

Your First Profitable System

Entries

Why Are Entries Important?

Bottom/Top Picking

Guessing

Let the market pull you into a position

Types of Entries

Limit Orders

Market Orders

Stop Orders

Limit Orders

Typically used in pullbacks

Catch tops or bottoms

False sense of security for entries

Market Orders

Least amount of rigor

Lazy, but better

Emergencies or if you are late

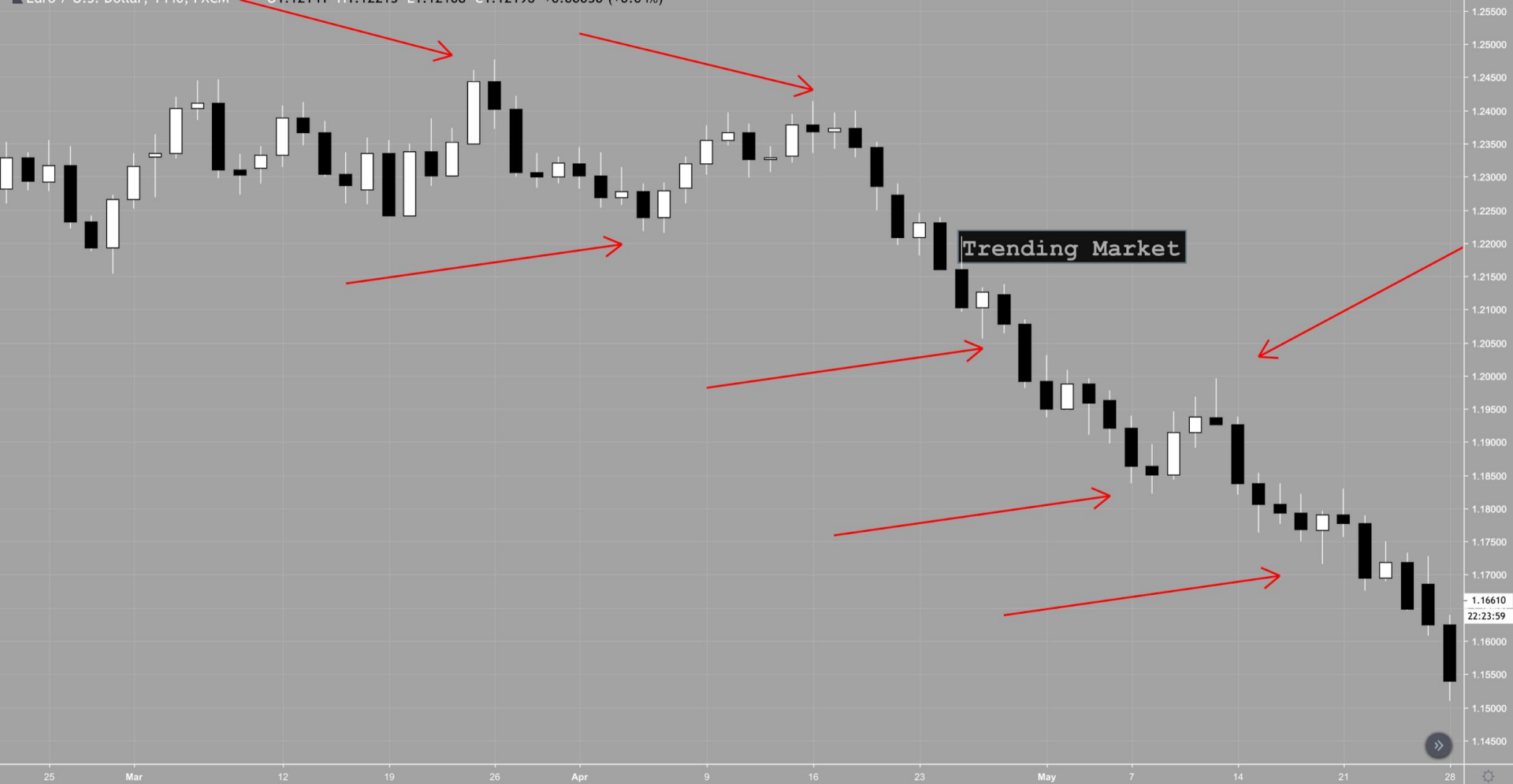
Stop Entries

First Clue: nobody uses these orders to enter

Forces the market to turn in your direction

Eliminates trades that never head in your direction

█ Euro / U.S. Dollar, 1440, FXCM O1.12141 H1.12215 L1.12108 C1.12196 +0.00050 (+0.04%)



1.16610
22:23:59



Mean Reverting Market



How To Use Stop Entries In A Trending Market

Bullish:

Breakout: Buy stop above the high of a breakout bar

Pullback: Buy stop above the high of a pullback bar

Breakout - Buy Stop above high of breakout bar

EURUSD, 1440
1440 U.S. Dollar

Entry

Stop Loss





Pullback - Buy Stop above high of pullback bar

EURUSD, 1440
U.S. Dollar

Entry

Stop Loss



How To Use Stop Entries In A Trending Market

Bearish:

Sell stop below the low on a pullback

Sell stop below the low of a breakdown bar



Breakdown - Sell Stop below low of breakdown bar

Stop

Entry

Euro / U.S. Dollar

1.16901



Euro / U.S. Dollar, 1440, FXCM O1.12524 H1.13239 L1.12509 C1.12986 +0.00462 (+0.41%)

Market Closed

EURUSD 1440
Euro / U.S. Dollar

Pullback - Sell stop below low of pullback bar

Stop

Entry

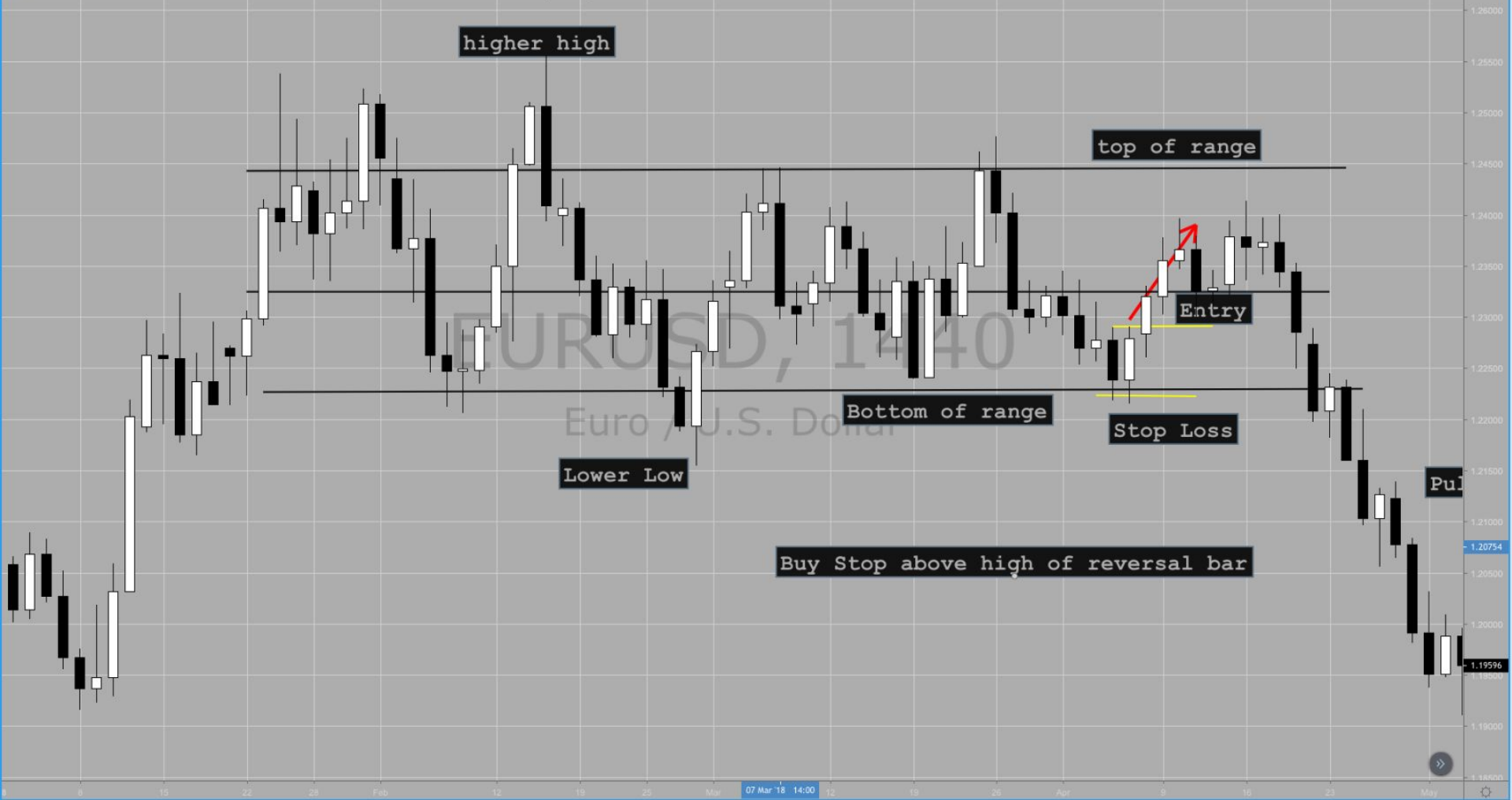
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How To Use Stop Entries In A Mean Reverting Market

Bullish:

Buy stop above the high of the pullback bar



higher high

top of range

Bottom of range

Lower Low

Entry

Stop Loss

Buy Stop above high of reversal bar

Pull

How To Use Stop Entries In A Mean Reverting Market

Bearish:

Sell stop below the low of the high bar on a pullback

