

Factor Members Private Twitter Feed - March 21, 2024

 **FactorMembers**  
@factor_members

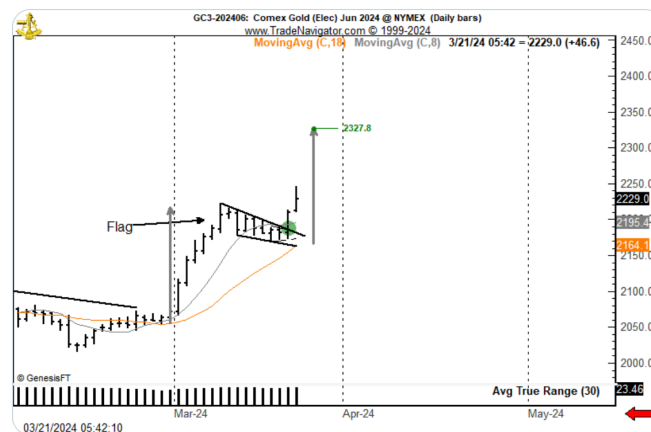
Discussion on Gold chart

What happened yesterday was so classically classic in Gold I need to make comment before I forget it

There are times even in a strong trend when positions can be established with relatively low risk -- either as a pyramid or a new trade in the case of traders who missed the initial breakout

Gold stalled on Mar 8 and drifted lower. But relative to the strength of the breakout move, this correction was mild, again displaying the strength of the market. A flag was formed by the correction

But significantly, an hikkake set up took place on the Mar 14, 15 and 18th bars



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But even better, note on the intraday chart that a near perfect sym triangle formed (dashed lines)

This allowed me to extend leverage in June futures with very tight risk - bot at 2191.3 with stop at 2172.7

So, the message for active traders is to be alert for possible pyramids when you know a strong trend begins. Such trades often provide the opportunity to tighten stops immediately. I moved stops after the close on Wed to 2182.6





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Comment on Silver

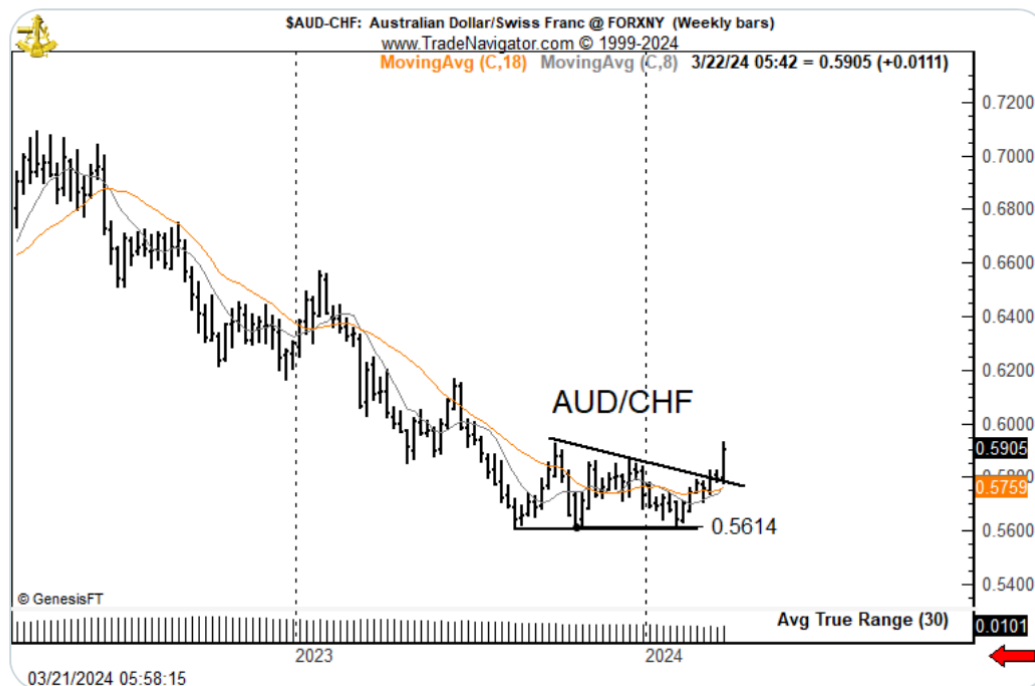
I am not sure I want to trade Silver futures ever again, but the longer term charts are extremely compelling. The problem with Silver futures is that my win rate with charts is like 20%. I might make money net over the years, but the process is frustrating



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Big breakout in Aussie/Swiss \$AUDCHF

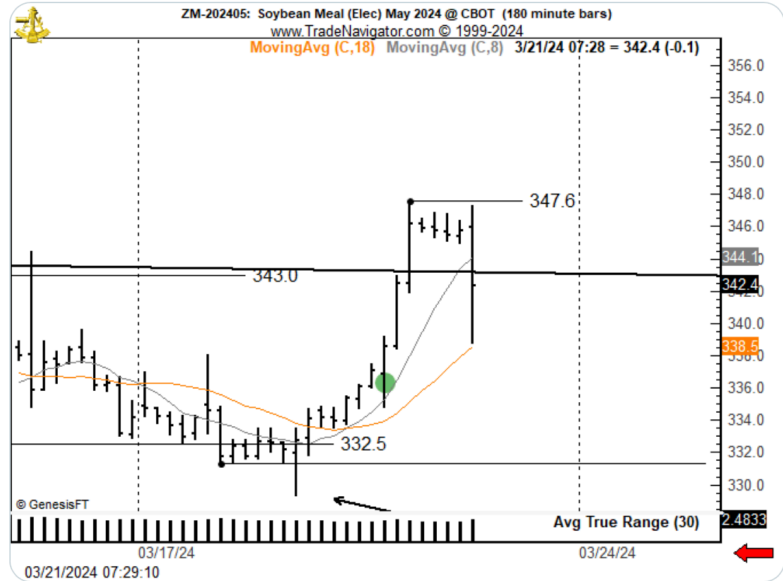


Tactical discussion on Soybean Meal

I use overnight entry stop orders in the really liquid markets (Crude, Gold, USD crosses, Notes, a few others)

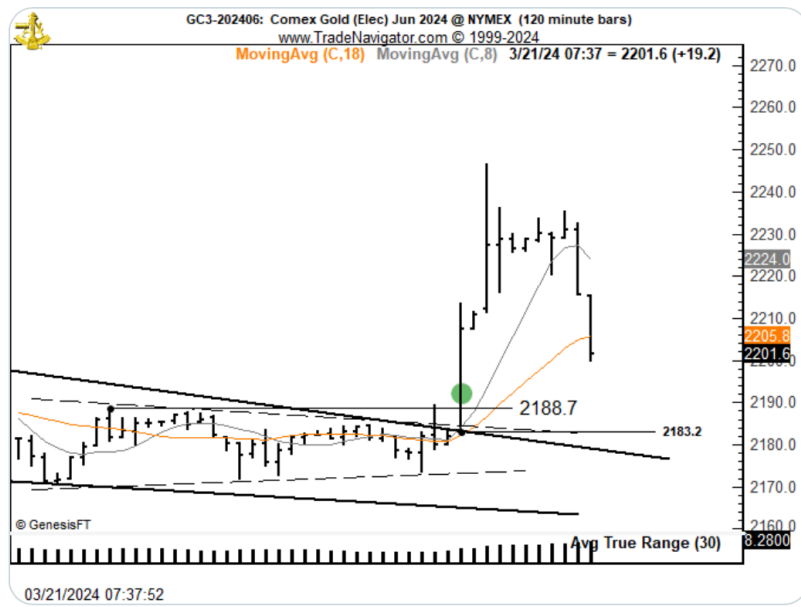
I use overnight stop orders to protect trades in almost ALL markets (might not do so for really thin markets)

Overnight the Soybean Meal broke through the neckline. I have been using only day order entry stops in Meal. So I woke up to a market that had broke out. So, my choice was to leave the stop in as placed or to raise the stop in order to have the market penetrate the overnight high at 347.6. There is no wrong or right answer when alternative choices exist. Traders in this situation must make a decision and place the bet



Nobody every said trading is easy

This also speaks to NOT chasing markets beyond a proper buy zone





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There are several ways to think about pyramiding.
Many novices (especially in futures) want to use open trade profits to buy more contracts. This is the **WRONG WAY**
Another way is to add to an existing position if a continuation pattern (flag, pennant, retest of 8DMA) occurs, but then only adding 1/2 the size of the initial position.
Each pyramid must have its own risk management applied



semilem @mlimes · Mar 21

Replying to @factor_members

super interested in pyramiding in general... I've never really internalized it. do you have any guidelines or writeups on pyramiding?



FactorMembers  
@factor_members



I pyramided earlier in my career. Pyramiding can more quickly grow an account
or
more quickly rek an account
Typically I do NOT pyramid
Pyramiding increases the avg entry price of a long trade, thus makes the overall position become threatened more quickly
NOBODY SHOULD ENGAGE IN PYRAMIDING UNTIL THEY CAN SUCCESSFULLY TRADE WITHOUT PYRAMIDING



semilem @mlimes · Mar 21

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Like Enrico, my largest position is when I initially enter the trade. From that point forward my position is only reduced



Enrico Racioppi @raciops · Mar 21

Replying to @factor_members

I am a fan of de-pyramiding. Small gives wider options.



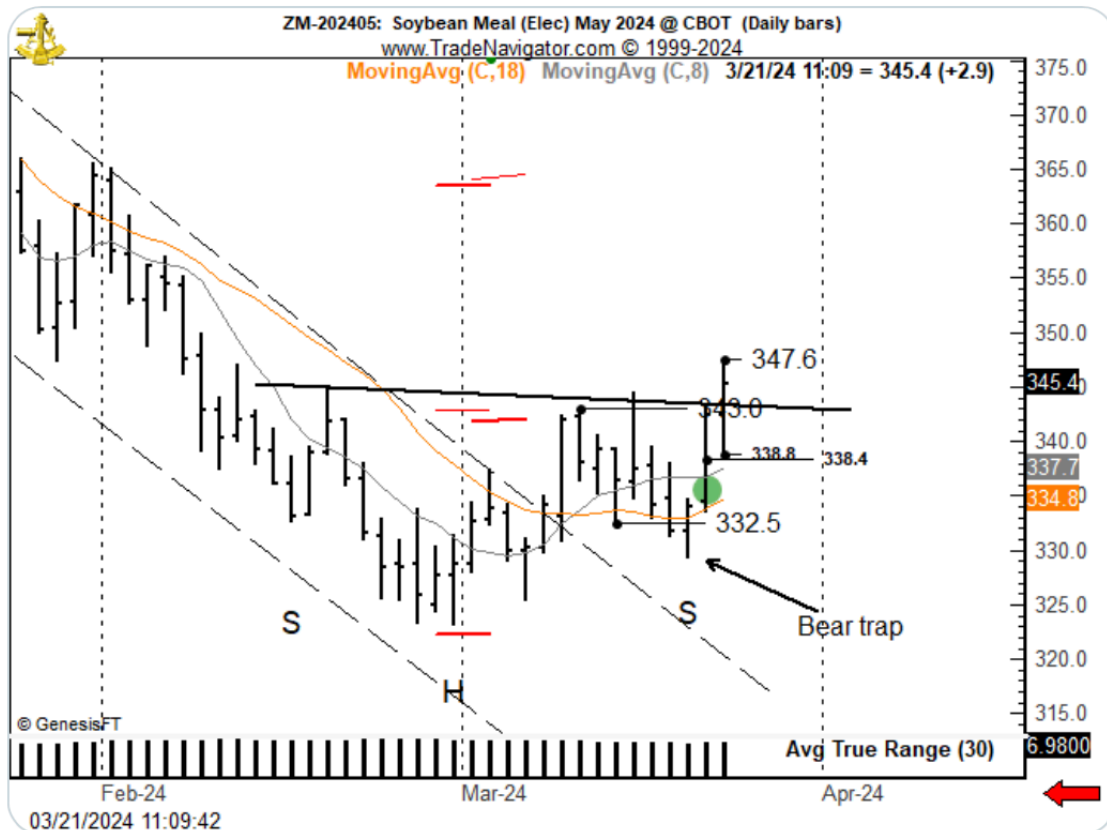
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Update on Meal

I am 100% long in Meal as of today

I will move to 150% long if ZMK confirms an upside BO





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True true

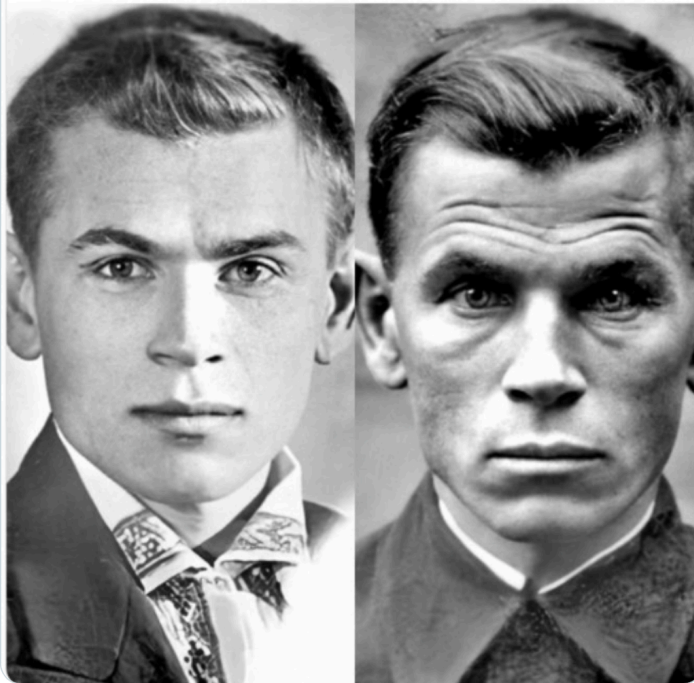
It is why I am always skeptical when trading SI



Defined Risk @the1Gert · Mar 21

Replying to @factor_members

Real photo before and after trading silver for 1 month.

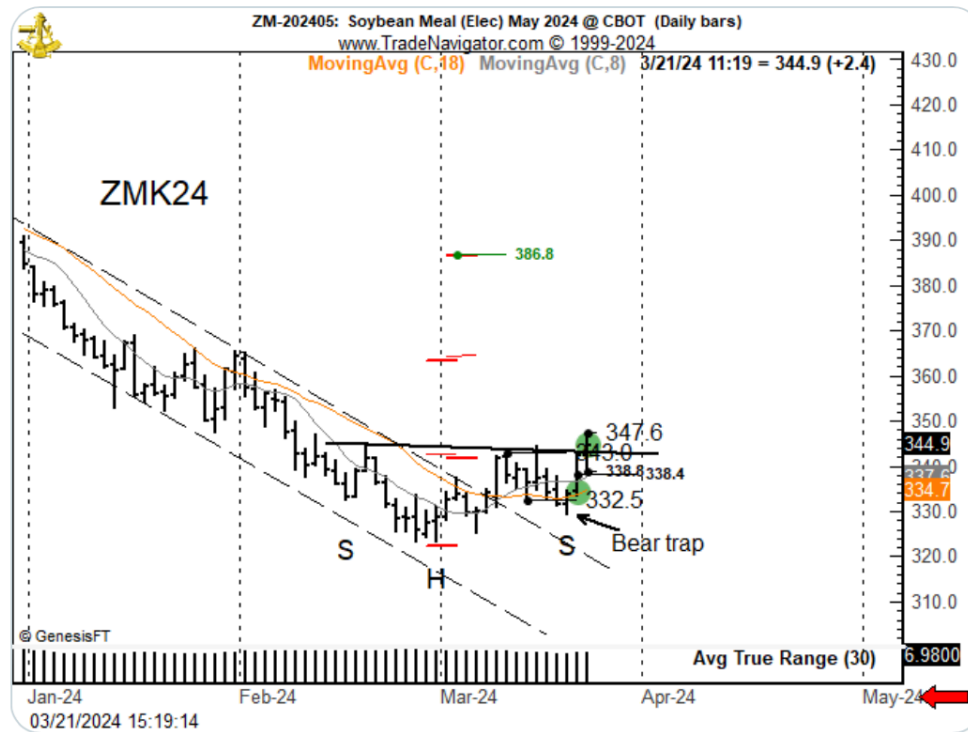


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Day in review, March 21, 2014

Soybean Meal completed a H&S bottom. I took this trade.

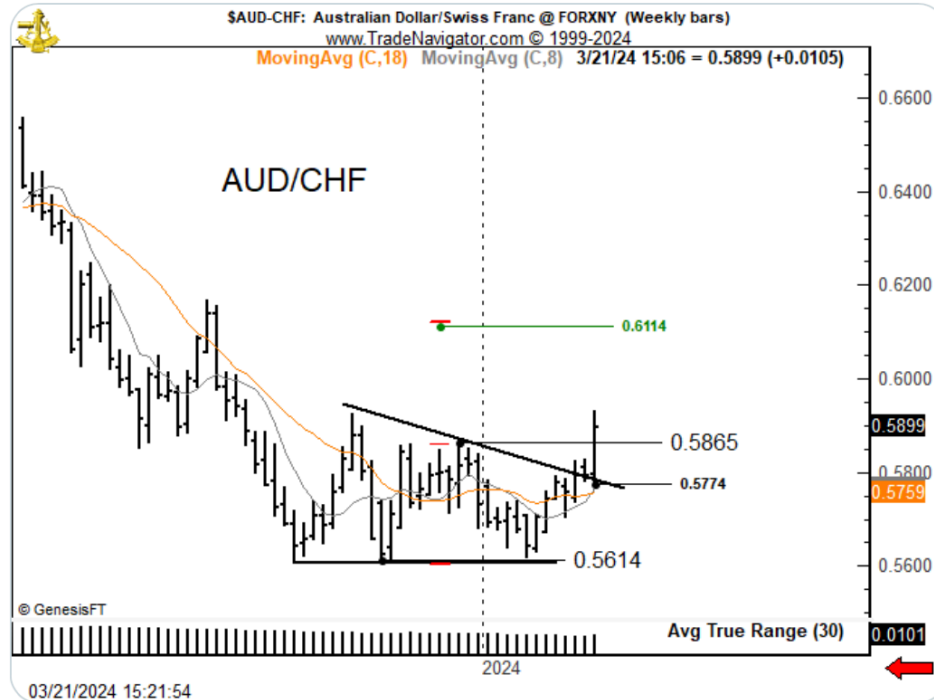




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AUDCHF completed a bottom on weekly chart. Did NOT take this trade because I prefer futures contracts. Futures contracts do not match up evenly in value



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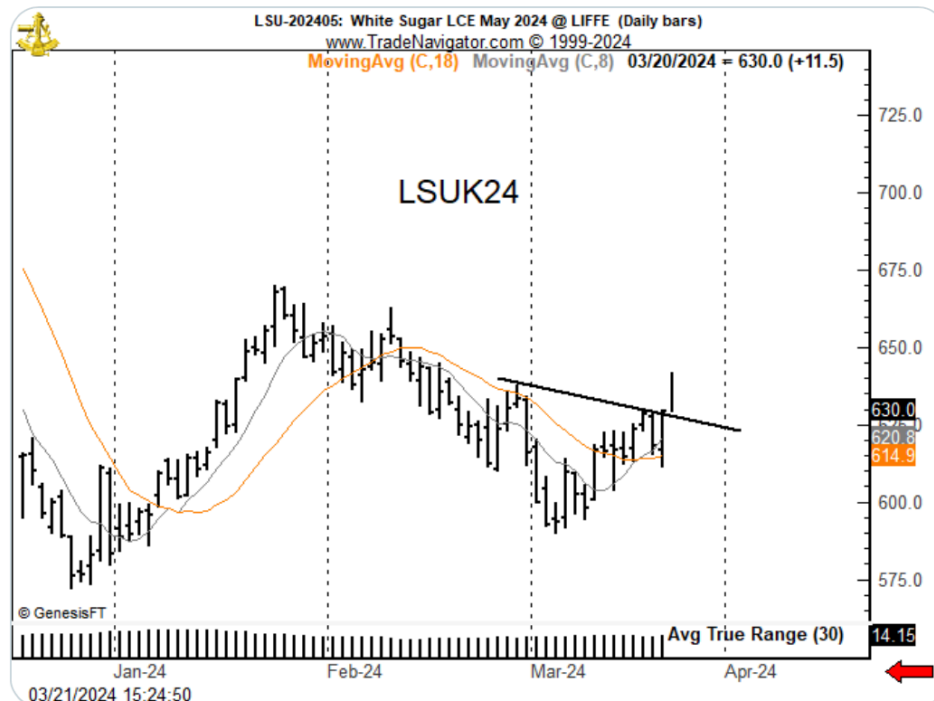
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London Sugar completed a questionable H&S bottom. Did not take this trade -- too short term





Adding to my radar and order list the Aussie Bonds

