



BULLISH ON COFFEE

001

Jun | 19

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Overall:

Realized return: 1.73%

Number of trades taken: 9

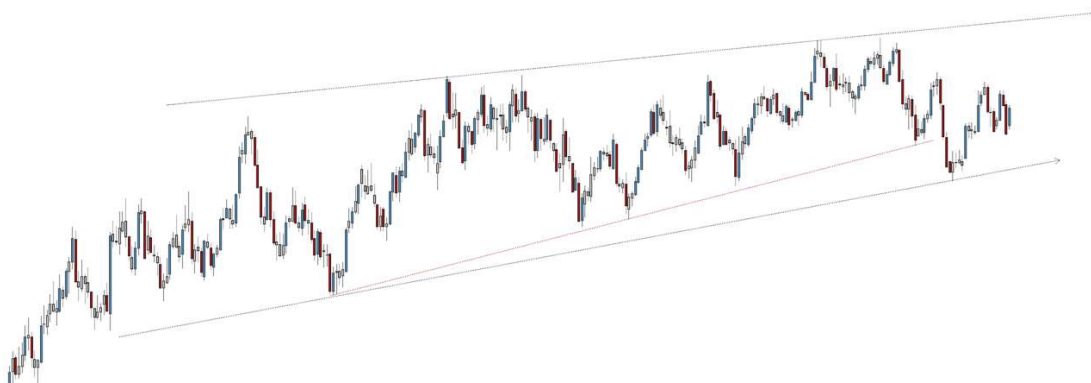
The maximum realized gain: 2.8%

The maximum realized loss: -1.1% (negative carry-over)

June 2019 in two charts:

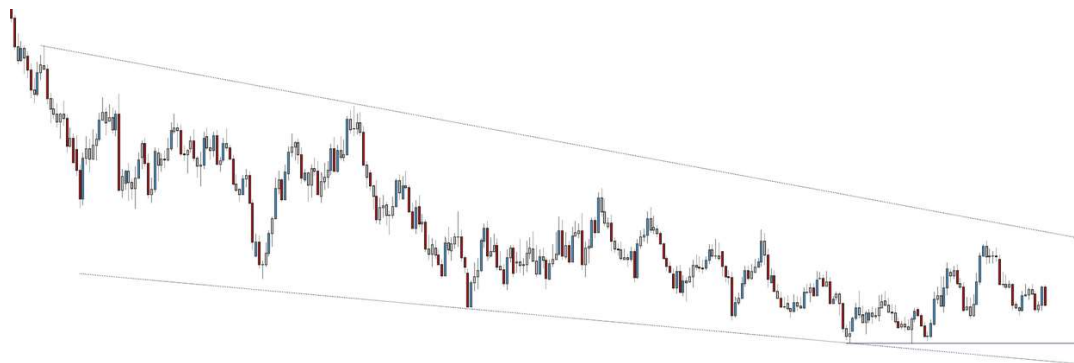
DXY:

There was a breakout of the DXY to the downside, however, that turned out to be a false breakout. The month of June did not show us any important change in the market on a technical basis – the price has just been moving correctively to the upside.



EUR/USD:

Similarly to the DXY, we did not see any clear trend change, the price action remains in a corrective wedge, which is now close to getting squeezed which will lead to an impulsive move.



Trades Taken:

EUR/NZD: An entry after the 3rd rejection of an impulse correction for 2.32%

Daily



Hourly



This entry was taken for the following reasons:

The daily recently formed a double top – and clearly rejected that level by impulsive lower.

The daily was also forming an ascending channel, and we could observe a larger hover on it.

On the hourly, we can observe a clear impulse lower followed by a “Falcon Flag” & a reversal.

Exit (4h chart)



This trade was closed once the price broke the most recent 4hour high.

USD/JPY: An entry after the 3rd rejection of an impulse correction for -0.99%

Daily



Hourly



This entry was taken for the following reasons:

The daily shows a clear impulse to the downside after correction.

The hourly chart formed an extremely clear triple top and a U shape.

On the hourly, we can observe a clear impulse lower followed by a “Falcon Flag” & a reversal.

Exit



This trade was closed once the price reached the stop level – it is rare that the price reaches exactly the stop level before reversing, but it is something that can happen – the key learning here was to be willing to re-enter in a position after being tagged out.

NZD/CAD: An entry after a hover for -1.1%

Daily



Hourly

This entry was taken for the following reasons:

The daily was retesting the previous lows

The four hour chart showed an extremely corrective move higher in a channel

On the hourly, we can observe a clear impulse lower followed by a hover

Exit



This trade was closed once the price reached the stop level – the stop was slightly slipped and therefore explains the -1.1% loss instead of -1%. This loss occurred due to the volatility coming after news. There was a potential re-entry point that I did not take.

USD/JPY: An entry after the 3rd rejection of an impulse correction for -0.63%

Daily



Hourly



This entry was taken for the following reasons:

The daily shows a clear impulse to the downside after correction.

The hourly chart formed an extremely clear triple rejection and ascending channel.

On the hourly, we can observe a clear impulse lower followed by a “Falcon Flag” & a reversal.

Exit



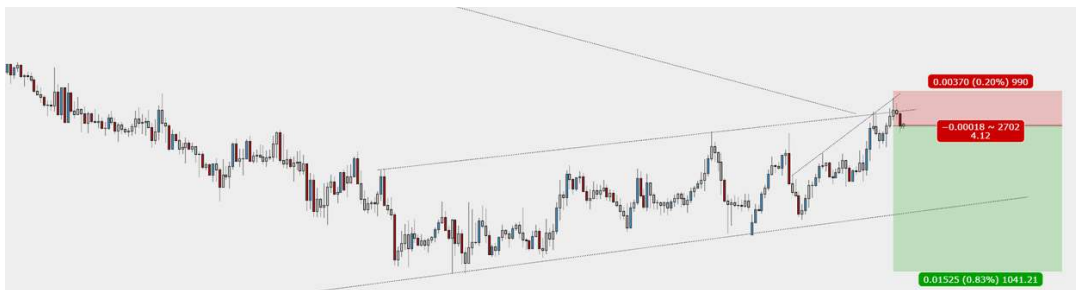
I manually moved my stop to this level after seeing the price retrace, I understood that it would likely tag me out for a full loss if the price went any higher – it was a good entry and good management.

GBP/AUD: An entry after the 3rd rejection of an impulse correction for -0.99%

Daily



Hourly



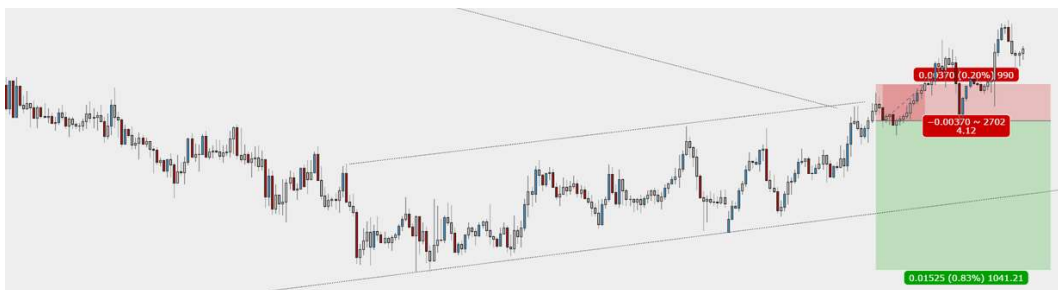
This entry was taken for the following reasons:

The daily shows a clear impulse to the downside and breaking the ascending channel

The hourly chart formed an extremely clear triple rejection and a U shape.

On the hourly, we can observe a clear move lower followed by a “Falcon Flag” & a reversal.

Exit



Full loss on this trade, the only downside to this position was the fact that the move lower, as clear as it was, was quite corrective. However, the position remains valid.

EUR/USD: An entry after a hover for 1.3%

Daily



Hourly



This entry was taken for the following reasons:

The daily shows a clear deceleration at the third rejection of an outer channel

The hourly formed a double top then moved impulsively lower

The hourly made a clear hover along the ascending phase line which allows an entry order

Exit



This trade was closed once the previous high was broken, however, with hindsight it was clear that I could've locked in some additional profit while still leaving room for the trade to breathe

USD/CAD: An entry after an impulse correction for -1.01%

Daily



Hourly



This entry was taken for the following reasons:

The daily shows a clear momentum to the upside

On the 4hour we could observe an impulse correction

The entry was placed above the high with the stop trimmed below the most recent low

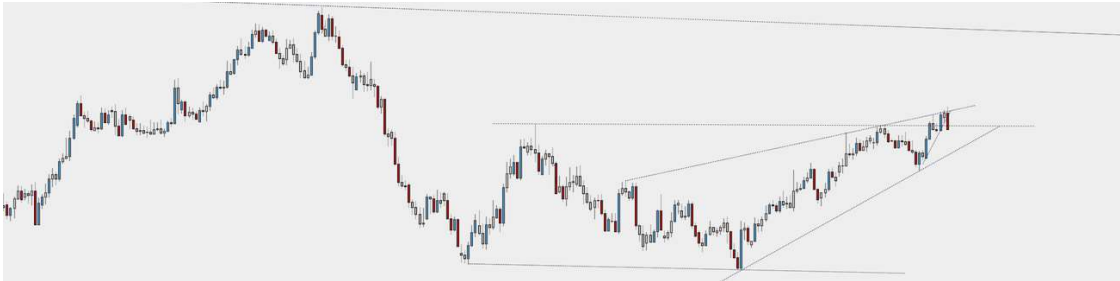
Exit



This trade was closed for a full loss, the key lesson here was to zoom out even further – having done this it is extremely clear that the price had been moving correctively all the way to my entry

EUR/NZD: An entry after an impulse correction for 0.03%

Daily



Hourly

This entry was taken for the following reasons:

The daily rejected a third touch phase line while also just breaking above the previous high

On the 4hour we could observe a clear wedge and then an impulse lower

The entry was placed below the low after seeing a tight correction, I knew it could run

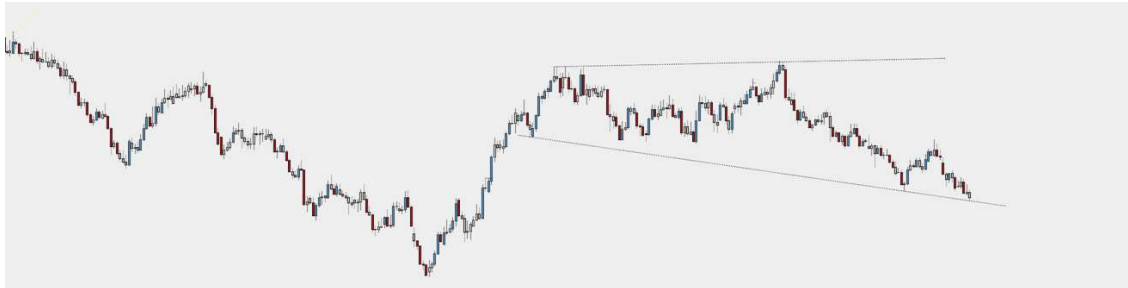
Exit



This trade was closed for breakeven once the trade was running around 1% and clearly retraced towards my entry, the aim of this trade was to be in the position if it kept running, it did not, so extremely happy with this breakeven.

NZD/CAD: An entry after my favorite set-up: the 3x3 for 2.8%

Daily



Hourly



This entry was taken for the following reasons:

The daily rejected a third touch phase line while clearly decelerating

On the four hour chart, we can easily see a descending channel that fell in a corrective manner

On the hourly we could see two more additional third touch rejections

Exit



This trade was closed once the price spiked lower, which is something that happens and therefore need to accept. Our stop loss was protected, but this FOMC meeting did shake things up on a macro-economic point of view which lead to this large candle,

In conclusion:

Overall, I have found myself extremely happy with the month of June, even though the returns were smaller than wished, our trading plan was followed, with not a single trade being categorized as “not valid”.

General	Number of trades	Average Return	Strike Rate	Return
High probability	6	0.23%	33%	1.39%
Valid	3	0.11%	67%	0.34%
Not valid	0			
Risk Entry	5	0.50%	40%	2.51%
Reduced Risk Entry	4	-0.20%	50%	-0.78%

All time	Number of trades	Average Return	Strike Rate	Return
Overall	9	0.19%	44%	1.73%

Looking forward to July we leave this month with the following learning:

- 1- It is not because we want to take trades that there is opportunity in the market, we need to be patient.
- 2- It is not because we are taking a longer term approach to our management that there is a need to leave a large amount of profit open – securing profit with our stop, as long as there is a reasoning is a good thing.
- 3- How the price reaches our area of interest is extremely important, what can appear as an impulse (UC and GA were the two examples) can actually be quite corrective if we zoom out, it is important to remain aware of that.

Onwards,