

Forex Trend Line Control

By: Tim Morris

ForexMT4Indicators.com

LEGAL NOTICE

The Author has strived to be as accurate and complete as possible in the creation of this report, notwithstanding the fact that he does not warrant or represent at any time that the contents within are 100% accurate due to the rapidly changing nature of the Internet as well as other factors.

While all attempts have been made to verify information provided in this publication, the Author assumes no responsibility for errors, omissions, or contrary interpretation of the subject matter herein. Any perceived slights of specific persons, peoples, or organizations are unintentional.

In practical advice books, like anything else in life, there are no guarantees of income made. Readers are cautioned to rely on their own judgment about their individual circumstances to act accordingly.

This report is not intended for use as a source of legal, business, accounting or financial advice. All readers are advised to seek services of competent professionals in legal, business, accounting, and finance field.

You are encouraged to print this book for easy reading.

INTRODUCTION:

Trend line can do 2 in 1 package for you. Yes, you don't even need to

use other technical analysis nor indicators to trade unless you feel uncertainty at that time.

If you think that trend line is useless, then I want you rethink again. Trend line is one of big boy traders do.

Anyway, here is what trend line can do for you:

- 1) Trend lines can help you to find good entry point
- 2) Trend lines can help you to find the appropriate stop loss

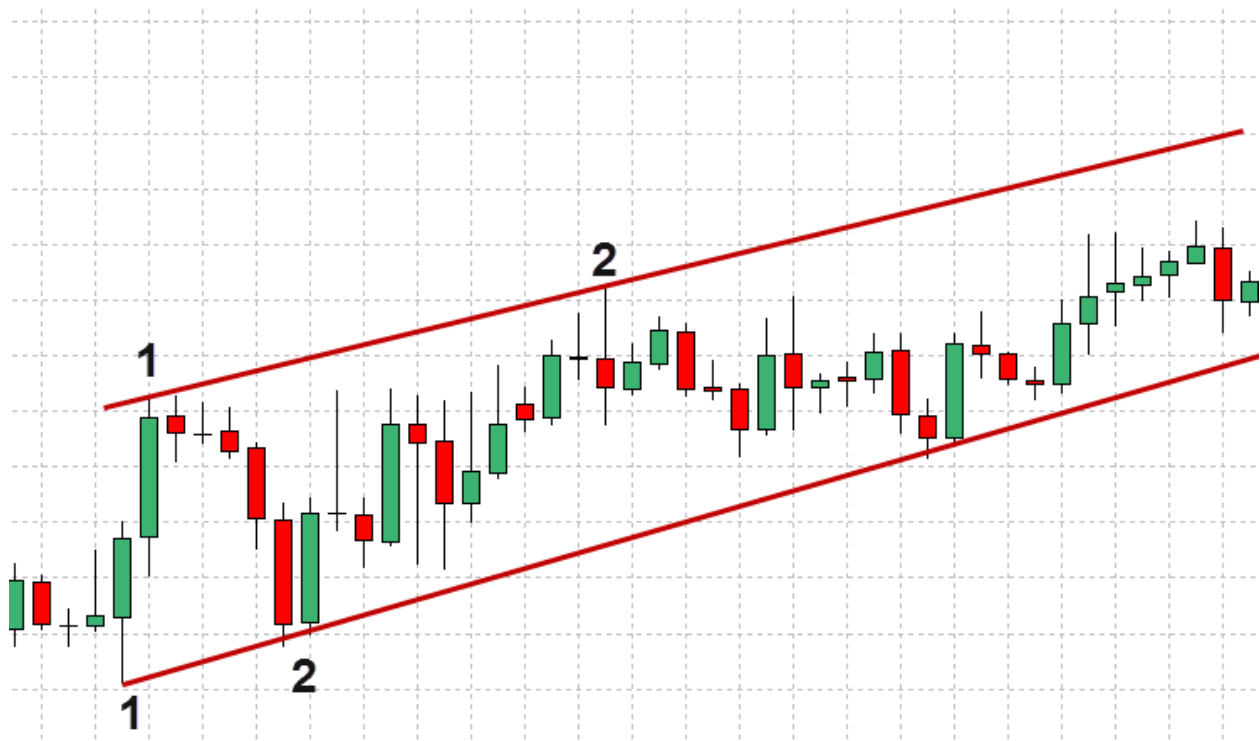
The concept of trend line is the same as support and resistance but trend line is more unique in my opinion. You just need to connect two swing points, then you just made your own trend line.

How to create a trend line:

For creating an uptrend trend line, connect two points of tops.



For creating a downtrend trend line, connect two points of bottoms.



Simple?

Yes, it is...

THE METHOD:

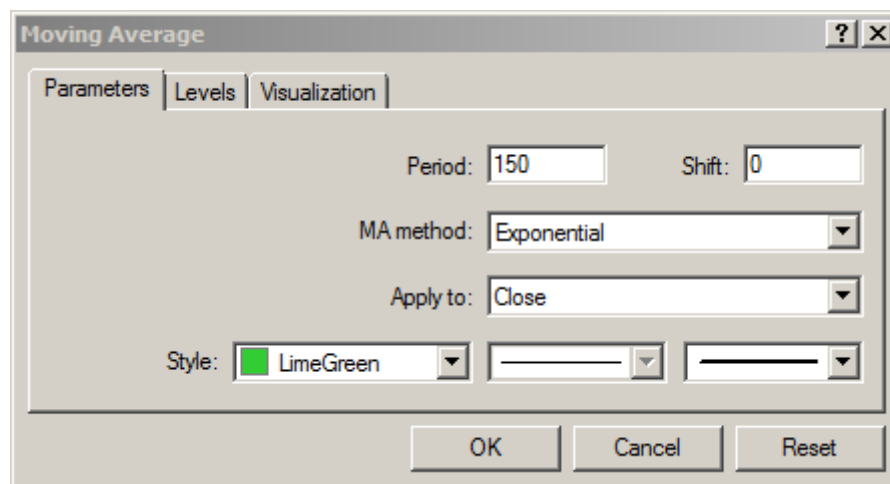
Let me outline the steps for this method:

- 1) Identify the trend
- 2) Switch from the big timeframe to lower timeframe
- 3) Create a trend line
- 4) Set entry, stop loss and target

Step 1: Identify the trend



We want to see the market is **either trending down or up**.
Open your chart and **set a 150 exponential moving average**.



Remember, trend line works best when the market is trending. If the trend is consolidate, then steps aside for a while.

Trending Up

If the trend **is up**, we're only looking for buy.

Example 1:



Example 2



Trending down

If the trend is down, we're only looking for **sell**.

Example 1:



Example 2:



Step 2: Switch to lower timeframe

If the timeframe that you use for the previous step is daily, then switch over to 4hr or 1hr.

If it is 4hr timeframe, then switch it to 1hr or 30min timeframe.

Why do we need to switch over the timeframe??

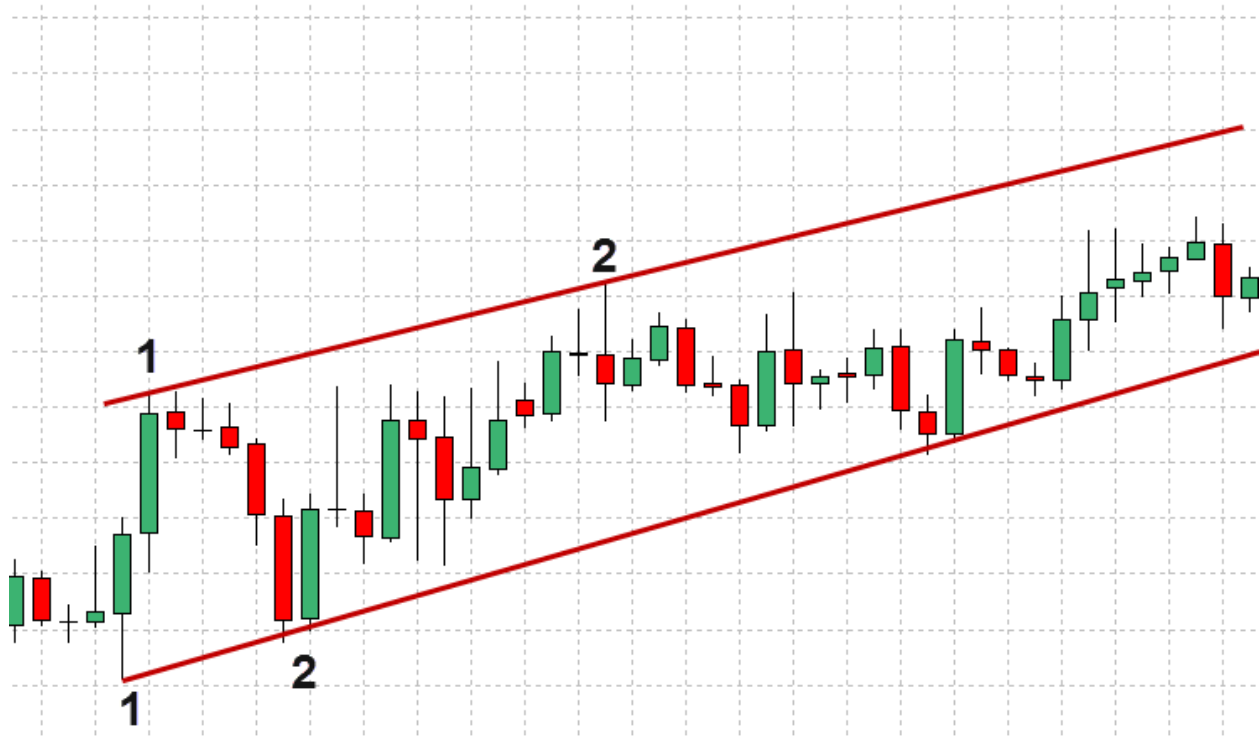
Refer to the chart below. Once we've already identify main trend (sell) from the main timeframe(daily), then switch over to smaller one(4 hour) to look for signals that follow the direction of the trend(sell signal only).



The signal comes from the trend line itself which we'll learn in the next two steps.

Step 3: Create a trend line/trend lines

Implement what you've learned in the introduction section.



Step 4: Entry Point

So when you'll make an entry?

A: Set a pending order on the high or low of the candlestick that closed and approach the trend line.

Buy Entry:

When the candlestick closed and respect/approached the trend line, then set pending order on or 1 pip higher of the highs of that candlestick.



Sell Entry:

When the candlestick closed and respect/approached the trend line, then set pending order on or 1 pip higher of the lows of that candlestick.



Tips: If a candlestick close with a long wick on the trend line, then it indicates strong rejection and likely will create an impact to the market.



Stop loss:

For buy: Set the stop loss below the candlestick.

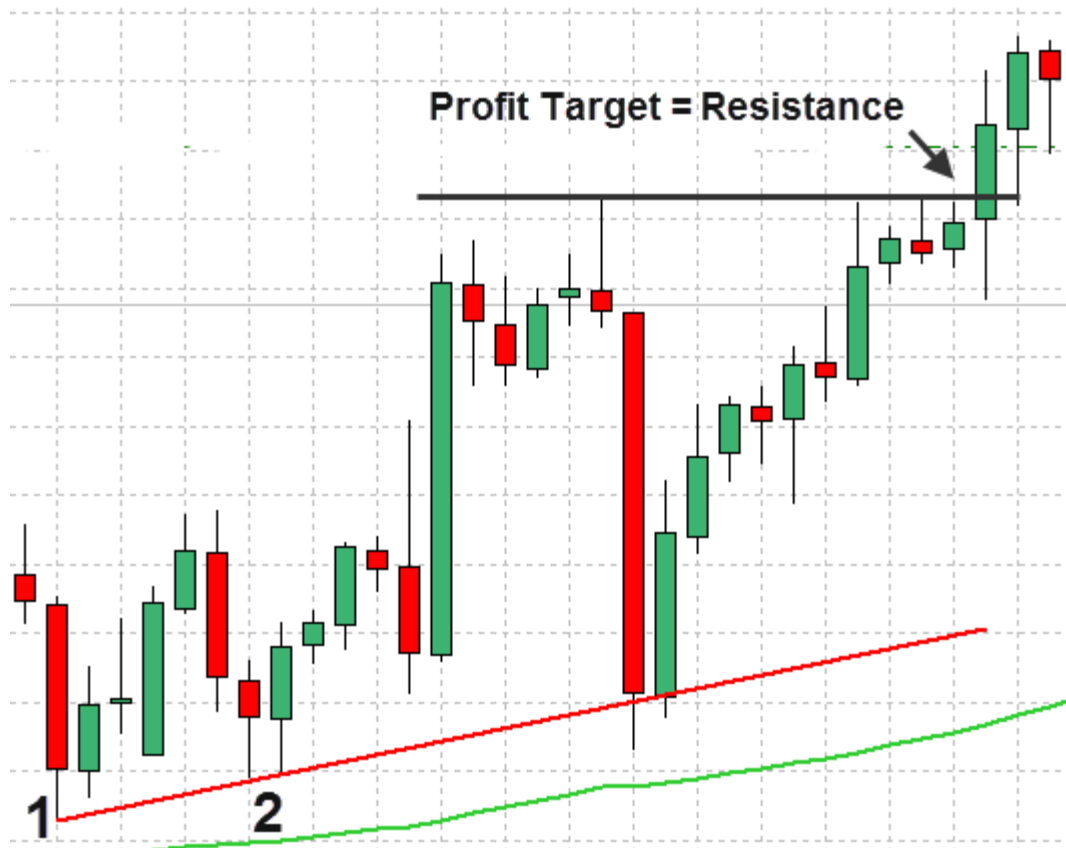


For sell: Set the stop loss above the candlestick.



Profit Target:

For buy: target the previous resistance.

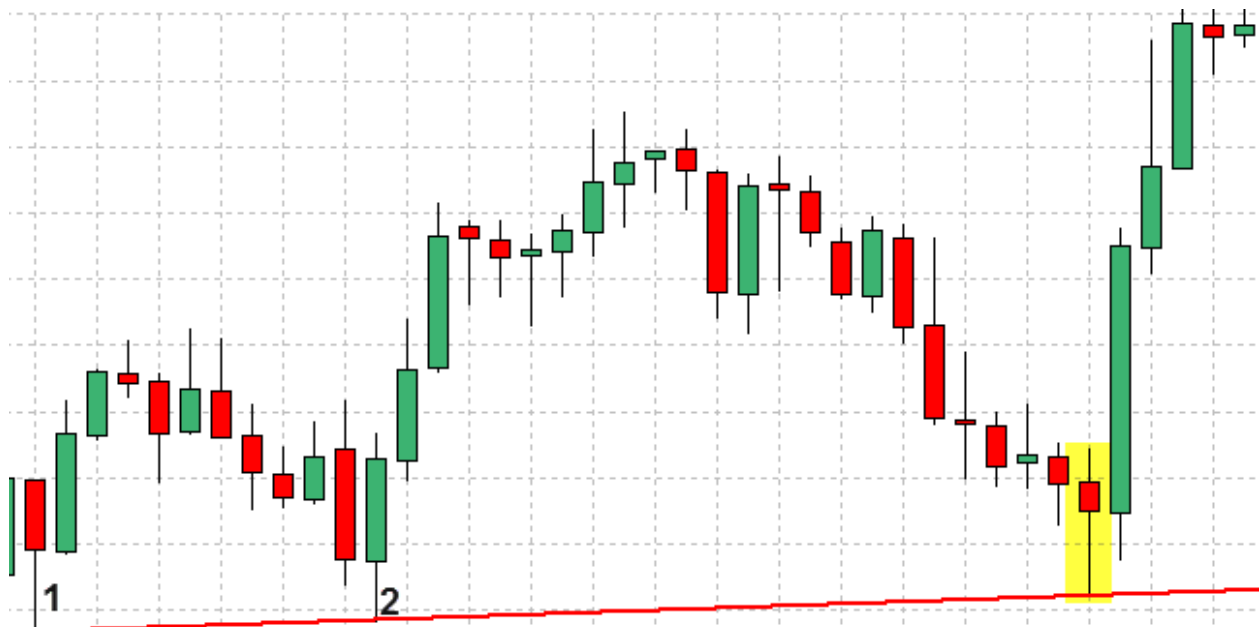


For sell: target the previous support



THE Tips: Further confirmation

- 1) Combine the trend line strategy with candlestick patterns.



The yellow highlight on the chart shows a pin bar pattern. It is one of the candlestick pattern that indicates a reversal. Notice the price bounce back up tremendously.

2) Combine the trend line strategy with indicators



The Stochastic indicator line was at the oversold area. Oversold area indicates weakness of selling.

THE METHOD IN A NUTSHELL:

So, let me copy whole important outline of what you'll be doing with this method:

- 1) Identify the trend**
- 2) Switch from the big timeframe to lower timeframe**
- 3) Create a trend line**
- 4) Set entry, stop loss and target**
- 5) Optional: Increase trading confirmation with - Candlestick Pattern, - Indicator**

I hope you enjoyed reading this short, simple, FX FAST TRACK report on an easy way to dominate trend lines. I wish you the best!

Best,
Tim Morris
ForexMT4indicators.com