

Loss Reflection

When we came to the charts:



H 4

We identified a descending trend line and a key level shown by the double bottom. We were open to buys or sells but preferred the sells.



H 1

There were clean ranges either side of the Asian range. A breakout either way is possible, but we'd prefer sells as they're with the trend.

Time of entry:



1. Trend line drawn on H4 timeframe and used on the M30 as a potential area of resistance. The higher timeframes are trending bearish. If we end up taking a buy, we can use this area as a target

2. This resistance marks the high of the Asian session. As usual, we'll look for a break of this level with London volume

3. This M30 candle closed slightly above the level mentioned at (2). If the next candle prints a bottom wick first, we can enter a buy as it breaks this high

4. After entering the buy, this candle came back down and broke its own low, triggering our stop-loss

The stop-loss was originally placed under the bottom wick of the candle of which we entered. Usually once a bottom wick is made and the previous high is broke, price continues moving up without flipping bearish and extending its bottom wick. In this instance, the candle did not continue higher after entry - potentially because of a lack of volume trading against the trend

Trade Result: -10 pips (-1R)

Positives

- All timeframes were bullish
- Traded with the intraday momentum
- Identified key level and anticipated volume

Negatives

- Traded against the trend
- Breakout candle was quite weak
- Buy stop was too close to previous wick
- Not much LTF structure used as confirmation