

Goals

In no particular order my goals include

- Build a trading account that become my primary source of income
- Branch out into trading other securities/investments, such as Options, Stocks, Bonds, Real Estate, etc.
- Build an Emergency Fund
- Quit Delivery Job
- Trading and Investing becomes my primary career
- Purchase a Home
- Surprise my wife with something for all the support and encouragement she has given me over the years
- Write my parents and mother in law a very large check
- Savings Accounts for Kids
- New Truck
- Travel

Trading Style

- Trade Sunday thru Thursday after work and/or supper.
- Trade the 18 Common Currency Pairs – USD/CAD, EUR/USD, USD/CHF, GBP/USD, NZD/USD, AUD/USD, USD/JPY, EUR/CAD, EUR/AUD, EUR/JPY, EUR/CHF, EUR/GBP, AUD/CAD, GBP/CHF, GBP/JPY, CHF/JPY, AUD/JPY, AUD/NZD
- Daily Charts
- Price Action Trading
- Every trade includes a Trailing Stop, which is .3% from my Entry Order and the stop will adjust with profit 10 pips at a time. For example, if profit increases 10 pips my stop loss will automatically move 10 pips and it will continue to do this until the trade is stopped out.
- Each trade will risk 2% of Capital
- Use Position Size Calculator¹

Chart Patterns Used in this Plan

Double Top²

- Forms after an Uptrend
- Indicates a Reversal Signal to the Down Side
 - o Create an Entry Order to go short five pips below the neckline

Double Bottom³

- Forms after a Downtrend

Click on corresponding footnotes to see more info and pictures of examples

¹ Position Size Calculator, <http://www.babypips.com/tools/forex-calculators/positionsize.php>

² BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/doubles.html>

³ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/doubles.html>

- Indicates a Reversal Signal to the Up Side
 - o Create an Entry Order to go long five pips above the neckline

Head and Shoulders⁴

- Forms after an Uptrend
- Indicates a Reversal Signal to the Down Side
 - o Create an Entry Order to go short at the neckline

Inverse Head and Shoulders⁵

- Forms after a Downtrend
- Indicates a Reversal Signal to the Up Side
 - o Create an Entry Order to go long at the neckline

Rising Wedge⁶

- Is an uptrend and indicates a signal to the down side
 - o Look for a candle indicating a downward signal and enter trade with a Market Order

Falling Wedge⁷

- Is a downtrend and indicates a signal to the up side
 - o Look for a candle indicating an upward signal and enter trade with a Market Order

Rectangles⁸

- Forms after a trend and continues the trend
 - o Draw support and resistance lines for rectangle
 - o Enter the trade when a breakout occurs
 - If the trend was down before the rectangle formed Create an Entry Order at Support
 - If the trend was up before the rectangle formed create an Entry Order at Resistance

Pennants⁹

- Forms after a very long bodied candle or several candles with the design of a flagpole
 - o The pennate will most likely breakout into the same direction
 - o Plot trend lines to find where price is consolidating
 - o Enter a market order when price breaks out
 - Go short or long depending on the direction of the long body candle

⁴ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/head-and-shoulders.html>

⁵ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/head-and-shoulders.html>

⁶ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/wedges.html>

⁷ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/wedges.html>

⁸ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/rectangles.html>

⁹ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/pennants.html>

Triangles¹⁰

Symmetrical

- Forms creating lower highs and higher lows
- Draw trend lines showing consolidation
- Go short or long depending on where the breakout occurs

Ascending

- Forms creating an upward trend with a significant resistance line
 - o Create two entry orders
 - One to go long above resistance
 - One to go short below the trend line

Descending

- Forms creating a downward trend with a significant support line
 - o Create two entry orders
 - One to go short below support
 - One to go long above the trend line

Trade Maintenance

Go through charts to see if there are any adjustments to make to previous entry orders

Reversal Candlesticks¹¹

For some charts a reversal candlestick is needed to enter the trade. Here's the list I'll be considering.

- Shooting Star
- Spinning Top
- Marubozu
- Doji
- Hammer
- Hanging Man
- Inverted Hammer
- Shooting Star
- Bullish Engulfing
- Harami
- Dark Cloud Cover
- Piercing Line
- Long White Candle + Doji
- Long Black Candle + Doji
- Tweezer Bottoms
- Tweezer Tops

¹⁰ BabyPips.com, <http://www.babypips.com/school/middle-school/important-chart-patterns/triangles.html>

¹¹ BabyPips.com, <http://www.babypips.com/school/elementary/japanese-candle-sticks/basic-candlestick-patterns.html>

Forex Price Action Trading Plan

Eric Hempler

- Morning Star
- Evening Star
- Three White Soldiers
- Three Black Crows
- Three Inside Up
- Three Inside Down

End Notes

I'm already realizing learning to trade is a process and there are times I can over analyze something and sometimes get easily discouraged. This is mostly because I'm new to this and may have high expectations for success.

There are also times where I may ask the same question twice. This is typically because I'm struggling with something, but I'm not quite sure what it is I'm trying to figure out or even know what to ask. Sometimes it's a process that I just have to work thru to figure out the destination.

However, as long as I communicate my questions with the instructors at Maverick Trading most of these fears and weaknesses will subside because I find having a support system in place helps me work towards my goals.

Additional Notes

I welcome all suggestions I receive from the instructors and peers at Maverick Trading.