



MTPredictor™

find a trade | assess risk/reward | determine position size | manage the trade

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Quick Start Trading Guidelines for the USA e-minis – especially for newcomers (*not* the only way to trade)

🚩 Checking the initial set-up

ABC pattern

- 3 clear swings (no wave too short/long in time or price).

DP pattern

- A clear swing into new high or low territory that reverses at the DP level.

Support/resistance WPTs (Wave Price Targets) or DP's (Decision Point)

- These are for initial trade entry
- The reversal is to occur at the WPT or DP support or resistance zones with the correctly coloured reversal bar (for trade entry).

Trend

- STF trend indicator analyses this automatically for you - blue/black for a long trade or red/black for a short trade. (TS1, TS2, TS3 and TS4 only, not applicable to the DP set-up)
- Advanced traders can override in certain circumstances (Intro to MTP PDF Pages 8/9)

🚩 Profit targets & Risk/Reward

- Ideally you should have at least 2:1 Profit to initial risk at the first projected target.

🚩 Coloured signal bar

- Blue for a buy, Red for a Sell
- The coloured reversal bar to occur no more than 1 bar after the pivot high or low.

🚩 Entry

- One tick below the red (sell) bar for a short, one tick above the blue (buy) bar for a long
- Initial protective stop, one tick beyond the recent high or low.

🚩 Timeframes

- US E-mini index futures 3/5/15 min. charts work well.

Trade management

- 1. Use the “target” WPTs (trailing protective stop one tick beyond the bar’s high or low on reaching the projected profit targets), initially, then.
- 2. Use the trailing ATR stop.
- A break of the STF beyond its strength band is the signal to swap from using the WPT profit targets to the ATRStop.

FAQ’s answers to common questions

- What happens if I get the same signal (Buy or sell) at the same time on more than one of the correlated markets? Then prioritise by contract Volume (or liquidity), basically look at the most liquid contract first. This would be the ES, then NQ, then AB, then YM
- Never “double up” unless you have your stop on your initial position to break-even so any additional positions (in the same direction) do **NOT** increase your initial risk to above the recommended 1-2% maximum.
- What Time frames should I trade? We like the 3,5 and 15min time frames using the “day session only” which is 9:30EST to 4:15EST (New York time). Although advanced traders sometimes can check set-ups that appear early in the session using 24hr data. We do not suggest time frames as short as 1min, as these contain far too much noise.
- What happens if I am in a trade and I get an “opposing signal”? As a new trader, at the basic level, you would “stop and reverse” as long as the opposing signal is in the same market and on the same time frame. Advanced traders can look at the larger degree trend for guidance.
- When do I raise my initial protective stop to break-even? There is no definite rule here as intraday markets can be very choppy. A general guideline would be once you have a profit of 2-3 times the initial risk, then it is time to start to protect that profit. You can also use the ATRStop here as well, once the trade has moved away from the initial entry point.

Please remember, these are only guidelines for the newer traders among you. Once you become experienced you can move beyond these basic guidelines, including starting to perform and take far more “manual” trades, particularly using the “manual DP” levels and start to take more account of the larger degree trend to orient your trades.

Thanks and good trading . . .

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