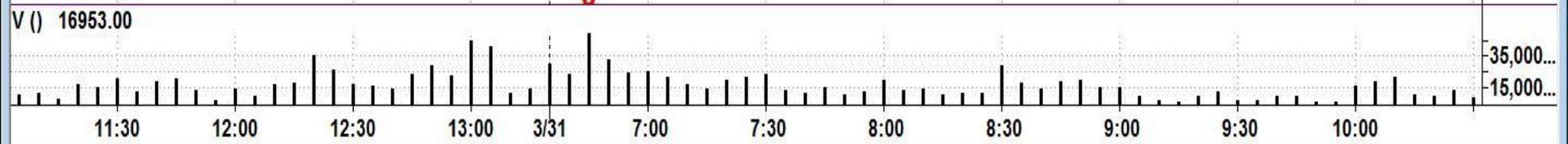


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72



V () 16953.00

ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

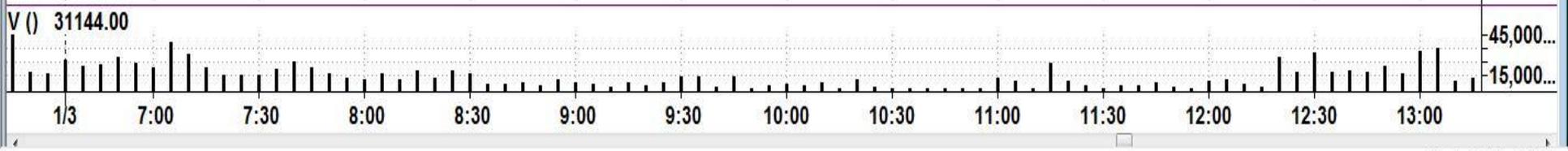
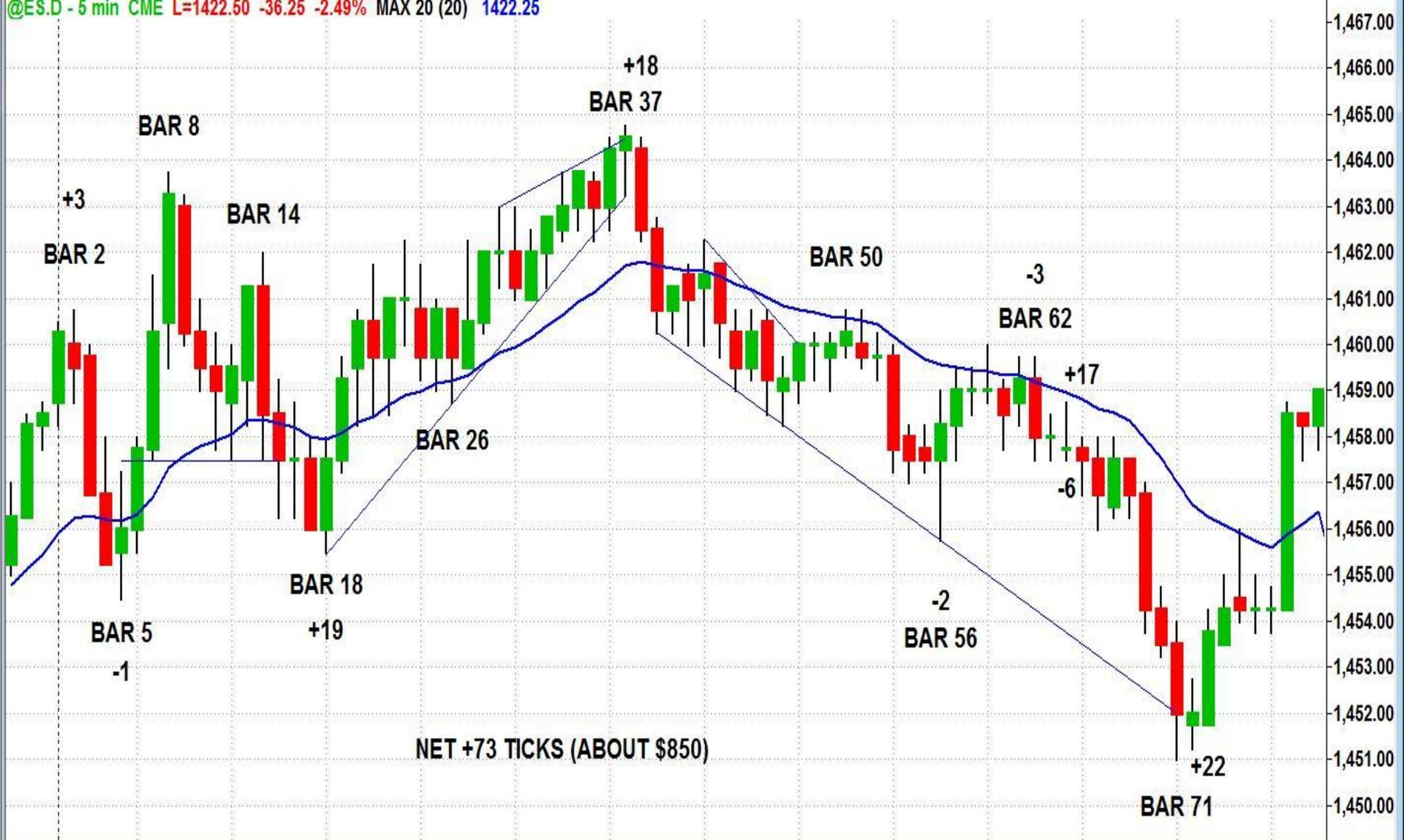


ESM08.D - 5 min CME L=1372.00 -1.50 -0.11% MAX 20 (20) 1373.72

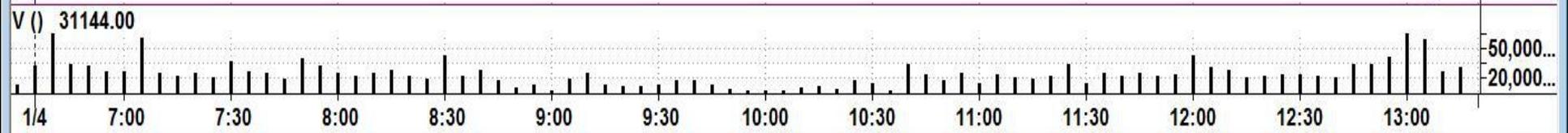


V () 16953.00

@ES.D - 5 min CME L=1422.50 -36.25 -2.49% MAX 20 (20) 1422.25



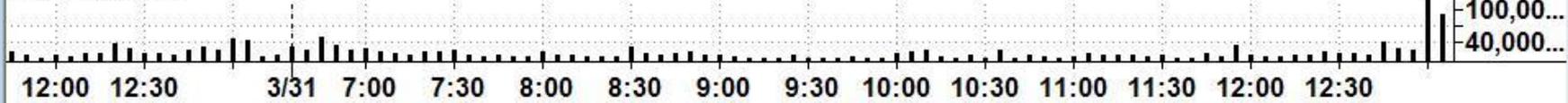
@ES.D - 5 min CME L=1422.50 -36.25 -2.49% MAX 20 (20) 1422.25



ESM08.D - 5 min CME L=1370.25 46.25 3.49% MAX 20 (20) 1367.34



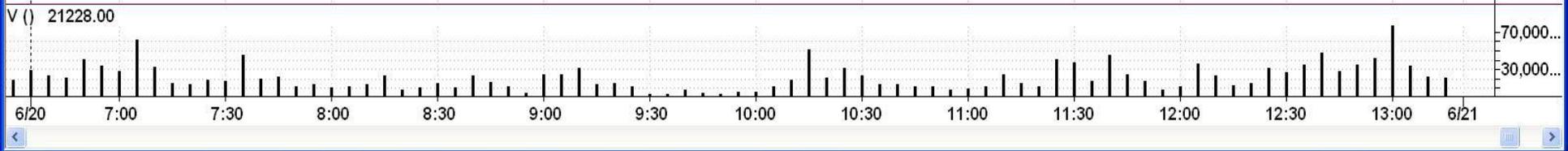
V () 26713.00



Time axis labels: 12:00, 12:30, 3/31, 7:00, 7:30, 8:00, 8:30, 9:00, 9:30, 10:00, 10:30, 11:00, 11:30, 12:00, 12:30

@ES.D - 5 min CME L=1527.00 -22.00 -1.42% R_D () 26.750000 MAX 20 (20) 1531.64 aP HL[1] () 1550.75 1540.50

Bear Trend Day but only 2 Bearish Reversal Bars



Thank You!

For more information on Al Brooks and articles he has written for *Futures*, please go to the Resource Center.