FOREX TRADING

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FOREX MARKET



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Disclaimer

Trading foreign exchange on margin carries a high level of risk and may not be suitable for all investors. The high degree of leverage can work against you as well as for you. Before deciding to trade foreign exchange you should carefully consider your investment objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your initial investment and, therefore, you should not invest money you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading and seek advice from an independent financial advisor if you have any doubts.

FOREX INTRO…



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What is Forex?

Foreign Exchange (Forex or FX): The exchange of one currency for another or the conversion of one currency into another currency.

Foreign exchange also refers to the global market where currencies are traded virtually around the-clock.

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The Forex market is the world's largest financial market.

If you have traveled, you probably already have forex trading experience: when you buy the currency of your destination country while paying with your own currency, that is Forex trading. An estimated USD 5 trillion is traded daily. The Forex market is the world's largest financial market, and since trading is between market participants, there is no "open" or "close" of market except on weekends.

FOREX INTRO…

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HISTORY OF FOREX

- Long long Ago- exchange of goods to goods
- 2600BC- Egyptian introduced gold(people valued it)
- 1500BC – Gold started to be used for international trade- Here started exchange of Gold for goods and goods for Gold
- 700BC-First gold coins were created
- 17th century- paper money introduced and around 18th century bacame very popular

FOREX INTRO…

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- At this time Gold standard became the first standardized means of exchange in history.
- After WWII, Gold standard lost it meaning
- 7.1944- Gold replaced by dollar in Bretton woods agreement.

BRETTON WOODS –OUTCOMES

- Fixed Exchange Rates
- USD-primary Reserve Currency

Creation of two organizations

IMF & World Bank

FOREX INTRO…



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1971- President of USA closed the Gold window by telling other countries that USA will no longer exchange Gold for USD held in foreign reserve. Since then the world has been using FOREIGN EXCHANGE BETWEEN CURRENCIES- (FOREX MARKET)

FOREX SESSIONS



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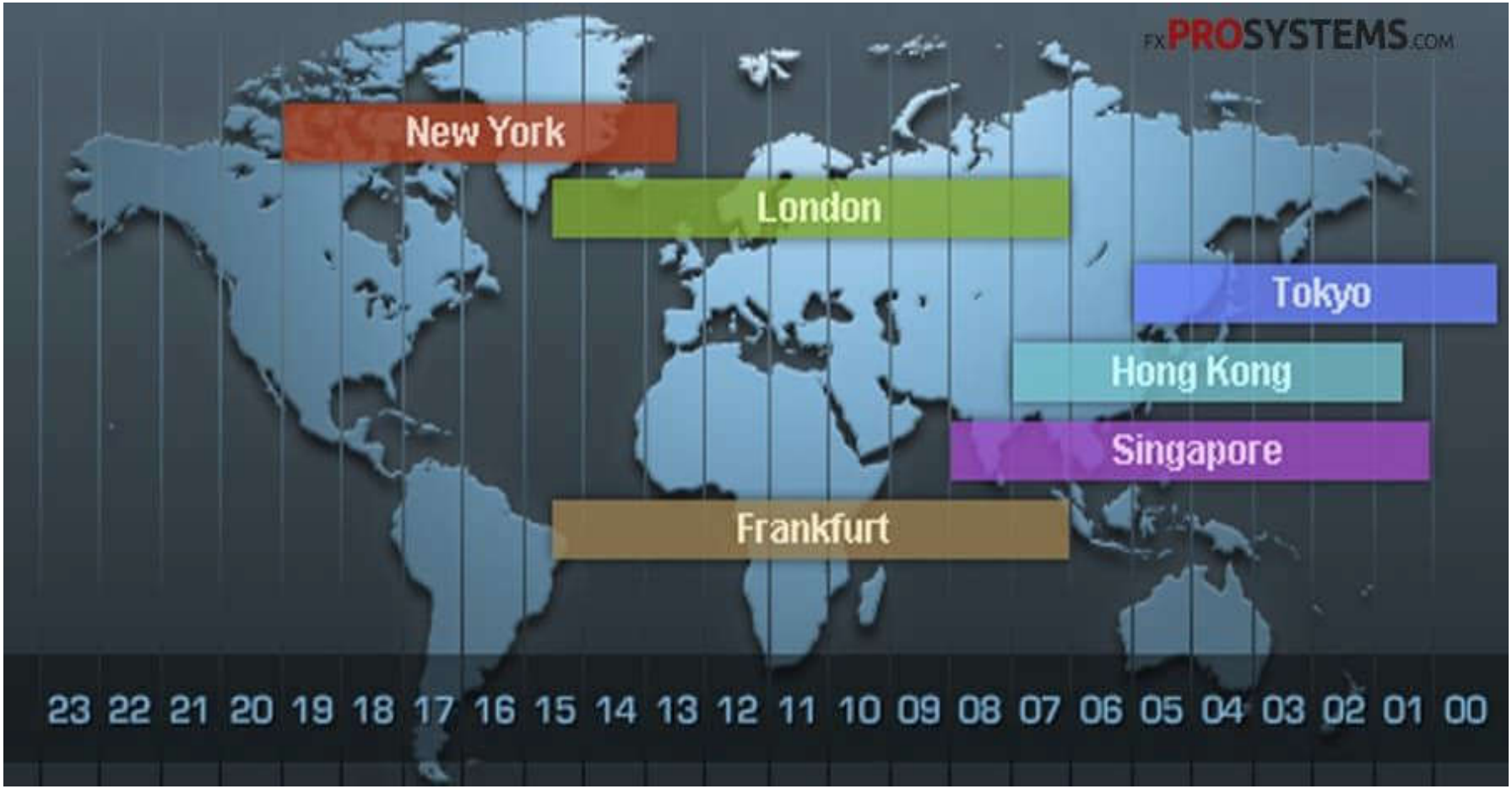
The forex market can be broken up into five major trading sessions:

- **Sydney session (Australia)**
- **Tokyo session (Japan)**
- **Frankfurt session (German)**
- **London session (United Kingdom)**
- **New York session (USA)**

FOREX SESSIONS

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FOREX TRADING TIME ZONE (GMT + 3) EAST AFRICA



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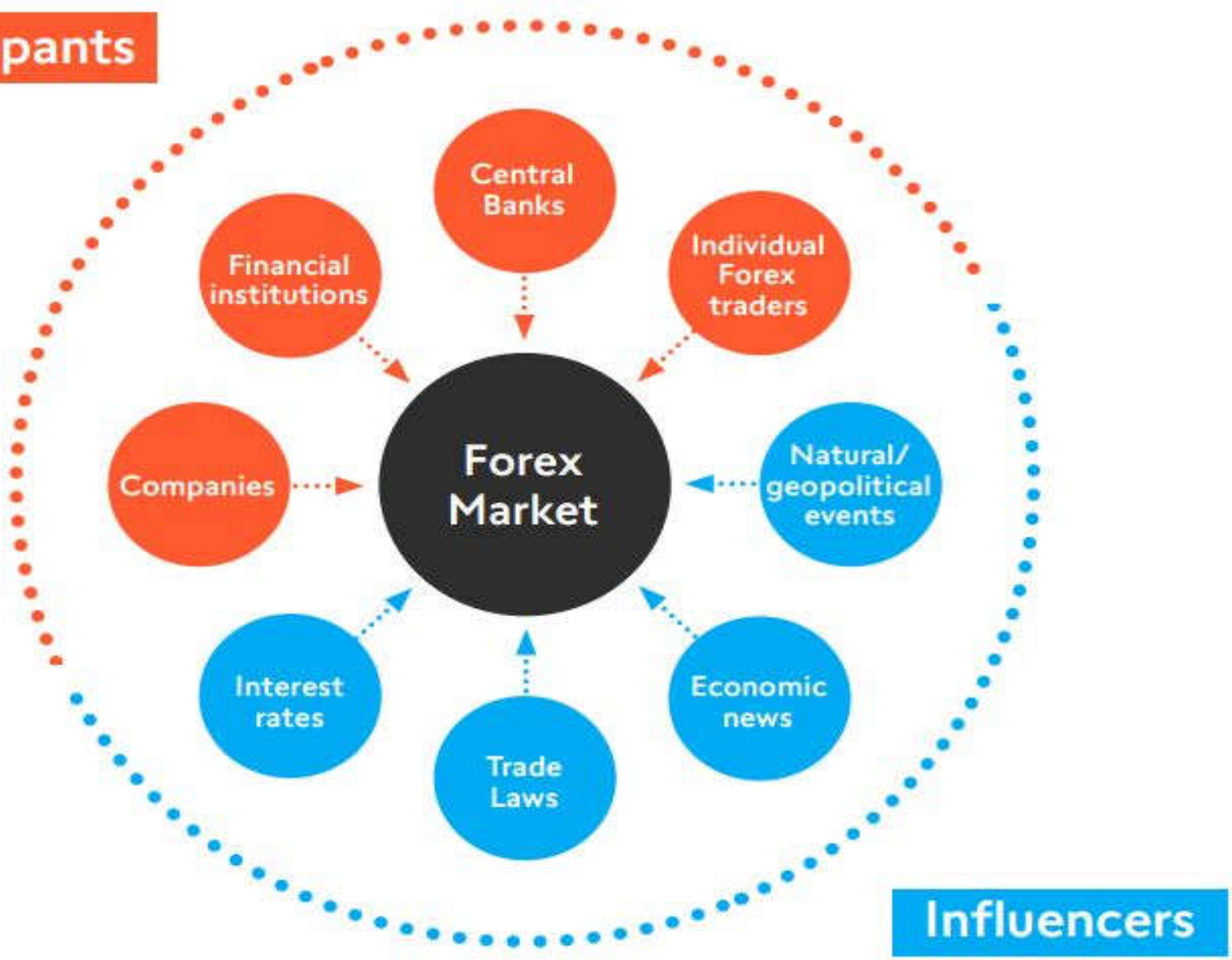
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What affects the Forex Market?

Each market participant has their goals; some are companies who are hedging currency exposure to protect their business; some are fundamental traders who focus on factors that affect the strength of whole economies; others are technical traders who look for price patterns to trigger their trades. In addition, there are central banks, hedge funds and financial institutions who all bring different goals and interpretations to their trading.

FOREX INTRO…

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CURRENCY PAIRS

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HOW TO READ CURRENCY IN FOREX

Base, quoted currencies

Consider EURUSD pair at 1.2524

The pair can be written as;

EURUSD: 1.2524

EUR/USD: 1.2524

EUR-Is a Base Currency

USD-Is a quoted currency

CURRENCY PAIRS



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EURUSD: 1.2524

Means

1EUR=1.2524USD

There are more than 200+ currencies in the world, but there are four main groups:

FX Majors - EURUSD,USDJPY,GBPUSD,AUDUSD,USDCHF,USDCAD

FX Minors –AUDCAD,AUDNZD,EURCHF etc.

FX Crosses - AUDJPY,EURCAD,GBPCAD etc.

FX Exotic -

SPREAD

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What is spread?

When the price of any currency pair is quoted, there are actually two prices. The first is the bid price – this is how much is being offered for the currency pair. The second is the ask price – how much sellers are asking. The difference between the two is called the spread and is measured in pips.

SPREAD

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let`s say you have EURUSD

ASK PRICE=1.1732

BID PRICE=1.1730

Spread = Ask Price – Bid Price

Spread= 1.1732 - 1.1730 = 0.0002 = 2 Pip

So, Spread shows an amount of money in Pips that can be taken by a **broker** in every open position.

PIP

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WHAT IS PIP?

Price movements within the Forex market are represented in pips.

A pip is the minimum tick that a currency pair moves up or down.

The value of a pip may be different from one currency pair to another

The word “Pip” in Forex is an abbreviation for “Percentage Interest Point”, and is also often called “Price Interest Point”.

PIP

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Most pairs go out to 4 decimal places, but there are some exceptions like Japanese Yen pairs (they go out to two (2) decimal places).

e.g;

EURUSD: 1.1725

USDJPY: 112.25

For currency pairs that written in 4 or 5 decimal places we use 0.0001 and for all pairs with Japanise Yen normally are written in 2 or 3 decimal places we use 0.01 for calculating pips.

PIP

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Example: If the price of the EURUSD moves from $1.0750 to $1.0758. Calculate Pips.

Answer;

That means;

EURUSD from $1.0750 to $1.0758

PIP= (1.0750 - 1.0758)/0.0001 = 8 pips

PIP

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Example: If the price of USD/JPY moves from $ 110.10 to $ 110.90. Calculate pip

Answer;

USD/JPY moves from $ 110.10 to $ 110.90

PIP = (110.10 – 110.90)/0.01 = 80 pips

PIP

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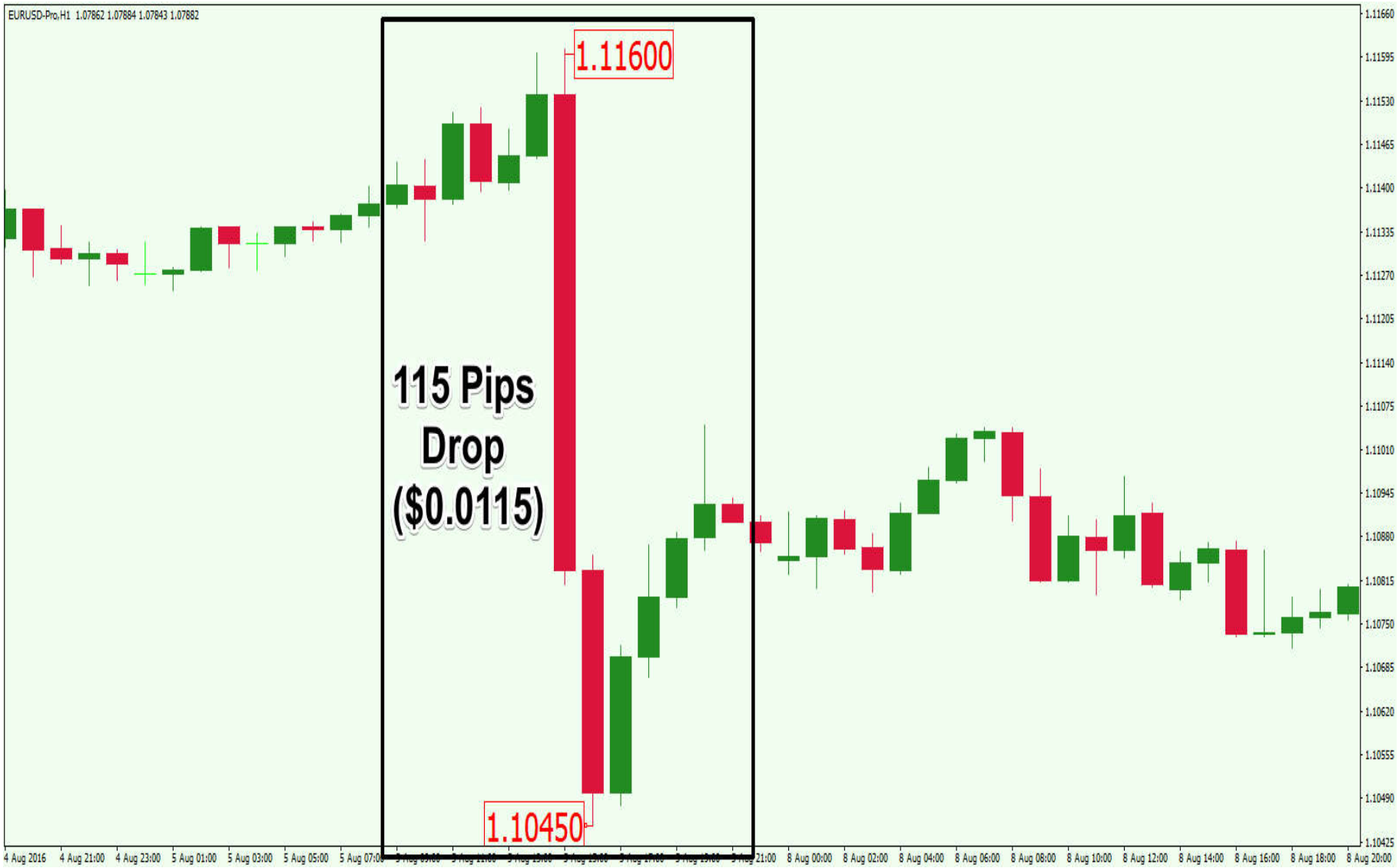
How to Measure Currency Pips on the Forex Chart

- Find the price move on the chart.
- Mark the beginning of the move.
- Mark the end of the move.

Subtract the price at the beginning of the move from the price at the end of the move.

PIP

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PIP

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After we spot the move, we mark its beginning (top) at 1.1160. Then we mark the end of the move at 1.1045. The last thing we need to do is to subtract the initial price from the end price:

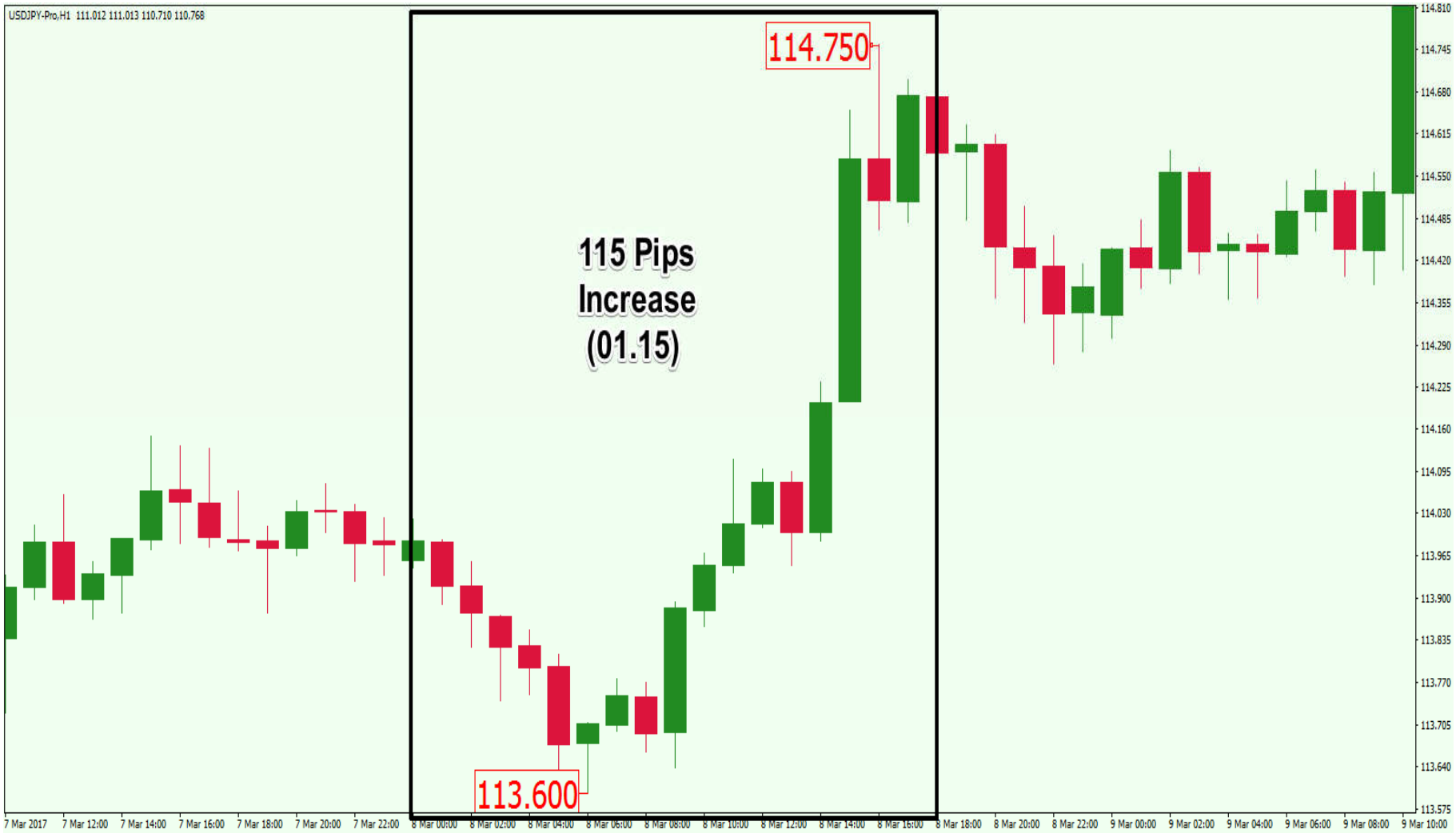
1.1045 – 1.1160 = -0.0115

Pip = 0.0115/0.0001 = 115 pips

This means that the price has decreased 0.0115. In this relationship, we say that the EUR/USD has dropped 115 pips.

PIP

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PIP

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H1 chart of the USD/JPY Forex pair for March 7-9, 2017.

The image shows a price increase of the Dollar Yen pair.

After we spot the move, we need to mark the beginning of the move (low) and then the end of the move (high).

Pip = (114.75 – 113.60)/0.01 = 115 pips

PIP VALUE

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Forex Pip Value for Major Currency Pairs

If the USD/CHF is being traded at 0.9920, this means that 1 US Dollar is equal to 0.9920 Swiss Francs.

We can convert pip value into USD by using a simple formula:

(0.0001 / Current Exchange Rate)

Now let's add the information we have:

(0.0001 / 0.9920) = 0.00010080 65

PIP VALUE



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So, if you buy the USD/CHF Forex pair at 0.9920 and the price increases 1 pip to 0.9921, you will account for a profit of $0.0001 for every unit you bought.

If we trade 10,000 units in the example above, you need to multiply the result by 10,000:

0.00010008065 x 10,000 = 1.008065 rounded to $1

If you are trading 100,000 units, then the value of 1 pip will be:

0.00010008065 x 100,000 = 10.08065 rounded to $ 10

PIP VALUE



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The Forex pip value calculation consists of two separate formulas, but we can unify these into only one formula:

Pip Value =

(0.0001 / Current Exchange Rate) x Units Traded

This formula is applicable only for Major Forex Pairs

LOT

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What is a Lot in Forex?

Forex is only traded in specific amounts called lots, or basically the number of currency units you will buy or sell.

The standard size for a lot is 100,000 units of currency, and now, there are also a mini and micro lot sizes that are 10,000 and 1,000 units respectively.

LOT

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So let's say the exchange rate moves from 1.35917 to 1.36917. This is the equivalent of 100 pips.

So with a lot size 10,000, each pip movement is $1.00 profit or loss to us (10,000* 0.0001 = $1.00).

As it moved upwards by 100 pips we made a profit of $100.

For example's sake, if we opened a lot size for 100,000 units we would have made a profit of $1,000.

LOT

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Therefore lot sizes are crucial in determining how much of a profit (or loss) we make on the exchange rate movements of currency pairs.

In summary

Lot-Is a measure of volume of a transaction in the Forex market.

1Lot(Standard lot) =100,000Units of Base currency

0.1Lot(Mini lot)=10,000Units of Base Currency

0.01Lot(Micro lot) =1000Units of Base Currency

LOT

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Requirements to buy EURUSD

1Lot=$123,228

Even to trade with;

0.1Lot you need $12,322

0.01 you need $1232

Which is a lot of money, so how can we still trade?

What happen with leverage is your broker lend you some amount of money so that you can be able to conduct transaction in the Forex market,

LEVERAGE



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Leverage is a feature offered by the brokers. It is like any special offer indeed.

It helps the traders to trade the larger amounts of securities through having a smaller account balance.

For example, when your account leverage is 100:1, you can buy $100 by paying $1.

Therefore, to buy $100,000 (one lot), you should pay only $1000.

EQUITY

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What Is the Equity?

Equity is your account balance plus the floating profit/loss of your open positions:

Equity = Balance + Floating Profit/Loss

When you have no open position, and so no floating profit/loss, then your account equity and balance are the same.

MARGIN

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What Is the Free Margin?

Free margin is the difference of your account equity and the open positions' required margin:

Free Margin = Equity – Required Margin

As long as you have no positions, your account equity and free margin are the same as your account balance.

MARGIN



Let's say you have a $10,000 account and you have some open positions with the total required margin of $900 and your positions are $400 in profit.

Therefore:

Equity = $10,000 + $400 = $10,400

Free Margin = $10,400 – $900 = $9,500

TERMINOLOGIES



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Before you get started, these are some words that you may encounter:

Long= buy

Short= sell

Bulls= buyers

Bears= sellers

Bullish=if the market is going up, it is said to be bullish (uptrend).

Bearish=if the market is going down, it's said to be bearish (downtrend).

TERMINOLOGIES



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Bearish Candlestick=a candlestick that has opened higher and closed lower is said to be bearish.

Bullish Candlestick=a candlestick that has opened lower and closed higher is said to be a bullish candlestick.

Risk : Reward Ratio=if you risk $50 in a trade to make $150 then your risk: reward is 1:3

ORDER

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Order Types

- Market order
- Limit Entry Order
- Stop Entry Order

ORDER

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Market order

A market order is an order to buy or sell at the **best available price**.

For example, the bid price for EUR/USD is currently at 1.2140 and the ask price is at 1.2142.

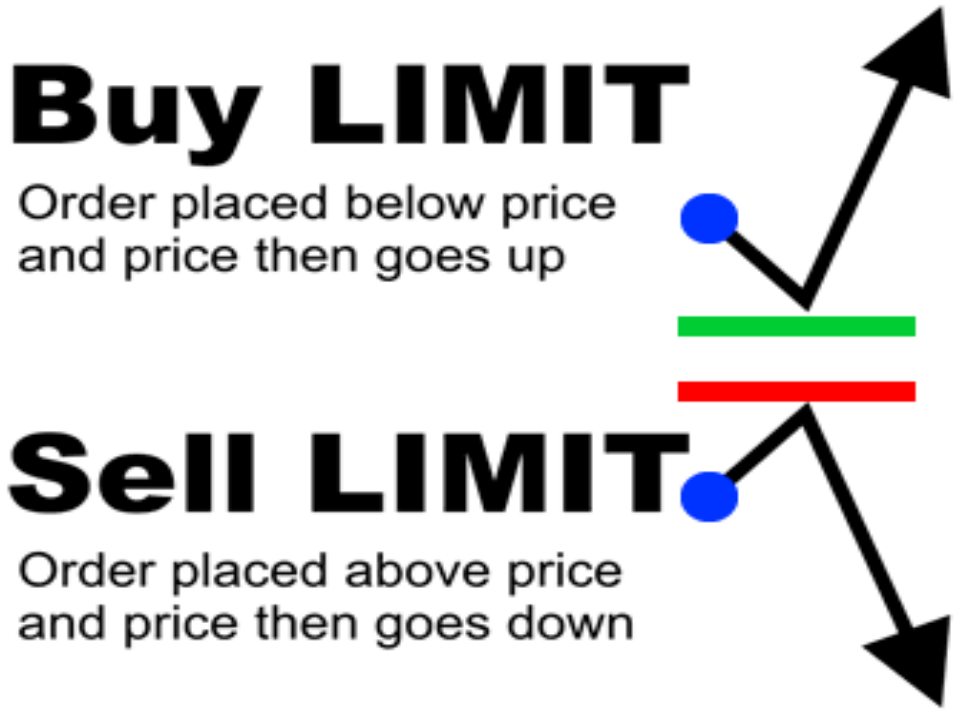
If you wanted to buy EUR/USD at market, then it would be sold to you at the ask price of 1.2142.

ORDER

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Limit Entry Order

A limit entry is an order placed to either **buy *below* the market** or **sell *above* the market** at a certain price.



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For example, EUR/USD is currently trading at 1.2050. You want to go short if the price reaches 1.2070.

You can set a sell limit order at 1.2070 and walk away.

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Stop Entry Order

A stop entry order is an order placed to **buy *above* the market or sell *below* the market** at a certain price.



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For example, GBP/USD is currently trading at 1.5050 and is heading upward. You believe that price will continue in this direction if it hits 1.5060.

Then, Set a buy stop entry order at 1.5060.

If you are in a long position, it is a **sell STOP** order.

If you are in a short position, it is a **buy STOP** order.

TP & SL

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TAKE PROFIT (TP)

A take profit order is an order that closes your trade once it reaches a certain level of profit.

STOP LOSS (SL)

A stop loss order is a type of order linked to a trade for the purpose of preventing additional losses if **the price goes against you**.

TP & SL

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A Forex broker is an intermediary between you and the interbank. Interbank is a term that refers to networks of banks that trade with each other. Typically a Forex broker will offer you a price from the banks that they have lines of credit and access to FX liquidity. Many Forex brokers use multiple banks for pricing, and they offer you the best one available.

FX BROKERS



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Open a Forex account

To get an account with a Forex broker, it's a bit like opening a bank account.

It requires paperwork and identity verification.

But you can open a demo account by providing minimal information.

A demo or practice account allows you to get set up and get some practice trading until you're ready to get started with real money.

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Forex Brokers Also Offer You **Leverage**

The ability to use Forex leverage comes with every account, and it varies in an amount anywhere from 100:1 to 1000:1. A 100:1 leverage means that for every $1 in your account, you have $100 to trade. Leverage is both good and bad as you can make exponential profits, but you can also suffer from mounting losses.

FX BROKERS



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HOW TO CHOOSE FOREX BROKER?

There are two main types of Forex brokers:

- Dealing Desks (DD)
- No Dealing Desks (NDD).

Dealing Desk brokers are also called Market Makers.

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No Dealing Desks can be further subdivided into:

- Straight Through Processing (STP) and
- Electronic Communication Network + Straight Through Processing (ECN+STP).
- Electronic Communication Network (ECN)

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What is a Dealing Desk Broker?

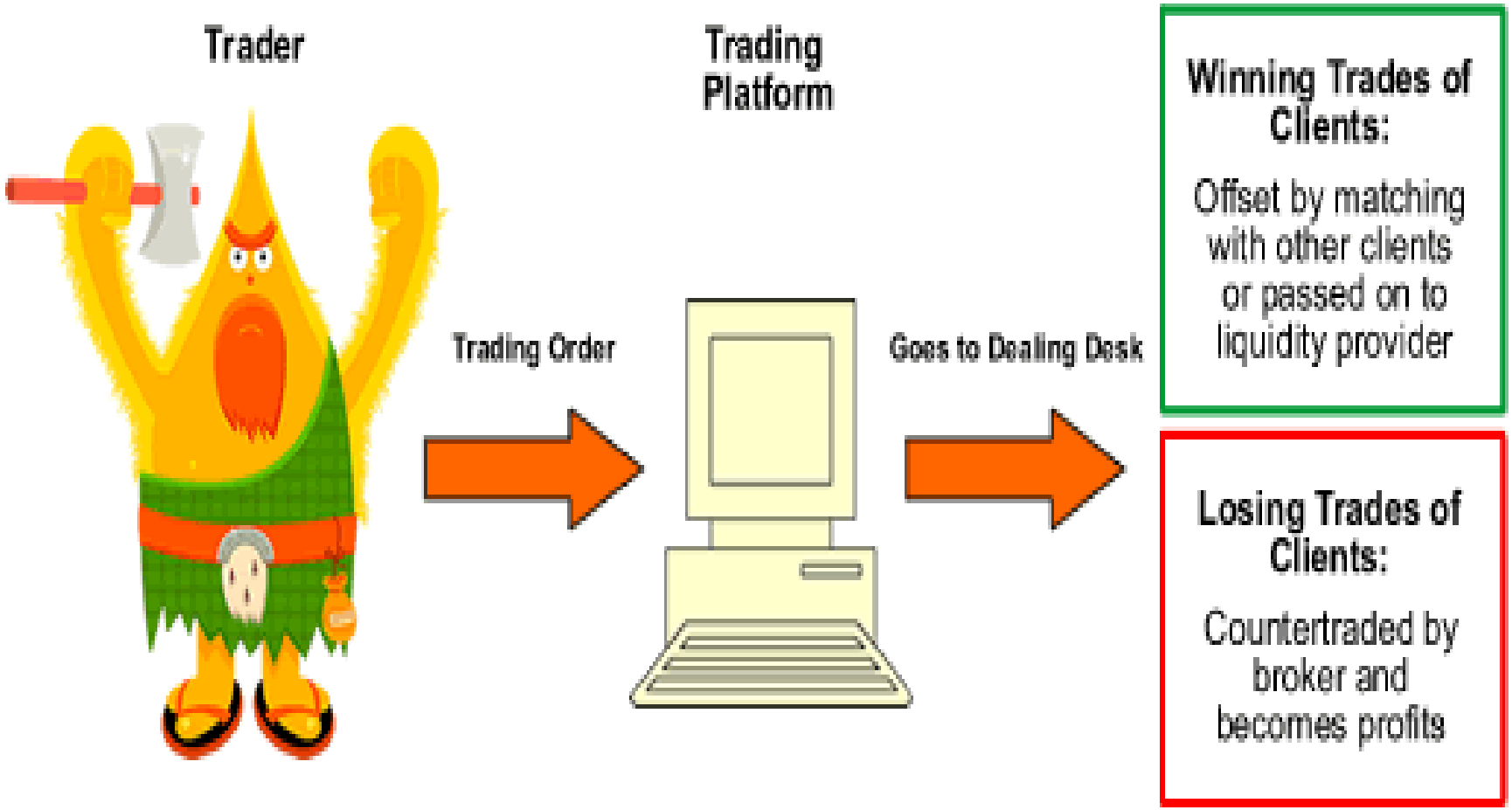
Forex brokers that operate through Dealing Desk (DD) brokers make money through spreads and providing liquidity to their clients. Also called "market makers,"

Dealing Desk brokers literally create a market for their clients, meaning they often take the other side of a client's trade.

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Dealing Desk Brokers



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What is a No Dealing Desk Broker?

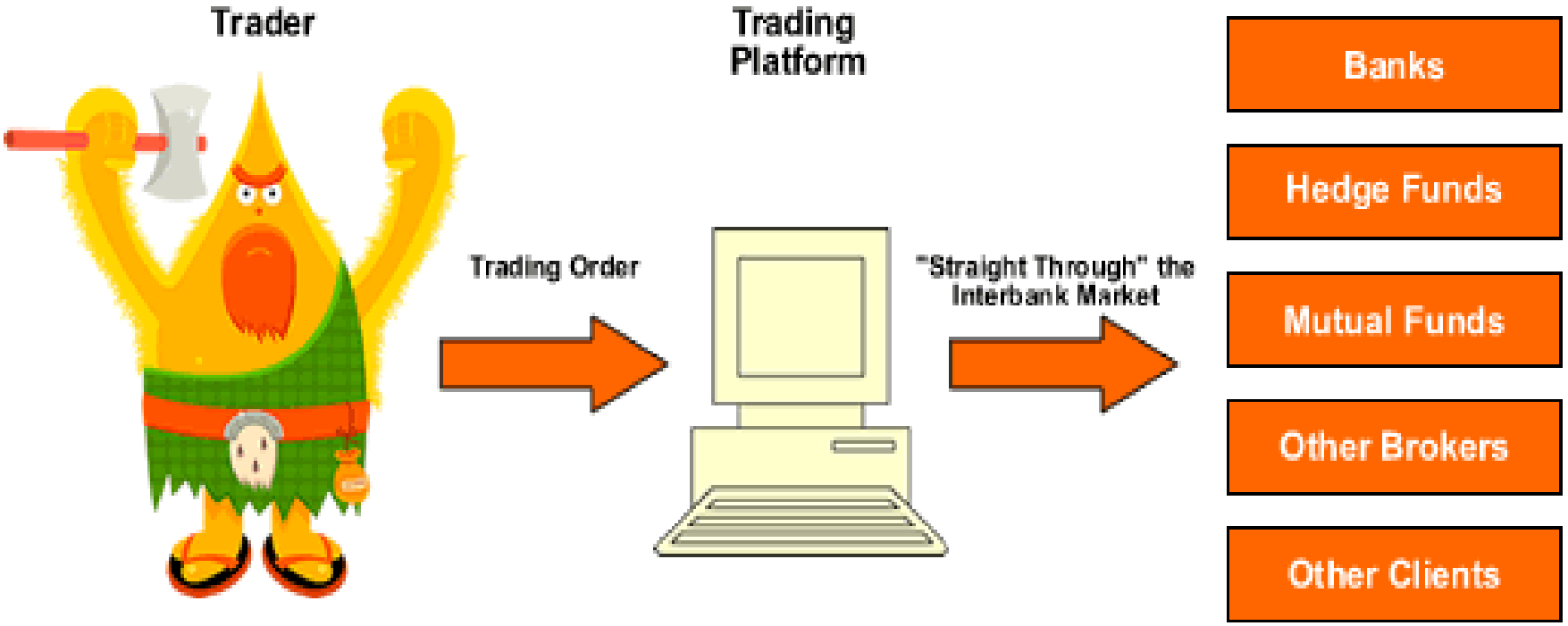
No Dealing Desk (NDD) brokers do NOT pass their clients' orders through a Dealing Desk.

This means that they do not take the other side of their clients' trade as they simply link two parties together.

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No Dealing Desk Brokers



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NDDs are like bridge builders: they build a structure over an otherwise impassable or hard-to-pass terrain to connect two areas.

NDDs can either charge a very small commission for trading or just put a markup by increasing the spread slightly.

No Dealing Desk brokers can either be STP or STP+ECN.

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WHAT IS ECN BROKER?

True (Electronic Communication Network) ECN Forex brokers, on the other hand, allow the orders of their clients to interact with the orders of other participants in the ECN.

Participants could be banks, retail traders, hedge funds, and even other brokers. In essence, participants trade against each other by offering their best bid and ask prices.

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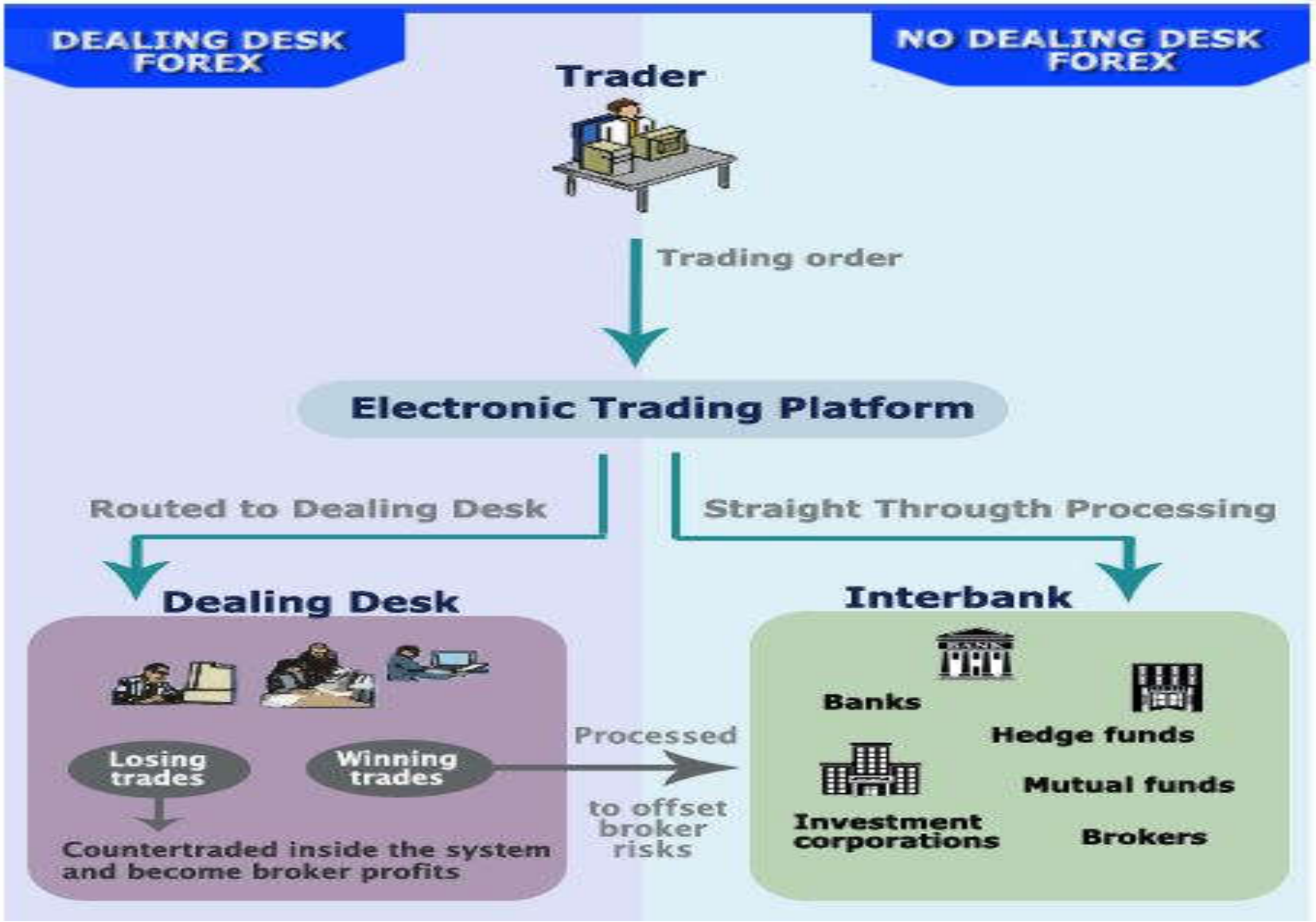
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ECNs also allow their clients to see the "**Depth of Market**."

Depth of Market displays where the buy and sell orders of other market participants are. Because of the nature ECN, it is very difficult to slap on a fixed markup so ECN brokers usually get compensated through a small **COMMISSION**.

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Below is a list of countries with their corresponding regulatory bodies:

- **United States: National Futures Association (NFA) and Commodity Futures Trading Commission (CFTC)**
- **United Kingdom: Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA)**
- **Australia: Australian Securities and Investment Commission (ASIC)**

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Gently Warning!

Before you make a deposit to broker, make sure that the broker is a member of the regulatory bodies mentioned above.

PRICE ACTION



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HOW TO TRADE FOREX?

PRICE ACTION

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TYPES OF MARKET ANALYSIS

There are three types of analysis used for the market movements forecasting:

A. Fundamental Analysis
B. Technical Analysis
C. Sentiment Analysis

PRICE ACTION

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A. Fundamental Analysis

Fundamental analysis is analyzing the currency price forming, basic economical and other factors influencing the exchange rate of foreign currency.

Fundamental analysis helps in forecasting future prices of various foreign currencies. Forecasting of prices is based on a number of key economic factors and indicators that determine the strength of a country's economy.

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Key factors influencing fundamental analysis are:

- ✓ Interest Rates
- ✓ GDP Growth
- ✓ Industrial Production
- ✓ Consumer Price Index (CPI)
- ✓ Retail Sales
- ✓ Non farm payroll etc.

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B. Technical Analysis

Technical analysis is the study of price movement. In one word, technical analysis it means charts.

The idea is that a person can look at historical price movements, and, based on the price action, can determine at some level where the price will go. By looking at charts, you can identify trends and patterns which can help you find good trading opportunities.

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C. SENTIMENTAL ANALYSIS

Forex sentiment analysis is the process of identifying the positioning of traders, whether net long or net short, to influence your own trading decisions in the currency market. While sentiment analysis can be directly translated to forex, it is also used for stocks and other assets. Contrarian investors will look for crowds to either buy or sell a specific currency pair while waiting to take a position in the opposite direction of sentiment.

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C. Sentimental Analysis

Sentiment Analysis in Forex Trading

AUD/JPY	BULLISH	52%	48%	8%	18%	12%	NET LONG
EUR/CHF	BEARISH	82%	18%	11%	7%	11%	
EUR/GBP	BULLISH	45%	55%	-2%	16%	7%	
EUR/JPY	BULLISH	31%	69%	-14%	44%	21%	
GBP/JPY	MIXED	51%	49%	17%	18%	18%	
USD/CHF	BEARISH	84%	16%	-1%	-2%	-1%	
GOLD	MIXED	65%	35%	-3%	-8%	-5%	
SILVER	MIXED	88%	12%	-10%	-7%	-9%	
OIL - US CRUDE	BEARISH	78%	22%	60%	-45%	11%	
US 500	BEARISH	28%	72%	23%	-7%	-1%	NET SHORT
WALL STREET	BEARISH	30%	70%	23%	-9%	-1%	

PRICE ACTION



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What type of analysis is better?

Forex trading is all about trading based on a **strategy**. **Forex trading strategies** help you gain an insight of the market movements and make moves accordingly. We have already studied that there are three types of analysis methods.

a) *Technical analysis*
b) *Fundamental analysis*
c) *Sentiment analysis*

Each strategy holds equal importance and neither can be singled out. Many traders and investors prefer the use of a single analysis method to evaluate long-term investments or to gain short-term profit. A combination of fundamental, technical and sentimental analysis is the most beneficial. Each analysis technique requires the support of another to give us sufficient data on the Forex market.

PRICE ACTION



What type of analysis is better? Cont….

These three strategies go hand-in-hand to help you come up with good forex trade ideas. All the historical price action (for technical analysis) and economic figures (for fundamental analysis) are there – all you have to do is put on your thinking cap (for sentimental analysis) and put those analytical skills to the test.

In order to become a professional forex trader, you will need to know how to effectively use these three types of forex market analysis methods.

CHARTS

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A chart It is a graphical way of showing how the stock prices have performed in the past

Types of Charts

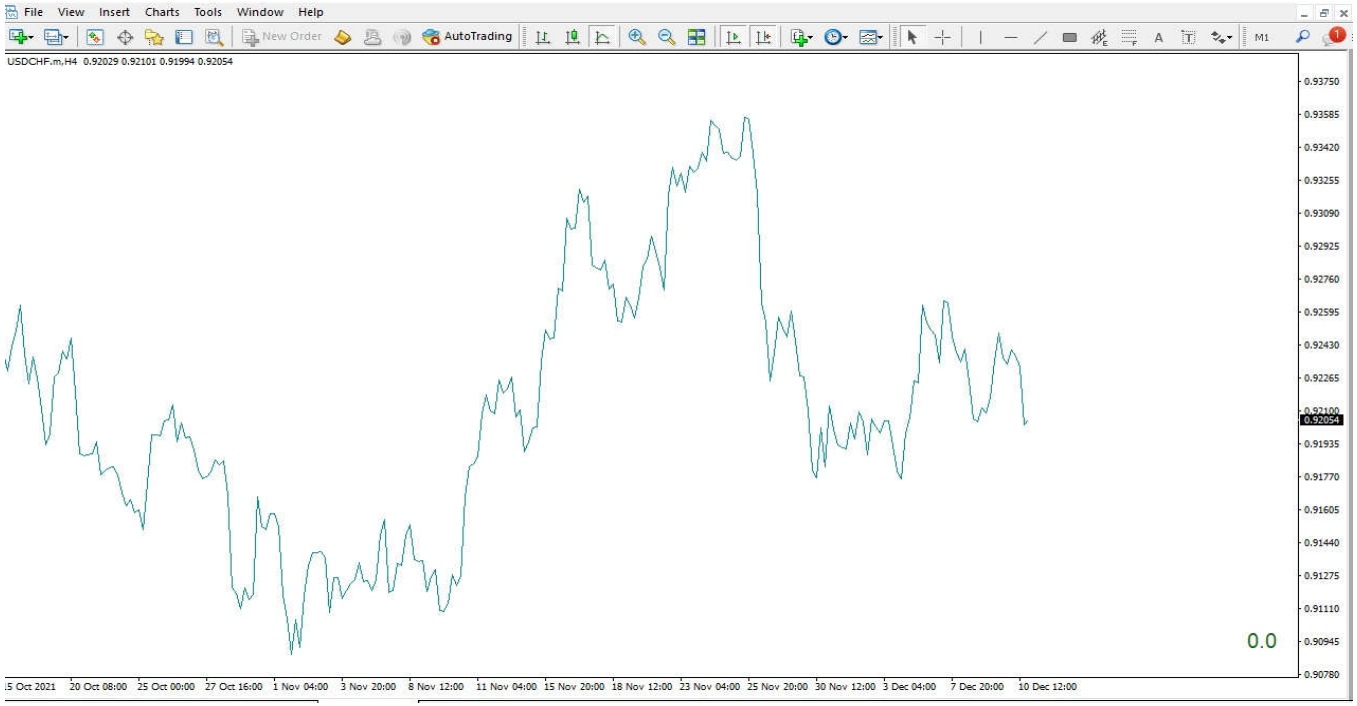
i. The line chart
ii. Bar Chart
iii. Candlesticks Chart

CHARTS

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The Line Chart

The line chart exhibits price information with a straight line (or lines) connecting data (price or volume) values.

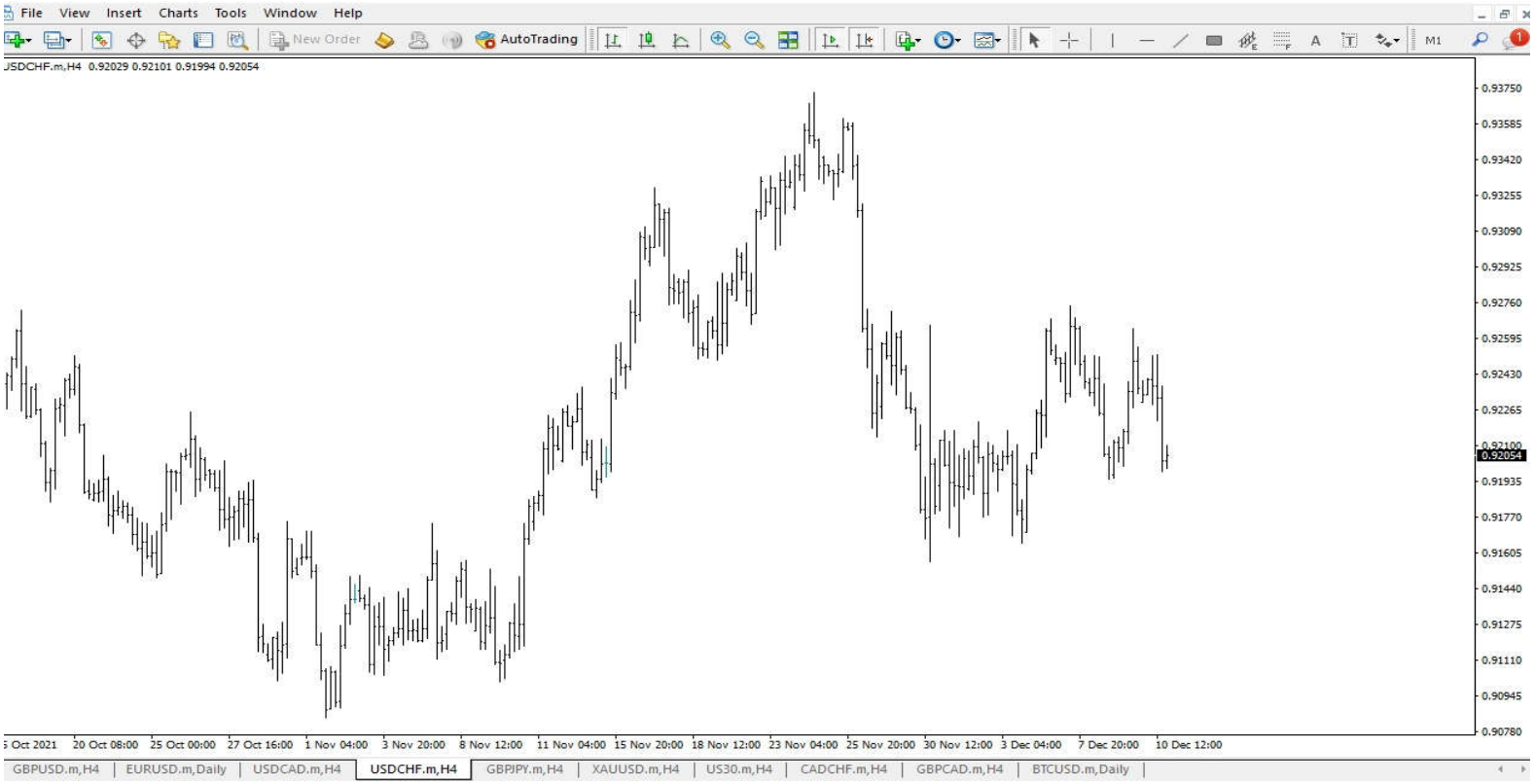


CHARTS

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Bar Chart

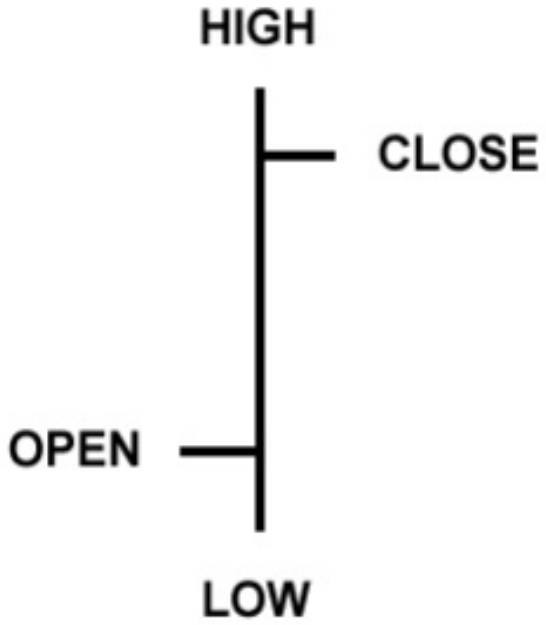
Bar chart is a commonly used type of chart by technical analysts. It is called bar chart because each day's range is represented by a vertical bar.



CHARTS

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Bar Chart Cont…



CHARTS

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Candlestick Chart

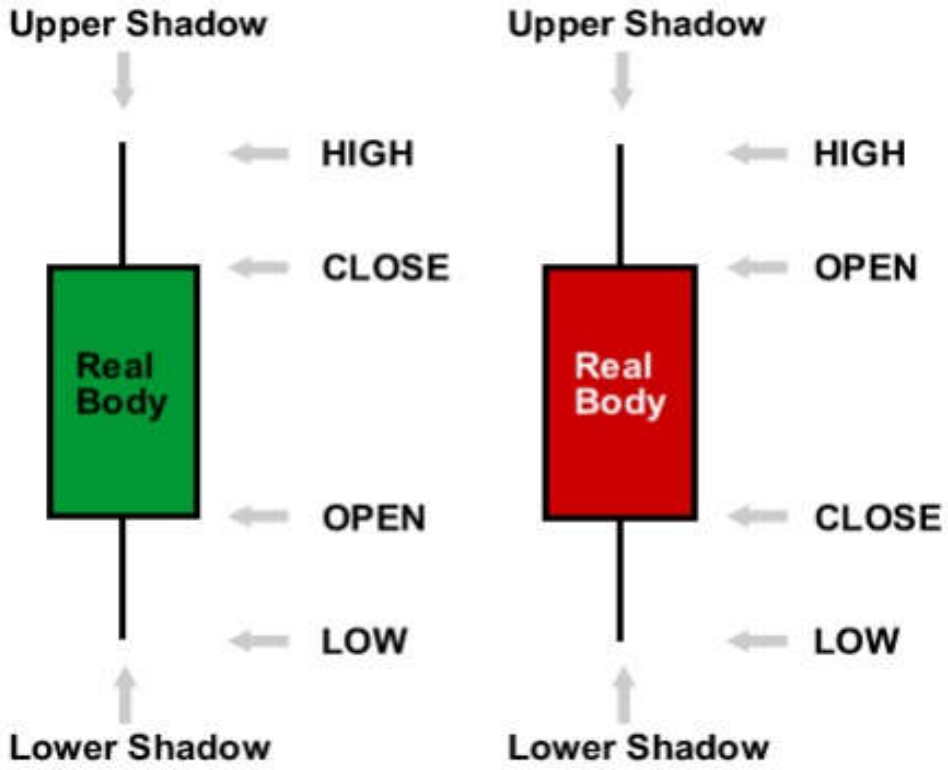
The candlesticks chart is very popular among the traders community. This chart provides visual insight to current market psychology.

A candlestick displays the open, high, low and closing price of a security very similar to a modern-day bar chart, but in a manner that mitigates the relationship between the opening and closing prices.

CHARTS

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Candlestick Chart Cont....



CHARTS

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Candlestick Chart Cont….



CHARTS

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Candlestick Chart Cont….

The purpose of candlestick charting is strictly to serve as a visual aid, since the exact same information appears on an OHLC bar chart.

The advantages of candlestick charting are:

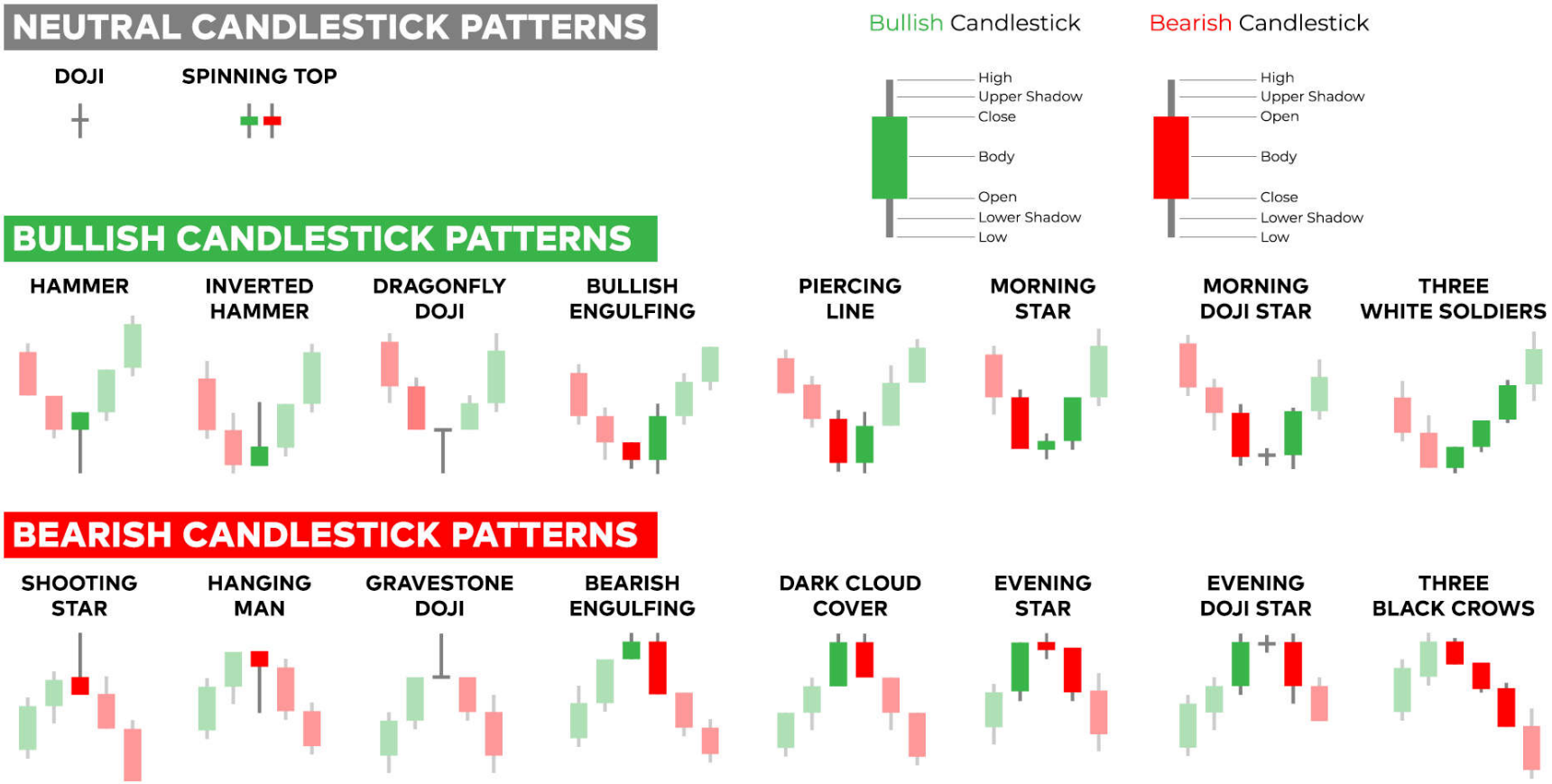
Candlesticks are easy to interpret, and are a good place for a beginner to start figuring out chart analysis.

Candlesticks are easy to use. Your eyes adapt almost immediately to the information in the bar notation.

Candlesticks and candlestick patterns have cool names such as the shooting star, which helps you to remember what the pattern means. Candlesticks are good at identifying marketing turning points – reversals from an uptrend to a downtrend or a downtrend to an uptrend. You will learn more about this later.

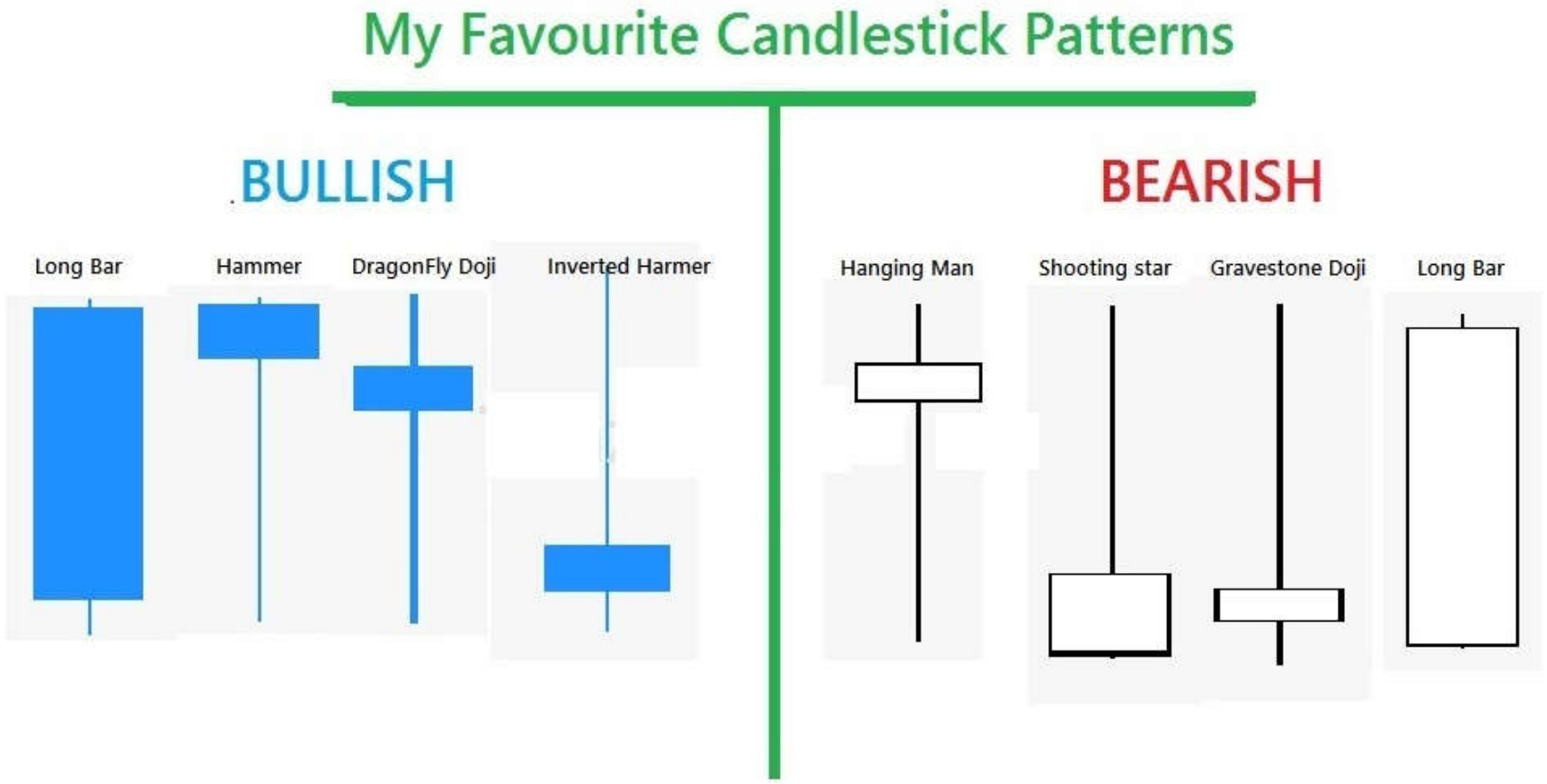
Candlestick Patterns

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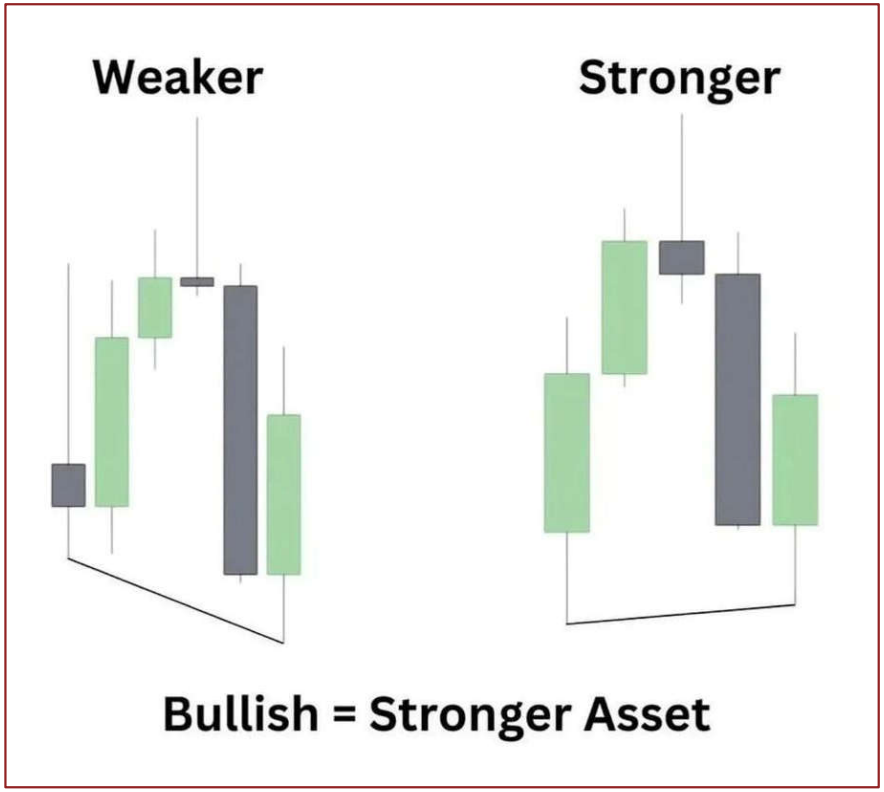
Candlestick Patterns

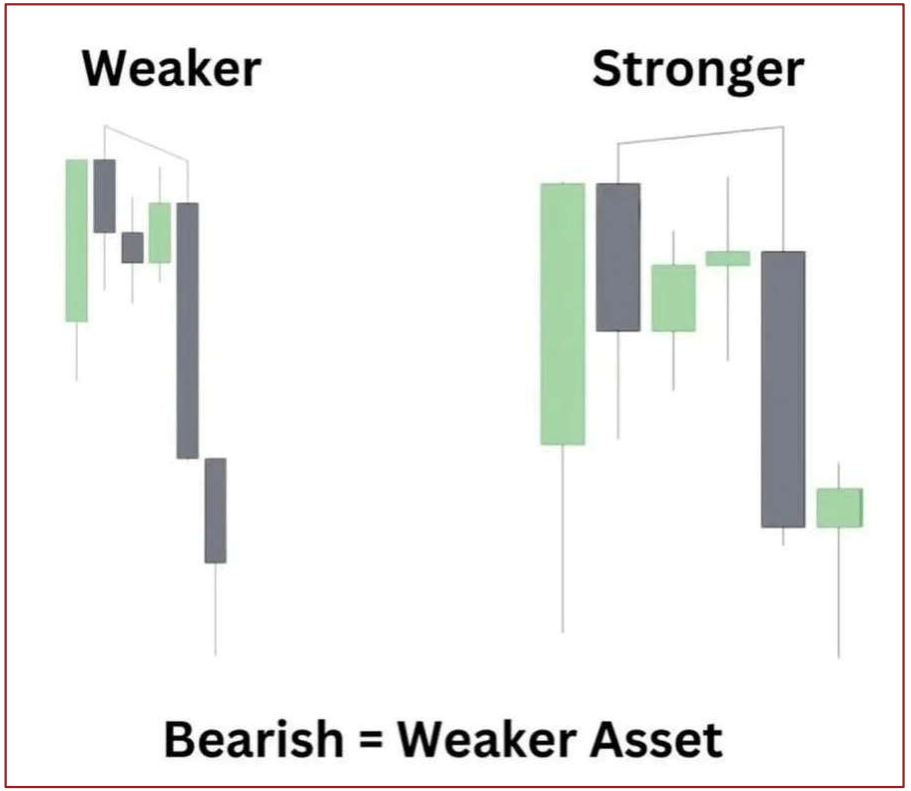
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Candlestick Patterns

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Weaker Asset in a Bullish Trend

Candlestick Patterns

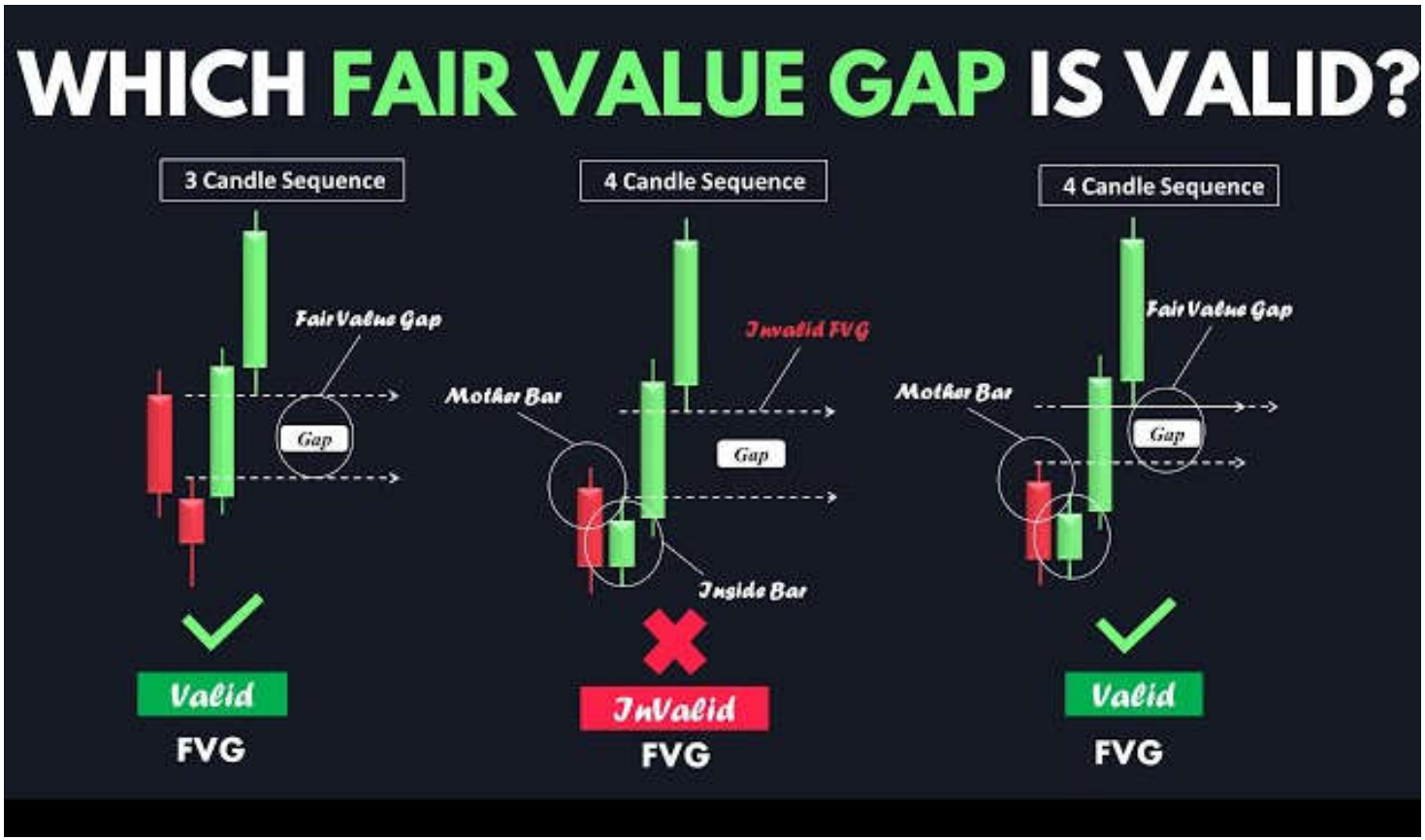
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Stronger Asset in a Bullish Trend

Candlestick Patterns

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FAIR VALUE GAP FORMATION

TREND



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A trend is a tendency for prices to move in a particular direction over a period. Trends can be long term, short term.

Three categories of trend:

I. Upward Trend
II. Downward Trend and
III. Sideways Trend.

Success with forex market investments is tied to the investor's ability to identify trends and position themselves for profitable entry and exit points.

TREND

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Now each of these 3 trend types have certain price structure about them that tells you whether the market is in an uptrend, downtrend or sideways trend.

These structures are derived from the **Dow Theory**. But I will explain it here briefly

TREND



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The Dow Theory Of Trends Summarized:

The theory in simple terms says that:

- When price is in an uptrend, prices will be making increasing higher highs and higher lows until a higher low gets intercepted, then that signals the end of the uptrend and the beginning of a downtrend.
- For downtrend, prices will be making increasing lower highs and lower lows until a lower low is intercepted and that signals an end of the downtrend and a beginning of an uptrend.

TREND

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UPTREND

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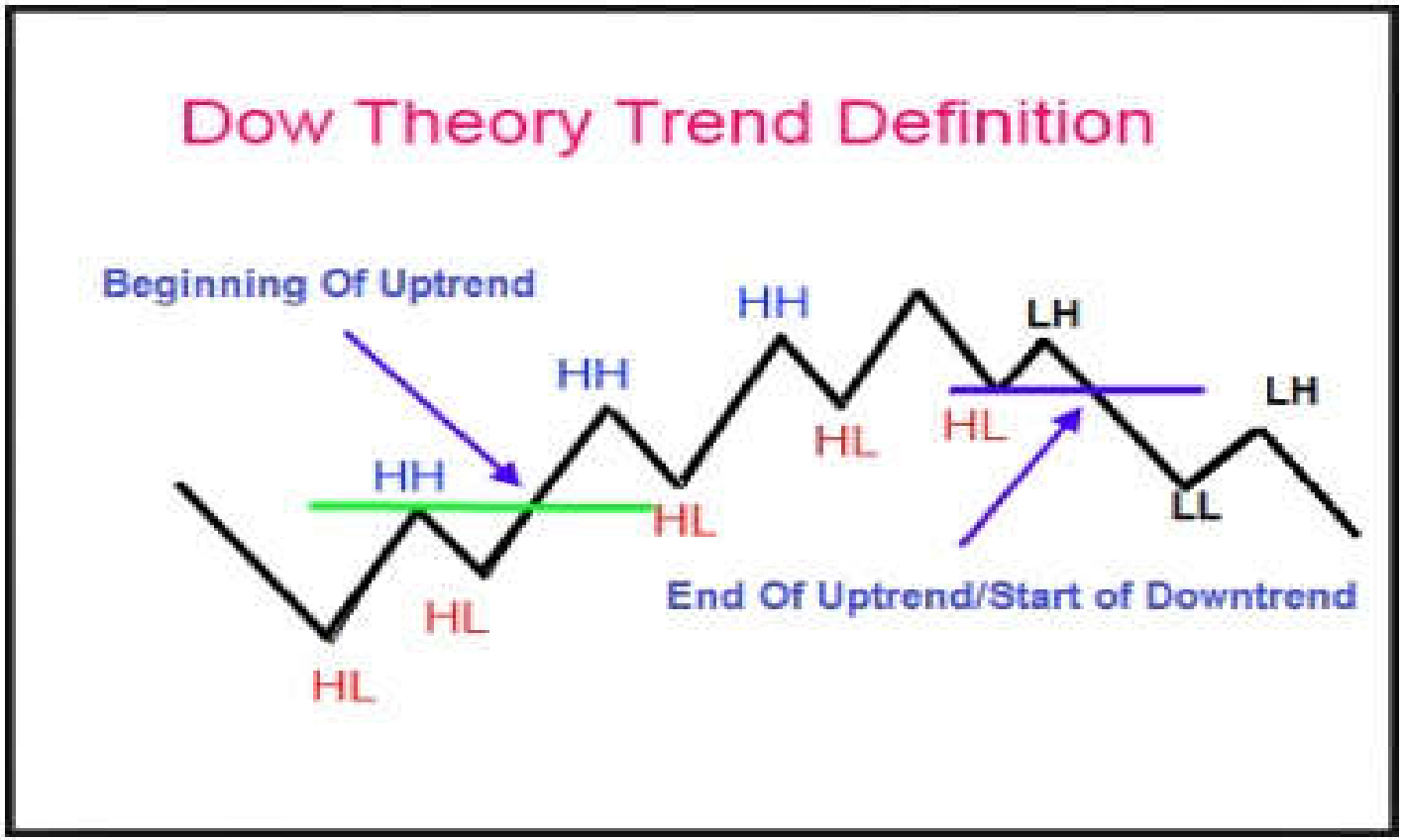
An uptrend signifies that the market is heading in the upward direction, creating a bullish market. It indicates the price rallies often with intermediate periods of consolidation or movement (small downward move) against the major (prevailing) trend.

An upward trend continues until there is some breakdown in the charts (going down below some major support areas). If the market trend is upwards, we need to be cautious on taking short position (against the overall market trend) on some minor correction in the market.

UPTREND

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With an uptrend market, prices will be making higher highs (HH) and Higher Lows (HL)



UPTREND

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DOWNWARD TREND



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A downward trend in the forex market is characterized by a price decline

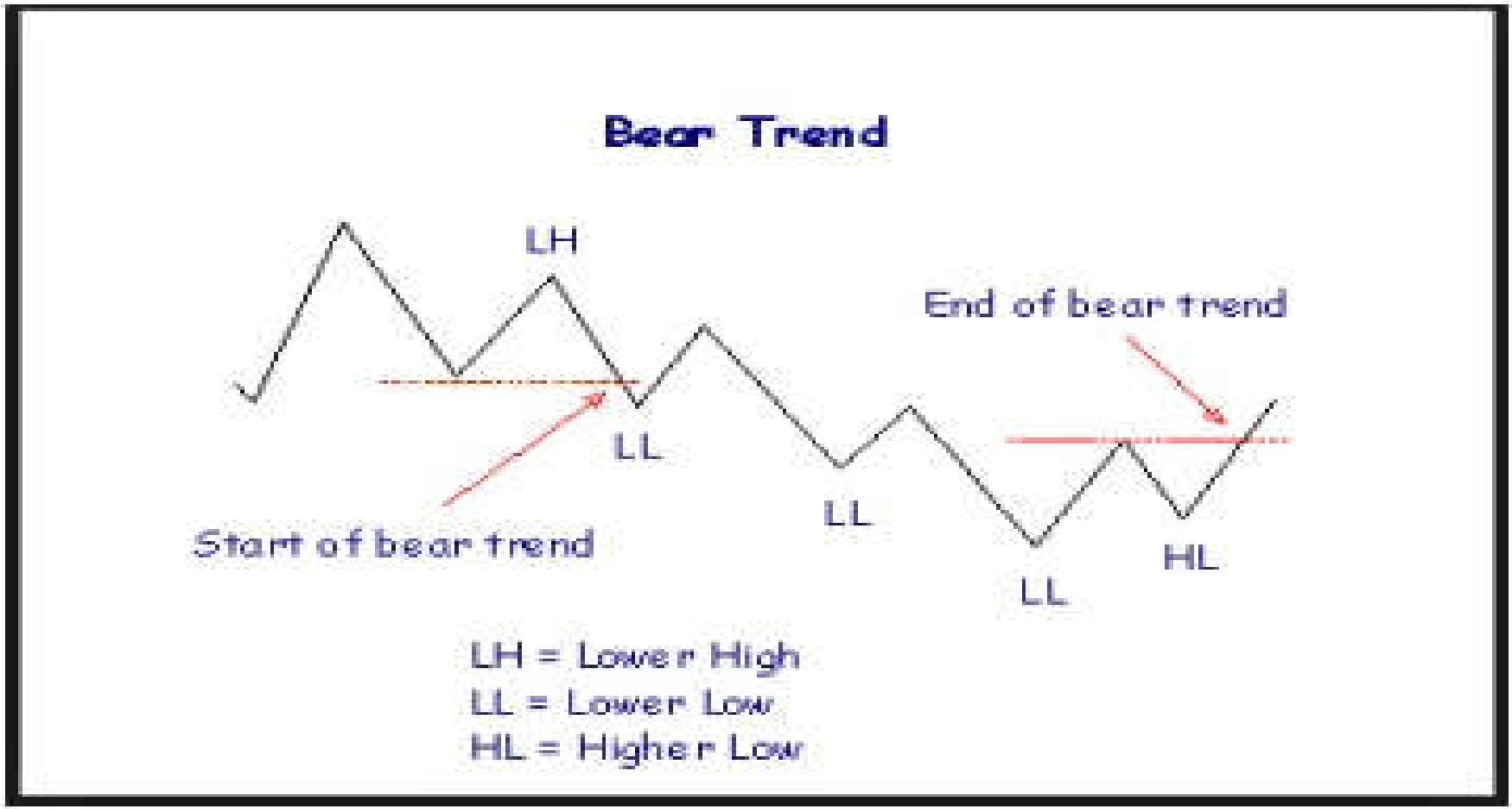
Unlike upward trend, a downward trend results in a negative rate of price change over time. In a chart, the price movements indicating a downtrend form a sequence of lower peaks and lower lows.

As currency is always traded in pair, the downtrend in forex market is not much affected as other financial markets. In case of downtrend of a currency pair (EUR/USD), the fall in price of EUR gives way to a rise in price of USD. It means something is always going up even in times of financial or economical downtrend.

DOWNWARD TREND

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Prices will be making Lower Highs (LH) and Lower Lows (LL). The chart shown below is a really ideal case.



DOWNWARD TREND

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Prices will be making Lower Highs (LH) and Lower Lows (LL). The chart shown below is a really ideal case.



SIDEWAYS TREND

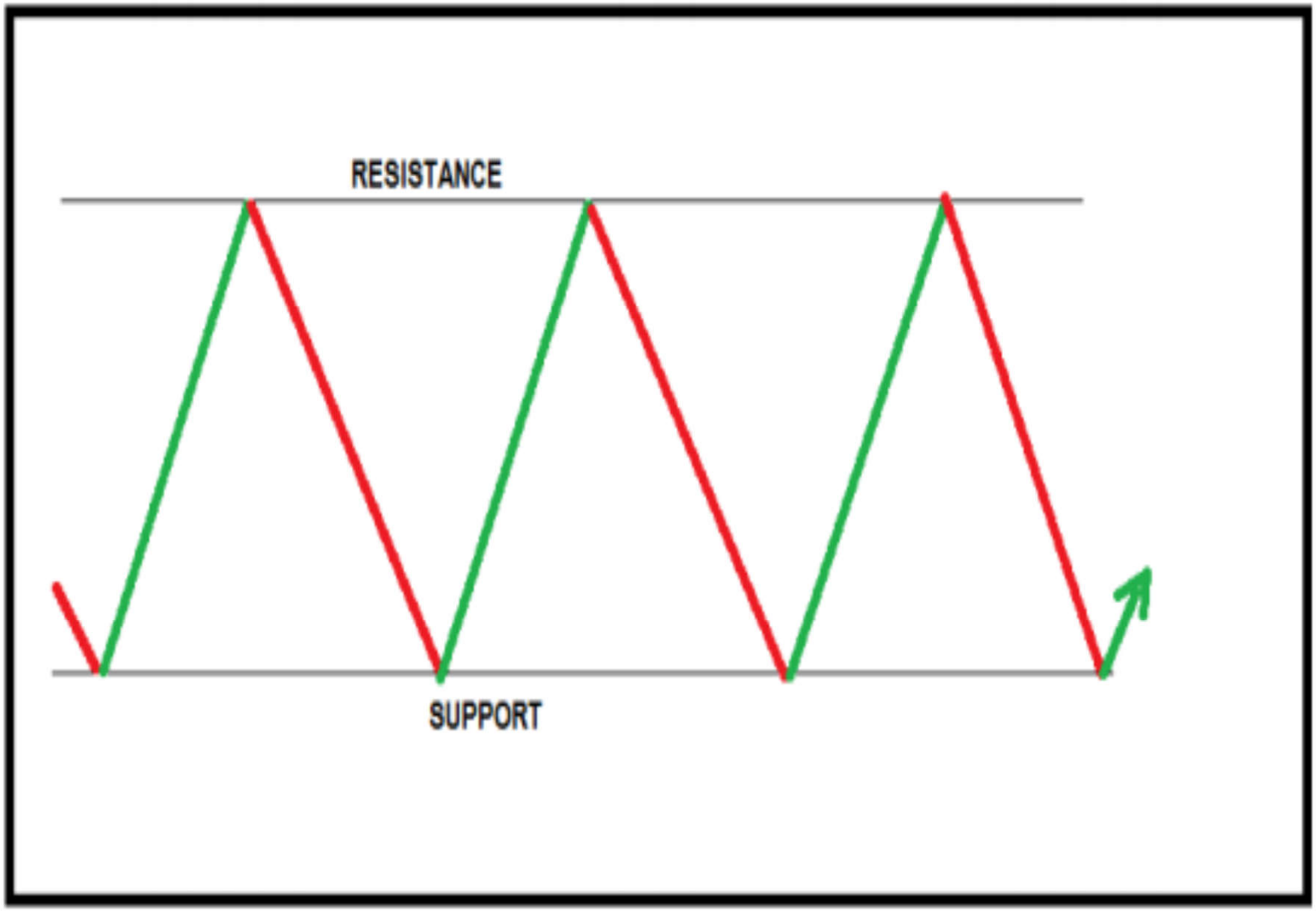


Sideways trends indicates that a currency movement is range-bound between levels of support and resistance. It usually occurs when the market does not have a sense of direction and ends up consolidating most of the time in this range only.

To identify if it is a sideways trend, traders often draw horizontal lines connected by the highs and lows of the price, which then form resistance and support levels. Clearly, market participants are not sure of which way the market will move and there will be LITTLE or NO rate of price change.

SIDEWAYS TREND

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SIDEWAYS TREND

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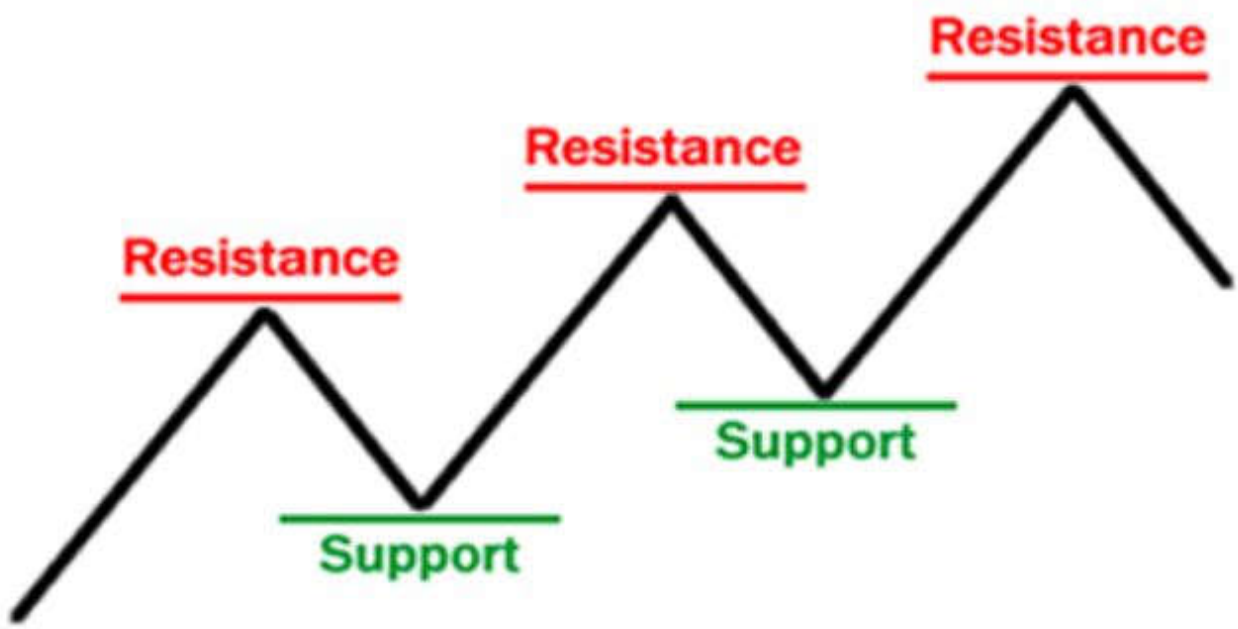
RESISTANCE & SUPPOR

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What is Support and Resistance?

"Support and resistance" is one of the most widely used concepts in trading.

Let's take a look at the basics first.



RESISTANCE & SUPPOR



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When the price moves up and then pulls back, the highest point reached before it pulled back is now **resistance.**

Resistance levels indicate where there will be a **surplus of sellers.**

When the price continues up again, the lowest point reached before it started back is now **support.**

Support levels indicate where there will be a **surplus of buyers.**

In this way, **resistance and support** are continually formed as the price moves up and down over time.

The reverse is true during a **downtrend.**

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In the most basic way, this is how **support and resistance** are normally traded:

Trade the "Bounce"

- Buy when the price falls towards support.
- Sell when the price rises towards resistance.

Trade the "Break"

- Buy when the price breaks up through resistance.
- Sell when the price breaks down through support.

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Plotting Support and Resistance Levels

One thing to remember is that support and resistance levels are not exact numbers.

Often times you will see a support or resistance level that appears broken, but soon after find out that the market was just testing it.

With candlestick charts, these “tests” of support and resistance are usually represented by the candlestick **shadows.**

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Plotting Support and Resistance Levels



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Plotting Support and Resistance Levels

- When the price passes through resistance, that resistance could potentially become support.
- The more often price tests a level of resistance or support without breaking it, **the stronger** the area of resistance or support is.
- When a support or resistance level breaks, the strength of the follow-through move depends on how strongly the broken support or resistance had been holding.

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Plotting Support and Resistance Levels



CHART PATTERNS



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Three Main Groups of Chart Patterns

A. Reversal Chart Patterns
B. Continuation Chart Patterns
C. Bilateral Chart Patterns

CHART PATTERNS

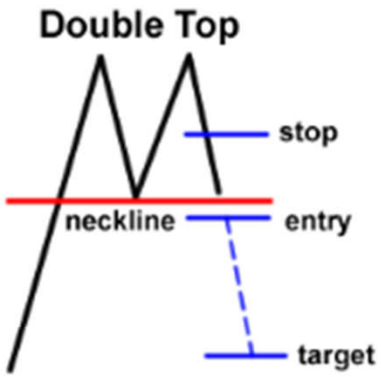
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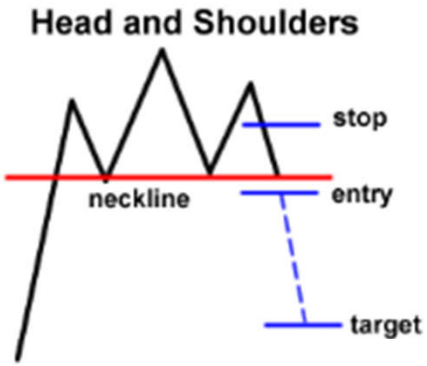
A. Reversal Chart Patterns

i. Double Top
ii. Double Bottom
iii. Head and Shoulders
iv. Inverse Head and Shoulders
v. Rising Wedge
vi. Falling Wedge

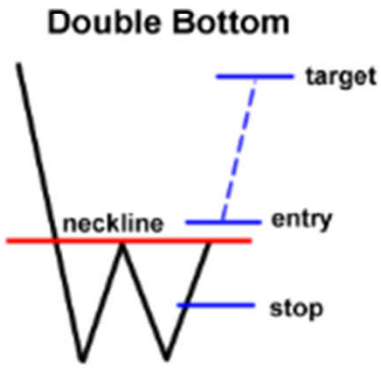
CHART PATTERNS

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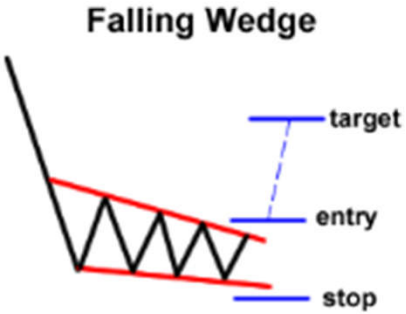


CHART PATTERNS

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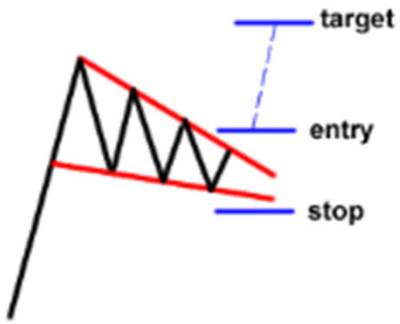
B. Continuation Chart Patterns

i. Wedges
ii. Rectangles
iii. Pennants.

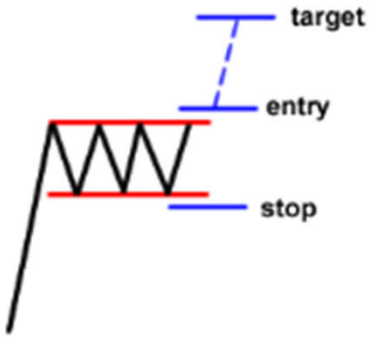
CHART PATTERNS

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Falling Wedge



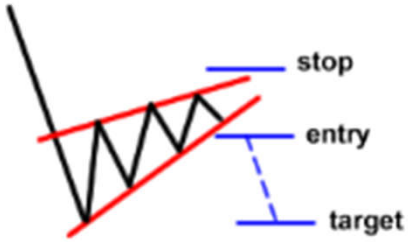
Bullish Rectangle



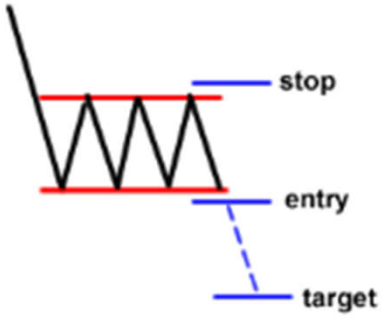
Bullish Pennant



Rising Wedge



Bearish Rectangle



Bearish Pennant

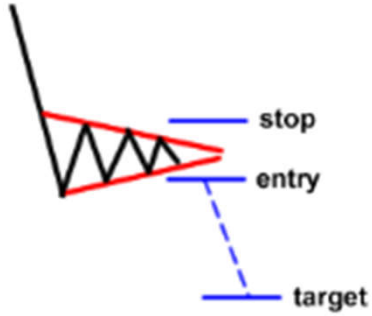


CHART PATTERNS

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C. Bilateral Chart Patterns

Bilateral chart patterns signal that the price can move EITHER way.

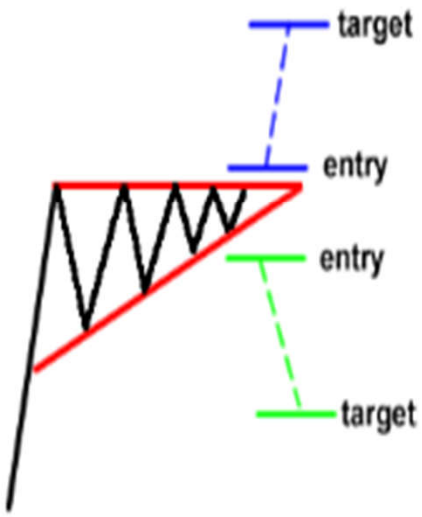
Triangle formations are referred as bilateral chart patterns

i. Ascending Triangle
ii. Descending Triangle
iii. Symmetrical Triangle

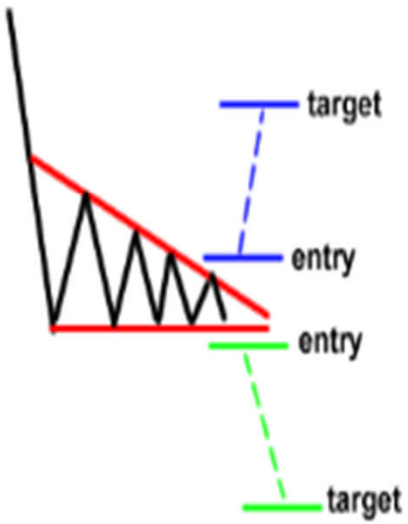
CHART PATTERNS

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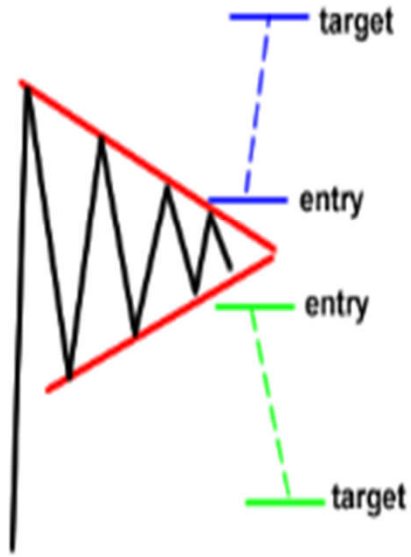
Ascending Triangle



Descending Triangle



Symmetrical Triangle



FIBONACCI LEVELS

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The Fibonacci sequence is a series of whole numbers where each figure is the sum of the two before it. It starts with zero and one, which are known as the 'seed numbers'. The next number is (0 + 1) one, followed by (1 + 1) two and so on.

0, 1, 1, 2, 3, 5, 8, 13, 21, 34, 55, 89, 144
and so on, out to infinity

FIBONACCI LEVELS



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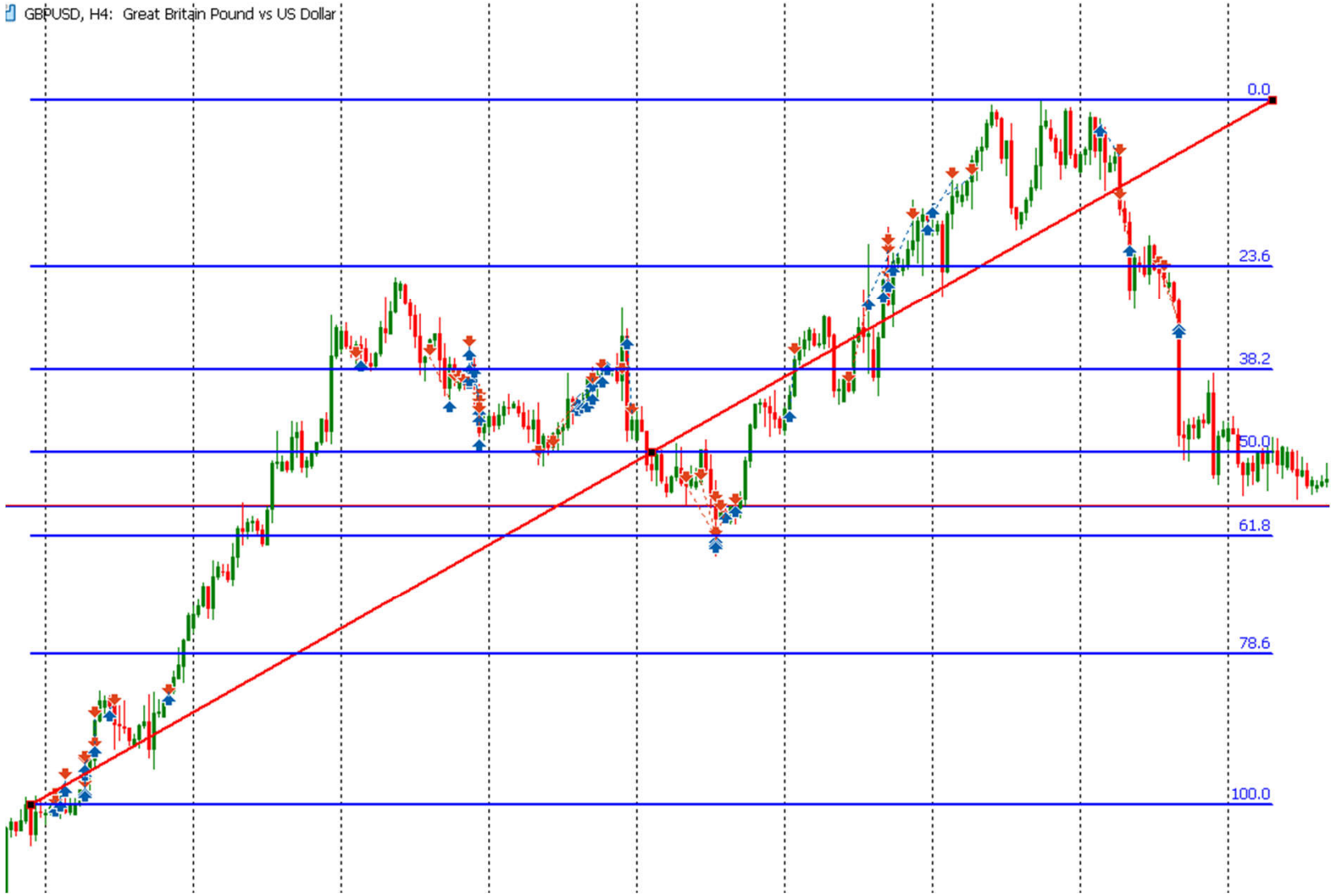
Fibonacci ratios

Fibonacci ratios are a series of percentages calculated by dividing figures along the Fibonacci sequence. There are quite a few different ratios, but the key ones are 23.6%, 38.2%, 50.0%, 61.8% and 78.6%.

FIBONACCI LEVELS

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- Fibonacci Retracement levels



FIBONACCI LEVELS

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Fibonacci extensions.

Fibonacci extensions can be used to project potential price targets for the next phase of the trend.

Fibonacci extensions levels are 127.2%, 161.8%, 261.8% and are used to identify areas where price might encounter resistance or support during an upward or downward trend.