

TFT CT II Trade Plan Outline

- Look at taking the first trade after mode change (vertical stripe on price panel 1)
- Look for counter trend start point – divergence, S/R reject, trend line reject, DT/DB reject, etc...
- Look to determine whether or not the trade is a MOMO transition trade or a MOMO reject trade
- Look at overall market direction – don't just take the first trade after a mode change randomly – Are you making higher highs for a long? Are you making lower lows for a short? –
- Look for near left side support or resistance – wait for price to pull back to near left side support or resistance – near left side support or resistance is best if no more than 2 swing points to the left – the closer the swing points the better- the more relevant they are – This helps insure (not guarantee) a stair stepping trending pattern
- Support is considered lines that come from “tree top” swing points (coded as green lines) and Resistance is considered lines that come from “low hanging fruit” swing points – (coded as red lines)
- For a long, count the support swing points to the left, below price, after a downward reversal bar and for a short count the resistance swing points to the left, above price, after an upward reversal bar. If price has traded through the support or resistance line, after the reversal bar, it is no longer relevant
- TFTTriggerline direction **preference** is the same as the intended direction of the trade
- TFTTriggerline color **preference** is the same as the intended direction of the trade
- Long term market structure **preference** is same as the intended direction of the trade
- TFT Swing Indicator 15 (MSL) – color background set to “true” will plot the long term market structure on the background of the main chart if set to “same as input series”
- Secondary time frame **preference** is the same as the intended direction of the trade – with default inputs price bar outline should be black if both timeframes are in the same mode (vertical stripe on price panel 1)
- If secondary time frame is not in the same mode, then it is **preferred** to have MSL with the intended direction of the trade

LONG

Overall you are looking for price to make a reversal bar and come within a defined number of bricks (usually 1 or less) to the support line that you have determined to be the nearest left side support line – trade can be taken at the support line, which it may never hit or take at the method entry that is plotted for more confirmation of the trade, however, it gives you a later entry, bigger stop, etc...

Stop is below the nearest support line below the entry price– if that is too far away, you need to make a decision to pass on the trade – there are always other trades – missed money is better than lost money– usually no more than a 2 brick stop

If using a 2:1 at trade reward to risk profile - Target would be 4 bricks less a tick

MONEY MANAGEMENT

3 bricks profit in a trade move to BE - If the trade is approaching a double top consider moving your stop to BE – depending on how much you have in the trade – or consider taking profit off at the double top if within a few ticks of your target (or a full 3 bricks)

SHORT (Opposite of LONG)

DAILY TARGET

DAILY STOPS

NUMBER OF CONTRACTS TO BE TRADED