

## THE MOST POWERFUL DAY TRADING SETUP PERIOD!

In this pdf I will show you how I combine my institutional numbers with my 40-60 number count 9 and 13 setups. Below you will find my concrete rules on when to expect a major trade to occur and how I use my leading indicators to tell me several minutes before a trade setup. Also, I use my 5 minute chart with the same setup to give me the heads up for the big upcoming push. You must read my other two pdf's that concentrate on the 40-60 setup(momentum pdf) and my institutional setup(top setup pdf). Please read those for more detail. I will show you here how I use them both each day using my 5 and 1 minute charts that you will be viewing under my [www.gatherplace.com](http://www.gatherplace.com) screen.

You are about to learn how the professionals buy on strength and short on weakness. The public buys low and hopes to sell high or they sell high hoping to buy low. This leads them to always counter trend trade the market and get run over by the market. My live day trading room buys high and sells higher with the tone or shorts low and buys lower with the tone. This is what the professionals do. You will be trading with some of the top money managers in the world using this setup and methodology. Remember, please do not go on until reading my other two detailed pdfs mentioned above. Here are my CONCRETE trading rules.

### \*\*\*\*\*INSTITUTIONAL NUMBERS\*\*\*\*\*

Everyday at 6pm est. my 5 minute and 1 minute charts will automatically updated my daily institutional numbers. They will change on a 24 hour basis. Also, I update these numbers under the announcement tab in my omno room. These daily numbers are represented by plus or cross signs(+++++). You will see a blue, red and green number. The blue number is the most important. If prices are above the blue then the market tone is up. If prices are below the blue number then the tone is down. The green daily number should contain the low and the red numbers should

contain the high for the session. These 3 numbers are the areas that I want you to look for my 40-60 setups and my institutional retest trade once these levels are broken or retested. The blue number will always be the middle number and the red will always be the upper and the green will be the lower. The market likes to react and move away from these numbers when tested. This creates areas for you as a trader to get ready for the big move. The institutional numbers will be the same on the 5 and 1 minute. Also, I have added additional support/resistance levels with my weekly and monthly numbers that are on these charts too. My weekly will change every Sunday night and are blue, red and green dots. My monthly numbers are a solid blue, red and green line. Once again, you will use these levels to trade off of with my 40-60 trades. The daily blue number will always tell the tone. See my top setup pdf for more detail on institutional numbers.

#### 40-60 BAR COUNT TRADES

How would you like to know when the market is ready to explode to the upside or downside. Now you do. The bar count allows you to know if the market is showing major weakness or strength to get ready for the big move. Let's break the charts down first. Scroll down to the first chart you see. This is my British Pound 1 minute chart. I use the 1 minute to enter my trades, place my hard stop and I use it with my symmetry dots to trail my position and to scale my first contracts out to produce a free trade to keep riding the market lower or higher for the big trade and I scale to reduce risk. Notice a solid red line at 60% and a solid green line at 40%. Also, you will notice two sets of 9 red number counts. This is an example of a short setup. You can also have a green set of buy 9 numbers if it was a buy setup or a set of white 9 and 13 numbers for both a buy and sell setup. Let's first go over the rules and then I'll put this trade all together for you.

#### SHORT SETUP(BUYS OPPOSITE)

You have 3 possible SELL setups with my 40-60 rule. I will list them in order of importance.

First, we know that the blue daily institutional number is the tone for the currency you are trading. In this example the British Pound 1 minute was trading below the blue daily institutional level. Only looking for shorts. Once the blue institutional number is broken I want you to immediately look for a retest of that number. If not retest takes place then look at my 3 ma's on the 1 minute chart. I want to see the short term white and magenta ma's cross below my yellow m.a. This will get price action below my yellow m.a. and it breaking away from the institutional number. Breaking away from my three institutional numbers tips us off that the market is now going to push and set me up for a 40-60 9 or 13 sell. This is why I want price action to be below the yellow m.a. and the blue institutional number for the hard push so that the 40-60 trade has momentum. Sometimes the market will break the institutional number then retest the number for a retest sell before a 40-60 comes up. See top setup pdf for that entry. Let's look at the chart below. The BP breaks the daily blue institutional number. Tone is down. The market is below the yellow moving average. The bar count starts counting with red numbers until it reaches 9 just below my 40% green line. This is the best trade that you can get. Breaking below my institutional number, getting below the yellow m.a. with tone of institutional push and the red bar count to 9 just below the 40% line. This indicates major weakness. Here is the sell rule in order.

1. TOP TRADE. Best 40-60 9 or 13 count for shorts is when the bar count goes to a red 8/9 on or below the 40% green line at the bottom of the chart. If it prints a 9 or 13 below 40% then the market is really weak and get ready for a "Blow Off" trade. A term i use in my live day trading room. I'll go over entry's below. Let's get what to look for first with the bar count.
2. The second best short trade will be when the market exceeds the 40% but prints on or just under the 60% red line. This can be a red 8/9 count or white 9 or 13 before entry dot.
3. The last and most aggressive of the first two happens when the market gets above the high of the white dots just above the solid red 60% line. This indicates strength in the market. This is still a setup if the bar count is 9 or 13,

however, you must be setting lower highs on symmetry dots and my cyan leading divergence indicator shows divergence.

Summary:

A. Best trade red 8/9 bar or white 9 or 13 count completes below 40% green line. Blow off trade.

B. 8/9 red bar count or white 9 or 13 count completes on or below the 60% red line before magenta sell dot after count.

C. 9 red or white 9 or 13 count completes outside of the 60% red line.

Ok! Let's pull this together with charts. Then I'll go over the entry, stop and trailing stop.

The market breaks below the daily institutional blue daily number. Tone is down. Once you first break below the blue number look for a retest short on the institutional number. If no retest then you want the market to get below the yellow m.a. Now you have the market below the blue institutional level and below the yellow m.a. in the same direction. This indicates weakness. Look for the first 40-60 sell count to get you in the trade. As a trader, you want a 9 or 13 sell below 40% right. This would be the ultimate signal. You can still take the 60% sell or above the white dots when overbought but make sure you qualify the overbought trade due to strength of the retracement. I will go over the snap back at the end. Let's go over the chart below how I would enter the short trade.

1. Market breaks below blue institutional daily numbers. Tone is down only shorts. I will look for the market to go down and snapback up to retest the blue number to do a #1 retest short or snapback trade to yellow m.a. If the market does not retest the number and keeps falling I will watch my moving averages.

2. Prices do not retest the blue institutional number and prices are now below my yellow m.a. I now have complete alignment for a nice 40-60 short. I'm on the side of the blue institutional number for shorts and prices are well below my yellow m.a. Watching for the red bar 9 sell or white 9 or 13 numbers to pull myself in a short.

3. Red bars start counting 1 2 3 4 5 6 7 when it hits seven you need to pay attention. You can see if it will bar count a red 8 or white 9 or 13 below 40 or 60% real easy. When it does print 9 like the chart below then you must look for the following.

4. Red bar prints 9 below the ultimate short(below 40%).

5.ENTRY TECHNIQUE AFTER BAR PRINT OF 9 or 13. Once you see the bar count start looking at your 1 minute chart. You want to see a Doji/hammer. This will give you heads up that the turn is coming with the number count. Once one comes up you want price action to break the low of that Doji/hammer and give a magenta sell dot to confirm. Enter with the sell dot and place stop above the swing high a few bars before short. Details below.

On a side note. I do sell my symmetry dots for Tradestation and Ninja Trader. Also, you will notice the chart below has a triangle that pops up with my 40-60 trades. This indicates a big vertical move in the works. They symmetry dots give you the big picture on your own charts to never counter trend the moves and to trail your stops.



Ok! Let's do a summary.

1. Best short trade will be a 9 or 13 count below 40%
2. Second best bar count on/below 60%.
3. Third outside the white dots above 60%. Need to be setting lower highs on symmetry dots and divergence is best. Snap back trades are ok too.

## ENTRY

1. Tone=Blue daily institutional number
2. Confirm when a 40-60 count will be coming when prices get above or below the yellow m.a. on the 1 minute with the tone. This will alert you.
3. Symmetry dots setting lower highs for shorts or higher lows for longs. These top three filters give you the major edge. Now watch the count.
4. Three ways to enter on the 40-60. You would love to see the market to show major strength(9 or 13 count above 60%) or major weakness(9 or 13 count below 40%). These are the blow off trades.
5. Ok! You have the count on a 40-60 line.
6. Now watch for a Doji/Hammer. Once one comes up this indicates that the bar count is trying to turn the market. However, this is now enough. Once the Doji/Hammer comes up look straight down at my leading indicator(cyan divergence line) and then watch for the first sell dot(magenta) or buy dot(green) to enter the trade.
7. A Doji pops up. The market is in a downtrend with a 9 red below 40% sell. You look straight down right to left and the market shows divergence. You now want to see a magenta sell dot to enter and a break of the Doji low to confirm. Typically, the break and sell dot come together.
8. Sell Dot pops up and you enter at the market. Place your stop at the swing high if shorting or swing low if buying a few bars before the entry dot.
9. Take your first contract out at my symmetry dots. Purple if long or cyan if short. This allows you to have a free target and trail the market with my symmetry dots and reach the ultimate institutional target.

Look at the chart below. 60% 9 red sell count. Doji with divergence(cyan line).Enter with magenta sell dot.Stop swing high.Cyan Scale. Free Trade.



See below. 13 sell outside white dots. However, below yellow line and purple symmetry dots with major sell divergence. Stop swing high.



I want you really to focus on the 5 min. and 1 min. gatherplace charts on the Euro and British Pound. You have seen that the 1 minute chart with my indicators are very very powerful. Let's see what the 5 minute does.

ECM10 - 5 min L=1.2765 0.0145 Hi=1.2803 Lo=1.2591 V=667,749

# EURO 5-6-2010



Created with TradeStation

Notice how the 5min. chart 60% sell nails the move. I like to see divergence on the 5min. with the number count to find major tops and bottoms. I always enter off the 1 minute with my entry rules. The 5 minute helps you to see the 40-60 major moves coming way in advance. Remember, entry is always a concrete rules. Doji/Hammer break with sell or buy dot. Stop is always a swing high/low a few bars before the entry dot. I do not look for divergence until after the 9 or 13 count with blue institutional tone with yellow m.a. confluence and after the Doji/Hammer. Then divergence. Then break of

Doji/Hammer with entry dot. Stop swing high/low. Scale at symmetry dots.



This is a textbook setup. 9 sell below 40% on a 5 minute chart and on my institutional number. It does not get better than this picture on the one minute or 5 minute. These two together (institutional numbers and 40/60 bar counts) will drive the market hard with very little heat. You should be have a smile ear to ear when this lines up.

This is for the members. Remember, watch for the snap back trade to the yellow m.a. after the cross and break of a institutional number. I like to qualify with divergence or the bar count outside of the white dots contained within symmetry. If no snap back then 40-60 is coming.



This will give you a way to study my powerful setup before you take the three day trial in my live trading room.

Remember, read the two pdf's that Jerel enclosed and study the recent trades enclosed that the system has produced. I marked all the charts up.

What you will find with this system is that you know exactly when to pull the trigger with a great risk/reward. Thanks again.

Jay

\*\*\*\*\*KEY POINTS\*\*\*\*\*

1. The best trade that you can have is the first 9 or 13 buy/sell above 60% or below 40% after just breaking or retesting my blue daily institutional number.
2. When the tone meaning the side of my institutional numbers line up with the my three m.a.'s on the 1 minute meaning the side of the yellow m.a. This is perfect alignment for a great below 40-60 short or above a 40-60 long. Even the 9 and 13's outside of the overbought or oversold work great with this alignment thus the snap back.
3. Remember, if a blow off trade occurs the stop is different than a normal 40-60. It is only 1-2 ticks above or below the swing high or low after entry on my green and magenta momentum dot. All other stops are one whole candle close above or below the swing high or low due to less momentum.
4. Snap back trades to the yellow m.a. occur after an institutional number has been broken and the cross has taken place with the 3 m.a.'s and the market falls or rallies after the cross at least 10-15 ticks. I like to see divergence on the snap trades with the trend and count.
5. When the 5 minute charts shows a below 40 or above 60 for buys then pay real close attention. Typically, a 100 tick move is coming. Pull yourself in with a 1 minute 40-60 or snap trade. Also, when the leading cyan divergence indicator shows major buy/sell divergence with tone on daily blue number, I will pull myself in on the 1 minute. If you counter then its a must symmetry play with divergence.
6. Weekly institutional play are the great. Once you break the weekly dots or

test them on the 5 minute chart, I will stare at my 1 minute for entry on the retest. Remember, entry is the same on all the setups.

SYMMETRY DOTS

TONE WITH INST. NUMBERS

ABOVE/BELOW YELLOW M.A.

NUMBER COUNT 40-60

DOJI/HAMMER

DIVERGENCE

SELL/BUY DOT ON 1 MINUTE TO ENTER TRADE WITH BREAK OF  
DOJI/HAMMER STOP IS AT SWING HIGH.

SYMMETRY DOTS TO SCALE FOR FREE TRADE AND TRAIL

\*\*\*\*\*ONLY TRADE AROUND DAILY, WEEKLY, AND MONTHLY  
INSTITUTIONAL NUMBERS. THEN PULL YOURSELF IN WITH A 40-60  
BAR COUNT TRADE WITH TONE AND YELLOW M.A. ALIGNMENT  
THAT SIMPLE AND VERY VERY POWERFUL\*\*\*\*\*





