Sonic R. System

Agenda

- Introduction
- Why do we trade?
- What is the market, exactly!
- 5 steps journey of a trader
- Where does it goes wrong <aka> why traders fail.
- Sonic R ++
- Q & A, May be Not…

Introduction

- Trained to be An Engineer.
- Works in Project Management in a O&G Company.
- Started to trade in the early 2007.
- Paid a fare share of tuition fee.

- Voila! Something clicked!
- Trading is zero sum game…
- Started Sonic R in 2008, Now 12 Millionth views with No.1 thread under "Trading Systems" in ForexFactory.

Introduction (Prerequisite)

- No Course or Mentor, learnt in the hard way.
- This sharing may challenge some of the listeners systems, or trusted strategies.

- Lend me your Open Minds.

Dice Games - Rules

- Face of 1,2,3,4,5, you will need to pay $100 on every try.
- House will pay you back $700 when you get Face No. 6.

- Will you PLAY?

Why Do We Trade?

- Salary Jobs – fixed Annual Income. (e.g. Monthly Salary)
- Wage Jobs – paid by the hour
- Trading – unlimited potential profit with financial freedom.

- **Trading – unlimited potential Loss..**

Summary

- Trading – Unlike other types of profession. One can lose his/her hard earned money in trading, with poor performance.

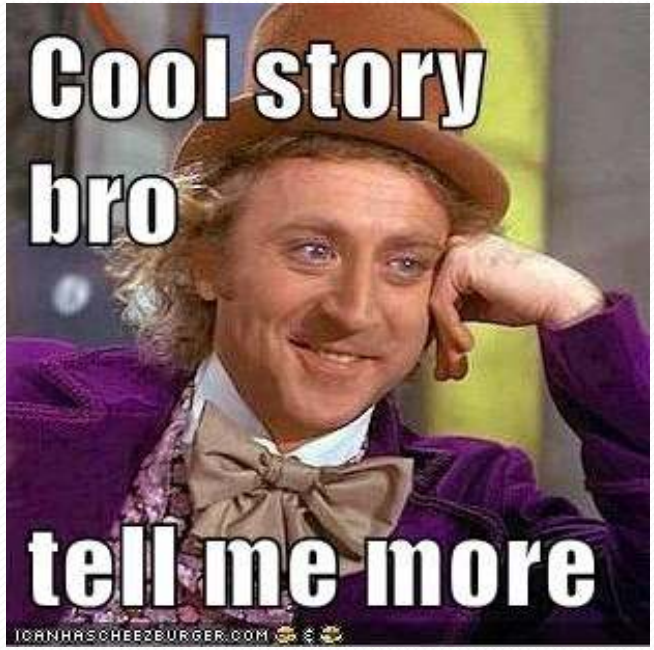
Next : What is the market exactly!

What is the market, exactly!

The Market – The Perception

The Market – The Perception

The Market – The Perception



The Market – The Real Face

The Market – The Real Face

The Market – The Real Face

The Market – The Real Face

Summary

- Trading – Unlike other types of profession. One can lose his/her hard earned money in trading, with poor performance.
- Know your enemy – Your broker has a edge over you, and it not technical.

Next : 5 Steps Journey of a trader!!

5 steps journey of a trader

1. Unconscious Incompetence

- Not difficult at all, Buy or Sell Only.
- Once a loss trade, will try to recoup but doubling the size positions.
- Many will ends up with busted accounted or two.
- This Step will takes about 2 months to a year.
- Will start to realise there are things to learn, thus move onto second step.

5 steps journey of a trader

2. Conscious Incompetence

- Will realise that there are more learning involved.
- Will test any automated Systems, Secret Indicators, Gurus and live chat rooms.
- Will becomes Top and Bottom Pickers wannabe.
- This step will take a person, another 6 months to 3 years.

5 steps journey of a trader

3.Voila

- Will start to realise, it is not a system that makes a difference.
- No one can predict the market with 100% accuracy.
- Will have an edge that make you trade and have discipline.
- One bad trade doesn't make a poor system.
- Rather than TA alone, you will start to realise the importance of money management and leverage.

5 steps journey of a trader

4. Conscious Competence

- Will start to ride the winners and let the SL hit quickly on losing trade.
- When a loss trade occurred, no more bitterness on the market and no more revenge trades.
- The lost amount will start to get smaller and the winnings start to get bigger.

5 steps journey of a trader

5. Unconscious Competence

- No more emotion attached to any trades.
- Open trades “only” as per the rules, not by gut feeling.
- Act “only” according to the plan as trades progress.
- Fully take responsibly of the outcome.
- Becomes a boring job.

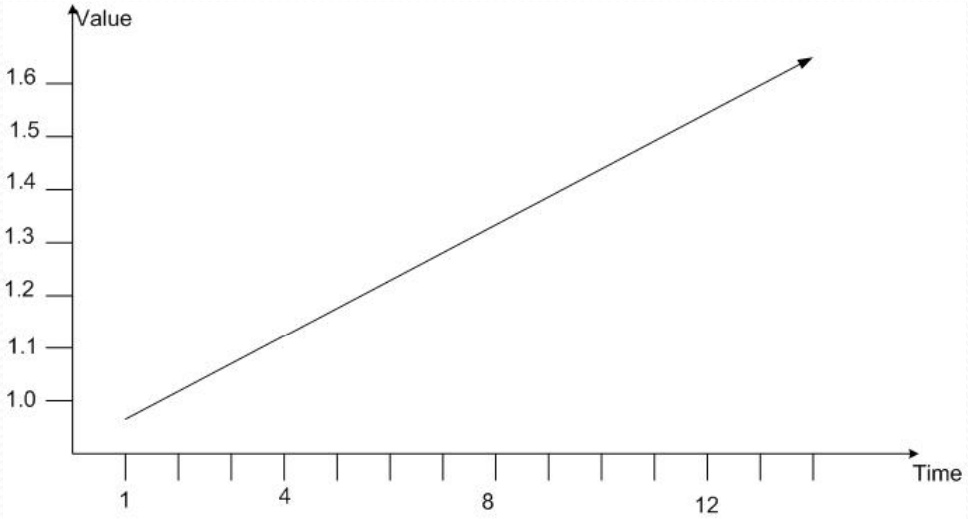
Summary

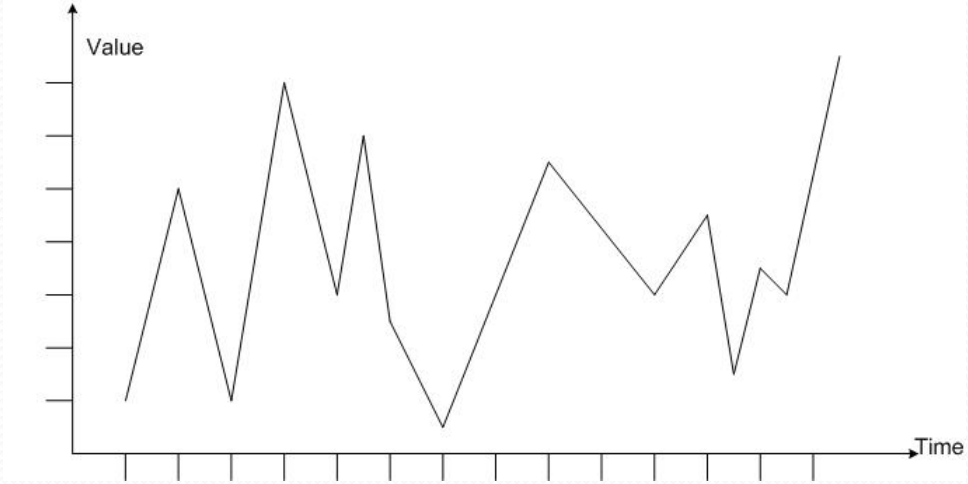
- Trading – Unlike other types of profession. One can lose his/her hard earned money in trading, with poor performance.
- Know your enemy – Your broker has a edge over you, and it is not technical.
- Most of the traders are confused and get stuck in stage 2 (Conscious Incompetence)

Next : Where does it go wrong <aka> why traders fail.

Where does it goes wrong?

1. Fooled By Randomness (Brokers' Favourite)





Where does it goes wrong?

1. Fooled By Randomness (Brokers' Favourite edge)

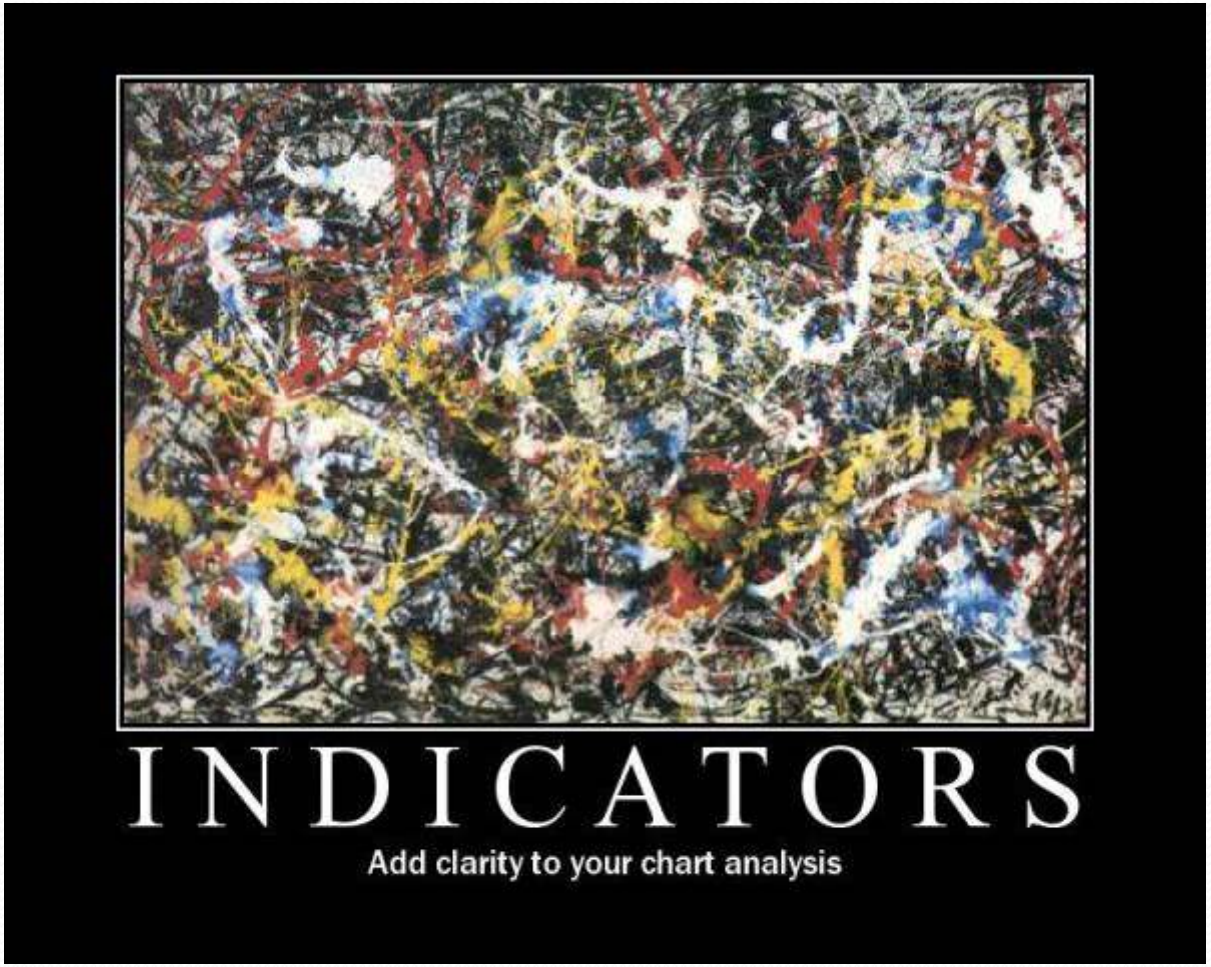
- Not having proper rules.
- Not sure on the exit strategy.
- Letting the emotional rule over your decision.

Where does it goes wrong?

2. Trading with Complicated Method

- Too Many indicators
- Too Many Time frames.

Where does it goes wrong?



Where does it goes wrong?

3. Not having proper mental preparedness

- Over trading/Under trading.
- Revenge trading. Trading to get even.
- Never think of the whole trip.
- Having Tons of Ego.

Where does it goes wrong?

5. Lacking of ownership

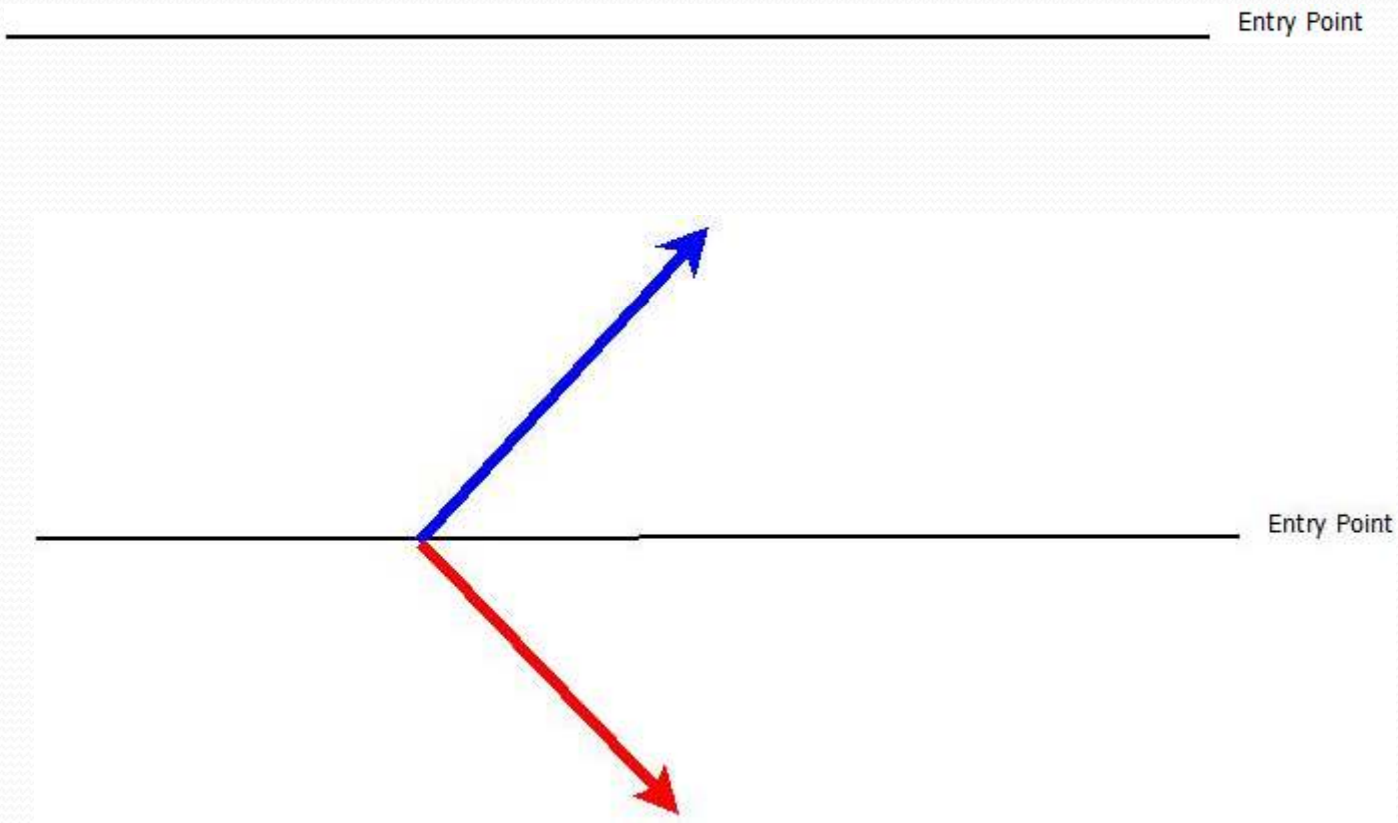
- Blaming on other side when trade turn sour.
- Blame on the News, Forum or facebook posts.

Where does it goes wrong?

6. Not learning continuously/Review your trades

- Failure to record trades or keep journal.
- Not reviewing the trades consistently.

Where does it goes wrong?



Where does it goes wrong?

- Probability analysis

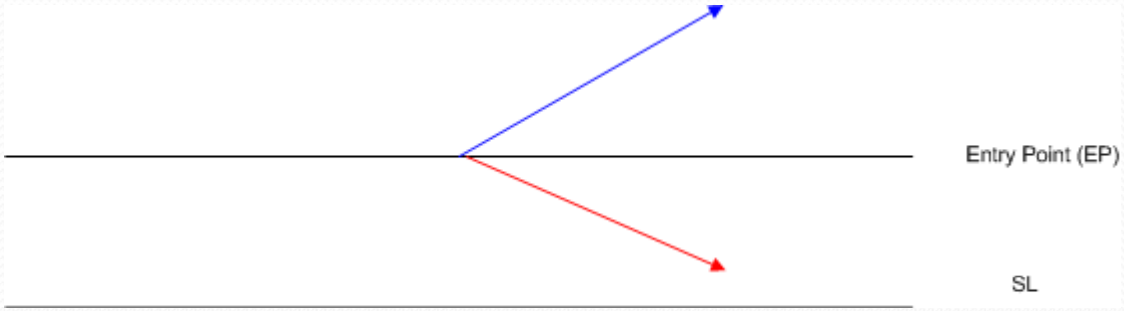
  A long example trade, it has pure 50%-50% winning chance.

  No one will lose, if everyone use no SL, only paper profit/loss.

- Money can be made only when someone stoploss is hit or margin called.

- So, market moves are not "**only**" about fundamental changes, but also hitting the majority of traders' SL along the way as well.

Where does it goes wrong?



We need a good technical analysis to “overcome” less than 50% chance of winning.

<u>SL is double -edged sword.</u>

No SL can kill your entire account with one bad trade, as well as hitting many SL also can whip your account easily.

Summary

- Trading – Unlike other types of profession. One can lose his/her hard earned money in trading, with poor performance.
- Know your enemy – Your broker has a edge over you, and it is not technical.
- Most of the traders get confused and get stuck in stage 2 (Conscious Incompetence)
- SL – It is an double edged sword. Must learn to use it properly.

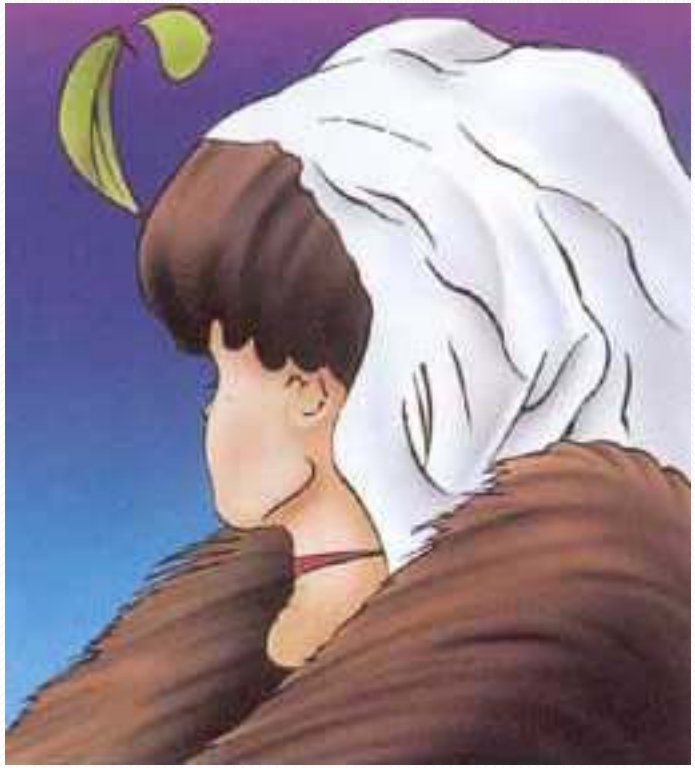
Next : Sonic R.

Sonic R++

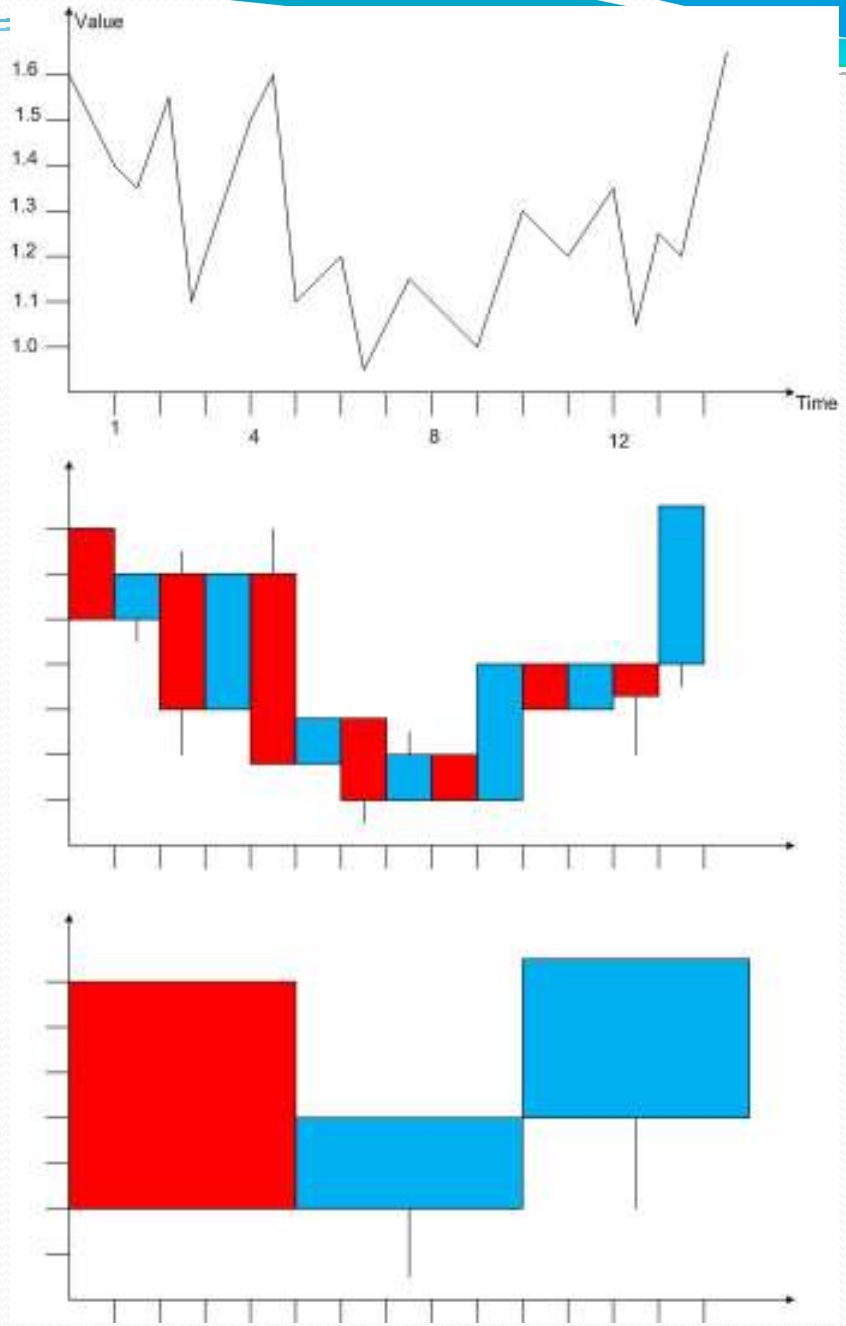
[Trading is the] Art of identifying a Trend Reversal at the Earliest Stage and then Riding that trend until the Weight of the Evidence proves the trend has reversed.

Martin Pring (Technical Analysis Explained)

Sonic R++



Sonic R++

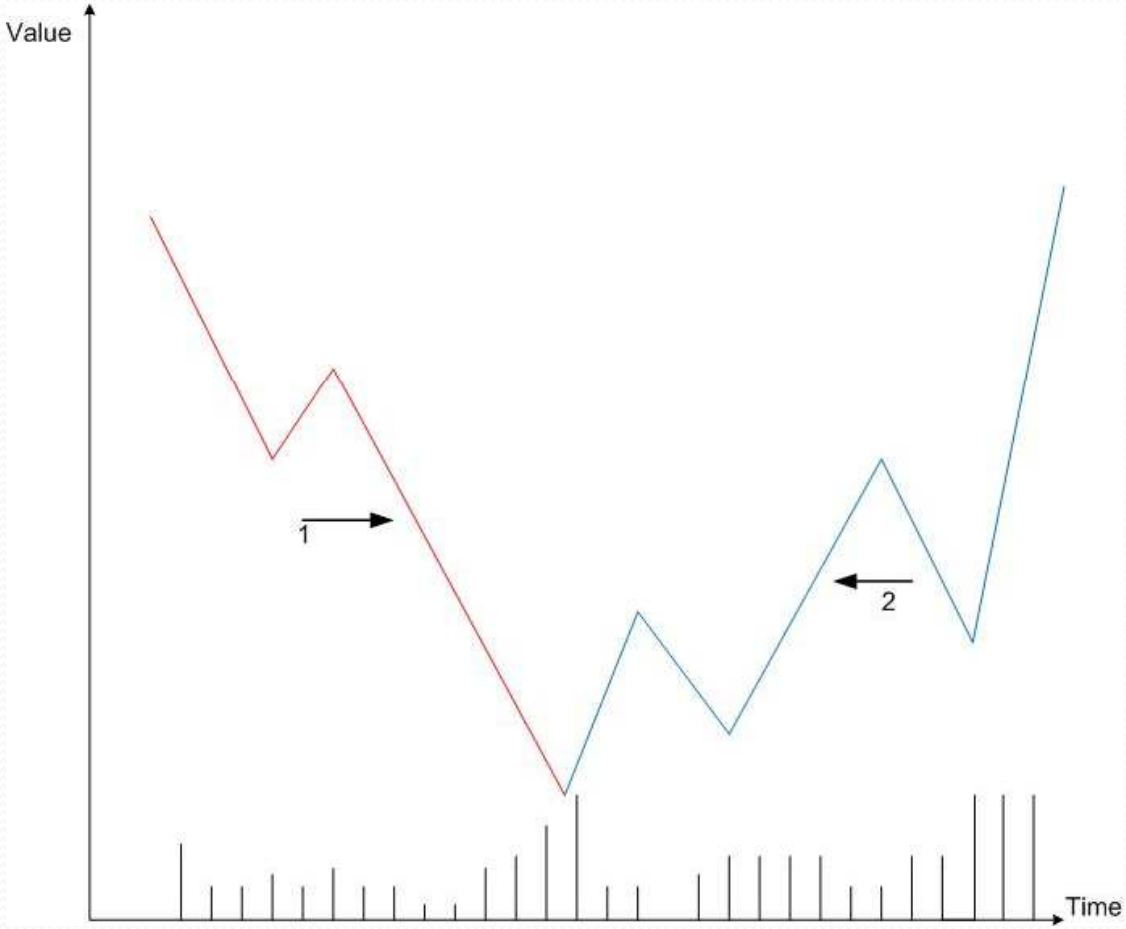


Sonic R++

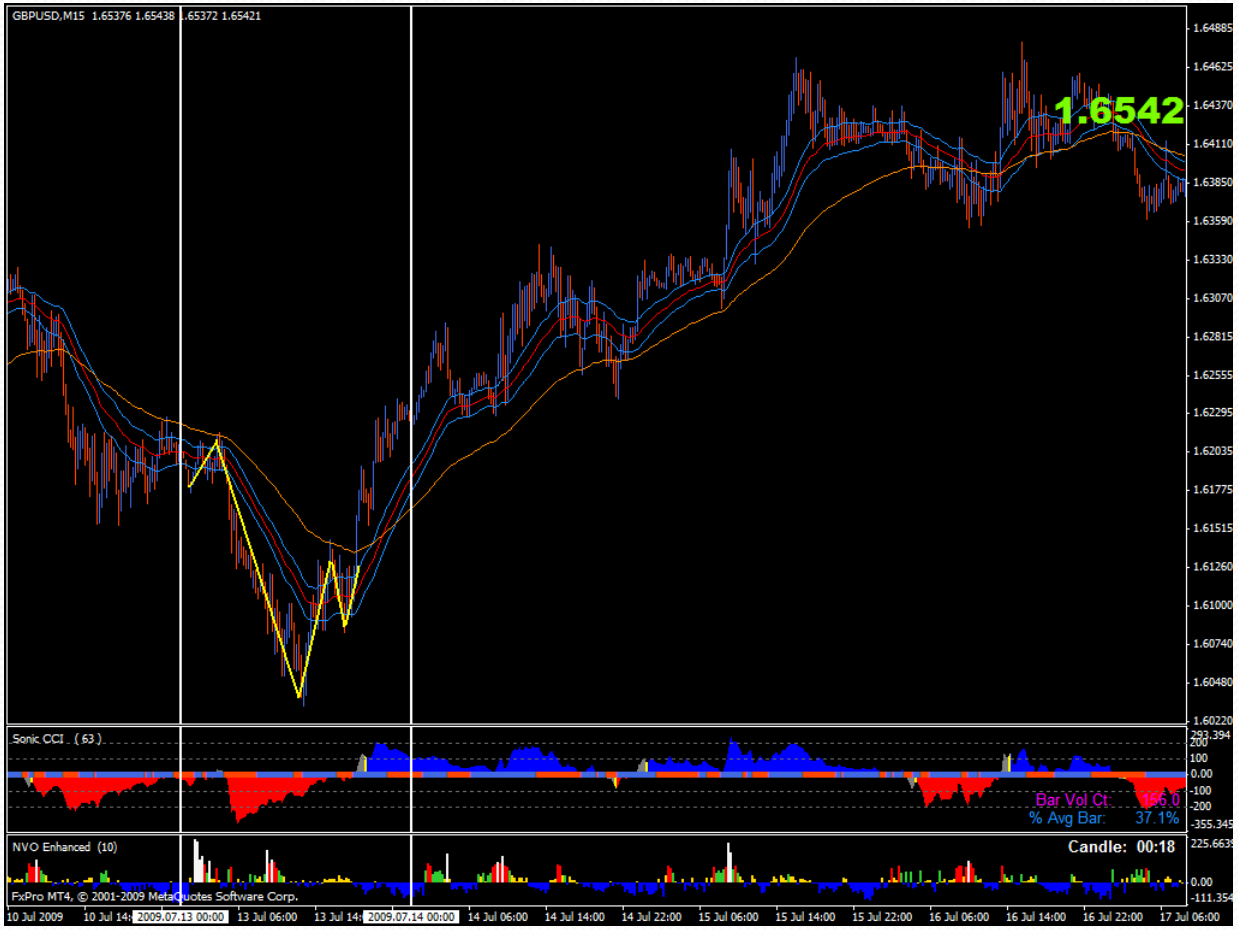
- To make $$, for long, buy at low and sell back at higher or for short, sell at high and buy back at lower (BLSH).
- Most of the traders used 1 available factor with 2 dimensions. Price and Time.

- **<u>Price Analysis with Volume.</u>**

Sonic R++



Sonic R++


GBPUSD,M15 1.65376 1.65438 1.65372 1.65421
1.6542
Sonic CCI . (63)
Bar Vol Ct: 156.0
% Avg Bar: 37.1%
NVO Enhanced (10)
Candle: 00:18
FxPro MT4, © 2001-2009 MetaQuotes Software Corp.
10 Jul 2009
2009.07.13 00:00
13 Jul 06:00
2009.07.14 00:00
14 Jul 06:00
14 Jul 14:00
14 Jul 22:00
15 Jul 06:00
15 Jul 14:00
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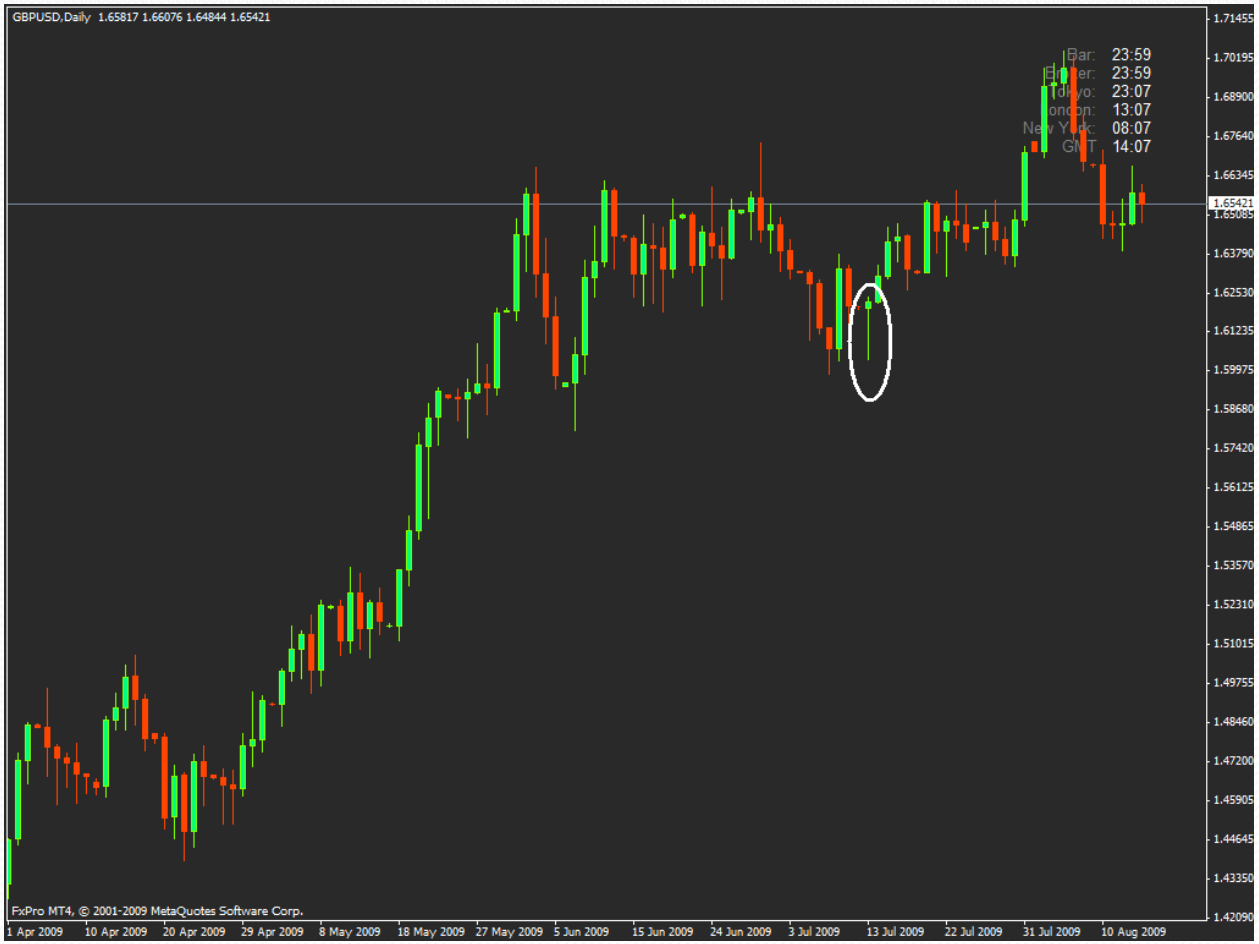
16 Jul 06:00
16 Jul 14:00
16 Jul 22:00
17 Jul 06:00

Sonic R++


GBPUSD,Daily 1.65817 1.66076 1.64844 1.65421
Bar: 23:59
Broker: 23:59
Tokyo: 23:07
London: 13:07
New York: 08:07
GMT 14:07
1.71455
1.70195
1.68900
1.67640
1.66345
1.65421
1.65085
1.63790
1.62530
1.61235
1.59975
1.58680
1.57420
1.56125
1.54865
1.53570
1.52310
1.51015
1.49755
1.48460
1.47200
1.45905
1.44645
1.43350
1.42090
FxPro MT4, © 2001-2009 MetaQuotes Software Corp.
1 Apr 2009
10 Apr 2009
20 Apr 2009
29 Apr 2009
8 May 2009
18 May 2009
27 May 2009
5 Jun 2009
15 Jun 2009
24 Jun 2009
3 Jul 2009
13 Jul 2009
22 Jul 2009
31 Jul 2009
10 Aug 2009

Sonic R++

Sonic R++

Scout Entry

- Volume : High Stopping Volume
- Enter a strong candle of your intended direction.

Classic Entry

- Wave formation: Higher High and Higher Low
- Dragon : EMA 34 (Hi, Low, Close)
- Volume : High Volume at the recent low

Re-Entry

- Re-enter trade after bullish candle for Long classic entry.

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Scout SL/Exit

- Put near a last swing Low or not more than 100 pips.

Classic SL/Exit

- No SL but not more than 250 pips foe Eur/Jpy.
- Until the strong opposite candle appear in weekly TF.

Re-Entry SL/Exit

- Put near a last swing Low or not more than 100 pips.

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Money Management

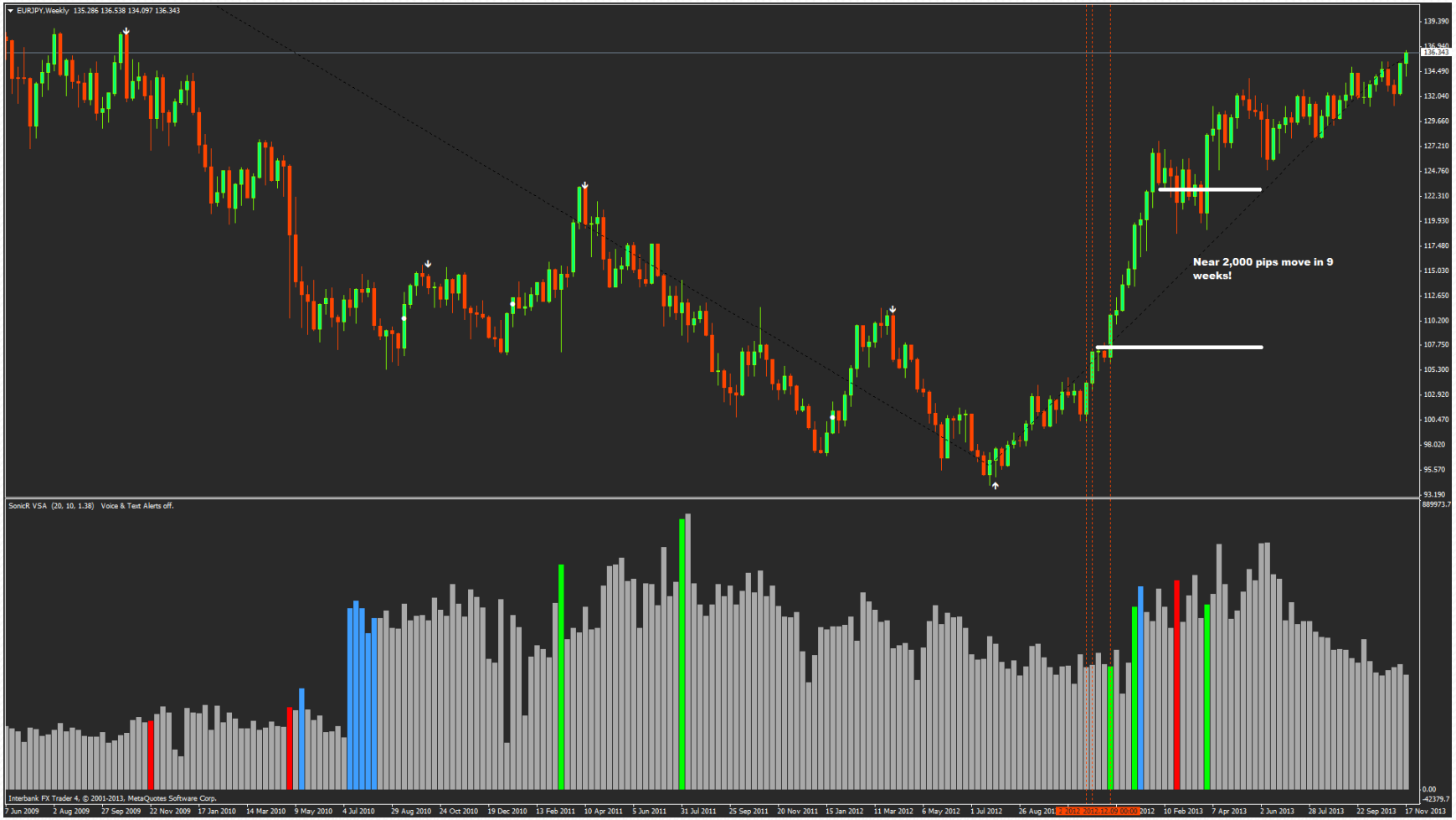
- Think of the full journey. How much you are willing to lose!
- It makes you in control.
- Leverage up when you in winning streaks and preserve your capital when in loss.

Sonic R++

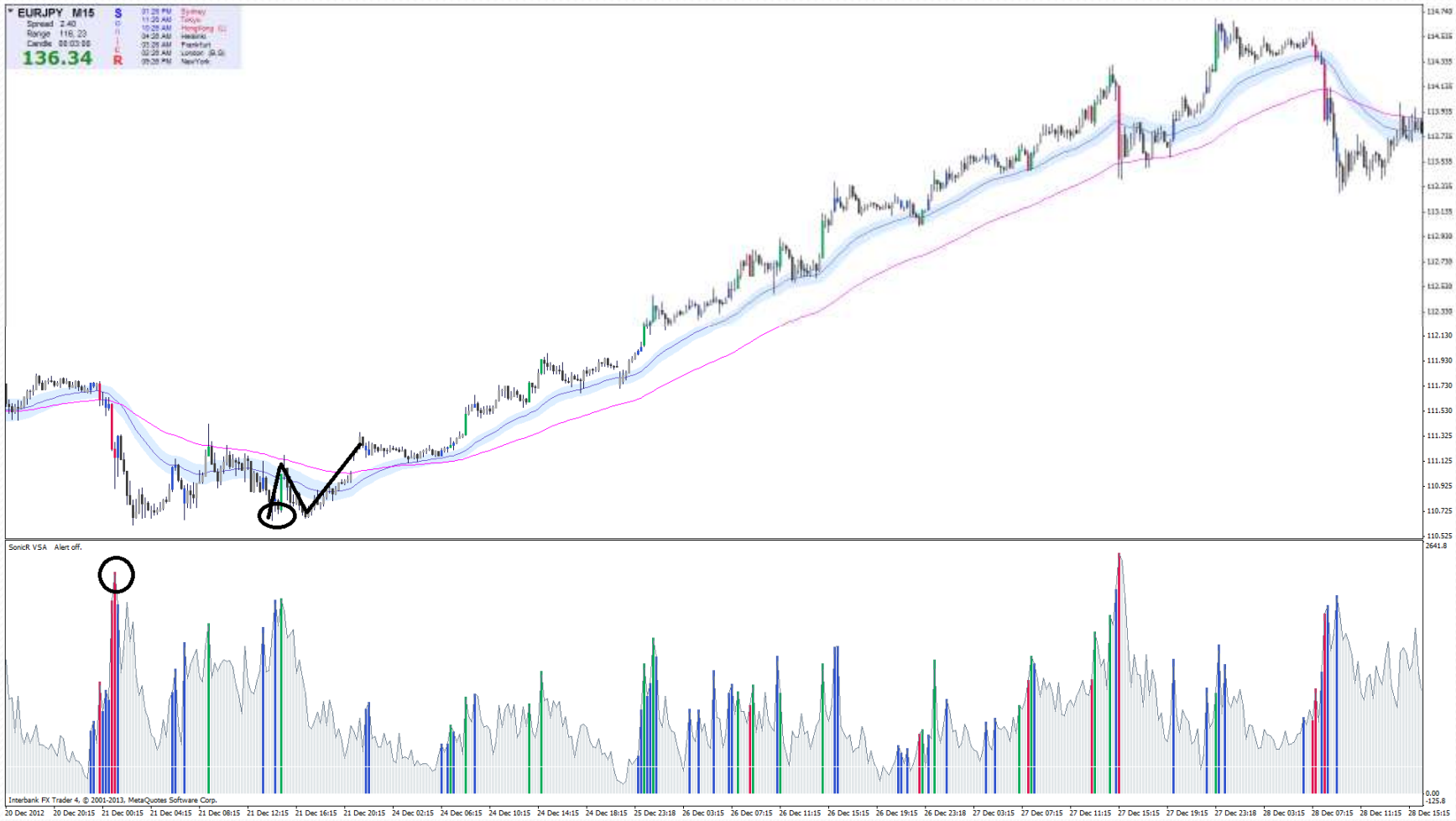
Sonic R++

- The Higher The TF, The smoother and trend-er the price has become.
- Less Noise, consistent trend.

Sonic R++


EURJPY,Weekly 135.286 136.538 134.097 136.343
Near 2,000 pips move in 9 weeks!
SonicR VSA (20, 10, 1.38) Voice & Text Alerts off.
Interbank FX Trader 4, © 2001-2013, MetaQuotes Software Corp.

Sonic R++


EURJPY M15
136.34
SonicR VSA Alert off.
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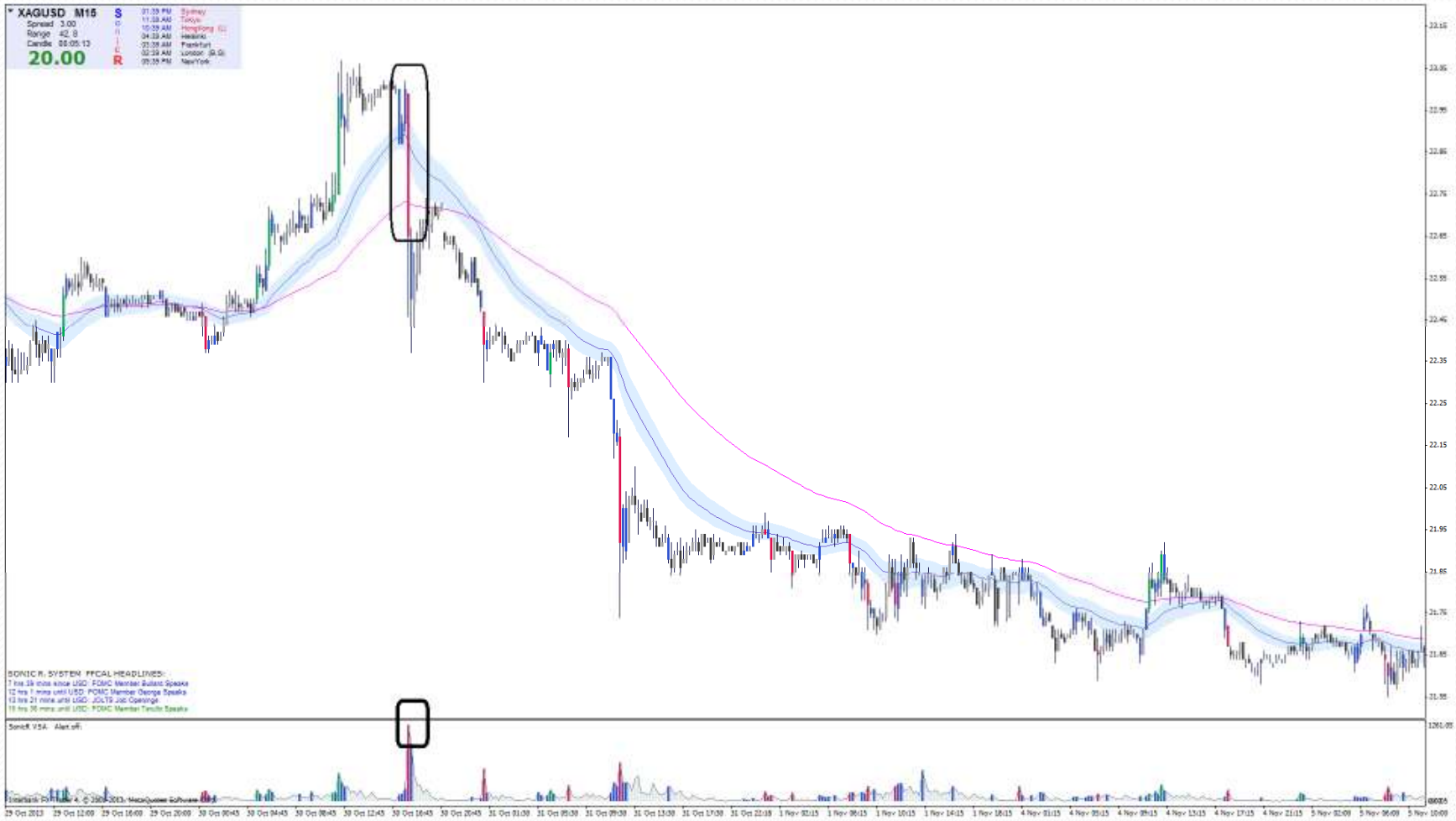
Sonic R++

XAGUSD,Weekly 20.67 20.78 19.72 20.01
SonicR VSA (20, 10, 1.38) Voice & Text Alerts off.
Interbank FX Trader 4, © 2001-2013, MetaQuotes Software Corp.

Sonic R++


XAGUSD M15
Spread 3.00
Range 42.8
Candle 00:05:13
20.00
S
R
SONIC R. SYSTEM FOCAL HEADLINES:
Sonic R VSA Alert off:

Sonic R++ (EX 1)

Sonic R++ (EX 1)

EURJPY M15
127.81
TP
EP
SL
SONIC R. SYSTEM FOCAL HEADLINES:
Interbank FX Trader 4, © 2001-2013, MetaQuotes Software Corp.

Sonic R++ (EX 1)

TYPE	SUMMARY	DATE	REF	DESCRIPTION	PERIOD	OPENING	CCY	SIZE	CLOSING	AMOUNT
DEAL	Closing trades	14/06/13	SJHCDQAS	[redacted] EUR/JPY	-	125.577	¥	+1	126.24	[redacted]
DEAL	Closing trades	14/06/13	SJHJRGAU	[redacted] EUR/JPY	-	125.424	¥	+1	125.97	[redacted]

14/6/13, 2 Trades , ~+110 pips!!

Sonic R++ (EX 2)

Sonic R++ (EX 2)

Sonic R++ (EX 2)

Back
Chart
Trading
Positions
H4
EUR/JPY (O: 132.962, H: 133.016, L: 132.916, C: 132.985)
FXCM, BID, M15, 00:00 EST
VOL(14) (607.000)
EUR/JPY (O: 133.035, H: 133.057, L: 132.855, C: 132.985)
FXCM, BID, H4, 00:00 EST
VOL(14) (2365.000)

Sonic R++ (EX 3)

EURJPY M15
129.733
SonicR PVA Alert On
SONIC R. SYSTEM FFCAL HEADLINES:
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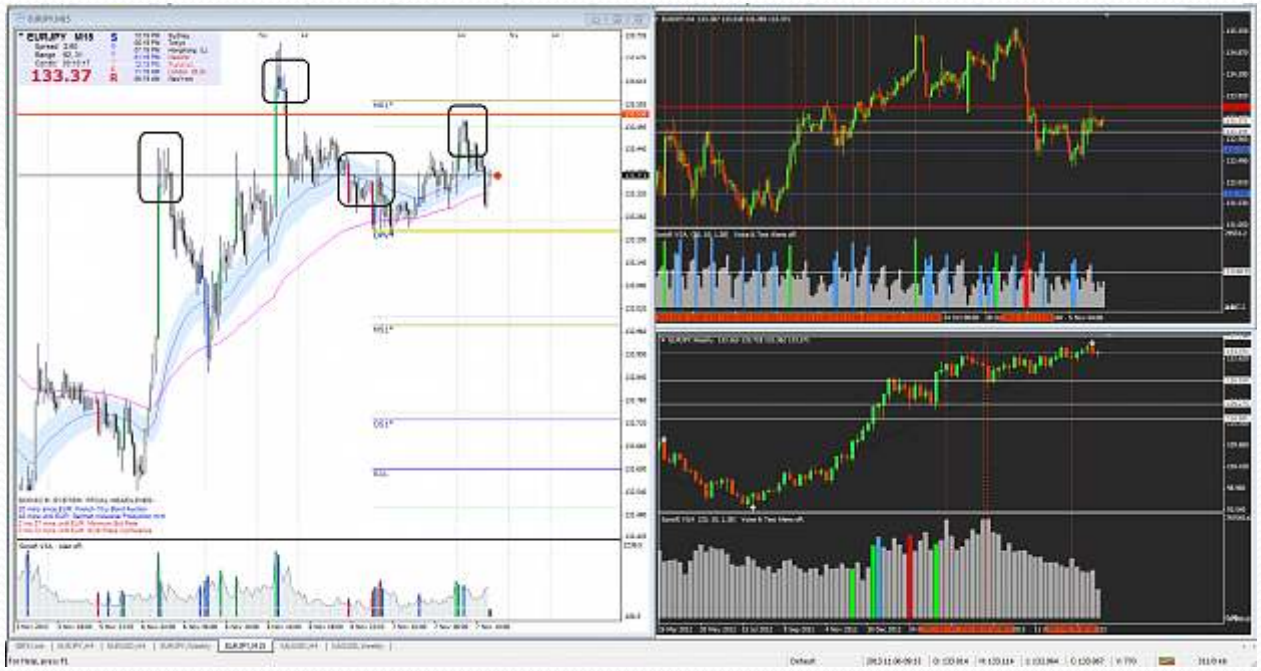
Sonic R++ (EX 3)

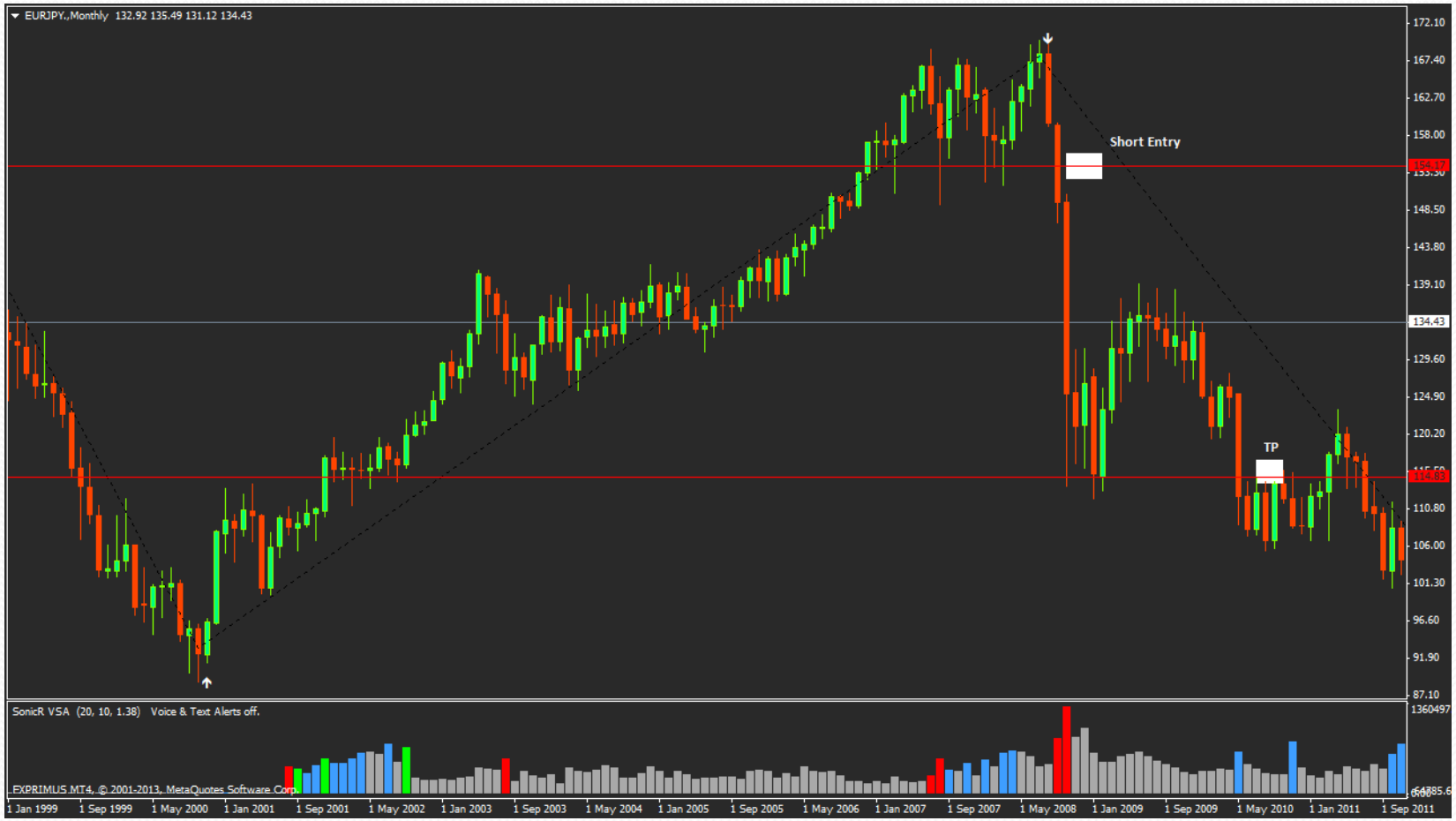
EURJPY M15
136.15
SonicR VSA Alert off.
Interbank FX Trader 4. © 2001-2013, MetaQuotes Software Corp.

Sonic R++ (EX 4)



Sonic R++ (EX 4)

Sonic R++ (My Best Trade)



	TICKET	MARKET	UNITS	S/L	T/P	PRICE	CURRENT	PROFIT (USD)
Short	527342147	EUR/JPY	[redacted]	132.350		154.185	114.902	[redacted]

Entered @ 154.18, Closed @ 114.90 , +3,900 pips!!!

Summary

- Trading – Unlike other types of profession. One can lose his/her hard earned money in trading, with poor performance.
- Know your enemy – Your broker has a edge over you, and it is not technical.
- Most of the traders get confused and get stuck in stage 2 (Conscious Incompetence)
- SL – It is an double edged sword. Must learn to use it properly.
- Sonic R – Trading a higher (more predictable) TF, when using at lower TF for better entry.

The End! ☺