

Forex Inside Bar Control

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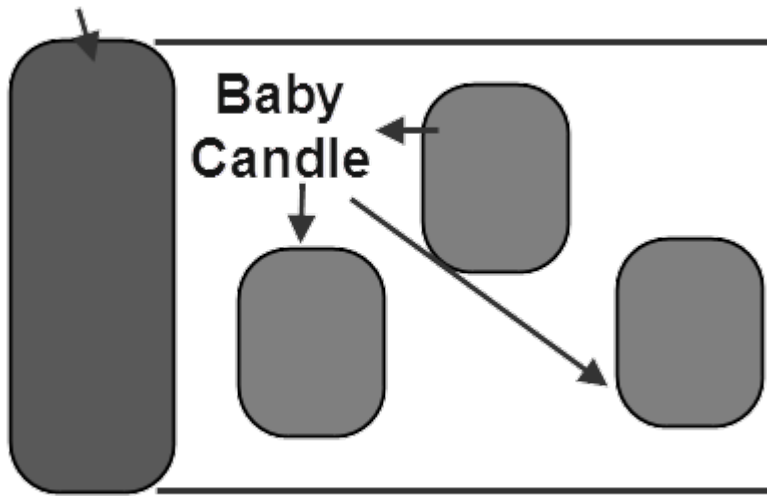
You are encouraged to print this book for easy reading.

INTRODUCTION:

Before progressing to the main methods, you have to understand the basics of inside bar.

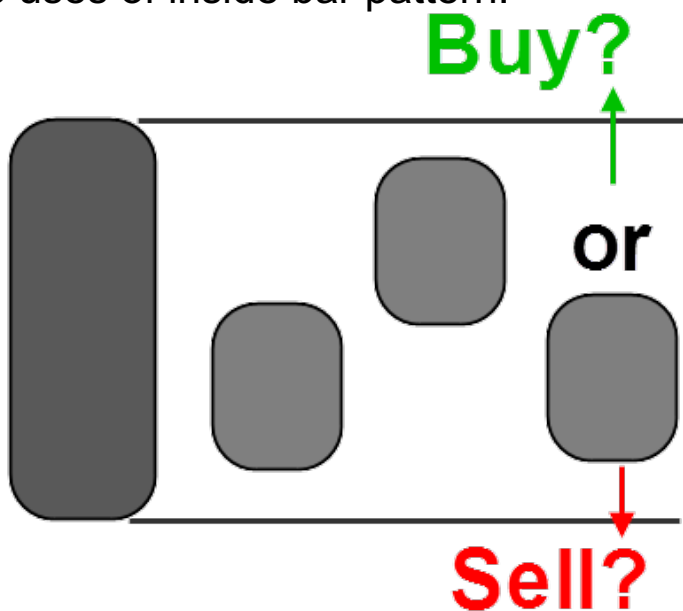
What is inside bar pattern?

Mother Candle

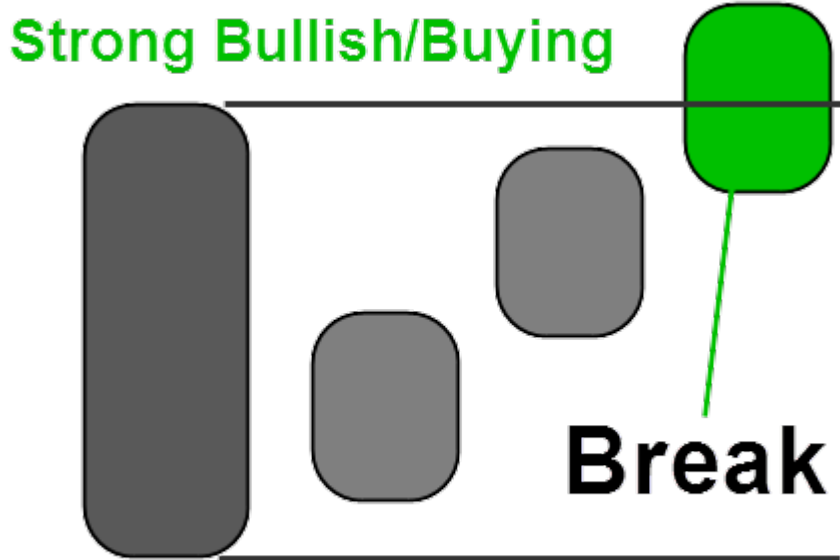


- Basically, it is pattern which consists of Mother candle and baby candles.
- The baby candle highs must not higher than the mother candle and lows must not lower than the mother's candle. The baby candle can be one or many.

The uses of inside bar pattern:



- The pattern indicates a indecision of the market



- If the mother's candle highs or lows break, then a significant movement of the price may occur.

In this report, I'm going to teach you the 2 steps before entering an entry.

Step 1, we're going to find the trend of the market; the purpose is to filter the bad trade, only trade with the direction of trend to be safe.

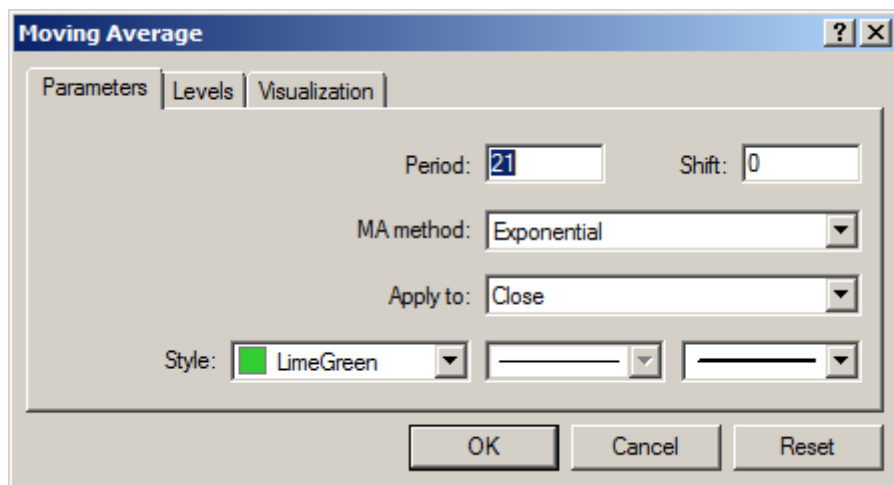
Step 2, we're going to use inside bar pattern as a trading signal.

Next section, I'm going to touch the details of each step.

THE METHOD:

Step 1: Identify Trend

Open your chart and set a moving averages indicator to exponential and set it to 21.



The process to determine the trend is easy.

For buy/bullish trend: The EMA 21 must be below the price.



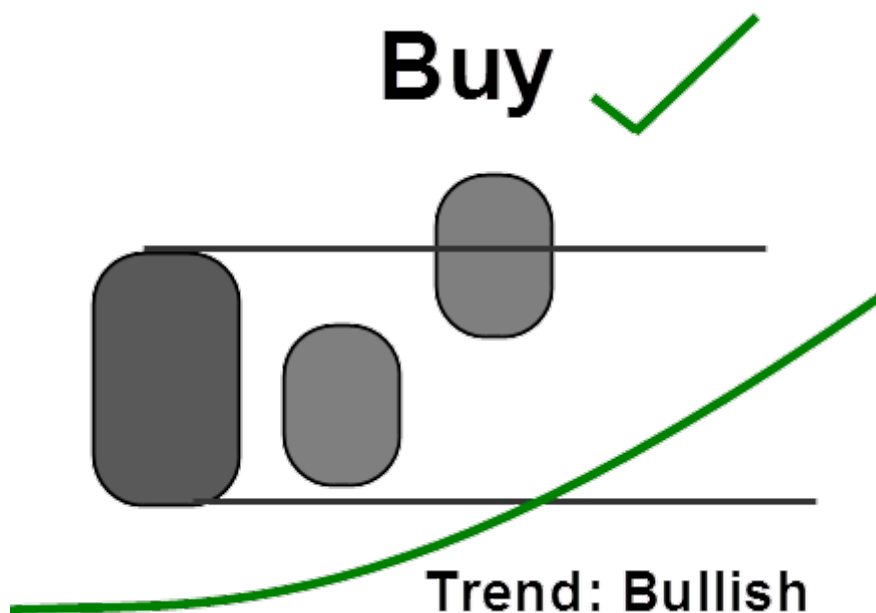
For bearish/sell trend: The EMA 21 must be above the price.



Once finished the first step, proceed to the second step.

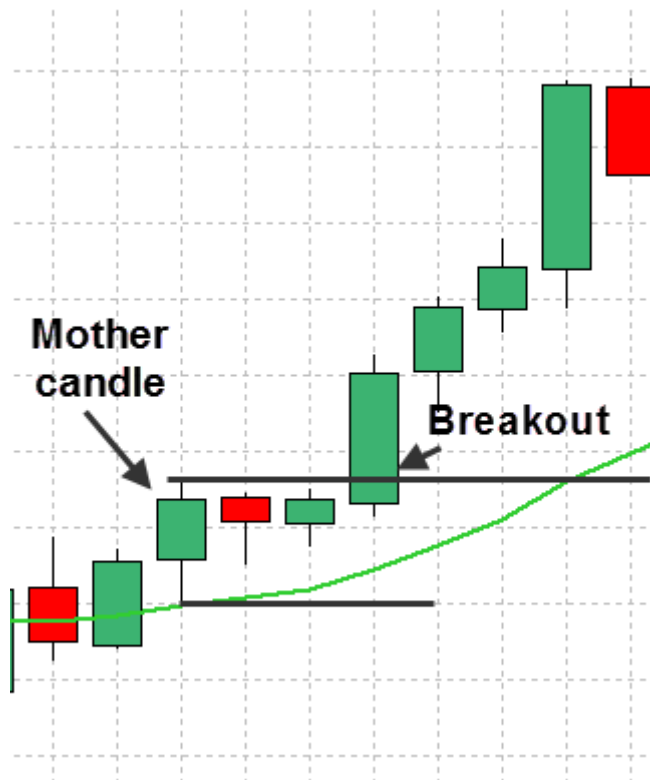
Step 2: Inside Bar Breakout

The reason for identifying the trend is to filter the bad trade.



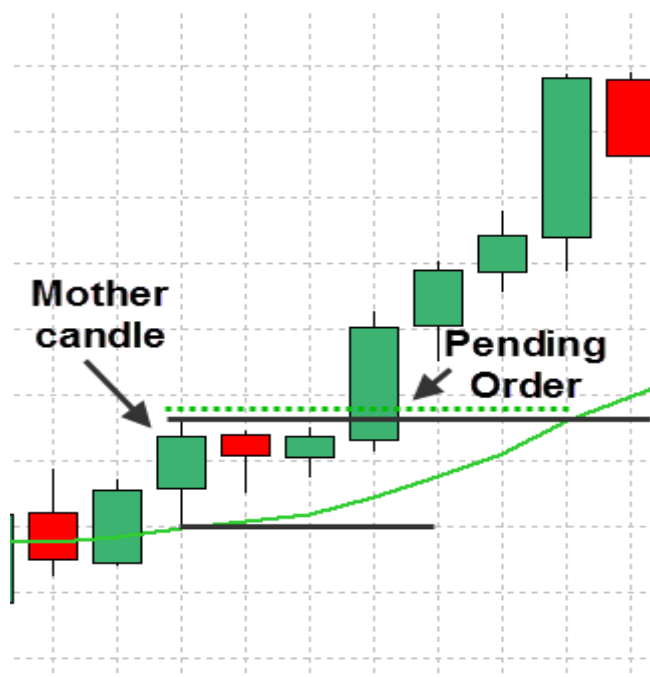
For example, if the inside bar **breakout is up** (the baby candle break the mother's candle high), then trade only **if the trend is bullish/up**. If the **trend is bearish/sell**, **ignore** the inside bar breakout signal (due to against the trend).

For buy/bullish trade:

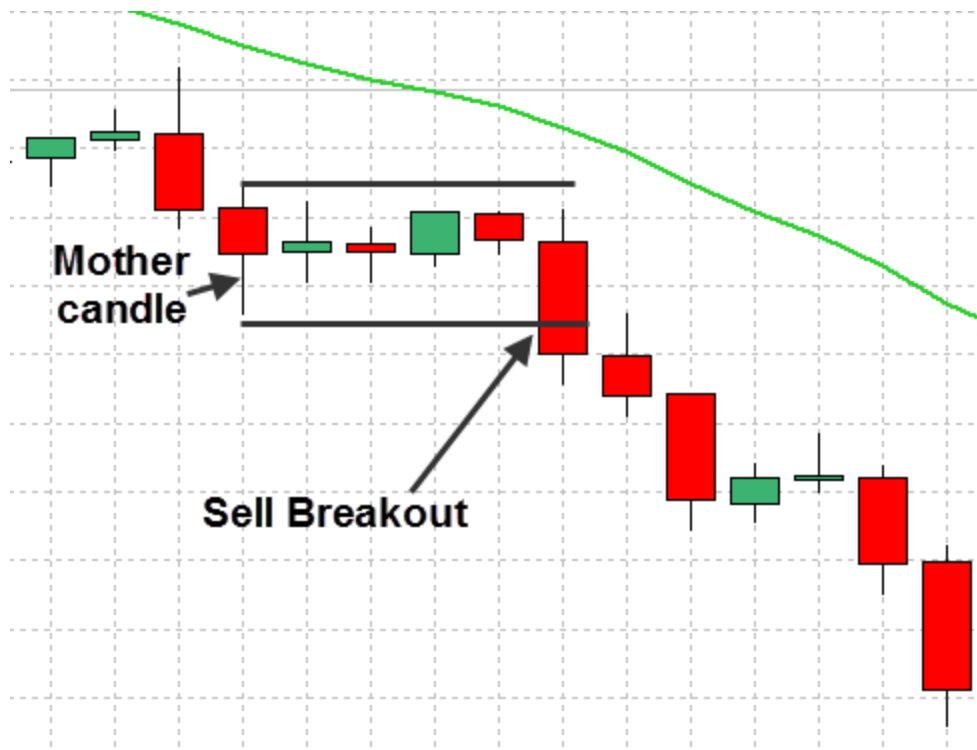


- Trend is bullish/buying trend
- The baby candle must break the mother's candle highs.

***Tip: You can set **pending order buy** above the **mother's candle high** instead of waiting it to break.

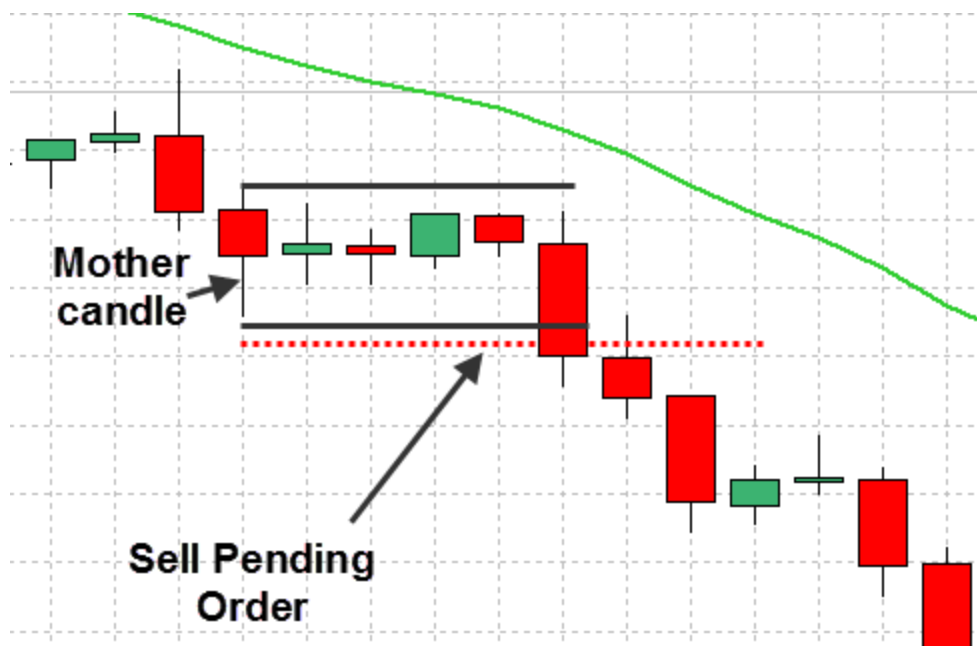


For sell/bearish trade:



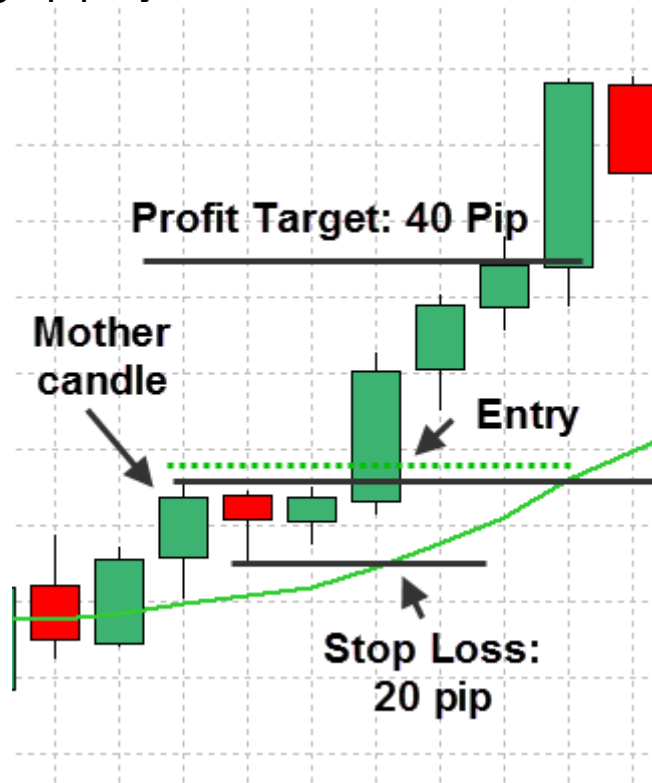
- Trend is bearish/selling trend
- The baby candle must break the mother's candle lows

***Tip: You can set **pending order sell** below the **mother's candle lows** instead of waiting it to break.



Stop loss and Profit Target

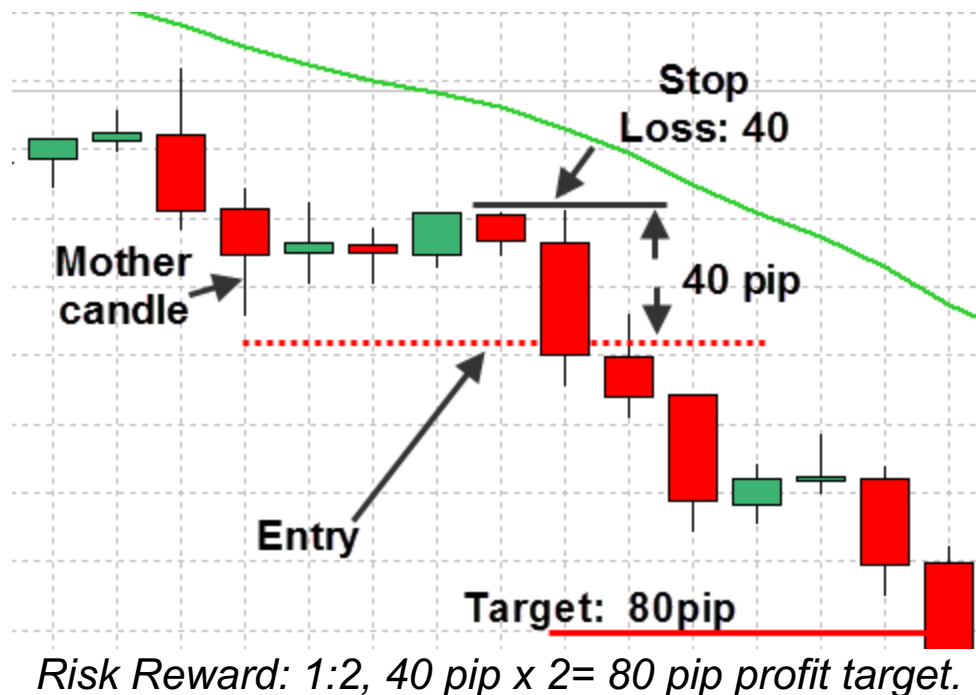
For buy: Set the stop loss below the previous baby candle lows. Profit target: use the risk:reward tactic. If the risk:reward is 1:2, then multiply the stop loss range pip by two.



In this example scenario, the stop loss is 40 pip. Since I want to use the risk:reward of 1:2, then my profit target is 80 pip.

For sell: Set the stop loss above the previous baby candle highs.

Profit target: use the risk:reward tactic. If you choose risk:reward is 1:2, then multiply the stop loss range pip by two.



***I have find that using the risk:reward system helps you to maximize your profit while minimize your loss.

THE METHOD IN A NUTSHELL:

So, here is a basic outline of what you'll be doing with this method:

- 1. Identify trend by using moving average indicator**
2. Inside Bar breakout – must follow the trend direction. Use a pending order instead of waiting the breakout. Set stoploss and profit target. Use the risk:reward system.

I hope you enjoyed reading this short, simple, FX FAST TRACK report on an easy way to dominate inside bar pattern. I wish you the best success in your trading career!

Best,
Tim Morris
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