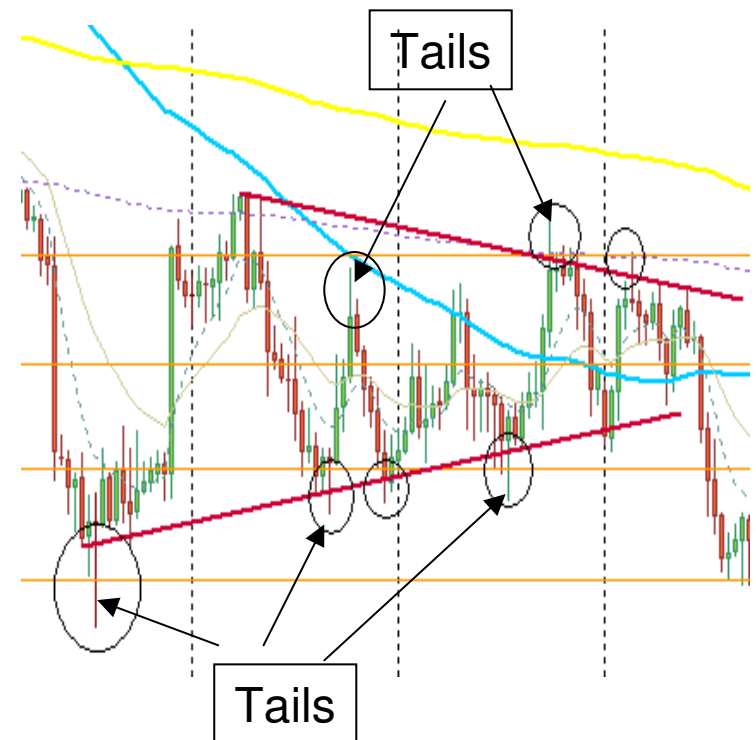


As to profit target I will change the phrase so that it does not confuse us. When planning my trade I talk about a first profit target and not profit taking as I don't have the deal open yet. I will talk about profit target area as I don't work to the exact pip. If the price level which are say at 1.3000 is the profit target I have in mind when planning the trade I never set my actual profit taking at 1.3000 as that is where the price sometimes turn around and you miss the profit with 2 to 3 pips. I use an area 5-10 pips away to take profit. If my estimate of profit is 30 pips I will never let a 25 pip gain become a loss. I will close 40%-50% on 25 pips gain and then either set the remainder on breakeven or use the 25 pip gain to set the stoploss on the remainder to 25 so that when that is hit I will break even on total. I will only do the latter if I am convinced that there is potential for further moves otherwise I cash in 40-50% and set the rest at breakeven. There are so many deals coming that by taking partial profits and the rest is taken out at breakeven you can manage 100+ pips a month just on the partial profits made. When the setup does not look like the perfect setup one must know that it can go wrong so take early profits and make sure that the worst should be breakeven or a very minor loss. That is part of money management.

The setup to the EurUsd you people took was not a wrong decision. It wasn't the perfect round top. I wasn't live at that stage so I also might have taken it although I did not like the looks of it. I was however very aware of a shooting star that goes beyond the trendline as we are on strong resistance area as you have also stated. They know the short deals are in and the stops is above the trendline. Just look at history and see how many times at resistance/support you get a penetration of that. There is two set of stops taken out. The ones that went short and the ones that put in orders for the breakout trade. So by piercing the trendline they trigger the breakout orders and take out the stops of the short orders and then the price comes down taking out the stops of the breakout orders. Two in one. Not bad for whosoever is doing this. Might be the big guys. Have not met one of them yet.

Just be aware of this. When you see that action you know what the true direction is. Take it on. That is what I did yesterday on the EurUsd when the price came back to 1.3030 I took it on with a stop of 33 as the damage was already done by them. The tail is not reflected in the MACD as the close of the candle is nicely back within the channel or trendline. Just be aware of this. Those tails serves as beacons to me especially if they occur at strong trendline, pricelevel, moving average etc. support or resistance levels. If the MACD shows a signal with it (it normally does) I take it on.



COMPLETE PICTURE

Just have a look at the support and resistance that is created with the Moving averages as well as the drawing of the trend lines. When for instance making deal 13 (on the MACD window) with all the support and resistance prior to the deal in place where do you expect the trade to go to set a profit taking area. Just do it on all your deals and you will find how easy it gets the more you do it. **Look at the Tails**

