



Trading Trends with Multi-Timeframe Context

PRESENTED BY:

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Introduction

Goal: Reset expectations and trend trading correctly.

- What trend trading actually is and what it is NOT
- Why most traders fail at trend trading
 - chasing breakouts
 - trading trends in choppy environments
 - exiting too early or adding randomly
- The core idea of this webinar
 - trends are a result of context, not a pattern
 - execution is secondary to bias and alignment

Market Environment First

Trend trading:

-Trend trading is a style aimed on catching bigger moves, it doesn't necessarily mean an all day move; However, it's the type of trade that can be turned into a swing trade.

-To make the most use of trend trading it's best to add to a winning position and hold till the target level is hit

-Trend trading is one of the best strategies for people who love analyzing trades based on visuals and need enough time to plan their trades.

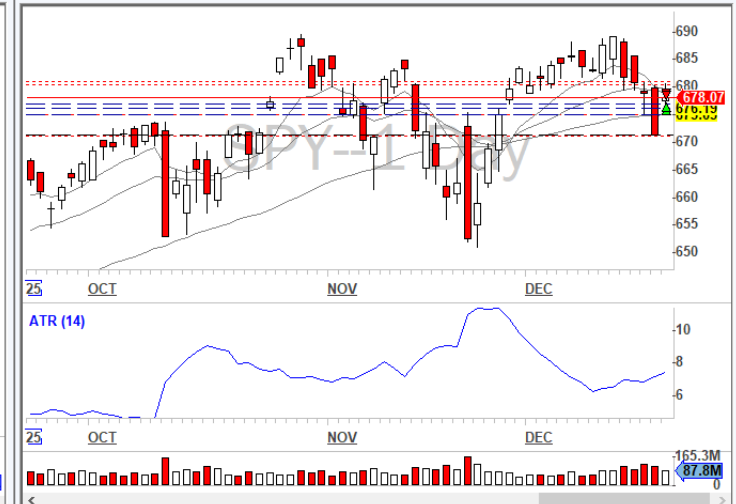
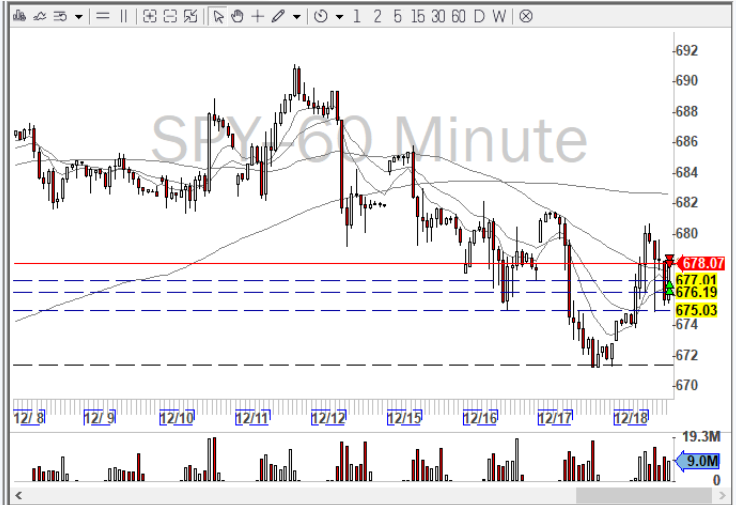
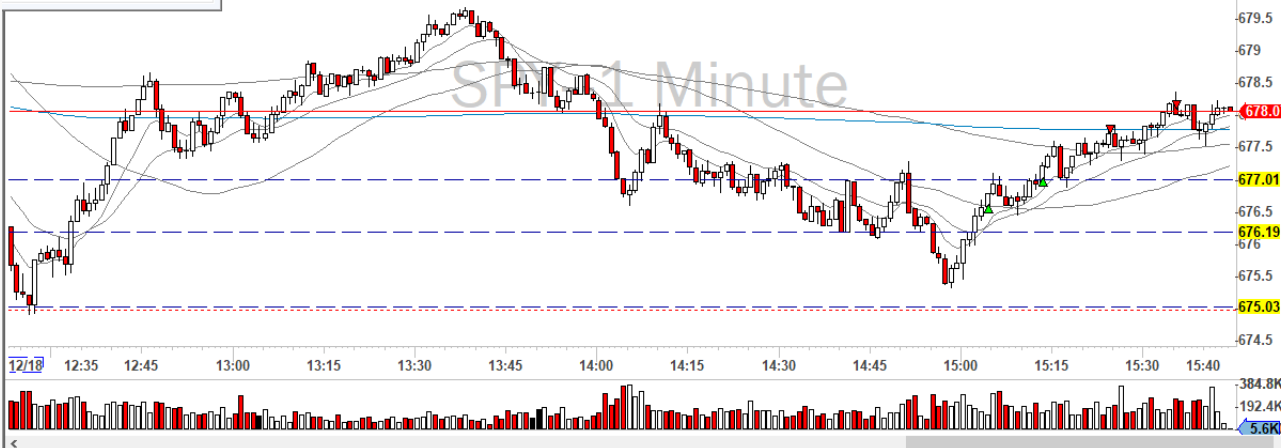
Note: Trend trading is difficult because it requires high skill of multi-time frame analysis and reading price action

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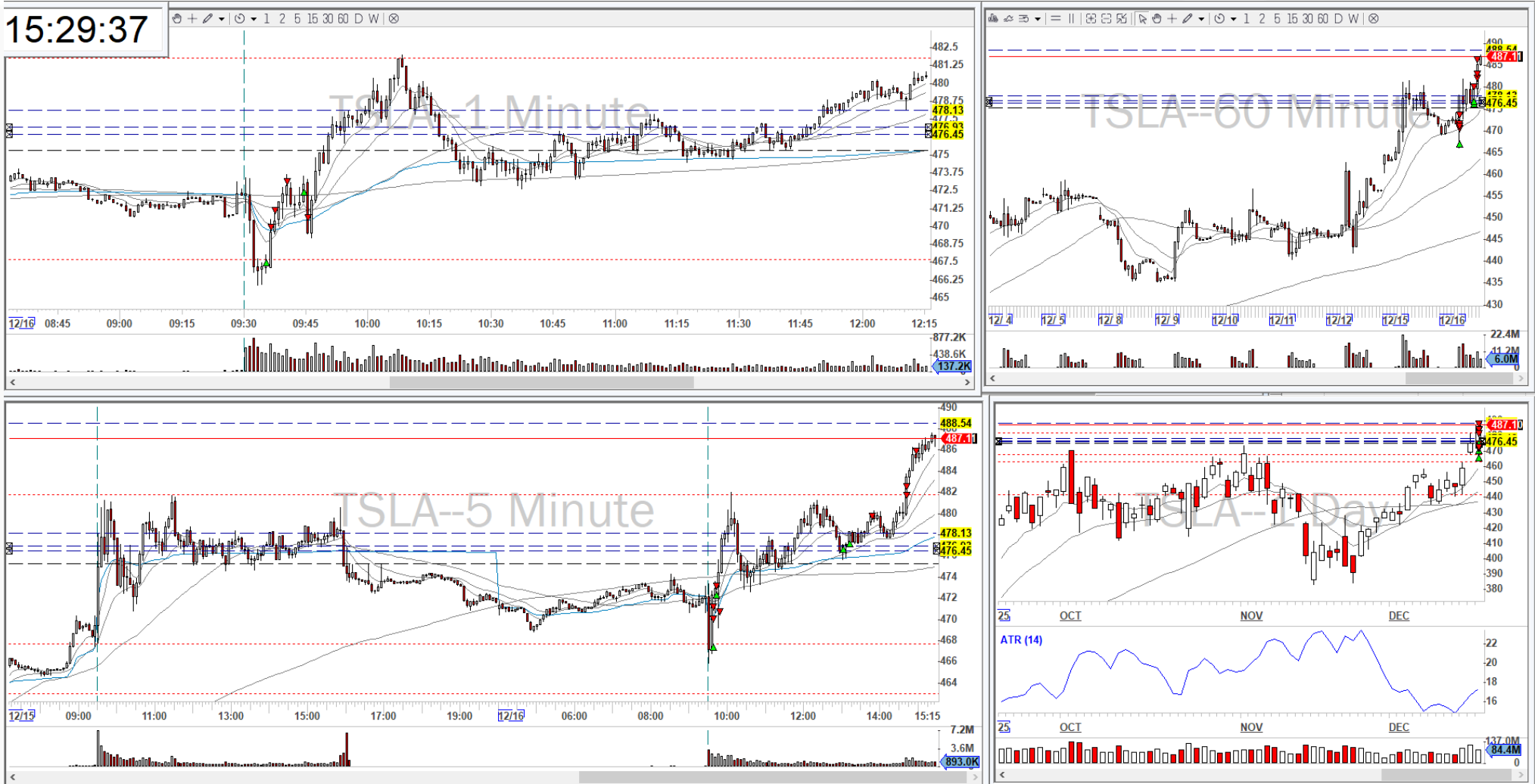
- Two environments:
 - Trend-friendly environment
 - Choppy / rotational environment
- How to quickly identify each using:
 - Daily structure
 - 60-minute behavior
 - ATR expansion vs contraction
- Why forcing trend trades kills expectancy

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Downsides

Downside of trading trends:

1)The win rate is low, and it could be even lower if multiple trades are taken the same day.

-To fix this, make sure to lock in some profits when in a winner

2)Requires patience waiting for the profit target to be hit

-Start by holding few shares for the full runner

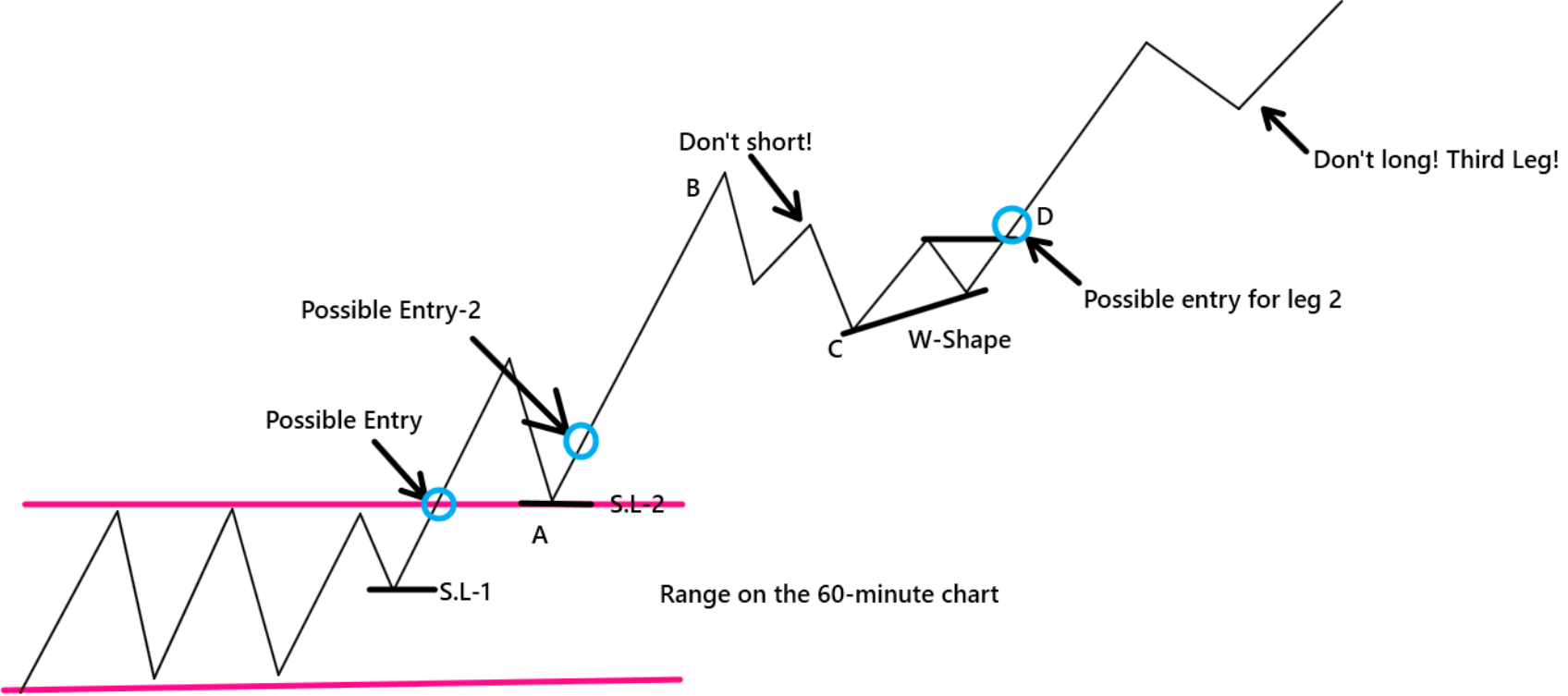
-To make use of it, utilize pullbacks. Simple Elliot wave Theory helps understanding potential Places to add

-Remember to switch between different time frames throughout the day especially for adds

Market Stages

1. Range
2. Breakout + Retest
3. Trend

Market Stages



How to Find Stocks for Potential Trends

Use the list of stocks in the room drive, go through every single stock and:

- Check the daily chart(Predict a daily candle).
- Check the 60-minute chart(Find levels and trend continuations)

(It's preferable to pick stocks during the first or second candle after the break of the range.

- Pay attention to the ATR and make sure that the stock still has room to run, the ATR is your target for the trend trade, and if there's no enough room to the target that you can utilize with adds then it's not a good trend trade
- Make sure there are no big wicks and not many levels on your way
- Zoom out the 5-minute chart to see the bigger picture

The Turtle Strategy



The Turtle Strategy



The Importance of the 60-Minute chart

1. The bigger the time frame you're watching, the bigger the potential move. You can even watch the weekly chart if you are looking for a swing trade.
2. 60-Minute chart is used by many swing traders as an entry chart(This gives you the push of an interest not only from retail traders, but also swing traders)
3. It gives us more clear view of the favorable direction and the overall trend (The trend is your friend)
4. It's easier to anticipate whether the price action on some stock is going to be choppy today or not.

Note: It doesn't have to be 60-m chart, it can be 240m chart, or 30m chart.

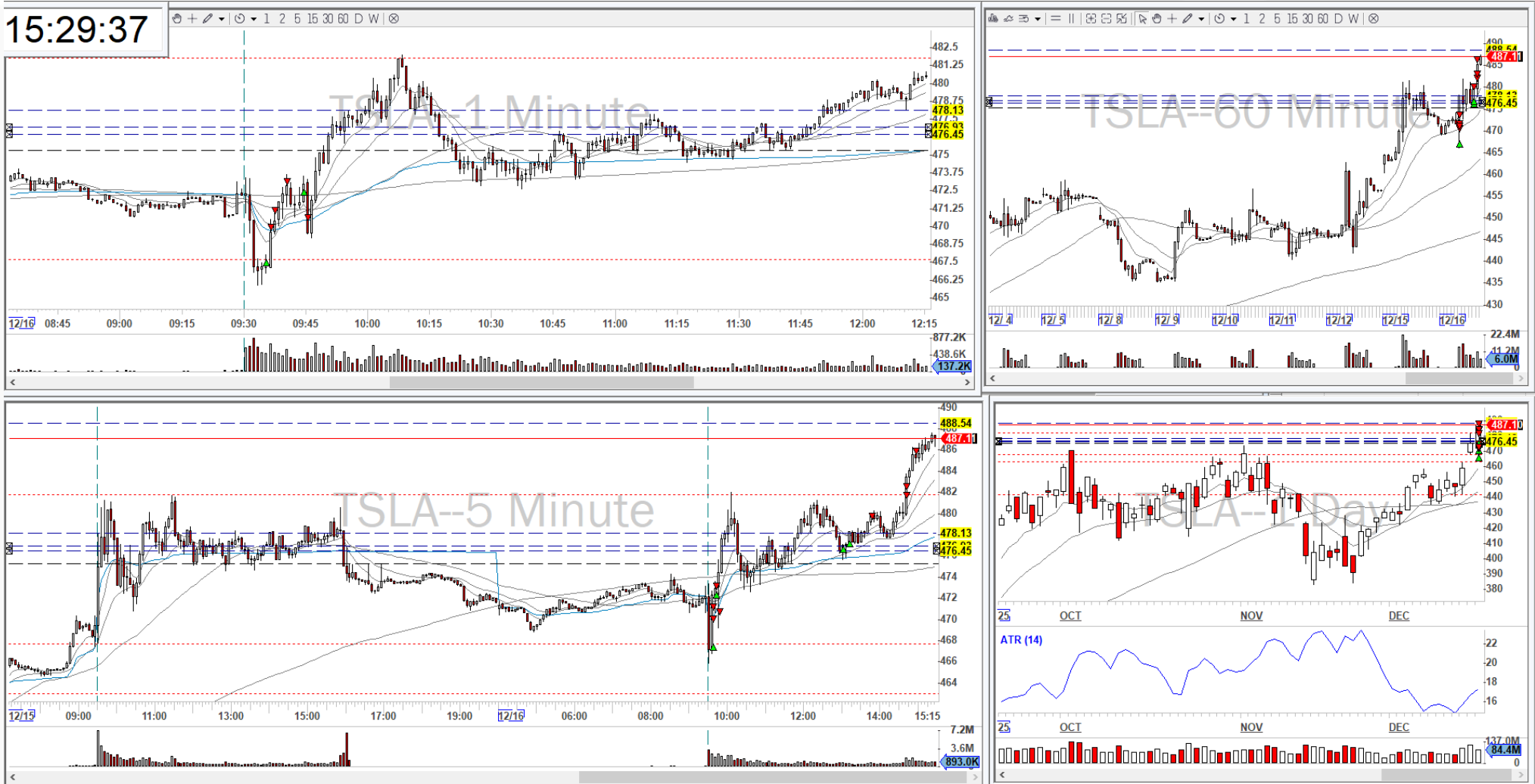
Entry Rules

- **Early trend entry (Pinpoints)**
 - near range lows or key support
 - best R:R, hardest psychologically
- **Breakout entry**
 - only after higher timeframe confirmation
 - no chasing extended moves
- **Pullback entry**
 - ABCD in trend context
 - moving average pullbacks later in the day

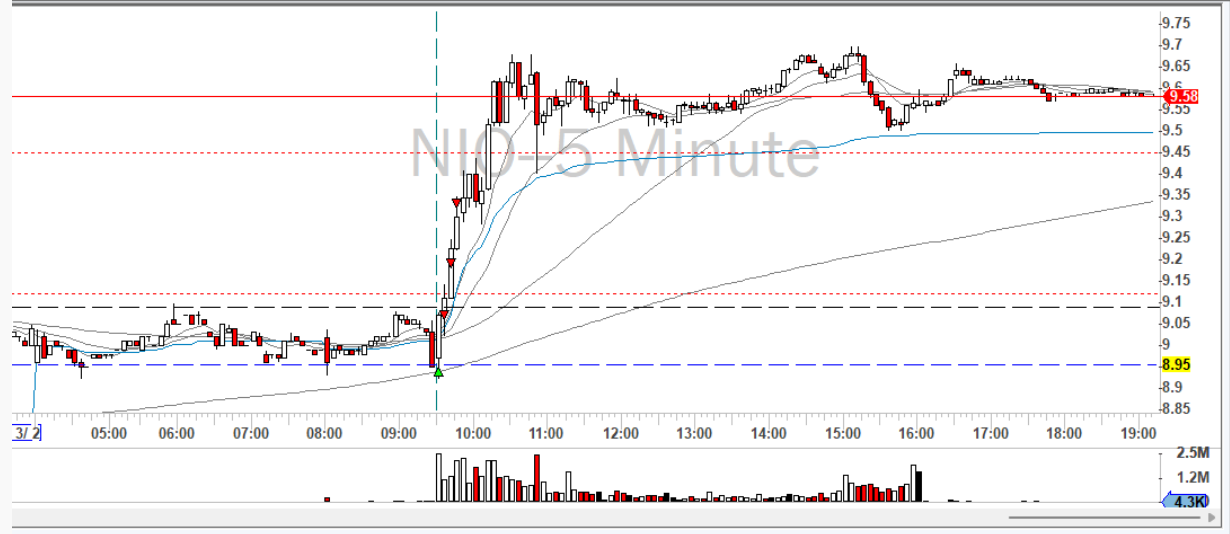
Each entry type must include:

- when it works
- when to avoid it
- where traders usually mess it up

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Rules



Rules



Adding Rules

Using Kyle's equalized risk hotkeys

1) If the entry is as close as possible to premarket low:

-Add at the breakout, on an ABCD pattern or the second leg of the ABCD pattern

2) Initial entry at the breakout area

-Add on the first and second ABCD pattern

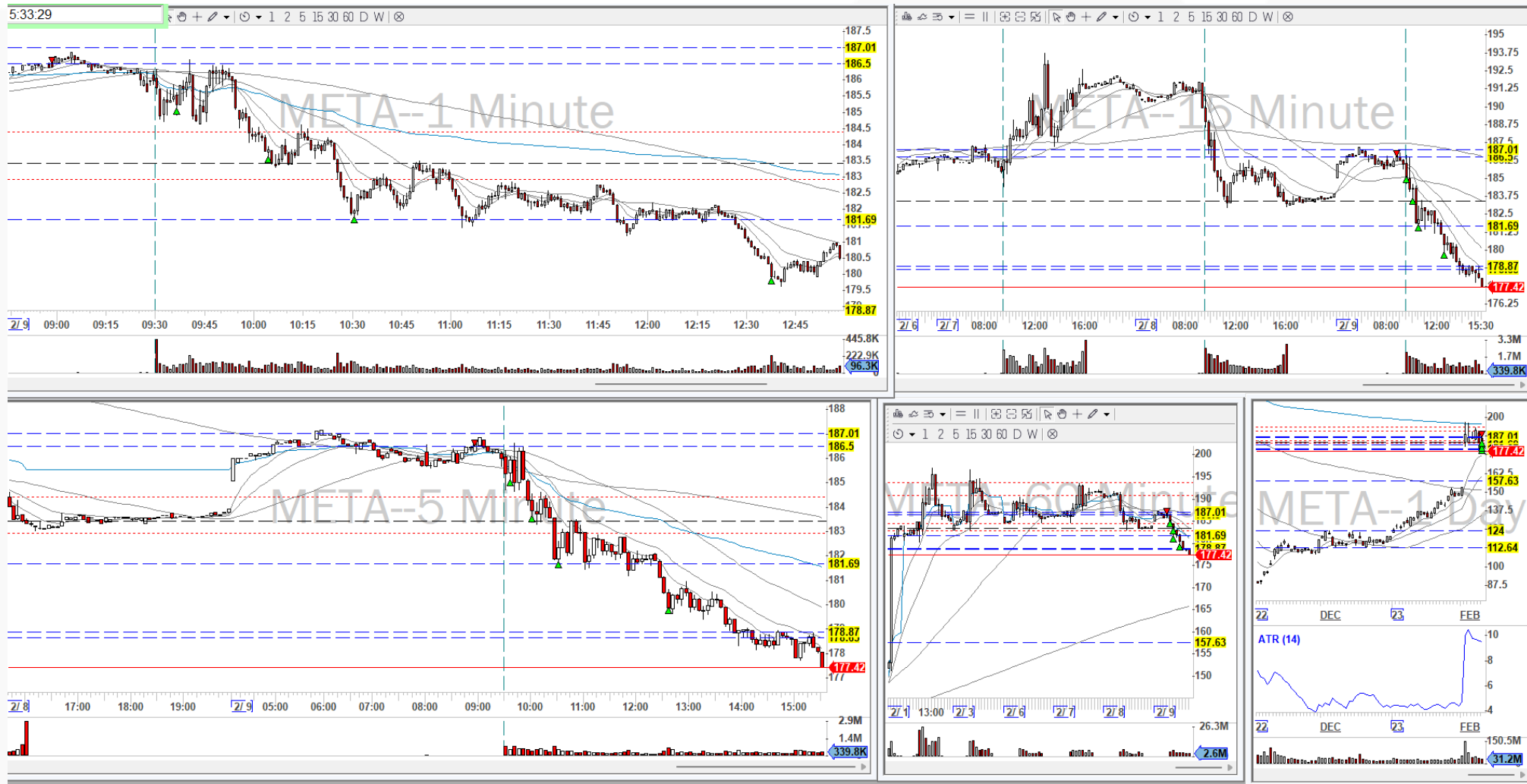
3) Initial entry on an ABCD pattern

-Add on the second ABCD pattern (Pay attention to time frames throughout the day)

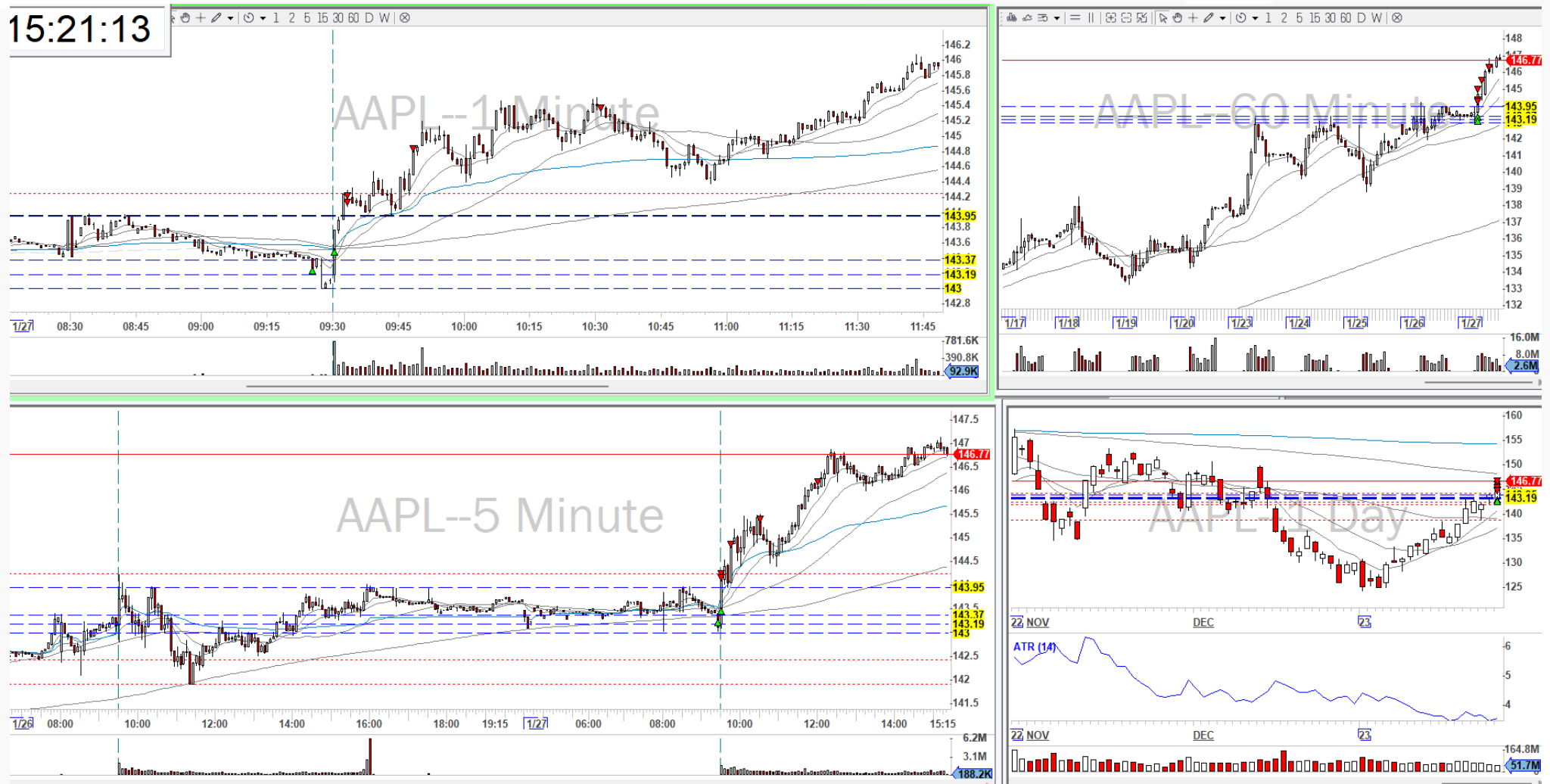
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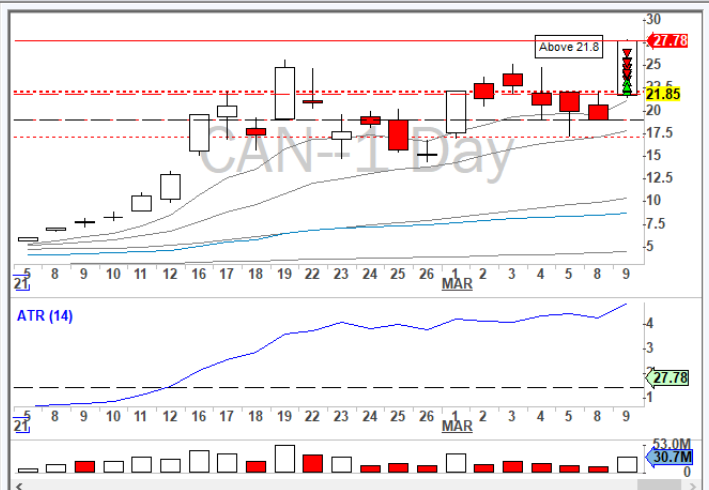
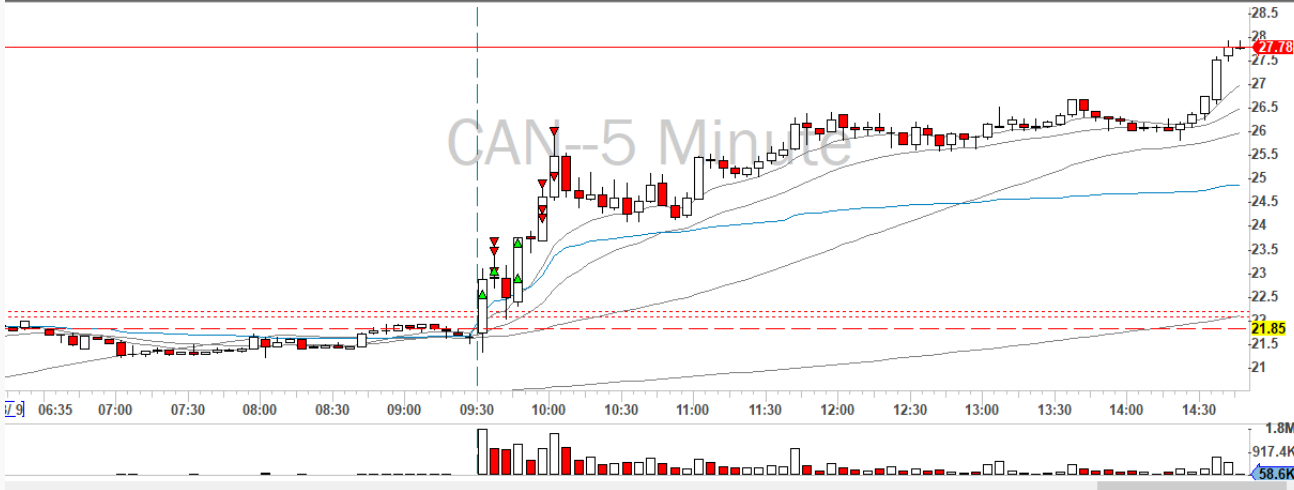
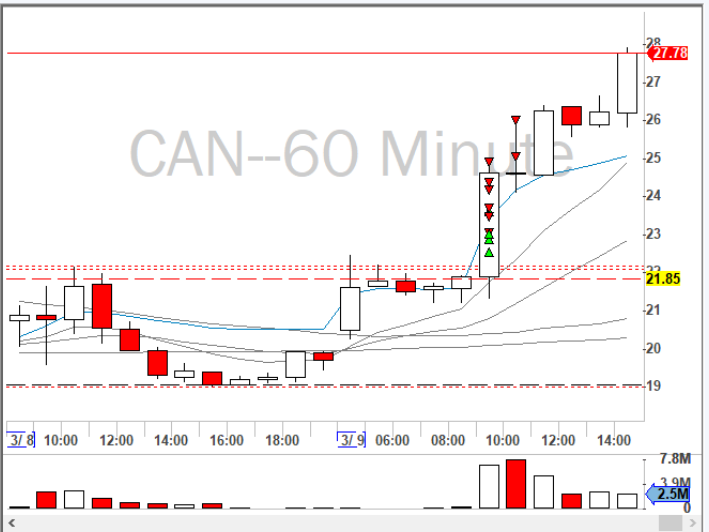
Rules



Rules



Rules



Getting into a trend late

-Use moving averages

A moving average is an indicator that follows the price, it's calculated by adding a stock's prices over a certain period and dividing the sum by the total number of periods

-Where to buy on a moving average?

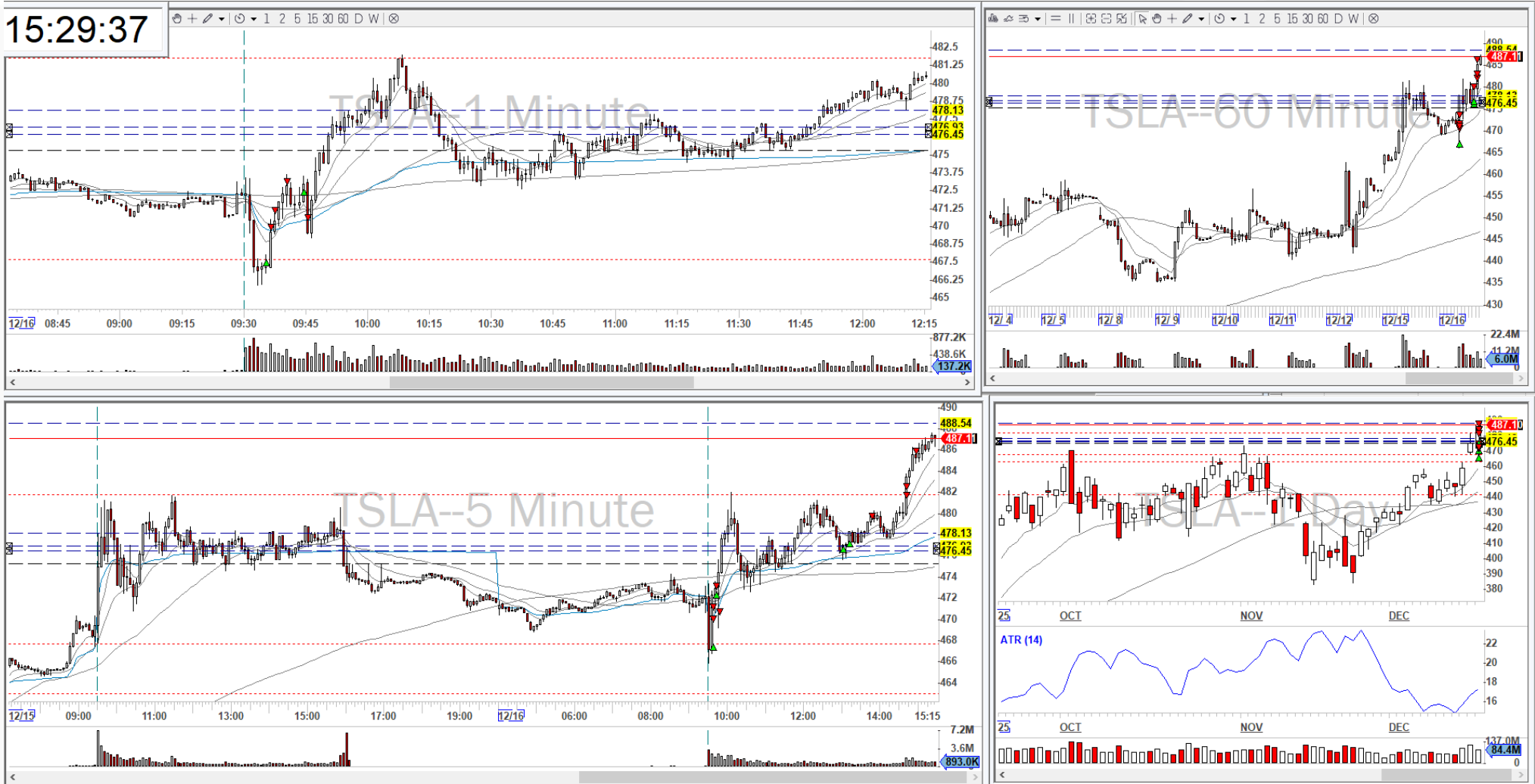
-It's preferable to use the 50 SMA on the 1 minute chart earlier on the day, or 20 EMA. Later on the day, 50SMA on the 5-minute chart. Even later, 20EMA on the 15 minute chart or 200SMA on the 5-minute chart

Note: Focus on the time of the day, for example, later on the day it's preferable to check 15m, 30m charts.

Stop loss:

-1ATR below the moving average depending on the time frame that you're watching

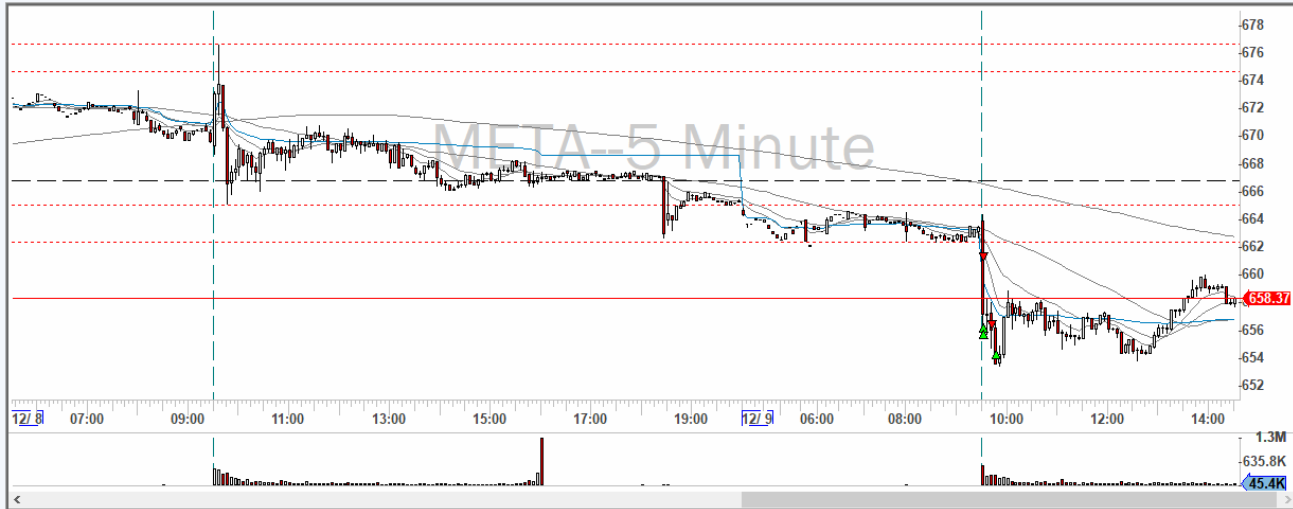
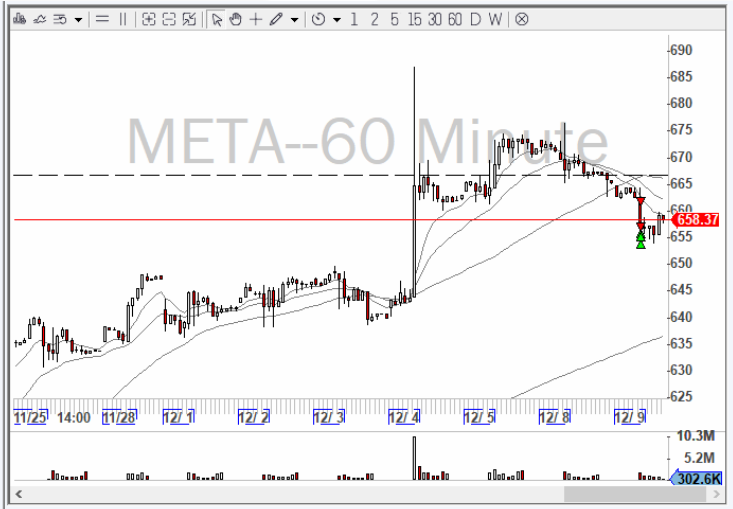
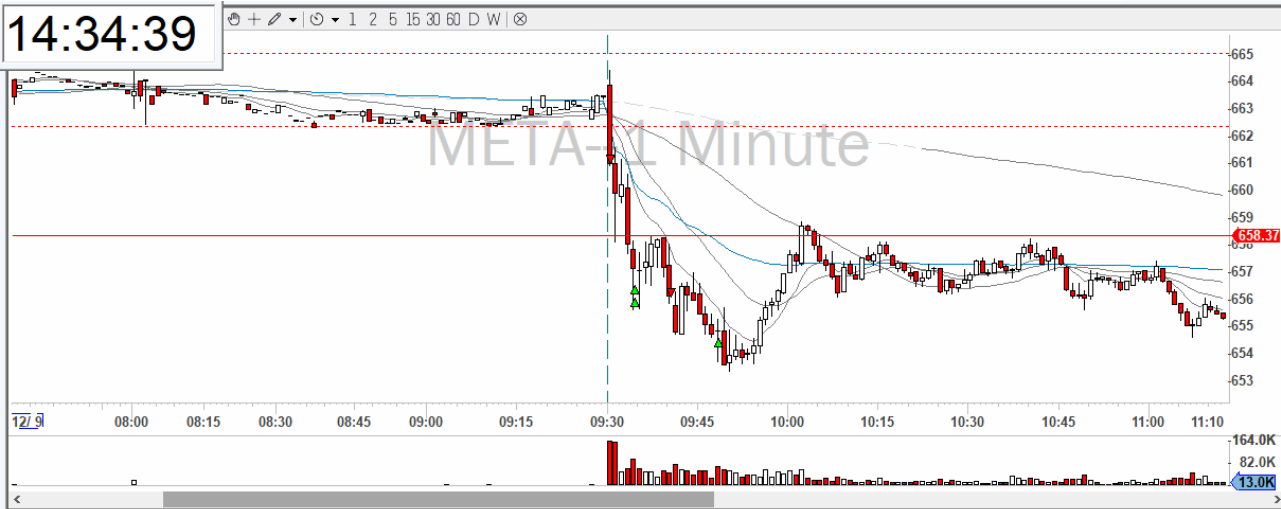
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Final Exit

- **ATR**
- **You can turn the trade into a swing trade if the daily/weekly looks great**

Rules



Final Tips:

- 1) Analyze the charts going from Weekly chart > Daily chart > 60-Minute chart > 5-minute chart
- 2) Focus on getting entries using the 1m chart
- 3) Add on pullbacks on the 5-, 15-minute charts to stack the gains
- 3) L2 ASKS/BIDS could help you hold longer; However, are not must to be watched, all you need is multi-time frame analysis
- 4) Final exit 80-100% of the ATR
- 5) Don't give up!