

TRADER PETRI.

A yellow silhouette of a bear walking to the left, positioned at the end of the word 'PETRI' in the main title.

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Technical trading setups and rules

Portfolio										Bids										Offers									
Instrument	Volume	Bids	Offers	Volume	Last	High	Low	Change	Volume	Instrument	Volume	Bids	Offers	Volume	Last	High	Low	Change	Volume	Instrument	Volume	Bids	Offers	Volume	Last	High	Low	Change	Volume
AGL	28	27668	27669	280	27671	27680	26650	1162	1,448,953	CFR	870	13059	13069	1,504	13069	13153	12932	25	1,639,068	SOL	1,257	42300	42302	1,753	42300	42384	41403	933	651,032
L	566	27663	27671	3,230				4.38%		L	10,585	13058	13070	1,000				0.19%		L	342	42288	42303	21					
	812	27649	27674	766								1,434	13057	13071	2,580						125	42287	42304	454					
	448	27648	27676	448								1,434	13056	13073	1,434						6	42286	42305	810					
	245	27643	27677	448								861	13053	13074	1,434						50	42284	42308	756					
BIL	1,991	26304	26315	2,849	26319	26319	25711	792	1,300,383	MEI	510	11049	11057	857	11057	11081	10890	163	228,340	TKG	3,142	5332	5338	9,521	5337	5349	5265	41	333,400
L	379	26301	26319	2,979				3.10%		L	569	11045	11064	793				1.50%		L	465	5331	5339	1,095					
	2,500	26299	26327	1,600								1,365	11044	11072	6,000						1,281	5330	5340	451					
	4,490	26294	26339	437								1,000	11043	11075	1						2,796	5328	5341	955					
	4,336	26292	26340	6,457								9,184	11038	11078	2,932						2,833	5327	5342	1,605					
EXX	550	14742	14750	1,396	14750	14751	14475	374	338,509	SBK	677	16446	16450	2,059	16449	16679	16309	49	1,075,890	VOD	1,689	15477	15488	939	15489	15516	15285	129	445,353
L	1,128	14741	14755	804				2.60%		L	425	16443	16454	410				0.30%		L	945	15472	15489	487					
	5,982	14740	14756	370								425	16443	16455	1,440						1,379	15471	15490	2,072					
	521	14737	14760	490								500	16442	16457	585						582	15470	15491	560					
	189	14733	14781	1,152								585	16440	16459	585						1,070	15469	15493	552					
KIO	143	28013	28050	715	28010	28110	27356	810	153,977	NED	641	20739	20750	617	20750	21000	20589	13	491,082	MTN	1,816	12276	12278	5,680	12278	12340	12236	1	1,978,654
L	1,702	28012	28051	493				2.98%		L	113	20730	20753	1,911				0.06%		L	2,843	12274	12279	3,371					
	28	28010	28052	281								113	20729	20750	270						1,711	12273	12278	2,444					
	126	28009	28054	210								113	20728	20750	270						1,711	12272	12278	2,444					
	885	28008	28059	201								113	20727	20750	270						1,711	12271	12278	2,444					
IMP	851	3935	3936	1,862	3935	3935	3935	1	238,612	BLK	113	14057	14060	1,407	14057	14060	14057	38	1,627	WHI	1,681	6183	6184	417					
L	1,916	3932	3939	392				0.41%		L	113	14049	14056	750				0.33%		L	1,681	6182	6184	417					
	2,417	3931	3940	4,372								529	14044	14071	1,004						1,681	6182	6184	417					
	899	3930	3941	4,009								532	14043	14072	124						1,681	6181	6186	1,357					
	2,494	3929	3942	1,781								354	14042	14073	177						1,357	6180	6189	4,184					
ANG	492	13367	13372	398	13371	13376	13150	338	347,154	FSR	3,200	5193	5196	4,163	5192	5203	5125	67	3,955,231	WHI	1,440	5681	5682	6,287	5682	5715	5622	47	1,129,789
L	879	13366	13373	282				2.59%		L	3,200	5193	5196	4,163				1%		L	2,305	5680	5683	1,329					
	360	13364	13375	2,451								3,200	5193	5196	4,163						2,152	5679	5684	1,940					
	372	13366	13376	369								3,200	5193	5196	4,163						3,309	5678	5685	3,021					
	372	13365	13377	276								3,200	5193	5196	4,163						3,021	5676	5686	2,150					
SGL	8,217	1870	1872	22,575	1872	1900	1832	41	3,103,707	NPH	340	348905	349144	77	348905	351259	348108	4505	363,893	TFG	800	13763	13774	1,971	13774	13885	13361	224	412,761
L	6,676	1868	1873	21,880				2.24%		L	234	348900	349145	140				1.31%		L	3,411	13762	13775	373					
	1,925	1867	1874	2,000								39	348757	349146	283						498	13762	13779	758					
	11,727	1866	1875	5,588								300	348752	349149	70						544	13761	13781	316					
	26,846	1865	1876	10,876								83	348681	349150	71						544	13760	13783	544					
HAR	3,862	2452	2456	3,865	2456	2459	2420	37	173,170	SLM	13,353	7206	7207	1,168	7207	7211	7054	137	902,989	TRU	907	7632	7637	1,985	7632	7735	7591	96	461,292
L	950	2450	2459	2,158				1.53%		L	1,900	7204	7208	667				1.94%		L	2,087	7629	7638	2,141					
	1,530	2446	2460	24,318								2,324	7203	7209	1,811						1,639	7626	7639	585					
	1,000	2440	2481	1,056								2,604	7202	7211	143						1,254	7625	7640	1,134					
	9,191	2438	2485	2,000								1,889	7201	7212	1,607						446	7624	7641	1,985					
GFI	8,619	5760	5763	1,620	5762	5762	5668	118	506,052	DSY	279	15079	15089	48	15089	15105	14648	434	570,359	SHP	372	20261	20273	724	20273	20400	20174	37	315,758
L	505	5759	5764	407				2.09%		L	733	15078	15090	1,280				2.96%		L	224	20260	20277	281					
	2,238	5758	5767	503								591	15076	15083	172						760	20259	20278	346					
	751	5757	5768	1,125								1,406	15075	15087	280						1,304	20254	20279	137					
	1,204	5755	5769	605								272	15074	15102	373						480	20245	20281	370					
APN	224	32548	32550	580	32550	32750	32000	605	346,460	OML	7,694	3625	3627	5,107	3624	3627	3567	58	2,904,811	MRP	908	17763	17776	290	17763	17873	17414	238	277,192
L	919	32547	32557	173				1.89%		L	23,250	3624	3628	4,790				1.63%		L	1,277	17762	17777	4,299					
	406	32543	32561	240								41,436	3623	3629	2,750						320	17759	17781	494					
	240	32538	32579	126								24,063	3622	3631	20,000						959	17751	17783	183					
	137	32531	32580	126								34,085	3621	3633	358						1,200	17745	17784	151					

History Messages

- 11:04:00 Notice confirming effective date of the delisting
- 10:52:00 [SPA] Dealings in Securities by a Director
- 10:50:00 [THA] Transfer of treasury shares and total voting rights
- 10:42:00 [SPA] Dealings in Securities by a Director
- 10:42:00 [ART] Trading Statement and Update
- 10:18:00 GEN - General - Orion Real Estate Limited - ORE - Suspension of listing
- 10:12:42 Suspension: ORE has been Suspended with immediate effect

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What we are going to talk about

- Basic rules of trading
 - Simultaneously a set of rules, as well as a process and a 'thinking framework'
- Technical setups
 - Intraday setups
 - Longer term setups
 - Medium term trend changes
- Finding trades
 - What to trade
 - Process of finding trades
 - Looking for catalysts

A hand is shown holding an open book with a wooden cover, which appears to be a ledger or a record book. The book is open to a page with a grid of numbers, likely a trading ledger. The book is resting on a dark, textured surface, possibly a table or a desk. In the background, there are several other books, some of which are bound in leather or wood. The lighting is dramatic, with a strong light source from the left, creating a bright glow on the book's cover and the hand, while the rest of the scene is in deep shadow. The overall atmosphere is one of mystery and historical significance.

Basic rules of trading

Basic rules of trading

- **The first goal is always to make sure that you can stay in the game**
 - It's about survival first, then about making money
 - Most traders don't make it through the first two years
- **Price action is everything**
 - What is happening now is more important than what has happened in the past, what we might believe about what will happen next
 - The now moment opportunity flow (Trading in the Zone – Mark Douglas)

- **No such thing as cheap or expensive**
 - No space for rationality in the markets
 - We are traders, not investors, we follow price
- **Find/Identify an opportunity**
 - Catalysts/News
 - Trends and inflection points
 - Volume/liquidity

- **Determine probabilistic outcome**

- Technical analysis – candles, trend lines, oscillators, support/resistance levels

- **Manage position**

- Stop loss strategies
- Take profit strategies

- **Golden rules:**

- Never sit in a bad trade
- Win is over the day/week/month and not just one trade
- It's ok to win 6 of 10 trades
- One rand in AGL is the same as one rand in FSR

- **Markets give us many chances**
 - You can't catch 'em all
 - Not everything is a chance, be discerning and patient
- **Good traders are honest with and about themselves**
 - A bad trade is a bad trade, you can't talk it good
- **Get out if you can get back in**
 - E.g. resistance gets you out, resistance breaks, get back on the bus

Technical setups



- Technical setups represent a probabilistic outcome to a series of historic price movements/events
- Technical setups offer an opportunity to take measured/controlled risk

Technical setups in context

- A visual representation of price action
- An attempt to understand the emotional state of the market
- Charts are not in isolation, volume is key

Impulse-consolidation pullback - intraday



- Session begins with a strong move in one direction
- Impulse move, consolidation, pullback, consolidation, break in direction of impulse move
- Consolidation should be relatively small compared to the impulse move
- Trade break of consolidation
- Stop above/below consolidation extreme
- Take profit in next consolidation/trend line trailing
- If consolidation is large compared to the impulse move or moves are indistinct, avoid
- Pattern occurs throughout the day and on multiple timeframes, trend continuation pattern

Reversal-consolidation breakout - intraday



- Not every impulse is followed by a pullback and consolidation
- Sometimes a big move one direction, then bigger move in the opposite direction
- New big move becomes new impulse move
- Pullback from 'new' impulse must be smaller than impulse, followed by tight consolidation
- Trade break of consolidation
- Stop above/below consolidation extreme
- Take profit in next consolidation/trend line trailing
- Applies to daily and weekly charts as well

Reversal at support/resistance - intraday



- Support and resistance areas are areas and not exact numbers
- Look for consolidation breaks at or near these areas
- Use consolidation breaks as triggers
- Stop at consolidation extreme
- Take profit in next consolidation or trailing stop

Reversal at support/resistance – perspective



- Horizontal support/resistance is the most powerful

Reversal at support/resistance – perspective



Reversal at support/resistance – perspective



Reversal at support/resistance – perspective



Reversal at support/resistance – perspective



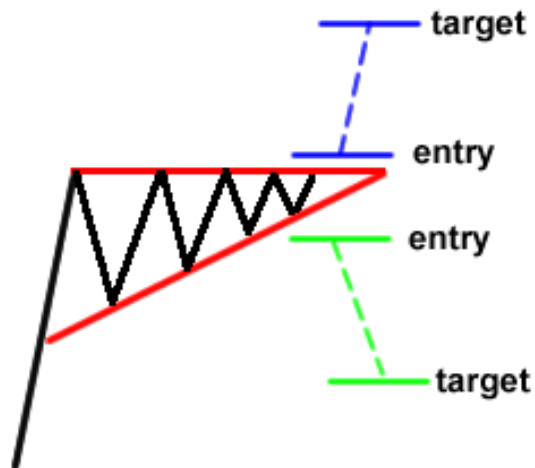
False breakouts help confirm trades - intraday



- If we are expecting to trade the break of the consolidation pullback of an impulse move and we see a false break out, it helps to confirm our thinking
- Increases probability of success

Triangles and wedges- longer term

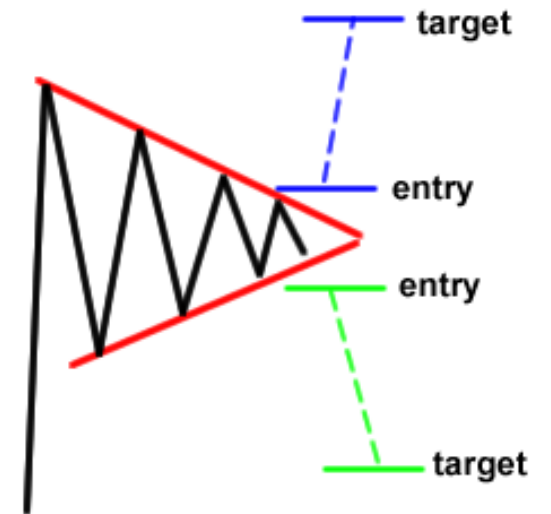
Ascending Triangle



Descending Triangle



Symmetrical Triangle



Triangles and wedges- longer term



- Descending (flat bottom) triangle
- Entry is the daily candle close below the support level
- Note that support is drawn using closing prices
- Stop loss above top trend line
- Take profit in next consolidation/trailing stop

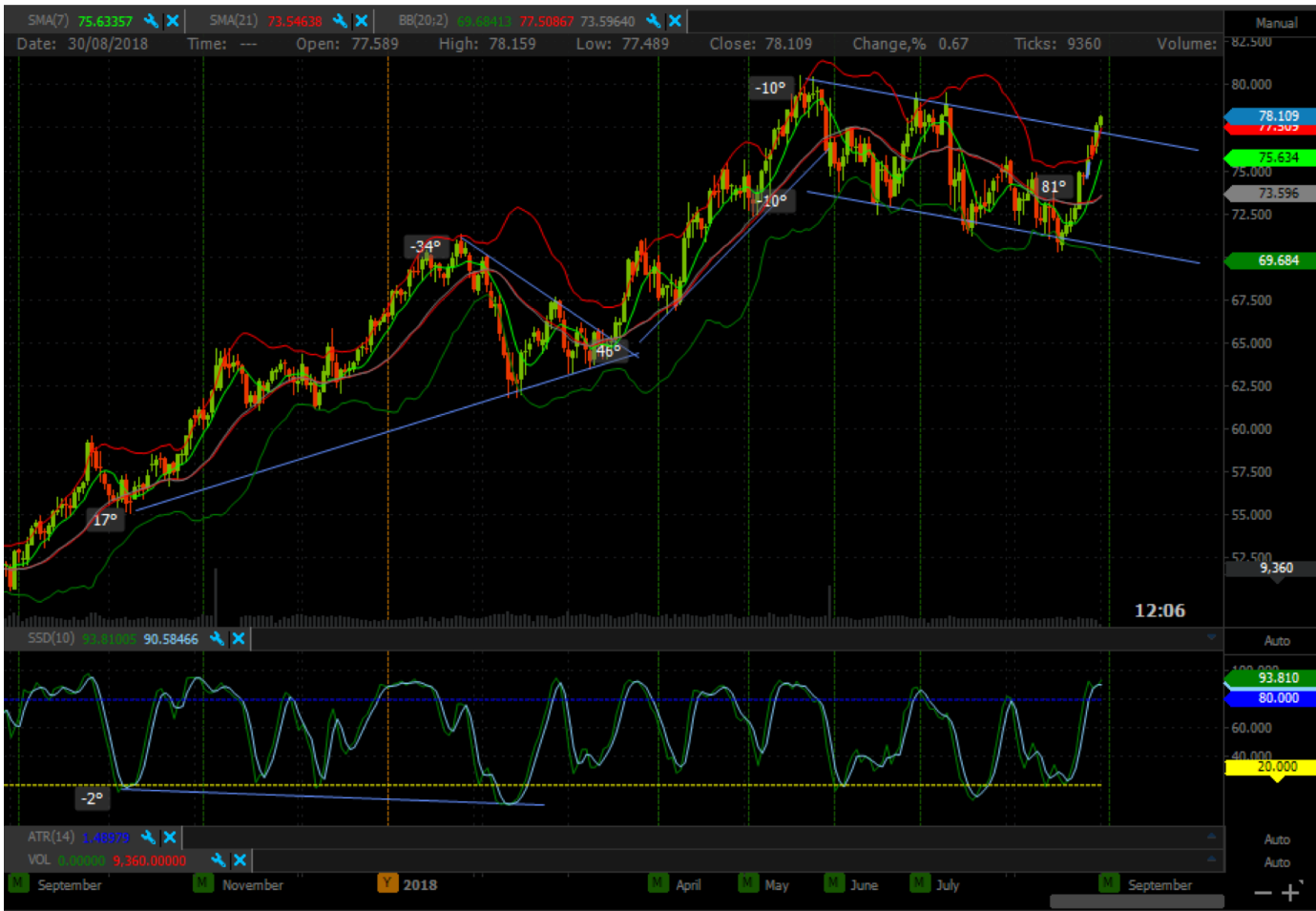
Triangles and wedges- longer term



Triangles and wedges- longer term

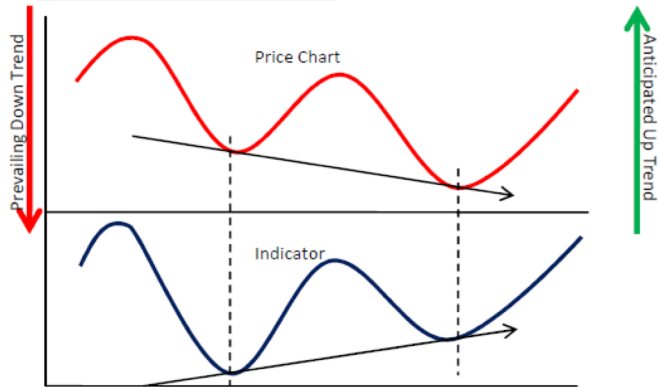


Triangles and wedges- longer term



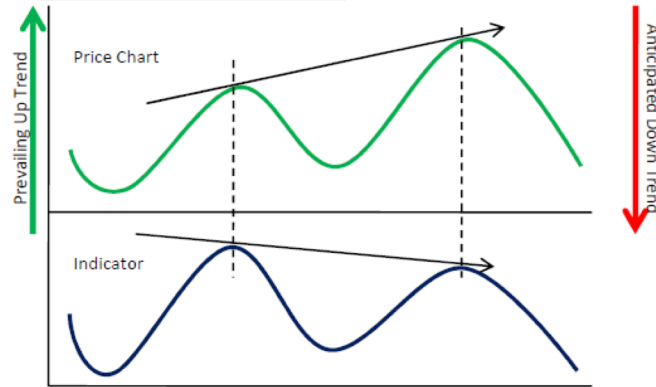
- Symmetrical triangle break
- Currently forming a bull flag
- Bullish divergence

Normal Bullish Divergence



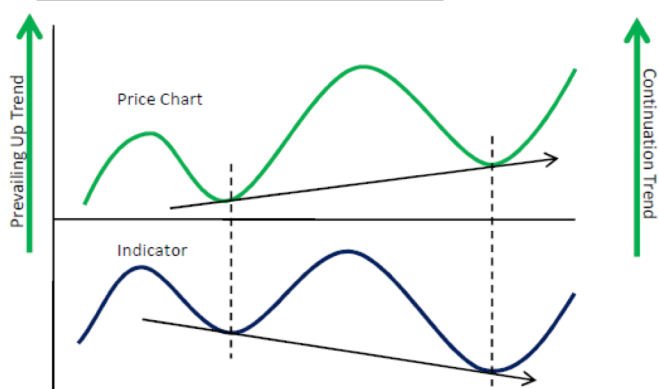
Trend following strategy - Trade not allowed
Against the trend strategy (e.g. Bollinger trend reversal) - Trade confirmation

Normal Bearish Divergence



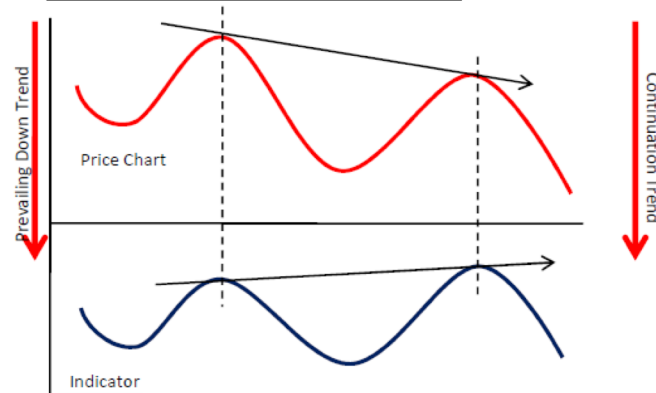
Trend following strategy - Trade not allowed
Against the trend strategy (e.g. Bollinger trend reversal) - Trade confirmation

Reverse / Hidden Bullish Divergence



Trend following strategy - Trade confirmation
Against the trend strategy (e.g. Bollinger trend reversal) - Trade not allowed

Reverse / Hidden Bearish Divergence

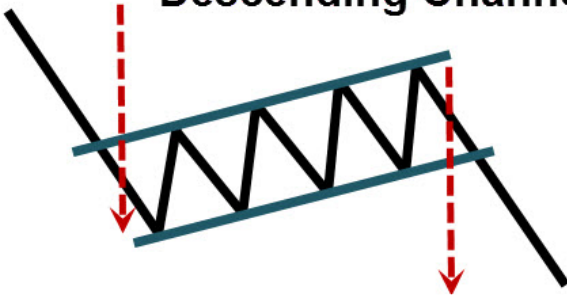


Trend following strategy - Trade confirmation
Against the trend strategy (e.g. Bollinger trend reversal) - Trade not allowed

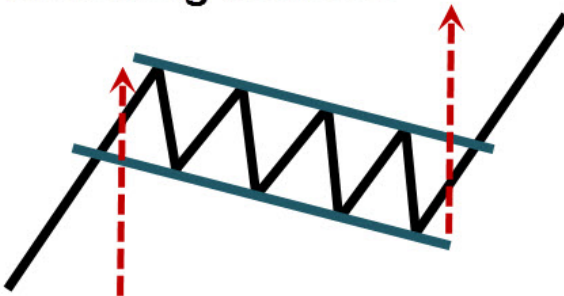
- Four types of divergence
- Standard Stochastic settings
- Great confirmation for chart based formations and signals

Flags and channels - longer term

Descending Channel

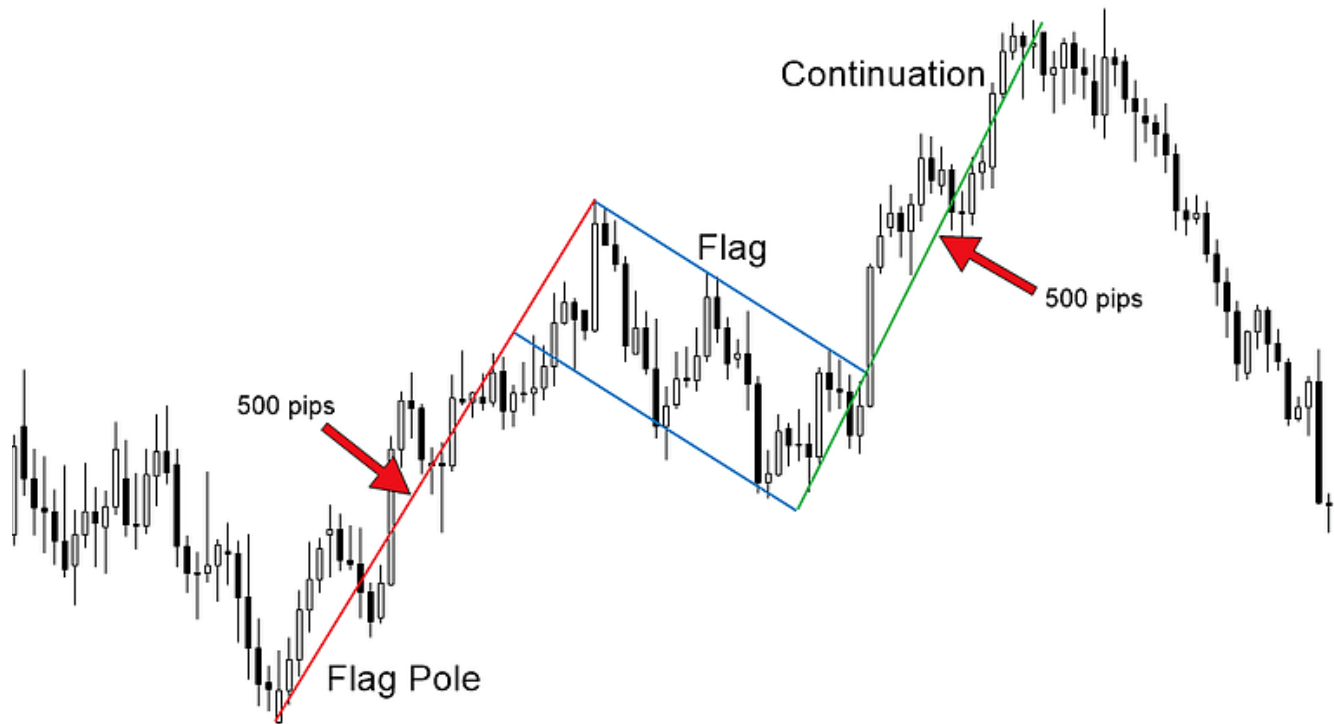


Ascending Channel



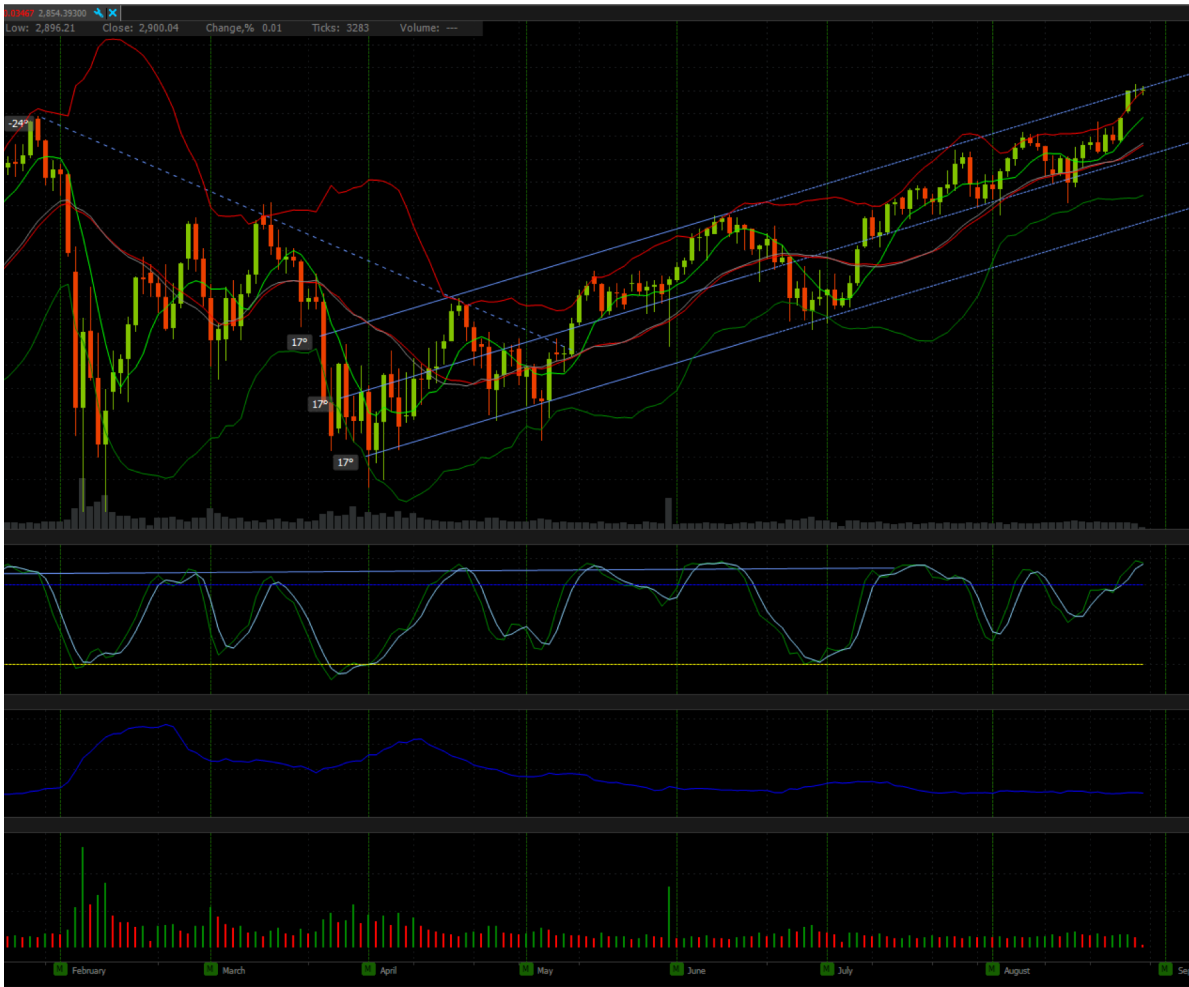
- Flag formations and ascending/descending channels are for all intents and purposes the same thing
- The key difference is the amount of time that price spends inside the channel as well as the size of the channel (width)
- Flags and channels, however, are traded very differently

Flags and channels - longer term



- High probability formation
- Entry is break of resistance (or retest of level)
- Stop loss is formation extreme
- Measure the move into the flat formation and project it out in order to get a target

Flags and channels - longer term



- 3 significant levels in a channel
- Upper resistance, lower support, mid support/resistance
- Consolidations around support and resistance levels serve as potential triggers for trades
- Stop would be consolidation extreme
- Target would be next channel support/resistance

Reversal patterns– longer term



- Cup and handle
- Entry is break of resistance at the rim of the cup
- Stop loss is below the ear of the cup
- Measure depth of cup to project a target

Reversal patterns– longer term



- Head and shoulders
- Entry is break of neckline
- Stop loss is top of right shoulder
- Measure height of head to project a target from base of neckline

Reversal patterns– longer term



- Medium term trend change
- 50 and 100 MA cross over, while under 200 MA

Reversal patterns– longer term



- Medium term trend change
- 50 and 100 MA cross over, while under/over 200 MA



Finding trades

```
mirror_ob = modifier_ob and modifier_ob.type != 'MIRROR'
mirror_ob.select = False
modifier_ob = bpy.context.selected_objects[0]
#mirror_ob
mirror_ob = bpy.context.active_object
mirror_ob.select = False # pop modifier_ob from sel stack
print("popped")
#modifier_ob
modifier_ob = bpy.context.selected_objects[0]
print("Modifier object:" +str(modifier_ob.name))
#modifier_ob.select-1
print("mirror_ob",mirror_ob)
print("modifier_ob",modifier_ob)
t mirror modifier on modifier_ob
mirror_mod = modifier_ob.modifiers.new("mirror_mirror","MIRROR")
t mirror object to mirror_ob
mirror_mod.mirror_object = mirror_ob
operation == "MIRROR_X":
mirror_mod.use_x = True
mirror_mod.use_y = False
mirror_mod.use_z = False
operation == "MIRROR_Y":
mirror_mod.use_x = False
mirror_mod.use_y = True
mirror_mod.use_z = False
operation == "MIRROR_Z":
mirror_mod.use_x = False
mirror_mod.use_y = False
mirror_mod.use_z = True
```

- **Hunt for most liquid things to trade (avoid smaller stocks)**

- Top 40 stocks, or stocks that are in one of the major indices (SPX, FTSE, DJI, DAX)
- Major indices only (DJI, FTSE 100, SPX, DAX, ALSI, CAC40, ASX 200, NIKKEI 225, HANG SENG)
- Major currency pairs only (EUR/USD, USD/JPY, GBP/USD, USD/CHF) [CAD, NZD, AUD, ZAR]
- Commodities (GOLD, SILVER, PLAT, COFFEE, BRENT CRUDE OIL, ETC)

- **Set up a routine for yourself to flip through your charts each day/week to look for patterns**

- Google a bit to find fresh news and or stories about instruments you are trading
 - Google finance is amazing
- Start with a small universe and grow it as you gain experience

- **Search for potential catalysts**

- Earning calendars
- Economic data/calendars
- Late night cabinet reshuffles, Trump speeches
- Read the newspaper
- Talk to other traders/build a network

- **You don't ALWAYS have to trade**

- Be patient, good setups take time
- There is another chance if you miss this one
- The market works for you

Reversal patterns– longer term



- Range trade – most people were long off R106.00
- Fresh catalyst comes to market
- Range target almost hit in a day (chart done at around 1-ish today (30 Aug 2018))

Thank You

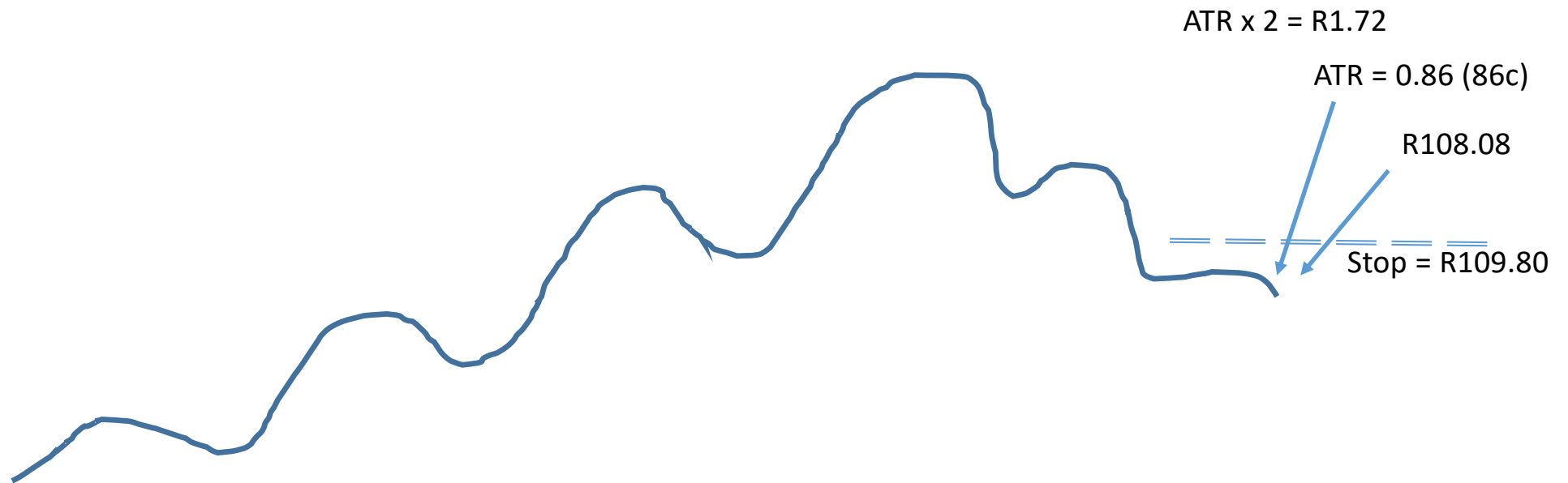
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Master of the trailing stop



Master of the trailing stop

