

What is Trading Mastery?

Using the USDCAD H4 trade posted by member 'erelation' as a learning example.



If you are not an aggressive trader like eelfranz who had many years (more than 6000 hours) of trading experience, it will help you learn quicker and also help you look for high probability trade setups much quicker when you have the full TDI with all the lines - PL Green, TSL Red, MBL Yellow and VB Blue, on your trading charts. This will improve your potential win-loss ratio.

Unless you have many years of trading experience you should spend more time and do your top down analysis which you use to identify potential trade opportunities.

Looking at the USDCAD H4 trade examples,

Here is my view following my usual top down analysis and the price action seen on the charts below.

Weekly chart:



In the Weekly chart above, at the beginning of this week, we see very clearly two weekly Pin Bars which are good price action candles to trade with. The BRN is 1.1400 where these 2 Pin Bars are. As the weekly chart shows it is bullish, we also see previous Inside Bars which is indicative of price has lost its bullish momentum and a structure change is likely.

With those weekly Pin Bars, you could have gone down to H1 chart and taken a good trade on the H1 chart by trading away from the 200EMA on H1.

Using the same W1 chart, we can see where key price swing levels using the weekly close prices. Those weekly close price levels are potential levels where we look for price reaction on lower TF like H1, H4 and also D when the price approaches these swing levels.

H4 Chart:



Look at price peaks A and B, and compare with the TDI's peak A and B, what is this phenomenon?

Above H4 chart posted by ernelation.

Below same chart with the full TDI.



Few things which we can learn using this H4 chart when we have the full TDI on our charts.

1. We seen a Double Tops chart pattern label A and B formed on the price chart above and there was some sort of support which held the price up. That support will play as resistance once that is broken.
2. Then looking at the TDI, it shows that the TDI has 'out-performed' the price action on the price chart. But the MBL Yellow is sloping downwards which tells us the next higher TF TDI.

3. You should also note that the Volatility Band is narrowing which warns us of narrow trading range unless there is a new trend breakout.
4. On the price chart, we see a RN 1.12500 where price can react to. There is also the 200EMA close by, CONFLUENCE of these must be given more attention to the price action.
5. Further down, we have other weekly price swings support mentioned in the Weekly chart analysis above. These levels are potential target for our TPs.

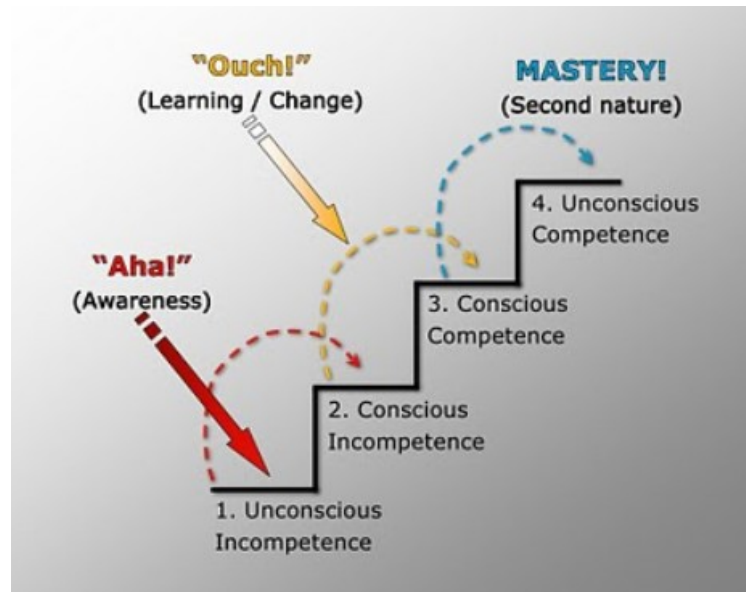
What is SWOT?

Every trade setup we spot on our chart has its own unique **Strengths**, **Weaknesses**, **Opportunities** and **Threats**. In business, we look at every business opportunity by analysing its SWOT.

When we have more trading experience, the SWOT analysis will be done mentally very quickly and that is when we are in the stage known as “Unconscious Competence”. Trading then becomes more intuitive and we do it with much ease every time we look at our charts and execute our trade decisions.



Achieving Trading Mastery in steps



Having done your SWOT analysis, you will much easier decide whether to take the trade setup or not.

You need to mitigate those risks (Threats) you identified. Remember, it is more a money management game we play with the other market participants than anything else. The method is not more than 10% of a winning trading system.

There is no holy grail.

The Japanese has this saying:

"If you want to see farther you have to go higher"

