



Trading Focus

New York Live Room Changes

Starting in January, Pablo Orellana will be running the New York Training room. Currently Pablo is the mentoring analyst in the London session.

Pablo is a Fast Tracker and has been running the London room since August of 2015. We feel that the continuity from the London room analysis will be especially beneficial to traders who are just entering in the New York session.

How will this work?

Scott Barkley will still start the New York room and after the video intro will get pip captures from all traders (Fast Trackers, Subscribers and Demo traders). He will then turn the room over to Pablo at about 10:00 AM ET for continuing analysis.

Scott will then move with all Fast Trackers to the Market Analysis room for a focused time with Fast Trackers and their proprietary methodology.

We believe this will give each trader the best opportunity to grow and find their own success in the Forex.

Trump Win May Help Traders

The Dodd-Frank Financial disaster law may be repealed since Donald Trump has been elected. He has promised to repeal any regulations that stifle business growth and the Dodd-Frank bill is one of them. USA traders must deal with FIFO and the lack of ability to trade Gold or silver with leverage.

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Pablo Orellana



How to build confidence in trading

A necessary attribute of successful traders

Trading is a high-performance activity. As so we need to develop some psychological skills. The best players of the world are those who have developed those internal skills that prevent them from doing trading mistakes that the amateur is doing day after day. What makes

a trader, player, musician, Formula 1 driver the best is how they handle their internal conflicts in a way that the execution of what they know is flawlessly and faultless.

One of the most important traits that successful traders have is confidence. According to dictionary.com, confidence is "full trust; belief in the powers, trustworthiness, or reliability of a person or thing" (Dictionary).

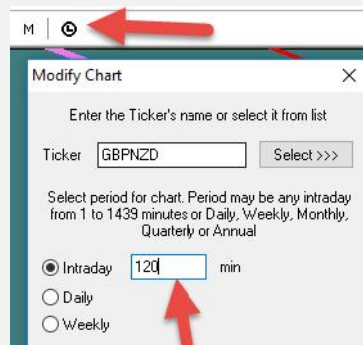
Having a probabilistic mindset is crucial to have confidence in trading. To think probabilistic means thinking in a series of trades versus the next single trade. Pablo Orellana

Trading Tip

We trade in the first two hours of the session. Why? That is when we always have overlapping markets.

- 1) Sidney, Singapore, Asian
- 2) Asian, London
- 3) London New York

Many times, just changing your charts time compression to a 120 minute will show you a view that makes sense for the next 2 hours.



Confidence will create the right state of mind and positive winning attitude necessary to have a good execution of a trading plan. Also, it will help overcoming any fear that the trader may have.

I am going to talk in this article about the 3 things that we need in order to develop this necessary attribute of successful traders.

With confidence, you have won before you have started.

1. A trading plan

A trading plan will establish the rules necessary to execute an edge or set-up. It helps the trader to take objective decisions based on a systematic approach instead of what he thinks it will happen.

Trading mechanically instead of discretionally helps to learn what works and what doesn't. If you trade without rules, you will be a victim of your emotions and every time you see an opportunity you will be executing it in a different way.

A trading plan is necessary to be able to identify objectively a set-up or trading opportunity and execute it in the same way. Anything that has not been written down will make you think and that is what gets you in trouble.

The best traders are focused on the process of following their trading plans instead of the outcome of the next trade. They are disciplined. They plan

their traders and trade their plans.

1. Paper trading

Paper trading is the process of trading in the past using historical information. This is a key to becoming successful trader by gaining confidence.

Paper trading helps to achieve the following objectives:

a. Build reticular cognition

According to ProAct Traders, “Reticular cognition is the database your brain builds when you focus on doing repetitions of a single task” (ProAct, 2014).

We have seen the example of the arrow inside the FedEx logo. Everybody is looking at the logo but we look at the arrow. It is the same way in the markets. Day in and out, the markets presents some patterns that our brain must recognize in order to take advantage of them. The markets communicate in its own language and we must be unconsciously competent in understanding that language.

b. Know the statistical viability of a set-up

Testing a set-up on historical data to ensure its viability will help to build the confidence to take any single signal in the future because you know for yourself that the methodology works.

Also, you will have some important statistics such as the probable losing streak that it may present in the future so you will not freak out by being prepared controlling the risk if that happens.

a. Gain experience faster

FedEx Logo

The FedEx logo has been around for many years. Most people have seen this logo thousands of times. Hidden inside the logo is an arrow...Can you see it?



That is representative of what we are looking for in trading. The world sees the FedEx, we see the Arrow!

Paper trading in different trading environments will let you know how a specific set-up or methodology works in each one of them. When you have paper traded a significant sample size you will be prepared for anything that happens in the future.

1. A probabilistic mindset

To know what is a probability doesn't mean a trader thinks probabilistic.

Having a probabilistic mindset is crucial to have confidence in trading. To think probabilistic means thinking in a series of trades versus the next single trade. It means you don't need to know what is going to happen next in order to produce a consistent income. You only need to know what the statistical reliability of the methodology is over a series of trades.

A trader with this mindset will always control risk by trading very small but often to have enough sample to get to the expected return. He will be consistently trading his plan even after a losing streak. They accept losing as part of the game. Losses are just the cost of doing business. Businesses are not able to generate profits without recurring in some costs. It is the same in trading.

Pablo Orellana

Bibliografía

Dictionary. (s.f.). *Dictionary*. Recuperado el 15 de 12 de 2016, de <http://www.dictionary.com/browse/confidence>

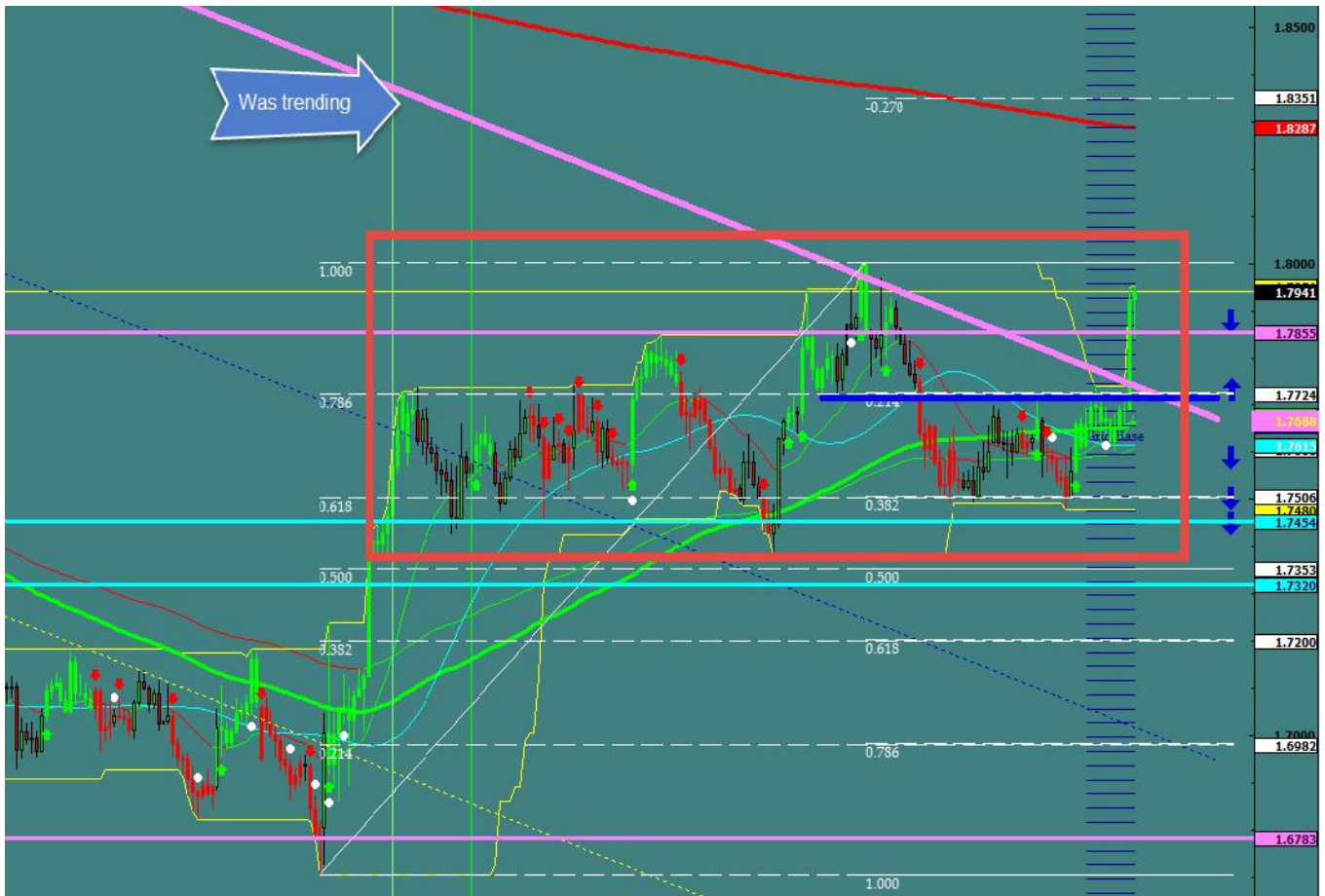
ProAct. (23 de 6 de 2014). *ProAct Traders*. Recuperado el 15 de 12 de 2016, de <https://proacttraders.desk.com/customer/en/portal/articles/1600960-what-is-meant-by-%22reticular-cognition%22-and-how-does-it-apply-to-my-studies->



Scott Barkley

To Trend or not to Trend?

Sometimes the charts show that you were trending then out of the blue it appears that you are not. In the screenshot below you can see the Pink trend line which notes that on the Day chart you are trending. However, you can see that down here on the 240 you are clearly not. REMEMBER, we trade the 240 chart not the day chart! Put the sideways move in the box and Fib the whole move and then trade to the fibs. When it resumes trending, put it back in the trend and rework the whole chart.



Running into a snag?

Remember, Subscribers can schedule a one on one with Scott. I can usually solve a problem in about 10 minutes. You simply go to the contact us page and send the request. We will schedule it when it is convenient for both of us. We will do it online in a private room. Don't struggle alone.

We pay cash for your referrals!

Every person you refer who subscribes will make you \$50 per month for as long as they are subscribers. We have traders who get their charts 100% rebated every month – it just takes 4 referrals.



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No Trader Left Behind

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