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Contributed by admin admin  
Wednesday, 13 February 2008  
Last Updated Wednesday, 13 February 2008

I also made the point that I wanted to write this site out of a sense of frustration I felt when others couldn't seem to put to use what was working for me. I suspect that the reason for this is not necessarily an inability on the traders side but rather the problems inherent in conveying complex issues.

This site, I hope, does much in the form of preparatory work, but even so it cannot do justice to all the perspectives and nuances inherent in real-time analysis and median trading. The latter, the way I practice it, requires you to do away with much which is considered "sacred" in trading, and if you have read attentively you will remember me burying more than one holy cow. In other words to become proficient in my method, you have to make a paradigm shift in how you make decisions about your trading.

Let me try to explain this a little better. As I see it, in most trading systems a specific detailed historical price "set-up" defines a trade at a specific moment at a specific price. If and when the set-up occurs the trade is "on". Especially for traders with the very, very short term time frames (even in terms of short term traders) these set-ups may be very fleeting, before the "opportunity" is gone and the analysis, or search for a new possible profit opportunity starts again, with no memory of the previous "setup". For traders with longer time frames the set-ups will be less frequent but also not so fleeting. There may also be a "redevelopment" of exactly the same set-up, a recognisable pattern. But whatever the system a little bit of magic exists when a trade is "signalled" or "triggered" or "on". The trick, therefore, is in being able to spot the magical set-up according to a predefined set of rules.

Median trading can also be used to enhance this approach by giving a backdrop against which to evaluate the developing set-up, and especially to see a new trade in its proper perspective to previous trades. This in itself is very useful to struggling traders. It allows them to develop a "historical consciousness" with regards to trades. I, however, use it differently from what I have just described. In a certain sense identifying a median grid can be compared with the typical situation described above, but what goes within that grid, once established, is a new world. Trading on a day-to-day basis I move further away from conventional technical analysis. Analysis is important in choosing a currency, in choosing a direction (the fundamental trend) and so on. Analysis is important in drawing up and positioning your grid. Analysis also plays a role in managing your risk within the grid, especially considering the external price shocks caused by events such as the economic data releases. But in the end entries are made and trades put on based on other principles, principles that have more to do with relationships between prices and actions (buy or sell) and levels in different timeframes, and shorter and longer term goals, than anything else.

Most current traders will find the concept of multiple entries and cost averaging the hardest to swallow because it seems to go against much which is conventional wisdom in currency trading.

In a sense it is a waste of time to relate more details at this stage. After all you must develop and trust the principles you use to develop a system that has any chance at all in the long run to becoming, and staying, profitable for you. You simply can't do that if you don't take up the pick and shovel and start digging.

Easy Forex Trading Strategies

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