Triple Speed Profit System

by Michael Nurok

www.forexprecog.com

RISK DISCLOSURE STATEMENT / DISCLAIMER AGREEMENT

Trading any financial market involves risk. This report and all and any of its contents are neither a solicitation nor an offer to Buy/Sell any financial market.

The contents of this material are for general information and educational purposes only [contents shall also mean the website http://www.forexprecog.com or http://www.forexprecog.net or any website ("the sites") the content is hosted on, and any email correspondence or newsletters or postings related to such website]. Every effort has been made to accurately represent this product and its potential. There is no guarantee that you will earn any money using the techniques, ideas and software in these materials. Examples in these materials are not to be interpreted as a promise or guarantee of earnings. Earning potential is entirely dependent on the person using the product, ideas and techniques. We do not purport this to be a "get rich scheme."

Although every attempt has been made to assure accuracy, we do not give any express or implied warranty as to its accuracy. We do not accept any liability for error or omission. Examples are provided for illustrative purposes only and should not be construed as investment advice or strategy.

No representation is being made that any account or trader will or is likely to achieve profits or losses similar to those discussed in this report or on http://www.forexprecog.comor on the sites. Past performance is not indicative of future results.

By purchasing any content, subscribing to our mailing list or using the website or contents of the website or materials provided herewith, you will be deemed to have accepted these terms and conditions in full as appear also on our site, as do our full earnings disclaimer and privacy policy and CFTC disclaimer and rule 4.41 to be read here with. So too, all the materials contained within this course, including this manual, whether they appear on our domain(s) or are in physical form, are protected by copyright. "Warning: The unauthorized reproduction or distribution of this copyrighted work is illegal. Criminal copyright infringement, including infringement without monetary gain, is investigated by the authorities and is punishable with imprisonment and a fine." We reserve all our rights in this regard.

Alaziac Trading CC, in association with http://www.forexprecog.com,the sites, content, and its representatives do not and cannot give investment advice or invite customers or readers to engage in investments through this course or any part of it.

The information provided in this content is not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject us to any registration requirement within such jurisdiction or country.

Hypothetical performance results have many inherent limitations, some of which are mentioned below. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. In fact, there are frequently sharp differences between hypothetical performance results and actual results subsequently achieved by any particular trading program and method.

One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk and no hypothetical trading record can completely account for the impact of financial risk in actual trading.

For example, the ability to withstand losses or to adhere to a particular trading program or system in spite of the trading losses are material points that can also adversely affect trading results. There are numerous other factors related to the market in general or to the implementation of any specific trading program, which cannot be fully accounted for in the preparation of hypothetical performance results. All of which can adversely affect actual trading results.

We reserve the right to change the set terms and conditions without notice. You can check for updates to this disclaimer at anytime by visiting http://www.forexprecog.com.

Governing law: this policy and the use of this report / course / DVDs / eBook, provided in any form, and any content on the website are governed by the laws of the Republic of South Africa. Further details on this are found under the Terms and Conditions on our site. Please ensure you read and agree with all Terms and Conditions as set out on our site before using any of the materials. Your use and reliance on the materials is based on your acceptance of such Terms and Conditions and policies as appear on the site.

Introduction

Hi, I'm Michael Nurok and I want to congratulate you on downloading this report and the customized indicator that I call the "Triple Speed Profit System".

This system came about as a result of requiring a trading strategy to identify potential reversal highs and lows, in both sideways markets and trending markets. In my early trading years, I quickly realized that:

"Price moves in a zigzag motion"

Yes folks… there's no such thing as a straight line in trading and not even the strongest trends move in the same direction forever.

One of my trading mentors used to joke that in trading, when you're sitting on profitable open positions, you need to; "know when to party hard and know when to leave the party early".

It's this mindset and understanding of the way the market operates, that motivated me to devise a system that would allow me to pick entry points that had a high probability of success, and just as importantly, provide me with reliable target levels, that offered me a high probability of hitting the target, without staying in the trade in a diminishing position. It also provided me with the opportunity to stay in the position while trailing the trade and tightening my stops at exactly the right moment.

This system can generate great trade opportunities for you, but only if you stay disciplined and stick to the rules.

The Triple Speed Profit System is simple to use and utilises 3 very popular and powerful indicators that enable you to:

1. **Identify potential divergence set ups**
2. **Identify high-probability entry points**
3. **Identify high-probability target levels**

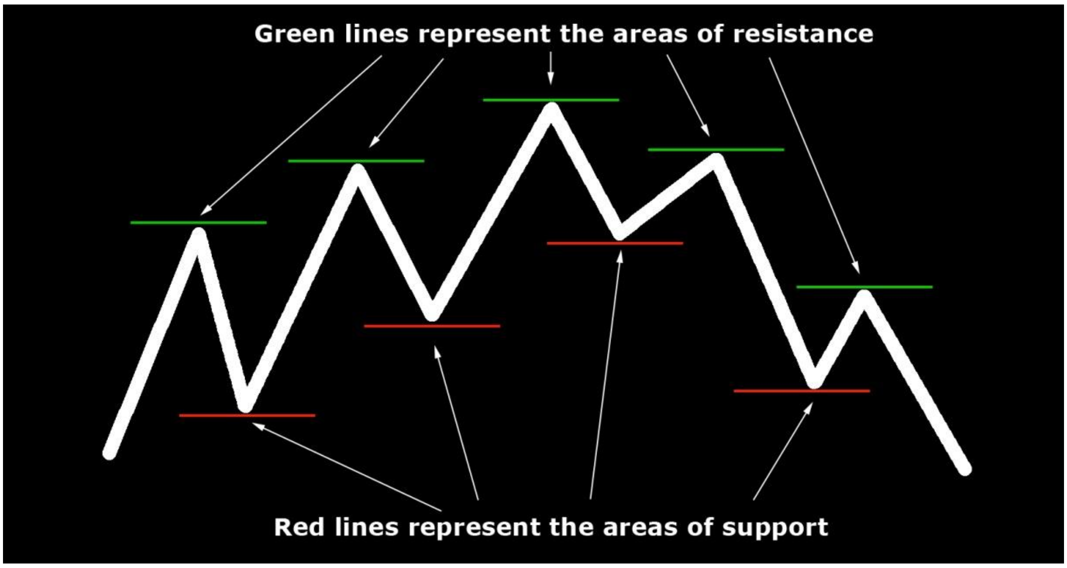
Read the course to the end. Then read it again. Install the template on a demo trading account and trade the system on the 1 hour, 4 hour or daily time frames, however I suggest you to start on the daily charts. Once you gain experience and some winning trades, you are then ready to start using the system.

How the Market Moves

Whatever system you are using to trade, accept that the market always moves back on itself, much like "water finding its own balance". Another way to think of the market is like an elastic band that stretches to extremes and on a regular basis, retracts back to "resting" positions before moving again. Traders call this "a market correction" and it's brought about by a number of factors including profit taking, as well as the general ongoing battle between the bulls and the bears (those that are buying and those that are selling)

The following image shows that even in an, in this case, upward direction, the price always moves back down again, in its journey towards higher highs.

Here's another image in a more conceptual way, that shows how the market moves down from resistance levels, and moves up from support levels.



Bollinger Bands

Bollinger Bands are a technical analysis tool invented by John Bollinger (born 1950), a famous technical trader.

John is one of the world's leading technical analysts who wrote several books on technical analysis and received numerous awards (among others, a Lifetime Award for Outstanding Achievement in Technical Analysis).

Bollinger Bands are a volatility indicator and they are extremely accurate at providing helpful indications of overbought or oversold levels relative to the moving average.

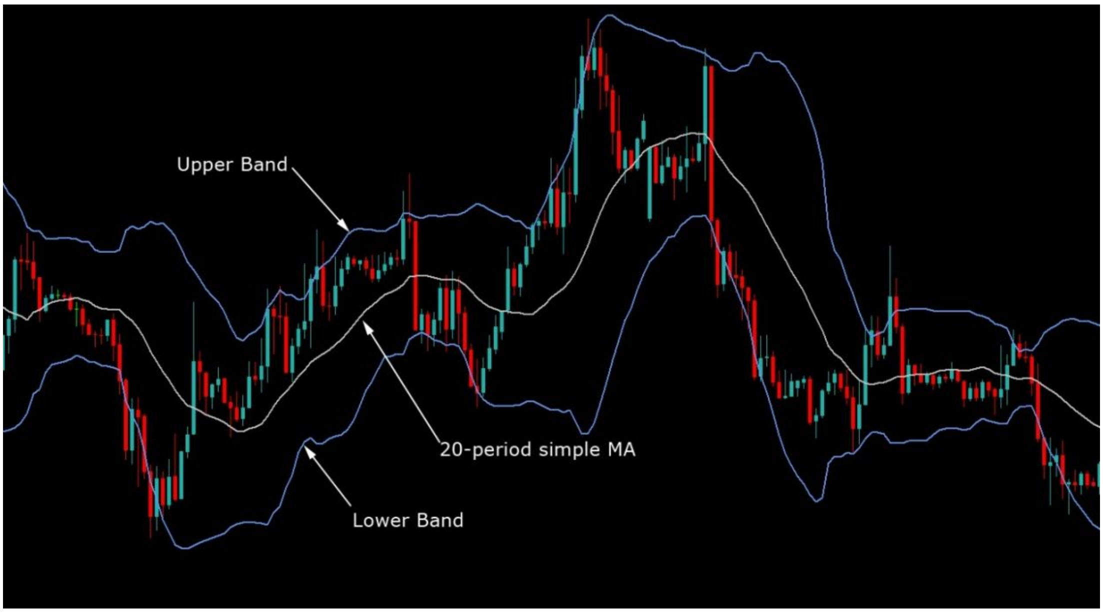
They are placed above and below the moving average and automatically:

- Widen when volatility increases, and
- Narrow when volatility decreases

We are particularly interested in market set ups when the Bollinger Bands are wide. It is at these points that we then look for divergences, that will be explained later in this report.

The following shows the Bollinger Bands installed. They comprise of 3 lines:

- The upper Bollinger Band
- The center line
- The lower Bollinger Band



Bollinger Bands consists of:

- an n-period simple moving average
- an upper band at k times an n-period standard deviation above the moving average
- a lower band at k times an n-period standard deviation below the moving average

The middle band is a **simple moving average** that is usually set at **20 periods.** Since the standard deviation formula is using the simple moving average, that's why the simple moving average is used in Bollinger Bands.

The lookback period for the standard deviation is the same as for the simple moving average.

The outer bands are usually set 2 standard deviations above and below the moving average, and that moving average represents the middle band.

Bollinger Bands adjust themselves to the market conditions very well, since standard deviation is a measure of volatility.

When the markets become more volatile, the bands widen (move further away from the average), and when markets become less volatile, the bands contract (move closer to the average). When the Bollinger bands contract, it's usually an early sign that there will be a sharp increase in volatility.

There are numerous ways traders are using Bollinger Bands.

For example; some traders buy when price touches the lower Bollinger Band and exit when price touches the moving average in the center of the bands. Some traders buy when price breaks above the upper Bollinger Band or sell when price falls below the lower Bollinger Band.

My trading strategy, the Triple Speed Profit System, looks for:

- **Buying opportunities when the price breaks or touches the lower Bollinger Band**
- **Selling opportunities when the price breaks or touches the upper Bollinger Band**

We use the opposite Bollinger Band for our ultimate target.

We use the center line (the 20 period MA) as the 1st initial target where you can move your stops to lock in some pips.

We also use the center line to trail the trade.

MACD (Moving Average Convergence Divergence Oscillator)

The Moving Average Convergence/Divergence oscillator (MACD) is one of the simplest and most effective momentum indicators available. It was developed by Gerald Appel in the late seventies and it's still one of the most popular and most used indicators.

MACD consists of three parts:

MACD Line, Signal Line and MACD Histogram.

The MACD Line is the 12-period Exponential Moving Average (EMA) minus the 26-period EMA. These moving averages are applied to the close of the candles.

The Signal Line is represented as a 9-period EMA of the MACD Line. **The MACD Histogram** represents the difference between MACD and its 9-period EMA, the Signal line.

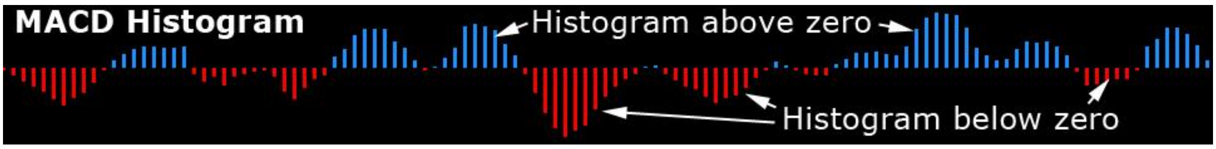
- MACD Line: (12-period EMA - 26-period EMA)
- Signal Line: 9-period EMA of MACD Line
- MACD Histogram: MACD Line - Signal Line

MACD Histogram

The MACD-Histogram is an indicator designed to predict signal line crossovers in MACD. By extension, it is designed as an early warning system for these signal line crossovers, which are the most frequent of MACD signals.

Since this system is using MACD Histogram, we've developed an indicator that displays only the MACD Histogram, as it does not require the signal line, and added the functionality of color coding:

- **when the Histogram is above zero, it will turn blue**
- **when the Histogram is below zero, it will turn red**



ADS indicator

ADS Indicator is an indicator developed specifically for this system.

It doesn't follow price or volume. It follows the speed or the momentum of price. As a rule, the momentum changes direction before price.

It can also be used to identify bull (buy) and bear (sell) set-ups to anticipate a future reversal.

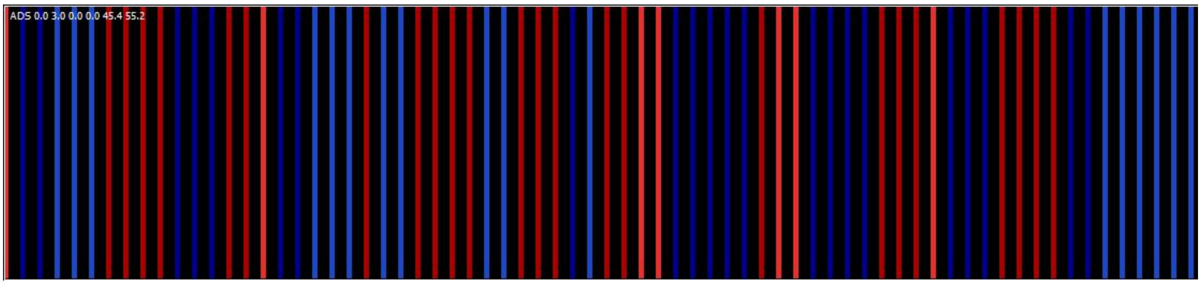
It measures the level of the close relative to the high-low range over a given period of time.

The blue bars represent a buy momentum, while red bars represent sell momentum.

Dark blue color represents stronger buy signal than light blue color.

The same is with red: Dark red color represents stronger sell signal than light red color.

The following image displays the ADS Indicator.



Spike Alert

Spike Alert is an indicator developed for this system that will make it easier for you to spot when the price breaks above or below the Bollinger Bands.

It displays green in the middle of the bar and displays blue at the top of the bar when price breaks above the upper Bollinger Band, while displaying red at the bottom of the bar when price breaks below the Bollinger Band.

The following image shows an example of the Spike Alert when the price breaks above the upper Bollinger Band:

The following image shows an example of the Spike Alert when the price breaks below the lower Bollinger Band:

Swing Highs and Swing Lows

Because this system uses Divergence to identify potential market set ups, we need to be able to understand Swing Highs and Swing Lows.

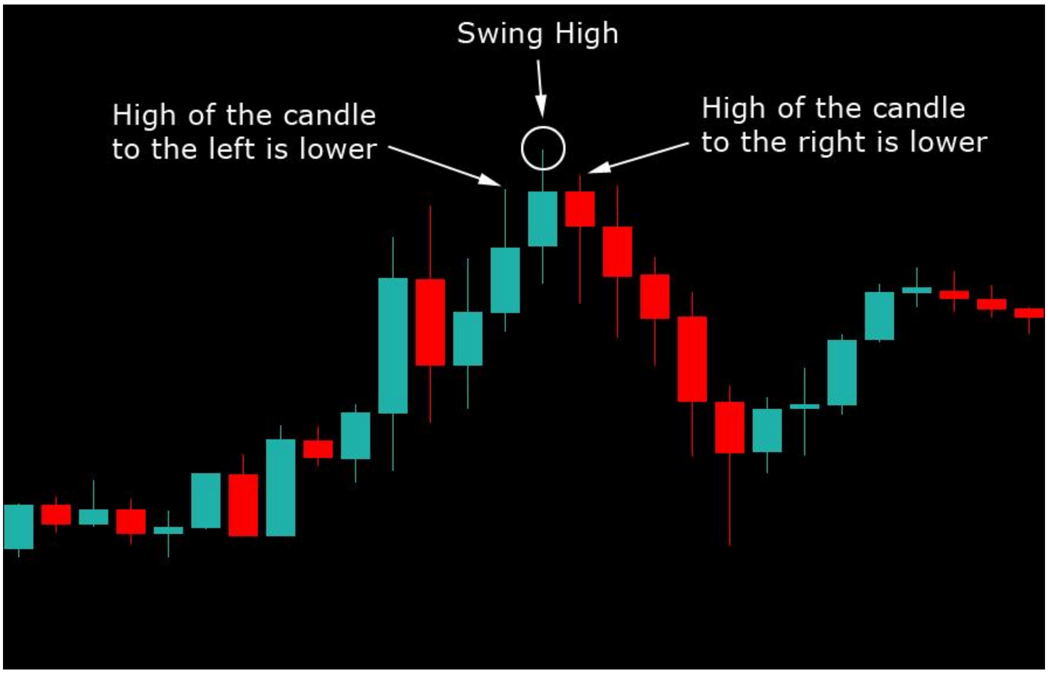
We need to be able to draw lines connecting:

- Higher Swing High with a Lower Swing High for a Bearish Divergence, or
- Lower Swing Low with a Higher Swing Low for a Bullish Divergence

The connected Swing Highs or connected Swing Lows must correlate to the divergence set ups on the MACD.

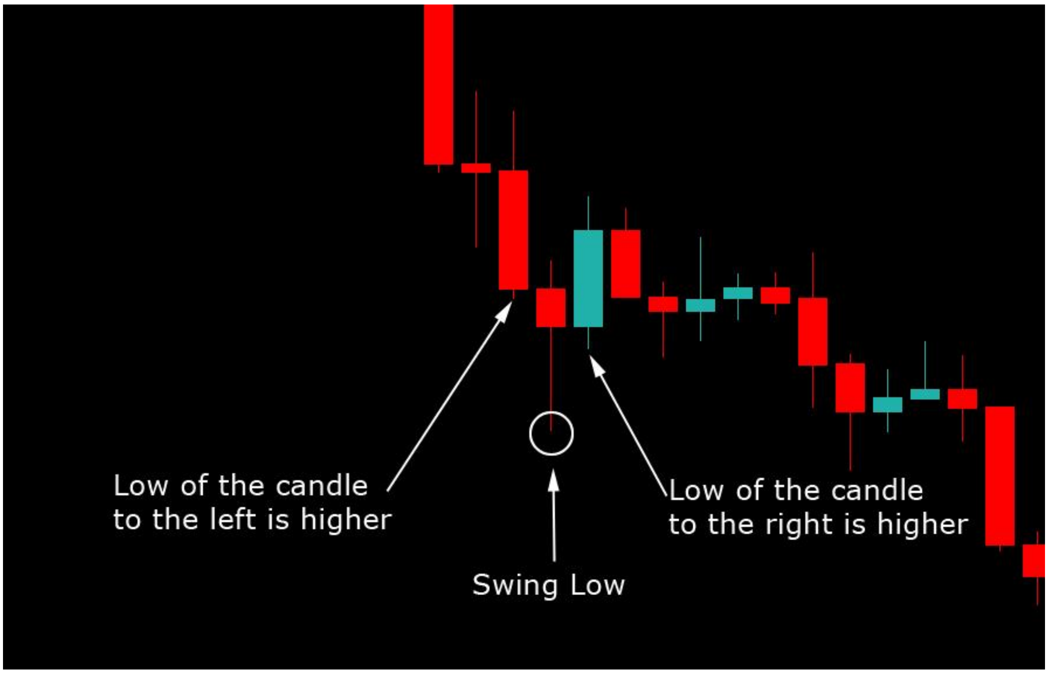
Swing High

A Swing High is formed when the high of a price is greater than the high of the candle to the left and the candle to the right.

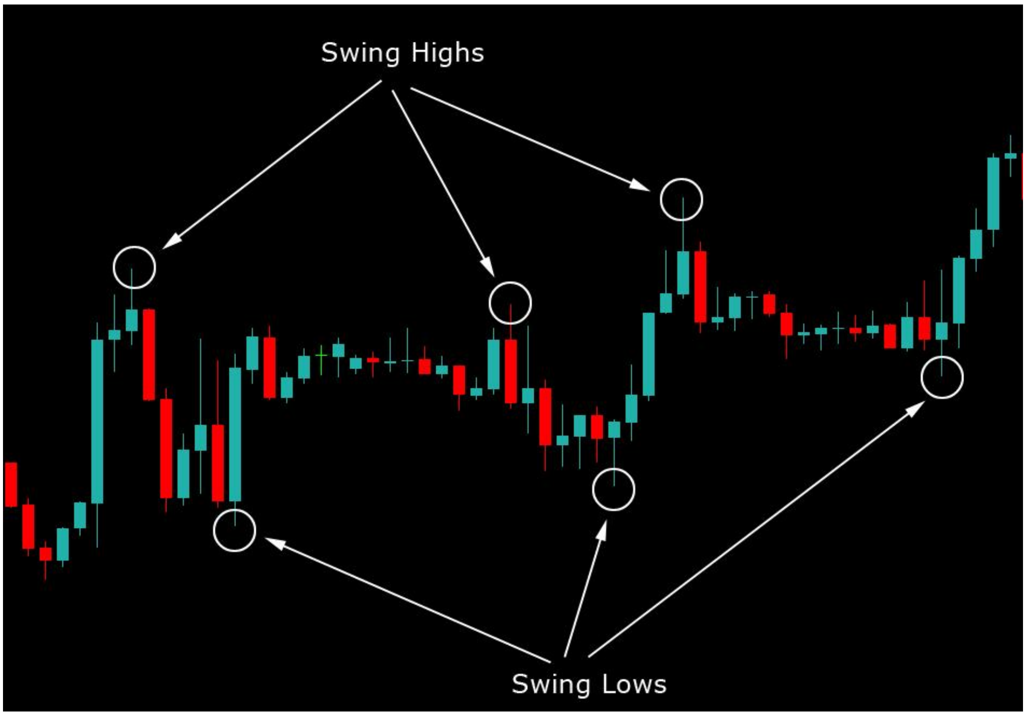


Swing Low

A Swing Low is formed when the low of a price is lower than the low of the candle to the left and the candle to the right.

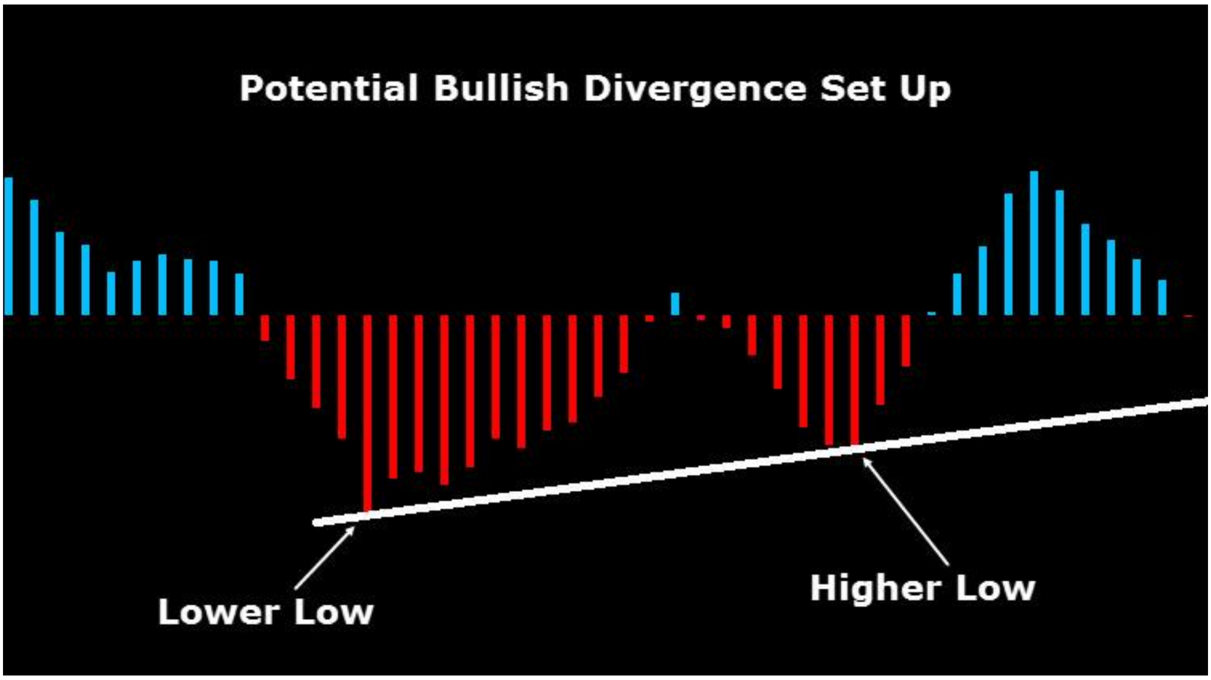


The following shows the swing highs and swing lows.



Identifying Bullish Divergence

The following image shows a potential market set up of a Bullish Divergence on the MACD. Notice that the line drawn connects a lower-low of the MACD histogram with a higher-low of the MACD histogram.



The following image shows a potential market set up of a Bullish Divergence on the market price. Notice that the line drawn connects a Higher Swing Low of price with a Lower Swing Low of price.

The following image brings it all together.

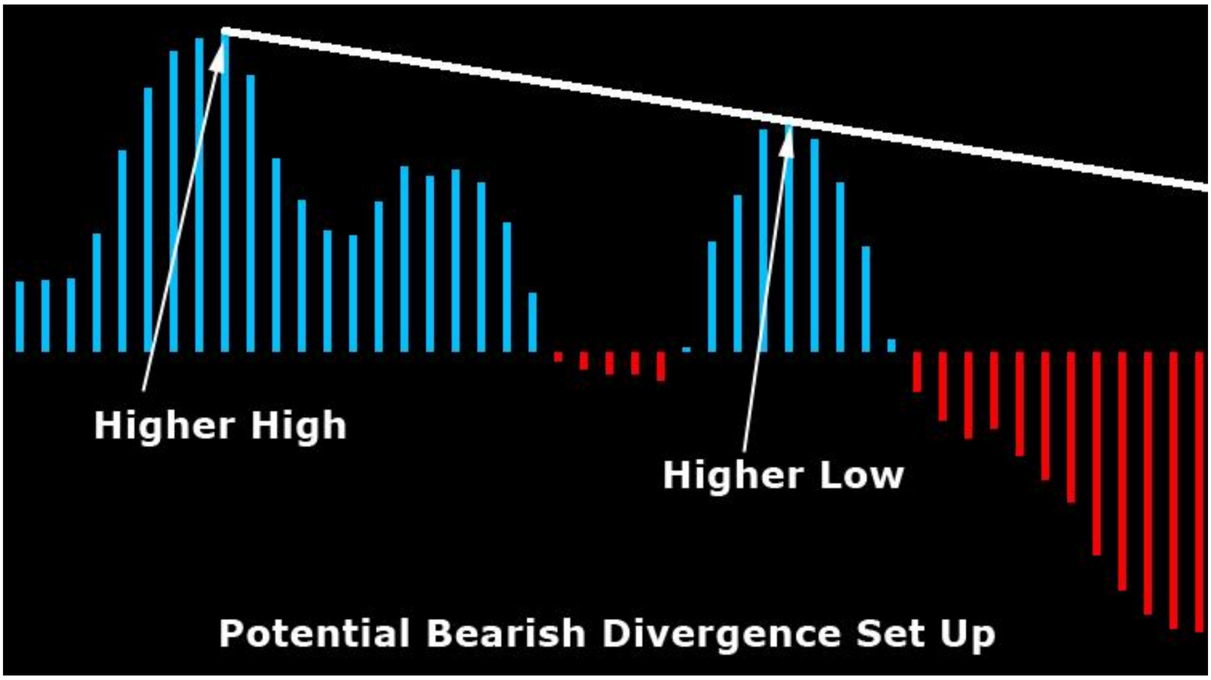
Market Divergence is defined by price moving in one direction while an indicator representing price is moving in a different direction.

So, in the case of Bullish Divergence, using the Triple Speed Profit System, we're looking for the market to show price moving down, while our MACD shows that price is moving up. And we're particularly looking for a Bullish Divergence when price is at the lower realms of the lower Bollinger Band.

The following is an example of a Bullish Divergence using the exact same images of price and MACD, as above. Note how the Swing Lows are directly correlated to where the MACD lows are.

Identifying Bearish Divergence

The following image shows a potential market set up of a Bearish Divergence on the MACD. Notice that the line drawn connects a higher-high of the MACD histogram with a lower-high of the MACD histogram.



The following image shows a potential market set up of a Bearish Divergence on the market price. Notice that the line drawn connects a Lower Swing High of price with a Higher Swing High of price.

The following image brings it all together.

As I stated before; Market Divergence is defined by price moving in one direction while an indicator representing price is moving in a different direction.

So, in the case of Bearish Divergence, using the Triple Speed Profit System, we're looking for the market to show price moving up, while our MACD shows that price is moving down. And we're particularly looking for a Bearish Divergence when price is at the higher realms of the upper Bollinger Band.

The following is an example of a Bearish Divergence using the exact same images of price and MACD, as above. Note how the Swing Highs are directly correlated to where the MACD highs are.

TRADING RULES

BUY RULES

1. A Bullish Divergence must exist.
    a. The MACD must show a rising momentum between a lower-low MACD level and a higher-low MACD level
    b. The price must show an overall falling price between a Swing-Low point that correlates to the Lower-Low MACD level and a Swing-Low point that correlates to the Higher-Low MACD level
2. The price point that correlates to the Higher-Low of the MACD level, must either: break below the lower Bollinger Band OR be within 10 pips of the lower Bollinger Band
3. ADS Indicator must change color from red to blue
4. Entry of trade is based on the open of the first candle after the ADS changed color to blue
5. Stop loss is placed at 10 pips for H1 time frame, 15 pips for H4 time frame or 25 pips for D1 time frame, below the low of the signal bar that occurs on the ADS crossover
6. The ultimate target is the higher Bollinger Band

Void Trades:

1. The entry is void if the price of the signal bar closes above the 20-Period Simple Moving Average (the middle line between the upper & lower Bollinger Bands) OR if the price closes within 10% below the centre line of the Bollinger Band (based on the vertical distance of upper & lower Bollinger Bands)

Trade Management Notes:

1. 1st Trailing Stop Target is set when price breaks the 20-Period Simple Moving Average (the center line between the Bollinger Bands)
2. The center line between the Bollinger Bands can be used to trail price
3. The stop loss can be tightened to 10 pips from current price if the ADS generates a reversal signal
4. The ultimate target should be a minimum of a 1:1 reward-to-risk ratio compared to the stop loss (distance between entry price & 25 pips below the low of the signal bar)

Rule 1: A Bullish Divergence must exist.

Rule 2: The price point that correlates to the Higher-Low of the MACD level, must either: break below the lower Bollinger Band OR be within 10 pips of the lower Bollinger Band

Rule 3: ADS indicator must change color from red to blue

Rule 4: Entry of trade is based on the open of the first candle after the ADS changed color

Rule 5: Stop loss is placed at 10 pips for H1 time frame, 15 pips for H4 time frame or 25 pips for D1 time frame, below the low of the signal bar that occurs on the ADS crossover

Rule 6: The ultimate target is the higher Bollinger Band

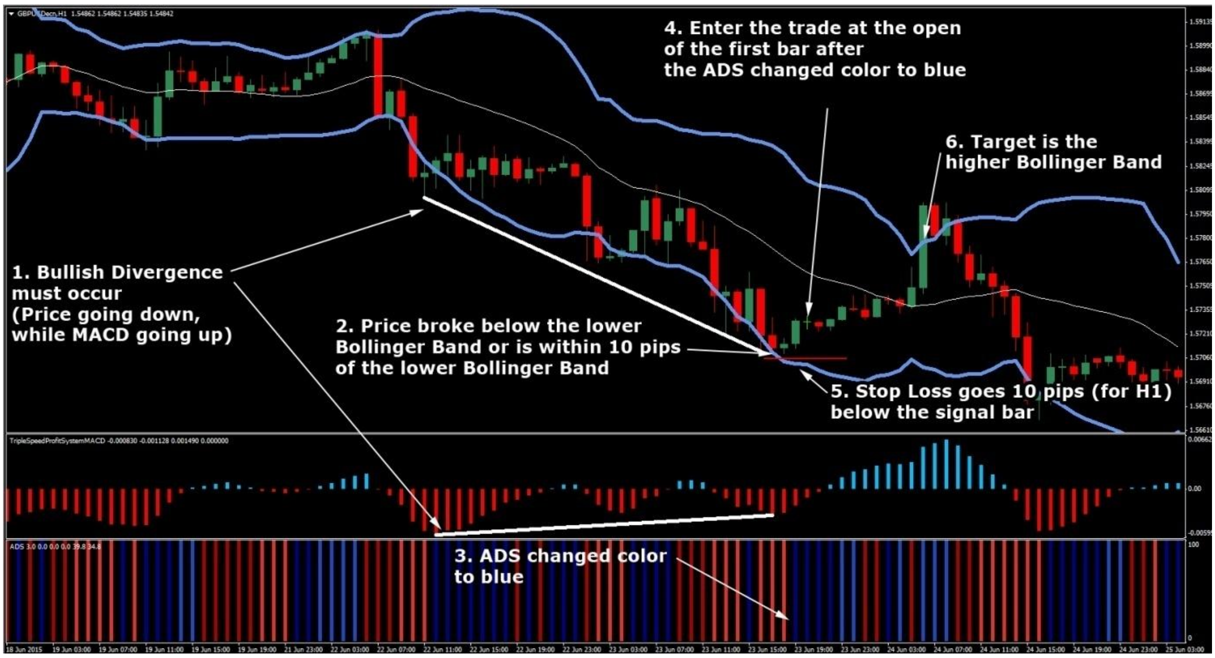
Buy Example

The following image provides an excellent example of a Bullish Divergence that represents an excellent opportunity to buy.

Note that the price is moving down, between the Swing Lows, correlating with the MACD histogram lows.

Note also that the price has broken the lower band of the Bollinger Band, representing that price is at over-sold and is stretched to an extreme, and much like an elastic band, is probable to return back up, even if only temporarily.

Finally, note that the ADS Indicator changed from red to blue, representing that the momentum is now in an upward momentum. This point is the perfect time to consider entering the trade as a buy/long trade because not only is a Bullish Divergence present, but the momentum is now with you.



SELL RULES

1. A Bearish Divergence must exist.
    a. The MACD must show a falling momentum between a higher-high MACD level and a lower-high MACD level
    b. The price must show an overall rising price between a Swing-High point that correlates to the Higher-High MACD level and a Swing-High point that correlates to the Lower-High MACD level
2. The price point that correlates to the Lower-High of the MACD level, must either: break above the upper Bollinger Band OR be within 10 pips of the upper Bollinger Band
3. ADS Indicator must change color from blue to red
4. Entry of trade is based on the open of the first candle after the ADS changed color to red
5. Stop loss is placed at 10 pips for H1 time frame, 15 pips for H4 time frame or 25 pips for D1 time frame, above the high of the signal bar that occurs on the ADS crossover
6. The ultimate target is the lower Bollinger Band

Void Trades:

The entry is void if the price of the signal bar closes below the 20-Period Simple Moving Average (the middle line between the upper & lower Bollinger Bands) OR if the price closes within 10% above the centre line of the Bollinger Band (based on the vertical distance of upper & lower Bollinger Bands)

Trade Management Notes:

1. 1st Trailing Stop Target is set when price breaks the 20-Period Simple Moving Average (the center line between the Bollinger Bands)

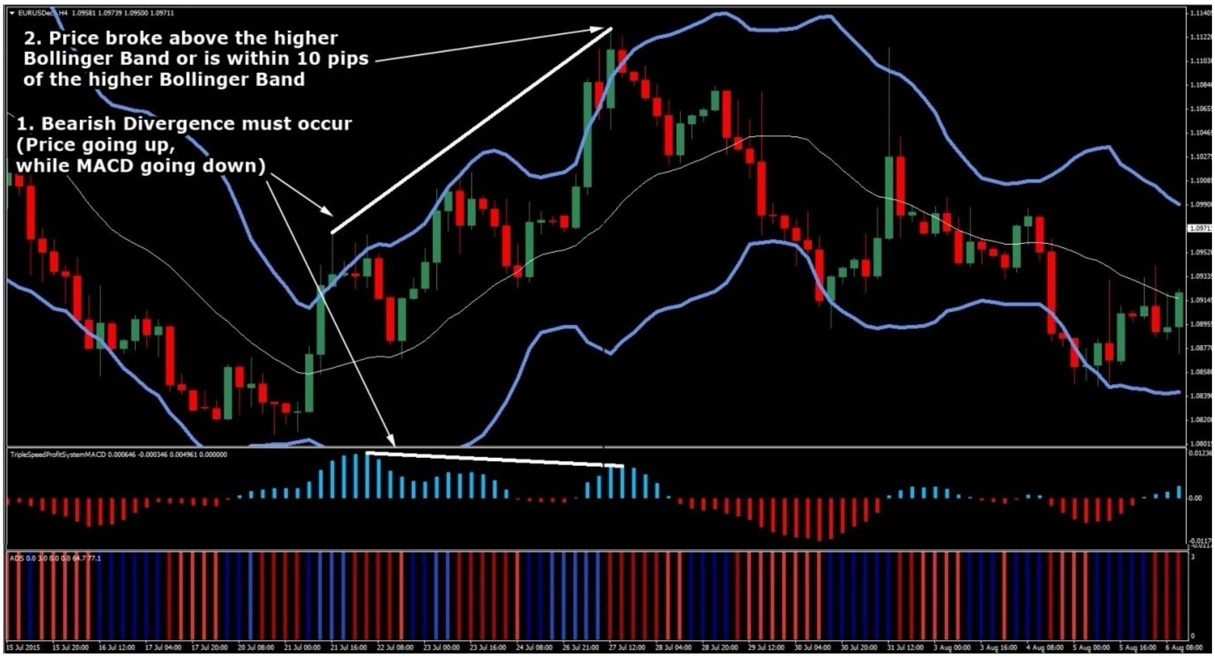
2. The center line between the Bollinger Bands can be used to trail price

3. The stop loss can be tightened to 10 pips from current price if the ADS generates a reversal signal

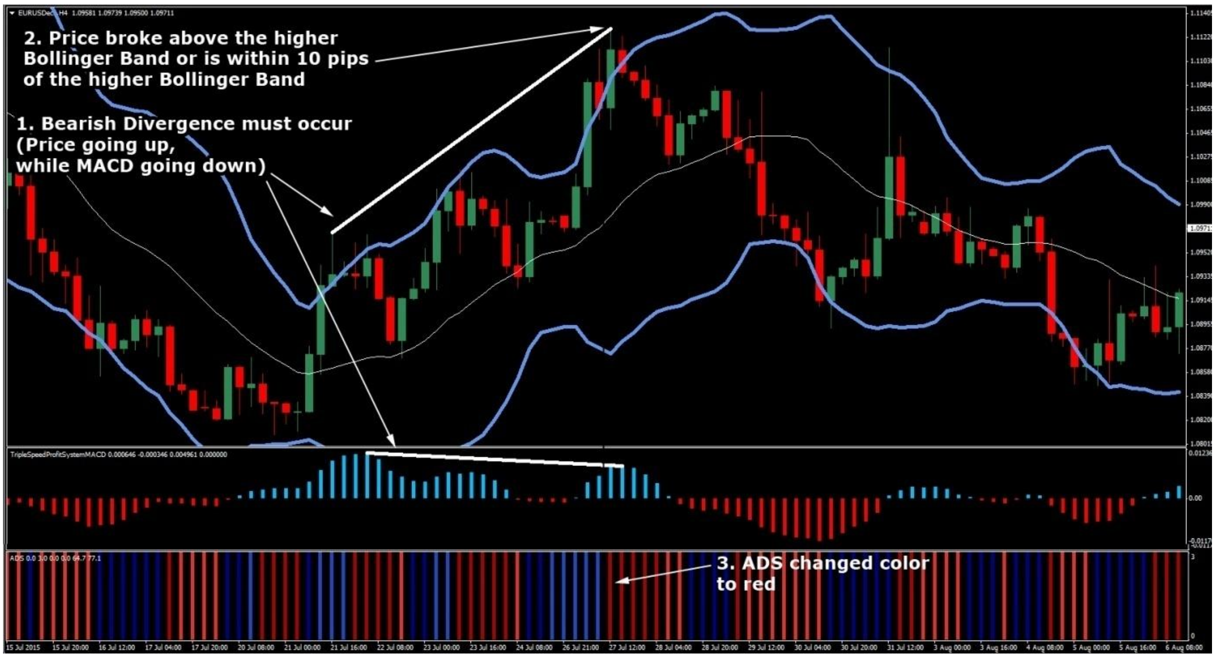
4. The ultimate target should be a minimum of a 1:1 reward-to-risk ratio compared to the stop loss (distance between entry price & 25 pips above the high of the signal bar)

Rule 1: A Bearish Divergence must exist

Rule 2: The price point that correlates to the Lower-High of the MACD level, must either; break above the upper Bollinger Band OR be within 10 pips of the upper Bollinger Band

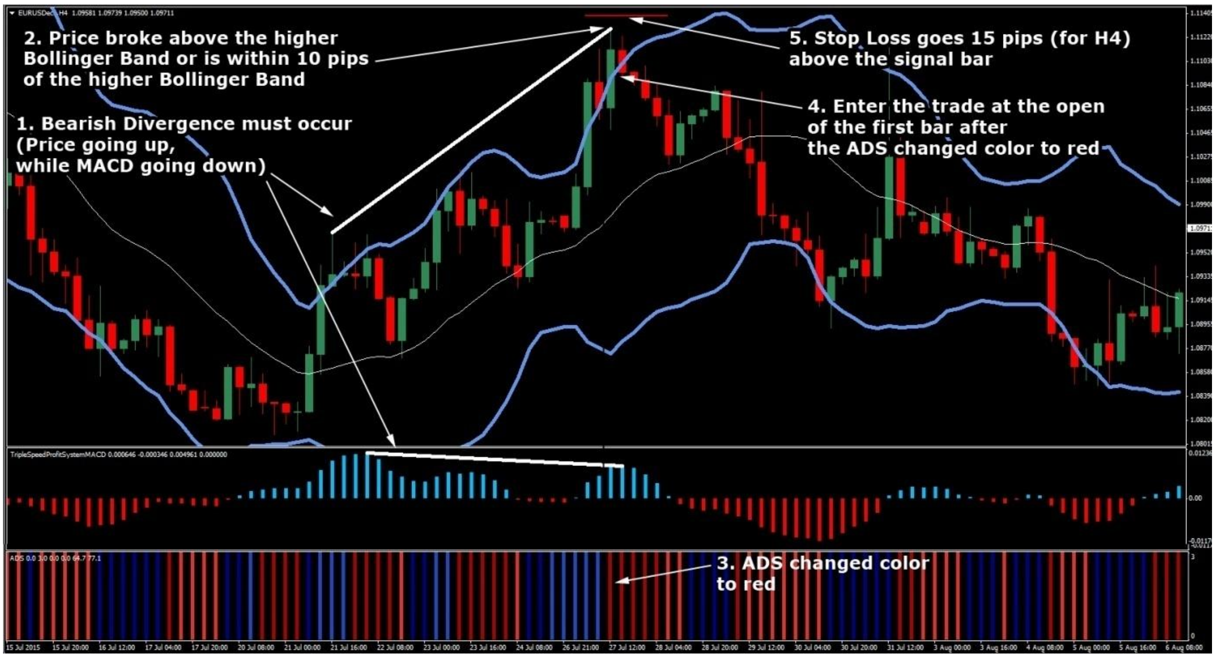


Rule 3: ADS Indicator must change color from blue to red

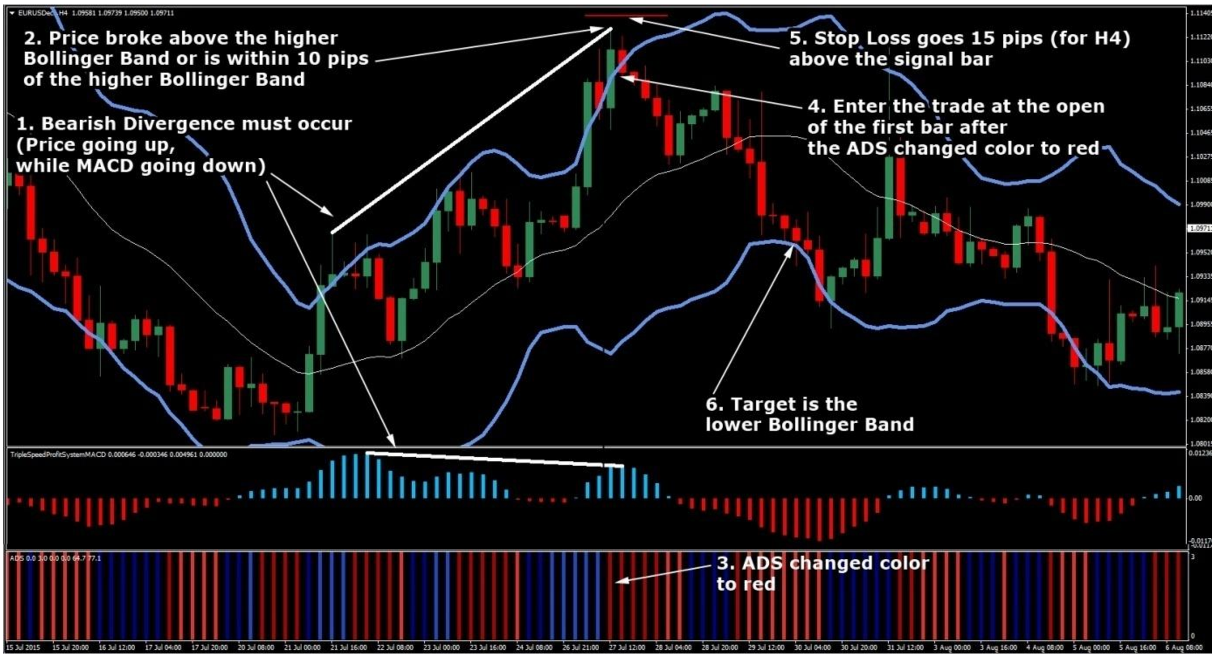


Rule 4: Entry of trade is based on the open of the first candle after the ADS indicator changed color to red

Rule 5: Stop loss is placed at 10 pips for H1 time frame, 15 pips for H4 time frame or 25 pips for D1 time frame, above the high of the signal bar that occurs on the ADS crossover



Rule 6: The ultimate target is the lower Bollinger Band



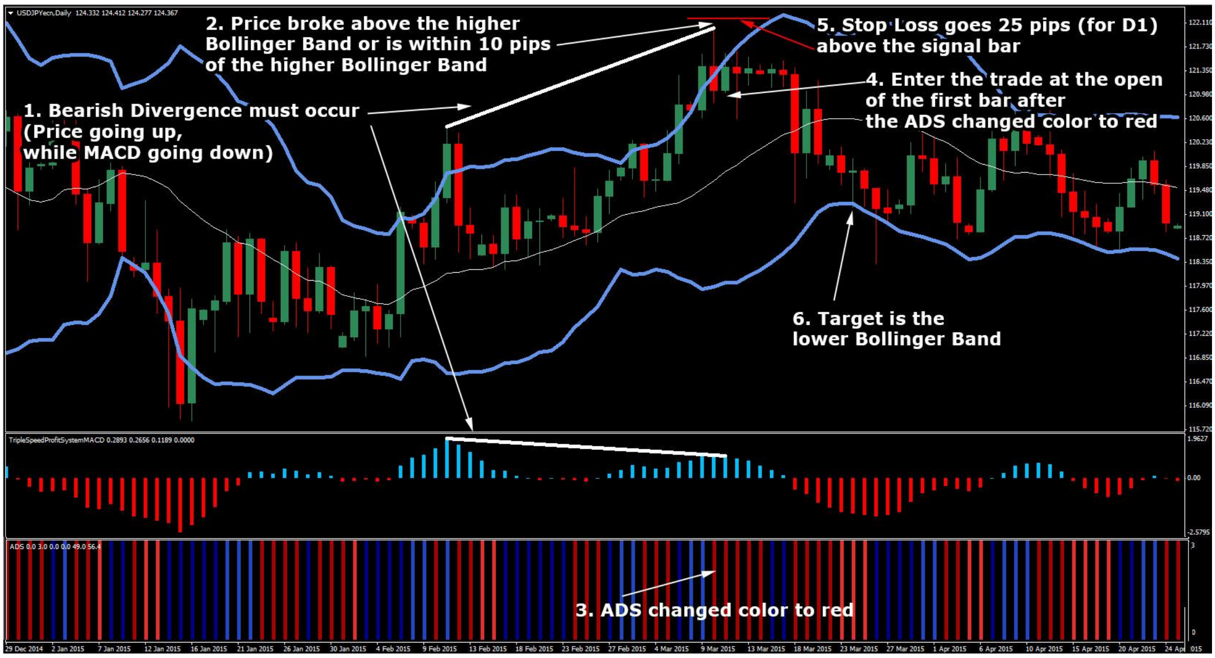
Sell Example

The following image provides an excellent example of a Bearish Divergence that represents an excellent opportunity to sell.

Note that the price is moving up, between the Swing Highs, correlating with the MACD histogram highs.

Note also that the price has broken the upper band of the Bollinger Band, representing that price is at over-bought and is stretched to an extreme, and much like an elastic band, is probable to return back up, even if only temporarily.

Finally, note that the ADS Indicator changed color from blue to red, representing that the momentum is now in a downward momentum. This point is the perfect time to consider entering the trade as a sell/short trade because not only is a Bearish Divergence present, but the momentum is now with you.



Conclusion

Congratulations on finishing reading this report!

You are now on your way to using the Triple Speed Profit System for your trading in seeking high-probability entry points.

I always love feedback and enjoy helping other traders grow and succeed so please don’t hesitate to contact me with any questions you have… or even just to tell us how you’re going.

My team and I take your journey in succeeding as a trader very seriously so I look forward to hearing back from you and getting to know you better in the members’ area as we trade together.

You will not win on every trade. No one ever wins all the time, regardless of what system is being used. This is just a fact of life with trading and you should consider losses much like an overhead of your business.

In fact, you should treat trading as a business, whether you trade full-time or part-time, and give it the time, energy and respect it deserves if you want to succeed as a trader in the long term.

Remember; stick to the rules, use good trade management and be consistent.

Good trading & live well,

Michael Nurok