



# How to Make Your First \$10K with Automated Trading: Semi-Automated



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# Two Approaches for using Quantum Edge as a Semi-Automated Trading Strategy

## 1) Trade Management Only

- Human intervention is only required for managing and exiting
- Quantum Edge gives you directional bias and entry – you manage and exit them on your own

## 2) Entry and Trade Management

- Human intervention is required for entry, management, and exit
- Quantum Edge only gives you directional bias – you enter, manage, and exit them on your own

# The Institutional Price Delivery Algorithm (IPDA)

A concept commonly used in the financial markets, which describes a set of rules believed to govern how large financial institutions execute trades, aiming to deliver prices systematically by targeting liquidity pools and balancing market imbalances, essentially influencing price movements in a controlled manner; it is often associated with the idea that institutional players manipulate prices through algorithmic trading strategies to achieve efficient trade execution.

# Institutional Price Delivery Algorithm (IPDA)

Price is...

- 1) either moving from a Discount to a Premium or from a Premium to a Discount (based on price ranges)
- 2) hunting or sweeping liquidity (delivering to price levels where retail traders place their stops)
- 3) engineering liquidity (manipulating price in such a way to draw retail traders into the market and to place stops)
- 4) rebalancing price inefficiencies (where the market experiences a sudden price movement, leaving a space between price levels where no trades were made)

# Market Maker Buy / Sell Programs

Typically, in a Directional Move (or Trend) we see 3 stages of Accumulation or Distribution:

- 3 stages of Accumulation in an Uptrend
- 3 stages of Distribution in a Downtrend

Therefore, a trend is typically made up of 4 swings...

- 1) Impulse Wave
- 2) 1<sup>st</sup> stage of Accumulation/Distribution
- 3) 2<sup>nd</sup> stage of Accumulation/Distribution
- 4) 3<sup>rd</sup> stage of Accumulation/Distribution

# Market Maker Buy Program

In an UPTREND, expect...

- 1) an Impulse Wave up from the lowest low, followed by a pullback or retracement into the
- 2) 1st stage of accumulation (or low risk buying opportunity). Price will deliver higher, making a new high, and then pull back again into the
- 3) 2nd stage of accumulation. Price will deliver higher from here, making a higher high, and then pull back again into the
- 4) 3rd stage of accumulation. This is typically the last stage of accumulation before volume picks up as price delivers higher one more time into a Higher Time Frame (HTF) liquidity pool before reversing.

# Market Maker Sell Program

In a DOWNTREND, expect...

- 1) an Impulse Wave down from the highest high, followed by a pullback or retracement into the
- 2) 1st stage of distribution (or low risk selling opportunity). Price will deliver lower, making a new low, and then pull back again into the
- 3) 2nd stage of distribution. Price will deliver lower from here, making a lower low, and then pull back again into the
- 4) 3rd stage of distribution. This is typically the last stage of distribution before volume picks up as price delivers lower one more time into a Higher Time Frame (HTF) liquidity pool before reversing.



# Where is the entry? At which stage of accumulation or distribution did the bot enter the market?”

For example,

- if the entry is somewhere in the 2nd stage of accumulation (or distribution), expect one more stage of accumulation (or distribution) via a pullback or retracement, unless price has delivered into a HTF liquidity pool
- if the entry is somewhere in the 3rd stage of accumulation (or distribution), look for the HTF liquidity pool just above (or below) the entry... your expectation is that price may deliver higher (or lower) only one more time before reversing

# Rule-Based Strategy for Semi-Automated Trading: Trade Management and Exits Only

## LONG Trades

- Stop is the default strategy stop loss level or at or just below the 64 EMA (attach stop order to EMA), whichever is higher
- Target(s) is the next area of higher liquidity depending on which stage of accumulation the entry occurred
  - i.e. look at prior 8 minute, 16 minute, 64 minute, and 240 minute swing highs
- If price is in 3<sup>rd</sup> Stage of Accumulation, after price has moved 50% of the distance to Target from beginning of 3<sup>rd</sup> Stage of Accumulation, then close trade if 3 lower lows in the RSI(3) below 50

# Rule-Based Strategy for Semi-Automated Trading: Trade Management and Exits Only

## SHORT Trades

- Stop is the default strategy stop loss level or at or just above the 64 EMA (attach stop order to EMA), whichever is lower
- Target(s) is the next area of lower liquidity depending on which stage of distribution the entry occurred
  - i.e. look at prior 8 minute, 16 minute, 64 minute, and 240 minute swing lows
- If price is in 3<sup>rd</sup> Stage of Distribution, after price has moved 50% of the distance to Target from beginning of 3<sup>rd</sup> Stage of Distribution, then close trade if 3 higher highs in the RSI(3) above 50

# Rule-Based Strategy for Semi-Automated Trading: Entry, Trade Management, and Exits

## LONG Trades

- Entry is in a Discount of the most recent Higher Time Frame (HTF) range (i.e. using the most recent 16, 64, or 240 Minute range) following a sweep of liquidity of a 16, 64, or 240 Minute low (IMPORTANT: not an 8 Minute swing low, but a HTF swing low)
- Enter LONG on close of Bullish candle with Bullish Divergence in the RSI(3) at/below 15
- Look to the left: Stop is at or just below the next lower 8, 16, 64, or 240 Minute swing low, Trail Stop just below higher 8 Minute or 16 Minute swing lows as trade moves in your favor
- Target(s) is the next area(s) of higher liquidity depending on which stage of accumulation the entry occurred
  - i.e. look at prior 8 minute, 16 minute, 64 minute, and 240 minute swing highs
- If price is in 3<sup>rd</sup> Stage of Accumulation, after price has moved 50% of the distance to Target from beginning of 3<sup>rd</sup> Stage of Accumulation, then close trade if 3 lower lows in the RSI(3) below 50

# Rule-Based Strategy for Semi-Automated Trading: Entry, Trade Management, and Exits

## SHORT Trades

- Entry is in a Premium of the most recent Higher Time Frame (HTF) range (i.e. using the most recent 16, 64, or 240 Minute range) following a sweep of liquidity of a 16, 64, or 240 Minute high (IMPORTANT: not an 8 Minute swing high, but a HTF swing high)
- Enter SHORT on close of Bearish candle with Bearish Divergence in the RSI(3) at/above 85
- Look to the left: Stop is at or just above the next higher 8, 16, 64, or 240 Minute swing high, Trail Stop just above lower 8 Minute or 16 Minute swing highs as trade moves in your favor
- Target(s) is the next area(s) of lower liquidity depending on which stage of distribution the entry occurred
  - i.e. look at prior 8 minute, 16 minute, 64 minute, and 240 minute swing lows
- If price is in 3<sup>rd</sup> Stage of Distribution, after price has moved 50% of the distance to Target from beginning of 3<sup>rd</sup> Stage of Distribution, then close trade if 3 higher highs in the RSI(3) above 50