

# Factor Members Private Twitter Feed - February 5, 2024



**FactorMembers** @factor\_members · Feb 5

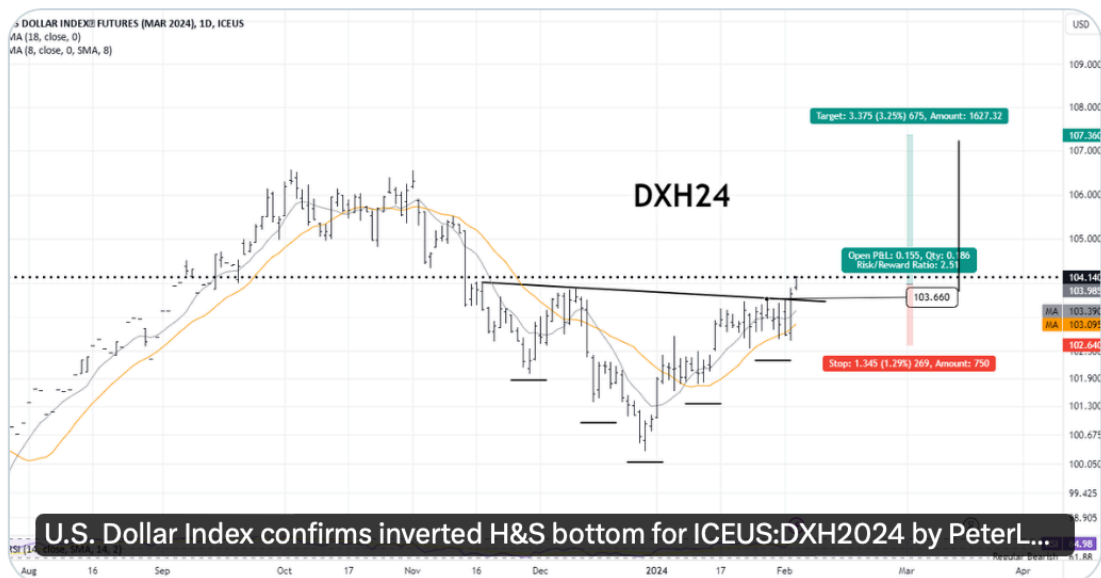
Chart of tradeable interest - U.S. Dollar Index **\$DX\_F**

ATR BO completion today of complex inverted H&S pattern. Risk is Friday's low initially



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Check out my **#DXH2024** analysis on **@TradingView**:



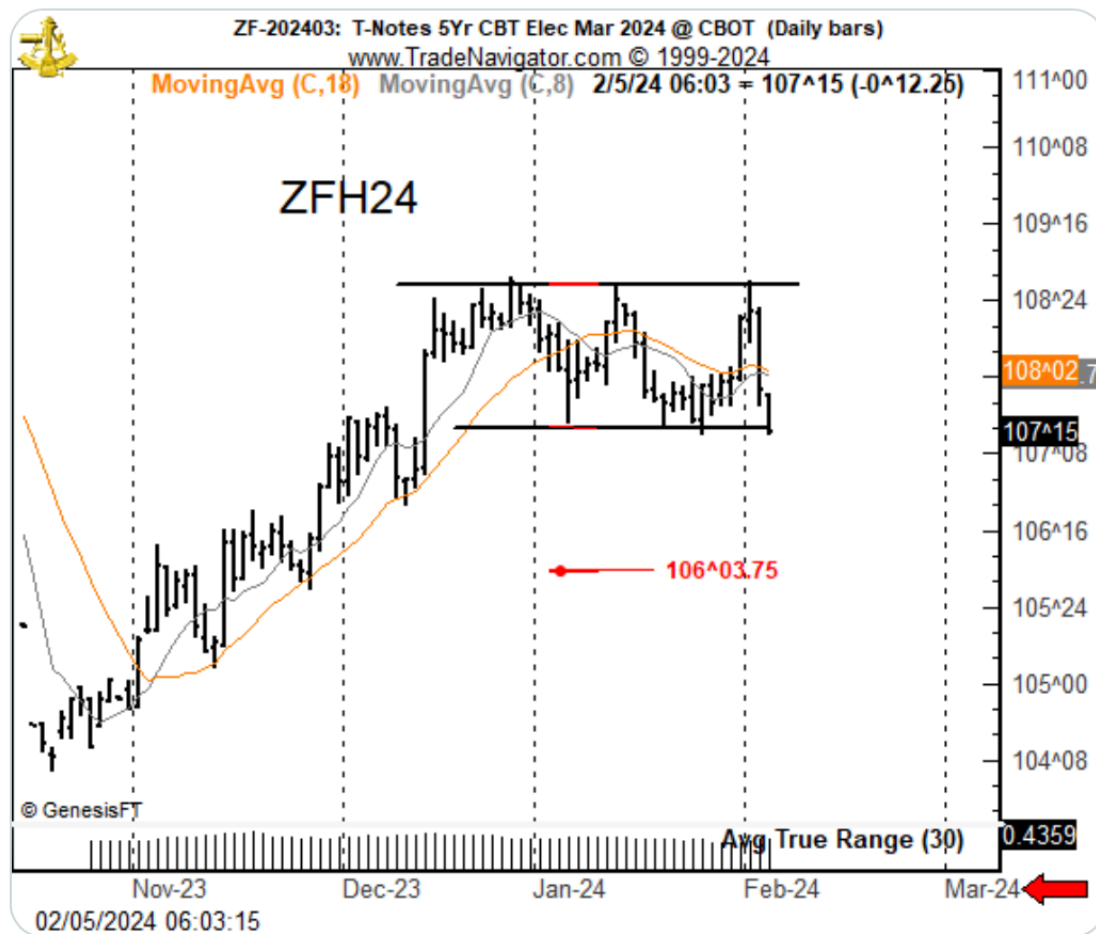
From tradingview.com



My goal will be to find a logical protective stop much closer to the neckline  
\$DX\_F



Chart of tradeable interest - 5-Yr T Notes \$ZF\_F





Comment on [\\$USD](#)

Lot's of quality patterns of highly correlating markets are completing - SOFR, AUD, USDX, GBP, EURUSD.

I've taken signals in four of these. In times such as this what typically happens is one of three things:

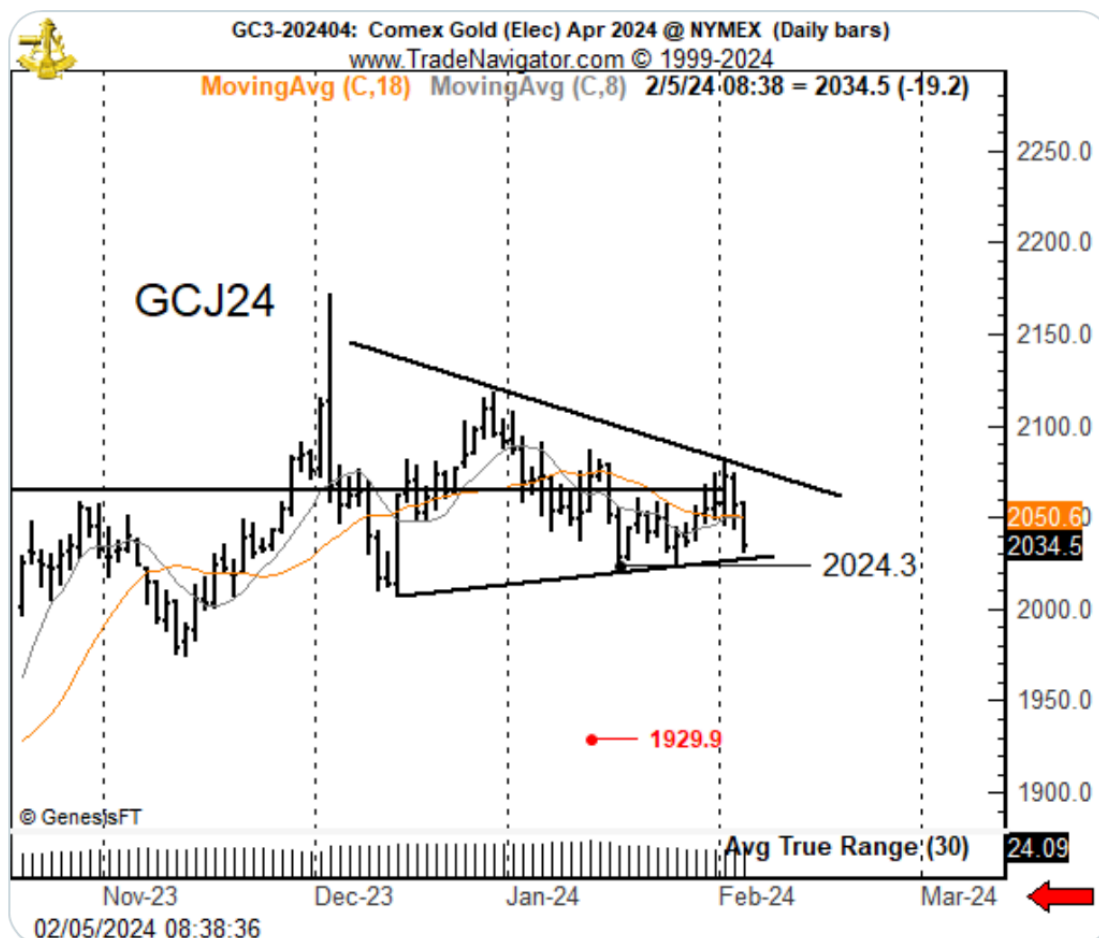
1. I get a big slap down with a 150-plus DD
2. Breakouts have no follow through but don't crash, usually leading to a big nothing burger
3. Follow through across the board and maybe a composite 300-plus BP gain

All I can do is trade the charts and look for opportunities to tighten up protective stops



chart of tradeable interest - GOLD [\\$GC\\_F](#)

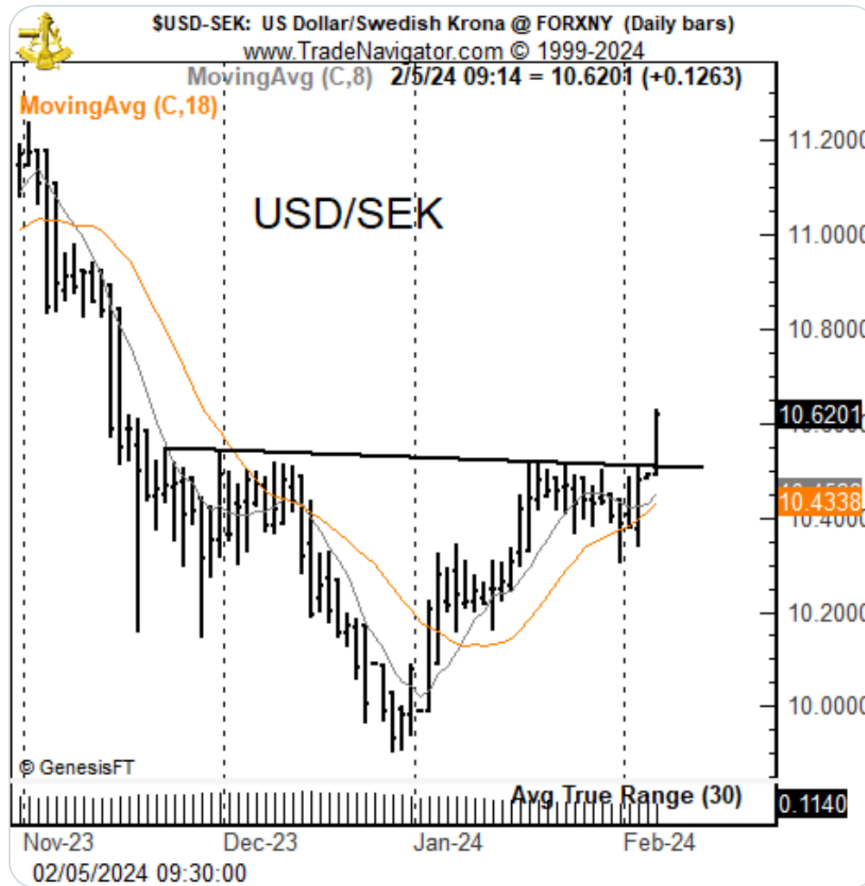
Symmetrical triangle top would also represent the failure of the early upside blow off consistent with COT profile on short side





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Chart breakout signals all over in forex today. I want to keep my positions in futures contracts rather than in spot as much as I can do so.



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Russell seems to be confirming a H&S failure at the upper end of a very extended trading range. I am flat and not planning to trade this \$M2K\_F





Three major reasons to trade currency futures rather than spot (dealer) pairs

1. Roll charge (daily fee in spot) is up to 50% larger than the roll indicated by pricing structure of futures contracts.
2. In spot FX, the counter party risk is greater. Many FX dealers have gone bust with clients holding the bag. The CME clearing house stands behind futures trades.
3. Futures trading profits are taxed in U.S. at 60% long term gain and 40% short term gain. Spot FX for most traders in U.S. is taxed as short-term gain



**Mahesh** @mahesh2511 · Feb 5

Replying to @factor\_members

Hi Peter

Why do you want your positions in futures as opposed to spot.

Is there any advantages that we may not be aware of ?

Thanks

You reposted



**Aksel Kibar, CMT** @TechCharts · Feb 5

**\$TXT.N** Possible bullish flag that can resume the uptrend.





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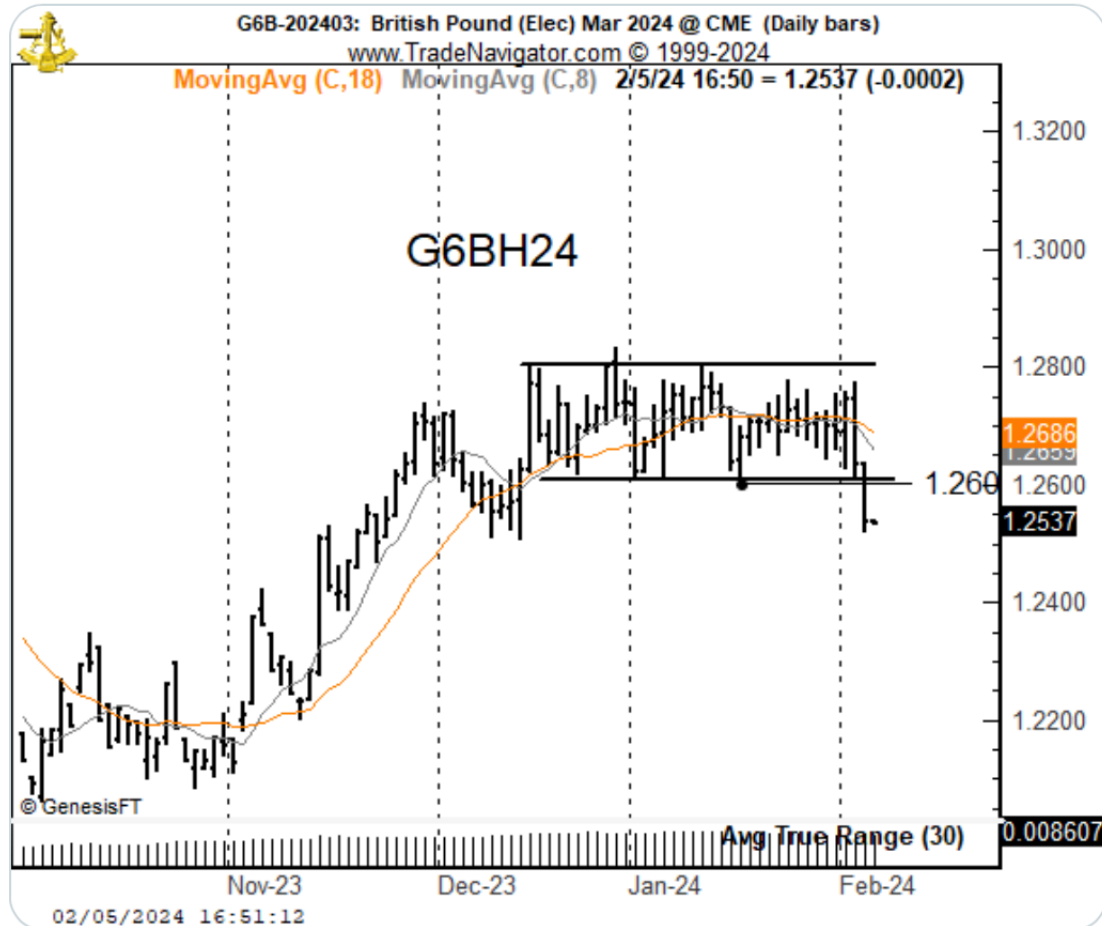
Day in review. After a quiet week last week, this week started with a BANG from the opening bell. The real problem with so many of the signals I took is that the last day rule is humungous so I am forced to use arbitrary \$ mgmt protective stops -- which I hate using



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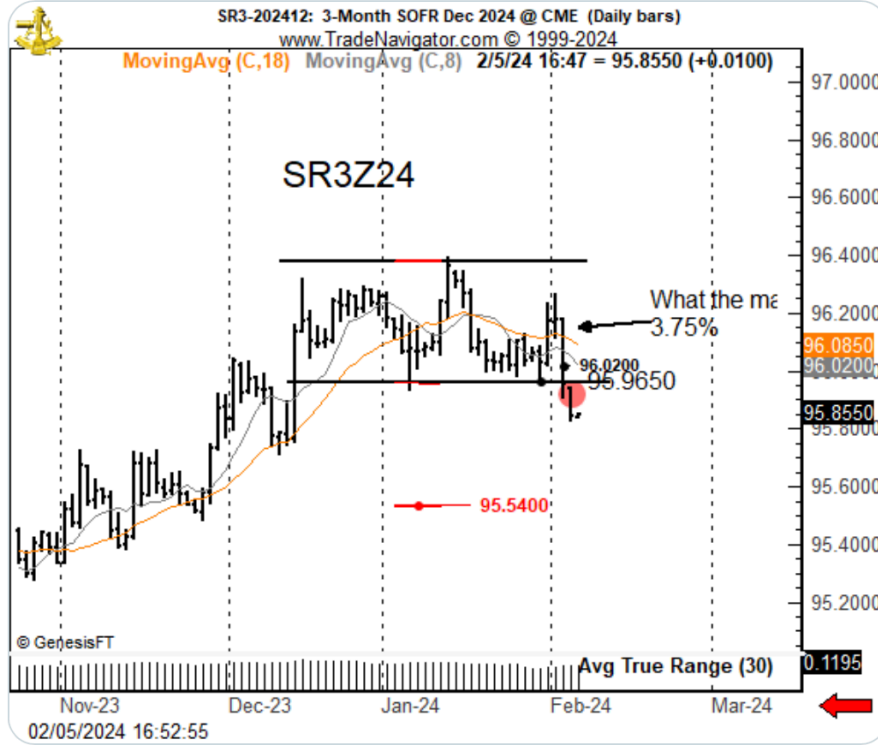


British Pound completed a rectangle top. I skipped this one because I am involved in three other currency positions with a composite initial risk exceeding 150 BPs. I cannot take every signal. The GBP signal was a nice one.



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SOFR3 completed a top pattern. I sold the Dec 2024 contract although it appears that the Sep or Jun might be leading the move. I am short a 100% position here



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The 5-Yr Note completed a rectangle top. I am flat. Again, I cannot take every signal.

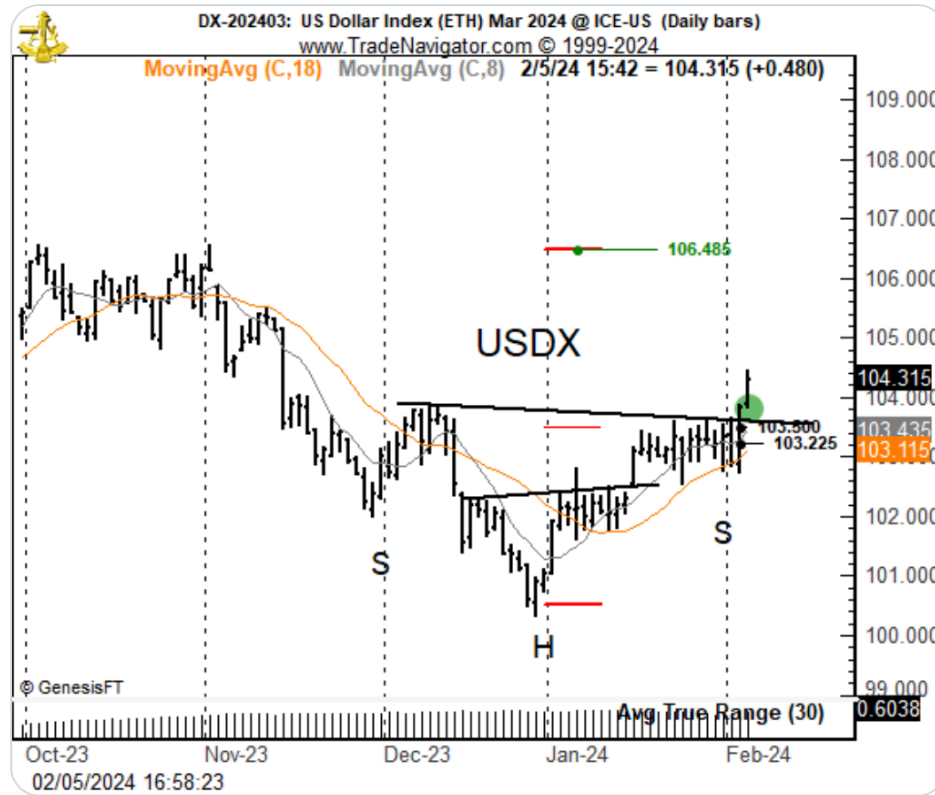




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USDX actually completed an 11-week H&S bottom last week but I did not see it until the close (I almost missed seeing a similar pattern in the Aussie \$). I shorted the open in the Mar contract.



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I should add that I am uncomfortable with most of the protective stop levels I am using and will really hope to zero in on trade management this week. The positions I established today will likely lead to great pain or great gain. Not sure which one.



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It should be an interesting week





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GREAT QUESTION. Because faced with multiple alternatives it seems that I usually choose the ones that don't work. I accept this as a reality of trading although sometimes I get lucky. I choose USDX and AUD because they were first to trigger (last Friday) although I am short a partial in EuroFX from Jan 16 still. Same with interest rates -- SOFR triggered Friday.



**Brandon Beylo**  @marketplunger1 · Feb 5

Replying to @factor\_members

Might be something you've already answered — but when you have a ton of signals firing simultaneously, how do you decide which ones to take?