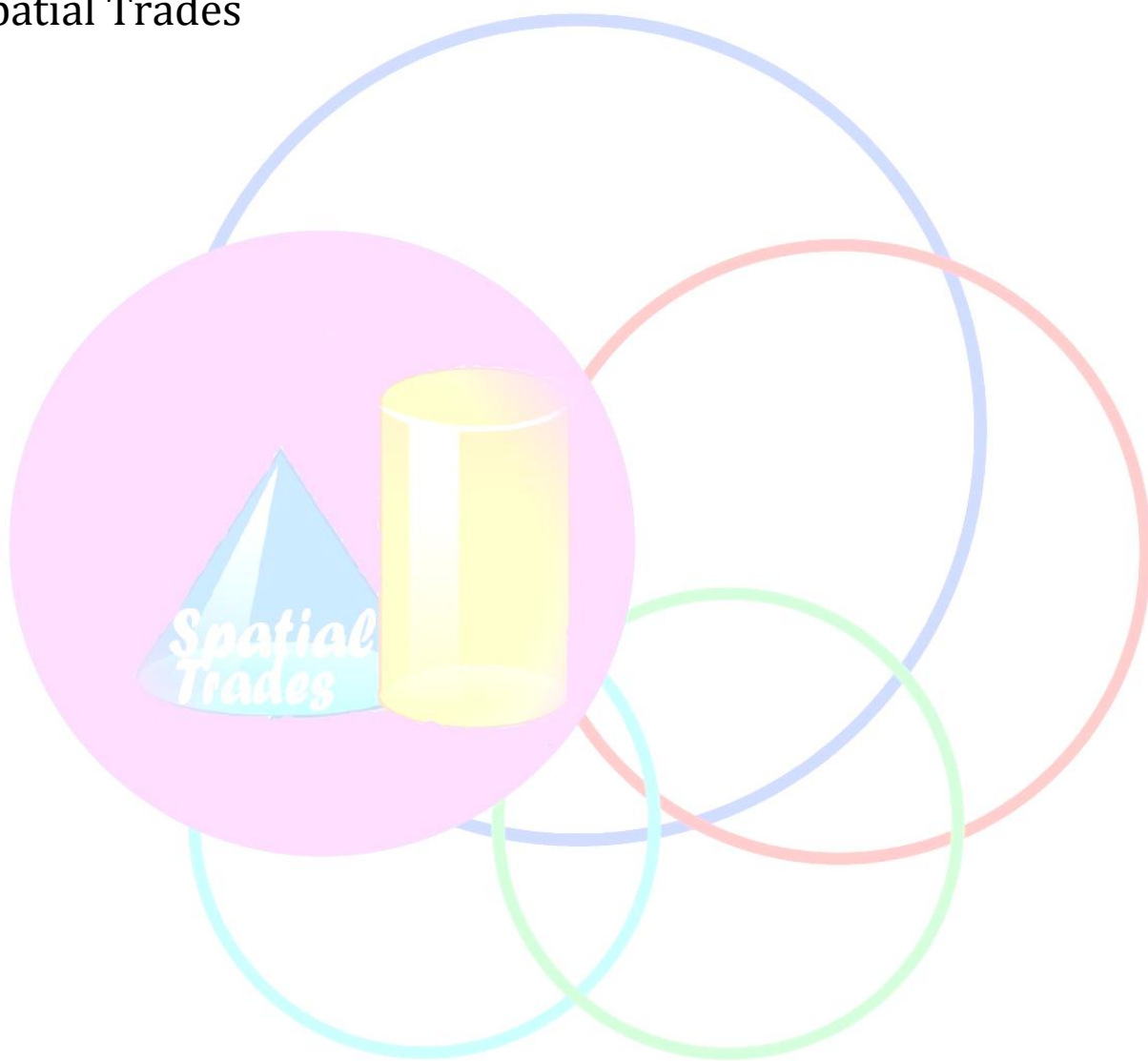


Secrets of Forex Trading

www.elliott-wave.webs.com

Spatial Trades



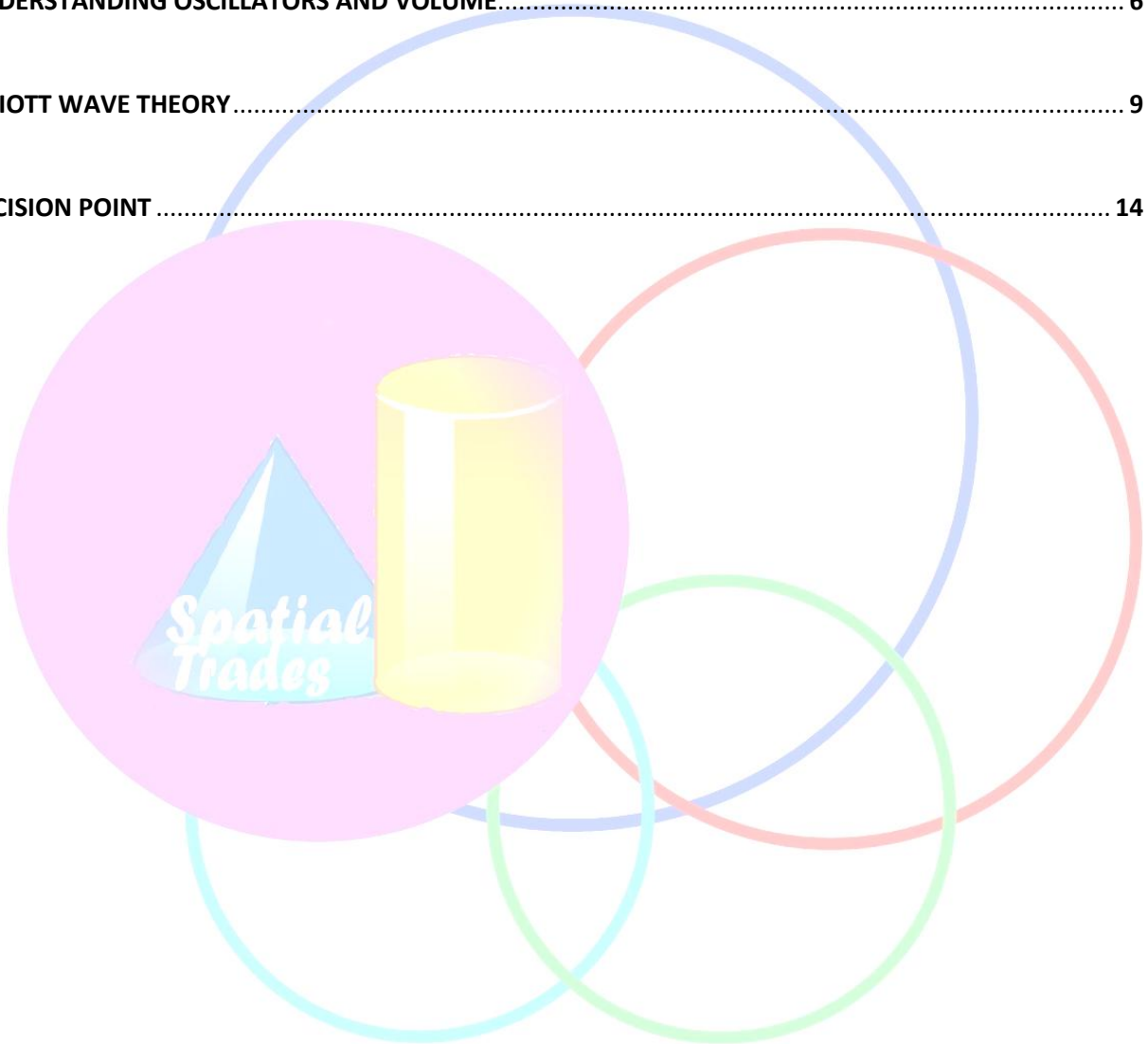
2/5/2013

Spatial Trades Inc.

SURESH UPRETY

Table of Contents

CALENDAR ANALYSIS.....	4
UNDERSTANDING OSCILLATORS AND VOLUME.....	6
ELLIOTT WAVE THEORY.....	9
DECISION POINT.....	14



THIS PAGE IS INTENTIONALLY LEFT BLANK



CALENDAR ANALYSIS

Calendars are also called economic calendar. They are simply the collection of data releases from different sources. These data are collected from various organizations. Some are simply the survey data and most are economic data. So basically these data signifies supply and demand, production, inflation, income, expenses, employment etc.

Where you can obtain calendars?

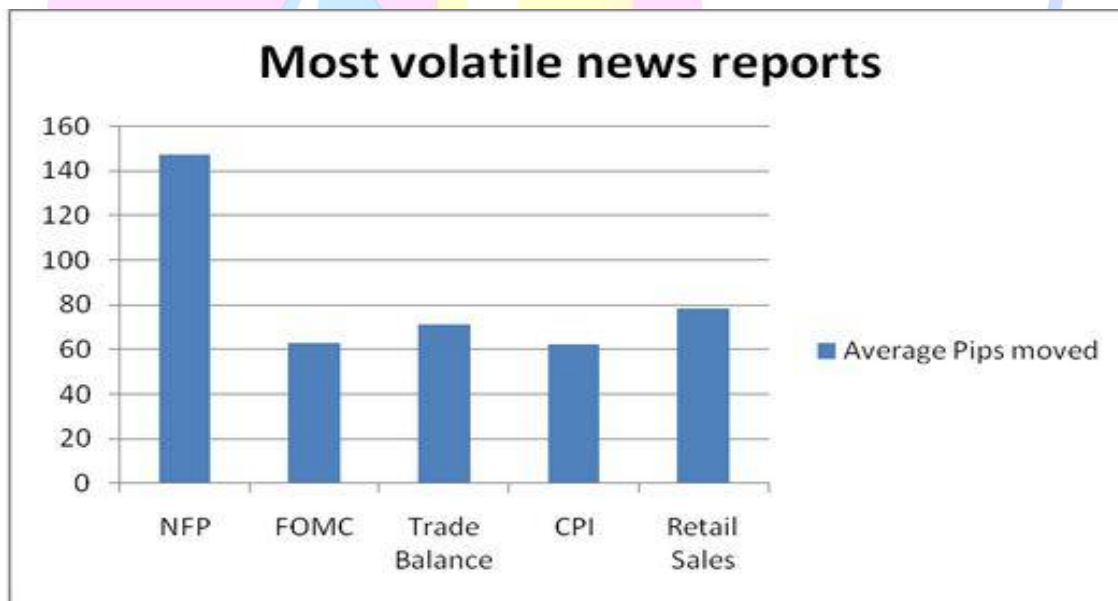
You can obtain economic calendars in various website like:

www.forexfactory.com

www.netdania.com

www.fxstreet.com

Look for important news events. The important events are Non Farm payroll(NFP)



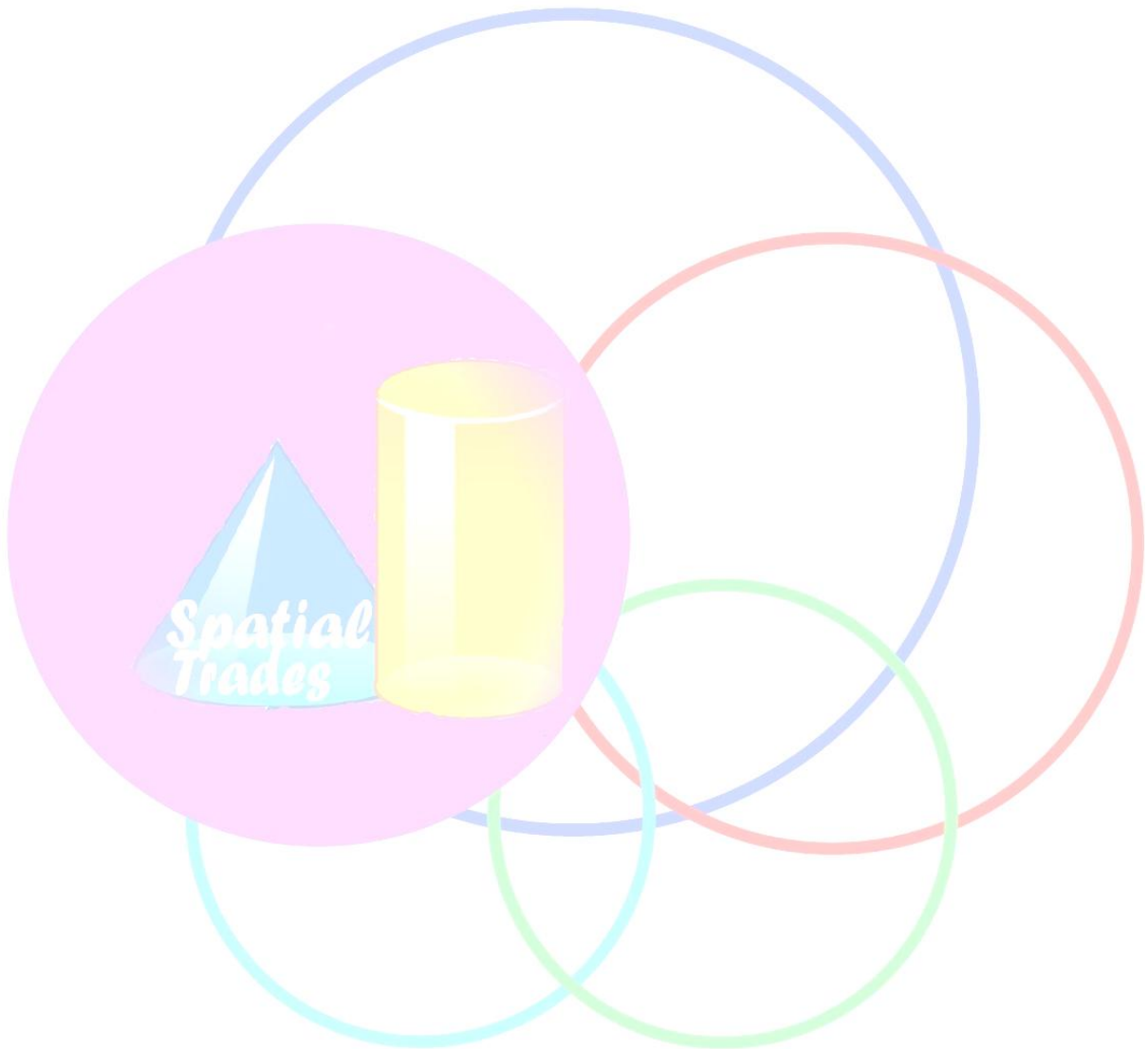
Interest rate, trade balance, CPI, Retail sales, GDP etc.

How to read and interpret the data releases?

4:

The actual figure is most important. If the actual figure is deviated from forecasted figure then the analysis should be made based on the people's psychology. That means look for similar data releases in the past.

In general if data is good for the particular currency, then we are bullish on that currency and vice versa.



Understanding Oscillators and Volume

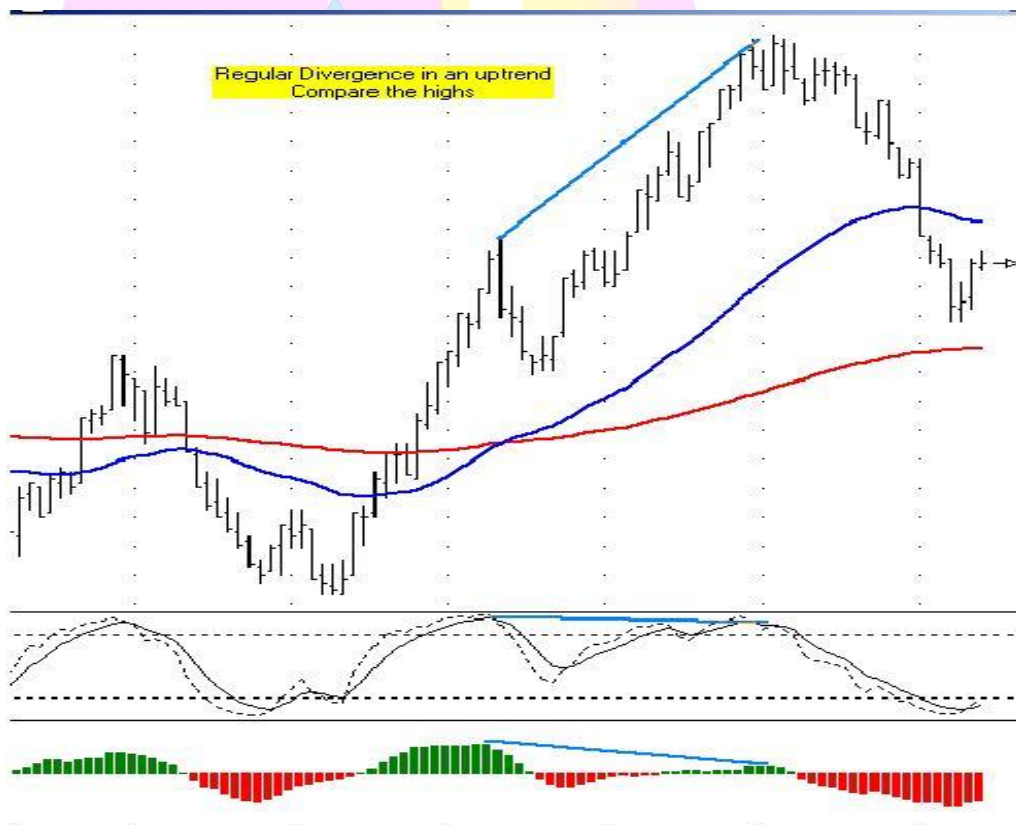
What are oscillators?

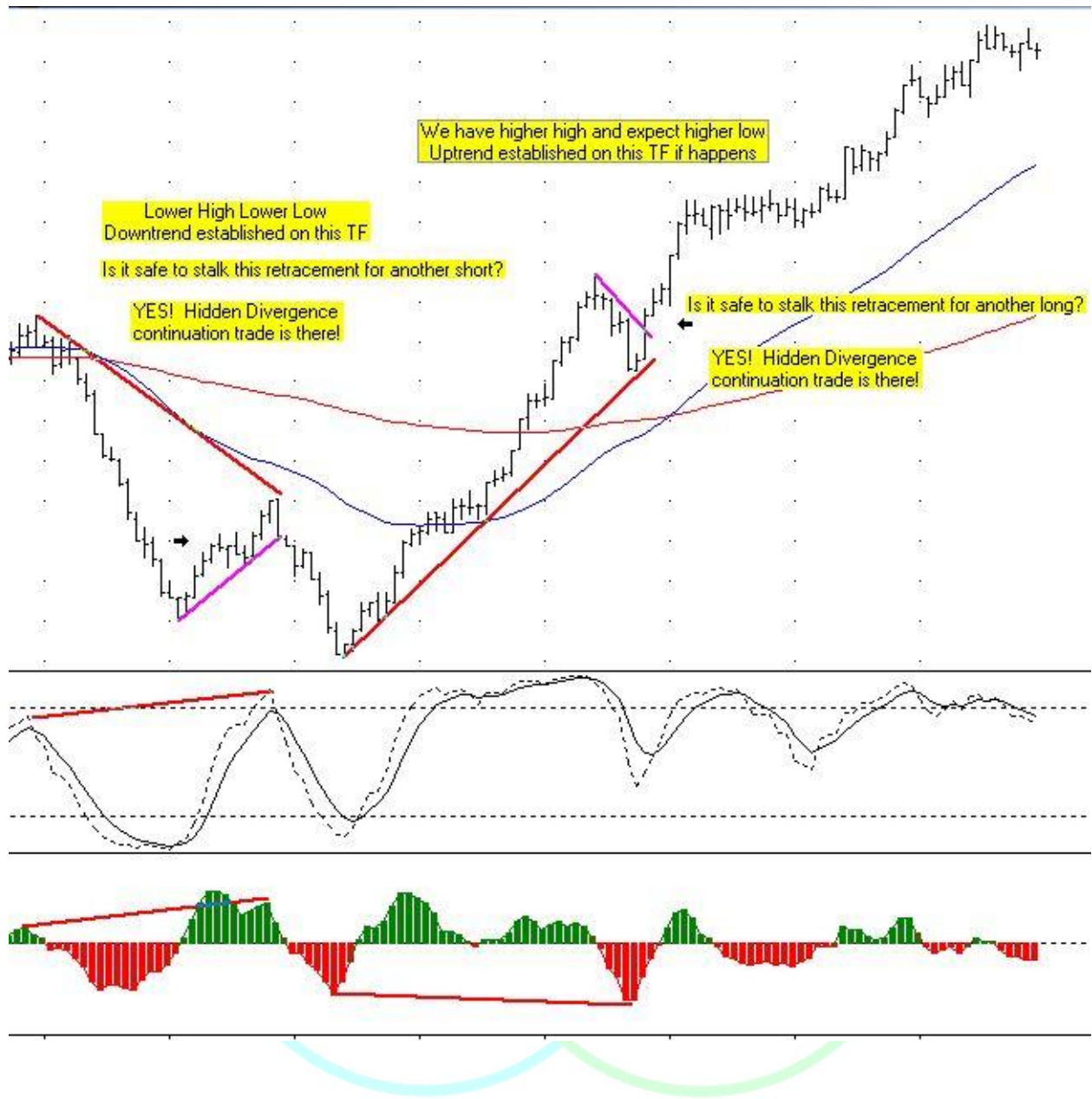
RSI, MACD, %R, AO, AC, stochastic etc are the examples of oscillators. They are simply momentum indicator. Momentum indicators are of two categories: 1. Oscillating, 2. Non oscillating. We are interested in oscillating momentum indicators. My favorites are RSI and MACD.

MACD oscillator is based on 2 moving averages crossovers above or below third moving average.

In general people trade oscillators like RSI and william's % R based on the oversold and overbought conviction. I do not recommend any bias based on overbought or oversold levels. In my trading system oscillators are traded as a guideline to evaluate multiple time frame analysis and divergence.

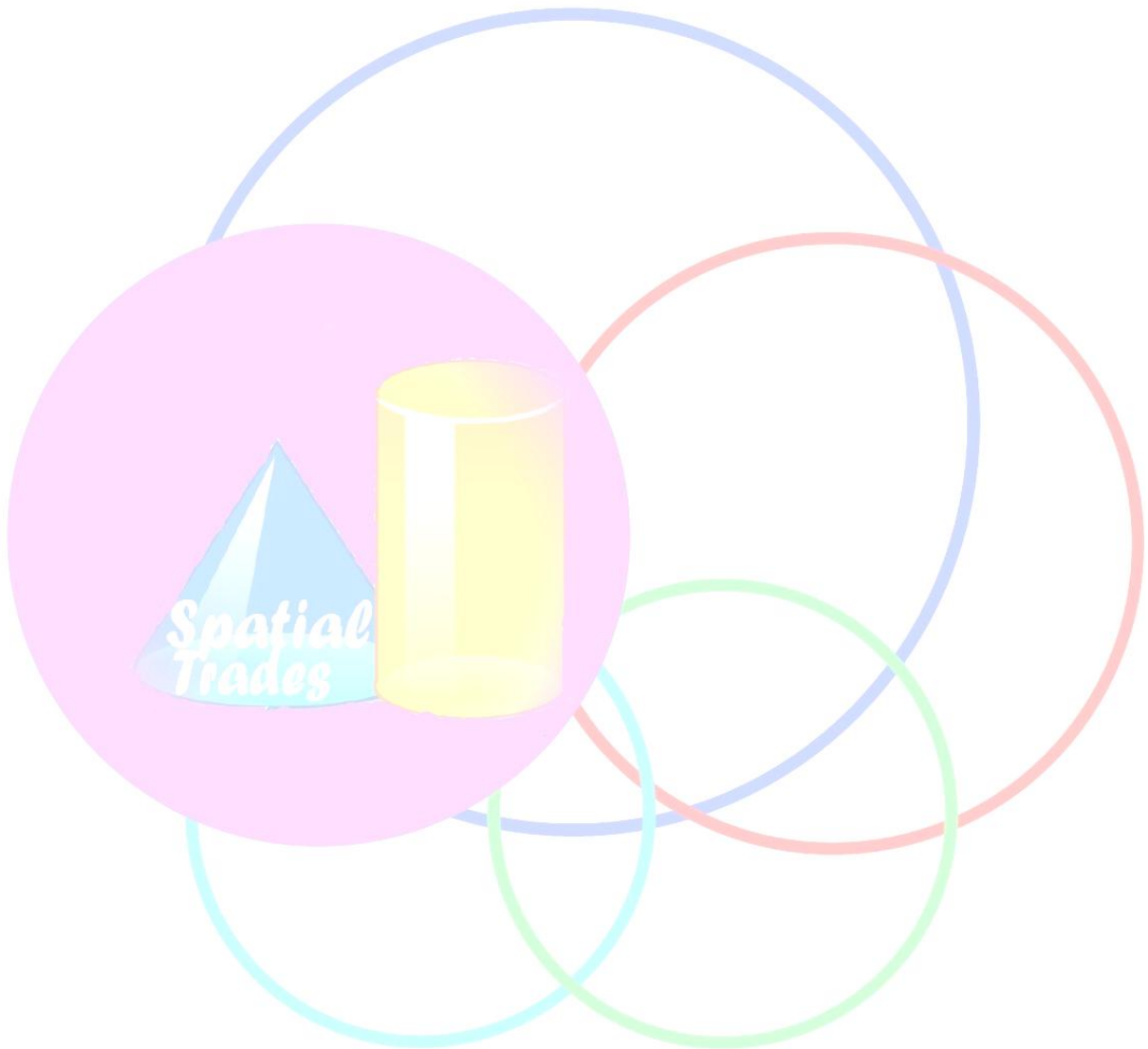
For bullish setting oscillators in 3 different time frame should give entry signal.





What are Volumes?

Volumes are the data of total orders that are being placed on the market that may be presented as histogram, line chart or as an oscillator. Volume should be taken as a confirmation of your trading setting. Mostly oscillators are leading indicators and volume lagging. You may check the volume divergence same like oscillator divergence.



Elliott Wave Analysis

What is Elliott Wave Analysis?

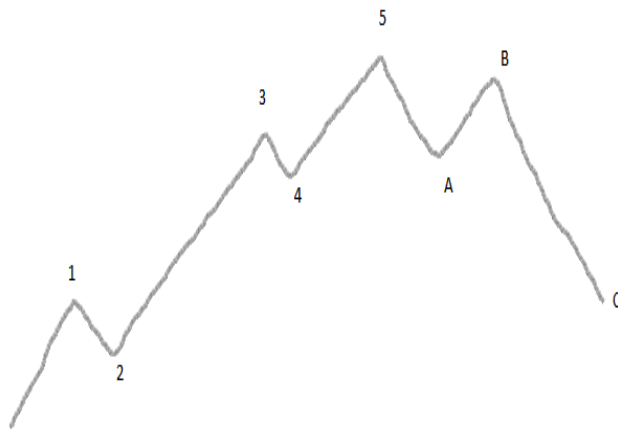
☐ Ralph Nelson Elliott (1871 - 1948) studied the wave phenomena of the US stock market in 1934. Published the “Wave Principle “ in 1938. Published the “Nature Law” in 1942. In 1970s, Robert Prechter, Jr. made Elliott Wave Theory popular in the investing communities.

Theory outline:

Market fluctuate due to-

1. Impulse wave
2. Corrective wave.

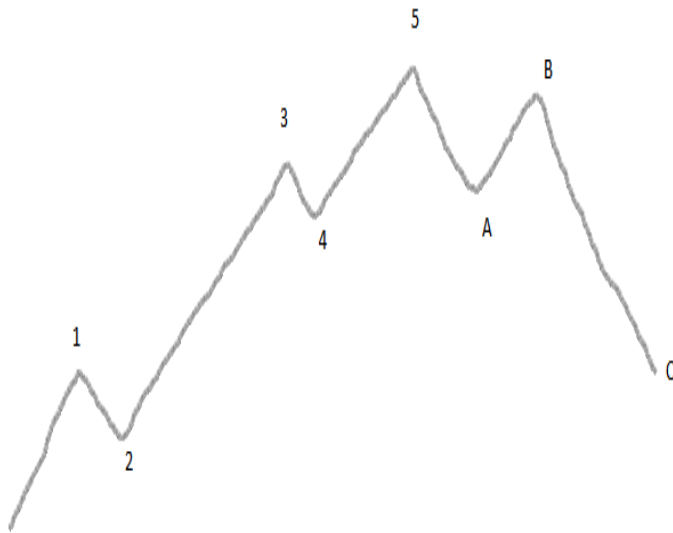
Impulse wave follows the trend and composes of 5 sub-waves. Corrective waves move against the trend and is composes of 3 sub waves. There are waves within waves.

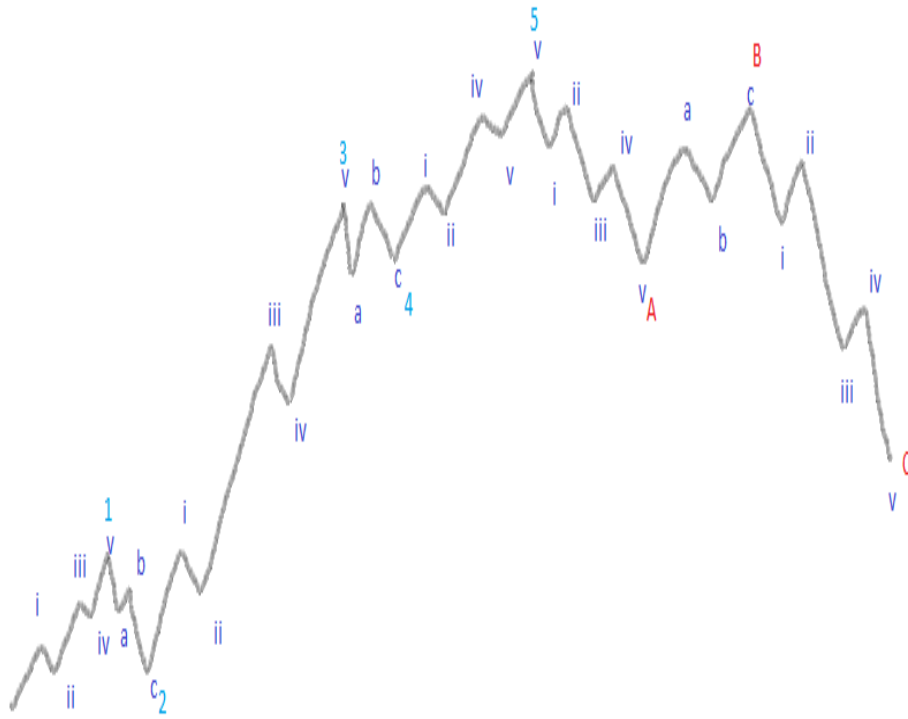


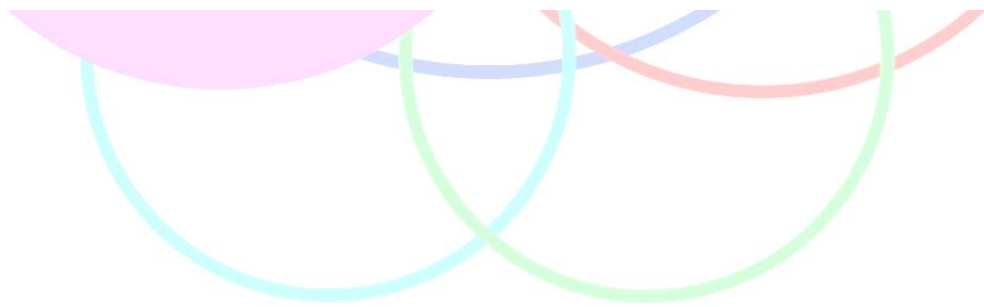
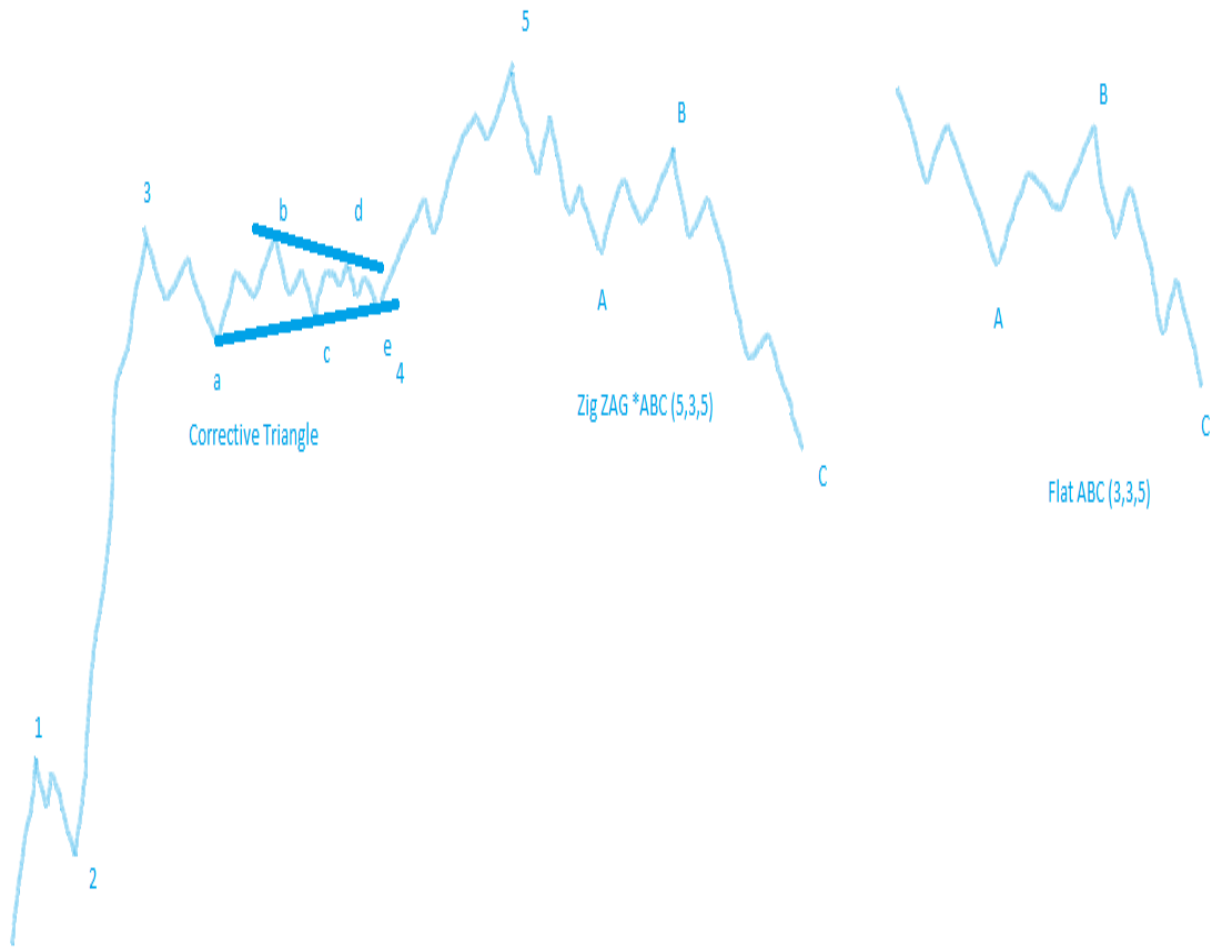
Rules of Wave Analysis

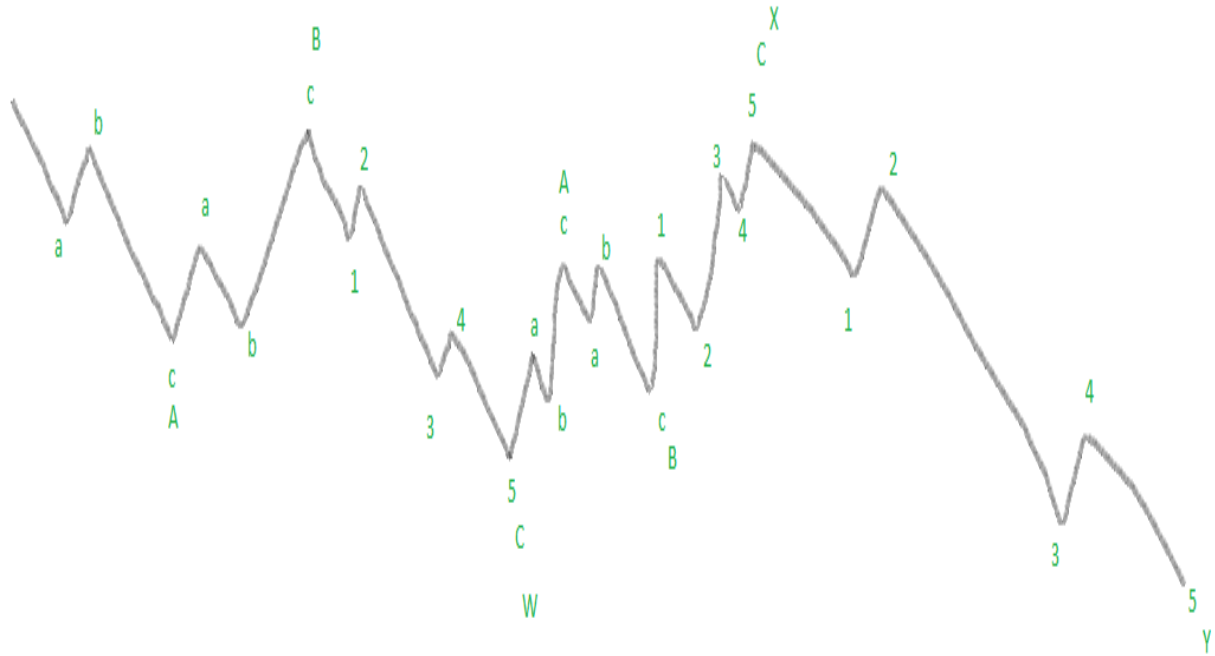
1. Wave 2 won't exceed the beginning of wave 1
2. Wave 3 can not be the shortest among 1, 3 and wave 5.
3. Wave 3 can not come in the region of wave 1 and 2.
4. Wave 2 and wave 4 alternate in wave patterns.

Wave Patterns Examples









Complex Flat Correction
3,3,5 structure

Corrections are of several types:

Simple correction (Zigzag, flat)

Irregular flat

Complex correction (double zigzag, double three, triple three, triangles, etc)

13:

Decision Point

How to make entry decision?

Law of probability plays important role in making decision.

For my system to make entry decision, news release, oscillators and waves should be in the same direction.

How to make exit decision?

When wave structures are completed and oscillators are indicating divergence.

How to make money management?

1. Low leverage preferably 1:50
2. Margin should not be more than 20% of total equity
3. Stop out if you lose 50% of the margin.
4. Add position in winning position by half of the margin invested before.
5. After every 10% profit increase lot size by 10%.
6. Decrease lot size when you lose.

Open an account today and trade forex. I prefer the following broker.

http://www.etoro.com/A41775_TClick_Sebook.aspx

If you want me to manage your account follow me here.

<http://daddypips.zulutrade.com/trader/104618>

For Elliott wave signals contact spatial@outlook.com

Warning

There are risk in everything, measure the risk in demo account first and trade in real account when you are ready to take risk to win and make your life beautiful.

