Not all trades are equal. Combining multiple indicators to confirm the trade idea can help to increase the strength of a trade idea. This document teaches how to assign a point value to each trade idea.

3 Point = Good trade
4 Point = Better trade
5+ Points = Best trade

ARROW INDICATOR

Arrow = 3 points

RSI AND STOCHASTICS INDICATORS

For a PUT OPTION, a CROSS DOWN through the red dashed line = 0.5 point
For a CALL OPTION, a CROSS UP through the green dashed line = 0.5 point

Examples:
MOVING AVERAGE LINE INDICATOR

For a **PUT OPTION**, if price is BELOW the **PURPLE MOVING AVERAGE LINE** = 0.5 point
For a **CALL OPTION**, if price is ABOVE the **PURPLE MOVING AVERAGE LINE** = 0.5 point

CURRENCY STRENGTH METER

For a **PUT OPTION**, the second currency in the pair is stronger (favoring an downtrend) = 1 point
For a **CALL OPTION**, the first currency in the pair is stronger (favoring an uptrend) = 1 point

Understanding the Currency Strength Meter
The standard settings Bollinger Band includes 2 standard deviations from the mean, which means that 98.3% of all price movement activity will take place inside the top and bottom bands. Price tends to reverse when it reaches either the top band line, or the bottom band line. It also can reverse when price reaches the middle (mean) line.

Example: The red arrows below show how the price reversed at either the top, bottom, or mean line.
READING THE CHART

A candlestick chart with its indicators, is meant to give you a visual representation of price-based data so that you can more easily and quickly make trade decisions.

Example: The red arrows point to the applicable indicators that add points to the trade idea. In the 4 trade ideas, they indicate a 5-point PUT, a 4-point CALL, a 4-point CALL, and a 5-point PUT. Additional points could be added for the currency strength meter.