NASDAQ TRADING STRATEGY



1. What is NASDAQ?

The Nasdaq 100, is also best known as the NAS100, USTEC, Nasdaq 100 index, or USTEC100, is a market capitalization system which features more than 100 of the largest publicly-traded non-financial businesses on the Nasdaq composite index namely Google, Facebook, Apple, Microsoft, Amazon, etc, it is a global electronic market place used for buying and selling securities as well as benchmark index for technology stocks, it

2. The naming of NASDAQ differs from a broker to another, other famous names for it are:

- US100
- NASDAQ100
- US100CASH

3. Before we jump into different strategies of trading NASDAQ, it is cardinal that we take note of the following tips about NASDAQ trading

1. When we experience positivity on stocks, NASDAQ will also give positive results, meaning when stocks are bullish, NASDAQ will also be bullish.

2. When we experience negativity on stocks, MASDAQ will also give negative outcomes, meaning when stocks are bearish, NASDAQ will also be bearish.
   (Stocks refers to the 100 of the largest publicly-traded non-financial businesses)

3. According to the South African Time Stocks opens at 16h30, this means that high volatility can be expected to take place on NASDAQ at this time, hence we always experience high movements on NASDAQ at these times between 16h30 and 17h00

4. It is important that one masters price action, which also includes support and resistance, double top (M- formation), triple top, Consolidations, Double bottom (W-formation) this will help you master break outs, in that way you will never go wrong when trading NASDAQ

4. Recommended brokers for trading NASDAQ

1. ~~JP Markets~~
2. Globex360
3. Avatrade
4. IC Markets
5. Oanda

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5. NASDAQ Trading strategies

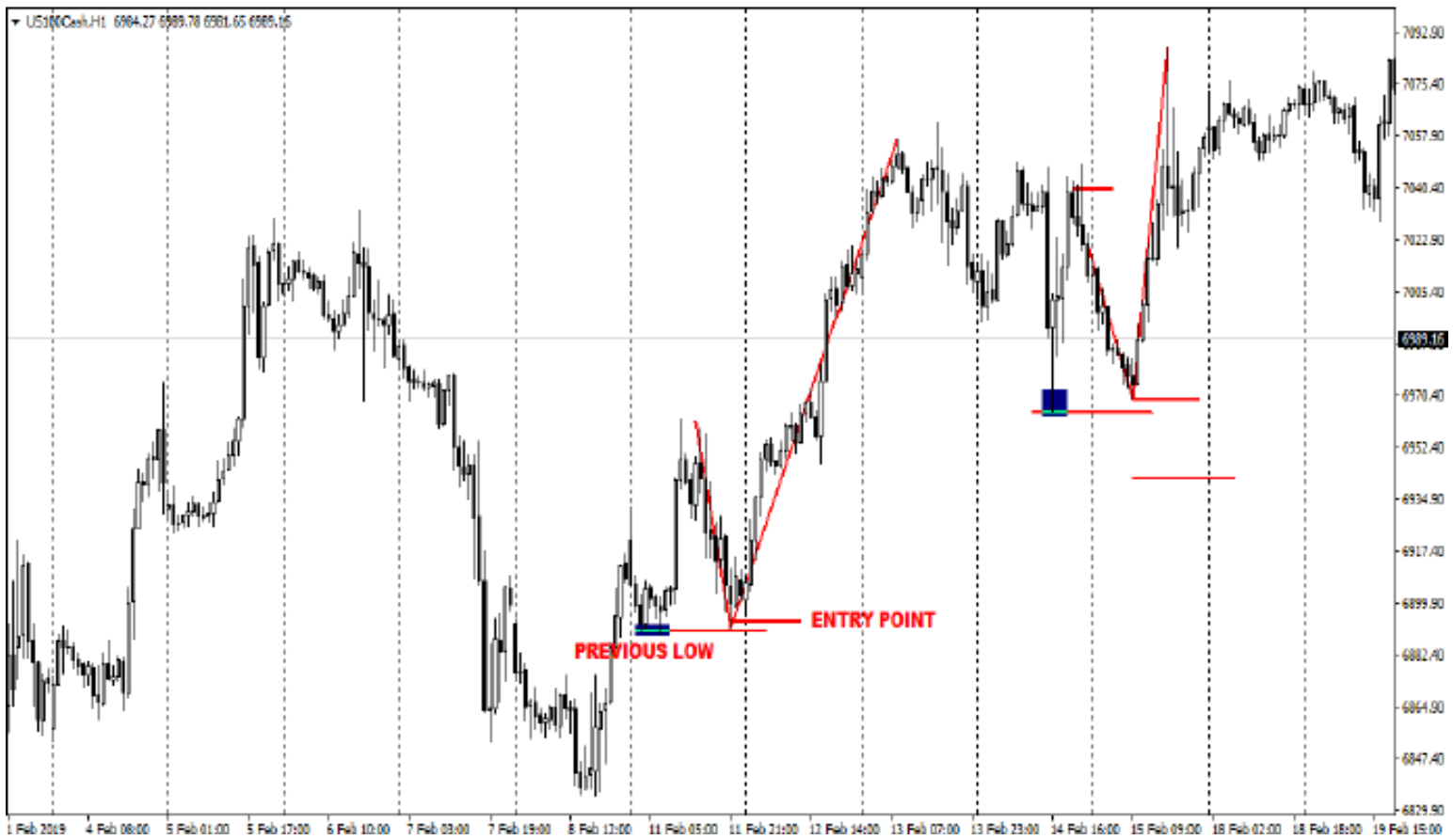
1. V – PATTERN AND SNVERSE
2. Z – PATTERN
3. SUPPORT AND RESSSTANCE

FOLLOW THE RULES OF THSS STRATEGY AND YOU SHALL NEVER GO WRONG

Requirements

1. Broker that offers NASDAQ.
2. Leverage 1.500 not more than.
3. Equity of about $500 and above
4. Take trades on 15 Minutes or more

1. V Pattern and Inverse



V – PATTERN AND SNVERSE RULES

- This is something you will need to apply each and every day.
- The Science behind the strategy is waiting for NASDAQ to pick or choose a direction for the day, then wait for it to come back to retest or to respect the previous low or high.
- It is always important to mark your previous low/high and weight for the price to come and retest before moving up/down.
- Always weight for candles to rejects before taking any trades.
- Buy or sell on the retest because NASDAQ always respects its previous low/high.
- If the price respects the previous low/high but not forming a V- pattern or an inverse thereof, that set-up is invalid.

ENTRY RULES

- Enter on the retest.
- Always target previous highs and lows for take profit and stop loss.
- Let your stop loss be 5 points away from your previous support or residence level depending on whether you are on a bearish or a bullish direction

EXAMPLE:

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PREV - HIGH
SELL HERE
BUY HERE
PREV - LOW


PREV - HIGH
SELL HERE
BUY HERE
PREV - LOW


US100Cash, H1 6977.83 6984.59 6950.49 6954.24
BUY
BUY
7094.80
7079.05
7063.75
7048.00
7032.25
7016.95
7001.20
6985.45
6970.15
6954.24
6938.65
6923.35
6907.60
6891.85
6876.55
6860.80
6845.05
6829.75
7 Feb 2019
8 Feb 01:00
8 Feb 17:00
11 Feb 10:00
12 Feb 03:00
12 Feb 19:00
13 Feb 12:00
14 Feb 05:00
14 Feb 21:00
15 Feb 14:00
18 Feb 07:00

US100Cash, H1 6977.83 6984.59 6950.49 6954.24
BUY
7165.60
7155.70
7145.80
7135.60
7125.70
7115.80
7105.60
7095.70
7085.80
7075.90
7065.70
7055.80
7045.90
7036.00
7025.80
7015.90
7006.00
6996.10
20 Feb 2019
21 Feb 01:00
21 Feb 17:00
22 Feb 10:00
25 Feb 03:00
25 Feb 19:00
26 Feb 12:00
27 Feb 06:00
27 Feb 22:00

Z – PATTERN



Z – PATTERN RULES

- Wait for NASDAQ to pick a direction for a day and then reverse forming a V – shape (inverse) and then complete the Z - pattern.
- As it reverses It will respect the previous low/high and shot up/down completing the pattern.
- Wait for it to go up/down to respect the previous low/high before taking trades.
- NASDAQ has a tendency of packing direction and the reverse to respect the previous low/high before moving up/down till the following day.

ENTRY RULES

- Wait for it to pick a direction and show rejecting candles before take trades
- buy/sell immediately after retesting the previous high or low.

EXAMPLES:


US100Cash,H1 6977.83 6984.59 6950.49 6954.24
BUY
BUY
7094.80
7079.05
7063.75
7048.00
7032.25
7016.95
7001.20
6985.45
6970.15
6954.24
6938.65
6923.35
6907.60
6891.85
6876.55
6860.80
6845.05
6829.75
7 Feb 2019
8 Feb 01:00
8 Feb 17:00
11 Feb 10:00
12 Feb 03:00
12 Feb 19:00
13 Feb 12:00
14 Feb 05:00
14 Feb 21:00
15 Feb 14:00
18 Feb 07:00


US100Cash,H1 6977.83 6984.59 6950.49 6954.24
SELL
7038.65
7026.40
7014.15
7001.90
6989.65
6977.40
6965.15
6954.24
6940.65
6928.40
6916.15
6903.90
6891.65
6879.40
6867.15
6855.25
6843.00
6830.75
4 Feb 2019
5 Feb 03:00
5 Feb 19:00
6 Feb 12:00
7 Feb 05:00
7 Feb 21:00
8 Feb 14:00
11 Feb 07:00
11 Feb 23:00

NB: ALWAYS MARK YOUR PREVSOUS LOWS/HIGHS

Previous high respected by price :



ENTRY

- First thing you do is to mark your previous high.
- Wait for the price to retest on the previous high.
- Place your sell order and ride it down.

EXAMPLE :


US100Cash, H1 6977.83 6984.99 6950.49 6954.24
HIGH
SELL
6936.25
6906.50
6875.90
6846.15
6816.40
6786.65
6756.90
6727.15
6697.40
6667.65
6637.90
6608.15
6578.40
6548.65
6518.90
6489.15
6459.40
6429.65
15 Nov 2018
16 Nov 03:00
16 Nov 19:00
19 Nov 12:00
20 Nov 05:00
20 Nov 21:00
21 Nov 14:00
22 Nov 07:

PREVSOUS LOW RESPECTED BY PRICE:



ENTRY

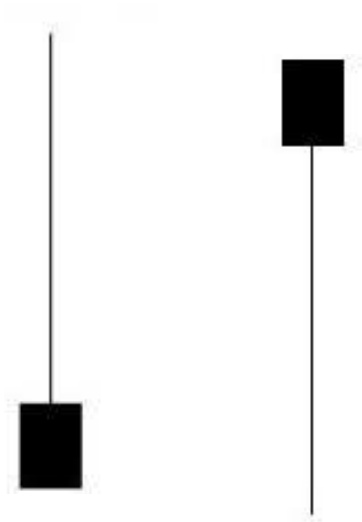
- First thing you do is to mark your previous low.
- Wait for the price to retest on the previous low.
- Place your buy order and ride it up.

EXAMPLE :



NB: NASDAQ RETRACE A LOT SO ALWAYS USE STOP LOSS, TO AVOID BLOWING ACCOUNTS IN CASE THE MARKET GOES AGAINST YOU.

CONFIRMATION



(a) Bearish Reversal Pattern, may be black or white, colour doesn't matter but location

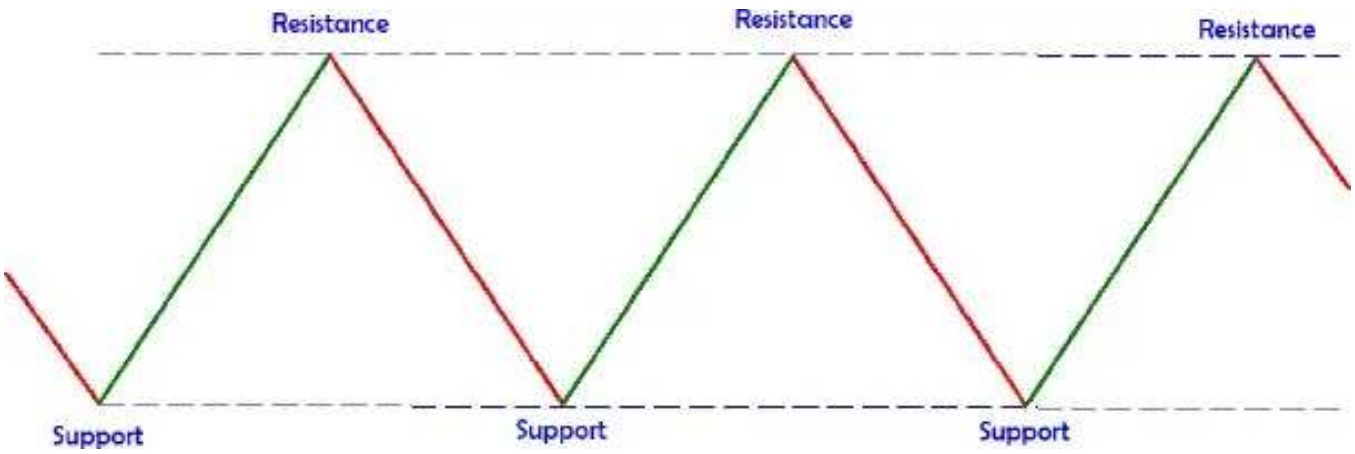
- A long upper shadow is at least twice of the real body.
- Has a small Lower shadow or not at all.
- A Shadow formed represent higher prices rejection.
- A Black or Red Shooting Star is more bearish than a White or Green one.
- The Price will usually trade bellow the real body, therefore it is important to put our Stop Loss few pips above upper shadow.
- We look for them at Resistance Level to Sell.

(b) BULLSSH REVERSAL

- Bullish single candle reversal pattern.
- Market ideally gaps down to a hammer candle.
- Colour may be either red or green.
- Lower shadow is at least twice of the real body.
- St has a small upper shadow or no shadow at all.
- A white hammer is more bullish than a black one, due to the bulls ability to force price close above the opening.
- The price usually trades above the hammer making us put our stop a few pips bellow the tail or wick.
- WE LOOK FOR THEM AT SUPPORT TO GO LONG

SUPPORT AND RESSSTANCE

Support and resistance is one of the most widely used concepts in trading, approximately all price action traders depend on it, as one believes in support and resistance, if the market may make them vanish, I for sure will be leaving Forex trading. Strangely enough, everyone seems to have their own idea on how you should measure support and resistance.



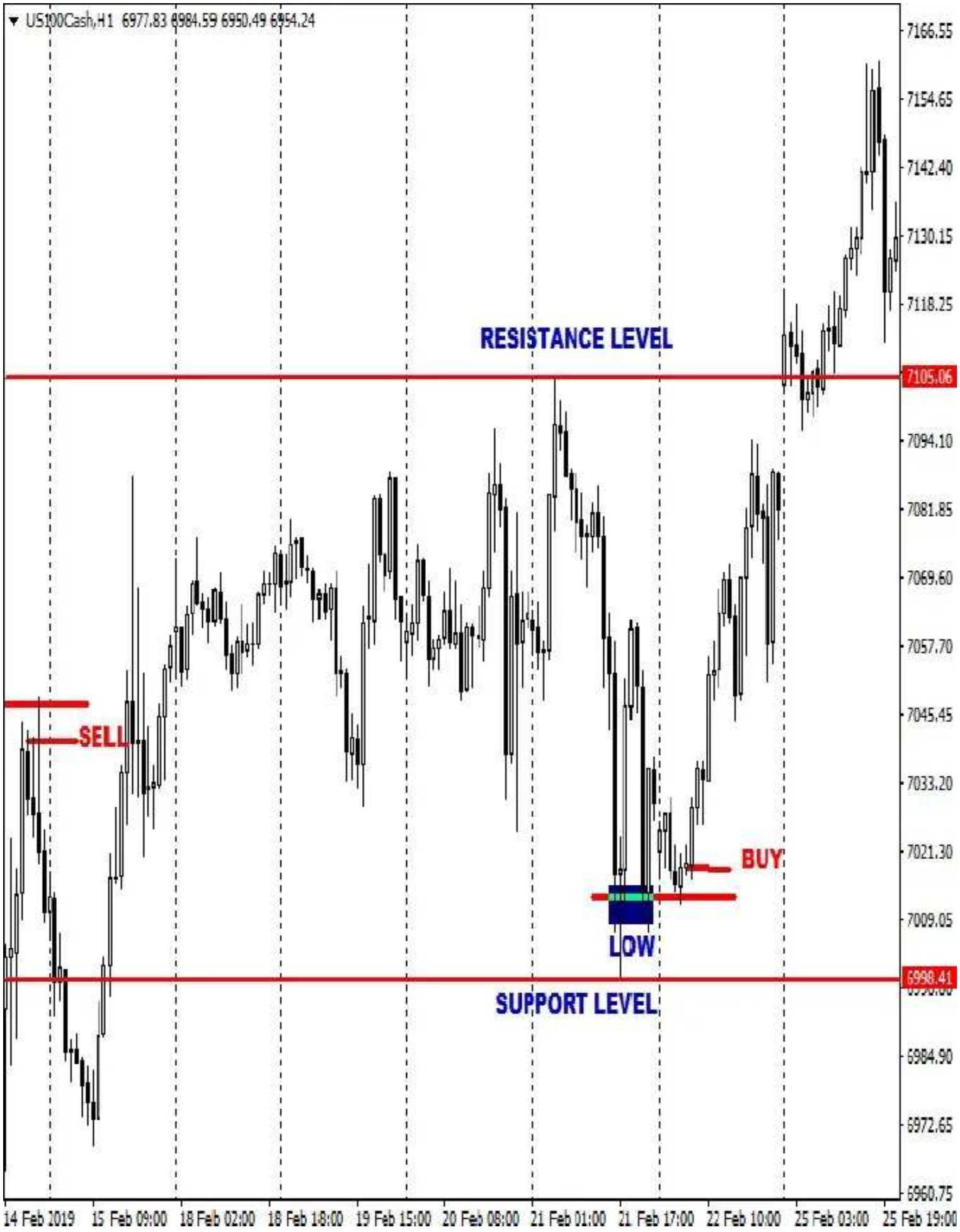
- When the forex market moves up and then pull back, the highest point reached before pulled back is now resistance.
- As the market continues up against lowest point reached before it started back is now support.

Think of support and resistance as you are playing a ball in a garage, what happens if the ball hits the wall? St goes and hits opposite wall right, think of it as a you're playing pool and you see a white ball moving, it hits that side, it then comes back and hit this side but if the applied force was too strong we see the white ball jump the walls of the pool, this means that we cannot be in one range of support and resistance.

S and R are areas where the market or price turn, resistance is a peak and support is a trough.

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HERE'S SOME EXAMPLES :



ANOTHER EXAMPLE :

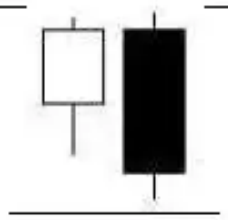
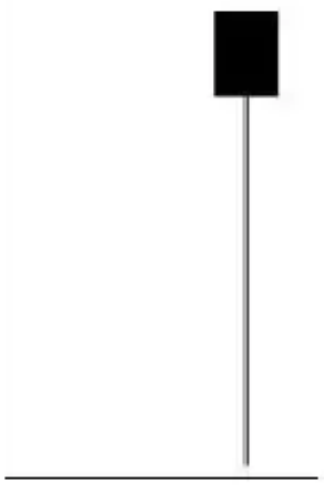
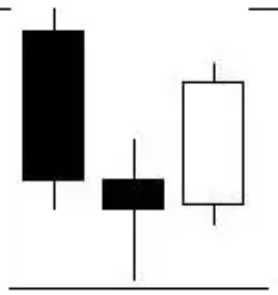
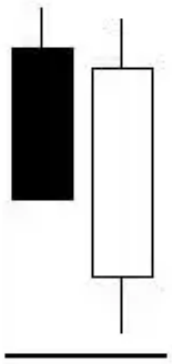


ENTRY RULES

- We buy at support
- We sell at resistance
- We look for rejecting candles at R&S before take trades.

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CANDLES TO LOOK FOR :

NAMES	SHAPES
DOJS	
Engulfing pattern	
SHOOTSNG STAR /HAMMER/PSNBAR	
MORNSNG STAR	
PSERCSNG PATTERN	

FOR MORE CANDLES PLEASE STUDY PRSCE ACTSON.



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You have the key, unlock (do something) your wealth, no one will do it for you, put in the hours, put in the effort and you will be rewarded. S would've never notice what S have brought to you if S didn't put in the effort and S want you to do the same, the world is governed by principles and it rewards those who work.

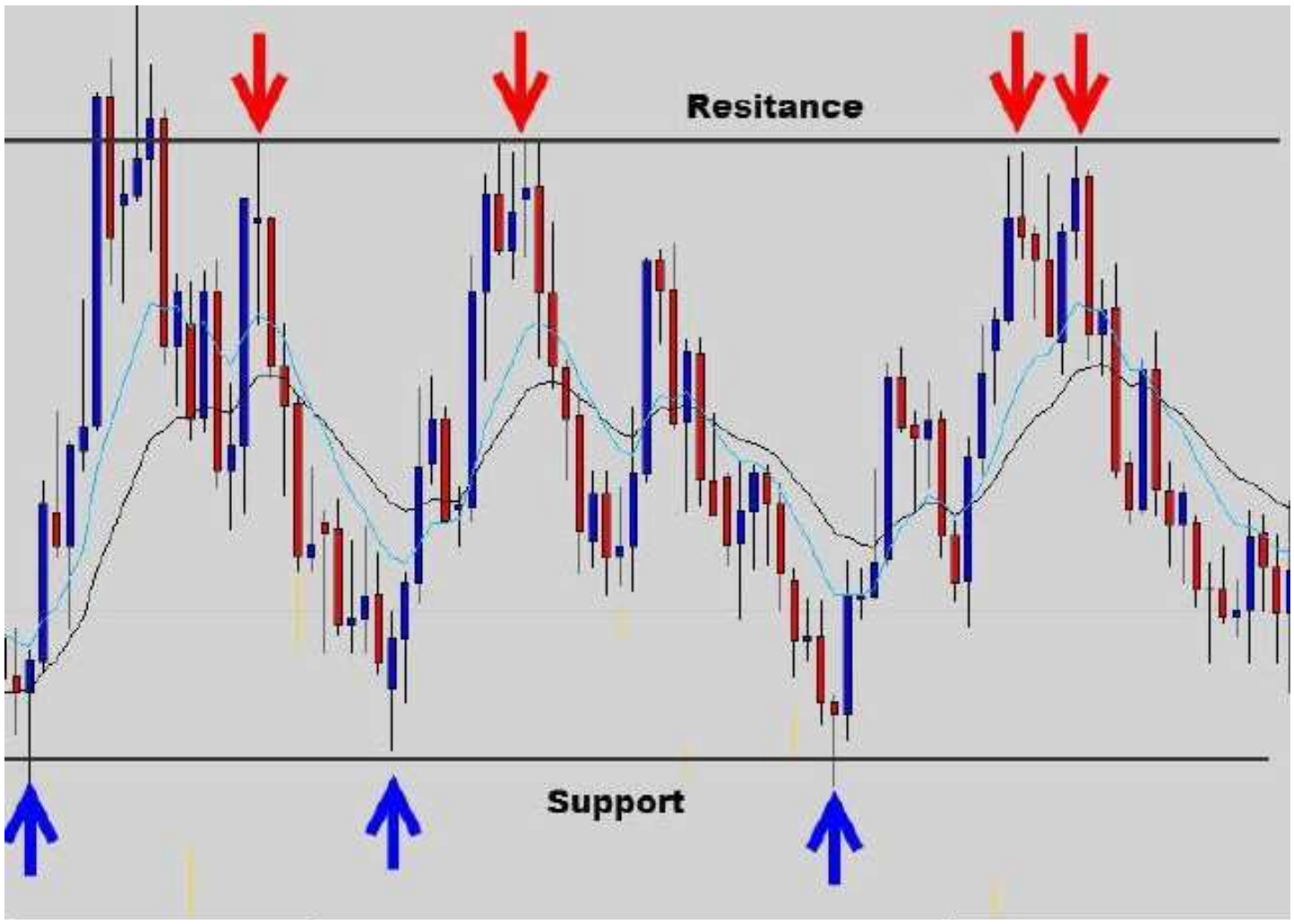


Flat Channel

Resistance and support do not change

So you will buy at short and sell at resistance until a break

out is made Example of Flat channel



When a break out happens for example when resistance breaks the old resistance will become our new support when support breaks out the old support becomes our new resistance

Raising Channel

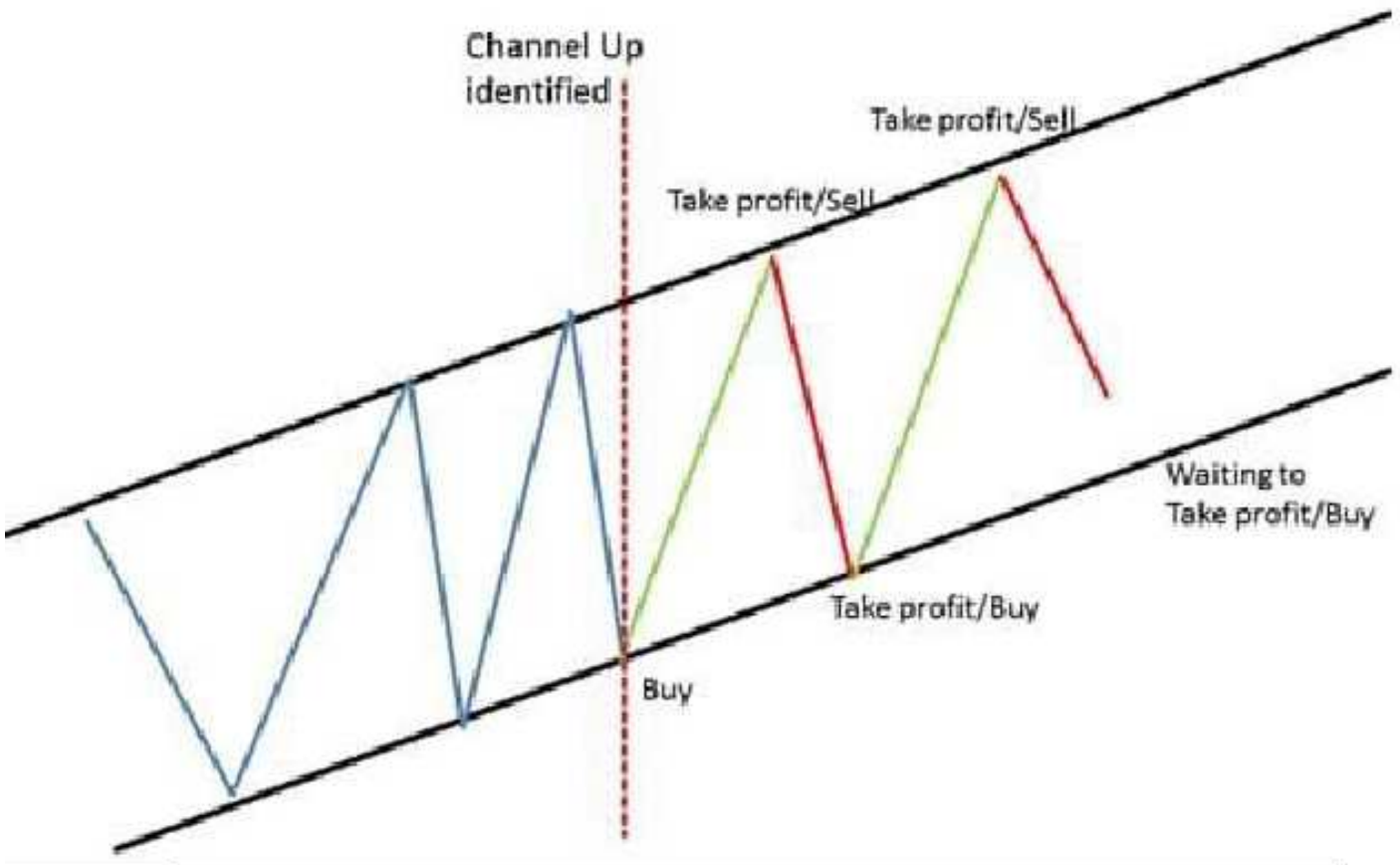
Example




Key support
Shorter-term support
Copyright 2012 - LearnToTradeTheMarket.com

Example


Channel resistance
Parallel trend lines
Copyright 2014 - dailypriceaction.com


Channel Up
identified
Take profit/Sell
Take profit/Sell
Waiting to
Take profit/Buy
Take profit/Buy
Buy

Buy at support and sell at resistance when a breaks occurs on a raising channel the market will form a retracement back lower of the market

Example



Example

FALLING CHANNEL





When a support occurs the market will likely retrace back to the higher point hence it's a down trend we call it reversal

Falling and raising channel they are the mave channel they opposite with each other

Symmetrical triangle

On this channel support and resistance start to become smaller when the triangle starts to become smaller wait for a break out occurs go the trend if it breaks out at support sell it when it breaks out at resistance buy it

Example





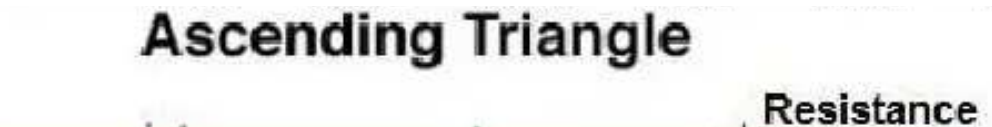
EXAMPLE OF A BRERAK OUT ON Symmetrical triangle



Ascending channel

Here resistance does not change only support that start to become smaller until a break occurs

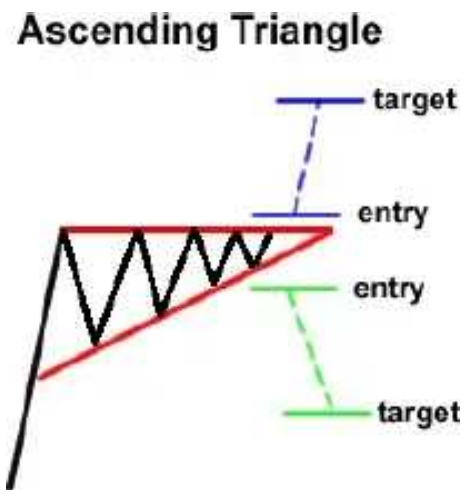
Example of Ascending channel



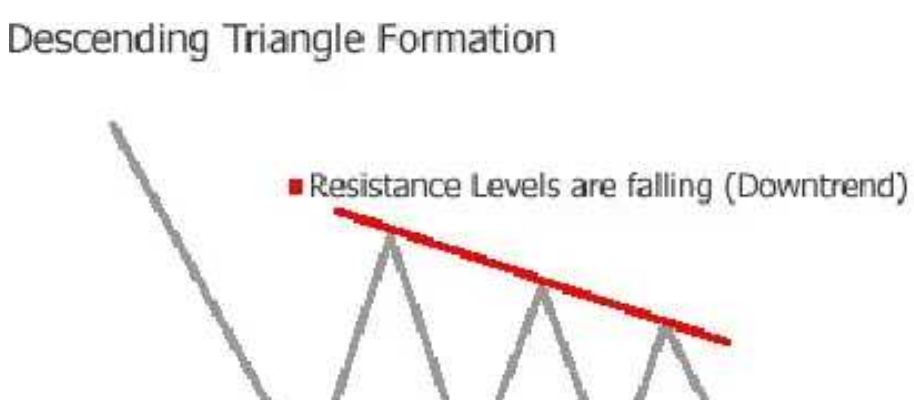


NB remember when the triangle starts to become smaller wait for break out

Example on how to trade a breaks out



5 Decending channel



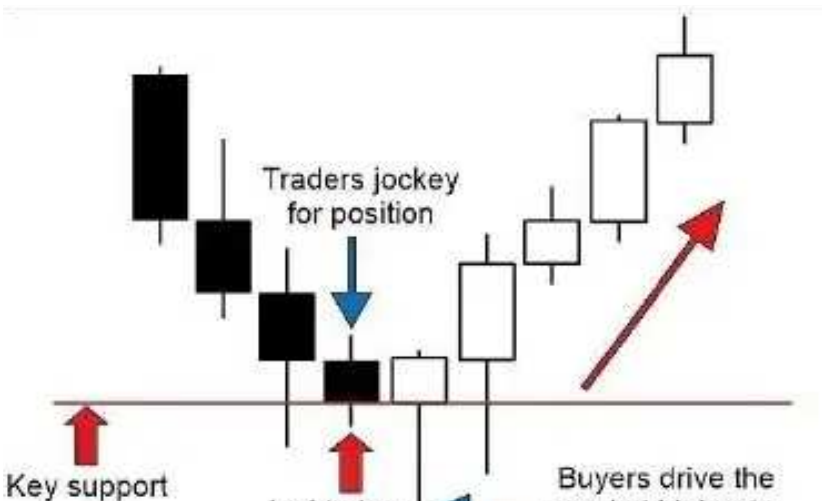


Ascending channel and Descending channel is the same thing just differ because on ascending channel resistance doesn't change than on deciding channel support doesn't change

Candlestick formation

When we trade the candlesticks it plays a very important role on support and resistance

Candlestick of buy signal confirmation (bullish pin Bar)





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Candlestick of sell signal confirmation (Bearish pin Bar)






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