



**TRADE LIKE A
PROFESSIONAL**



EXECUTING STRATEGY

CHOOSE YOUR TRADING STYLE

SCALPING

DAY TRADING

SWING TRADING

POSITION TRADING



SCALPING

Scalping is very rapid trading style, and scalpers often make trades within a very short time. This trading style is very demanding and traders need to make immediate trading decisions and act on it without second guess.



DAY TRADING

Day trading style is suited for those who like to open and close trades within the same day. They are often unable to sleep at night knowing that they have an active trade that could be affected by overnight price movements.



SWING TRADING

Swing trading is compatible with people that have patience to wait for a trade and be able to hold it overnight. So it is not suitable for those who would be nervous holding a trade while they are away from their computer. This trading style requires a large stop loss and the ability to keep calm when a trade is going through retracements.



POSITION TRADING

Position trading is the longest term trading and often has trades that last for several years. Position trading style is more suitable for the most patient, least excited traders and have a large capital to begin with.



CHOOSE WHAT IS BEST FOR YOU AND STICK TO IT.

One of the biggest mistakes that new traders often make is to change trading styles at the first sign of trouble.

Once you are comfortable with a particular trading style, remain faithful to it, and it will reward you for your loyalty in the long run.



BUILDING YOUR TRADING PLAN

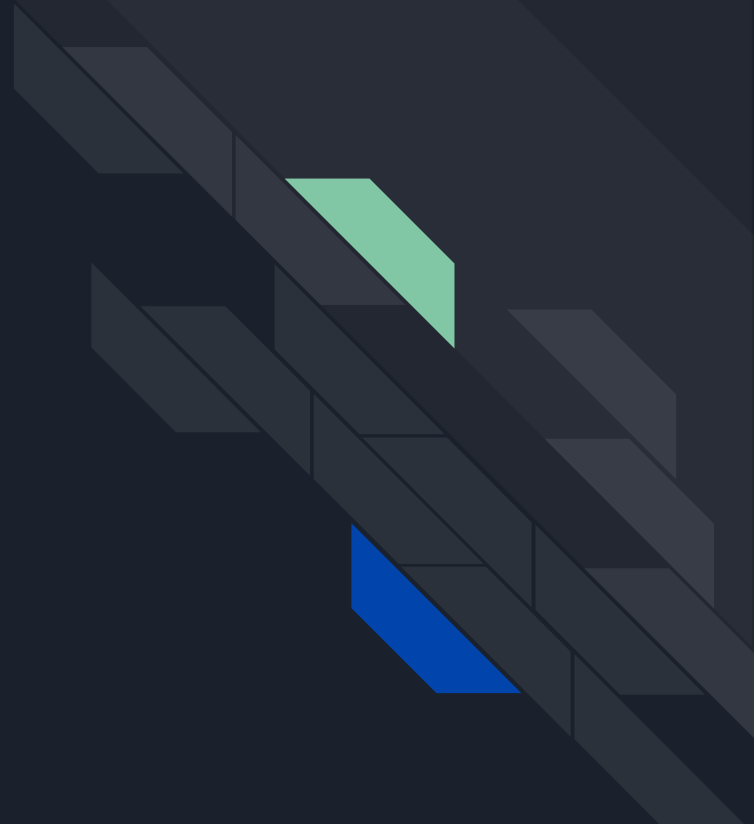
1. Identify your goals in trading to stay focused.
2. Keep a trading journal to log all trading activities
3. Risk Management - Risk-reward tolerance. By quantifying this in advance, you can assess whether a trade is too risky or not. Your risk-per-trade scale could be like this:

Low risk 1-2% of total equity,

Medium risk 2-5% of total equity,

High risk 5% or more of total equity,

SUPPLY AND DEMAND ZONE





IDENTIFY SUPPLY AND DEMAND ZONES FOR HIGH PROBABILITY TRADES

In order to move price on a chart, there must be willing sellers and willing buyers.

There are many players placing trades in the market, which make up the “order flow”. These include retail traders, such as yourself, independent and private traders, institutions and professional traders.

The 90% of the retail traders do not know how the Financial Markets work. And most importantly, they trade using indicators and robots and they end up operating in the opposite way in which professionals trade. By learning how to trade the market using supply and demand, you will be able to enter the market at the same time as professionals and institutions do.

We cannot know with certainty where they are placing their orders, but we can use supply and demand to locate high probability areas where big chunk of order flows are still unfilled.



TYPE OF SUPPLY AND DEMAND

SUPPLY ZONE

1. RALLY BASE DROP (RDB) - REVERSAL
2. DROP BASE DROP (DBD) - CONTINUATION

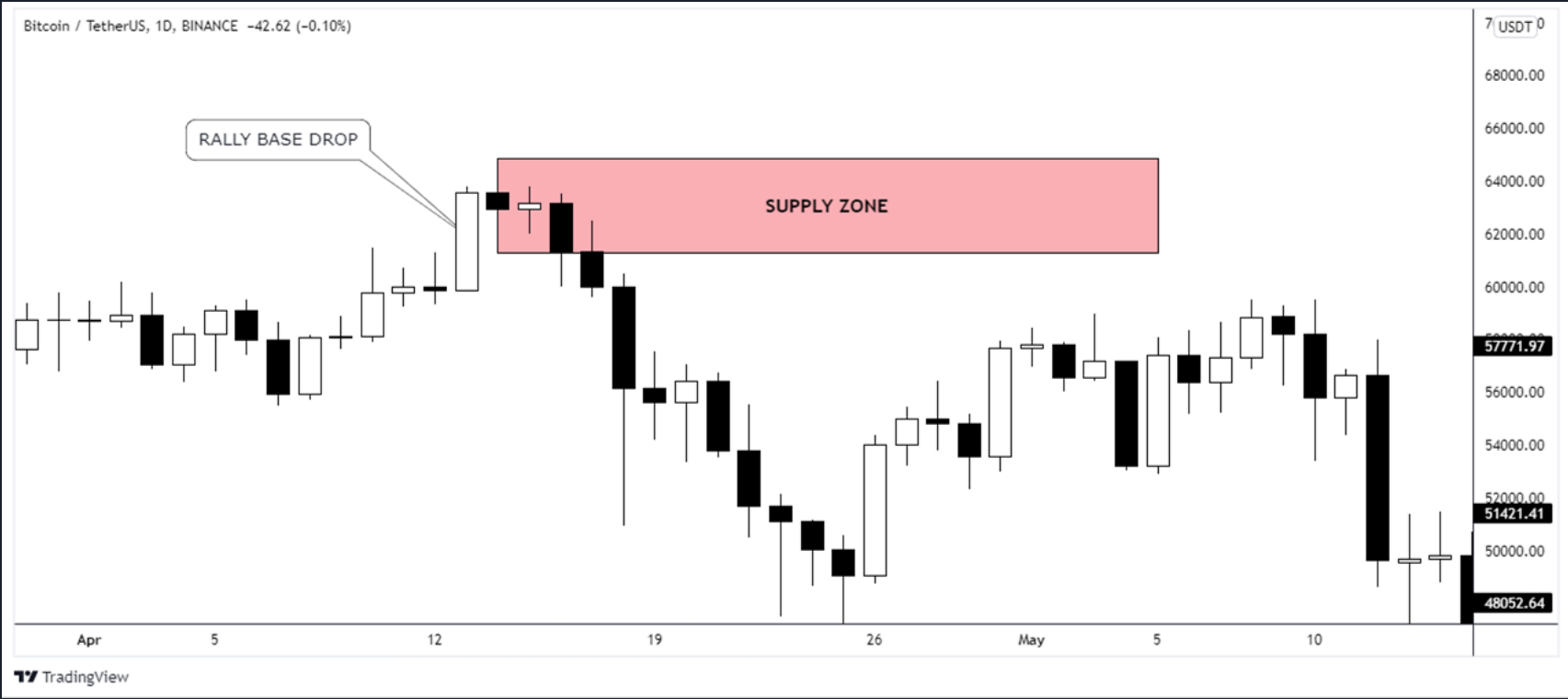
DEMAND ZONE

1. RALLY BASE RALLY (RBR) - CONTINUATION
2. DROP BASE RALLY (BDR) - REVERSAL



RALLY BASE DROP (RBD)

The rally-base-drop is a structure that forms a supply zone in the market. It is characterized by a rally in price, followed by a base or consolidation and then a strong drop in price. We only find this structure at reversal points. In other words, the rallybase-drop is only found when the trend reverses from going up to going down.



RALLY BASE DROP



DROP BASE DROP (DBD)

The drop-base-drop is a structure that forms a supply zone in the market, and that it is found only when the market is trending down. It is characterized by a drop in price, followed by a consolidation, and another drop down. If the market returns to this structure it will make the price go down.



DROP BASE DROP



RALLY BASE RALLY (RBR)

The rally-base-rally is a structure that forms a demand zone in the market, and it is found only when the market is trending up. It is characterized by a rally in price, followed by a consolidation and another rally up. If the market returns to this structure, the price will go up

Bitcoin / TetherUS, 4h, BINANCE +60.14 (+0.14%)

RALLY BASE RALLY



DEMAND ZONE

3 5 12:00 8 10 12 12:00 15 17 19 12:00 22

TradingView

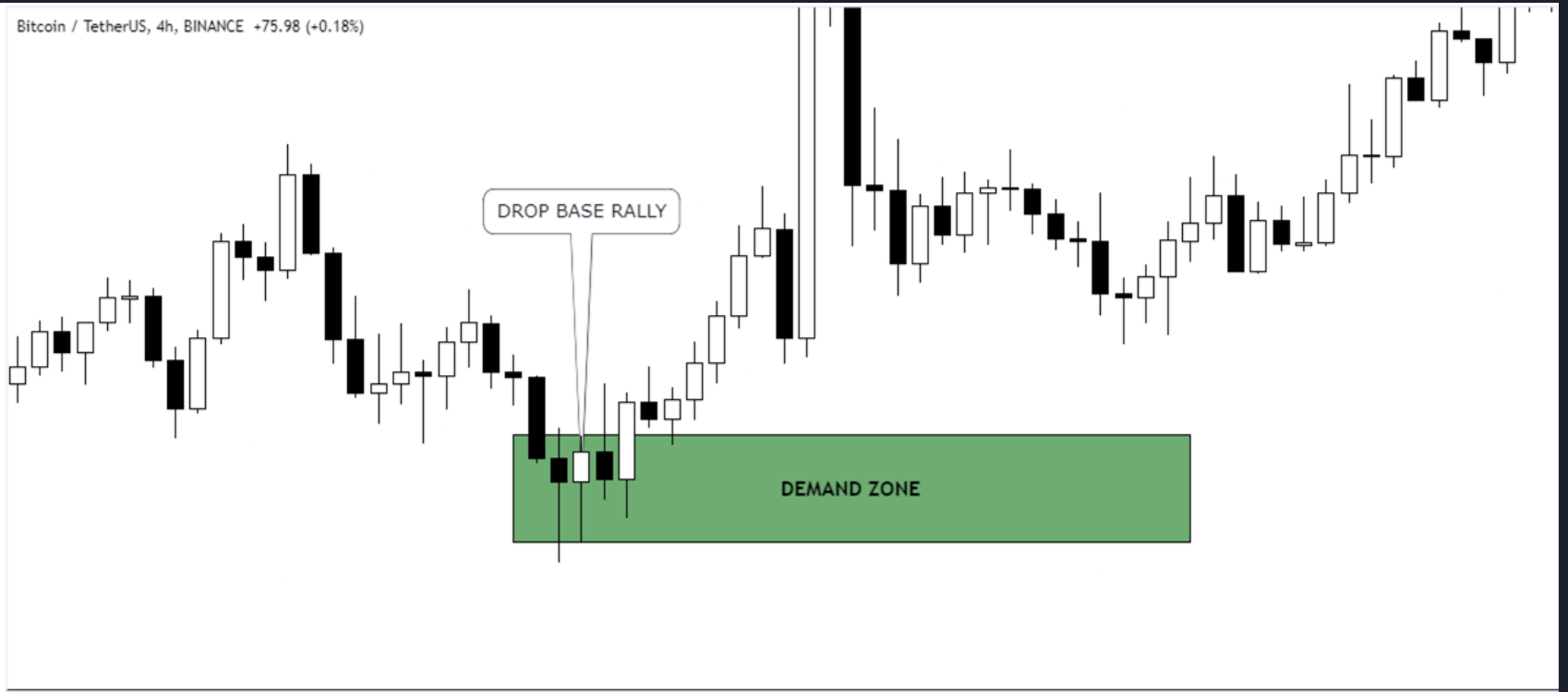
RALLY BASE RALLY



DROP BASE RALLY (DBR)

The rally-base-rally is a structure that forms a demand zone in the market, and it is found only when the market is trending up. It is characterized by a rally in price, followed by a consolidation and another rally up. If the market returns to this structure, the price will go up

Bitcoin / TetherUS, 4h, BINANCE +75.98 (+0.18%)



DROP BASE RALLY



TRADING STRATEGY: SUPPLY AND DEMAND

These concepts give you two important things:

Follow the bigger move

Better entry and exit points for your trades.

These are a selection of multiple time frames you can use in your trading analysis based on your trading style:

Scalping trading: 15min/ 5min/ 1min,

Day trading: 1h/ 15min/ 5min, or 4h/ 1h/ 15min,

Swing trading: Daily/ 4h/ 1h, or Weekly/Daily/ 4h,

Position trading: Monthly/ Weekly/ Daily,



TRADING STRATEGY: SUPPLY AND DEMAND

GALA / TetherUS PERPETUAL FUTURES, 1D, BINANCE +0.00517 (+1.59%)



TradingView

IDENTIFY MARKET STRUCTURE

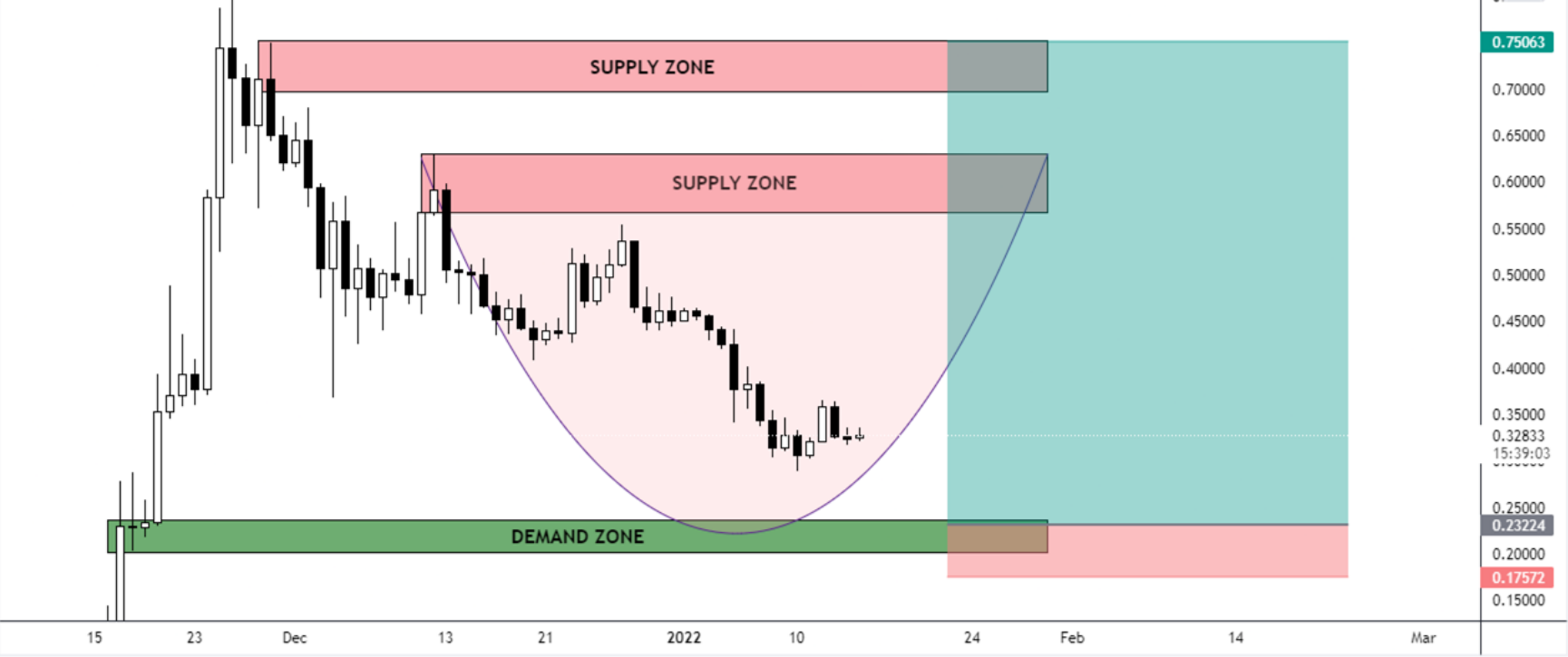


IDENTIFY SUPPLY AND DEMAND ZONE (ON HIGHER TIME FRAME FIRST)



IDENTIFY SUPPLY AND DEMAND ZONE (ON HIGHER TIME FRAME FIRST)

GALA / TetherUS PERPETUAL FUTURES, 1D, BINANCE +0.00371 (+1.14%)



TradingView

LOW RISK HIGH REWARD EXAMPLE OF SUPPLY AND DEMAND TRADE



RULES IN TRADING SUPPLY AND DEMAND

1. START WITH HIGHER TIME FRAME
2. BUY OR LONG IF THE PRICE IS NEAR OR IN THE DEMAND ZONE
3. SELL OR SHORT IF THE PRICE IS NEAR OR IN THE SUPPLY ZONE
4. IF THE PRICE IS IN BETWEEN THE IMPORTANT SUPPLY OR DEMAND ZONE, TREAT IT AS A NO TRADE ZONE WAIT FOR IT TO GO NEAR DEMAND OR SUPPLY ZONE



IMPORTANT NOTES

1. AFTER SUPPLY OR DEMAND ZONE IS CREATED, THE PRICE WILL TEND TO GO BACK TO THAT ZONE WHICH IS AN OPPORTUNITY TO GO SHORT OR LONG POSITION
2. THE SUPPLY OR DEMAND ZONE THAT HAS NOT TOUCHED YET IS CONSIDERED FRESH AND HAS HIGH PROBABILITY SETUP
3. IF IT TOUCHED MORE THAN ONCE THE ZONE WILL MOSTLY BREAK
4. THE DEMAND AND SUPPLY ZONE ON LOWER TIME FRAME ARE GOOD FOR SCALPING OR BOUNCED PLAY
5. TARGET OR TAKE PROFIT AREA IN THE ZONE TRADE ARE THE RESISTANCE OR SUPPORT OR NEXT SUPPLY OR DEMAND ZONE
6. YOU CAN APPLY THE STRATEGY ALSO ON LOWER TIME FRAME.



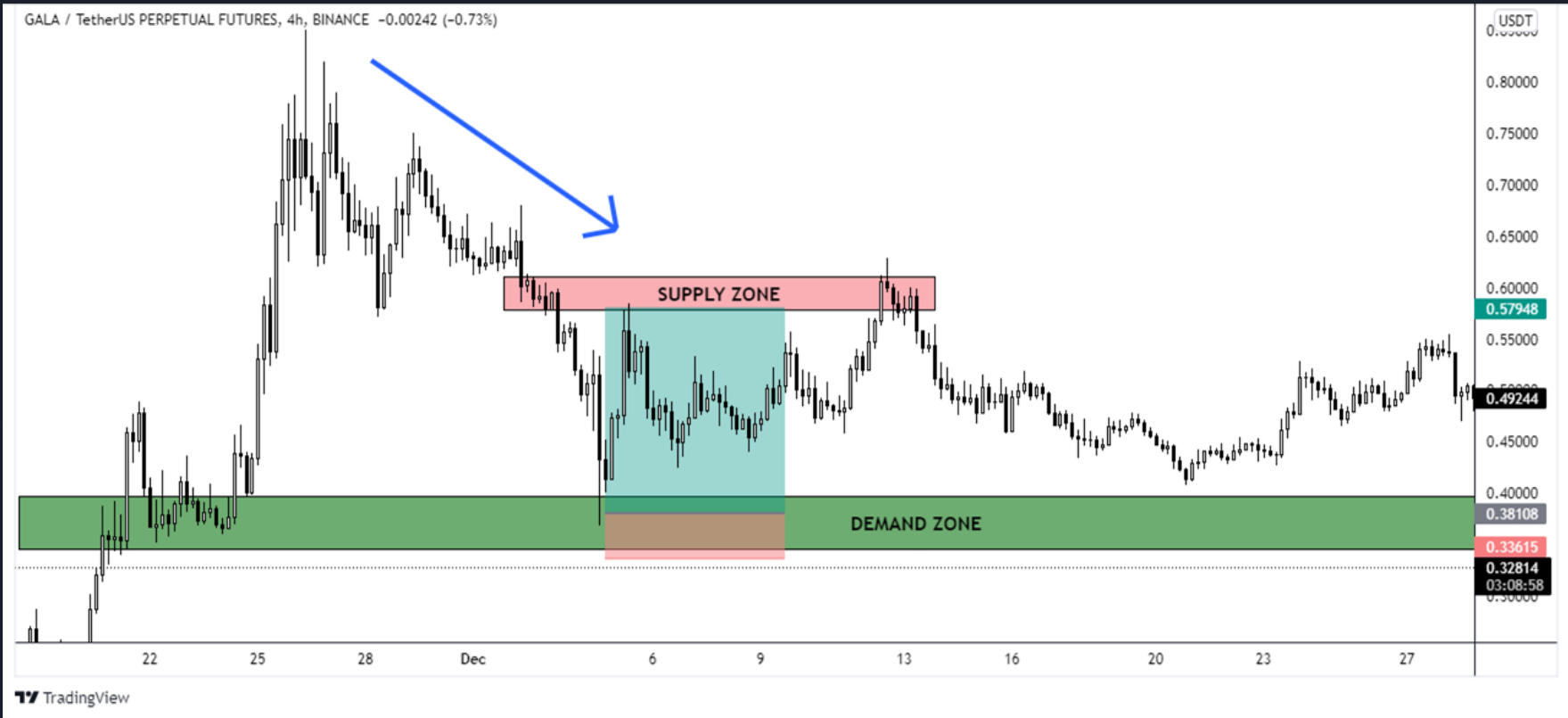
RULES IN RISK MANAGEMENT

1. If you lose trades consecutively, you can either lower your trading size by 50%, or take a break from trading. When you come back, you should trade smaller positions until you start winning again.
2. Only risk 1% of your capital per trade. You must avoid opening large positions to make up your losses.
3. Set and forget. Once you open a position, leave it. If you keep moving your stops, you are only increasing the risk of making wrong decisions.
4. Keep a trading journal as you trade. You can record details about your positions and the market conditions. Keeping a trading log will help you improve your trading skills and learn from your previous mistakes.
5. Stick to your strategy. You cannot change your plan just because you lost two or three trades. Losing trades is part of the equation, and by sticking to your strategy for a period of time you can then assess its reliability.



RULES IN RISK MANAGEMENT

1. Do not take losses personally. It is not your fault the market is not moving in the desired direction. Instead, you need to adopt a neutral trading style.
2. Do not let losing trades run. Protect your capital from unnecessary losses. The sooner you cut your losses, the better you preserve your capital.
3. Do not jump on a trade just because you see the price moving down or up. Instead, wait for the market to retrace back and be prepared to enter at the right moment.
4. Never trade money that you cannot afford to lose. Always trade money that won't affect your daily life. Always use a proper stop loss with your trades.
5. Don't let the market swipe off all your balance. Stop loss will stop your positions from losing any further money from your account.



EXAMPLE OF LONG POSITION ON DEMAND ZONE STOP LOSS BELOW THE LOWER PART OF DEMAND ZONE