



# Combining Chartpatterns and Indicators

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## Agenda

- OutSide Bar
- InSide Bar
- Calculate a Profit Target with OutSide Bars
- Strategy with OutSide Bar
- Strategy with InSide Bar



## Tools of the Trade

- (1) Chartpatterns
- (2) Indicators
- (3) Market Structure
- (4) Sentiment
- (5) Mean Reversion
- (6) Trendfollowing
- (7) Seasonal
- (8) Cycles
- (9) Arcane

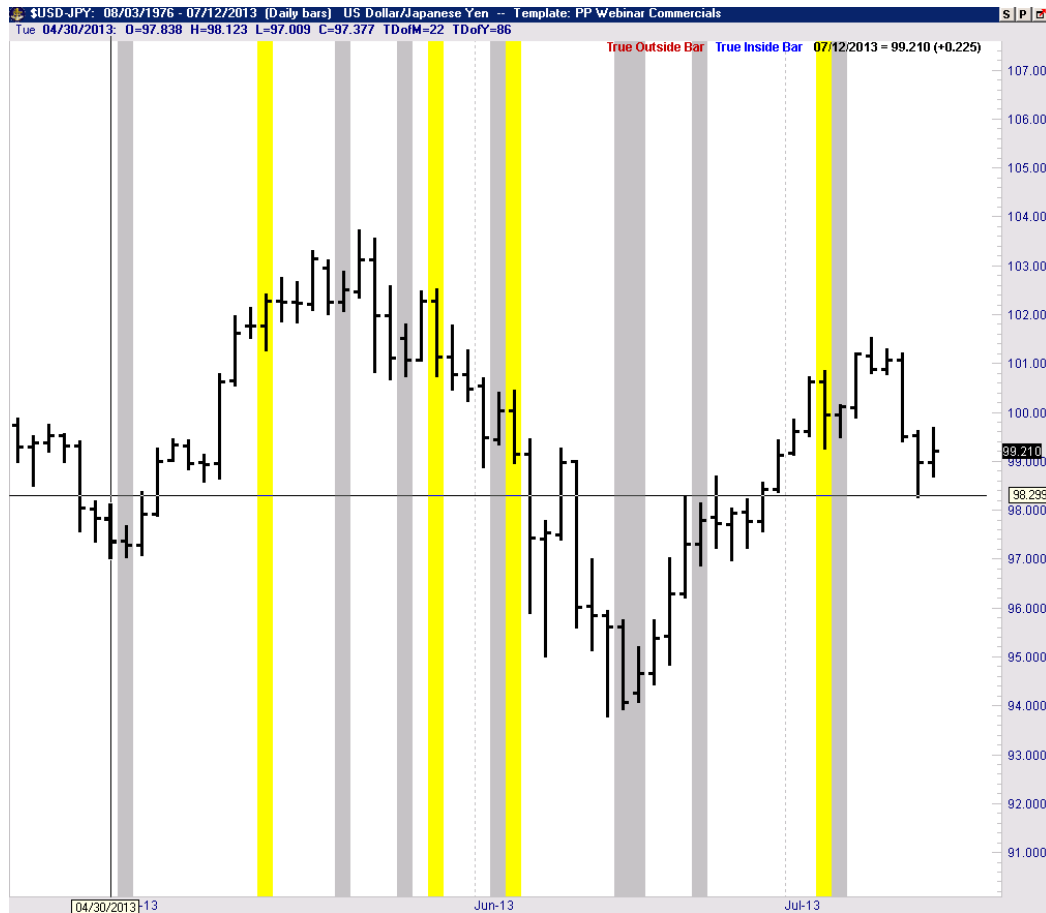


## Tools of the Trade

- (1) **Chartpatterns**
- (2) **Indicators**
- (3) Market Structure
- (4) Sentiment
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## InSide- & OutSide Bars



### OutSide Bar (yellow)

- High today > High yesterday
- Low today < Low yesterday

### InSide Bar (grey)

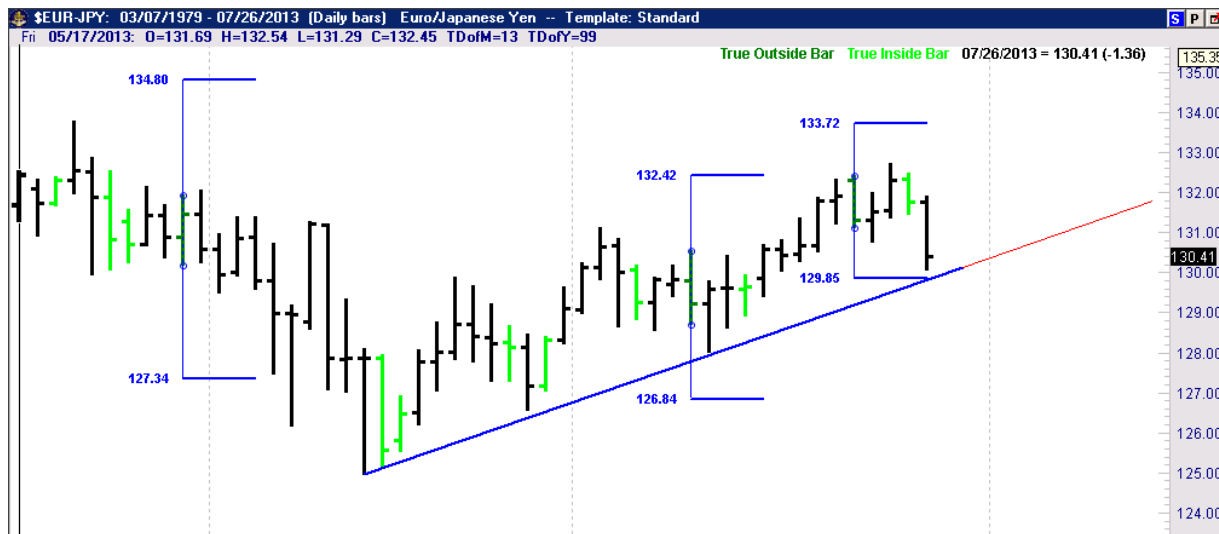
- High today < High yesterday
- Low today > Low yesterday

### Implications

- ID: calming down, consolidation
- OD: noise, disoriented

→ good trading setups!

## Using Outside Bar to Calculate Price Targets



- range (high-low) of OD
- add/subtract that value to/from the high/low of OD
- depending of the direction of the breakout

# GBPUSD Strategy

## Overall

Total Net Profit:	\$3,797	Profit Factor (\$Wins/\$Losses):	2.12
Total Trades:	157	Winning Percentage:	61.1%
Average Trade:	\$24	Payout Ratio (AvgWin/AvgLoss):	1.35
Max Closed-out Drawdown:	-\$415	CPC Index (PF x Win% x PR):	1.75
Max Intraday Drawdown:	-\$720	Expectancy (AvgTrade/AvgLoss):	43.53%
Account Size Required:	\$720	Return Pct:	527.4%
Open Equity:	\$0	Kelly Pct (AvgTrade/AvgWin):	32.31%
Percent in the Market:	2.6%	Optimal f:	0.78
Avg # of Bars in Trade:	1.45	Z-Score (W/L Predictability):	2.0
Avg # of Trades per Year:	4.8	Current Streak:	1 Wins

## Monthly Profit Analysis

Average Monthly Profit:	\$10	Monthly Sharpe Ratio:	0.13
Std Dev of Monthly Profits:	\$61	Annualized Sharpe Ratio:	0.45
		Calmar Ratio:	0.16

## Winning Trades

Total Winners:	96
Gross Profit:	\$7,186
Average Win:	\$75
Largest Win:	\$300
Largest Drawdown in Win:	-\$165
Avg Drawdown in Win:	-\$19
Avg Run Up in Win:	\$101
Avg Run Down in Win:	-\$19
Most Consec Wins:	14
Avg # of Consec Wins:	2.18
Avg # of Bars in Wins:	1.10

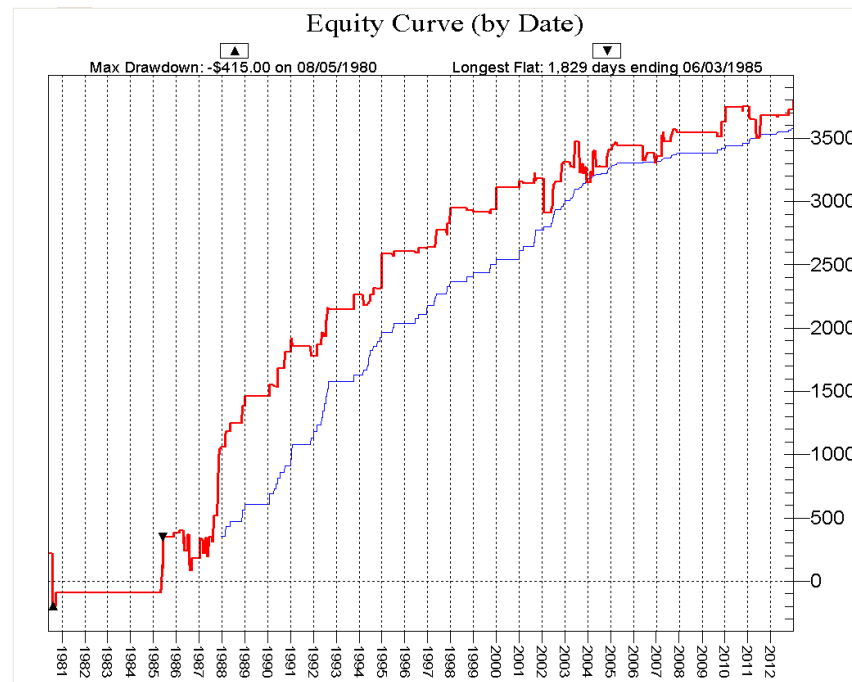
## Losing Trades

Total Losers:	61
Gross Loss:	-\$3,389
Average Loss:	-\$56
Largest Loss:	-\$415
Largest Peak in Loss:	\$84
Avg Peak in Loss:	\$24
Avg Run Up in Loss:	\$24
Avg Run Down in Loss:	-\$117
Most Consec Losses:	5
Avg # of Consec Losses:	1.42
Avg # of Bars in Losses:	1.98

**EnterLong:**  
Inside Bar and  
Open < Close and  
Close > MA (200)  
Buy High.2 STOP

**ExitLong:**  
RSI (2) > 50  
StopLoss: 100 Pips

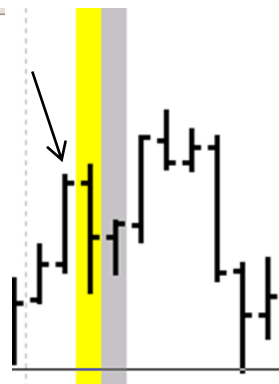
## Equity Curve GBPUSD





## EURUSD Strategy

<b>Overall</b>			
Total Net Profit:	\$950	Profit Factor (\$Wins/\$Losses):	<b>9.56</b>
Total Trades:	27	Winning Percentage:	77.8%
Average Trade:	\$35	Payout Ratio (AvgWin/AvgLoss):	2.73
Max Closed-out Drawdown:	<b>-\$34</b>	CPC Index (PF x Win% x PR):	20.30
Max Intraday Drawdown:	<b>-\$56</b>	Expectancy (AvgTrade/AvgLoss):	190.19%
Account Size Required:	\$56	Return Pct:	<b>1,696.4%</b>
Open Equity:	\$0	Kelly Pct (AvgTrade/AvgWin):	69.64%
Percent in the Market:	0.3%	Optimal f:	0.83
Avg # of Bars in Trade:	1.00	Z-Score (W/L Predictability):	1.8
Avg # of Trades per Year:	1.0	Current Streak:	3 Wins
<b>Monthly Profit Analysis</b>			
Average Monthly Profit:	\$3	Monthly Sharpe Ratio:	0.18
Std Dev of Monthly Profits:	\$16	Annualized Sharpe Ratio:	0.61
		Calmar Ratio:	0.62
<b>Winning Trades</b>		<b>Losing Trades</b>	
Total Winners:	21	Total Losers:	6
Gross Profit:	\$1,061	Gross Loss:	<b>-\$111</b>
Average Win:	\$51	Average Loss:	<b>-\$19</b>
Largest Win:	\$131	Largest Loss:	<b>-\$34</b>
Largest Drawdown in Win:	<b>-\$27</b>	Largest Peak in Loss:	\$78
Avg Drawdown in Win:	<b>-\$2</b>	Avg Peak in Loss:	\$24
Avg Run Up in Win:	\$65	Avg Run Up in Loss:	\$24
Avg Run Down in Win:	<b>-\$2</b>	Avg Run Down in Loss:	<b>-\$19</b>
Most Consec Wins:	7	Most Consec Losses:	1
Avg # of Consec Wins:	3.00	Avg # of Consec Losses:	1.00
Avg # of Bars in Wins:	1.00	Avg # of Bars in Losses:	1.00



**EnterLong:**  
 Outside Bar and  
 Open > Close and  
 Close > MA (200)  
 Buy High STOP

**ExitLong:**  
 RSI (2) > 50  
 StopLoss: 100 Pips

## EURGBP Equity

### Overall

Total Net Profit:	\$6,803	Profit Factor (\$Wins/\$Losses):	<b>2.97</b>
Total Trades:	200	Winning Percentage:	69.5%
Average Trade:	\$34	Payout Ratio (AvgWin/AvgLoss):	1.30
Max Closed-out Drawdown:	<b>-\$379</b>	CPC Index (PF x Win% x PR):	2.69
Max Intraday Drawdown:	<b>-\$443</b>	Expectancy (AvgTrade/AvgLoss):	60.16%
Account Size Required:	\$443	Return Pct:	<b>1,536.9%</b>
Open Equity:	\$0	Kelly Pct (AvgTrade/AvgWin):	46.12%
Percent in the Market:	3.9%	Optimal f:	0.81
Avg # of Bars in Trade:	1.70	Z-Score (W/L Predictability):	0.3
Avg # of Trades per Year:	6.4	Current Streak:	2 Wins

### Monthly Profit Analysis

Average Monthly Profit:	\$18	Monthly Sharpe Ratio:	0.26
Std Dev of Monthly Profits:	\$65	Annualized Sharpe Ratio:	0.90
		Calmar Ratio:	0.49

### Winning Trades

Total Winners:	139
Gross Profit:	\$10,252
Average Win:	\$74
Largest Win:	\$328
Largest Drawdown in Win:	<b>-\$221</b>
Avg Drawdown in Win:	<b>-\$26</b>
Avg Run Up in Win:	\$119
Avg Run Down in Win:	<b>-\$26</b>
Most Consec Wins:	14
Avg # of Consec Wins:	3.16
Avg # of Bars in Wins:	1.57

### Losing Trades

Total Losers:	61
Gross Loss:	<b>-\$3,449</b>
Average Loss:	<b>-\$57</b>
Largest Loss:	<b>-\$215</b>
Largest Peak in Loss:	\$216
Avg Peak in Loss:	\$43
Avg Run Up in Loss:	\$43
Avg Run Down in Loss:	<b>-\$105</b>
Most Consec Losses:	4
Avg # of Consec Losses:	1.42
Avg # of Bars in Losses:	1.98

### EnterLong:

Low < Lowest (Low , 20) And  
RSI (Close , 2 , False) < 50 And  
RateOfChange (Close , 200) > 0

### ExitLong:

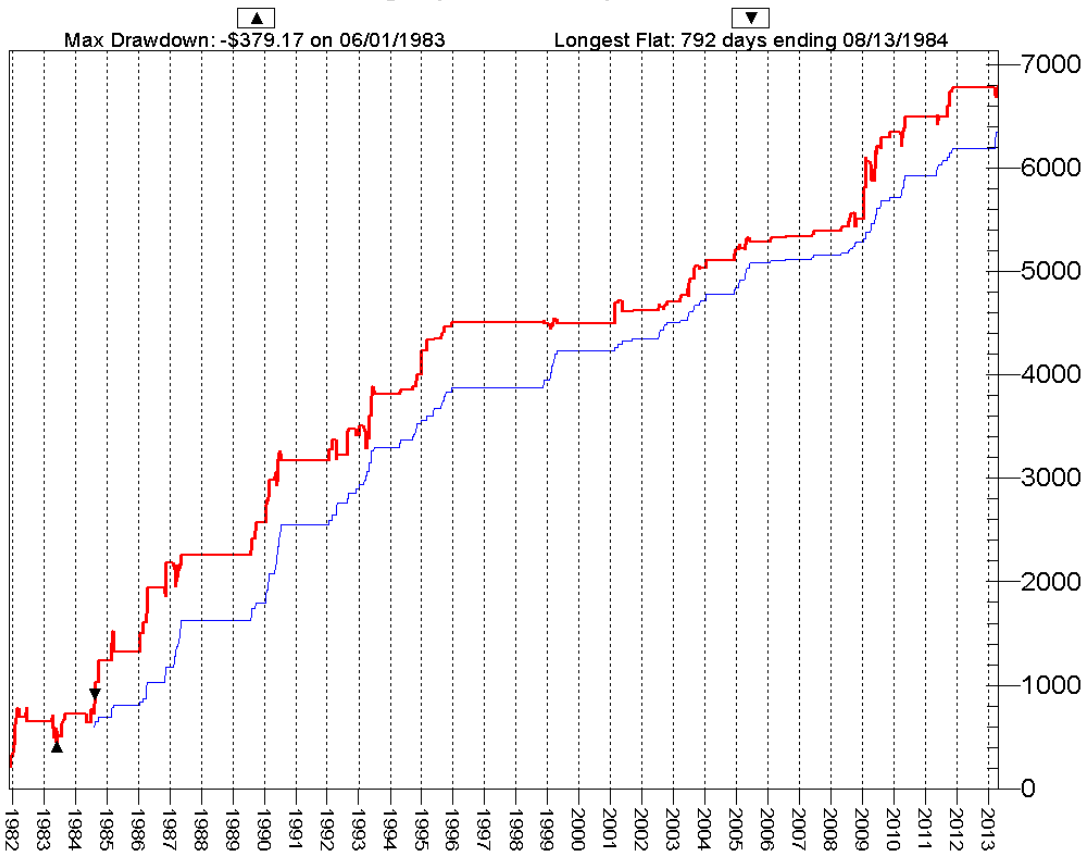
RSI (2) > 50

### StopLoss:

100 Pips

# EURGBP Strategy Equity

Equity Curve (by Date)



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