



Counter The Crowd Trading Principle



What we will learn

What the options traders are doing EVERY DAY



Why early daily pattern is FAKE in 90% of the times



How to legally “steal” from the market



Divergence based strategy for intraday trading



Examples + practice



What is it all about?

How I found out about it?

What is it based on?

What we will need, to use this strategy in the best way?



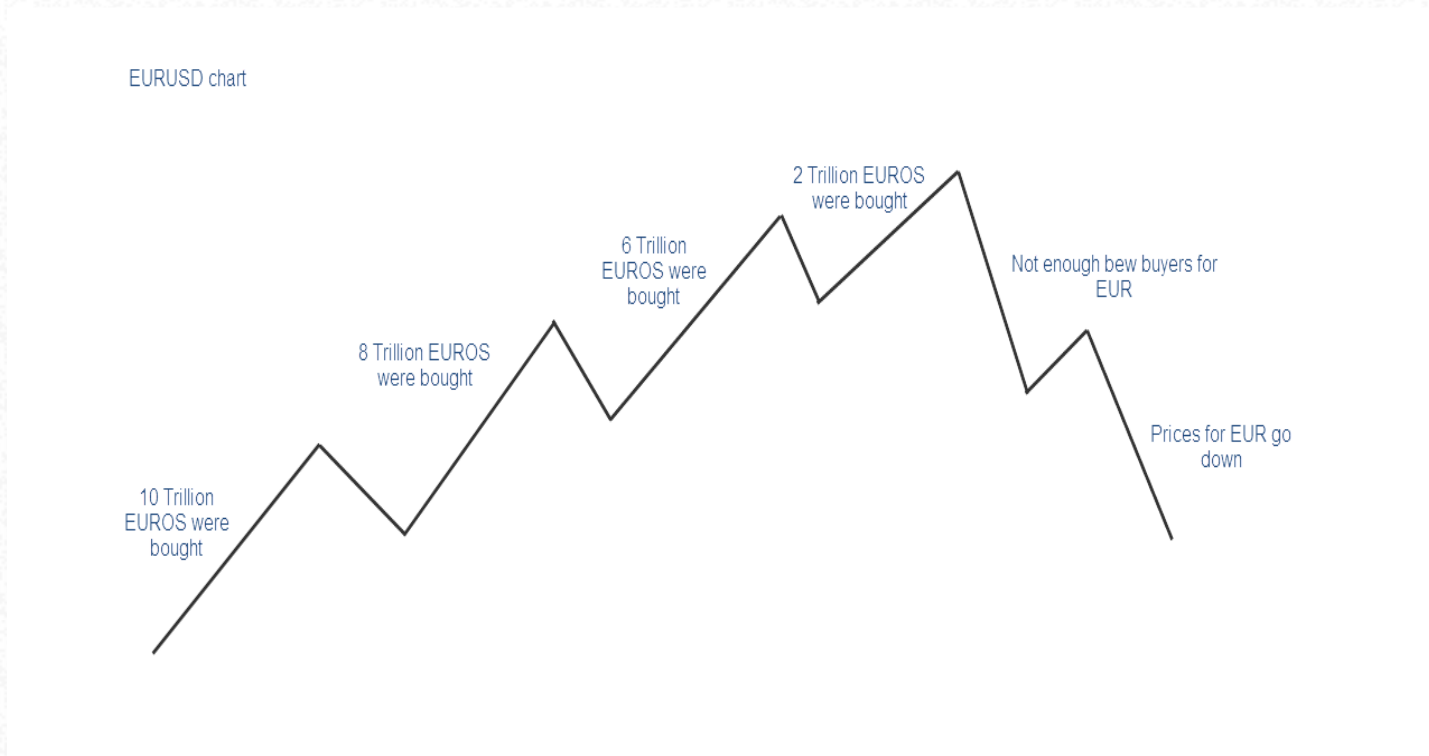
Divergence Basics - Why it happens?

Divergence happens simply when there is a clear difference between the demand and the supply of any financial asset.

It works on ANY financial market!
Forex, Stocks, Indices, Commodities, Bonds and even
on the Russian Index and Polish Currency!

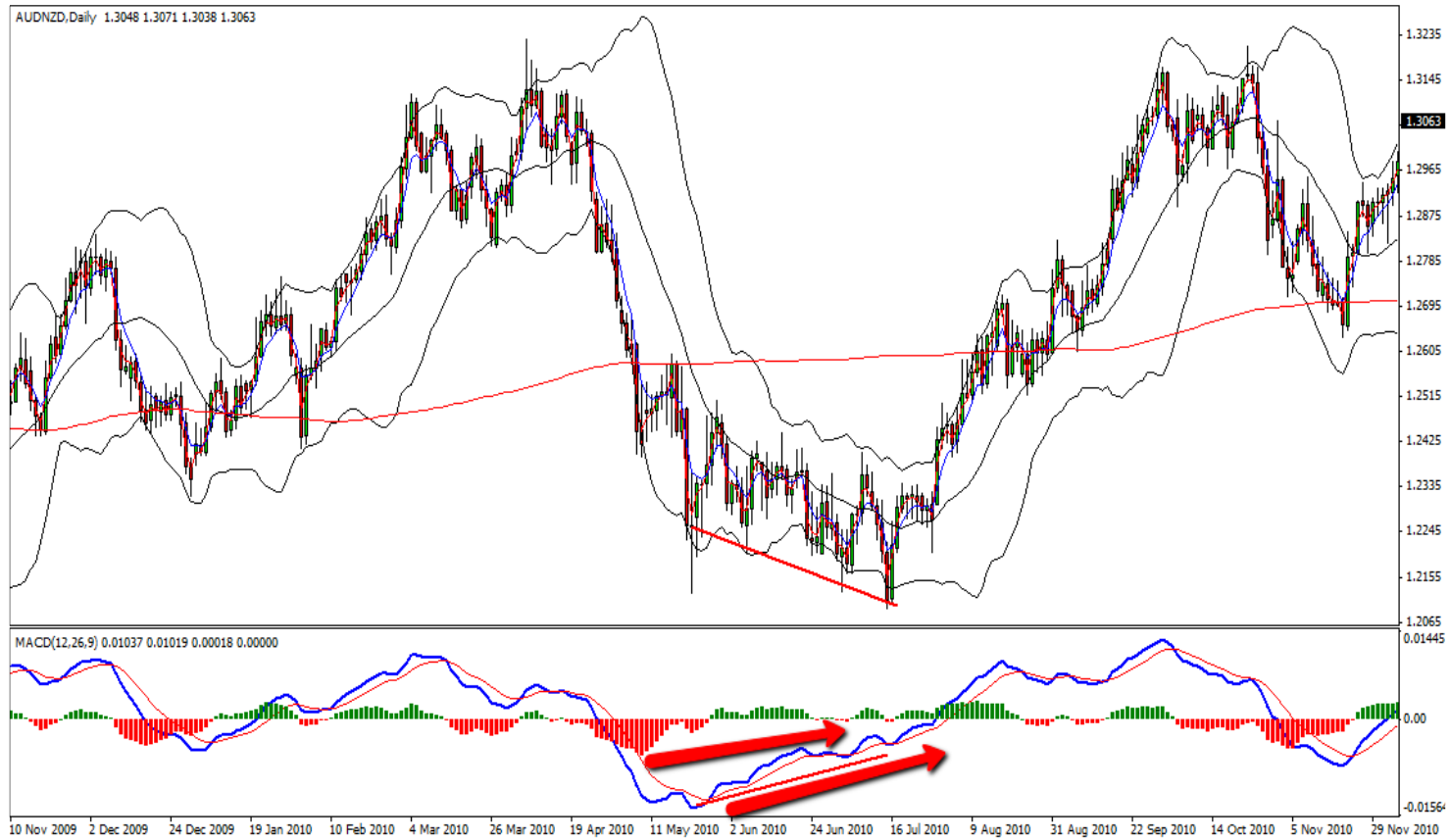


Why ANY Divergence Happens





Example





Why ANY Divergence Happens

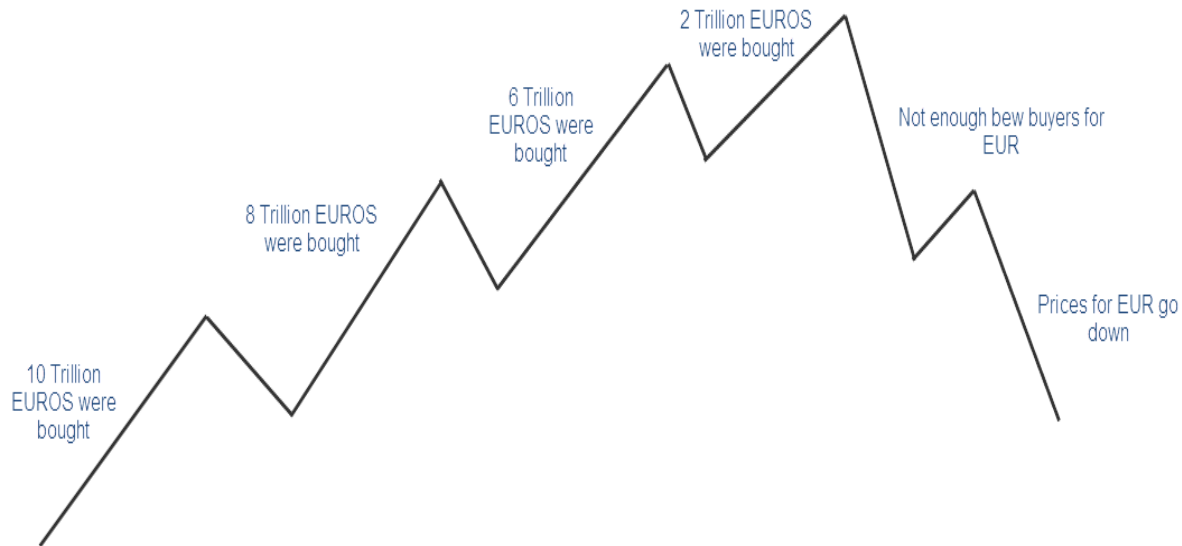
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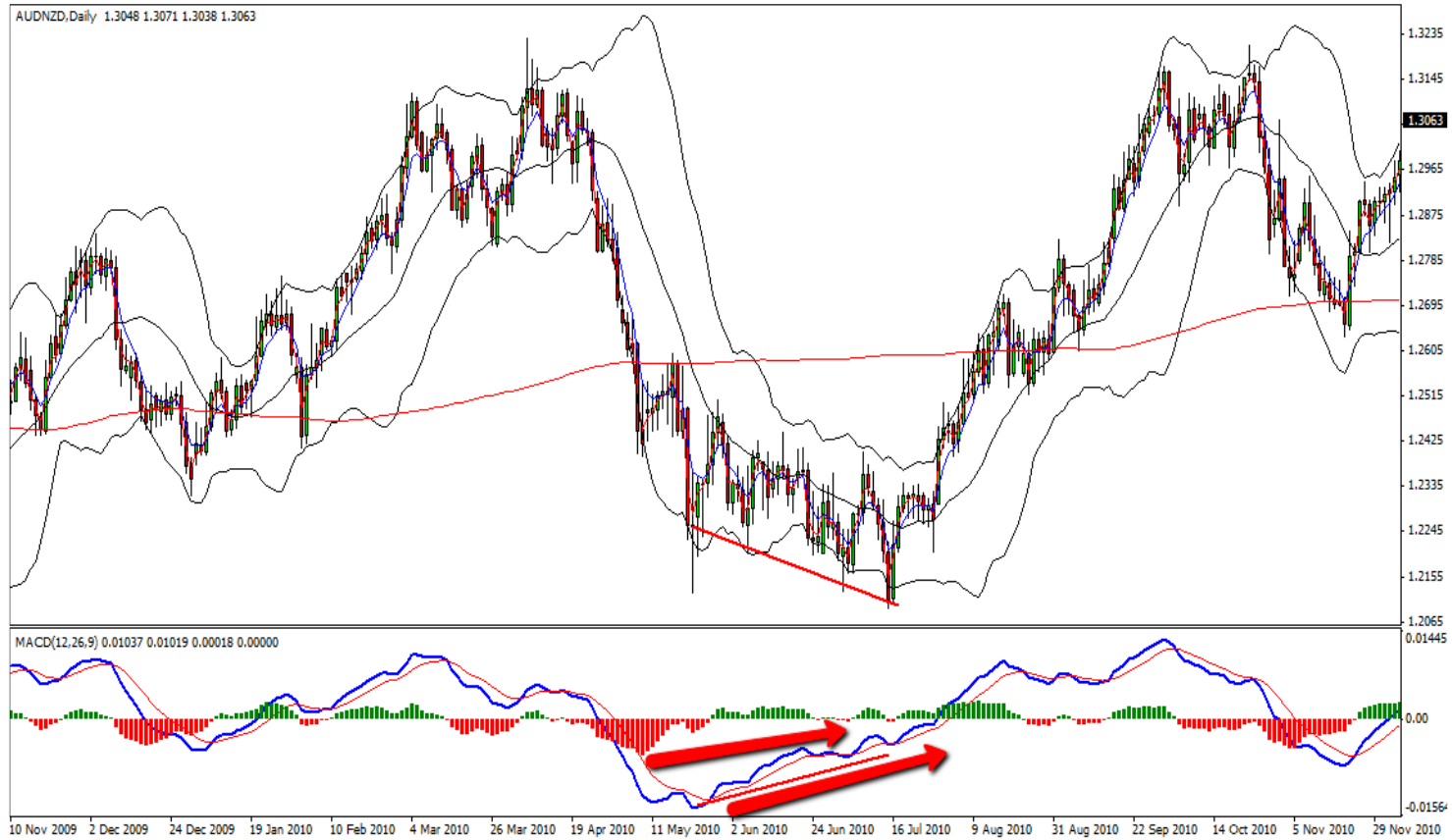
Why ANY Divergence Happens

EURUSD chart





Why ANY Divergence Happens





Examples For Basic Divergence

There are several types of divergences.

In order to trade our strategy easily and smoothly,

I believe it is better to know them well.

Let's learn the basic type of divergence:



Basic Divergence





Basic Divergence





Basic Divergence





What is Hidden Divergence

- Hidden divergence is the best tool to find early entry for trend trading and ride it.
- Hidden divergence is an ideal trading method for trend traders!

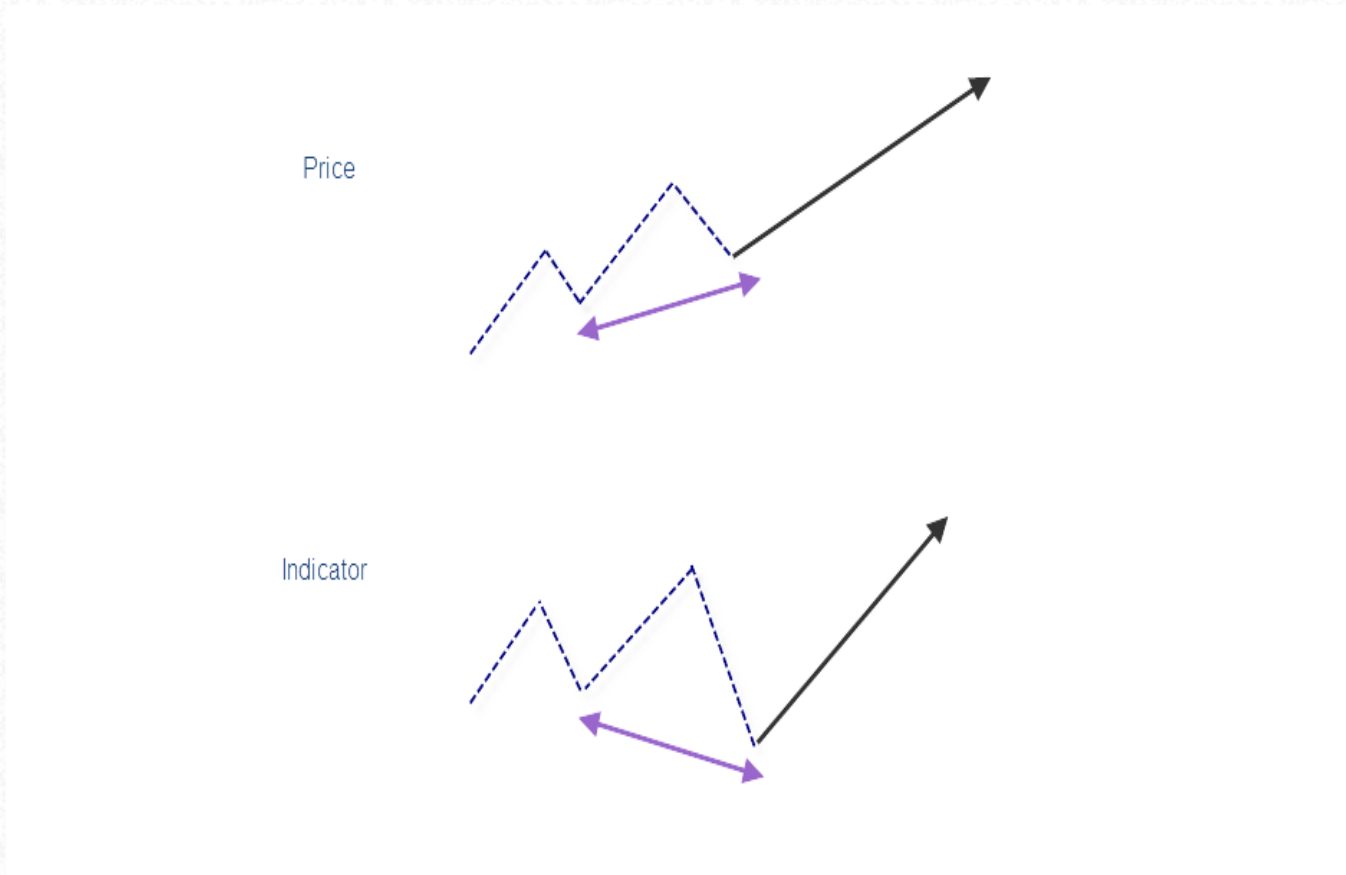


What is hidden divergence

- Hidden divergence could be identified on MACD histogram and stochastic ONLY!
- MACD histogram alone is enough, stochastic alone is NOT enough.
- Let's see how it looks like and then I will explain why and how it happens:

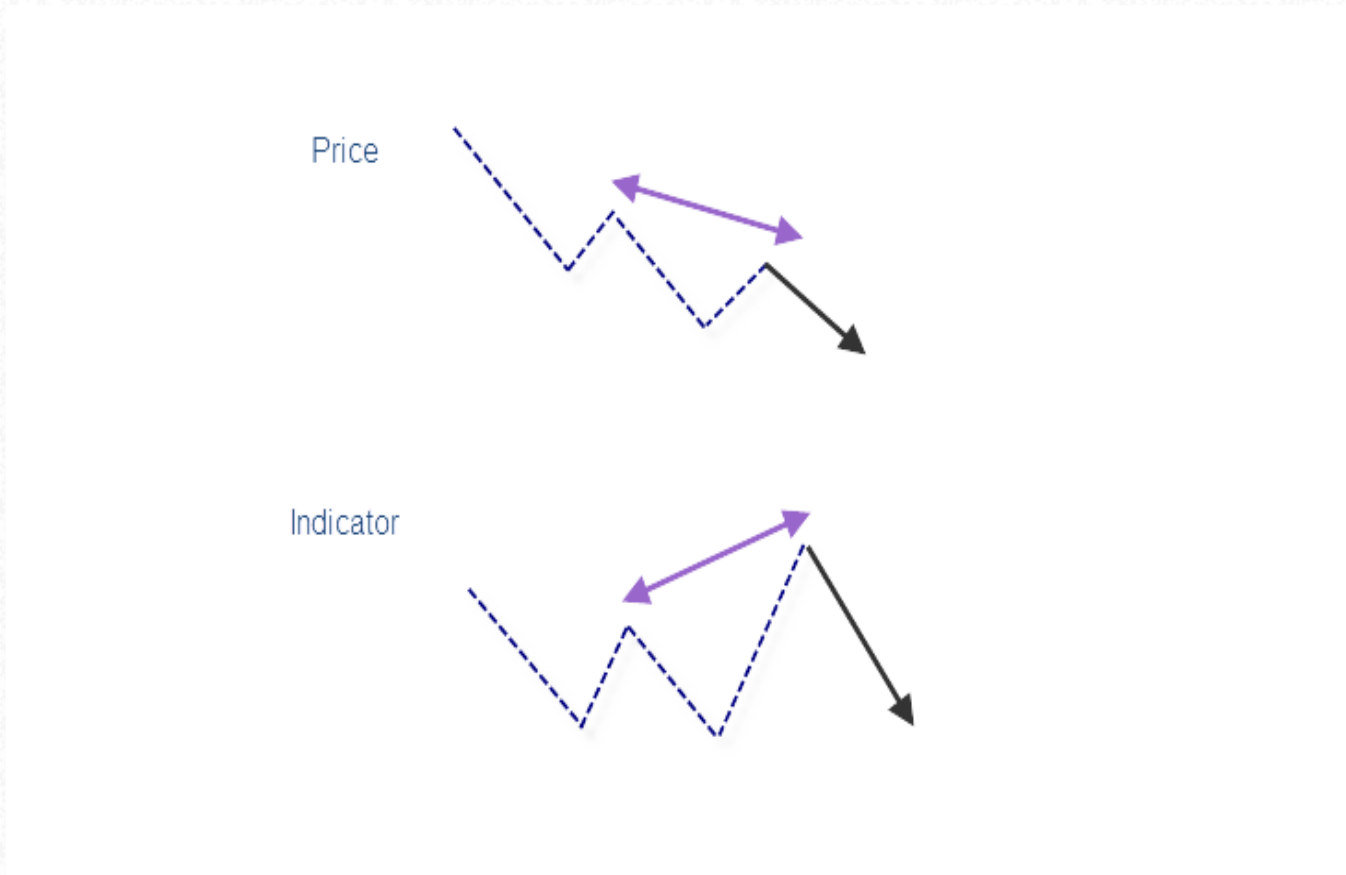


Bullish Hidden Divergence





Bearish Hidden Divergence





Example from the chart





Example from the chart





Example from the chart





What's next?

Now we do know the basics of the divergence. That's exactly what we will need to trade the intraday strategy as you will see very soon.

But there is one more thing we must make sure you know to recognize well – candle patterns.



Candle patterns

We will need to identify the candle patterns on daily time frame.

The patterns we will use for our strategy will be-

Engulfing

Hammer

Harami



Candle patterns

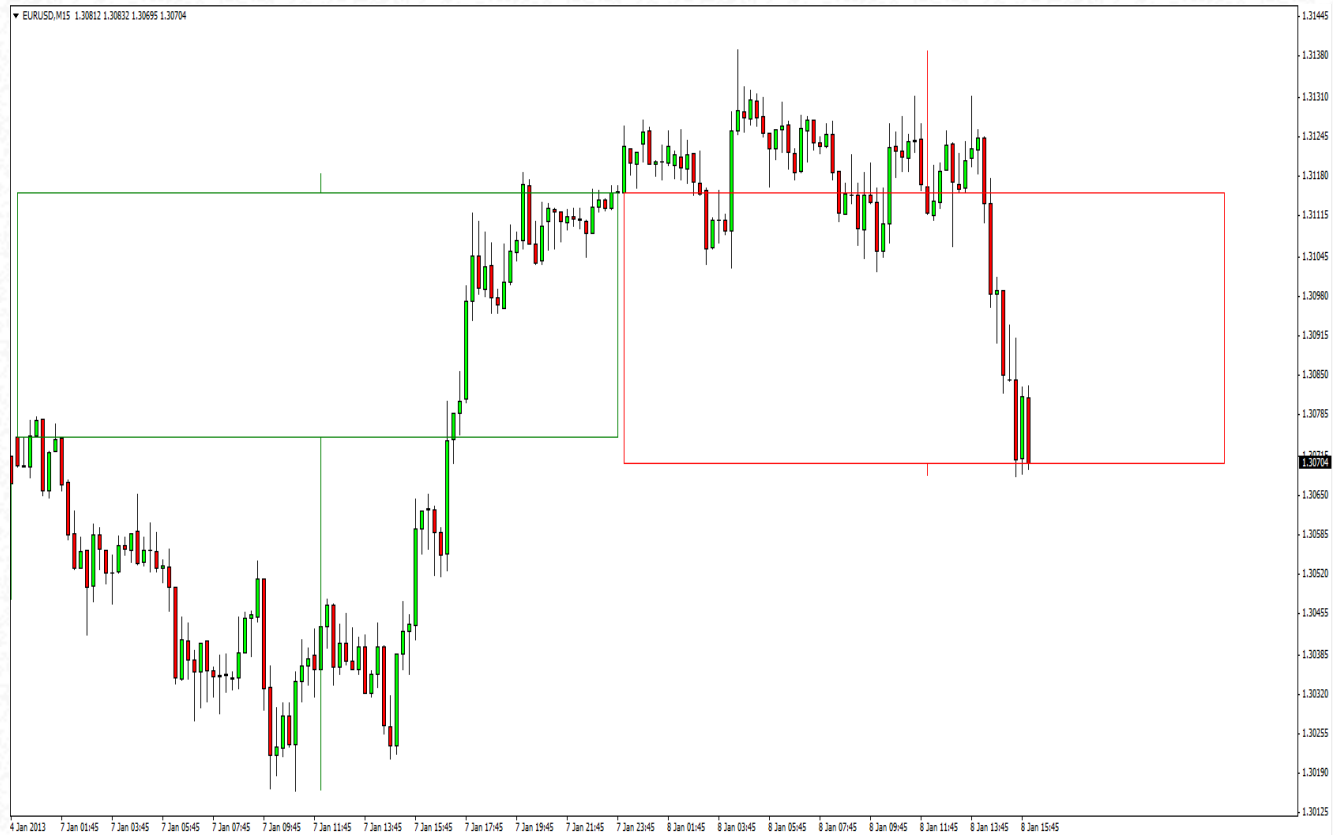
The reason we use the daily candle patterns –

If a candle pattern is created early, NO ONE can guarantee that it will end the same at the end of the day!

For example – An engulfing that is created at 15:00 PM is NOT guaranteed to stay same at the end of the day. Example:

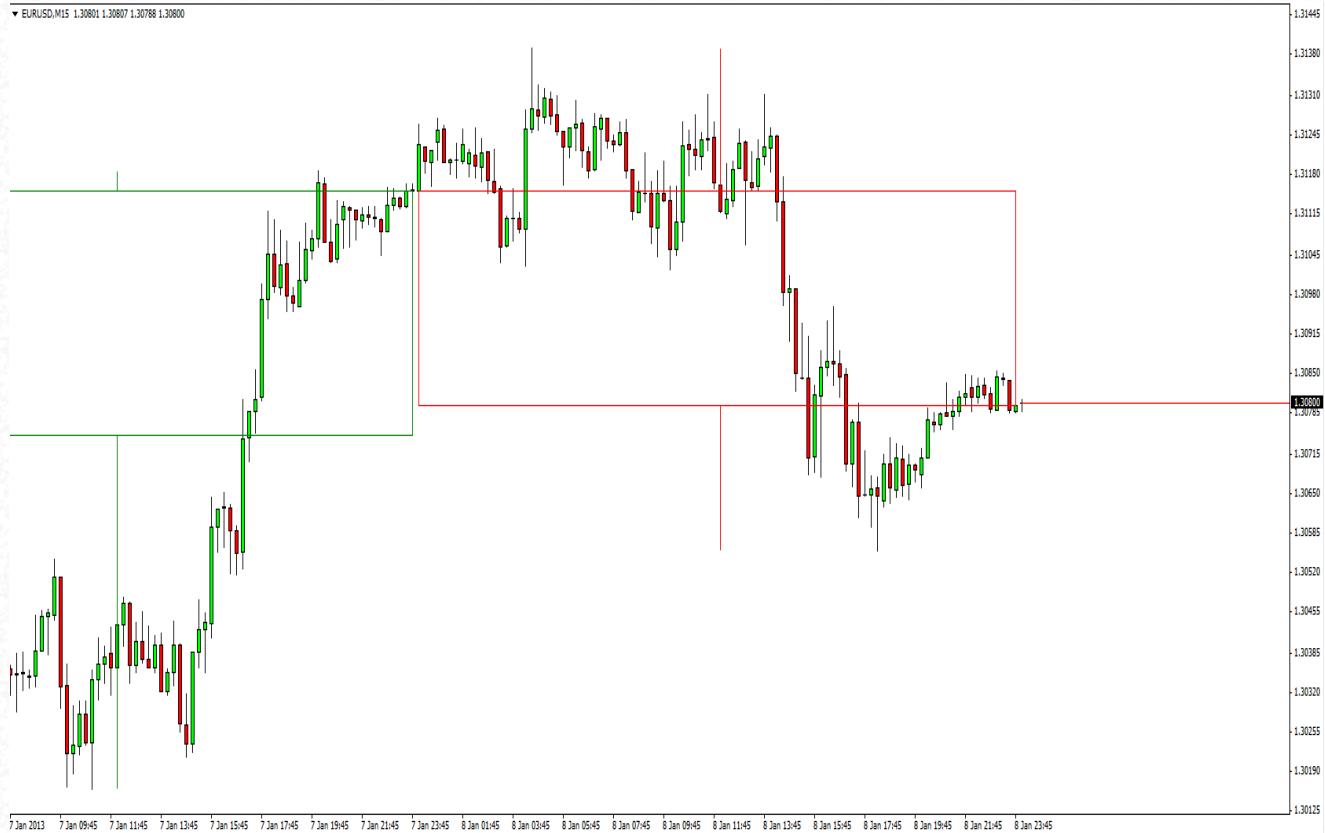


Example





Example





Candle patterns

And guess who is using that against us?

You probably get it right – The option traders.

And why you think they use it against us?

So let's learn the basics of the patterns fast:

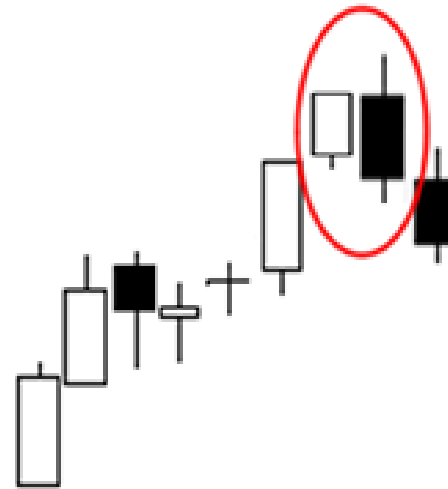


Engulfing

Bullish Engulfing

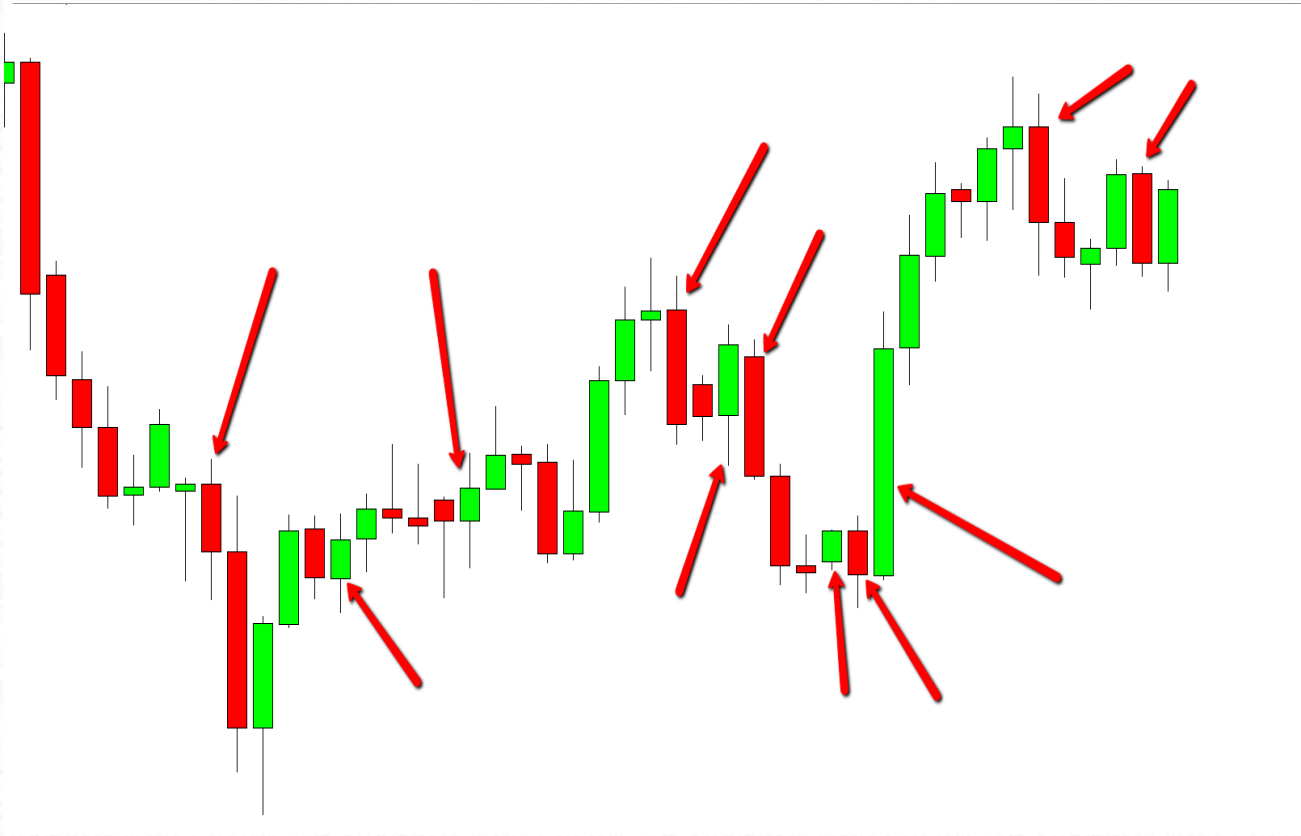


Bearish Engulfing



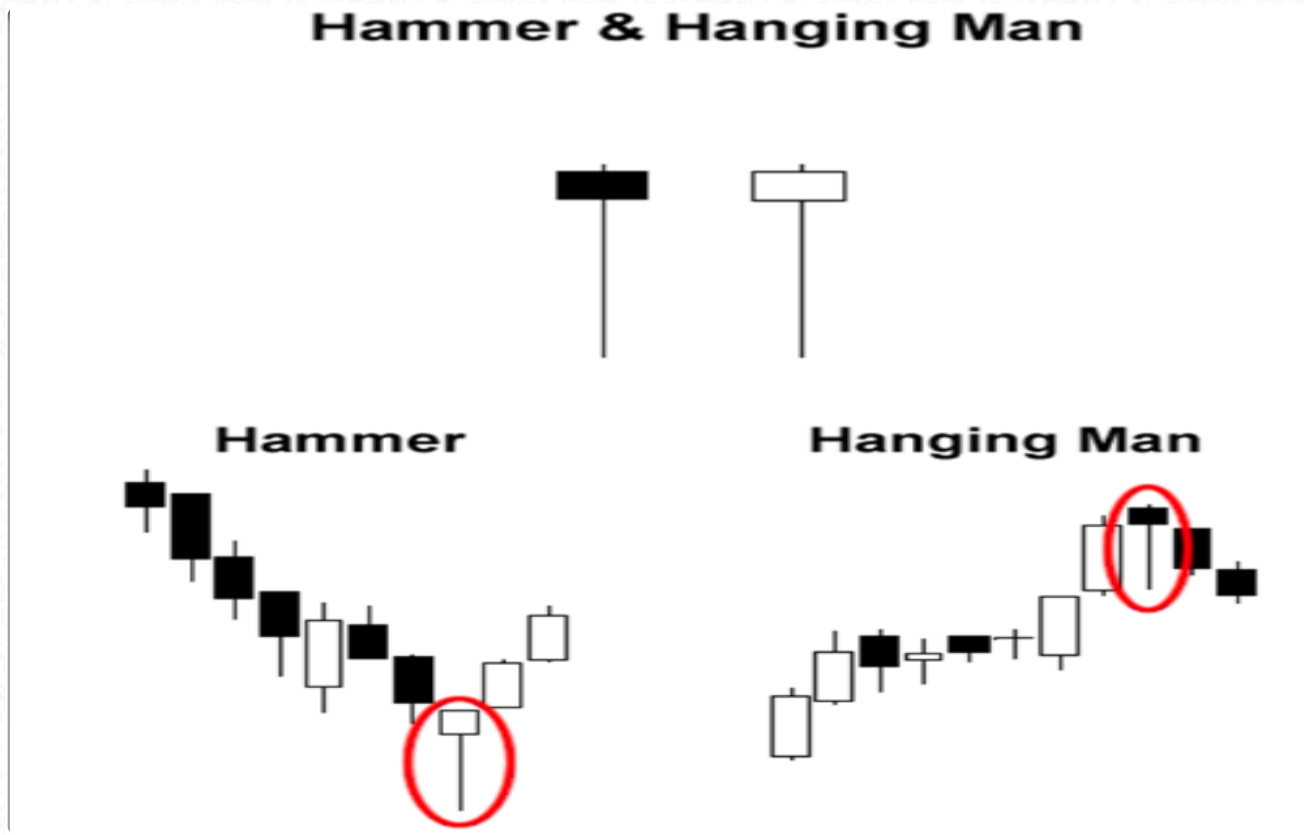


Engulfing





Hammer





Hammer

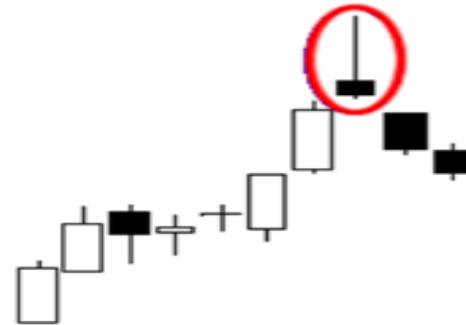
Inverted Hammer & Shooting Star



Inverted Hammer



Shooting Star



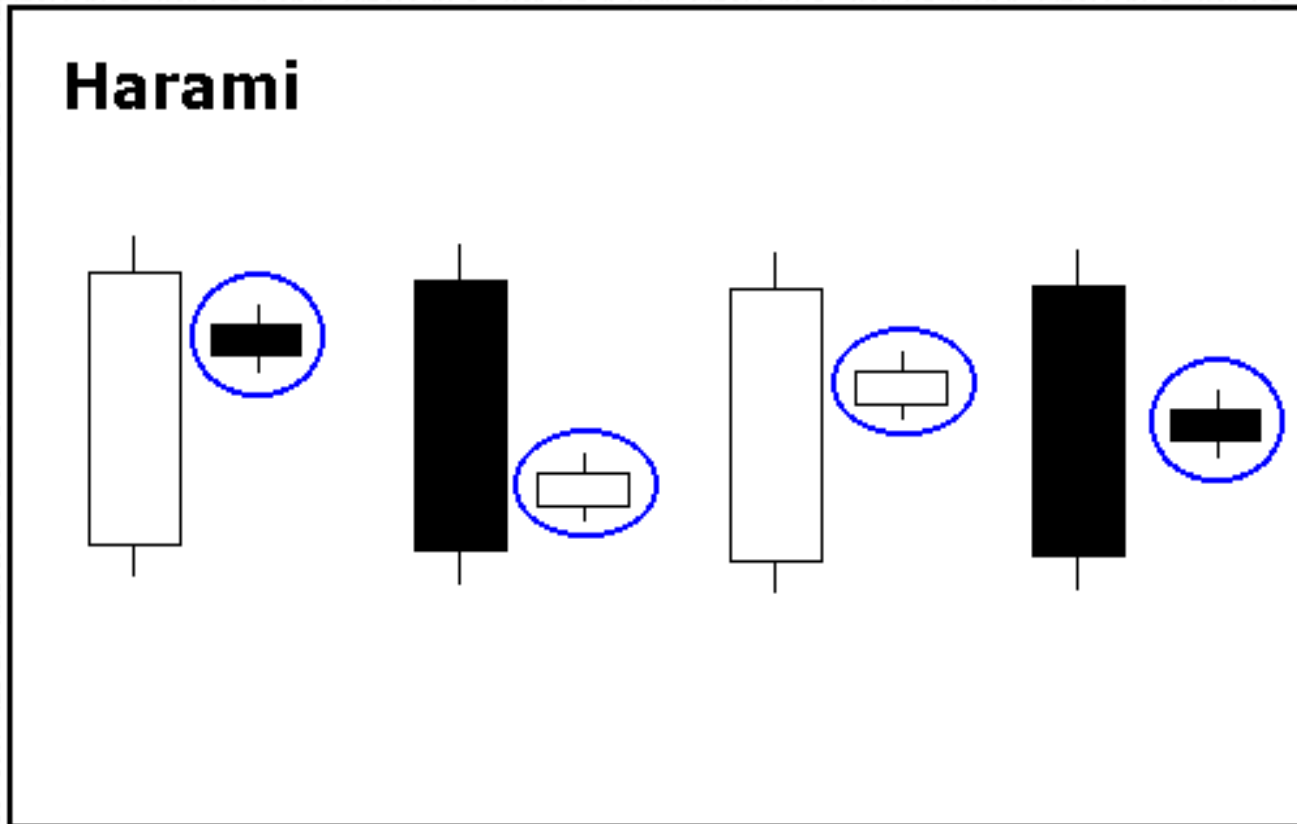


Hammer





Harami





Harrami





Candle patterns

So the Q is, how do we use the daily patterns the same way that the hedge traders and the option traders do?

The answer is simple. Option traders hunt. They hunt the areas where the crowd makes mistakes.

So let's learn what is the area.



Candle patterns

Let's make it simple –

If the engulfing appears at 10 AM or 14:00 PM it DOESN'T mean that the day will end as engulfing too! Right?

BUT, for the majority of the crowd will take the trade based on the candle pattern without waiting the day to end.

Would you do the same? Let's see:

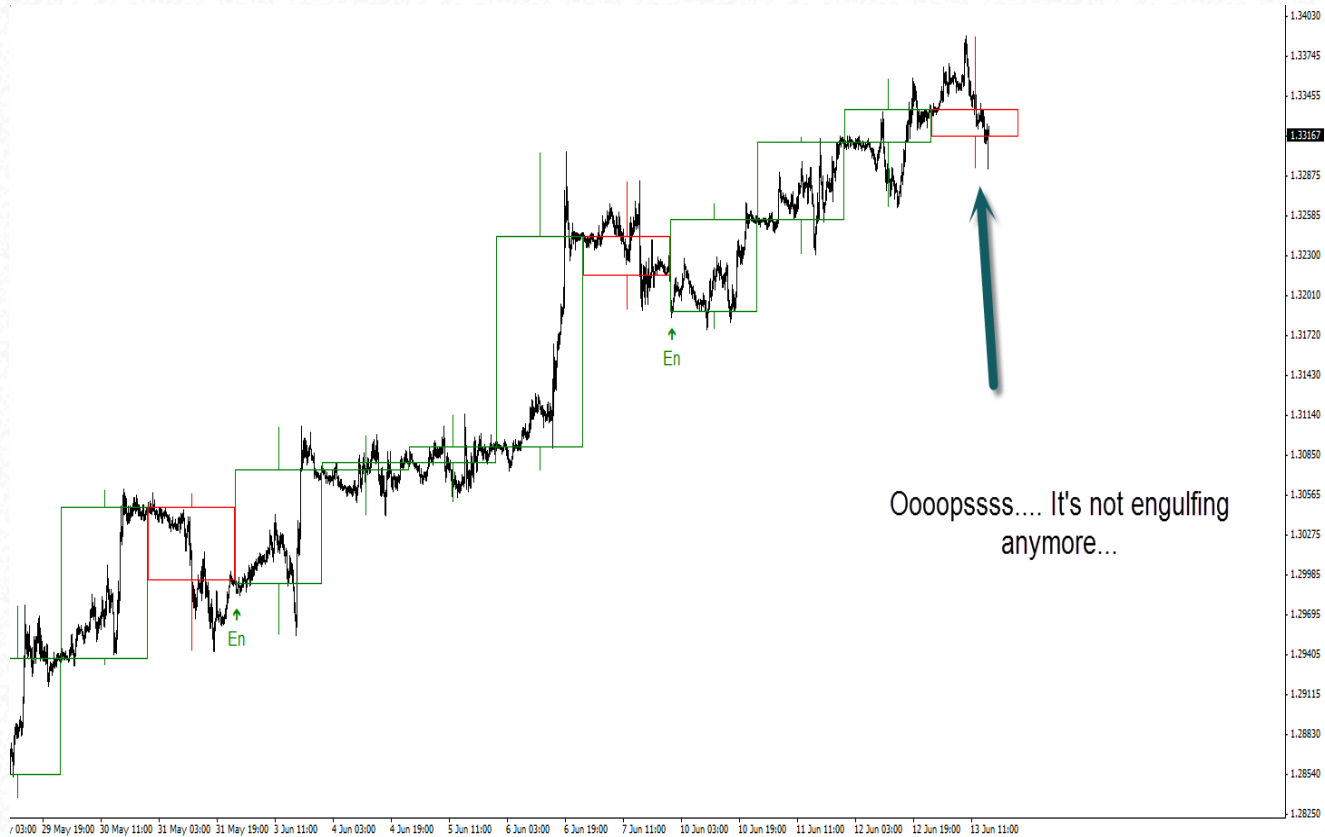


Would you enter?



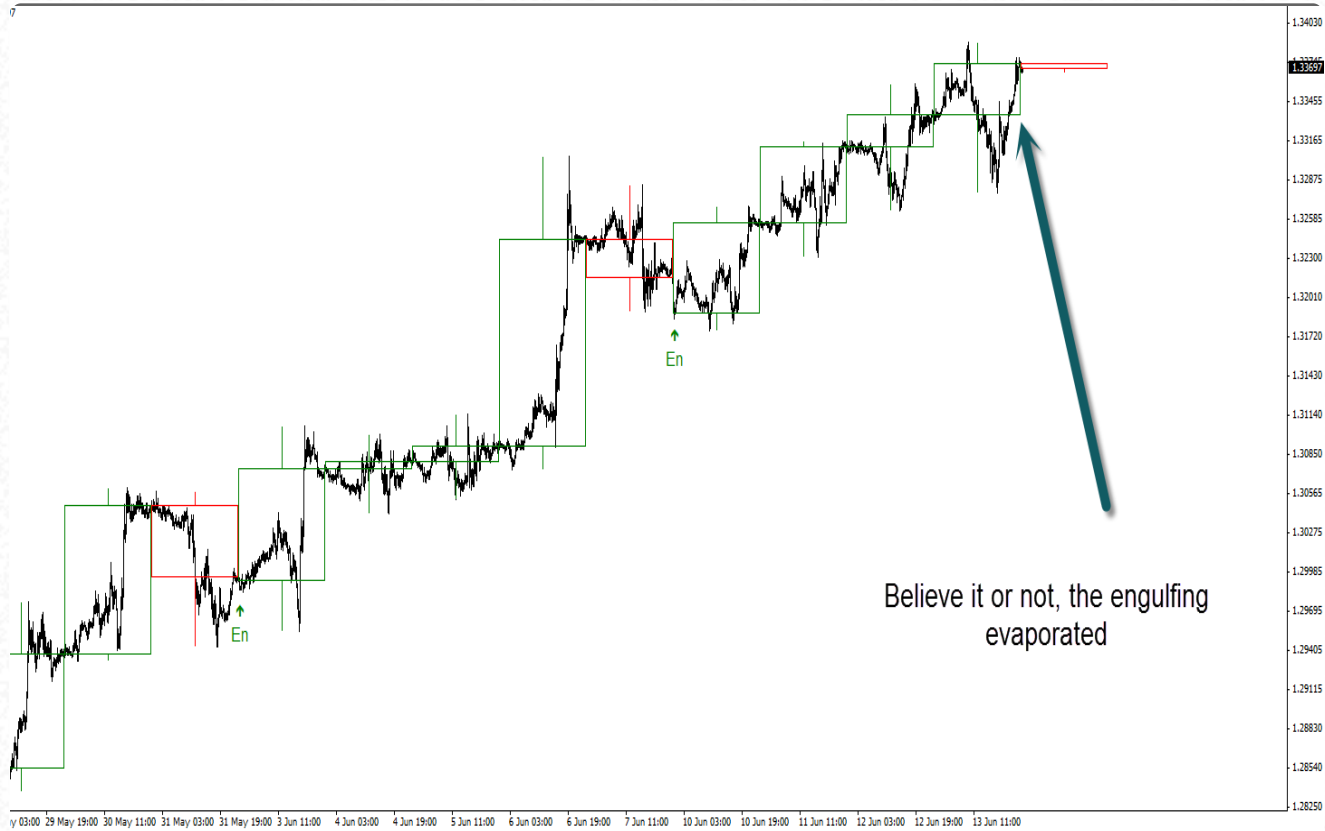


Would you enter?





Would you enter?





Sharks use that!

So that's how it works.

The big guys create a candle pattern, the crowd gets the bluff, jumps in, and the "sharks" use it to the advantage and attack against them.

It is not fair, but that's reality.

Now ask yourself, how many times you've been on this side that was bite by the market sharks? How many times you entered something that you thought is a pattern, but turned to be bluff?



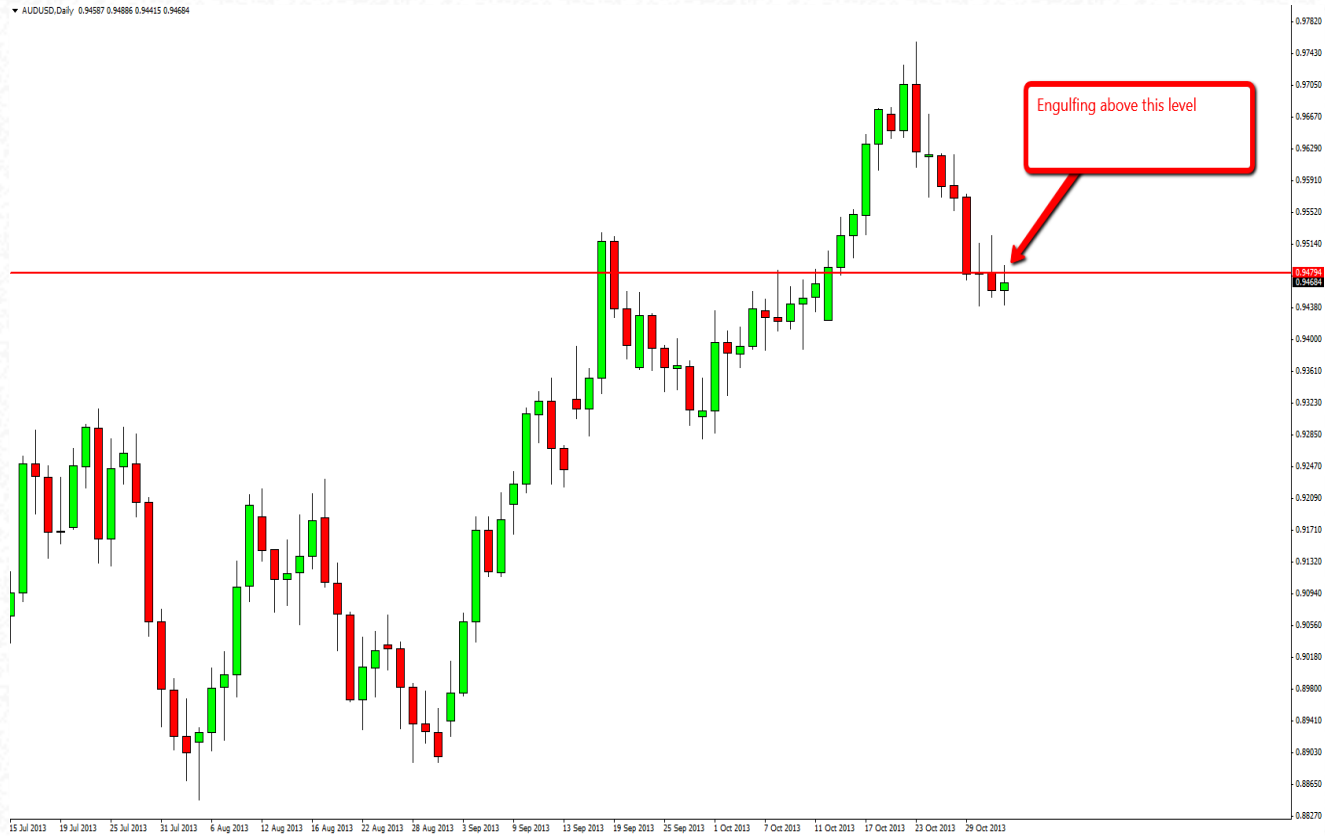
Strategy

So what should we do to trade this principle correctly?

- 1- Find a candle pattern on daily TF
- 2- Find a divergence to counter the daily pattern
- 3- Target is 10-20 pips and the target has to be reached within the divergence angle



Example





Example





Rules

So now let's build up the strategy:

1- Find an early candle pattern on daily TF. (The patterns we use are – Engulfing, Hammer, Harami). Note that the pattern **MUST** appear **MAX** until the USA session starts (14:30 GMT). That's the biggest secret of the option traders.



How we trade it

2- Drop to 15 min TF and look for opposite signs – counter divergence. For example – for bullish engulfing on daily TF we will look to sell 15 min div.

3- TP is based on the volatility. The more volatile your trading pair is, the more pips you can take. The bigger the move during this day – the bigger your potential profit. In general we look to “steal” 10-20 pips from the market per trade. TP **MUST** be reached with the angle of divergence.



How we trade it

4- SL is NOT recommended as the idea is to “steal” from the market and not letting the market steal from us. If the divergence on 15 min doesn't hold – we simply go out from the trade with small profit or small loss. BUT we DON'T fight the market if it is not making what we want it to make.

Now I believe the best is to see how it really looks like and how it works. So let's do it:

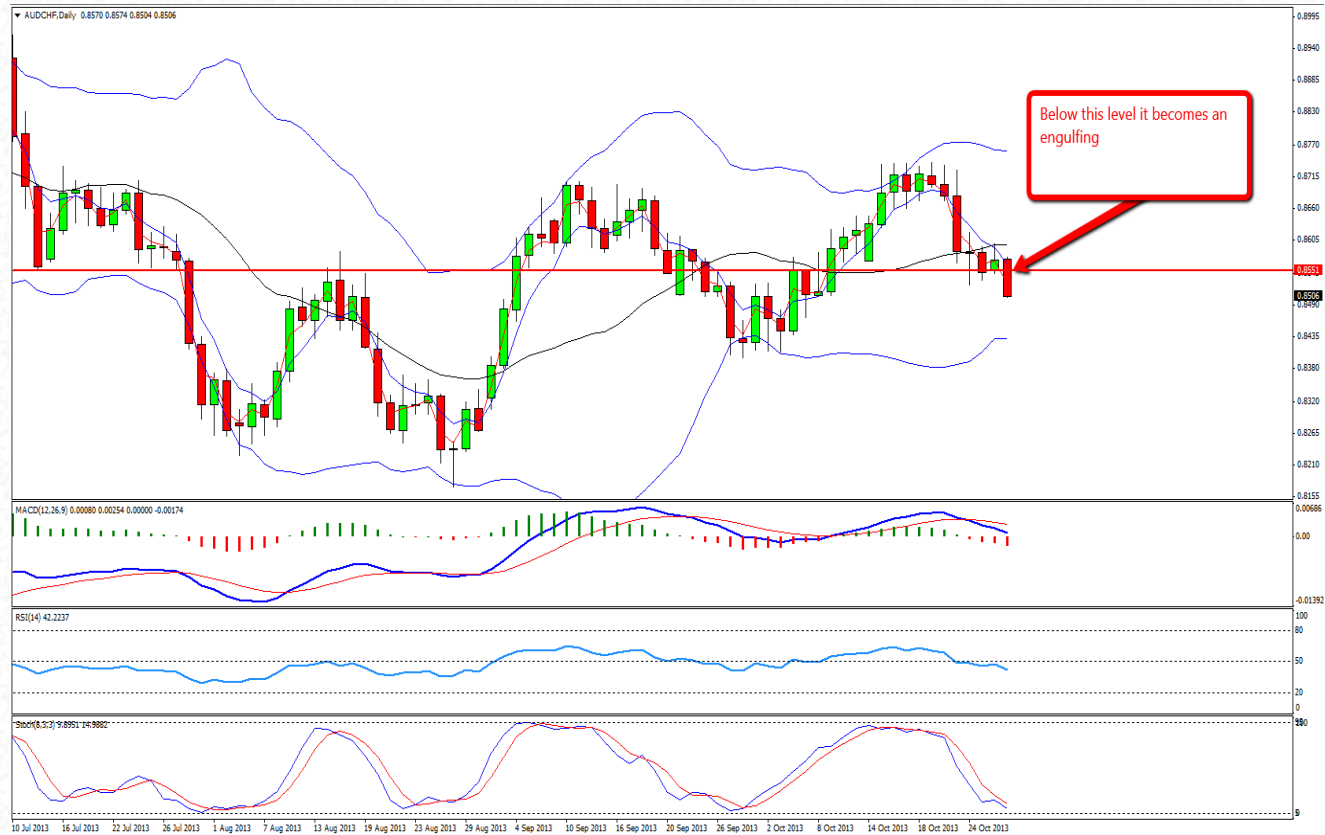


Explanation for TP angle



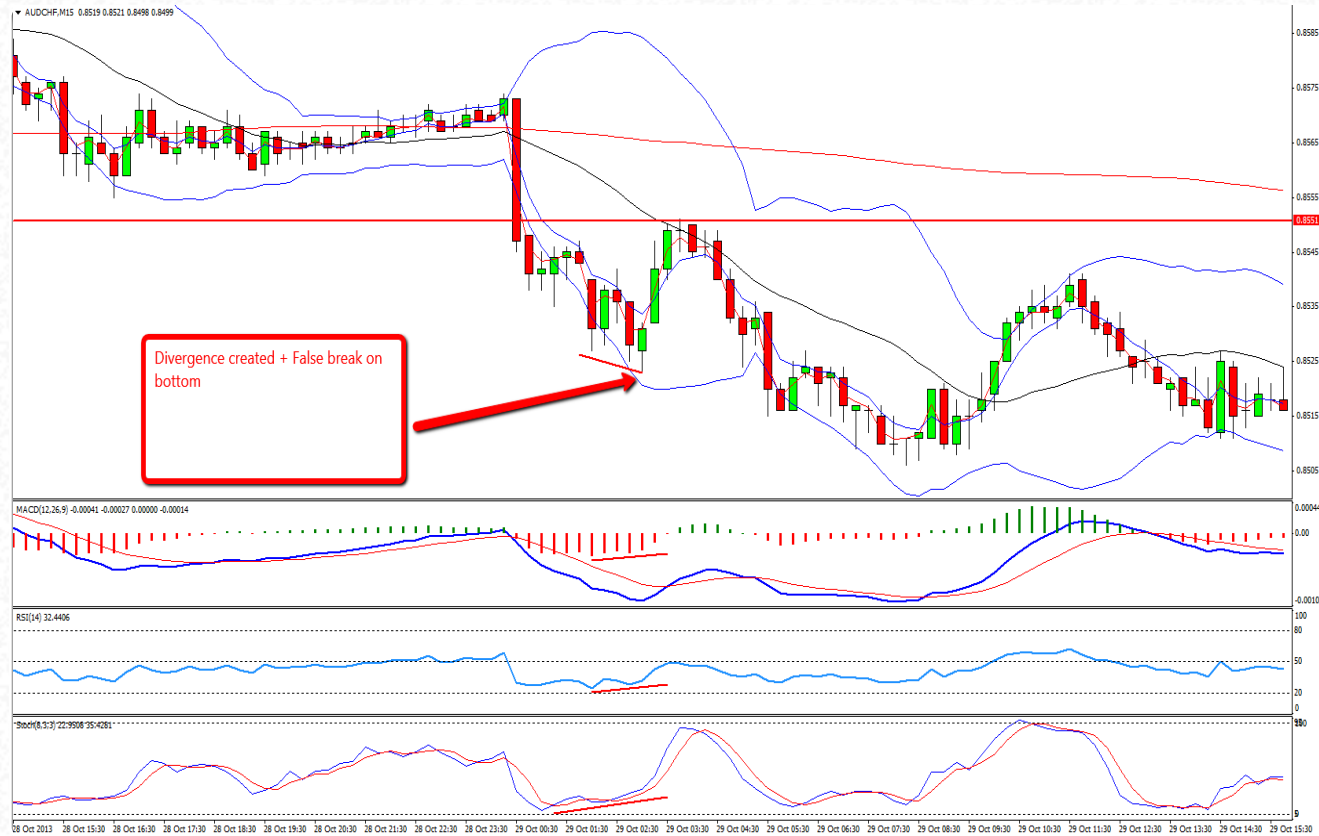


Example





Example





Special conditions

There is one condition that we have to respect:
a falling knife\ flying rocket.

Sometimes the pairs make a **STRONG** straight move
down or up.

If it happens, we can drop from 15 min to 5 min TF to
spot a divergence and trade it.

To do that, the 15 min TF should show straight move and
extreme to form on MACD.

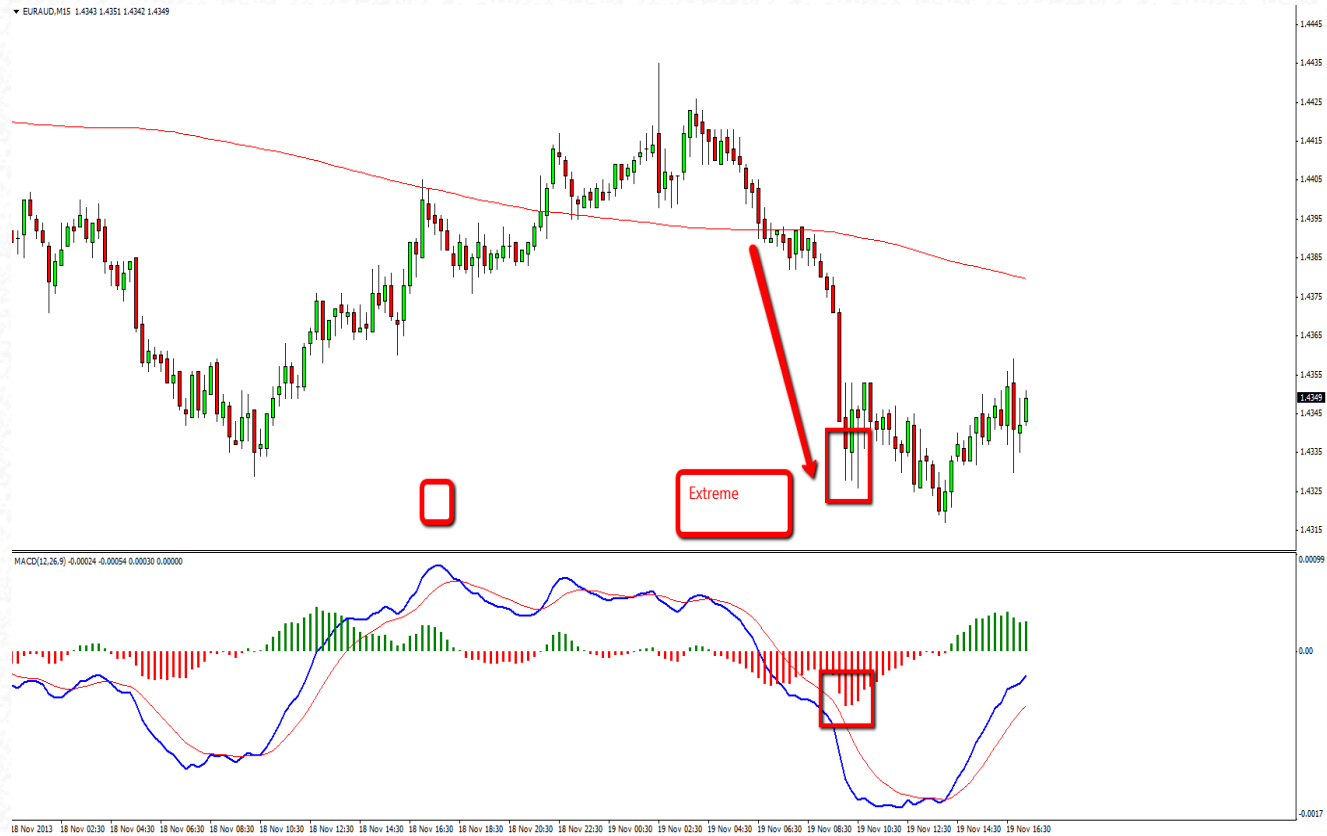


Example





Example





Example





Never fight the market!

One thing to remember – the market knows BETTER than everyone else what it has to do.

If all looks correct, but the intraday counter attack you make against the daily candle pattern doesn't develop, step back and wait for another signal to enter.

Let me show an example what I mean:

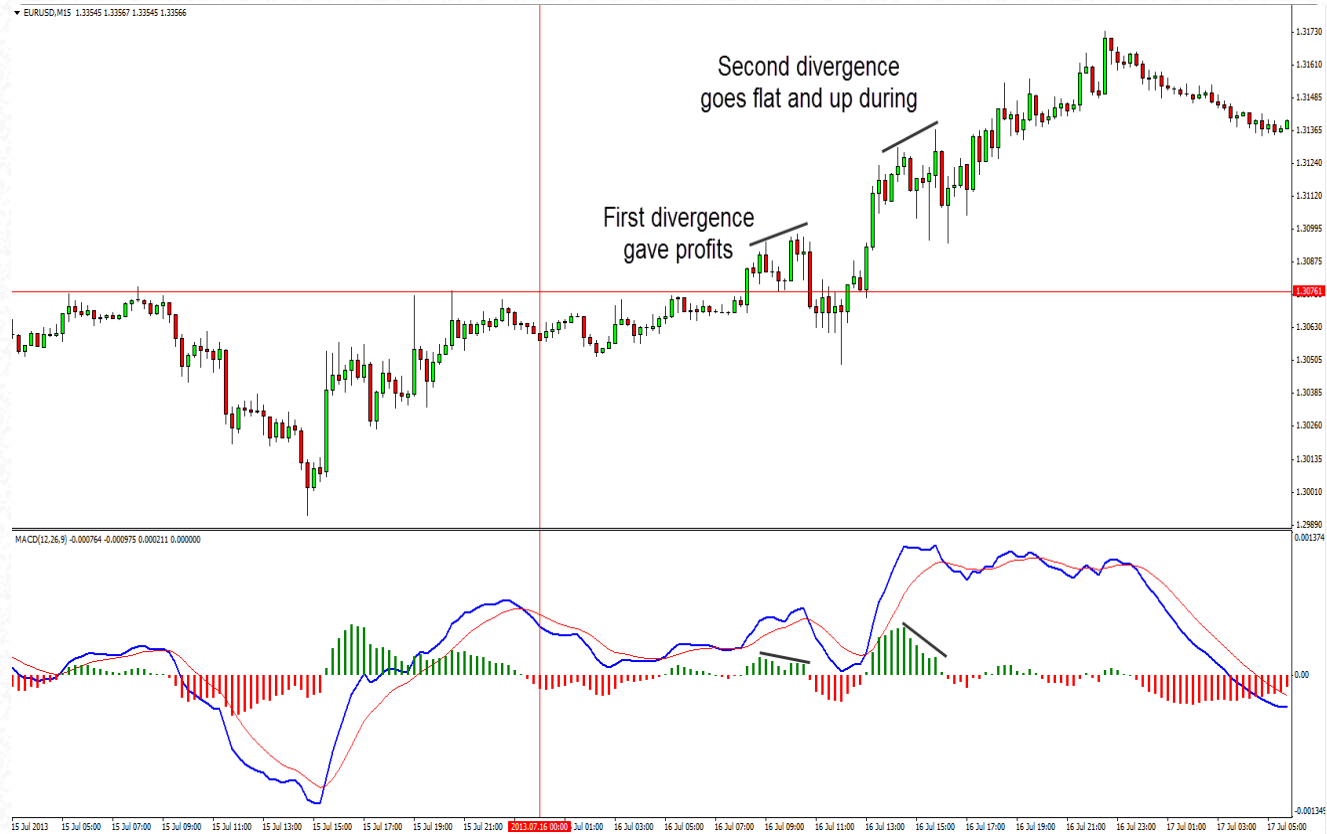


Example





Example





Do's and Don'ts

- 1- NEVER trade against critical news! Things might go ugly
- 2- Pay attention to the general environment in the market.
For example – if all pairs fly up against Dollar and only EURUSD goes down or stays flat, don't think to sell it... Be aware of general markets behavior
- 3- Don't trade the "high-spread" pairs to gain 3-5 pips net profit.



Dos and Don'ts

4- Don't trade after the recommended hours.

5- Don't force the trade to work. 90% of them will profit anyway. Cut the 10% early.

6- Candle patterns strength – Engulfing, Hammer, Harami

Let's see what happens if you don't follow the dos and don'ts:

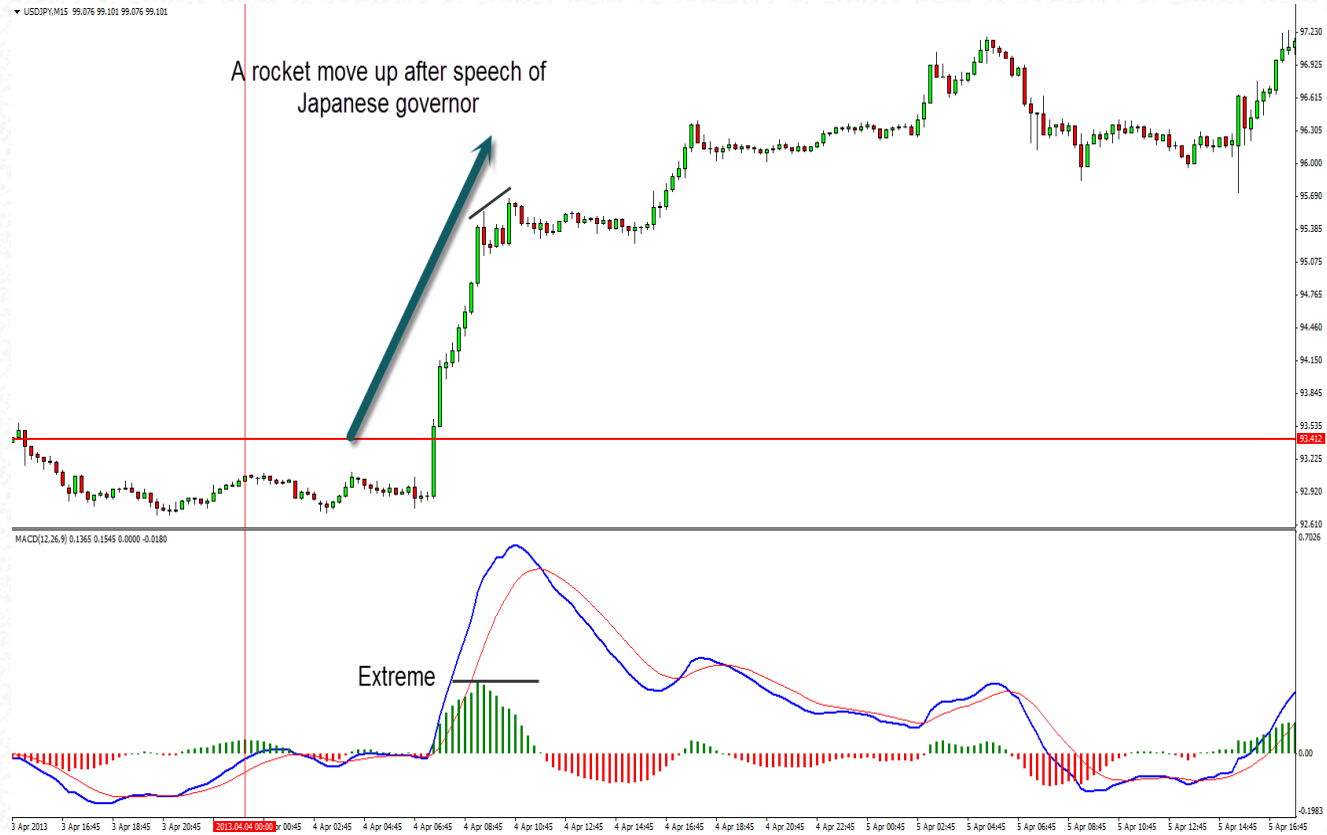


Example



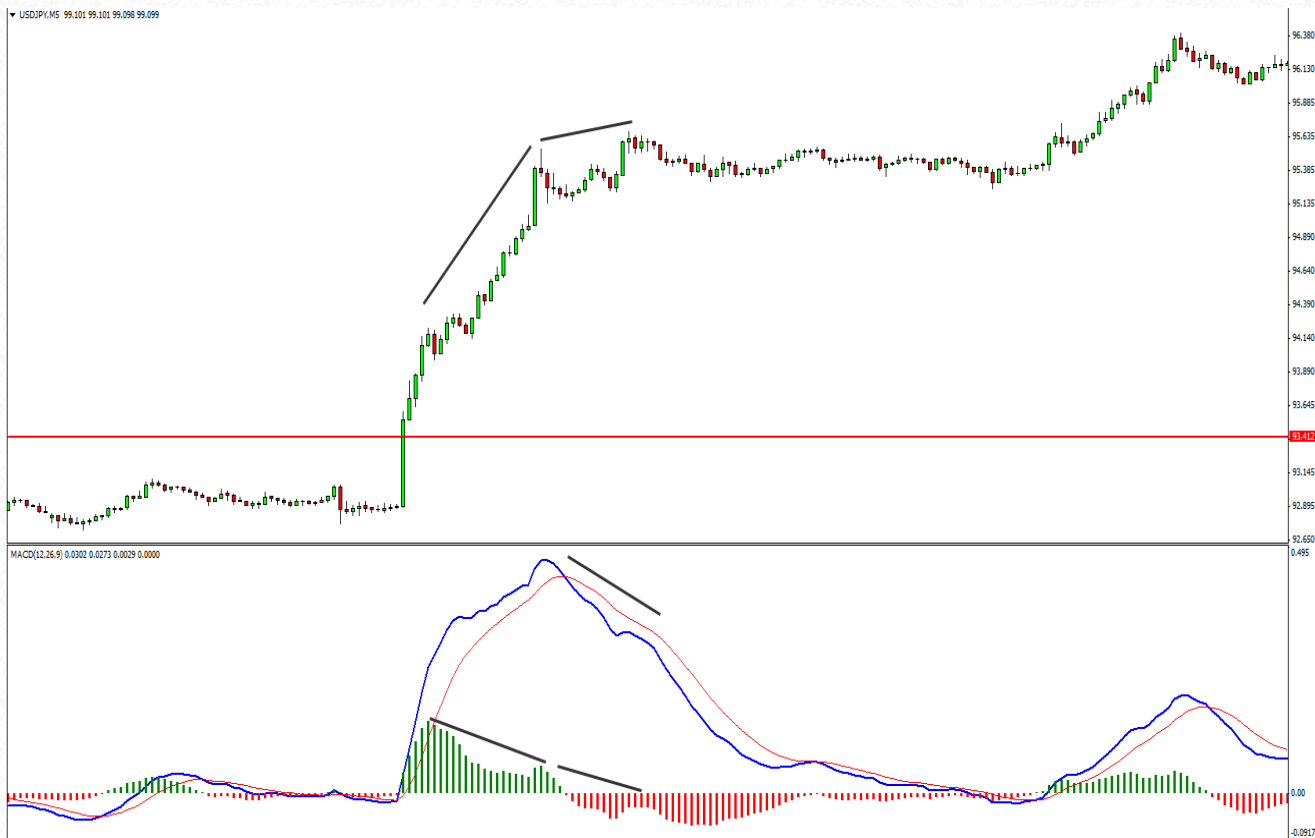


Example





Example



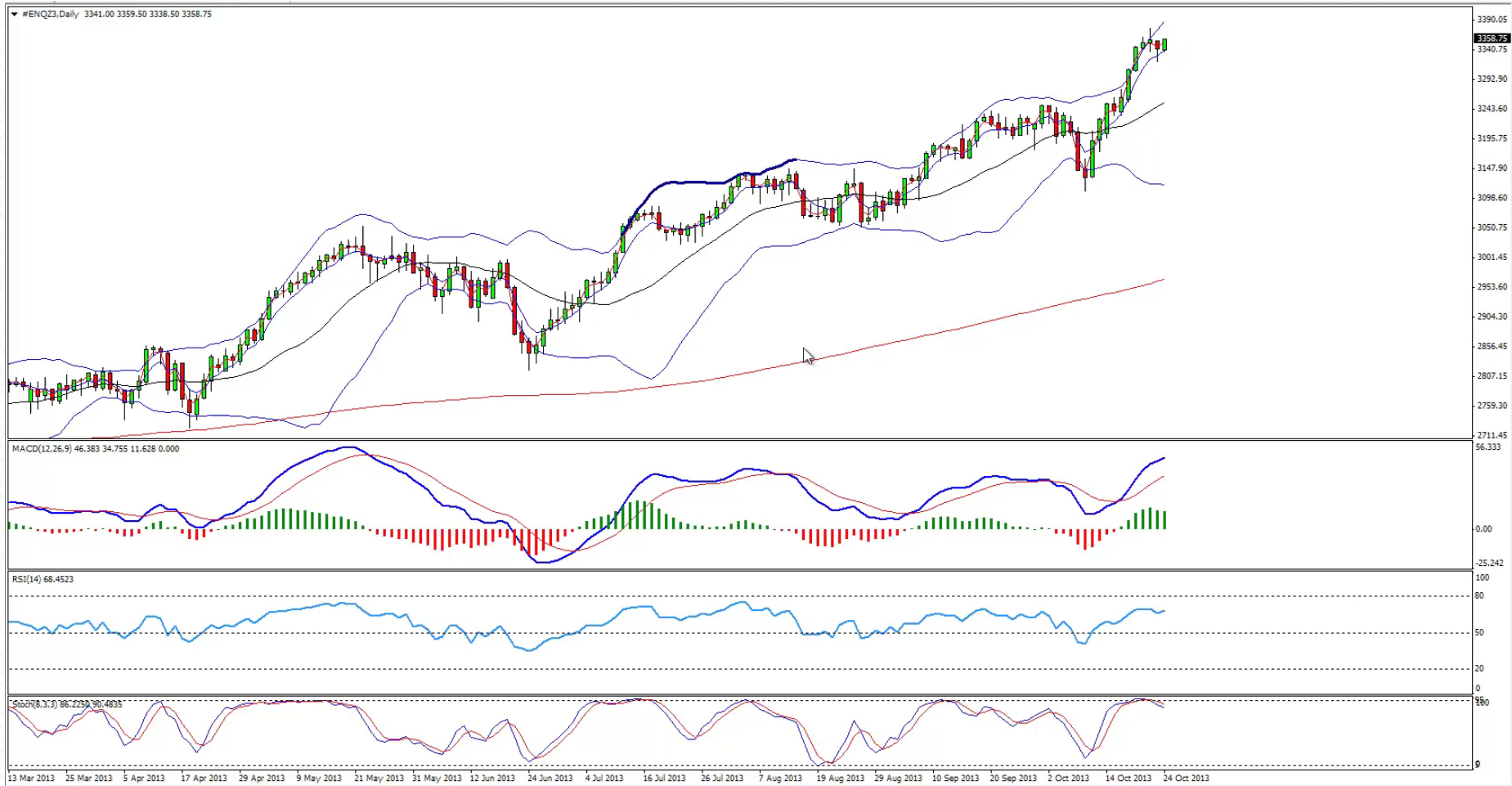


Recorded trade on Nasdaq

Let's see an example of a live trade on Nasdaq:

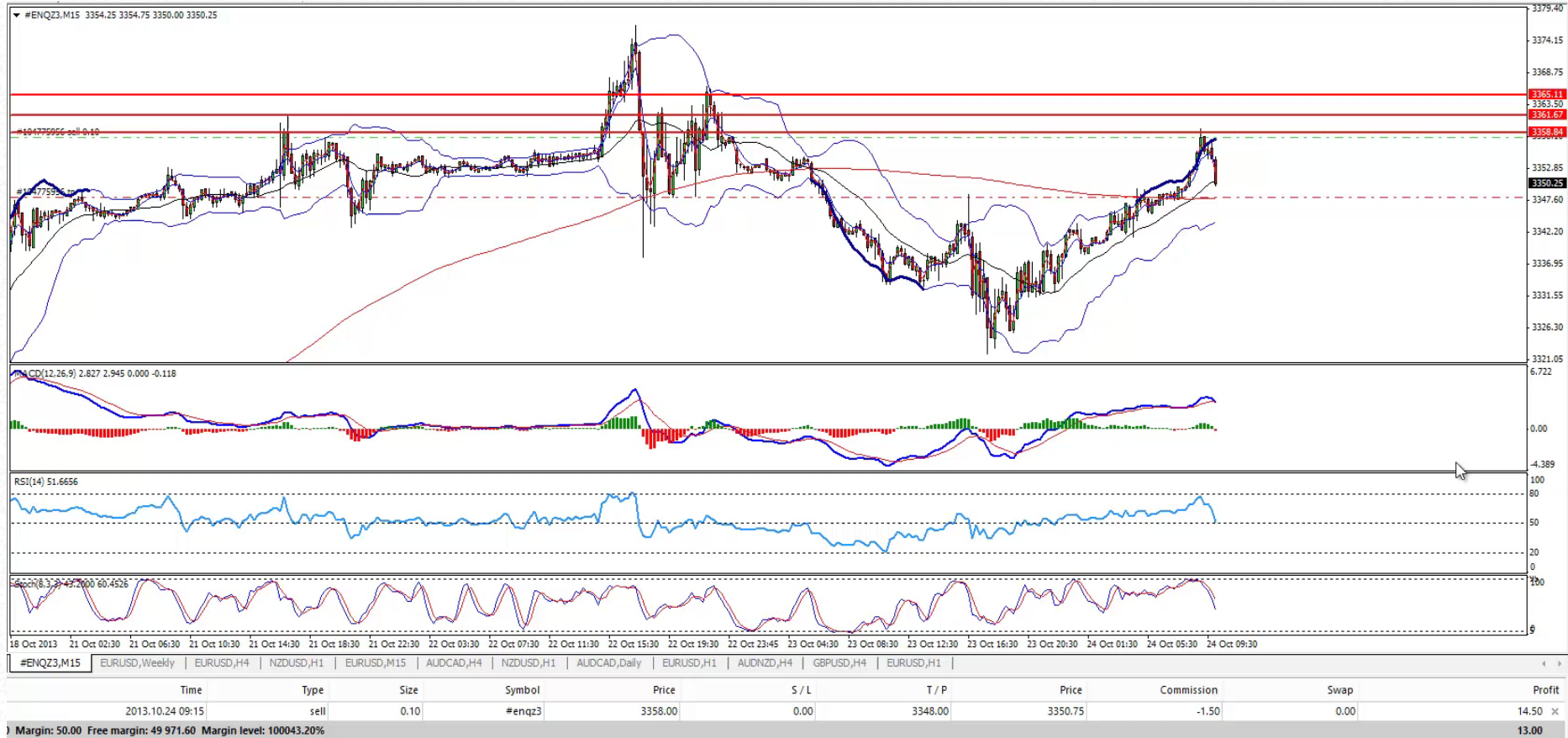


Recorded trade on Nasdaq





Recorded trade on Nasdaq





What Students Say?

Tomasz, Poland –

Killer Strategy



Inbox x



Tomasz Wawer [redacted]@mail.com>

to me ▾

Dear Vladimir,

I would like to thank you for the Killer Strategy

You have explained it very clearly and the idea is superb

It is profitable and easy to execute

I am still learning it and I made only three real trades and they were all successful

Pozdrawiam,

Tom



What Students Say?

Gurhan, Turkey—

Gurhan Basyildiz I have been in Forex market for 1.5 years now. Regarding to many trading strategies I have seen so far, I am amazed with the approach of Mr. Vladimir as he has a unique style. Especially the way he tells the logic both behind the market and his strategy does make sense to me. While watching the webinar about the killer principle (another tool he uses in trading life) which is lately developed by him and his team , I assured that I am exactly in the right place for trading and learning how to trade.

Gurhan Basyildiz, DMD



What Students Say?

William, South Africa–

William

Hi Everyone

It was a great honour to be part of the "Killer Principle" webinar hold by Vlad. The explanation of how this method works, was just excellent.

Applying this method to the live market, is as easy as 1-2-3. Adding your knowledge of trading to the analysis, and you sitting with a real Intraday Killer.

I love it.

Congratulations Vlad, the Killer Principle ROCKS!!!





What Students Say?

Yordan, Bulgaria—

As trader, getting burned is part of the game especially in the beginning when we are still learning. I was an exception, well at least until recently. About that time Vlad introduced to us the Killer Principle which believe it or not came to me as the bright light in the very very dark tunnel I was at that moment. I'm now recovering even quicker thanks to KP. As most of the home based traders aren't full time traders KP seems like great solution because it is an intraday method and we look for quick profits - in and out. We only trade specific hours which gives us even more flexibility and free time. No matter what I say at the end keep in mind that hedge funds or the "smart money" trade this system and they trade it for a reason 😊

Yordan Kuzmanov



Thank You

