

Contents

Foreword	xi
Acknowledgments	xiii
Introduction	1
PART I Trend Theory	5
CHAPTER 1 Redefining Trend	7
CHAPTER 2 Classical Trend Model	13
Objective of the Model	13
Inputs	14
Model Definition	14
Rules for the Model	15
Applying the Model	18
Summary	22
CHAPTER 3 Neoclassical Trend Model	25
Objective of the Model	26
Inputs	29
Model Definition	30
Rules for the Model	37
Summary	46
CHAPTER 4 Determining Trends	49
Fundamentals for the Long Term	49
	vii

viii	CONTENTS
Swing Point Logic	50
Identifying and Labeling Trends	65
Summary	70
CHAPTER 5 Qualifying Trends	73
Using Swing Point Tests	73
Trend Continuation and Transitions	75
Retest and Regenerate	97
Summary	106
PART II Application of Trend Theory	109
CHAPTER 6 Preparing to Trade	111
Overview of Trading Strategies	112
Risk versus Reward	115
Time Frames	116
Summary	125
CHAPTER 7 Entering and Exiting Trades	127
Support and Resistance	128
Price Zones, Not Lines	131
Defining Entry and Exit Points	136
A Trading Example: Combining Technical Events	161
Summary	166
CHAPTER 8 Reversals and Price Projections	167
Price Reversals	168
Price Projections	176
Summary	187
CHAPTER 9 Time Frames	191
Time Frame Analysis	192
Time Frame Integration	197
Establishing a Trading Bias	206

<i>Contents</i>	ix
Trade Trend Matrix	212
Summary	214
CHAPTER 10 Markets, Sectors, and the Trading Cube	215
General Market	216
Market Sectors	217
The Trading Cube	219
Summary	240
CHAPTER 11 Trading Qualified Trends	243
Example of a Qualified Trend	244
Entering a Trade	249
Exploiting the Trend	258
Exiting the Trade	263
Flipping Trading Positions	268
Concluding Thoughts	272
Notes	275
Glossary of Key Terms	281
About the Author	287
Index	289

<http://www.pbookshop.com>