

7 STEP BLUEPRINT

Key steps high probability price action trading





7 KEY STEPS

There are many things you as a price action trader must learn, but the following 7 crucial steps are going to show you the blueprint that you need to follow to have success and that cannot be skipped or missed.

7 STEPS TO HIGH PROBABILITY PRICE ACTION TRADE SETUPS

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- 1:** Setting up your charts correctly & getting rid of indicators
- 2:** Finding the best support & resistance levels on the correct time frames
- 3:** Learning about the market types i.e; the trend or range
- 4:** Learning about the price action story i.e; space, other events like trading in the best times not during Asia for US pairs, swing points etc
- 5:** Using '**Super A+Trigger Signals**' at the best areas to get into really high probability trades.
- 6:** Making a 'Pre-Trade Plan' for Stop and Position Size
- 7:** Manage your trade into profits with your pre-trade plan!

SETTING UP CHARTS CORRECTLY & GETTING RID OF INDICATORS

As a price action trader the most important thing to your craft is your charts. You rely on these so heavily.

The first thing you need to do is wipe all your indicators and begin to look at the price action as it is on the chart by itself.

You then need to find a broker and charts that are inline with price action trading which you can do over at the site if you need this.

THE BEST SUPPORT & RESISTANCE ON THE CORRECT TIME FRAMES

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A big mistake we as traders can make when it comes to marking our major levels and also hunting our trades at these levels is not getting our time frames sorted and the routine worked out.

Not only is this going to cost us literally hours and hours every week, it is going to cost us trades and it is something I see all the time with major level marking.

- Make sure you are marking your daily level first as your major level that you know you want to find your price action trigger setup at. Then you can wait for price to move into that level and when it does you can start moving lower into smaller time frames such as 4 hour, 1 hour etc.

This is a lot better than checking every 1 hour, 4 hour etc.

Read the **The Ultimate Guide to Marking Support & Resistance**

LEARN ABOUT THE MARKET TYPES - TREND OR RANGE

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It does not get much more important than this part of the blueprint.

One of the most overlooked, underused and yet most 'OVER-QUOTED' parts of trading is trading with the trend, and also learning how to trade within a range.

On the flip side of that is; how to very accurately identify a range or sideways market and know when to sit on your hands and let others take the beatings whilst you watch on.

One of the easiest and biggest ticks in the box you can put in your favor is trading with the trend or momentum.

I talk about how you can do that at; **Trend Trade Price Action**

LEARNING THE PRICE ACTION STORY

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[space, traffic, recent trend, range, swing points, value areas, boxing, consolidation, breakouts, windups, market reversals, order flow, continuations, other events like trading in the best times not during Asia for US pairs, etc,]

Price action trading is not pattern trading. Price action trading is taking the whole naked price action chart, reading the whole story, using all the price action information at hand and then making a great decision to trade or not.

This includes information like; is price in a range, or has it been making a strong trend either way? Is price at a "kill zone" and is there space to trade into?

I talk about this in a lot of detail in the lesson;

How to Master the Price Action Story

USING TRIGGERS TO GET INTO HIGH PROBABILITY TRADES

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Now that you have gotten rid of all your indicators, you are on the correct NY close charts, you have marked up the major levels on your charts, you are waiting for trades to form and you understand about the price action story;

You need to be ready to pull the trigger when the opportunity comes.

There are two problems I see;

1: The more common which is; the trader is not afraid at all to pull the trigger and that is the problem. They are taking trades all the time and over trading their account into dust.

2: Other problem; when the trade does come they are so fearful they cannot pull the trigger to enter.

We need a happy medium. You need to follow all the steps up to this step and then make sure when you get to this stage you are a sniper with ONE shot, NOT a madman with shotgun.

Trade Forex Like a Sniper and Start Trading From Kill Zones

MAKING TRADE PLAN FOR STOP AND POSITION SIZE

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What may really surprise you is that the large MAJORITY of Forex traders all around the world make more than 50% winning trades.

The exact same large majority of these traders also go on to consistently lose money.

The reason for this is largely because of how they manage their trades and the decisions they make, in other words; when it really comes down to it what are these traders doing and what sorts of decisions are they making time and time again.

You can make great entries, but your profits or losses will be made when you exit.

Having a pre-trade plan, that you trust, and also trust to follow, stops you from doing silly things like taking your stops off or trying to average down a loss (in other words making it into a bigger one and continuing it). It helps you set profit targets and know when to move to breakeven or when the market is telling you it is time to pull out.

You do this before hand, setting your major levels, because this is when you are thinking the most clearly!

MANAGE TRADE INTO PROFIT WITH POTENTIAL TRAILING STOP & ...

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Finally we come to the last step!

If you are at this step, then you should have found a really great area to make a trade at, it has space to move into and you are not trading directly into a support or resistance area and you have a lot of factors in your favor.

You have set up your pre-trade plan and are ready to manage your trade.

This is the trickiest part of the business and there are many ways to go about it. There is a lot you can do to protect yourself using breakeven, different stop levels and also how you use your stop level around the major support and resistance, especially with your entry.

This will also depend a lot on how many profit targets you want to use. Do you want to use 1,2,3 and what type of profit trader do you want to be.

Safe Trading and all the success

Johnathon Fox

