SETTING UP A WINNING TRADING SYSTEM

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Screen (Monitor) # 1

Bollinger Bands at 20 per Exponential Average

Moving Average Exponential at 60

TTM_Squeeze set at 14

Volume Zone Oscillator at 14, 6

Woodies CCI at 6 (short length), 14 (long length)

ATR at 10

Screen (Monitor) #2

CCI Average at 14, 6

RSI 14, 70, 30

Rate Of Change 14, 14

MACD 12, 26, 50

Volume Profile in the Expansion Area on the right side of the screen

As you will see and note from above, you'll need two (2) computer monitors.

Next, I've made available 3 modified studies which work pretty well.

Finally, on page 7 is the trading algorithm I use.

Happy trading!!!

MY MODIFIED STUDIES

The following studies are free to copy and paste into “Edit Studies and Strategies”

Edited Volume Zone Oscillator:

```
declare lower;

input length = 14;
input VZOAverageLength = 6;

def VP = ExpAverage(Sign(close - close[1]) * volume, length);
def TV = ExpAverage(volume, length);

plot VZO = 100 * VP / TV;
plot "+60" = 60;
plot "+30" = 30;
plot "-30" = -30;
plot "-60" = -60;
plot ZeroLine = 0;
plot VZOAverage = Average(VZO, VZOAverageLength);

VZO.SetDefaultColor(GetColor(1));
VZOAverage.SetDefaultColor(GetColor(8));
```

```
"+60".SetDefaultColor(GetColor(5));
"+30".SetDefaultColor(GetColor(4));
"-30".SetDefaultColor(GetColor(4));
"-60".SetDefaultColor(GetColor(6));
```

Edited CCI Average Study:

```
declare lower;

input cciLength = 14;
input cciAvgLength = 6;
input over_sold = -200;
input over_bought = 200;

plot CCI = CCI(length = cciLength);
plot CCIAvg = Average(CCI, cciAvgLength);
plot OverBought = over_bought;
plot OverSold = over_sold;
plot "+100" = 100;
plot "-100" = -100;
plot ZerobaseLine = 0;

CCI.setDefaultColor(GetColor(9));
```

```
CCIAvg.setDefaultColor(GetColor(8));
OverBought.setDefaultColor(GetColor(5));
OverSold.setDefaultColor(GetColor(5));
ZerobaseLine.setDefaultColor(GetColor(6));
"+100".SetDefaultColor(GetColor(4));
"-100".SetDefaultColor(GetColor(4));
```

Edited RSI Study:

```
declare lower;

input length = 14;
input over_Bought = 70;
input over_Sold = 30;
input price = close;
input averageType = AverageType.EXPONENTIAL;
input showBreakoutSignals = no;
input RSIAverageLength = 9;

def NetChgAvg = MovingAverage(averageType, price - price[1], length);
def TotChgAvg = MovingAverage(averageType, AbsValue(price - price[1]), length);
def ChgRatio = if TotChgAvg != 0 then NetChgAvg / TotChgAvg else 0;
```

```
plot BaseLine = 50;

plot RSI = 50 * (ChgRatio + 1);

plot OverSold = over_Sold;

plot OverBought = over_Bought;

plot UpSignal = if RSI crosses above OverSold then OverSold else Double.NaN;

plot DownSignal = if RSI crosses below OverBought then OverBought else
Double.NaN;

plot RSIAverage = Average(RSI, RSIAverageLength);


UpSignal.SetHiding(!showBreakoutSignals);

DownSignal.SetHiding(!showBreakoutSignals);


RSI.DefineColor("OverBought", GetColor(5));

RSI.DefineColor("Normal", GetColor(7));

RSI.DefineColor("OverSold", GetColor(1));

RSI.AssignValueColor(if RSI > over_Bought then RSI.color("OverBought") else if RSI
< over_Sold then RSI.color("OverSold") else RSI.color("Normal"));

RSIAverage.SetDefaultColor(GetColor(8));

BaseLine.SetDefaultColor(GetColor(4));

OverSold.SetDefaultColor(GetColor(8));

OverBought.SetDefaultColor(GetColor(8));

UpSignal.SetDefaultColor(Color.UPTICK);

UpSignal.SetPaintingStrategy(PaintingStrategy.ARROW_UP);

DownSignal.SetDefaultColor(Color.DOWNTICK);

DownSignal.SetPaintingStrategy(PaintingStrategy.ARROW_DOWN);
```

1. Find Points and Levels of Major and Minor Support and Resistance
    a. DAILY MONKEYBARS → MonkeyBar PlayGround High and Low Levels
        i. MAJOR Support and Resistance: MonkeyBar's PlayGround Levels
            1. Major Support: VolumeProfile | Point-Of-Control | VALow
                a. Where Woodies SideWinder hits or crosses below the -200
                b. Where the CCI_Average's CCI or VZO bottoms out and HOOKS
                c. Where VERY LARGE candlestick bars bottomed
            2. Major Resistance: VolumeProfile | Point-Of-Control | VAHigh
                a. Where Woodies Sidewinder hits or crosses above the +200
                b. Where the CCI_Average's CCI or the VZO peaks out and HOOKS
                c. Where VERY LARGE candlestick bars topped out
        ii. MINOR Support and Resistance → Where Woodies TCCI Hooks
            1. Minor Support: The market crossed above the Major Resistance
                a. Where Small Bars occurred or Woodies CCI is at or near the ZL
            2. Minor Resistance: The market crossed below the Major Support
                a. Where Small Bars occurred or Woodies CCI is at or near the ZL
2. Wait for Points and Levels of Quietude and Consolidation in the Market
    a. Both the SqueezeAlert and Woodies Side Winder are Neutral/Flat
3. ENTRIES FOR TRADES:
    a. Observe volume changes: Increased volume = increasing interest & Δ'S
    b. The ATR must be "< less than" the Average ATR and ↓ decreasing
    c. Either the TTM_Squeeze or Woodies Side Winder have been neutral
    d. Look for Bandwidth Convergence of the Bollinger Bands
    e. VolumeZoneOscillator → Consolidation and Hooks at a same level
    f. Note the direction of the VZO Average and its relationship to the VZO
        i. ↑ Average ~ Buy (open) a "long position" and market > 60 EMA
        ii. ↓ Average ~ SELL (open) a "short trade" and market < 60 EMA
    g. CCI crossed ↑ CCI_Average or CCI crossed ↓ CCI_Average
    h. RSI is either trending greater than > 0 or less than < 0
    i. Rate-Of-Change is on or near its Zero Line and Changed Color
    j. The MACD must be indicating a strong trend direction ↑ or ↓
4. STOP LOSS: Based upon the entry point and volatility of the market
5. WAIT FOR A MARKET LEADER TO TRIGGER AND SET THINGS IN MOTION