

### **uptrend Setup Conditions**

A) 40 SMA is flat or going up 8 5 EMA has turned up a minimum of 2 successive bars (ignoring flat EMA bars) as of setup bar and has not turned down 2 or more successive bars (ignoring flat EMA bars) as of setup bar

B) HH2 = HH5

C) Setup bar high > 40 SMA & setup bar low < 5 EMA

D) ADX5>25

### **Uptrend Setup Conditions**

1) Stand aside if a Spring Method trade is open. This is because the Spring Method is trading a counter trend move which usually will overpower an Overdrive Method setup.

2) Stand aside if an Overdrive Method trade is open and another Overdrive Method setup occurs.

3) Stand aside if two successive Overdrive Method trades occur before the EMA has turned down by at least 2 successive bars (ignoring flat EMA bars).

### **Uptrend Entry Rules**

Once a setup bar occurs, we can consider placing a trade for the following bar as follows:

**Buy at the market immediately after the setup bar closes**

## Uptrend Initial Stop

- When the entry order to buy is filled, immediately place the initial stop order as follows:

**Sell at the Entry Price — 1 ATR20 Stop**

## Uptrend Follow up stop

If not stopped out on the initial stop, change the stop after the close of each bar as follows, as long as this new stop is higher than the old stop:

**Sell at the previous bar low — 2 Pips Stop**

## Uptrend Follow Up Stop 2

- 1) As soon as you have an open profit of at least 75% of 1 ATR20 and the entry price is the previous bar low, change the stop to breakeven as follows:

**Sell at the Entry Price Stop**

## Uptrend Exit strategy

**1. Exit half of the position at a predetermined profit target based on 1 ATR20 (as of setup bar) and tighten up the stop on the remaining 1/2 position as soon as possible.**

**2. Exit the remaining 1/2 of the position at a predetermined profit target based on 2 ATR20 (as of setup bar).**

**Profit Target 1 exit:**

**Sell remaining 1/2 position at Entry Price + 1 ATR20 Limit**

**1) Sell ½ position at Entry Price + 1 ATR20 Limit • When Profit Target 1 is hit, change the stop on the remaining ½ position to previous bar low — 2 pips stop if greater than breakeven.**

**2) Continue to move the stop up after each bar closes as follows:  
Sell remaining ½ position at previous bar low-2 pips stop**

**• Profit Target 2 exit:**

**Sell remaining 1/2 position at Entry Price + 2 ATR20 Limit**

### **Downtrend Setup Conditions**

A) 40 SMA is flat or going down & 5 EMA has turned down a minimum of 2 successive bars (ignoring flat EMA bars) as of setup bar and has not turned up 2 or more successive bars ignoring flat EMA bars) as of setup bar

B)  $LL2 = LL5$

C) Setup bar low  $< 40$  SMA & setup bar high  $> 5$  EMA

D.  $ADX5 > 25$

### **Downtrend Setup Conditions**

1) Stand aside if a Spring Method trade is open. This is because the Spring Method is trading a counter trend move which usually will overpower an Overdrive Method setup.

2) Stand aside if an Overdrive Method trade is open and another Overdrive Method setup occurs.

3) Stand aside if two successive Overdrive Method trades occur before the EMA has turned up by at least 2 successive bars (ignoring flat EMA bars).

### **Downtrend Entry Rules**

**Sell at the market immediately after the setup bar closes**

### **Downtrend Initial Stop**

**Buy at the Entry Price + 1 ATR20 + Spread Stop**

### **Downtrend Follow Up stop 1**

If not stopped out on the initial stop, change the stop after the close of each bar as follows as long as this new stop is lower than the old stop:

**Buy at the previous bar high + 2 Pips + Spread Stop**

### **Downtrend Follow Up stop 2**

1) As soon as you have an open profit of at least 75% of 1 ATR20 and the entry price < previous bar high, change the stop to breakeven as follows:

**Buy at the Entry Price Stop**

### **Downtrend Exit strategy**

1) Exit half of the position at a predetermined profit target based on 1 ATR20 (as of setup bar) and tighten up the stop on the remaining 1/2 position as soon as possible.

2) Exit the remaining 1/2 of the position at a predetermined profit target based on 2 ATR20 (as of setup bar).

### **Profit Target 1 exit:**

**Buy 1/2 position at Entry Price - 1 ATR20 limit**

1) When Profit Target is hit, change the stop on the remaining 1/2 position to previous bar high + 2 pips + spread stop if less than breakeven.

**2) Continue to move the stop down after each bar closes as follows:  
Buy remaining 1/2 position at previous bar high + 2 pips + spread stop**

**Profit Target 2 exit:**

**Buy remaining 1/2 position at Entry Price - 2 ATR20 Limit**