

Hello Traders

Here is my entry for today:



I went long from Daily Support - ROMAR. We had multiple touches, a double bottom or even an inverted head and shoulders, whatever you want to say, but the main thing is we were coming off Daily ROMAR.

For those that went short 25 pips above Daily ROMAR, just think about this for one minute: What is the Paradox System all about? It is 100% about Support and Resistance. What is a major S/R level? ROMAR. Why oh why do you want to sell right on top of Support? Please, please, please don't make it hard for yourselves.

Yesterday the short was a no brainer trade. Look at the EMA/MACD arrow, not in the correct order. The market is going back down again. The MACD stayed Above zero on the fresh low, there is 12+ hour heads up to be ready for a long trade, coming from Daily Support.

On your plans you mention Daily ROMAR, but I don't think anybody really mentioned or appreciated that that was important. That fact was on my mind from the Sunday open, that we are close to ROMAR, what do I need to be paying attention too?

The short yesterday you had 65 pips to support, today there was 25 pips, and that would have taken you right down to the 2hr PSAR flipping for the up!

Write your plans without bias, and just put what you see! For that there is no thinking required. The only time you need to think is applying what you can see to what you know, or what is in this forum and what Dana has taught you.

I have said this a lot of times in the past, but when you are buying when you should be selling and selling when you should be buying, you are actually not that far away from being correct. You just need to engage the thing in your head that God gave you to keep you from doing daft things like selling on top of ROMAR!!!!

On the 2hr the market hit the BB, and what is the rule when the market hits the BB, especially on a downtrend? The market will move sideways (at some point) and you will get an entry at White. I always wait until the market gets to Smooth, which is usually just about the same level as a White entry by the time the market has moved sideways some more.

So knowing that rule would not only stop you doing something silly (like going long) but would also have you alert and picking your spot for the short. It can be difficult getting on a move down, but this scenario is probably the easiest one of all.

Hope that helps.

Excellent trade!

Notice how the SAR stayed deep into the pullback - the DB/SAR didn't appear until just after your entry. That happens a LOT when the market (2hr or 4hr) is turning over. If 2hr ROMAR wasn't there, there would have been another SAR connection near the bottom for an entry North. But ROMAR was there, and the market sat on it for a few hours waiting for us to buy. So your feeling about it "not been quite right" was spot on!

Here is the exact opposite of this scenario today on the GBP:



Notice how the SAR stayed on the bottom, then had a reconnection near the top, then when the new low came in the DB/SAR joined the party. In this case though, we don't have the EMA/MACD arrows in order on a Daily Uptrend - with Daily out of balance with Purple - so its likely going to make friends with Daily Purple again at 2hr/4hr Support.

The EURJPY though had the arrows in the correct order, with a HH and HL on the Daily swings. I'm not saying you should be trying to predict what will happen - write your plans with everything noted and your plan will do that, just that watching for certain things and noting them will make your life easier like this Trader.

It is a very hard thing to write your plan without bias - even if you have a good idea of what is going to happen.

Quoting SolitudeFx

{quote} Really appreciate posts like this. I sure don't see very many closes outside the bb. And the H2 close would have been a lot lower for entry. Would be great to have an alert go off with the market approaching the bb and have a different sound to identify it. 😊

Funnily enough, this is a very common situation when the market is turning over. News is pretty much always involved.

I have learnt to look and wait for these BB hits to trade in the direction of where the market is turning. In this case its down, so your alert is basically the news because most often you will get a spike outside the BB opposite to the direction the market is turning, so in this case your watching for a hit on top with the DB/SAR and your in and out quickly with +40.

I strongly suggest carefully studying what has happened this week, because this is how a market turns over, up or down, into a Consolidated Uptrend or Downtrend. Then go back and look at other times when the market does this.

If your feeling really studious, go back and look how the market turns back into the Daily Trend. There are some variations of course, but scroll back, write notes, and you will be amazed.

Hope that helps, and have a great weekend.

Hello Traders

I just thought I would do a post and highlight todays market activity, in case it helps anyone. When I did my plan last night before I went to bed, I noted a few important things:

- 1) On the 2hr the DB/SAR were both showing ie the SAR came from a different point from the DB - so the next connection is going to be a DB/SAR on the top.
- 2) On the 4hr the market had crossed ROMAR as has EMA - the Rule that Dana mentioned and I also mentioned after was that the market would return to ROMAR.
- 3) I also noted the rising MACD on the 2hr
- 4) On the Daily, Smooth/Purple had crossed, PSAR was flipping and also EMA/MACD arrows are in order for the down - but the SAR itself has attached on the Daily.

When I went to bed last night I knew exactly what trade I was going to take, and exactly where the market would go. And please do not think that statement is arrogance - it is far from it. Its simply knowing the scenarios and also the sequences of what occur with the Paradox System.

Here is a picture I took this morning:



Obviously, what that shows is the SAR attached, but it also shows the EMA/MACD arrows in the correct order for a deeper move north. This is also where I took my entry. I had 40 pips to 2hr ROMAR and about 35 to 4hr ROMAR.

What was going to happen next (and did happen) was the DB/SAR to connect higher, but unfortunately I was out and couldn't take the pic.

Anyway, I took another pic not long ago, which showed this:



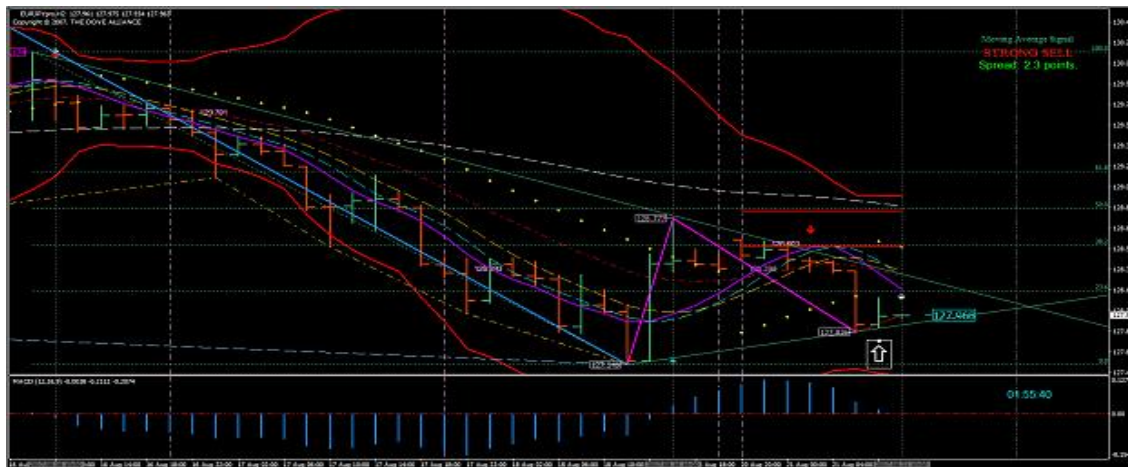
That shows mid-candle the DB/SAR running separately, which with the market going higher again is now back to the DB/SAR.

The 4hr has remained with the SAR attachment, and its pretty deep into the pullback, so this could be interesting.

So my point here is that I knew last night that I wouldn't be shorting on the SAR, which I am guessing some of you have done, but I was looking for the long.

Hello Traders

Here is my trade from today for +40:



The SAR connection on the bottom, MACD above zero line on the 2hr. We have had multiple divergence on the 2hr chart and also the Daily at ROMAR. When I took the trade I had nearly 40 pips until 2hr Purple, that was crossing with EMA. My plan called for a long at the bottom, or a short from resistance, so I took the first trade that presented itself to me in my allotted time.

Hope that helps.

Hello Traders

Here is my trade from today:



The trade is the second arrow from the right, at 2hr ROMAR. I opened that trade in the expectation of what was going to happen, following the power of the Paradox.

Unfortunately, I wasn't able to get onto the short trade. The entry for that was actually on the 1hr chart - and the reason for that is the news. I was waiting for the market to give me an entry at the 4hr PSAR, which is also the 2hr/4hr 23.6% fibo. Most often you will get the entry, with the SAR, around that level quite easily on the 2hr, but because of the news I would have used the 1hr chart, which hit the upper BB and that would be done and out for +40 on the next bar.

The reason why I said that I knew what was going to happen, and Dana also did a great post about

prediction, is that the market had hit the 2hr Support (ROMAR), but looking at the 4hr, EMA/PURPLE crossed down at the same time, and pretty much always if that happens you are heading for 4hr ROMAR, which the market is now doing.

I wanted to take each trade in this process to show you how knowing the rules, studying the scenarios, and also scrolling back through the charts, will show you what is going to happen in the future.

How can you trade in the moment and also be able to predict what is going to happen? That is of course a Paradox, but what Trading In The Moment means is using everything that is in front of you and trading that information but not letting what you think will happen get ahead of you. You trade what is there NOW, but knowing what will happen in the future. Quite a Paradox, but very important to be able to do.

Someone did a trade at the 2hr PSAR, which is the wrong trade in this scenario. Remember that The Paradox, and of course the market, is all about Support/Resistance, nothing more. We had the 2hr hit on Support, there was only 30 pips from 2hr PSAR to 2hr ROMAR, and also knowing the 4hr was heading to 4hr ROMAR tells you that you need to be using the 4hr chart Resistance as your selling point.

Remember, Dana gave you the 4hr chart to help you with S/R, its a great chart and will keep you on the right path if you learn how to use it.

Does that make sense?

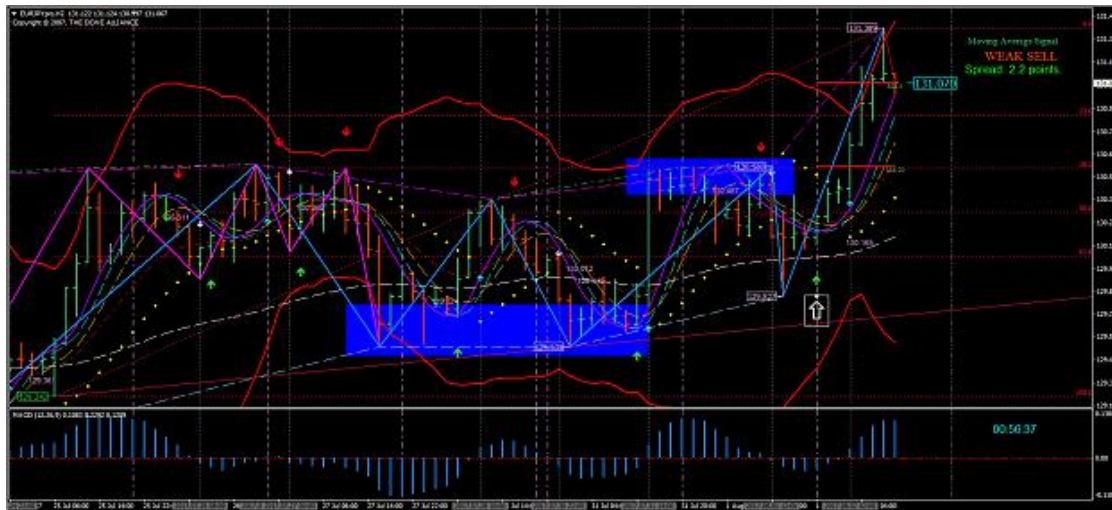
Hello Traders

Here is how I played the break out.

- 1) The first blue rectangle is a double bottom. The first low is in the lower BB, whilst the second low brings out the Divergence.
- 2) The second blue rectangle is the HH from the last swing high, coming from a DB. Notice that these swings are between 85-100 pips.
- 3) The DB connection on the bottom at the 2hr ROMAR just before my entry was the final confirmation for me that the market was heading North.

When we got to no 2, I was waiting for the DB connection on the bottom, a higher low, and waited for the market to open above Smooth/EMA, with White/Purple crossing. Projecting an 85-100 pip swing higher, I had my 40 pips on only a few pip higher swing than the 2nd blue rectangle.

Here is the chart: (zoomed out)



Hello Traders

Here is my trade from today (GBPUSD):

2hr Chart:



The Daily is in an uptrend, and my entry was around Daily Smooth. I missed the touch on the lower BB that went straight up for +40, so waited to get in at a similar price, which was at 2hr ROMAR.

The one issue with this trade was ROMAR as Support, and PSAR/Purple as Resistance and been very close. But the reasoning (in the rules) is that the market is in consolidation so trading is from the bottom up and top down. The Lower BB is close to ROMAR, and also the same level as Daily Smooth, so I was happy to be long.

Hello Traders

Here is my trade from today (EURJPY):

2hr Chart:



We had the SAR attachment at the 2hr ROMAR, with DB running separately - next connection must be on top. Daily in a slider, so this was also trading into a breakout north. A no-brainer trade that filled the tp pretty quickly.

Hello Traders

Here is my trade from today (EURJPY):

2hr Chart:



2hr EMA had crossed ROMAR, SAR attachment at Smooth, MACD below zero. Basically a bread and butter trade.

Hello Traders

Here is my trade from today (EURJPY).

2hr Chart:



Entry was at the open at Purple, with the SAR attached at the bottom. Market was heading to Support at ROMAR. If I was up and about earlier I would have sold after the MACD arrow down - there was no way we were having a slider there, Purple was gliding through the other 4 horsemen and PSAR was a certainty to flip. As it was, because I occasionally like to sleep, the next best entry at that time was the consolidation and open at Purple. You quite often see that with the market turning into the downtrend.

I was actually a few pips late getting in as I wasn't 100% focused. We have my Mother & Father In Law here, and its my Wife and my Father in Laws Birthdays today, so I didnt get the fill on the first leg down for +40, I had to wait until later to fill the tp.

Hope that helps.

Hello Traders

Here is my trade (on EURJPY) from today:

2hr Chart:

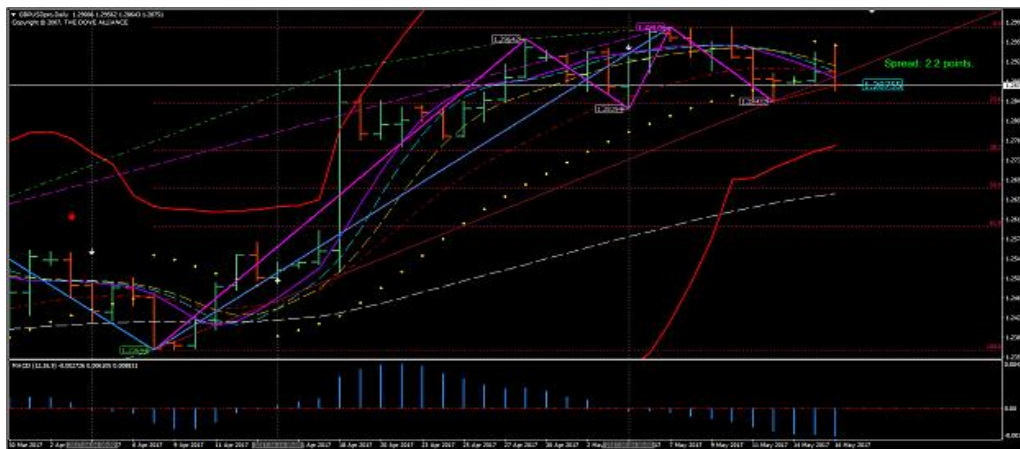


Sar attachment at the EMA, MACD still up. Pretty self explanatory trade (I hope!).

Also, here is a GBPUSD trade I opened last night.

Its quite an interesting situation, as you can see:

Here is the Daily Chart:



As you can see the market has been quite tight, so I have been buying the bottom and selling the top. Once it was clear of the market turning over, I have mainly been selling, trying to catch a breakout down, but the ranging has still been in.

Here is the 2hr Chart:



Here we have ROMAR running through the centre, and it looks pretty nasty. The entry I took (with the arrow) we had the SAR attachment at the PSAR, with a bar going through ROMAR.

With the Daily PSAR flipped for the down, and EMA/Purple, why did I buy? Well I still had the 2hr Fib up, MACD up, and Magenta divergence had shown at the top. I had a SAR attachment on the bottom, so I knew the next connection was on the top. I had 55 pips from my entry to the last high to bring out the hidden divergence, so if I got a LH I still had room to get +40.

What obviously happened is the SAR attached on the top, then there was that one crazy 92 pip 2hr bar. The fib had already flipped itself at what was the 61.8.

It wasn't an easy trade because of the 2hr ROMAR/EMA been like they are, so close together, but the 2hr bar going through them and the SAR was telling me it was only going North either for a LH or a HH and Divergence showing ready for the Daily Consolidated downtrend to begin again.

That spike high was also at the Daily PSAR, literally to the pip, which shows how strong it is.

I know it's a bit of a longwinded post, but hope it helps.

Hello Traders

There are clearly a lot of traders struggling with the DB/SAR concept within the Paradox System, hopefully this post will help you to overcome your problems.

Dana has stated many times, and myself and others have repeated it - all of the indicators in the Paradox are required and **they all work together**. With that in mind, here are some tips regarding the SAR connection which will help clear things up for you.

When a trend is in motion, the MACD will be on the same side as the trend, ie under for down and above for up. At some point you will get the SAR detach and quite often the first connection is at the EMA. This is usually when the trend is strong ie small 2hr bars. IF the MACD stays on the same side as the trend, take the SAR trade back into the trend.

Eventually you will get another SAR detach, and this time it will usually be around the PSAR. Once again, if the MACD is still on the same side as the trend at the PSAR connection, take the SAR trade back into the trend.

Here are some examples:

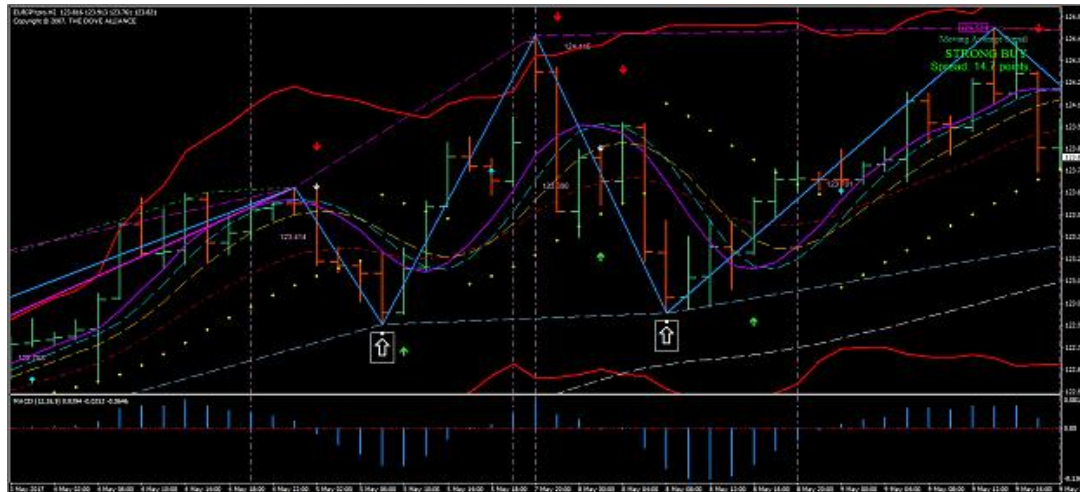


Pretty simple, right? Remember, **that this is for trends only**, with Higher Highs or Lower Lows.

Ok, so what to do if we have a trend, and we get the SAR detach at the PSAR but the MACD is the other way (usually on the same bar or the bar before). I sometimes use this method to enter, and it works remarkably well.

Lets say we have a Daily Uptrend on all charts, and we get the SAR attach at the PSAR but the MACD is under the zero line. I will simply wait for the PSAR to flip down and after the close of that first down PSAR I will enter long. Obviously, the SAR will have changed to the DB with the deeper pullback.

Here are some examples:



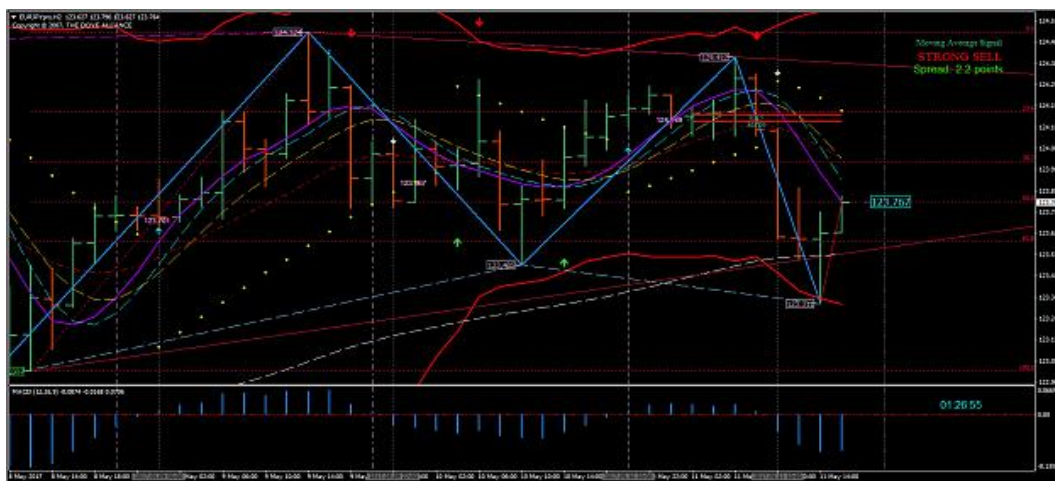
There are some examples of both up and down trends. If you look at the Daily chart on these days, you can tie in Support/Resistance with these connections also.

Remember, The Paradox is all about Support and Resistance. Scroll back and look at this, and you will see how effective it is. You will also see where not to use the anti-PSAR entry.

Hello Traders

Yesterday, a few of you went long with the SAR and wondered why you lost.

Here is a screenshot showing yesterday on the 2hr:



What this shows you is that there is a Lower High with the DB attached, and if you look to the far left of the screen, you will see the fibo at the low. When the EMA and MACD arrow came in the correct order, or you saw the MACD arrow could come in on the next bar, you shouldn't be thinking of going long. You should wait.

As soon as I saw the LH come in with the DB I also realised that we were going to have an inside the box flip of the fibo back up. The DB on top (LH) was attached at the 23.6% and the support (ROMAR/Lower BB) was at the 61.8%.

The market did indeed hit that support level, and eventually the fibo flipped for the up with an inside the box connection:



Remember that the fib flips in only two ways:

- 1) An outside the box (Lower Low/Higher High) or
- 2) An inside the box (Lower High/Higher Low) at the 61.8% or 23.6%

Also remember the Daily is an uptrend, there was no support (Daily Smooth was not going to hold because of the above scenario) and also the Daily SAR came in at the Support.

Somebody took a short trade, but I don't think they knew exactly why they did, but it was the right trade in the circumstances. This system is totally out of the box in many ways, and there are many little aspects that make it very powerful.

When you do your plans, look at the whole picture, because if you do you will be able to know what is going to happen before it does. This scenario is one of many within the Paradox, and it worked out perfectly.

Hello Traders

I'd just like to share my EJ trade with you today and how you can use the 1hr chart to take advantage of a breakout of momentum within the Paradox System.

Here is the 1hr Chart:

Attached Image (click to enlarge)

The arrow is my entry at the Open of this bar. On the open of this bar, the market had tested 2hr Smooth and bounced slightly, and the 1hr Purple was opening up from 1hr White - indicating a move North. If you look at the 1hr market action before then, it is very constricted. So my plan was to use the 1hr to enter midway through the 2hr bar, as a breakout entry using the 2hr chart would have been too late. I said earlier that I rarely use the 1hr chart, but this is one of the situations where I do

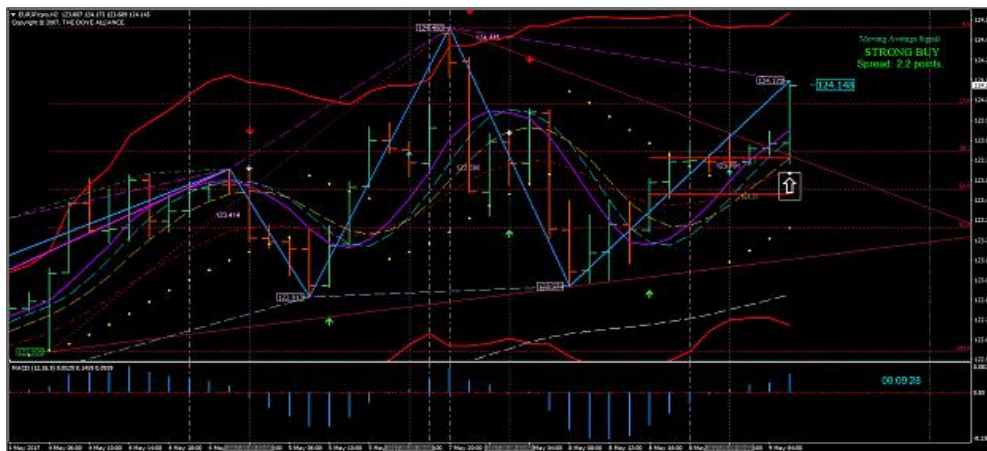
use it to get ahead of the 2hr.

Here is the 2hr Chart showing the test of Support at Smooth:



This was a very quick trade, around 45 minutes, which isn't surprising given it was a breakout back into the Daily Trend. The SAR was attached on its own before the market pushed up and the DB/SAR and Magenta attached to confirm the direction.

Here is the Result print from my broker:



I hope you can see how you can use the 1hr, not as a trading chart, but as a means of entering in certain scenarios enabling you to get the best possible entry price.

TO POST 16 (MAY)