

## Renko Cycle trading summary

[panamamike](#)

862

[Quoting dee50](#)

@Panamamike Just curious where you picked up the MACD setting of 7 10 5.  
From the divergence/ hidden divergence pdf posted in the thread. It really does a good job IMO.

[dee50](#)

865

[Quoting panamamike](#)

{quote} From the divergence/ hidden divergence pdf posted in the thread. It really does a good job IMO.

Thanks. 🙏 I compiled that PDF and did not register the settings, you made me read thru it again, which was not a bad thing.

I would agree, the macd is doing a good job, I am finding that the stochastic with the RENKOs, for some reason is maxing out at 0 & 100 much more often than it does on ordinary charts, which is hiding many divergences. So I am keeping it as a **Cycle** Indicator but I am going to join you with the macd for divergences.

- [panamamike](#)

866

That is exactly how I use them both....very effective on the 3 pip charts

[Quoting dee50](#)

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902

[panamamike](#)

FWIW....divergence appearing on 10 pip charts for eu EJ and AU. All are above daily adr. Will look for cycle turn down on 10 pip stoch and then look for shorts. A breakout above today's highs negates the plan. My .02

[dee50](#)

1279

*[Quoting RockRobb](#)*

{quote} Dee50, Why do we often heard ... 'divergence is not always worked out' Which one you prefer, divergence on Stochastics or MACD?

Have you ever heard of any indicator signal that "works out" every time. Divergence is one of the few "Leading Indicators" that is at least 70% accurate.

On the HTFs I prefer the stochastics divergence, but on the 1min and 5min (3pip renko) the stochastics does not work very well because it Maxs out too often, I keep it on my chart as a **cycle** identifier.

[dee50](#)

*[Quoting friska](#)*

ger 30 4H there may be a bullish div with a retest of brn 11000? {image} {image}

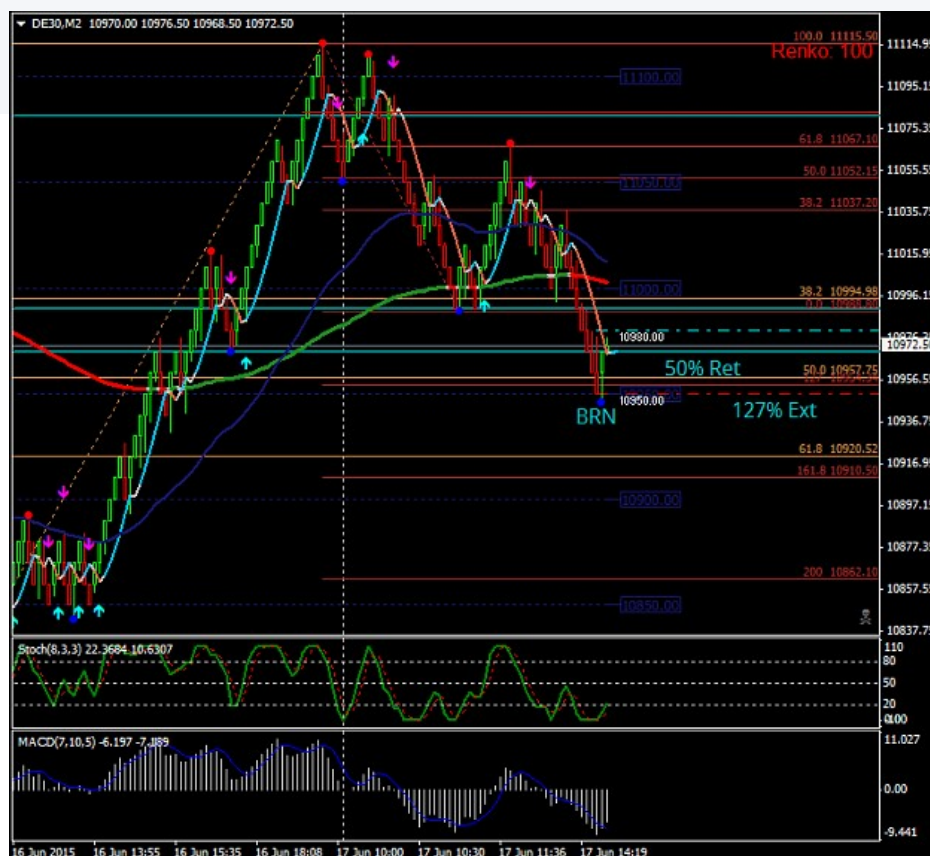
Could be, but we are in consolidation time 12.00 mid day CET to 14.30 pm CET lunch break. i tend to stay out other wise you could end up fighting the consolidation, if you are in the right frame of mind this period can be **Cycle** Traded for 10 - 15 pips each **cycle** because the DAX has a definite consolidation range of about 30 pips.

Now that I have said this the opposite will happen 🎲🎲

*There are 2 things I don't like, change and the way things are.*

[dee50](#)

DE30 +62. Don't do as I say, do as I do 🤖 this is why I never took a job as a reporter on CNBC. Price had been stepping down the Fibo so a short was the only option I was only looking for a Pullback to the BRN but then another draft of hot air from the Greek situation dropped the price so quickly I only just managed to move my TP down.



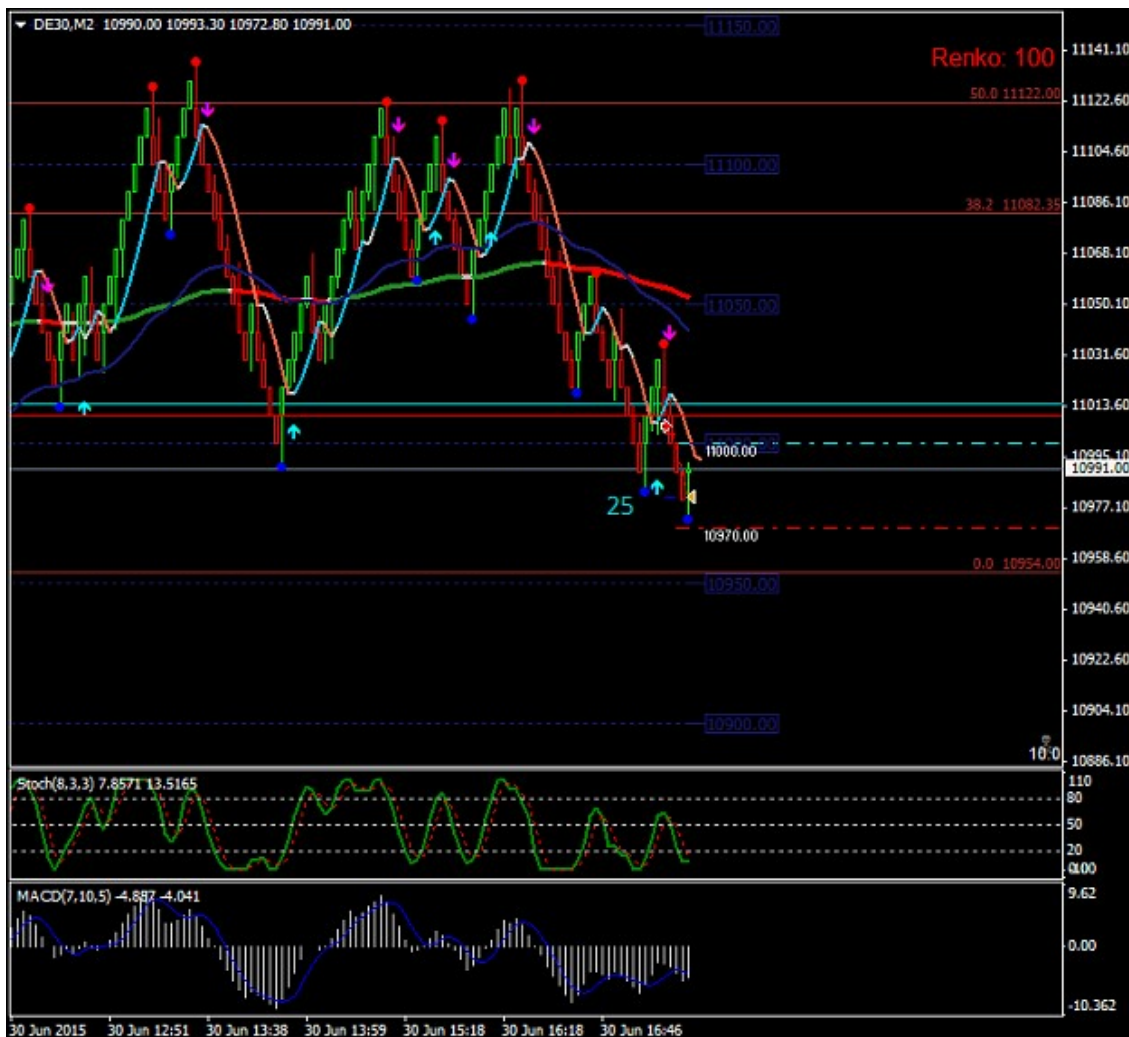


DE30 +25. Just for fun. You can nibble away at the DAX all day long, it requires so little effort, this instrument was made for traders.

Use the Stochs as a cycle indicator, combine that with the Fxkred renko counter and you know exactly where the price will go for at least 2 or 3 10 pip bars, that means you have a 20 - 30 pip window in which to take out some pips.

You can not back test this, this you have to observe while it is happening, advice is not to try and trade this straight away, just observe and after a little time you will see how this works and how you can use it. Then put the 10 pip and 5 pip charts together and watch how 1 gives you the heads up about the other.

It is there in front of you, just be patient and soon the charts will talk to you.



2337

## **Some of Dee50's Quotes**

"I trade 9am to 5pm GMT +1"- dee50

"The market gives you lots of clues, Sherlock would have made a fortune trading."- dee50

"As in all things trading, do not assume that every 123 is a reversal, look for a reason."- dee50

"Be careful with Divergence in a Trending Market, when a market is trending look for divergence but wait for confirmation, 123 (abc) formation before entering CT or be ready to exit fast..."- dee50

"Just a quick mention about Divergence. Divergence is a "Leading Indicator" in other words it warns you that some thing is likely to happen, not that it will happen. Like any crystal ball it is NOT 100% accurate." - dee50

"I rarely take a trade based on only one of the criteria there has to be at least 2 reasons preferably 3. eg. Divergence on it's own is no good it has to be at a significant level, BRN, S&R, Fib level. 123 reversal, same criteria. 123 continuation..."- dee50

"The way I am trading is based on the attached PDF this was compiled by a trader called jjrvat back in 2008"- dee50

( You can find the PDF "Day-Trading\_2.0[1] JJRVAT" in this download section.)

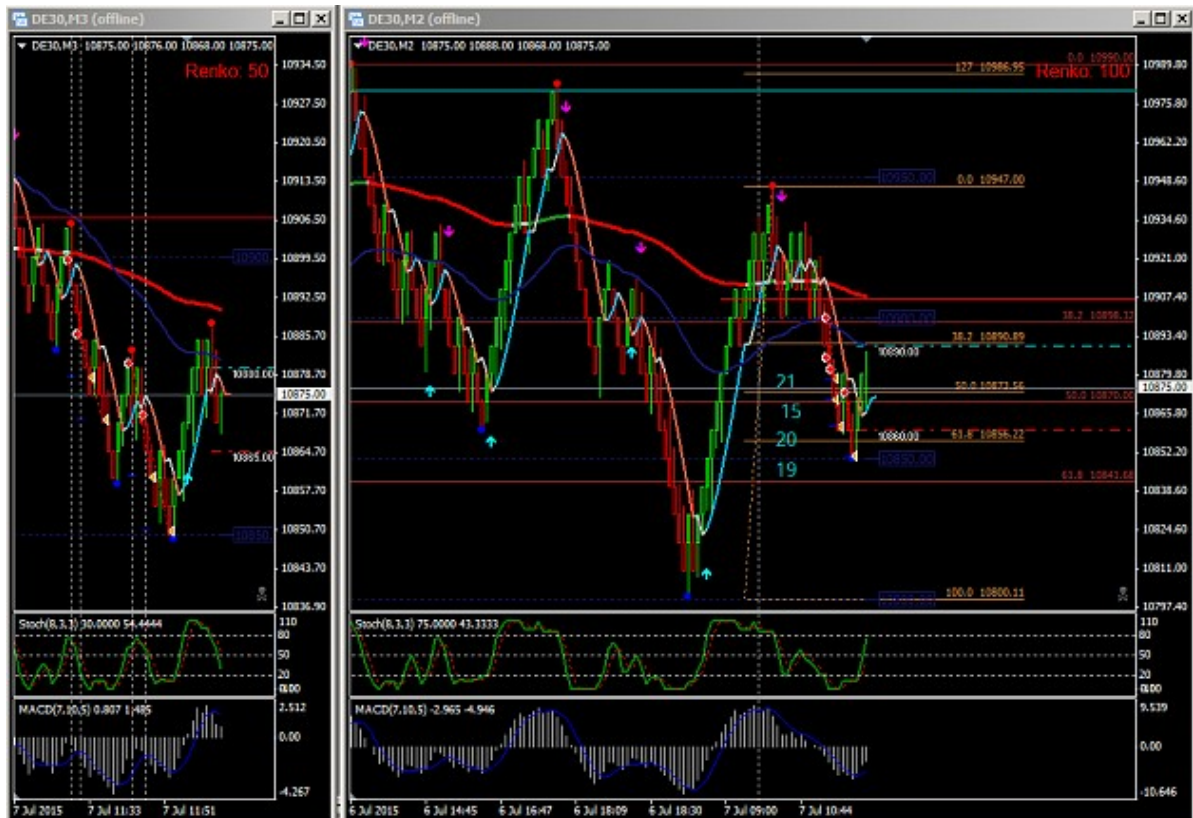
"No. I run a 10pip brick (1hr) and a 3pip Brick (1min) chart, that is all. I look for setups on the 3 pip chart and check the 10 pip for direction."- dee50  
(Although dee50 now uses 5pip brick instead of 3.)

"Use the Stochs as a cycle indicator, combine that with the Fxkred renko counter and you know exactly where the price will go for at least 2 or 3 10 pip bars, that means you have a 20 - 30 pip window in which to take out some pips."- dee50

DE30 +21+15+20+19. First ones on the scoreboard for today. When looking at these charts you have to ask your self why was this more than 1 trade, because, I did not think that it had the legs so I targeted the individual Fib levels, apart from the last one where the BRN was the safest bet.

This also shows, if you are one of the traders struggling to hold a trade because you have a bad case of TFS it does not mean that you can not build up some pips, safely. Just use the stochs cycle to keep you on the right side of the move.

Bugger!!!!!! I just missed my entry because I am posting. One or the other but not both!!!!





DE30. ongoing. Another example of using the stochs cycle to keep you on the right side. This one I am going for 25, but it is struggling to get down.



### Quoting friska

{quote} cycle question.. in the sense that we look at the stoch in the HTF and expect that it lines on the main trend, expect returns from a state of overbought / oversold, we move to the LTF and exploit all the oscillations aligned Stoch HTF ...? It is right the way of the cycle?

Not necessarily OB/OS on the LTF, look at the last trade, LTF stochs did not make it back up to OB which just confirmed the downward momentum also the HTF stochs only made it back up to the 50 line confirming the same.

But the principle you have out lined is correct. Just watch and observe the behaviour, pretty soon it becomes second nature to use so you can jump in and out at will grabbing the pips that you left on the table earlier before some other greedy bugger grabs them. The trick here is not to go for too many pips.

DE30 +43 +ongoing +ongoing. I have used the pullback to add another trade, I have gone straight to B/E +2 so I could be a bit close for this to work but if you look at the stochs and the Renko counter we can see that price will likely go down to 11720 to complete the downward cycle with another possible move to 11715 before price turns back up, i could take 20 pips at that point or hold and see. **This is part of using the price cycle to monitor and plan your exits and entries.**





Using the Price Cycle. here is the next picture you can see that price did go down to 11725 and that took the stochs down to the 20 level, at the moment my sl is just above 11735 which is still within the range of the current bar so I could get stopped out for +2, if that happens stochs will have turned up and we will see a change in momentum, at least for a short period, At this point I would close my other trade as well and then wait to see what happens. Get the Idea??

Forgot to add. Look at the 10 pip chart stochs and Renko counter and see where that is at the moment. Watch the action like this for a while and eventually you will see how the stochs and Renko Counter can help you with your analysis, even the MACD look how small the Histogram bars are, showing that there is virtually no momentum in any direction which means that price is likely to continue to consolidate. So in reality my SL is the thing most likely to be hit not the TPs. There you go, as I was typing the SL went.



There you go. SI hit for +2. Now look at the stochs, it has kicked up a little, now if this bar closes up at 11740 we will see a change in momentum up, but if it closes down at 11725 we could see price continue to drift down, but, look at the 10 pip, stochs is at the bottom of its cycle so the likely hood is that price will go up at least to 11750 which would take the 10 pip stochs to the 50 level, and so on and so on.

You need to watch the charts and see how these things unfold, it will take a little while but you will start to see short term patterns.



DE30 +43 +2 +31. Closed my final trade because there is a chance that price would come back up and have hit my sl for +16 and that would be a stupid thing to allow.

11750 was the 61.8% retr of today's High/Low. The 10 pip stochs was taken to the 50 level so we are now in no mans land, we don't know if price will continue up to 11760 to complete the up cycle of the 10 pip chart or if it will turn back down. There is likely to be a pullback off 11750 because it is a BRn and it is the 61.8% retr and the 38.2% of yesterday's High/Low. But look at the 10 pip we have bullish divergence in play, and the 5 pip has a short term rising Trend Line so the best option at the moment is to wait and see.

I am 76 pips in profit so I am going for an early lunch.



### Quoting friska

{quote} I have another question if you do not bother you ... dax in this situation now. 10p left 5p right the 10p Stoch made a hook almost in os situation / and stoch right 5p is entering os so I guess that soon the two are aligned. i see a 5p bull div and i see 10 pip div bear continuation. in addition there may be a channel being built quite evident on 5p that makes me think of a bearish behavior also because 11550 to now denied 123. how do you red this stoch situation? You could give you a view on the **cycles** and stoch? ok for me the more honest solution would be to wait a brekout of TL, but to anticipate movements in the channel?  
thanks a lot..



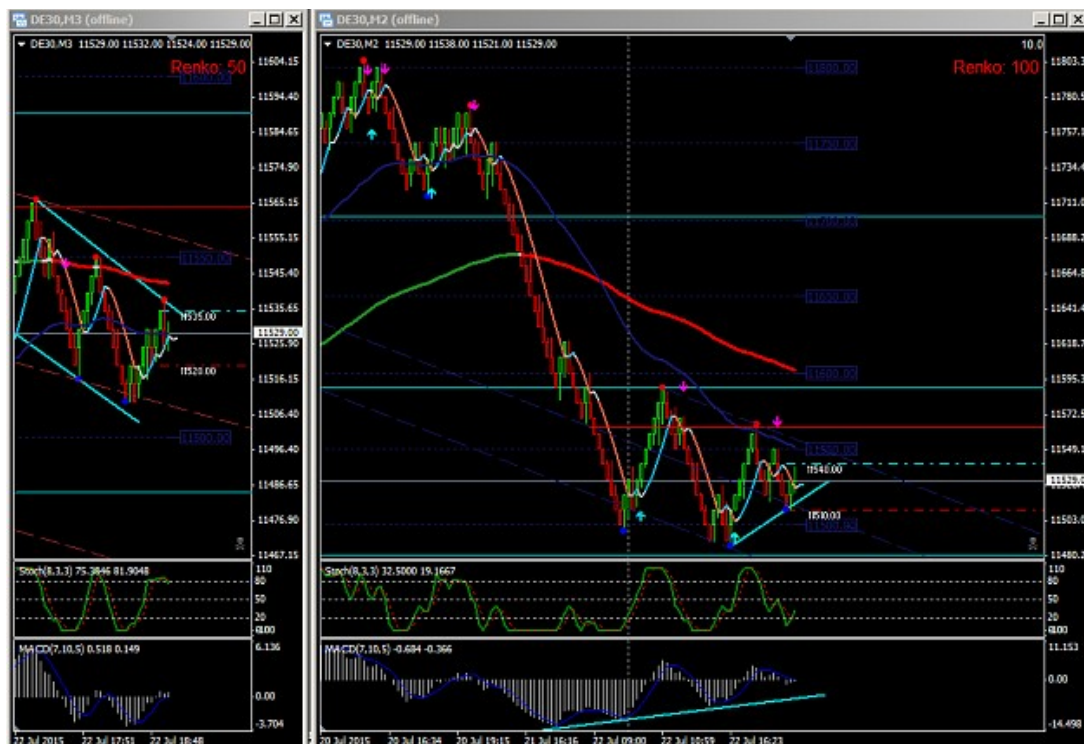


HaHaHa. Bloody awkward question at this time of day. Purely from the 10 pip stochs, it has not completed it's downward cycle so from that it is Bearish, but not by much it only needs to move down to 11510. There is a Down ward sloping channel on the 10 pip but price is in the upper half, this indicates Neutral. There is a Bullish flag on the 5 pip chart. Rising Trend line on the 10pip MACD. Lower Highs and Lower Lows, if you look at the 4 hr chart we have Bullish Hidden Divergence with the stochs in OS but it has not yet come above the 20 level. Technically every thing says, no idea!

I personally would not take a trade based on this information.

While I was typing we have had a Bullish breakout of the Bullish Flag which will likely stall at 11550 and that is where the 10 pip stochs is likely to turn back down.

Why are you asking me? predicting the future is your strong point not mine!



[Quoting dee50](#)

{quote} HaHaHa. Bloody awkward question at this time of day. Purely from the 10 pip stochs, it has not completed it's downward cycle so from that it is Bearish, but not by much it only needs to move down to 11510. There is a Down ward sloping channel on the 10 pip but price is in the upper half, this indicates Neutral. There is a Bullish flag on the 5 pip chart. Rising Trend line on the 10pip MACD. Lower Highs and Lower Lows, if you look at the 4 hr chart we have Bullish Hidden Divergence with the stochs in OS but it has not yet come above the 20...

GM!

thanks for your time, as always.

I wanted to see if there was a key to a messy situation that I could not find

and understand a little better your cycle Stoch technique reading, on I'm working.

many times in unclear situations think -how was dee reasoning in this situation? - sometimes helped me.

even if this does not solve the situation, avoid entering, and waiting a better setup.

I'm trying to improve my entry timing.

I realize that is an important thing it affects a lot about the whole evolution of the position

and I must work on it!

thanks again for your help.



## Quoting MisterC

{quote} Expect my answer shortly. BTW...you traded only off the 5 renko?

Well then....GAME ON



#1 Interesting. You bought and sold at the same time. Here is my opinion on the trades taken at #1, individually.

THE SHORT: VERY WRONG. Price was going up. Yes there was a bearish divergence but after a divergence appears you must get a confirmation that price is willing to go lower (and the best one is a LL; range break lower, trend line break could also work - none of them occurred at this point). Another mistake is that you sold close to a SR level. **I notice that at the moment of the trade Stochastics started to slope down so this trade was mostly taken trading indicators, not trading basic price analysis.**

THE LONG: WRONG. You were going with the trend but this was not the place that would offer the higher odds; since a divergence was present you were hoping that there was enough momentum in the move to go keep going higher. In this situation a buy at a lower level is better and here's why: the divergence shows loss of momentum and if you look at price alone you can see that the last leg up extended less than the previous one so a shallow retracement is not a high probability trade (even if the trade was at the SR marked by the high of the previous leg up - one marked by the 1st red dot left to right); it seems unsustainable. Also, Stochs is sloping down from OB (start of downward cycle). I don't know how much you rely on Stochastics, for example (in general) sometimes you enter long as Stochs comes off the lows, sometimes you enter long when Stochs is OB (you trade only price)...and of course I suppose there is a general way you use the Stochs, but it also depends on the specific situation you are in...anyway.....I don't know why would you ignore Stochs here since a Stochs move coming off the lows would give you better probability.

When you have a hedge like this one, if you don't close them at the same time, the exits are very important. Your short exit was good, right at a level. Your long exit, IMO should have been sooner, since price shows bearish tendencies; I would have closed at BE after price was rejected lower (the rejection that occurred in the move that followed the shallow retracement)

#2 Better than the long from #1 but still carries risk. You certainly bought lower; the trade was after price was rejected off the BRN. Technically, you bought a PB in a up trend but the reasons I mentioned before that make the long at #1 risky are still in effect here. On the plus side MACD was still showing momentum. The one thing that would have made this trade safer would have been Stochastic sloping up from under 50. The trade looks like it's around the 50 fib level of the last leg up so that's an extra plus for the trade. Exit was good, just after double top formed.

#3 Difficult to say. The thing is that at this moment price broke a triangle to the low side and made a LL. Price also broke through several up trend lines. The analysis certainly points to shorts, however after price breaks structure (in this case makes LL, breaks triangle) it will usually return to retest...you traded that move up. The thing here is...you bought under a SR level that was previously respected (quite close to it); on the other side you bought off both EMAs and, of course, a retest of the broken structure was due. Stochs was sloping up, this could be an extra reason to go long. MACD was showing weak downward momentum. You should have bought when price moved above the SR level and manage the trade closely, after all you are CT.

#4 Good trade! Price is going lower: swings have downward sequence and everything is under the MAs. There is a hidden divergence on Stochs and the Slope points south, MACD shows some downward momentum (usually price is king; price and MACD show the same thing here). The only thing that would have improved this trade would have been entering at the close of the previous brick.

#5 Everything that is PRO the short at #4 is against the long at #5. The only thing that support a long is that price actually moved up a bit and Stochs is OS. It would have been safer to buy the bounce off the SR marked by the 2nd blue dot, but that would have been risky as well. Getting out of this trade fast was a good move. I actually have no idea why you bought; price is basically in a downward channel, but you should have bought much lower if you were going for a scalp like that.

#6 Good trade! You didn't wait for Stochs to give you a OB situation but the same reasons from #4 go here as well.

#7 Wrong trade! The reasons I gave at #4 are still in place but the time for a sell is not right at all because: most important, price is going down into a SR level and a safer trade would have been after a PB so you don't avoid eventual draw-down. You should have closed sooner!

#8 What the hell are you doing...again?? 🤖🤖. When a trade is on minus...add more trades to that direction; that's actually how I burned a couple of small accounts. The reasons against the trades are the same as at point #7, but these situation is worse because you opened more trader. This could have been a good CT trade off the BRN; Stochs supports that. Should have been closed right after they were opened.

#9 Great trades! Taken off the EMA (played as dynamic SR quite good on this chart). Price is obviously going lower (reasons from #4) but here you also have Stochs coming off the highs. Exits are too soon.

There is one thing that I should mention. When you look at price at this point you see that it moved with some difficulty lower, compared to the ease that it moved higher. At point 6 price started moving strongly lower and that's fine but the move back up was equal in strength to the one lower and...I don't know how much you rely on MACD but here the momentum was gone so, you can consider the possibility that you are now in a trading range. The short was by all means good and at the top of the range, but the TP expectations must be adjusted. You could have closed the trades lower, that's the only thing here...

#10 If you entertain the idea that you are in a trading range, the trade at point 10 is in the middle of the

range. Usually trading ranges break in the direction of the trend so that supports the trade, however there is potential for draw-down. The best thing to do is to have kept the trades from #9 opened or short the retest that came after the break of the BRN / lower limit of the range (but that's beyond the time limit).

Other mentions: I notice that you didn't care about bricks closing above / under the 5 EMA. You seemed to have traded the Stochs more than price (OB/OS mostly). You certainly made your broker very happy today 🍀

I would really like to know your reasoning behind the trades. Why you traded the way you traded and why at those price levels.

P.S. Sorry if I got too much into details...this was a good exercise for me and to be honest...It was also fun

MisterC

3302

EU +25. Tick chart.

1st trade: Buying pressure but resulted in weak breakout.

2nd trade: DT, failure of upward momentum resulting in a false break to the upside, meaning price is most probable to go down. Should have allow it to run further. The reason I closed is because I expected momentum to fail (the impulsive move lower was not strong, this one looked stronger which made me a bit skeptical)

3rd trade: This was a risky trade. Took it off the SR area between 80 (swing) and 75 as signs of strength appeared. There was climactic action lower, stochs started a cycleup. Closed as price started to lose momentum.



[Quoting nuckern](#)

{quote} Actually this and also "never buy in overbought and sell in oversold!" Which isn't from Dee but I'm sure he would agree with me.

Dee open longs in overbought and sells in oversold when there is good PA supporting the trade (I talk about Stochs of course). Yes he uses Stoch to confirm trades but if you look carefully at his renko trades you will see some entries longs - OB, shorts - OS when price runs from a 123 or a range.

My advice to you is don't buy into a resistance zone / don't sell into a support zone. There are exceptions of course, but the main guideline is don't buy / sell in R / S. But you should stick with the OB, OS filter as well, it could give you a better way to filter out bad trades; **always keep in mind: trade price, not indicators. Indicators are an altered version of price and they have their own "price" action and own dynamics. Never buy because it's green / OS or sell because it's red / OB...that's why indicators don't work. But when used in conjunction with price and viewed as a piece of the puzzle they can be a real asset.**

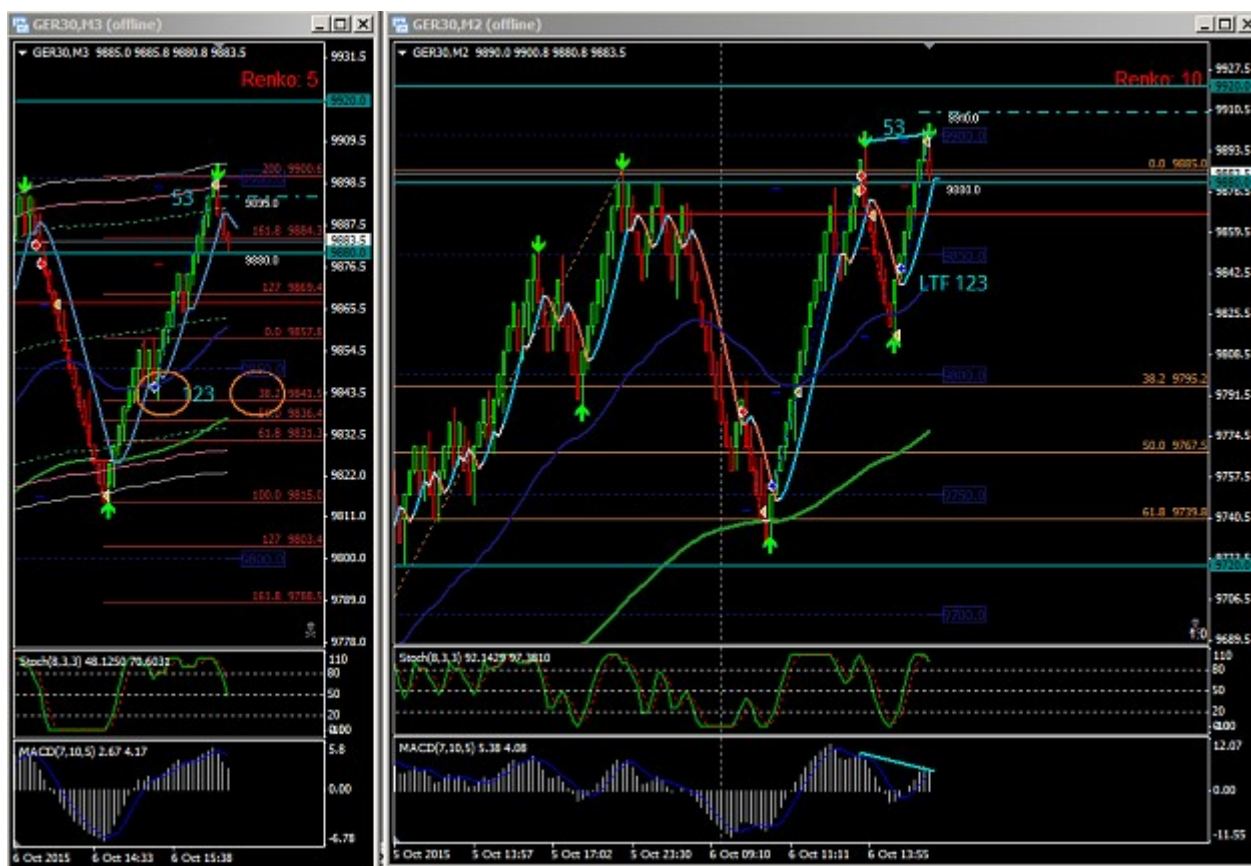
BTW, the nailing to the wall is not a bad idea. Myself, I have rules / guidelines and charts with setups on the wall in front of me. Having proper knowledge in front of you is really useful.

[Quoting nuckern](#)

{quote} The first top was during the asia. And as we figured out last time Friska doesn't have cash 24/5 DAX so no asia no top.. 🤖) About 10pip scalps looks so easy.. but it's not. I bet no SL and using 10p as a **cycle**. When 10p renko goes OS/OB stop scalping, right?

1. Of course, it becomes obvious when some one points out the obvious to you. Thank you. 🤖
2. Easy? Yes it is, with a little practice you can jump in and out all day. Today I used a 10 pip SL 10 pip TP.

GER30 +53. can not see an entry on the 10, or you are late to the party, look at the 5 pip. What have we got here then, Stochs refusing to come back below the 80 line, Stochs is OB but it is also confirming upward momentum, 10 pip stochs is coming back up from OS also confirming upward momentum. 10 pip stochs completes the UP cycle at the 200% & BRN lending strength to the Divergence.





GER30+115x6.+10x6.+58x6.+16x6.+10x6 . +2 ongoing B/E +20 & B/E +10. I am currently wondering if I should close the last 2 trades. if I get a second bounce off 10750 i am going to close. The 2 vertical dashed lines close together are just there to show you on which bar I entered.

The +16 was a hit on a trailing stop, the 2 +10s were just 2 trades I jumped in for +10.

For the 10 pip stochs to complete the up cycle would take approx 3 bars so price could pullback to 10790, so my current SLs could be safe, also the 200ema and an S&R level are in the way, we will see



### Quoting dee50

{quote} Summer trading is different, because of the Holidays there are less traders trading, this creates more volatility which results in more ranging and choppy days, basically what happens is, is that



smaller orders will create more volatility because there are less traders to respond to those orders, in normal trading small orders would just be hoovered up and hardly create a ripple but in a smaller market they have a greater impact, this is what makes summer trading a lottery and if you test systems during the summer you have to remember that...

Thank you for your reasons, you are absolutely right about summer trading, I am identified with that 🇺🇸

To my Fibonacci indicator: It is stuff from one very popular trader in my country, and more people said me, that those levels are very accurate. I was always skeptical about Fibonacci indis, but this look good, yet. I prefer as clear chart as it is possible, I usually delete everything what I do not need in chart. So only useful indicators are in my chart.

I must admit that I did not read all your posts in this thread, but I still miss some info about for what exactly Stochastic are you using for. Concept as a cycle indicator I understood I think - Stochastic shows start, middle and end of momentum/swing or generally movement. Somewhere on previous page you showed stochastic as a corection confirming stuff (tops (swings) of stochastic in extreme below 20 or above 80). And today you posted picture where you used stochastic as a momentum confirmator.  
- Personally I use it as divergence indicator primary with MACD together and as a cycle indicator, too.

I am looking forward your next trades

dee50

3962

[Quoting nuckern](#)



One question to you guys.. how do you solve these type of situations. The circle in image. Possible short? 38Fib + minor res.. VS better probability 50% Fib Long.. But on the other hand price came from 50% fibo of HTF...after the "double bottom/higher low" it was more clear.

The clue was in the stochs and MACD. The stochs came up from the bottom of the cycle so you would have been looking for a long, also there was a small pullback on the stochs creating a Stochs 123 which was also a divergence.

The MACD only had very small down bars on the histogram showing virtually no downward momentum, again a sign to be looking for a long.

I can not open your image so if I have lost the plot I apologise.

[Quoting dee50](#)

{quote} The clue was in the stochs and MACD. The stochs came up from the bottom of the **cycle** so you would have been looking for a long, also there was a small pullback on the stochs creating a Stochs 123 which was also a divergence. The MACD only had very small down bars on the histogram showing virtually no downward momentum, again a sign to be looking for a long. I can not open your image so if I have lost the plot I apologise.

Thank you for answer on Drammen question, this is exactly what I was missing all the time I uses your MACD and Stochastic 🤖 From the clear PA view, it is 1:1 situation, because it was 1-2-3 short pattern and in the same time 1-2-3 long pattern. Same as we were in strong downtrend, but there was already new uptrend. I know, it is always about you can not predict where it will go, but this is very good way how to help yourself with making decision

Perfect example of when not to take a divergence seriously. 5 pip chart, Dbl Top + Div, but, look at the stochs it is staying above the 50 line so we have conflicting signals, there was a 15 pip down move which barely registered on the stochs. I would expect 3 - 4 bars to complete a stochs cycle where as in this instance it has barely registered. Also, the Dbl Top has happened where? are we at a significant level? you could say we are at a BRN, but i would be inclined to look for a scalp long or wait for a confirmed reversal. Action, stay out!!

EDIT. as I was typing the dbl top was negated.



Dee50

4215

GER30 +58+48+10+60+28+10+100. I think I am done for the day and you will not see me tomorrow only if I spend a fortune in the morning and have to make it back.

Draghi is the only Central Banker who is good for the average traders account.

Off to feed the cats.

PS. Just look at the Stochs cycle for the entries, apart from that one 10 pip long although divergence and the bounce off the 61.8% did justify the entry.



### Quoting PhilippineFX

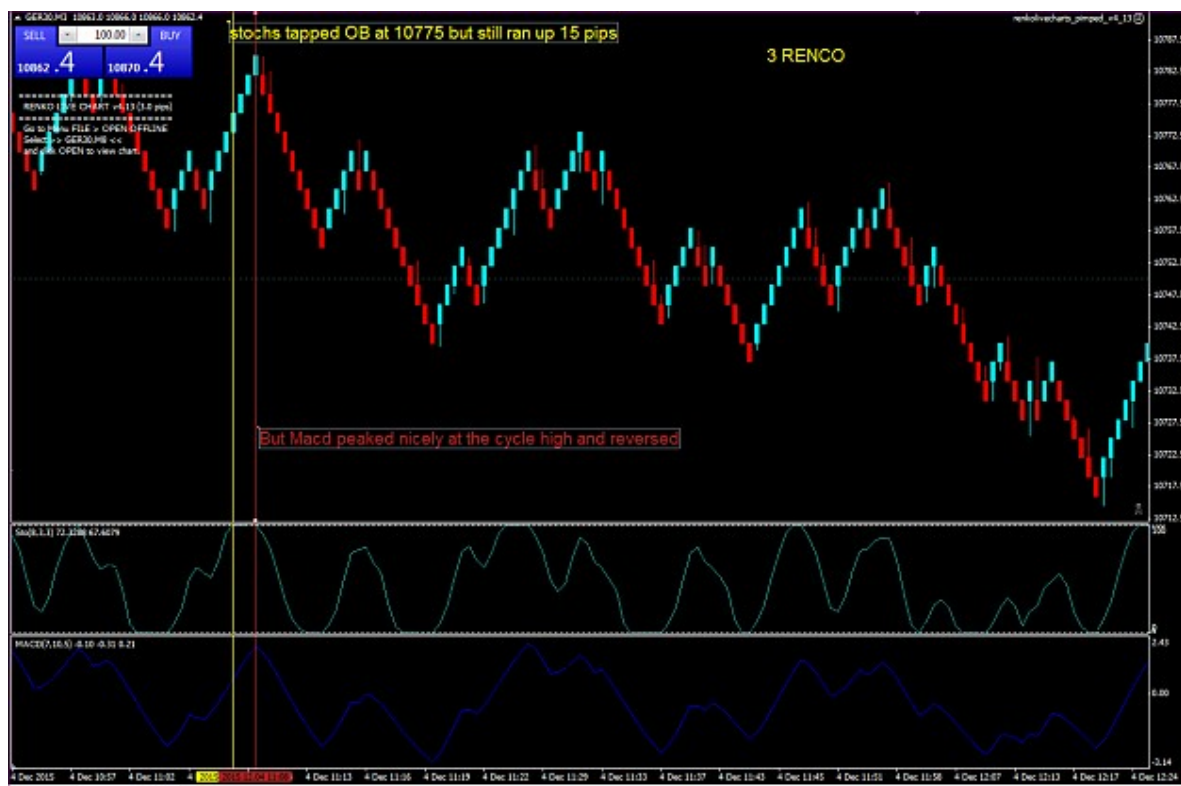
This scalping method works best when the market is ranging. Yet even on days when its trending strongly there are good ranges to play when its catching its breath. In fact these can be the best of times to scalp... We are playing price oscillations here and the main tool is Stochs and Macd.....its nice to have backup and for that its fibs, divergence, BRN and S&R....is this sounding familiar??? Use the 3,5 and 10 brick renco charts and toggle back and forth between them to see what stochs and Macd are telling you for each of the 3 brick sizes.....

The last trade on this chart is a good example....stochs bounced nicely off of OS and fib.....I got out for 15 as stochs entered OB .....in my mind this was a good trade. TheCycle was 20-25 pips so grabbing a 3rd of that was optimum....the screen shot was taken off the 5 renco but I managed it off the 3 chart.....watched 6 cycles[3 up, 3down] waiting for the fib 61.8 bounce.....risk here was very small....i recall this trade took around one minute....

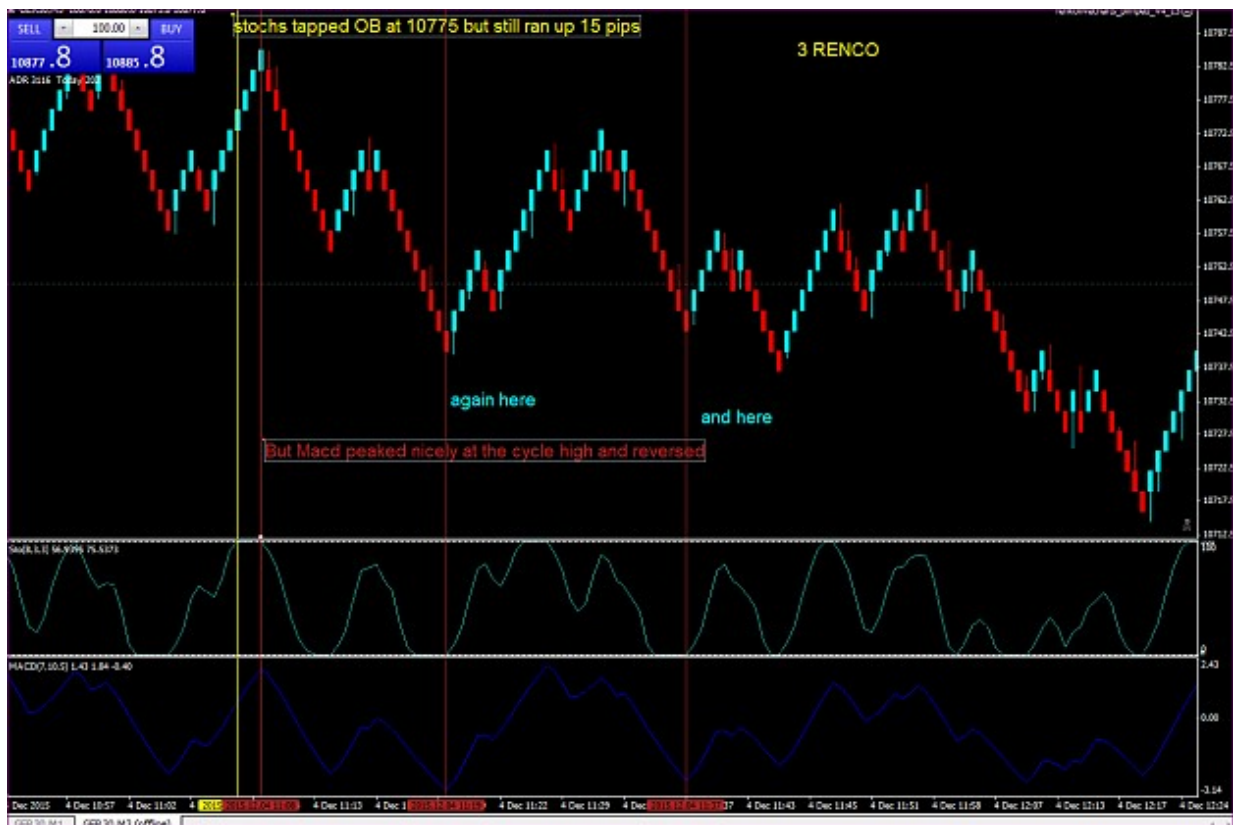




Stochs OB/OS is the go to tool....but often it does not bounce but rather it claws along the glass ceiling/floor while price continues on its merry way to the end of the cycle before finally retracing....here`s where Macd comes into play...this is a classic example of Macd peaking and reversing at the top of a cycle while Stocks is lost in space. It happens often so keep a look out for this one



and 2 more times....for a scalp the last one was still tradable





PhilFX

4259

dax 12,15,10,8,8,8,7,12.....after a big run up she cycled 8 bricks a couple times. I thought it would hold above the BRN but it tested my resolve for a couple minutes before heading up..

Got in after seeing both stochs and Macd bouncing off OS at the same time.....out at stochs OB

I am more then happy to take the middle 2 or 3 bricks out of a 7 brick cycle to start the week...

Not the cleanest of trades but ok just the same



PhilFX

4276

Back in June I had a short conversation about scalping with Dee that changed my life.....these were his simple instructions for me. In hindsight the most important point was the last one. ""To start don't do any thing, just observe, and you will start to see the pattern""....I had a strong feeling this part was critical so I "observed" for almost 2 months. Not a single scalp. At first i simply drew fibs and divergences everywhere along with S&R lines . Week bye week it got clearer and clearer.....what I was teaching myself was not trading but rather Price Action.

People if you do not come to grips with PA you will at the very least struggle[like I did for so long] or at worse fail.

Best of luck

M

[http://assets.forexfactory.net/nfs/c...ar147504\\_3.gif](http://assets.forexfactory.net/nfs/c...ar147504_3.gif) dee50

RE: Dax...a chart is a chart is a chart....

1. Jun 25, 2015 9:24pm

2. Reply

3. Forward

4. Cleanup

5. Unread

6. Trash

Scalping the DAX or the EU is a completely different ball game and would require a separate thread to explain and I really do not want to get involved in some thing that time consuming. One of the best ways of scalping is to observe the Price **Cycles**, use an oscillator like the stochs then watch how price moves from OB to OS and vice versa you will see how many bars it takes, on average, to get from OB to OS, with Renkos you know exactly how many pips that takes, from that work out how many pips to scalp for in each **cycle**. I use a combination of the 10 pip chart and 5 pip chart. I do incorporate Div, BRNs S&R and Fibs.

To start don't do any thing, just observe, and you will start to see the pattern

Dee50

4292

### [Quoting Ic555](#)

{quote} Hi dee50, Thank-you so much for your willingness to teach others. You make it look so easy that I am starting to think that I am a lot thicker than I thought. I have a question regarding your chart. Could you please tell me why you didn't take the trade where the blue arrow is? As far as I can see it appears to meet all your entry rules. {image}

You are right. I must have been smoking or peeing, or both. Although!!! what would be the reasons for caution? what is price doing that may make you want to hold on, what did the stochs do on its last down cycle.

Since when are they my entry rules? I only spotted the triggers yesterday evening, and thought to myself "These would help the Rule followers to develop a method".

You are not thicker than you thought, I have just been doing this for longer than you and as a result I see things differently. There are traders here on FF with way more time logged than me and they make me look like an amateur, their trading is effortless.

Ic555

4294

### [Quoting dee50](#)

{quote} You are right. I must have been smoking or peeing, or both. Although!!! what would be the reasons for caution? what is price doing that may make you want to hold on, what did the stochs do on its last down **cycle**. Since when are they my entry rules? I only spotted the triggers yesterday evening, and thought to myself "These would help the Rule followers to develop a method". You are not thicker than you thought, I have just been doing this for longer than you and as a result I see things differently. There are traders here on FF with way...

Thank-you for your thorough response.

On it's last down **cycle**, the stochs didn't even reach the mid point level indicating the up trend is very strong.

PhilFX

4322

### [Quoting mor707](#)

Hi PhilippineFX, To my untrained eye it is just remarkable where some of your entries are. Sometimes you enter which look like totally against the trend and then it goes on to reach your target. Well done, all your study is paying off

All the charts I post are missing one critical component and that is Price Action....a video might be the way to go..... what you would see is price slowing and stalling at the OB/OS levels,S&R etc....maybe even a mini 123 after retracement begins that does not show up clearly on a renco brick.....I think the trend you are referring to is just a price**cycle**.....most of my trades are with the HTF trend...

...its pretty clear I need to apply the same care to exits....I have a tendency to close early

Again PA is the key here....

Ic555

4345

### [Quoting nuckern](#)

{quote} Any particular reason why you didn't take any of these? I'd say nr. 3 coz it's near BRN and nr. 4 coz its near your purple level. But Nr.1 and 2 hm.. to be honest really don't know. {image}

Hi nuckern,

I thought I would have a go at answering your questions before the master comes up with his reasoning.

In my opinion the upswing on #1, 5 bricks or 25 pips, was too small considering that you would be entering at 15 pips on the way down, thus leaving you with a potential profit of only 9 pips, taking the 1 pip spread into consideration. You always have to expect swings highs/lows to act as support/resistance. Regarding #2, I asked dee a question a few days ago about a similar setup and his answer was "what is price doing that may make you want to hold on, what did the stochs do on its last down **cycle**". If you have a look at the previous 2 attempts that price made to resume the down **cycle** you will find that the stoch did not get very far indicating upswing strength.

PhilFX

4350

Dax 30....4x10, 4x22.....the pace has slowed down[if you can call it slow] so i switched to the Renco 3 chart.....that switch was determined by brick count....macd and stochs work best at around 8-15 bricks per cycle....or so it seems.. 🤖 .....for a rush try trading a 1 or 2 brick renco...



Ic555

4366

### [Quoting PhilippineFX](#)

{quote} All the charts I post are missing one critical component and that is Price Action....a video might be the way to go..... what you would see is price slowing and stalling at the OB/OS levels,S&R etc....maybe even a mini 123 after retracement begins that does not show up clearly on a renco brick.....I think the trend you are referring to is just a price **cycle**.....most of my trades are with the HTF trend... ..its pretty clear I need to apply the same care to exits....I have a tendency to close early Again PA is the key here....

Hi PhilippineFX,

Impressive scalping performance.

I would like to know how you determine trend direction. Do you look at the direction of the 10 Renko Stochastic – as per the last completed brick , when scalping the 5 Renko, and do you look at the 5 Renko Stochastic when scalping the 3 Renko chart?

Thank-you for your very valuable input.

[Quoting Ic555](#)

{quote} Hi PhilippineFX, Impressive scalping performance. I would like to know how you determine trend direction. Do you look at the direction of the 10 Renko Stochastic as per the last completed brick , when scalping the 5 Renko, and do you look at the 5 Renko Stochastic when scalping the 3 Renko chart? Thank-you for your very valuable input.

I am constantly looking at the 3,5 and 10 Renco....a quick glance at 2-5 days worth of Renko 10 tells the trend direction....that`s the HTF....I trade off the 3 or 5 renco depending on the size of the previous price **cycle[s]**

Ic555

4371

[Quoting PhilippineFX](#)

{quote} I am constantly looking at the 3,5 and 10 Renco....a quick glance at 2-5 days worth of Renko 10 tells the trend direction....that`s the HTF....I trade off the 3 or 5 renco depending on the size of the previous price **cycle[s]**

Thank-you for your response PhilippineFX.

I have also recently being looking at those 3, 5 & 10 Renko charts of the DAX and the 3 & 5 Renko charts of the EURUSD, due to its inverse correlation during the European session, and have found that scalping the 5 Renko brick **cycles** on the DAX is nearly trading blindly.

Often you will just see a sharp point at the apex of the swing point on the 5 Renko and not be sure what to do, unless you are dee or PhilippineFX, but when you look at the 3 Renko you will see a double top/bottom with divergence. That makes the entry a lot more convincing.

Dax +4x16, +3x18, +4x13.....the first trade was taken after a lower high on a double top.....out at stochs OS.....something that does not show on the chart is price breaking through the BRN like a hot knife through butter and screeching to a halt. When the market gifts you 4x16 pips in 62 seconds its foolish to get greedy.

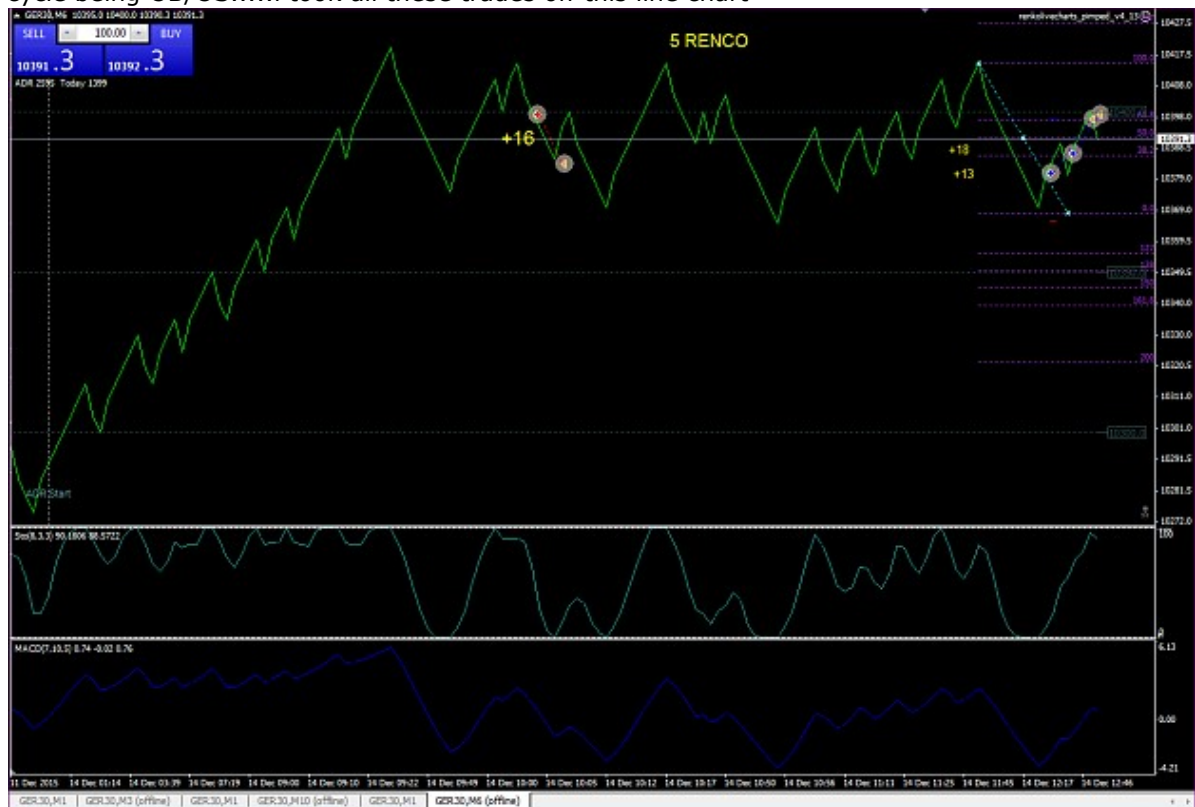
I did not take the triple top trade because i was busy negotiating the purchase of 5 young coconuts... 🥥

Buy the time i took the last trade the price cycle was well established....macd was OS to a fine point....got out at fib 61.8 and BRN as well as stochs peaking at OB





Here is something I have been playing around with.....this is the same renco 5 chart as a line chart....check out how well it mirrors the macd and stochs....could there be a clearer picture of the cycle being OB/OS.....i took all these trades off this line chart



PhilFX

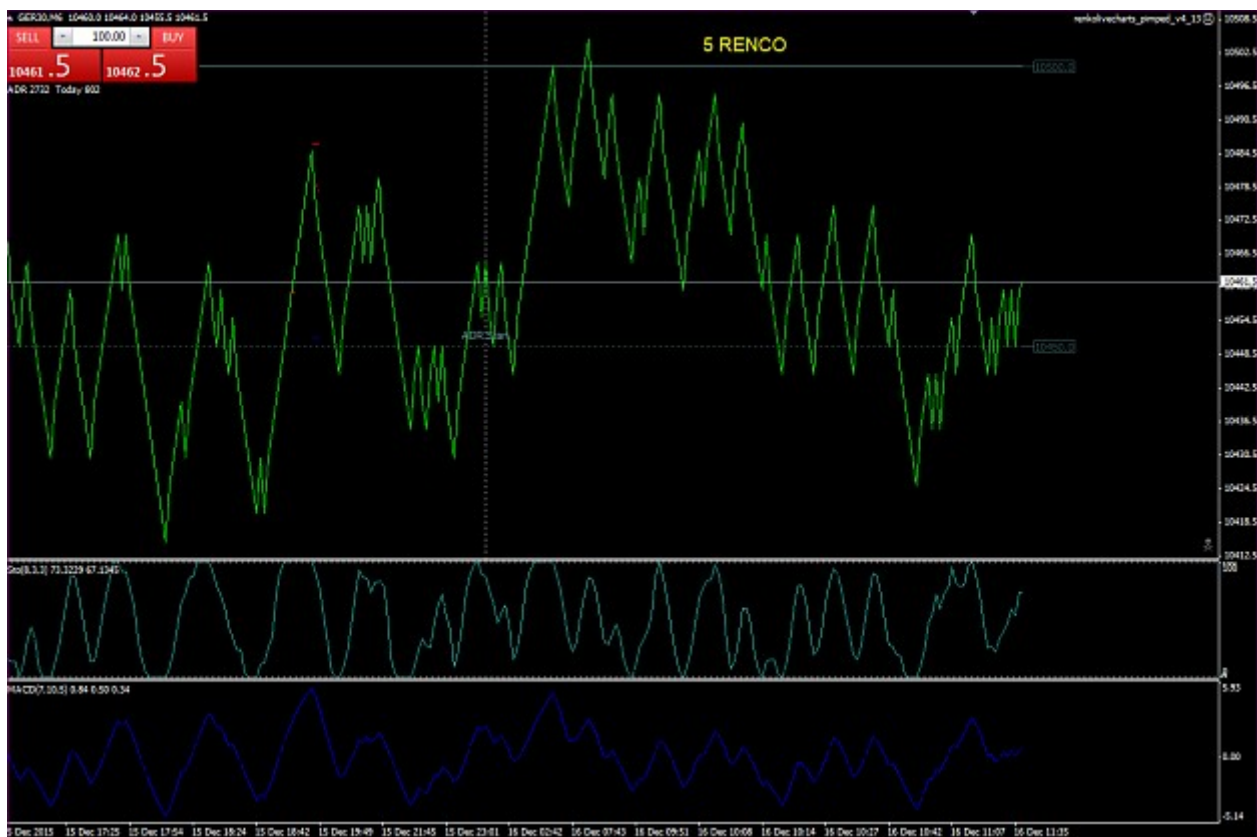
4396

### [Quoting better volume](#)

hello philpinex when u talk about a cycle must be 8-12 bricks what do you mean ...Is a cycle from overbought to oversold . or is a cycle overbought to oversold and back to overbought???

I have never used the word "must".....I "like"to trade 8-12 brick cycles but in the end take what the market provides....a cycle is simply the Oscillation of price ....take a look at the renco line chart i just posted...it clearly shows the cycle....do not get all hung up on numbers...it will not help you

Cycle??? What Cycle....it does not get much better than this. I get a lot of queries about what constitutes a cycle. Well here you go....a picture[or 2] is worth a thousand words. Here are 2 peaks of the same Renco 5 chart....the traditional brick version and the line chart....this range play is made for scalping...



I found it hard to believe when Philli mentioned that he is getting lots of PMs about the Price Cycle.

What don't you understand about the word "Cycle". Let's add a word, "Stochastic" Cycle, is it getting clearer, No!

What type of indicator is the Stochastic, it is an "Oscillator" what does the word "Oscillate" mean?

The simple definition of "Oscillate" (cycle). To move in one direction and then back again many times.

How to apply this to trading, Hmmn 🤔 What does Price do, I know, it goes UP and Down, sounds familiar!! Does that mean that price "Oscillates" (Cycles) as well?? 🤔

Let's look at a chart to see if that will help clarify this, we all look at the "same" chart for most of the day so we should "all" be able to see the same thing happening.

On the chart we see price moving Up, and Bugger me, look the Stochastic Oscillator is moving Up as well, could this mean that we are in an "Up Cycle"? What happens when Price comes down, that's right the Stochastics moves down as well, is this a Down Cycle? The longer we watch the more often the "Pattern" repeats its self, what can we do with a "Repeating Pattern"? that's right we can use it to make money.

This is a 3 Pip Renko Bar Chart, do the same exercise on a 5 Pip and a 10 Pip chart, now just watch the charts for a while and observe what is happening, can you see the "Pattern" on each chart and more importantly, how they relate to each other and how they relate with the Other Tools on the chart. Give it a bit of time and you will start to see the Whole picture and you will start to see the Rhythm of the Market, once you Feel the Rhythm you will be able to Dance In and Out of the moves picking up Pips as you go along.

If you still do not get it after this ask your Guide Dog to bark every time it sees a signal or better still if you have a 5 year old child available get it to trade for you.





### Quoting dee50

I found it hard to believe when Philli mentioned that he is getting lots of PMs about the Price Cycle. What don't you understand about the word "Cycle". Let's add a word, "Stochastic" Cycle, is it getting clearer, No! What type of indicator is the Stochastic, it is an "Oscillator" what does the word "Oscillate" mean? The simple definition of "Oscillate" (cycle). To move in one direction and then back again many times. How to apply this to trading, Hmmn 🤔 What does Price do, I know, it goes UP and Down, sounds familiar!! Does that mean that...

Thx Dee for so eloquently laying this all out in one simple post.....there is one short simple line here which for me was the key to the Kingdom, " Now just watch the charts for a while and observe what is happening,".....Please folks I ask you to read post 4276.....for the love of god stop trading for a couple days/weeks/months and just watch "the dance" until it starts to make sense. I am a bit slower than most so it took me a couple months. This is better than any system or robot.. It plugs you into the market. Even my awkward scalps [when combined with high leverage] are wildly profitable....Dee has perfected the dance over a large range of time frames.....not just the scalp.

Ic555

4479

Thank-you Dee and PhillipineFX for your continual support.

Regarding this "Price Cycle" trading approach, I truly believe that you need to introduce an effective filter that will clearly tell you whether the instrument is trending or moving sideways.

It stands to reason that if it is trending up, you only going to take up cycles and if it is moving within a range, you take up cycles when price nears support and down-cycles when hitting resistance.

Taking down cycles in an up move is going to be a recipe for disaster in most cases as the down cycles are going to be rather short.

It is my personal believe that trend lines are best at determining trend direction and sideways movement when applied to the 10 Renko chart (the master chart). And only when this chart shows a clear direction bias should trades be taken at a lower value Renko charts.

I have attached a chart that covers the last 4 days and it shows what cycle direction should have been traded for the first few hours following the open.

I would appreciate if other traders would discuss other filters that may also be effective in determining cycle direction.



Quoting Ic555

Thank-you Dee and PhillipineFX for your continual support. Regarding this Price **Cycle** trading approach, I truly believe that you need to introduce an effective filter that will clearly tell you whether the instrument is trending or moving sideways. It stands to reason that if it is trending up, you only going to take up **cycles** and if it is moving within a range, you take up **cycles** when price nears support and down-**cycles** when hitting resistance. Taking down **cycles** in an up move is going to be a recipe for disaster in most cases as the down **cycles**...

I think, the best way of spotting Trend/Chopp condition of markets are still **cycles** - take average of bricks from OS to OB, as mentioned Philippine, 8-12 bricks is ideal, when you have more, switch to higher Renko, if less, switch to lower Renko, there is no reason looking for other Trend/Choppy filters. It is impossible predict choppy market or trend market with any indicator, only you are as trader able to do is accomodate. But everything what works for you is good 🙏

Philippine, thank you for your screens, day by day I am starting see it clearer, but it wants enough big patience to make it on level as you 🙏 I want to ask you something I spotted earlier on your charts - I can see that a lot of opportunities for entry you let a go and you does not care about them. Or very often you are out of trend entries and you entering only against trend, is there something special about that or only - you are not interested about entry to every move ?

Dee, many thanks, too, for your links about **cycles**, I found me in that text.... also so much helped me your combination of divergence + 123, mainly in strong trends where divergences fails one by one. Always, the divergence is information and 123 or another PA is a signal for entry.

Quoting bettervolume

heelo matomi for your 8-12 bricks per **cycle** ..do you count the red bricks also in an up **cycle**...cos sometimes it goes a bit zig zag before it really completes the **cycle**.Do you want to see 8-12 bricks in the 10 renco or 3 renco ??

🙏🙏 .....folks do not worry about the exact count of bricks...there is no Ideal Brick Number .....instead look for a price **cycle** that had a nice correlation to the Oscilations of Stochs and Macd....just OBSERVE at first....eventually you will start to see and feel it.....go back to post 4456



Look you lot, why do you have to make every thing so complicated.

The idea of "Counting Bricks" served no other purpose than to give you an idea of how many pips are Likely to be available during the Average Cycle. If you are scalping it is no good scalping for 20 or 25 pips if the volatility is low and the average cycle is 20 - 25 pips, you need to adjust your TP down to 15 pips or even 10 pips to ensure that you get a piece of that Pie instead of getting taken out for B/E all of the time.

If you are not setting a TP then knowing how many bricks are likely to complete a cycle will get you ready to hit the close button.

If you observe for a while you will start to get a Feel for what will happen, you will see that "For Example Only" if the 3 pip Stochs coming up from OS only takes 2 bricks to get to the 50 level then you know that there are maybe only 3 bricks more to complete the UP cycle, 3 bricks on the 3 pip = 9 pips.

By comparing what is happening on at least 2 charts side by side, you will be able to make a decision, For Example Only, if the 3 pip stochs is nearing the top of its cycle but the 5 pip stochs has not yet reached the 50 level, can you hold on to that trade a little longer? because you know that the 5 pip stochs is likely to need another 2 bricks to complete the cycle so chances are that the Red brick on the 3 pip chart (3 pips) is nothing more than the market breathing.

Use the FXkred Renko counter indicator this will help you visualize where price has to reach in order for the Stochs to change.

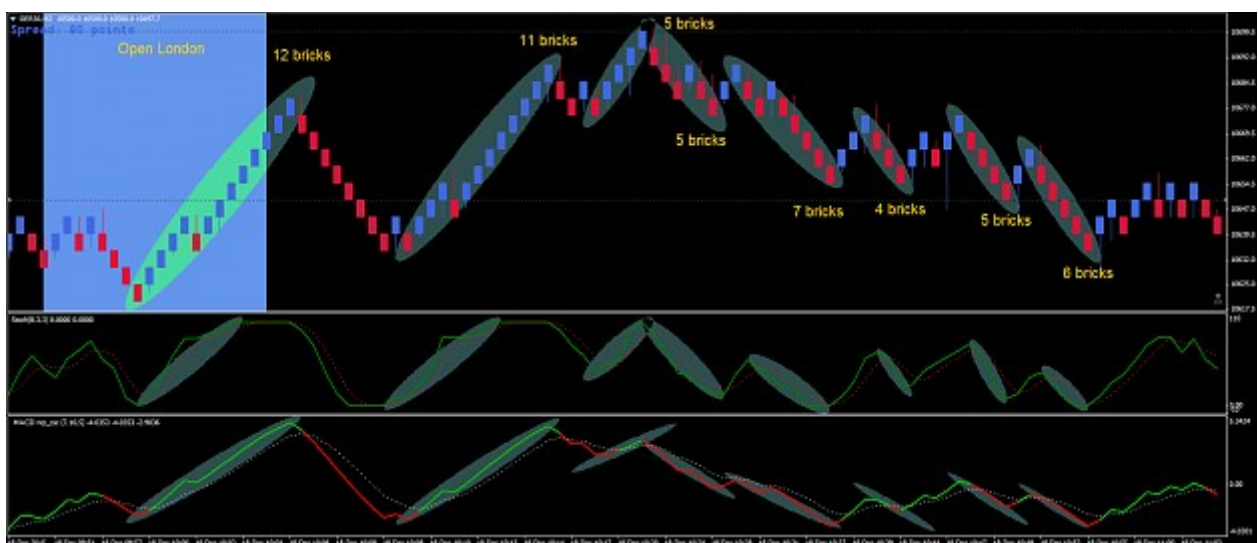
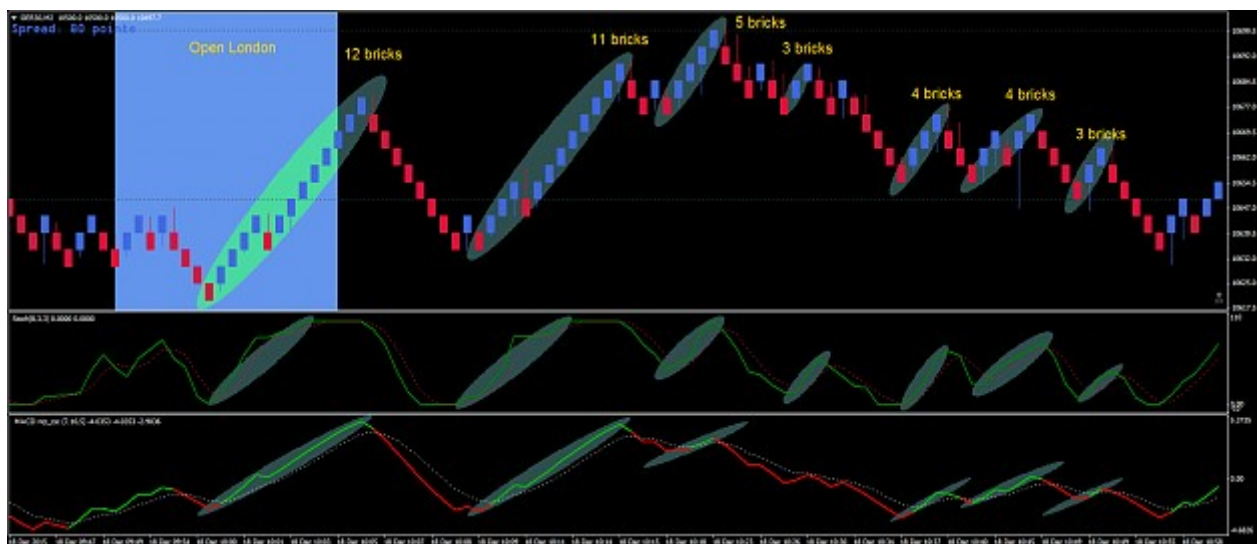
Each 3 pip Bar has a range of 9 pips, each 5 pip bar has a range of 15 pips and each 10 pip bar has a range of 30 pips.

Watch, observe and COMPARE, don't just sit there looking at the 3 pip chart, that is a receipe for disaster.

One final thing. I only go to the 3 pip chart when volatility is so low that I am not getting enough information from the 5 pip chart, there is so much noise on the 3 pip chart that the inexperienced are regularly going to get molested, if you can not see it on the 5 pip chart, either volatility is low, and you should be asking your self if you should actually be entering, or you are simply blind to the information on the 5 pip chart because you have not yet trained your Eyes and your Brain to recognise the signals. That only comes from time spent watching!

Dee and Philippine thank you for another gold-price informations, here is my view on thing, I think better one time seen than hundred times heard:

It is simple, the cycles are marked in circles both in chart and in indicators, too. This is what under "cycle" means Dee and Philippine (I hope 🙏). Without any magic patterns or difficult technical analysis, make a short bTest on 2-3 days back and you will see that the cycles giving you exactly patterns as 123, double bottom/top, head and shoulders and anything else. With coming new week try to look at it in realtime, if you want trade, if no only mark the entries. Your TP depends on where you entered, if you waits for first brick close direction on 5 pip chart, and your previous cycle/cycles are 30 pips, count with me:  $(30-10)/2 = 10$  pips, that is your TP. Because, first brick to your direction on 5 pips chart is minus 10 pips from previous cycle and approximately a half of the cycle could be your TP so  $/2$ . But think about what Dee wrote, you can combine it with higher Renko for hold position longer, I am saying 10 pips because I am fine with that. This is about few days of observing, then you could add Fibonacci and S/R, BRN, you does not need anything else, look at Philippine chart, it is clear like Al Capone in front of procurator. No, I do not trade like this yet, because I am trying to observe it as good as it is possible before I will trade with my new Pepperstone Live account (I finally said bye to my XTB broker...). I am only trying to share with you my view on scalping.



### [Quoting better volume](#)

thanx dee for the great **cycle** explanation .I have a few more questions . you are now using pure renco charts right?? it is not anymore renco with heiken aishi right???

**Stopped using Heiken Ashi about 7 months ago.**

5 pip renco has ema 200 and 50 10 pip renco has ema 150 and 50  
**All charts have EMA 200, EMA 50 and EMA3 shift+2**

my 5 pip chart is on m3 Offline is this correct my 10 pip chart is on m4 offline ..is it correct my 3pip chart is on a m10 offline ..is this correct.

**What offline chart you use is irrelevant, what I use is indicated on each chart, top LH corner**

**I now use Ultimate Arrows, setting 15/17/10**

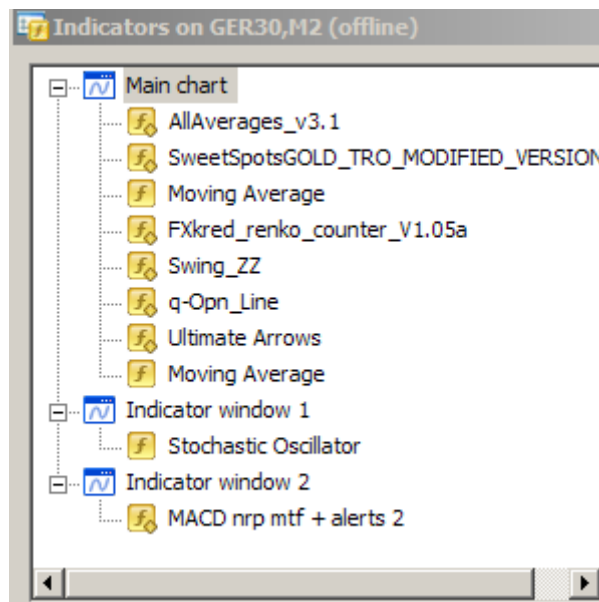
...

There have been posts on all of the above, how ever, maybe this will help.

These are the indicators I have on all my charts, it simplifies things like templates etc.

This is my template, it says 10 pip Renko but I now have all my charts the same

### [DAX 10 pip Renko.tpl](#)



Quoting superjolt

{quote} Just to add to this, I found on Friday when the 3/5 pip started to range nicely, I could simply jump in and out on each stoch signal line cross whenever they hit 0 or 100. This tended to be about 1 brick before the MACD cross on entry. Often of course, after crossing the price would continue and stoch would max out along the top and bottom, but they were safe trades. For me right now I'm trying to focus on accuracy of knowing when is the correct time to enter and exit the trade rather than trying to get the max number of pips from the cycle and then end up at B/E.

.....I call it THE EASY MIDDLE part of the cycle.....its the sweet spot, That easy 4-12 pips that only took 1-3 minutes... No fuss no muss. There is no time to get scared. Every day the Dax paints thousands of 3,5 and 10 pip bricks. You only need a tiny fraction of those bricks to make shit loads of cash here. While it looks good after the fact to post a chart that nailed the cycle the truth is there was probably a lot of risk involved skirting the razors edge of the cycle...Ego and greed is a killer here....Look for THE EASY MIDDLE.....

How about a new trading acronym[god not another one 🤖 ] created just for this thread.....lets call it TEM.....THE EASY MIDDLE....

Quoting PhilippineFX

{quote} Its a figure of speech....if its a 20 pip cycle try and grab the 10 pips in the middle....and please do not get hung up on these numbers.....it should not be necessary for me to download a drawing tool and circle examples....

Absolutelly easy said - if your previous cycle is 20 pips, there is probability for 10 pips scalp (as a pull back or another cycle, I do not know). Simple, your TP is always approximately 50% retracement of previous cycle. I think you do not need another picture, I just post those 2 above, because apparently some of you guys did not know how to draw a cycle. I do not say that this is the only and right way, look at Dees picture, he draws it little bit different, but both works. I use a Philippine way.

It is all about simple logic - you observes cycles, because you want to know how much pips in TP you are able to grab (The Easy Middle). Then you observes signals for entry (123 pattern, Divergence, Hdivergence, Double Top/Bottom, S/R, BRN). There is no more to say, just look at it in chart. I was up to 2:30 at this night, because I was backtesting it all.

Philippine or Dee, correct me if I wrote some bulls.it.

Quoting friska

{quote} {quote} matomi, so what are for you difficult analysys?

Hi Friska, I meant analysis with more TFs or BRN+S/R+Patterns+MA's and so on.... for me this stuff is clearly readable, but for somebody who cares about really easy simple trading is better trade 123+Divergence, or simply 123 patterns. It is the first pattern which marking reverse of trend and as I already wrote, this is one of the highest win ratio patterns, maybe the best. Chart is only chart, does not depend if 3 renko, 5 renko, or 10 renko - 123 patterns are always same, but your TP's and SL's are different 🤖.

You can simple trade cycles without looking on any patterns, because lenght of cycles (in pips) give you practically those patterns, just look at it in chart 🤖 First cycle is 25 pips up, second 20 pips down, third 15 pips up, what did you get ? Nothing else than 1-2-3 pattern 🤖

I will try do some trades to show you only 123 and 123+divergence trading. Idea is as MisterC wrote - avoid over-analysing and make it more simple.

Hope you all understand me, my english is kind of clingon, but I am doing my best

MisterC

4693

Quoting friska

{quote} 🤖 nice did u see that? {image} {image}

Certainly I did. I didn't marked them because I didn't really used them to make trading decisions; I was only looking to make about 10 pips, since I was reading, so I scalped the market. My short was rather uninspired...I believed the market to enter a larger range between: 1.4140 area and the blue line (previous day high) and that situation will turn out to be a 123 continuation (thank god for SL at BE right? 🤖). Anyway...turns out that it entered a much smaller range, but large enough to get some pips.

Took another short. I entered too early and I got lucky because of news from Canada. Worked out nice in the end. 1st is 3pip brick; 2nd is 5pip. Reasons for entry: price showed a decrease in upside momentum (divergence and trendline break on 5pip), stochs was ready for down cycle. I entered as price reached area of resistance on the MACD indicator.







GER30+30. Not every trade has to be a home run!! This is not a scalp trade, this is just trading within visible boundaries, I used a BE@5 to protect the trade, not much momentum so not a risky BE. I planned the trade, I waited for a pullback and a cycle bottom so I was going long at the optimum entry point. Trend line BRN Divergence supported the entry and I knew to be looking for an exit at the S&R level, divergence confirmed that exit. Price may well creep higher during the course of the day to the psych level above 9880 but it will have to pass thru another 2 BRNs to get there so for now I have banked some pips and will look for another entry later. Not exciting but puts bread on the table.



Dee, I have a question about two of your past trades, if you don't mind. I've been wracking my brains thinking why did you took the trades where you took them. I'm not trying to get you to make my homework, but I would really like to know your perspective here...I realized that taking the right trade is easy, the hard part is not taking the wrong trades and I'm working on better filtering....

Anyway...here's my take...

Is it because price reacted at the red SR level and MACD was showing no momentum upwards? You thought that price could reverse from the red SR and decided to entry only when there was clear momentum. You wanted more confirmation that price was going up, thus you waited for the SR that supports price going up to be tested again? Though you did not marked that SR on your chart. Was it simply because of the red SR and you wanted more upward confirmation?



You waited for a full cycle to be completed on the downside or you saw the area where I suggest entering as a range and after breaking up you were expecting another move down. You felt safe only after there was another failed attempt of going lower because the 123 where I suggest going long...you saw as one swing point, not multiple.



Please let me know what was your confirmation process here. Thanks...

Dee50: 15.30 on my chart is 08.30 news. Both trades were news trades.

[Quoting BBalazs](#)

{quote} I am curious, why did you delete the Stochastic? It could be useful to avoid selling at points where you suffered that huge DD.

Remember that any kind of indicator will not tell you what is good and what is bad entry... again, read an article which posted Dee about indicators. Indicators never were and never will tell you nothing about entries. They are giving you pure information like divergence or cycle process, but if your MA in Stochastic or MACD is below 20 or above 80, market really does not care about it. That is why Philippine can make huge pips every day even if he grabbed out Stochastic off chart. Because he is master of PA, not because the MAs in MACD crossed, just understand it finally, open clear renko chart and observe. I do not guess about why my entries were bad opened - I know exactly why and it is because cycles, not because I have not 100 indicators in chart.

Really for all - stop looking on crossing EMA or MA, 20-50-80 levels in indicators and bull.hits like that as a main signal to enter or not enter to position. It is only informations, nothing more, they are useful and Dee collected really nice stuff of them in his chart, he wrote there many times about how he looks on every piece of them, so find it in his older pictures and start trading price, not indicators.

Btw nice trades man today, I follow your pictures every day

[Quoting Ic555](#)

{quote} Great trading Philippine, So a good chunk of your trading is based on clean runs to OB/OS MACD levels and waiting for a reversal renko brick. I would much appreciate some feed back on what constitutes a good MACD reversal level and also your personal opinion on the stochastic as you no longer use it. Thank-you for your continual support.

For me stochs is premature in pinpointing a reversal but others seem to get a good read from it....comes down to what you can see....I like to see price **cycle** in waves preferably in not too steep an angle.....then if/when macd peaks cleanly on the R5 i switch to the R3 for fine tuning....it comes down to feel in the end....when the action slows down its all pretty much the R3 chart but of course you must lower the expected pip count accordingly...also i am playing around with the R1 chart but do not want to say much about it at the moment....its still a work in progress. Before this R1 experiment I always had a glance at the M1 if PA was confusing me on the Rencos...

This works well for the most part....occasionally I will take a stab at a breakout trade but seldom post them...it`s hard to explain them

Also I keep an eye on S&R on the 1 and 4 hour and always remind myself not to pull the trigger without a glance at the R10 to make sure nothing is brewing there to cancel all bets.

Hope this all makes sense...

I have been looking for an explanation on the best way to use the OB and OS areas of the Stochastics. I see many of you entering long when the Stochastics is approaching OB, but I get the feeling that you have no clue why you entered, may be this explanation from Alan Farley on the Hard Right Edge site might give you the final pieces of the Stochastic puzzle.

<http://www.hardrightedge.com/tactics...tochastics.htm>



DAX30 +12 +15... the last ones, Jesus maybe I am indicated by Dee with that special illness "done for today... wait... the last one... okay another, bye" 🤖

[Quoting dee50](#)

GER30. Another divergence, that is 2 in a row, but price is still pushing down, I am thinking I might move TP down again round about the 9720 mark, what do you think, am I pushing my luck?

{image}

This is how I was looking on it, I think the 9750.0 BRN + that "maybe" S/R and end of cycle could be good exit from your trade 🤖 Btw last cycle is 50 pips and I know that previous were 55-60 approximately but with shadows it is 57 pips cycle, and even if I am not looking on the cycles so dogmatic, this time it was very accurate.



Quoting friska

{quote} matomi is a 5p renko that i see with cycle work? do you have a history of statistics cycle lengths? may be we can find a cycle behavior before an main inversion, confirmed by divs.. 🤖 (nerd stuff)

Hi Friska, thank you for positive feedback, and congratulation to your today trades ! 🇸🇪

I already checked this idea, (I am obsessed with bTests 🤖 ), unfortunately cycles are very dynamic stuff and they are changing with every new coming condition in it. So that is reason why I have not got any statistic of cyle lenghts. But I think that is last thing which should bother us - If you have divergence on your indicator, just look on your previous cycles and you will see where approximately can market change direction. It can be 15-25 pips same as 50-60 pips, it depends on market condition 🇸🇪

One very important note - sometimes there is 40-45-40 cycles and then 20 pips cycle change direction and whole trend and then if you will zoom out you will find out (or on higher Renko 10) that there is ending higher TF or higher Renko cycle + other signals as BRN, S/R and so on 🇸🇪

I think it is possible predict the exact reversal point, I am doing it with 5 pips SL all the time nowadays, but you need still 2-3 signals and you can not get any of them too much dogmatic.

Quoting vwknight

{quote} Hi New to the thread and also Renko. Currently toying with Renko with mixed results. Never liked indicators. Still getting wrong at entry and exit. Normally when is the best time to enter the trade? a) Enter the minute the Bar changes in color and another bar is started? b) Do you still see the support and resistance area for scalping? c) Any other consideration before entering the trade? d) Exist after close of a bar in the opposite color? Would appreciate any clarification provided...thanks

Welcome to thread 🇸🇪

- a) Nothing like that, I do not wait for close candle or opposite colour brick, this learnt me Philippine, and it is key to low SL and high TP trades. My entries are based on the end of cycle + Fibo, mainly...
- b) I watch only for significant S/R (daily high/low or very frequently tested areas)
- c) Only pure PA
- d) As I wrote, nothing like that, just observing previous cycles and trying to put TP in logical distance, but with consciousness to BRN, S/Rs and so on.

Hope it will help you, GL



PhilippineFX

Jan 17, 2016 9:54am

Quote

Cleanup

ONE more time.....here is the system in its entirety

Attached Image (click to enlarge)

