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ProAct *focus*

HELPING PROACT TRADERS BECOME SUCCESSFUL IN THE FOREX WWW.PROACTTRADERS.COM

We exist to provide the finest charting program in the Forex. We color-code to show Momentum and Harmony, give clear exit points and unparalleled training resources.

Helping you achieve your trading goals

Endeavor Class a huge success!

Every trader struggles and most traders struggle multiple times. It is part of the journey. In fact, new plateaus of understanding almost always occur when we are struggling.

So rather than disdain the fact that we are struggling we need to embrace this part of our journey, since our future is only a step away.

The Endeavor Group was formed to

help those traders to get out of this phase of their career in as short a time as possible and still gain the valuable insight that this phase provides for us.

So, if that is you—we have a biweekly online class that is live in the market as well as a private page with lessons, and archived calls to study.

THERE IS NO CHARGE AS LONG AS YOU ARE A SUBSCRIBER.



Trading Tips

Want more success?

When entering the desert if you have an RF1010 setup going into the desert, then that means that there is a lot of momentum pushing the movement and the chance of success with the 6 ACES trade setup is greater. You still use the rules of the 6 Aces but knowing that a RF1010 is pushing it will give you greater confidence in this counter trend move.



Trade Psychology

Four Stages of Trading

I learned the four stages of trading very early in my career. But it wasn't until I progressed through to stage 3 that it hit me just how important understanding these stages were.

Trading involves progressing through various necessary stages of learning. This happens regardless of whether we are conscious of the process or not. Additionally, the amount of time we spend in these stages will vary depending on a number of factors which include our age, education, emotional makeup, finances, and perhaps most importantly, our willingness to learn. The information presented here is not new but it bears repeating since fully grasping these concepts will not only help you identify where you are in the learning process but aid you in planning for future growth.

Stage One – Unconscious Incompetent

The first stage a trader experiences is that of the unconscious incompetent. This is the stage where the trader doesn't even know that he doesn't know what he is doing. Since it requires no particular skill to put on a winning trade, (you have a 50/50 chance of being right). It is statistically quite normal for a new trader to put together a string of winning trades. This generally results in the trader feeling elation and euphoria. This is quite dangerous since the trader lacks the necessary skills to put together consistent successful results. Inevitably, the new trader is shoved along to the next stage in much the same way an infant suddenly becomes a toddler.

Stage Two – Conscious Incompetent

The second stage is the most frightening stage of trading. The trader is now painfully aware that he does not know what he is doing. It is akin to the toddler who has taken his first steps, only to fall and hit his head on the floor or coffee table. Fortunately, few if any of us consciously remember those experiences. Such is not the case when it comes to trading. We remember the painful losses that damaged or perhaps devastated our trading accounts. These are lessons that we will not forget anytime soon! We must learn how to put these painful experiences into perspective and learn from them or we quit trading – either to stop the pain or because our trading account is wiped out.

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HEADS UP?

Just because you have a valid Wild Card or RF1010 does not mean you take the trade blindly.

ProAct's trade setups are just that—a trade setup. That means that a lot of time, effort and research has gone in to find a higher statistical probability set of parameters when certain things exist (these are the rules of the trade setup).

But a trade setup does **NOT** take into account—Support and Resistance, Fibonacci ratios, Trend lines etc.

Those things can only come from the trader plotting them on the charts.

Don't become an indicator junkie.

Learn how to do Technical Analysis and then when the Trade Setup presents itself ... you'll have the confidence to take the trade **if** the Risk and Reward is present!



SMARTER TRADING WITH



Four Stages of Trading continued...

For most traders who survive into stage two, education is front and center in their life. Many will conclude that the key lies in better trade analysis. This is only partially correct. A frenzied study of various trading methodologies usually ensues. Those who possess a strong desire to learn will eventually find a trading style and “edge” that is suited to them. If they are fortunate enough to have not squandered all of their trading account during stage one and two and if they have learned something about trade management, probability theory, risk control and trading psychology they will move on to stage three.

Stage Three – Conscious Competent

The stage three trader possesses most of the necessary tools to be successful. He only lacks experience. This too is a stressful stage for while the trader is capable of producing consistent results, they must think about every step along the way. This eats up a great deal of energy and makes it difficult, perhaps impossible, to relax and simply enjoy what they are doing.

Building on our previous analogy, this would be similar to a child crossing a busy street or navigating a narrow trail. While they possess the necessary skills – they must be focused and constantly evaluating every step of the process. On the plus side, the trader is now producing consistent results that can easily be seen in their equity curve. With each passing day, the trader becomes more capable, experienced and relaxed.

Stage Four – Unconscious Competent

The stage four trader has arrived in every sense of the word. For him, trading has become an automatic reflex and requires no more mental effort than the average person expends on walking. There is little or no struggle with trading decisions but rather a conditioned response to trading opportunities. There is no hesitation about entering a position or booking a loss. It’s not personal – it’s just business. Additionally, most traders in this zone continue to educate themselves. They have learned that small refinements in technique pay large dividends to their trading accounts over the long haul.

This does not mean that the “unconscious competent” trader will not have challenges. Health problems, family issues, financial difficulties will arise eventually for everyone. The advanced trader has learned to constantly monitor his susceptibility to trading errors related to these types of outside forces.

It bears mentioning that no one has managed to become a successful trader without going through all of these stages. All of them are necessary and fundamentally important for continued growth. Knowing where you are in this process helps you know what to expect and what you need to do to progress to the next stage in your trading.

I do not know who the author is of the above — it is a well known lesson circulated in trading circles. So if someone knows the author let us know so we can give proper credit.



Education's purpose is to replace an empty mind with an open one.

[Malcolm Forbes](#)



WHAT DOES A PRO-TRADER DO THAT AMATEUR TRADERS DO NOT? In the Advanced Class we talk about this a lot.

Many traders think that there is a "HOLY GRAIL" in trading. After all, it seems like I keep losing and someone else keeps winning (my money).

The reality is that most Pro Traders have a very simple strategy and they just execute over and over again. Yes, they have learned all about myriads of strategies and techniques, but ultimately, they have settled on one or two very simple techniques with a hard set of rules.

We tackle these techniques and strategies in our Advanced class. We tackle one or two strategies per class and then we have two weeks to work that techniques into our trading if it matches our style.

We concentrate on making sure we understand the TREND, PREVIOUS SUPPORT AND RESISTANCE, FIBONACCI RETRACEMENTS AND EXTENSIONS and DIVERGENCE.

The above are the Basics. All traders MUST understand and use these tools. But after that there are multiple other techniques that are equally important.

These other techniques and strategies are more advanced.

We did a special class on this.

In this class we tackled some of these and they included:

- Realistic Expectations
- MARGIN MANAGEMENT!
- There are probably only 1-2 REAL opportunities per session
- Using your thinker instead of the charts
- Find the Big open zones
- Watch for Square up areas
- Be right BIG – be wrong small
- Trading to be trading
- Think like a big boy
- Precision trading with ONE SETUP!

Because this is sooooooo important we are going to make this 90 minute lesson available to everyone.

Just click on the link (or copy and paste this in your browser)

<http://tinyurl.com/y8rak63>





Getting the most from our charts

Tom DeMark supply and demand lines



ProAct Traders charts incorporates Tom DeMark trend lines (called Supply and Demand lines) as part of our chart analytics. What are they there for?



DeMark was and is a very famous successful trader and he manually used these lines because over and over, the market proves they will respect them. If the market respects them, then they are valid pieces of information for us. We put them on the “GATEKEEPER” charts so that you can easily identify them. Once our software identifies a **New Support** or **New Resistance** it will plot the line and you should PAY ATTENTION!

When you see our charting software, put them on the charts two things are probable.

1. They act as a magnet drawing the candles to them.
2. They create bounce points for the currency to react against.

