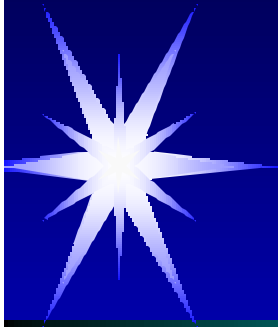


*This tutorial was originally titled "The Four Steps to 80% Day Trading Success" and  
was recorded at the Online Trading Expo*

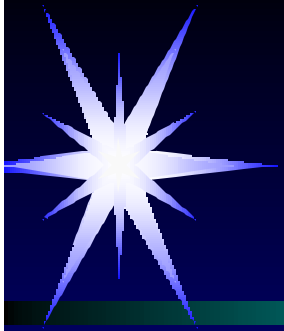


# Pinpointing Entry & Exit Points

Dr. John F. Clayburg

Email - [clayburg@pionet.net](mailto:clayburg@pionet.net)

*Copywrite 2000 Traders' Library*



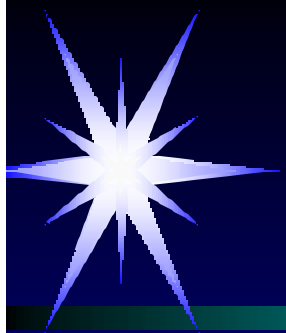
# The Four Steps To 80% Day Trading Success

- ✍ 1. Define the major trend  
✍ of the day.



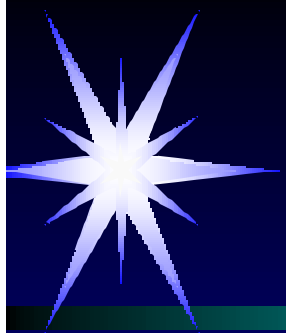
# The Four Steps To 80% Day Trading Success

- ✍ 1. Define the major trend of the day.
- ✍ 2. Define the minor trend within the major trend.



# The Four Steps To 80% Day Trading Success

- ✍ 1. Define the major trend  
of the day.
- ✍ 2. Define the minor trend within the  
major trend.
- ✍ 3. Define a specific entry point



# The Four Steps To 80% Day Trading Success

- ✍ 1. Define the major trend of the day.
- ✍ 2. Define the minor trend within the major trend.
- ✍ 3. Define a specific entry point
- ✍ 4. Define a specific exit point



# Step One

Define the major trend of the day.

- ✍ One hour into the session, determine that either the high or the low of the day has been set.
- ✍ Thus the trend of the day has been defined.
- ✍ If the low is in place, the trend is up for the rest of the day.
- ✍ If the high is in place, the trend is lower for the rest of the day.



# Step One

Define the major trend of the day.

✍ Trend Definition based on Range Expansion



# Step One

Define the major trend of the day.

- ✍ Trend Definition based on Range Expansion
- ✍ Probability that the entire range of the day has been established one hour into the market is remote.





# Step One

Define the major trend of the day.

- ✍ Trend Definition based on Range Expansion
- ✍ Probability that the entire range of the day has been established one hour into the market is remote.
- ✍ Any range expansion will occur on the high side of the range on an up day and on the low side on a down day.



# Step One

Define the major trend of the day.

✍ Why is this Important?



# Step One

Define the major trend of the day.

- ✍ Why is this Important?
- ✍ Trade with the trend.



# Step One

Define the major trend of the day.

- ✍ Why is this Important?
- ✍ Trade with the trend.
- ✍ Traders are constantly looking to pick tops and bottoms, thus trading against the trend.



# Step One

Define the major trend of the day.

- ✍ Why is this Important?
- ✍ Trade with the trend.
- ✍ Traders are constantly looking to pick tops and bottoms, thus trading against the trend.
- ✍ Profits are more likely trading in the direction of the current daily trend.



# Step One

Define the major trend of the day.

✍ Take Trades only in the Direction of the  
Major Trend



# Step One

Define the major trend of the day.

- ✍ Take Trades only in the Direction of the Major Trend
- ✍ Take only buy signals on an up day.



# Step One

Define the major trend of the day.

- ✍ Take Trades only in the Direction of the Major Trend
- ✍ Take only buy signals on an up day.
- ✍ Take only sell signals during a down day.





# Step One

Define the major trend of the day.

- ✍ Take Trades only in the Direction of the Major Trend
- ✍ Take only buy signals on an up day.
- ✍ Take only sell signals during a down day.
- ✍ Use opposite side signals as exits, but not for entry.



# Step One

Define the major trend of the day.

✍ How do we determine the trend?



# Step One

Define the major trend of the day.

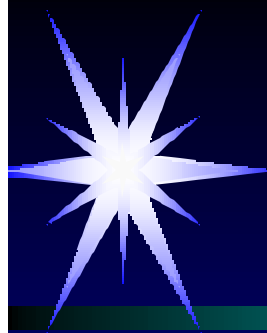
- ✍ How do we determine the trend?
- ✍ 1. CD Market Direction Indicator



# Step One

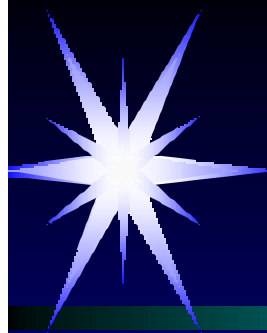
Define the major trend of the day.

- ✍ How do we determine the trend?
- ✍ 1. CD Market Direction Indicator
- ✍ 2. CD Median Line Indicator

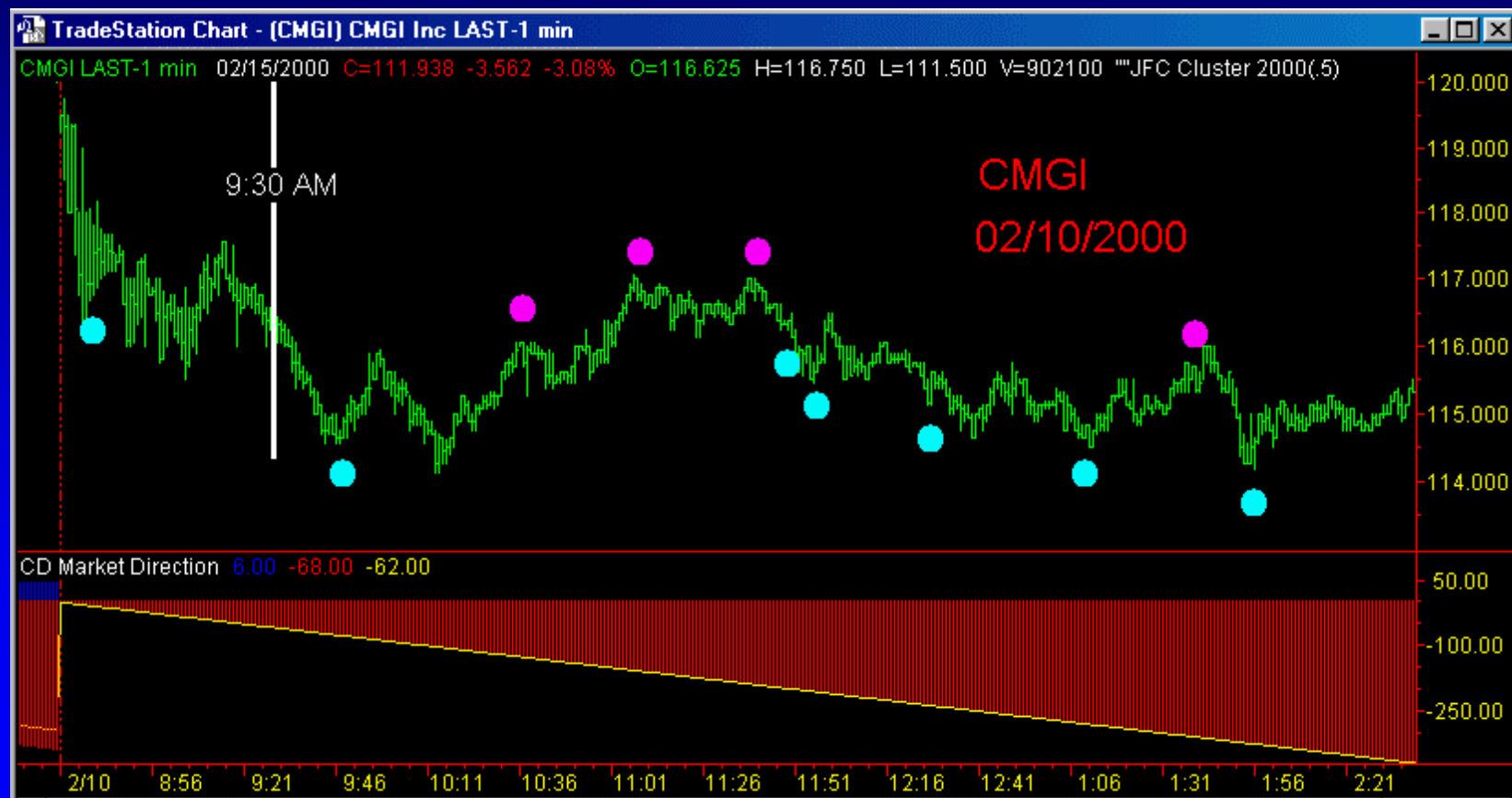


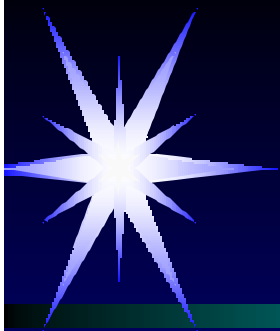
# CD Market Direction Indicator



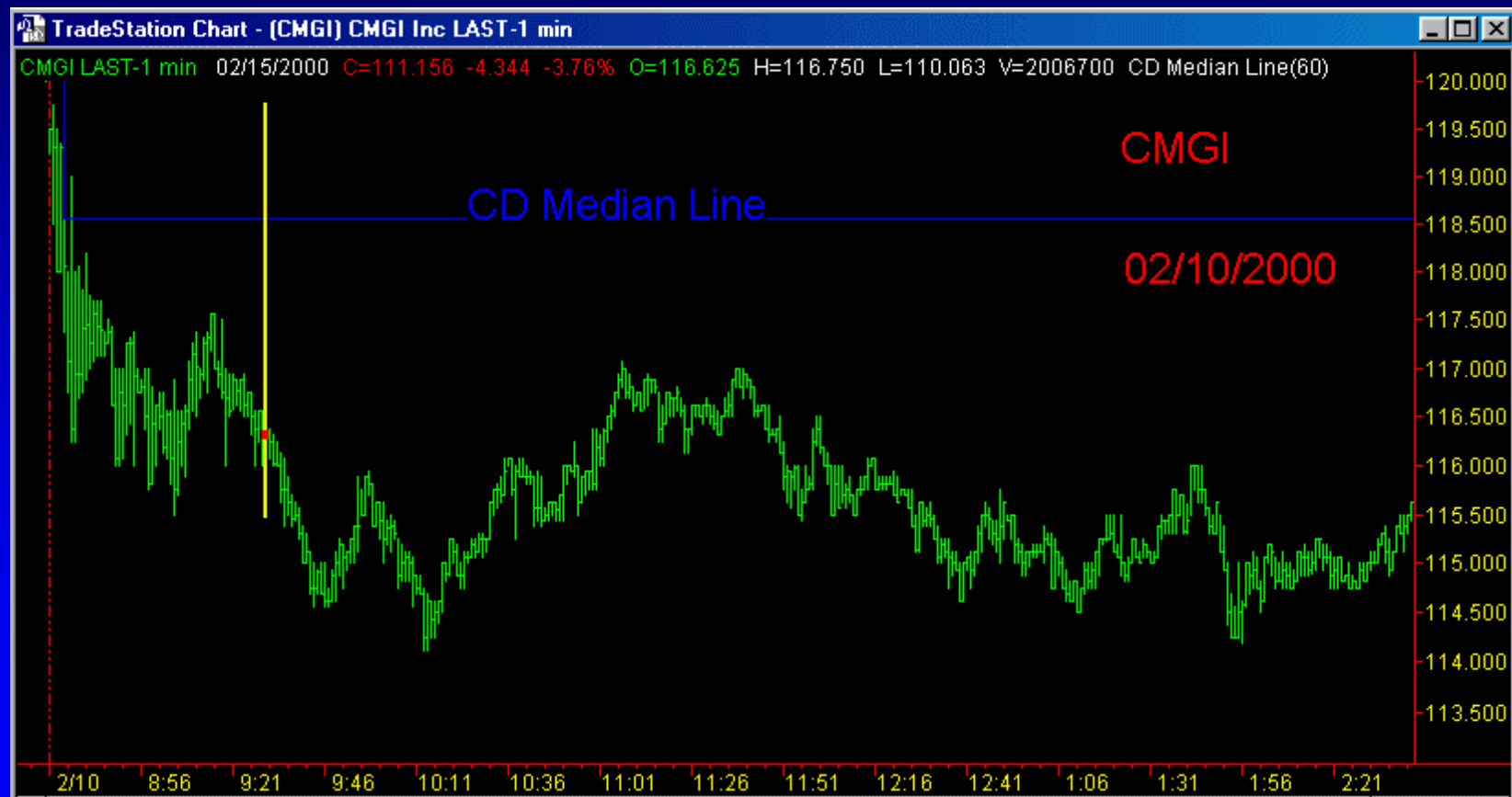


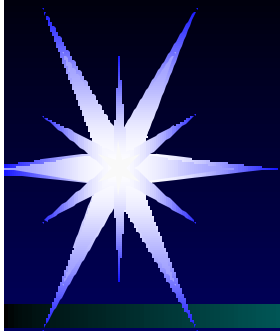
# CD Market Direction Indicator





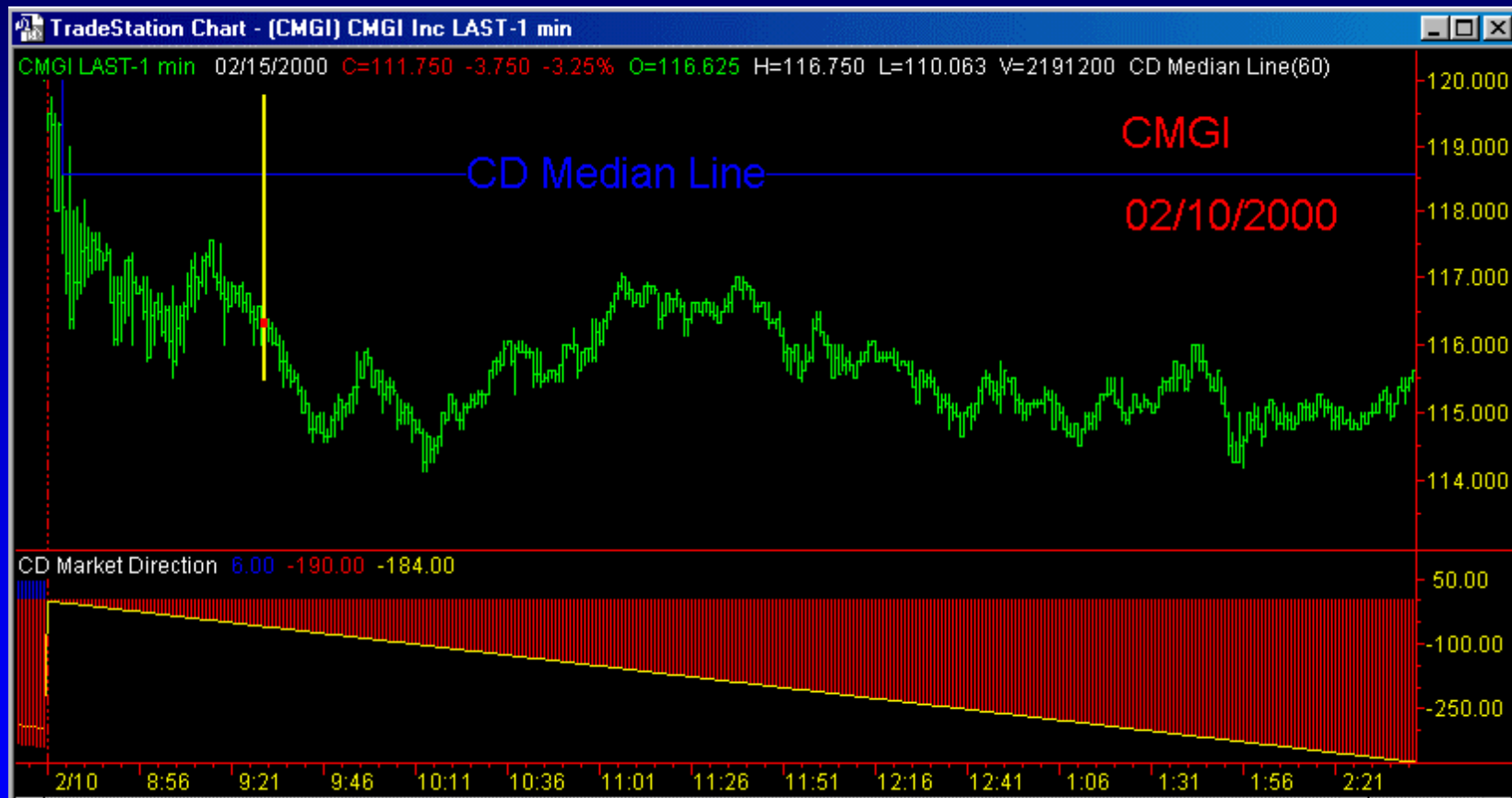
# CD Median Line Indicator



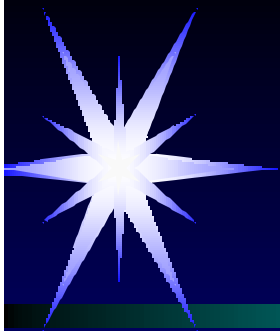


# CD Median Line Indicator

## CD Market Direction Indicator



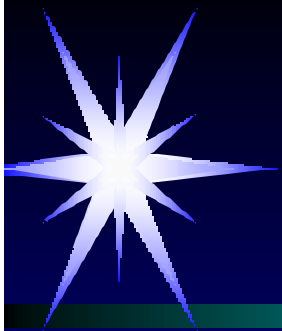




# CD Median Line Indicator

## CD Market Direction Indicator

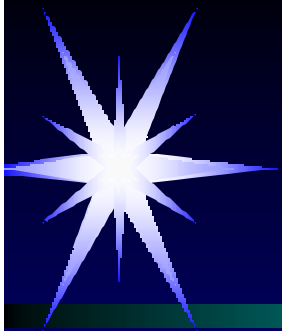




# CD Median Line Indicator

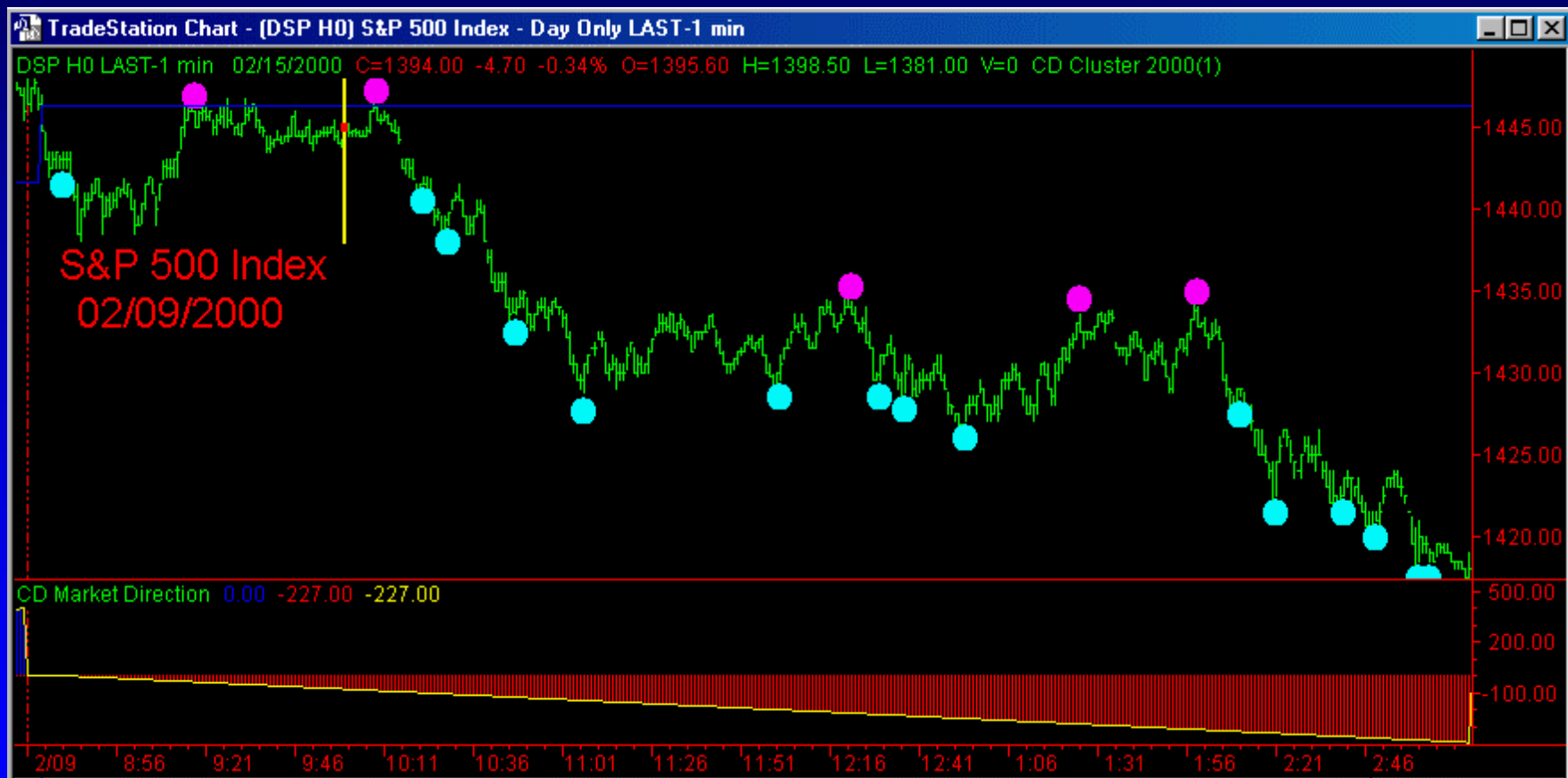
## CD Market Direction Indicator





# CD Median Line Indicator

## CD Market Direction Indicator





# Step Two

## Determine the Short Term Trend

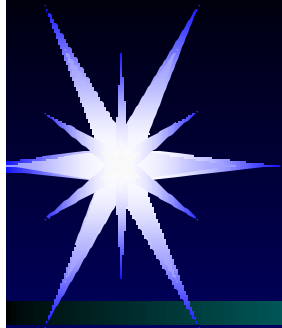
✍ Exhaustion of Corrective Move



# Step Two

## Determine the Short Term Trend

✍ Use Four Indicators to Identify Exhaustion



## Step Two

### Determine the Short Term Trend

- ✍ Use Four Indicators to Identify Exhaustion
- ✍ All are looking for exhaustion of a correction



# Step Two

## Determine the Short Term Trend

- ✍ Use Four Indicators to Identify Exhaustion
- ✍ All are looking for exhaustion of a correction
- ✍ All do so in their own method

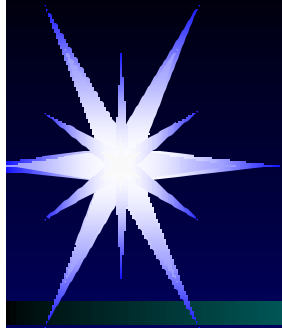


# Step Two

## Determine the Short Term Trend

- ✍ Use Four Indicators to Identify Exhaustion
- ✍ All are looking for exhaustion of a correction
- ✍ All do so in their own method
- ✍ Mathematical Algorithm





## Step Two

### Determine the Short Term Trend

- ✍ Use Four Indicators to Identify Exhaustion
- ✍ All are looking for exhaustion of a correction
- ✍ All do so in their own method
- ✍ Mathematical Algorithm
- ✍ Pattern Recognition



# Step Two

## Determine the Short Term Trend

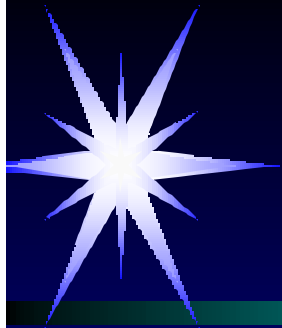
✍ One Indicator - Significant



# Step Two

## Determine the Short Term Trend

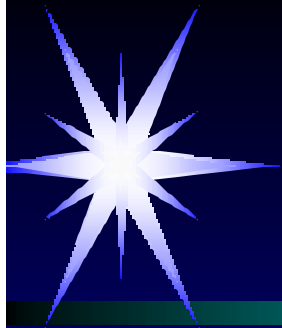
- ✍ One Indicator - Significant
- ✍ Two Signals - Significance Increases



# Step Two

## Determine the Short Term Trend

- ✍ One Indicator - Significant
- ✍ Two Signals - Significance Increases
- ✍ Three Signs of Exhaustion - Higher Confidence



## Step Two

### Determine the Short Term Trend

- ✍ One Indicator - Significant
- ✍ Two Signals - Significance Increases
- ✍ Three Signs of Exhaustion - Higher Confidence
- ✍ All Four - Maximum Confidence of an Exhausted Correction



# Step Two

## Determine the Short Term Trend

✍ Four Indicators



# Step Two

## Determine the Short Term Trend

✍ Four Indicators

✍ 1. CD Reversal



# Step Two

## Determine the Short Term Trend

✍ Four Indicators

✍ 1. CD Reversal

✍ 2. CD Real Time Pivot






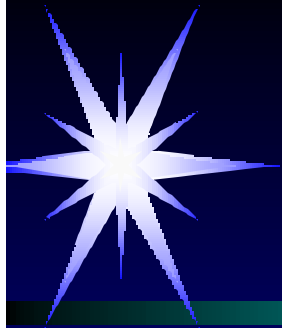


# Step Two

## Determine the Short Term Trend

### Four Indicators





-  1. CD Reversal
-  2. CD Real Time Pivot
-  3. CD Exhaustion

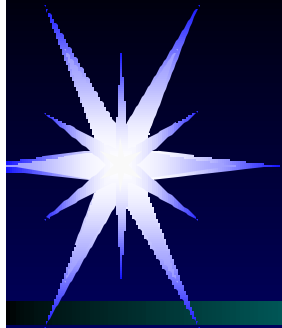


# Step Two

## Determine the Short Term Trend

### Four Indicators

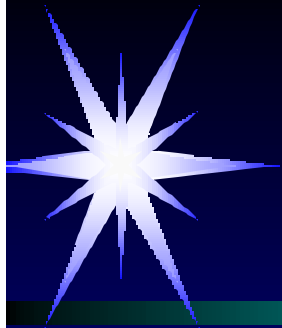
-  1. CD Reversal
-  2. CD Real Time Pivot
-  3. CD Exhaustion
-  4. CD Cluster



# Step Two

## CD Reversal Indicator

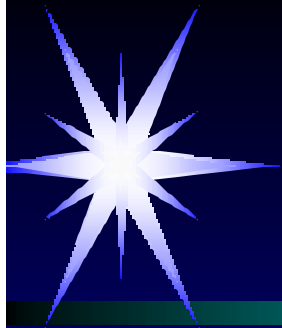
- ✍ Appear as cyan squares below the bars or magenta squares above the bar



# Step Two

## CD Reversal Indicator

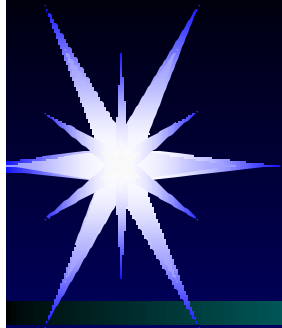
- ✍ Appear as cyan squares below the bars or magenta squares above the bar
- ✍ First appearance is indicative of a trend which is experiencing early signs of exhaustion.



# Step Two

## CD Reversal Indicator

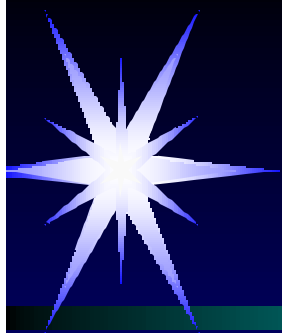
- ✍ Appear as cyan squares below the bars or magenta squares above the bar
- ✍ First appearance is indicative of a trend which is experiencing early signs of exhaustion.
- ✍ When the indicator stops plotting the exhaustion phase is completed



# Step Two

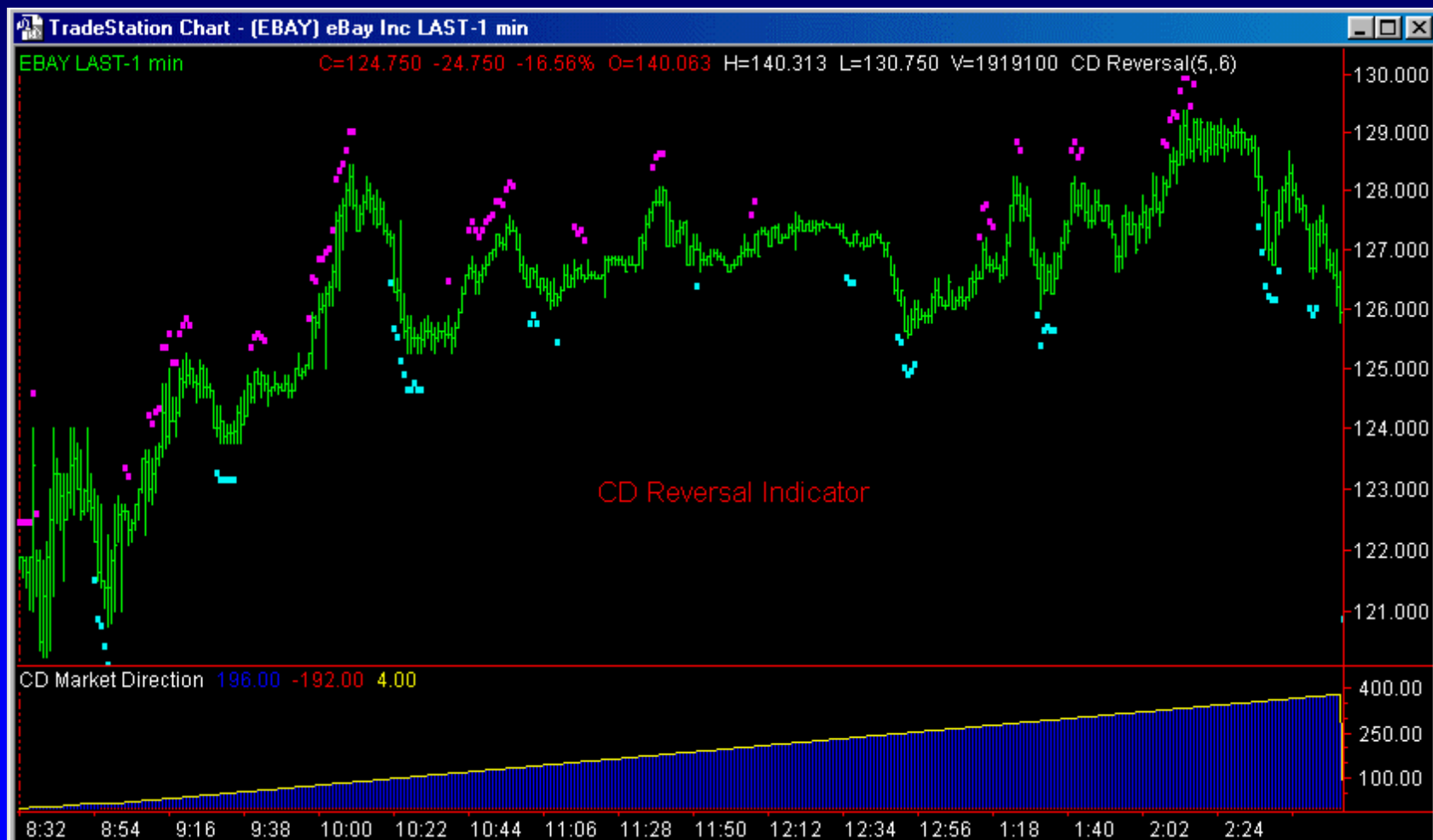
## CD Reversal Indicator

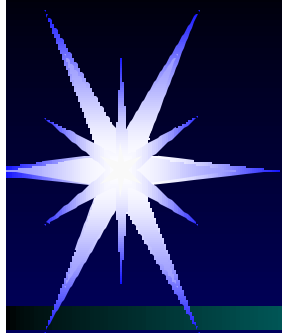
- ✍ Appear as cyan squares below the bars or magenta squares above the bar
- ✍ First appearance is indicative of a trend which is experiencing early signs of exhaustion.
- ✍ When the indicator stops plotting the exhaustion phase is completed
- ✍ A trend change is now expected



# Step Two

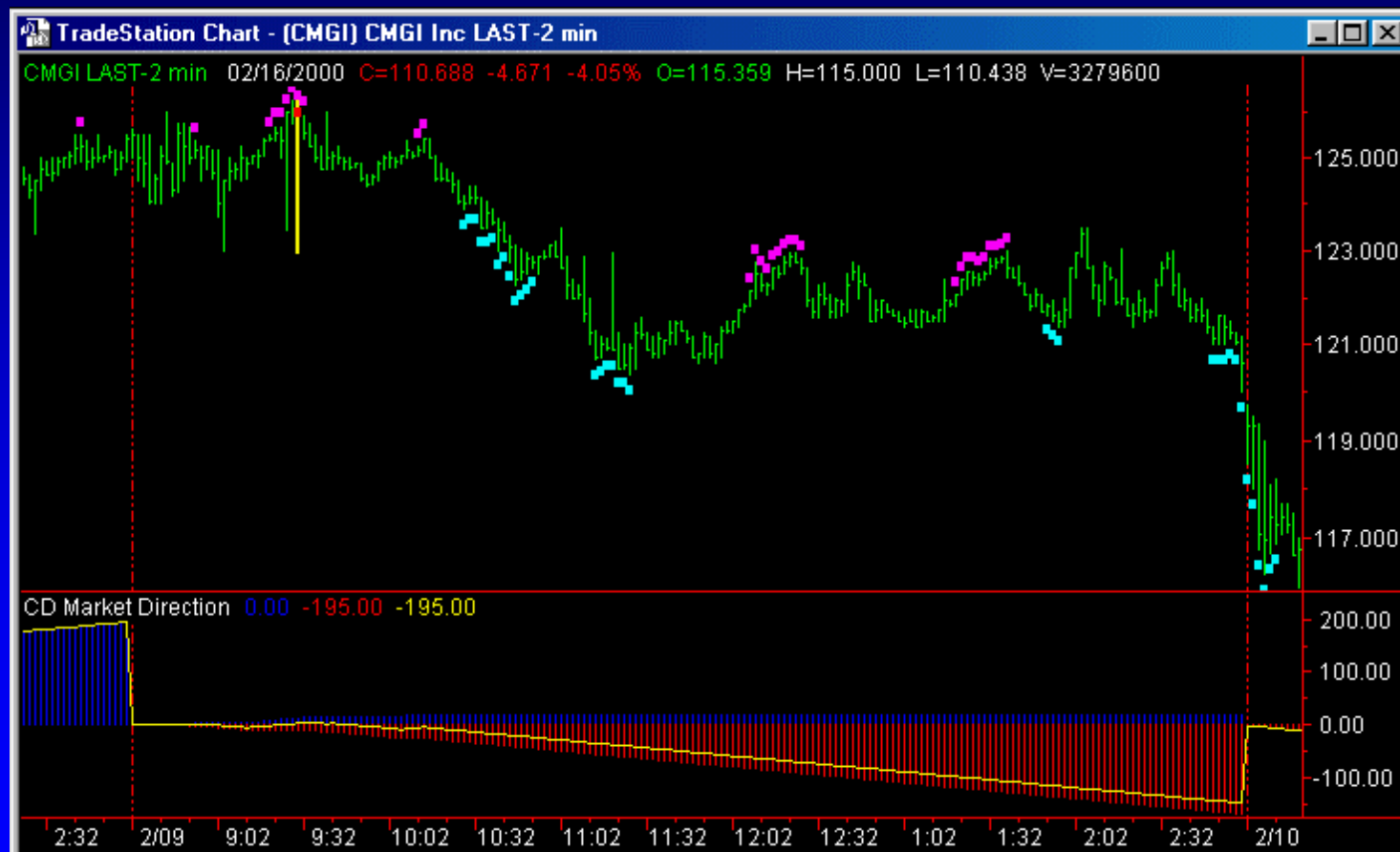
## CD Reversal Indicator



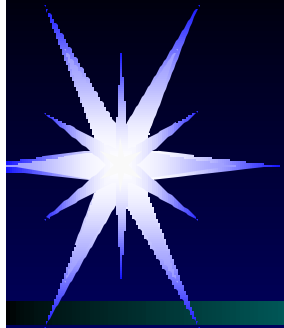


# Step Two

## CD Reversal Indicator



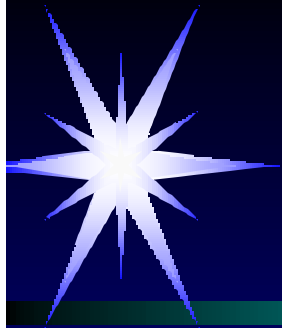




# Step Two

## CD Real Time Pivot Indicator

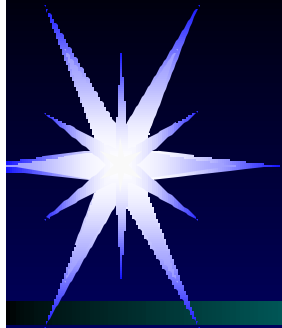
- ✍ Buy Signals are plotted as blue dots below the bar



# Step Two

## CD Real Time Pivot Indicator

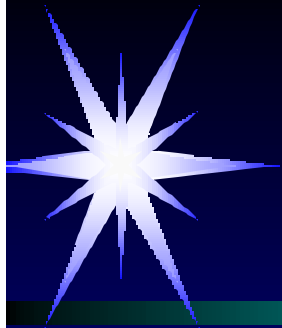
- ✍ Buy Signals are plotted as blue dots below the bar
- ✍ Sell Signals are plotted as red dots above the bars



# Step Two

## CD Real Time Pivot Indicator

- ✍ Buy Signals are plotted as blue dots below the bar
- ✍ Sell Signals are plotted as red dots above the bars
- ✍ Plots do appear in real time, as the name suggests.



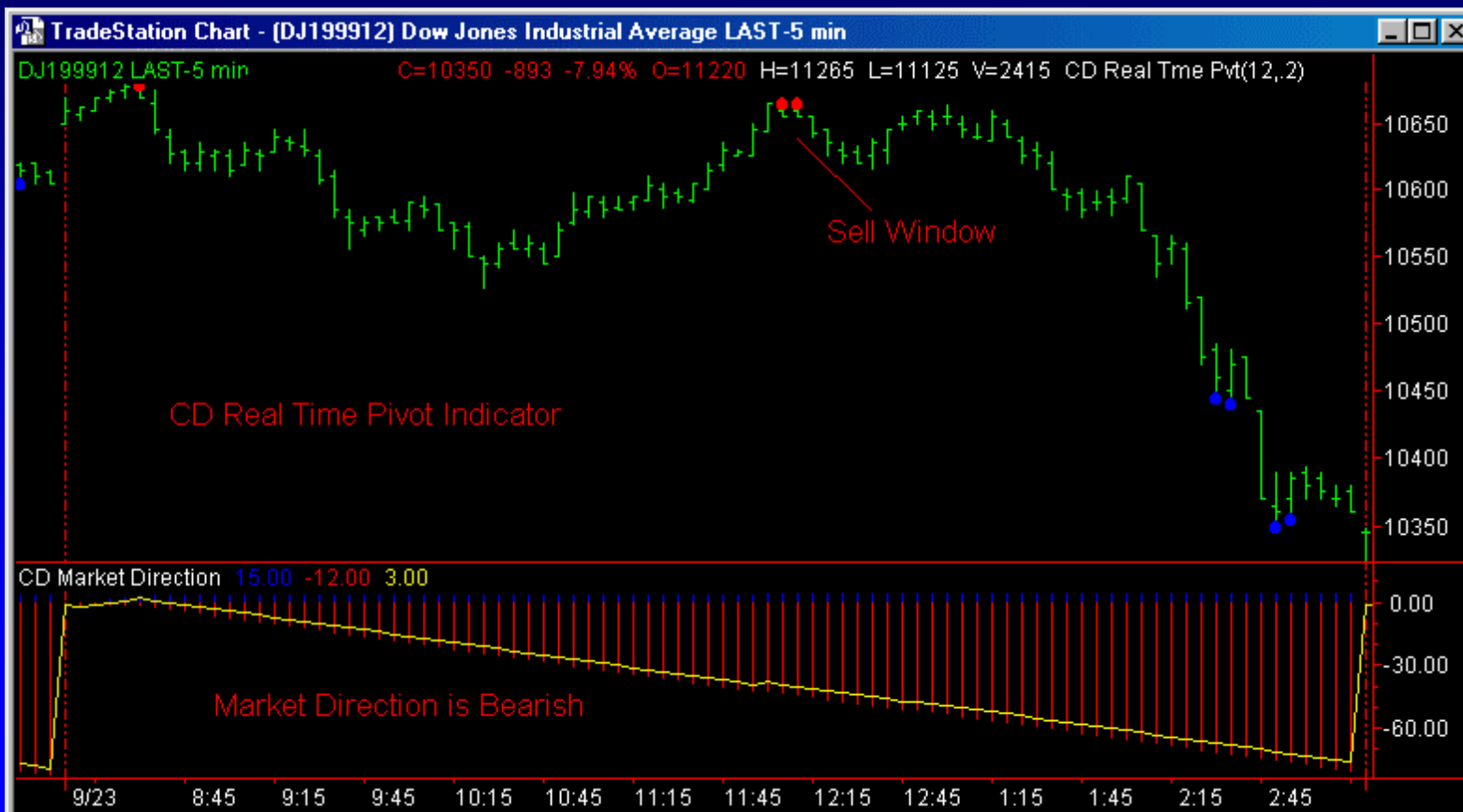
# Step Two

## CD Real Time Pivot Indicator

- ✍ Buy Signals are plotted as blue dots below the bar
- ✍ Sell Signals are plotted as red dots above the bars
- ✍ Plots do appear in real time, as the name suggests.
- ✍ Dots are printed when the bar closes.

# Step Two

## CD Real Time Pivot Indicator



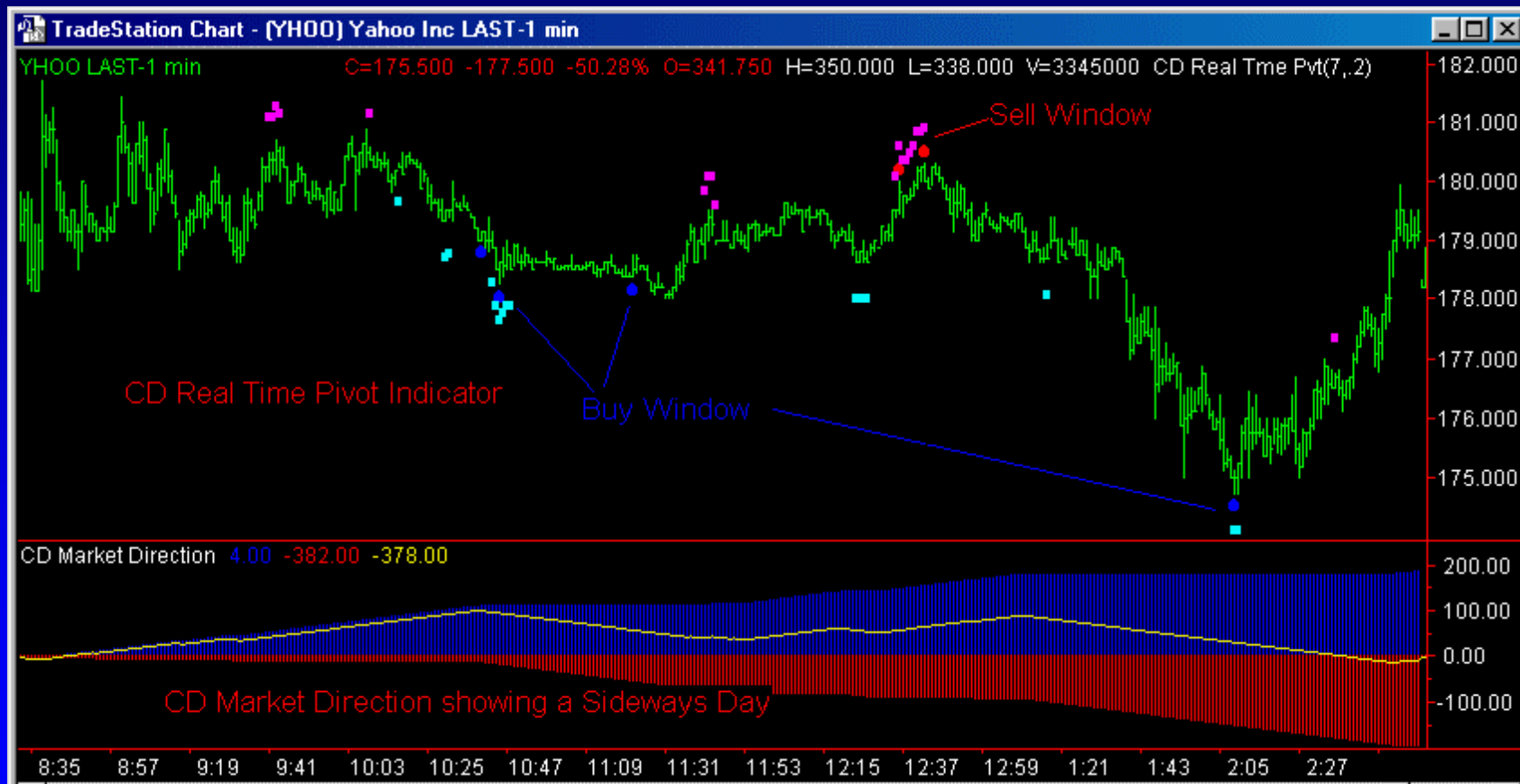
# Step Two

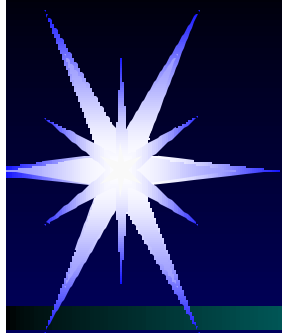
## CD Real Time Pivot Indicator



# Step Two

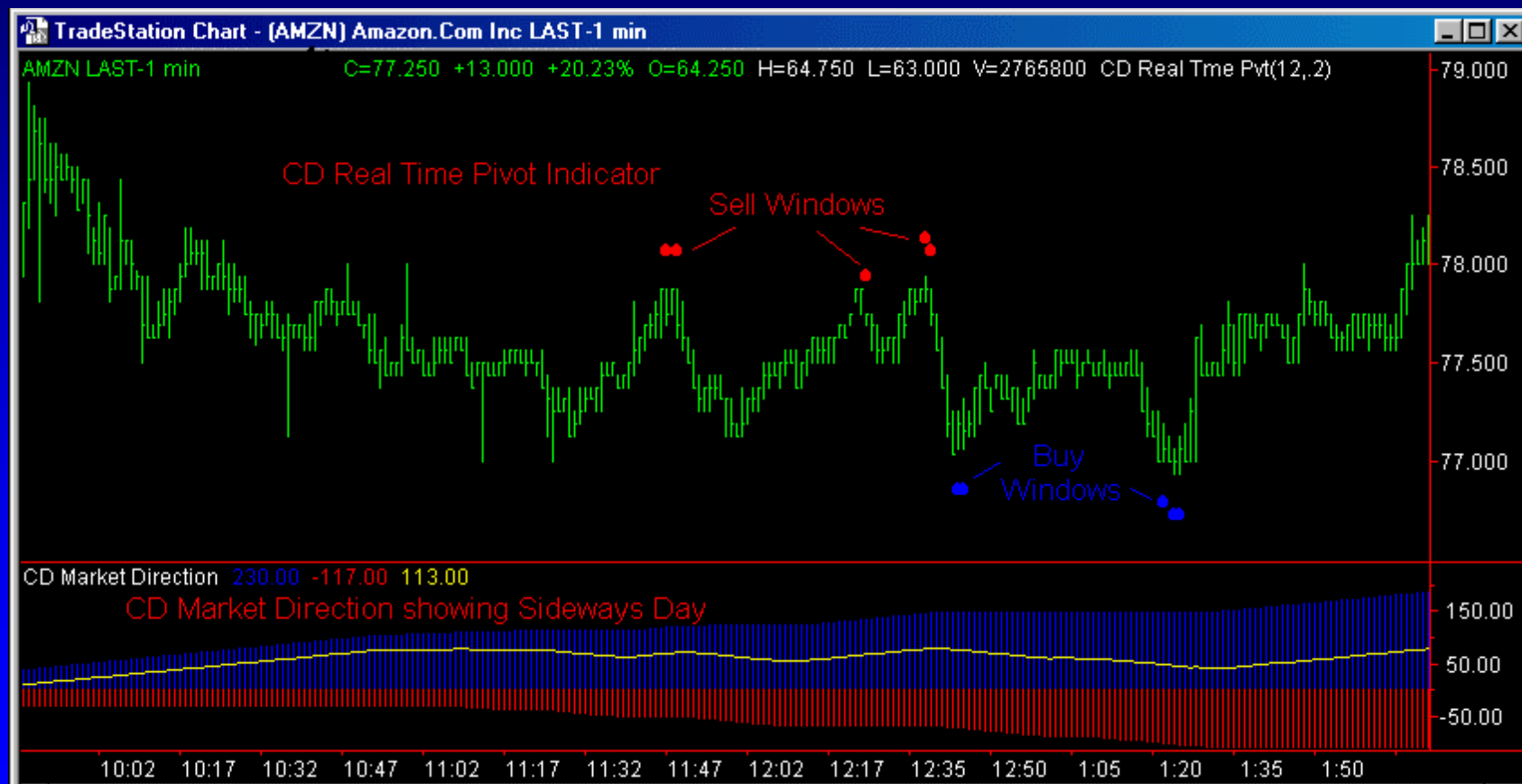
## CD Real Time Pivot Indicator





# Step Two

## CD Real Time Pivot Indicator



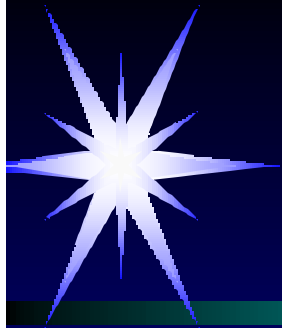




# Step Two

## CD Exhaustion Indicator

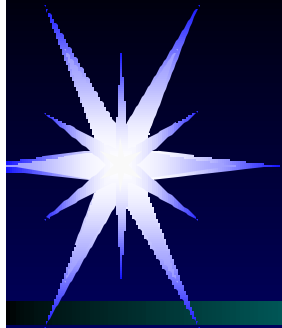
✍ Consists of four plotted lines



# Step Two

## CD Exhaustion Indicator

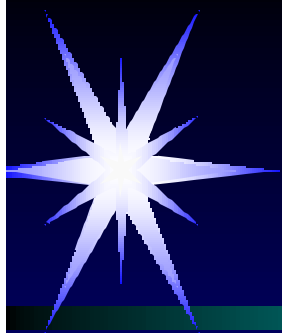
- ✍ Consists of four plotted lines
- ✍ Market tries to stay in a “comfort zone” between the two yellow bands



# Step Two

## CD Exhaustion Indicator

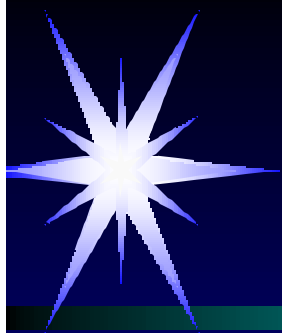
- ✍ Consists of four plotted lines
- ✍ Market tries to stay in a “comfort zone” between the two yellow bands
- ✍ When the market strays outside these bands a trading signal is set up



# Step Two

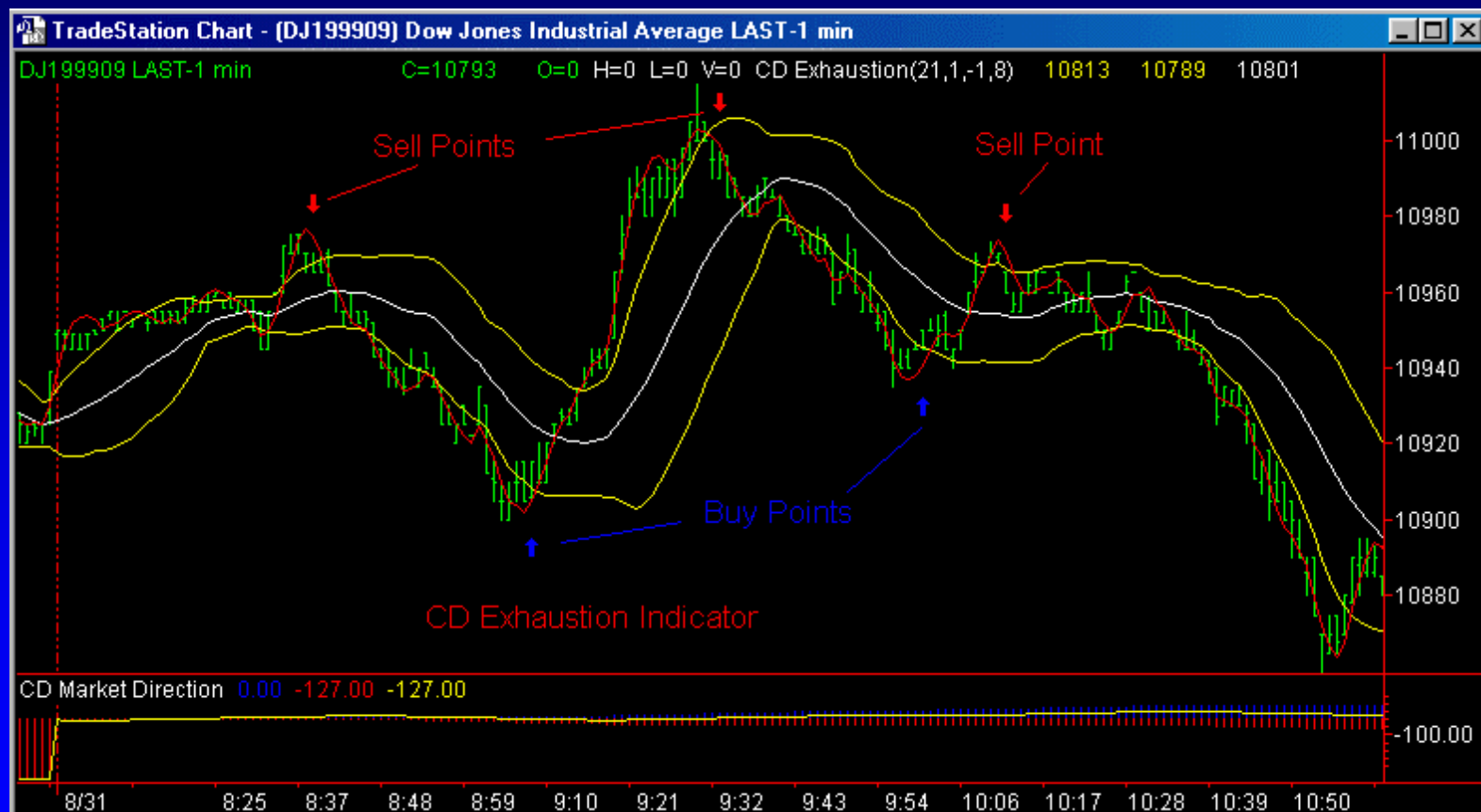
## CD Exhaustion Indicator

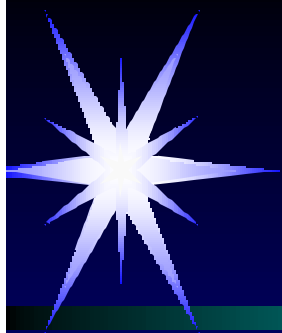




# Step Two

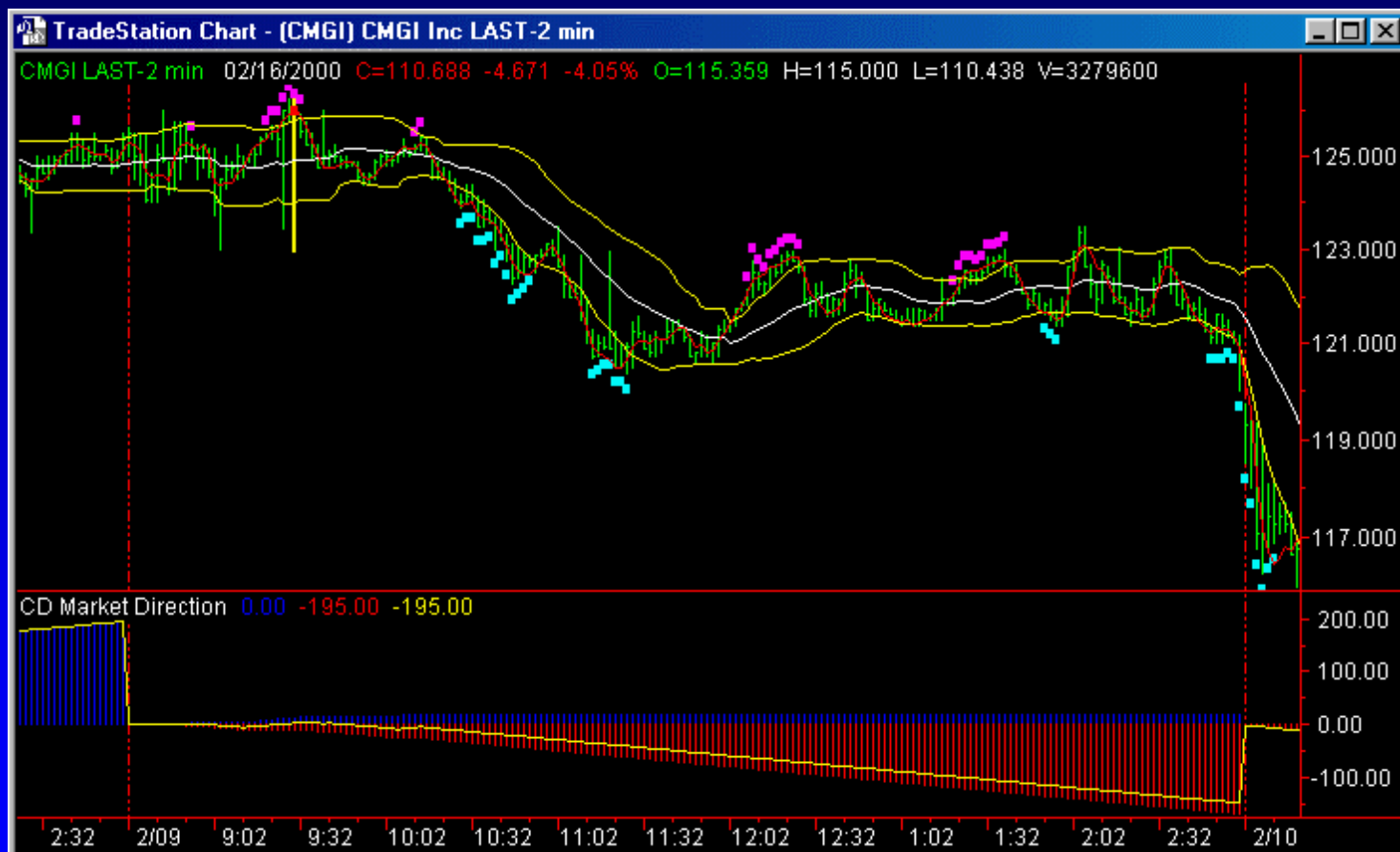
## CD Exhaustion Indicator





# Step Two

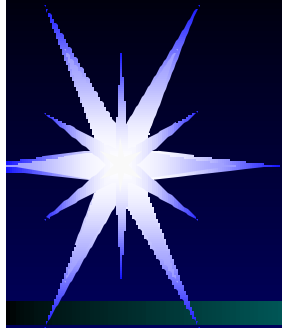
## CD Exhaustion Indicator



# Step Two

## CD Exaustion 2 Indicator



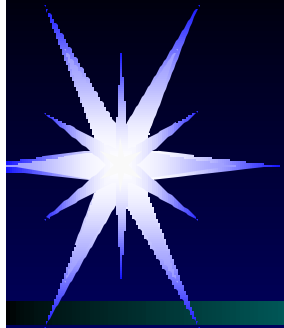


# Step Two

## CD Cluster Indicator

✍ Most complicated of the short term group

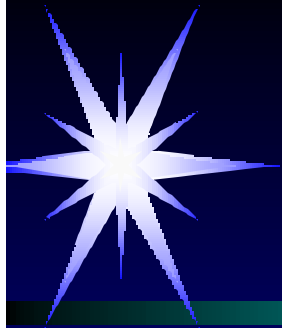




# Step Two

## CD Cluster Indicator

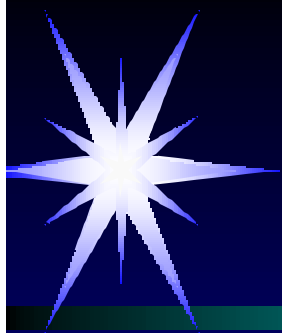
- ✍ Most complicated of the short term group
- ✍ Usually the last to appear



# Step Two

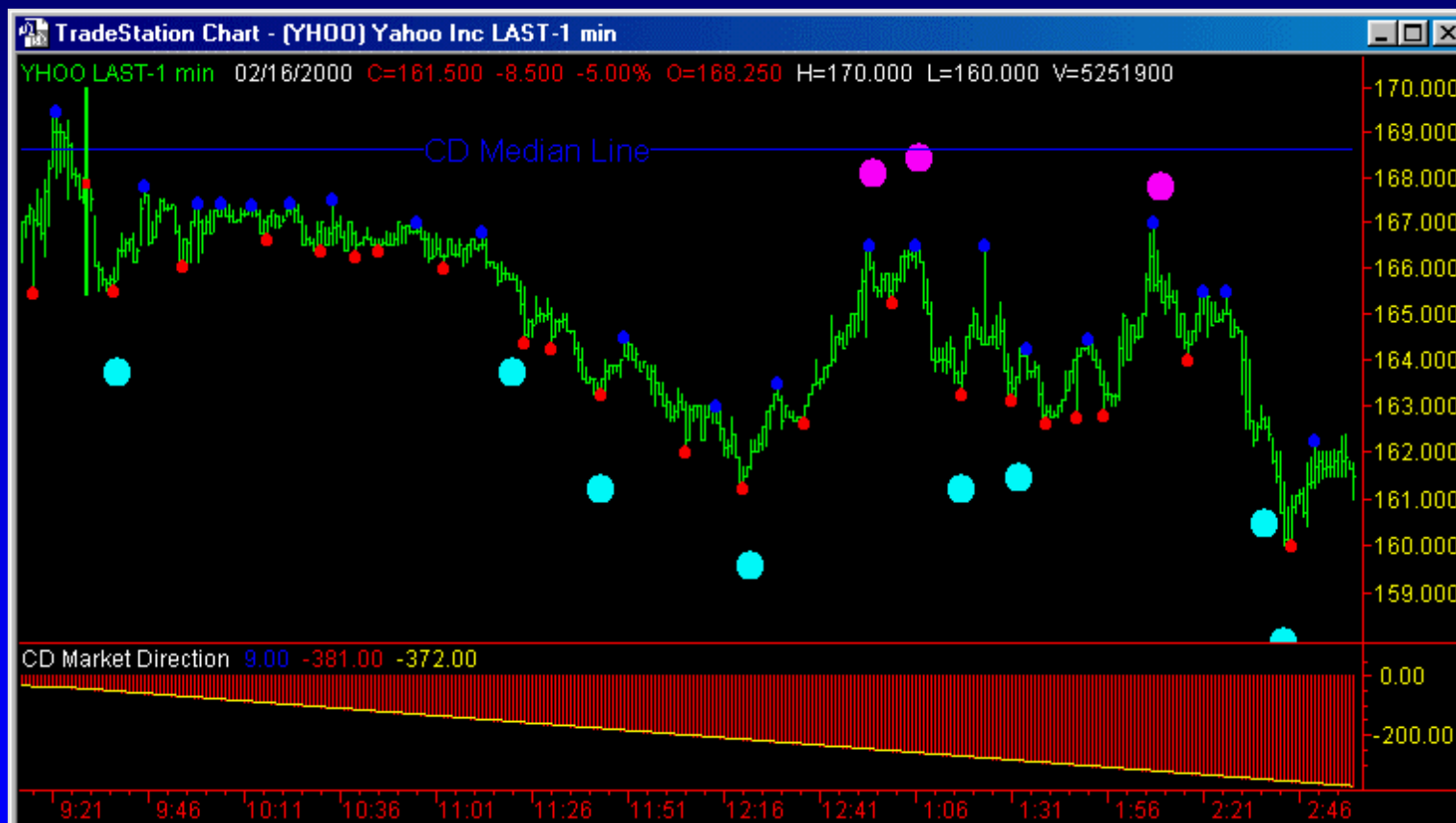
## CD Cluster Indicator

- ✍ Most complicated of the short term group
- ✍ Usually the last to appear
- ✍ Can be used as the final confirmation of exhaustion



# Step Two

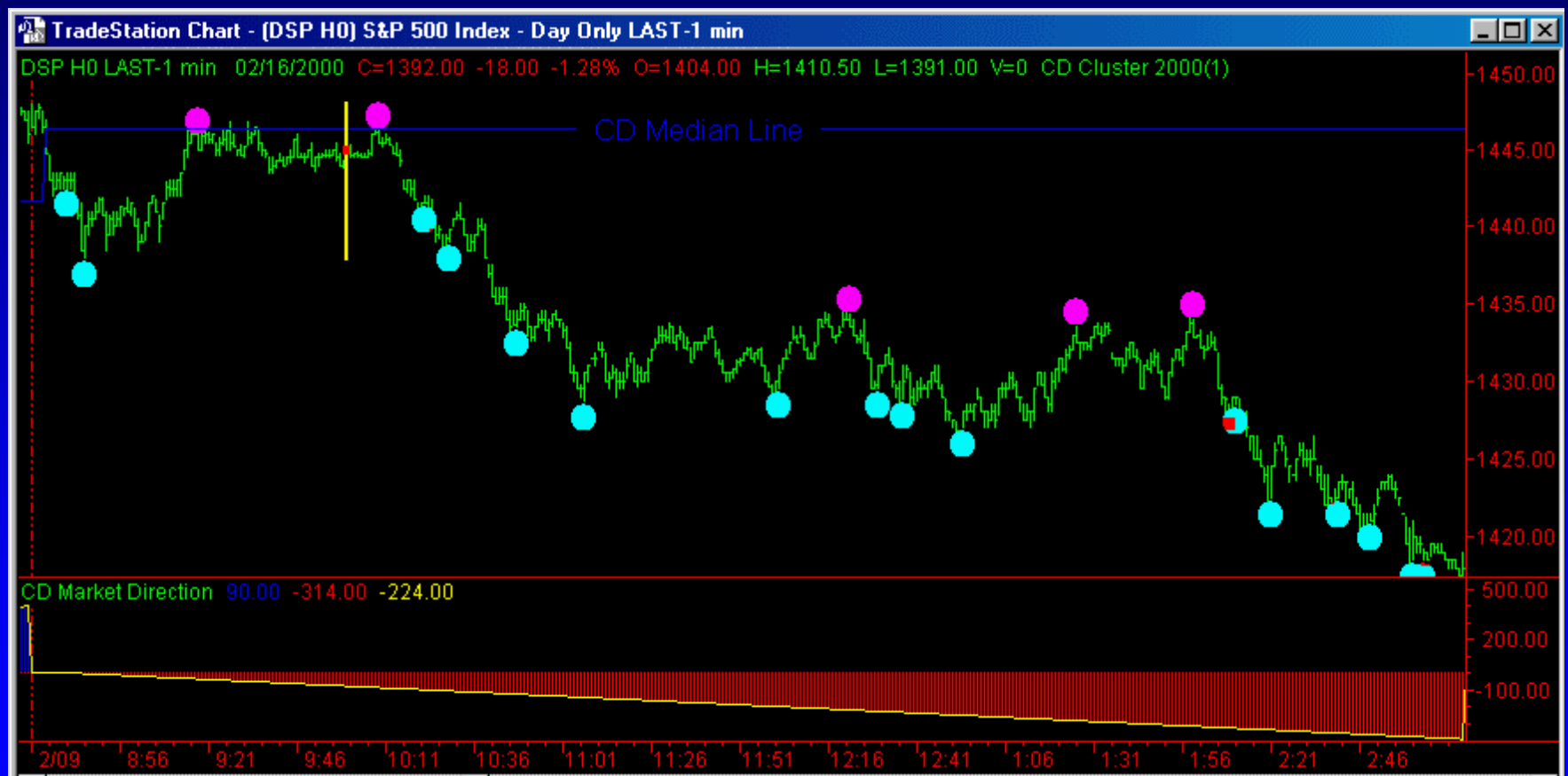
## CD Cluster Indicator

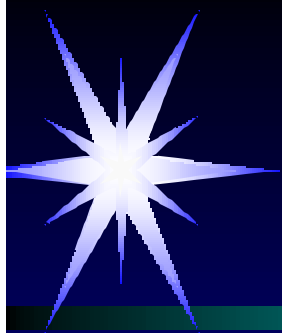




# Step Two

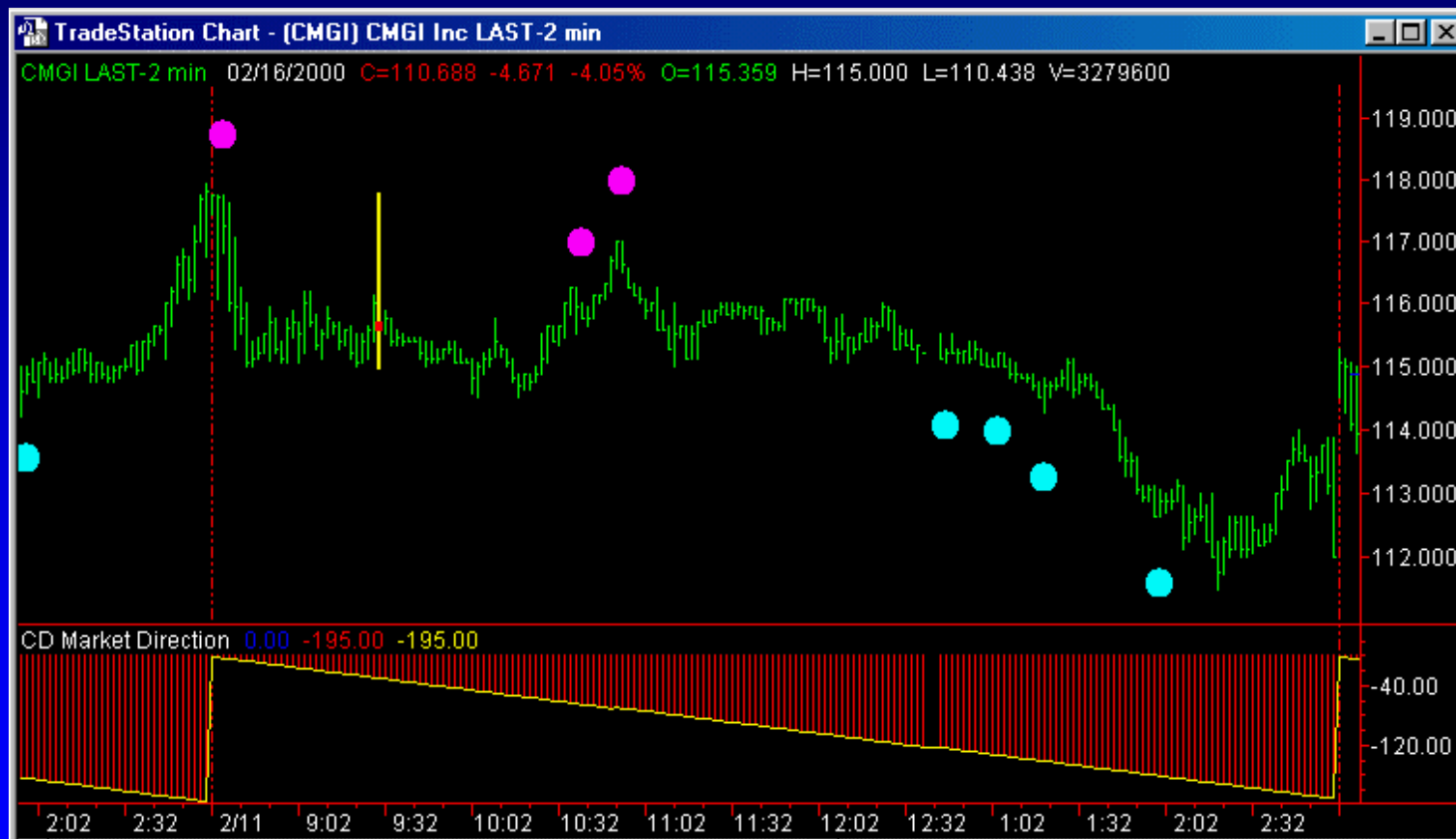
## CD Cluster Indicator

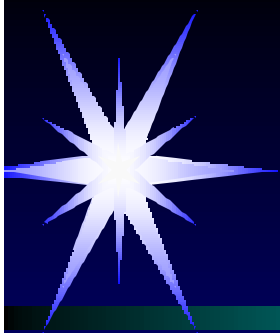




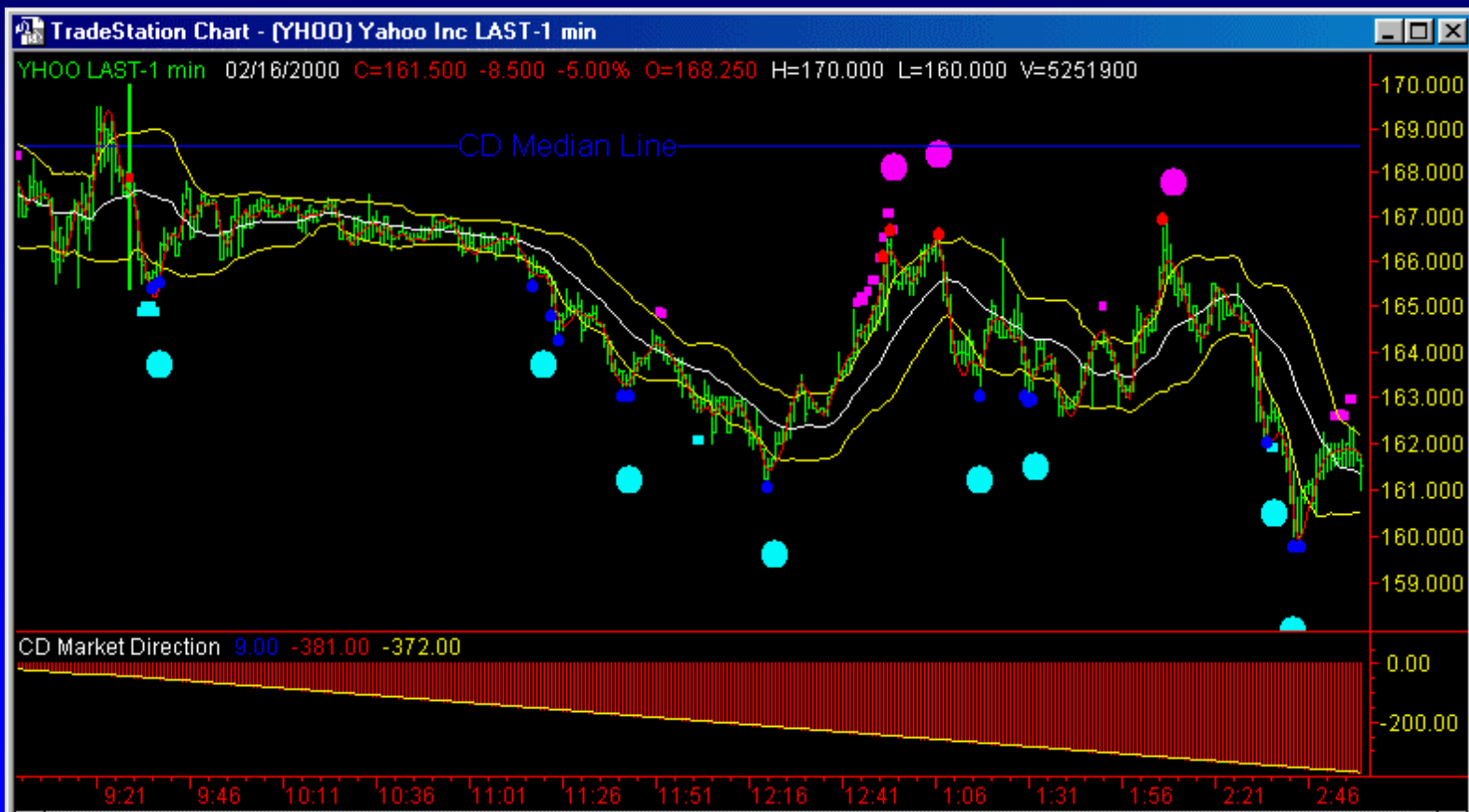
# Step Two

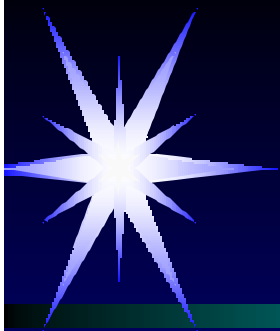
## CD Cluster Indicator



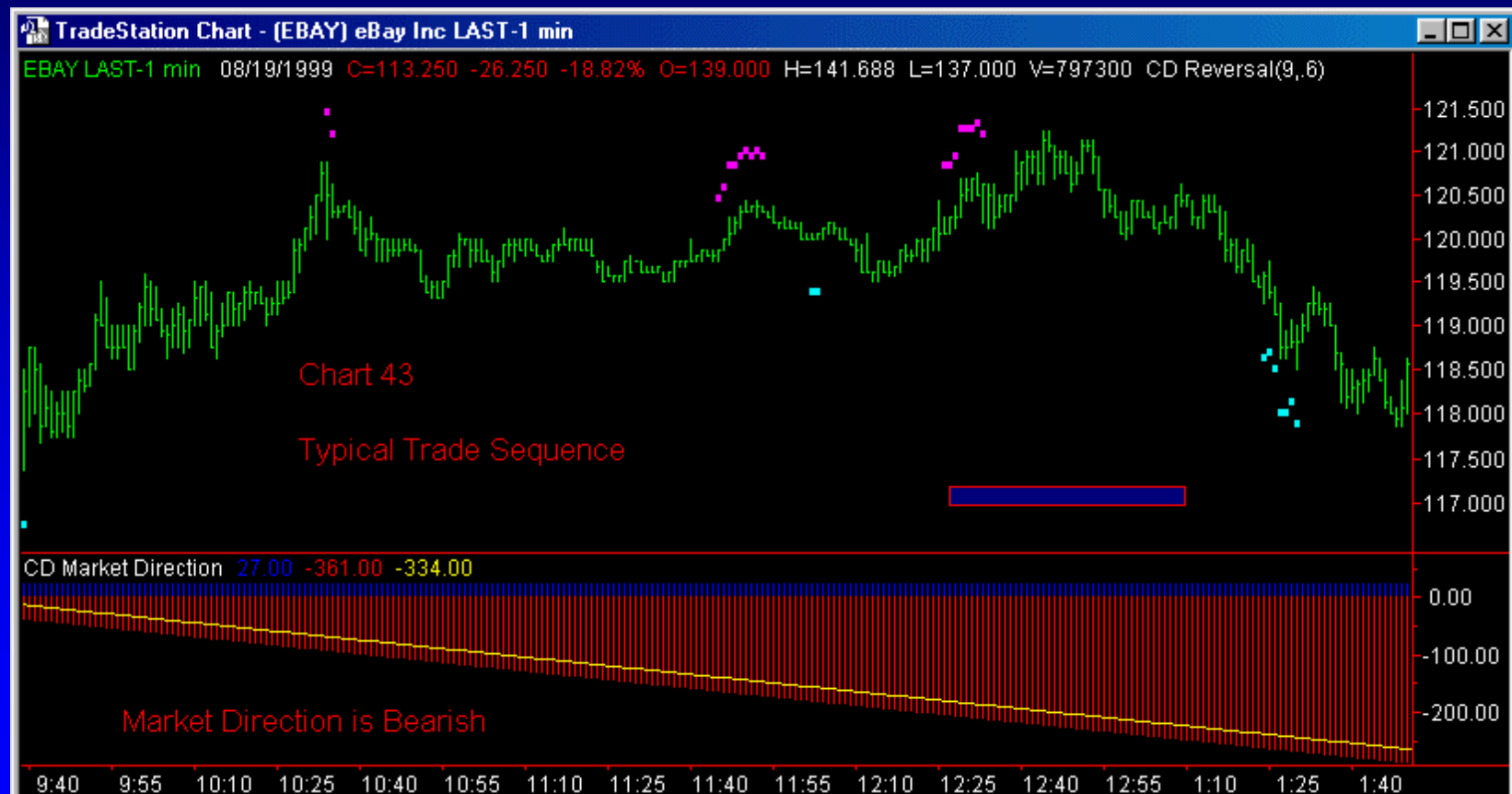


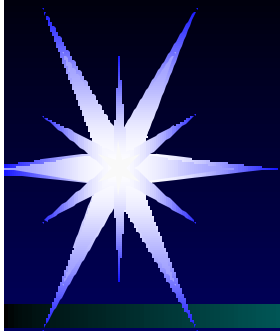
# All Four



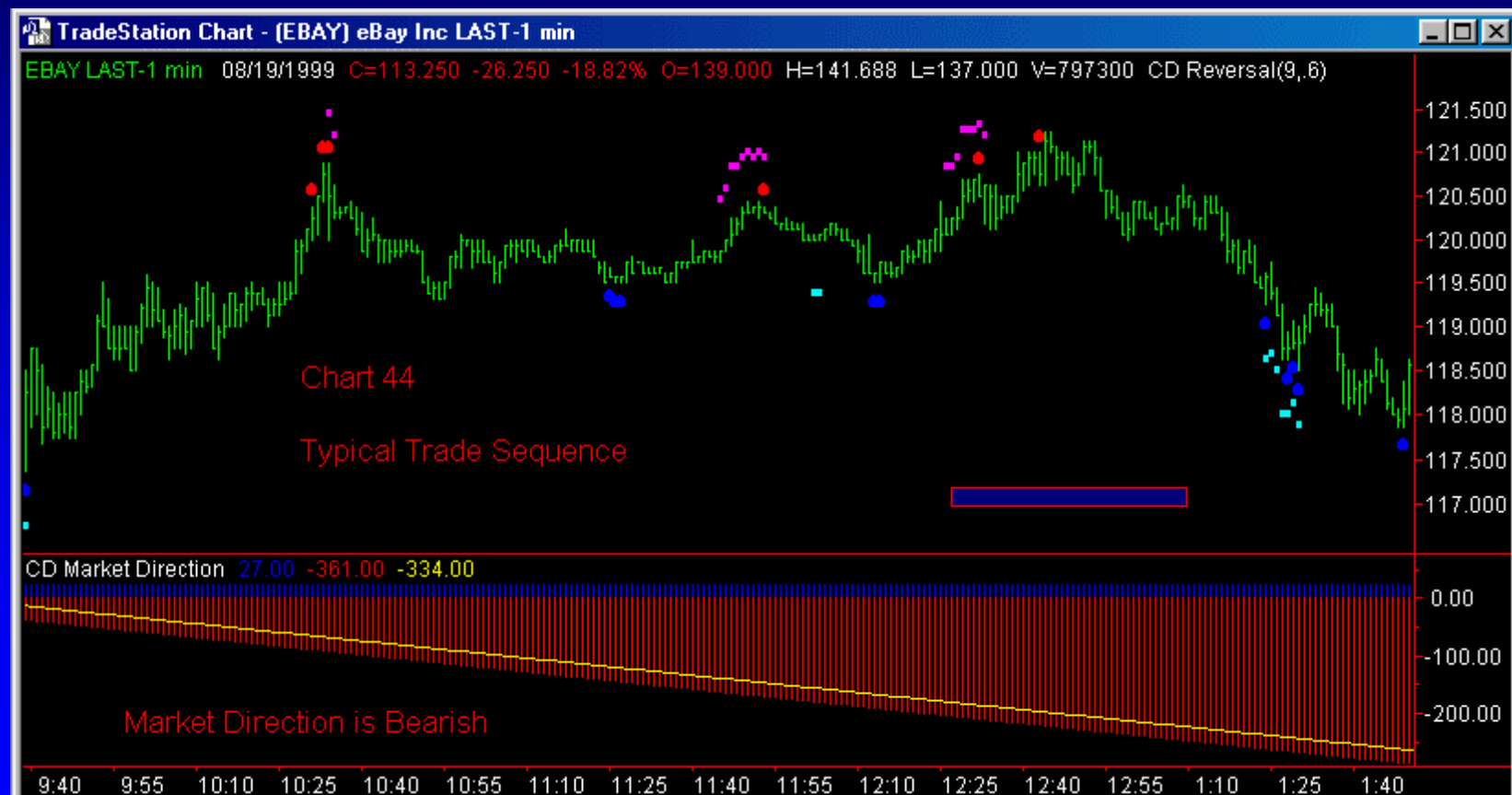


# Trade Sequence

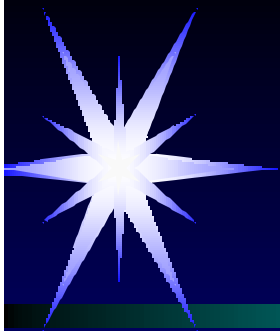




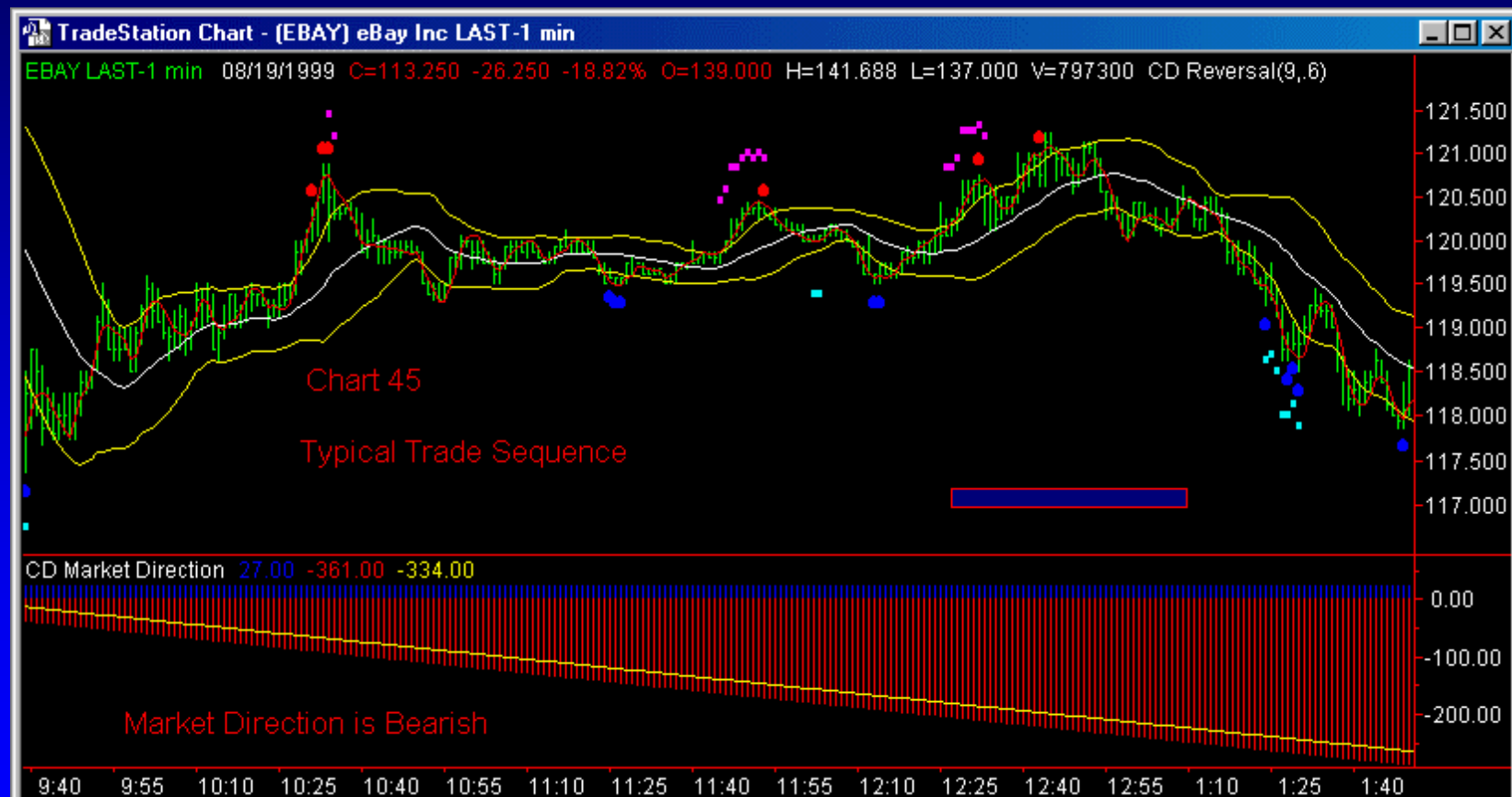
# Trade Sequence

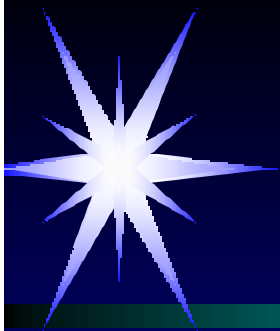




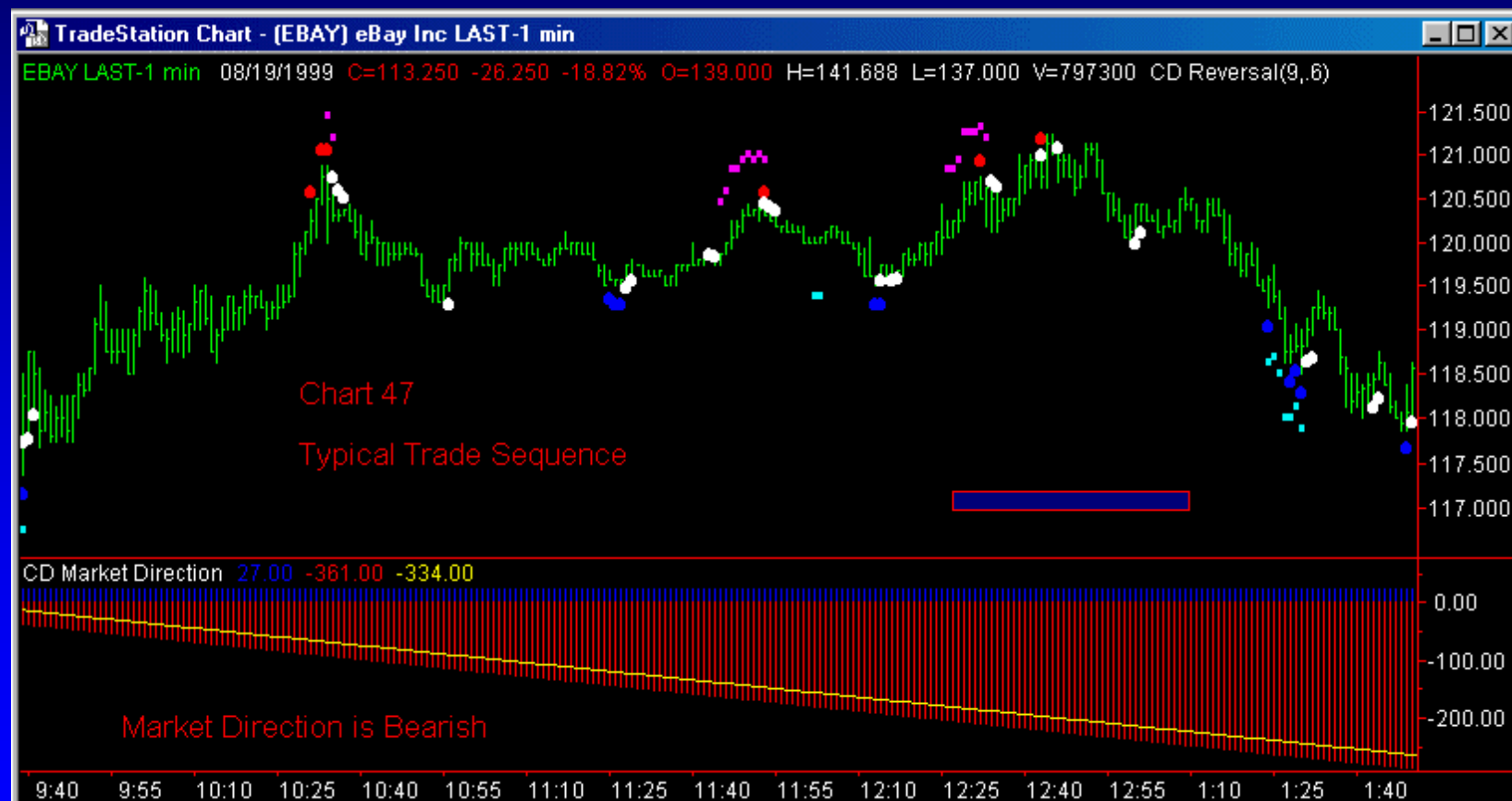


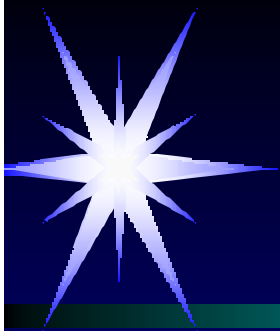
# Trade Sequence



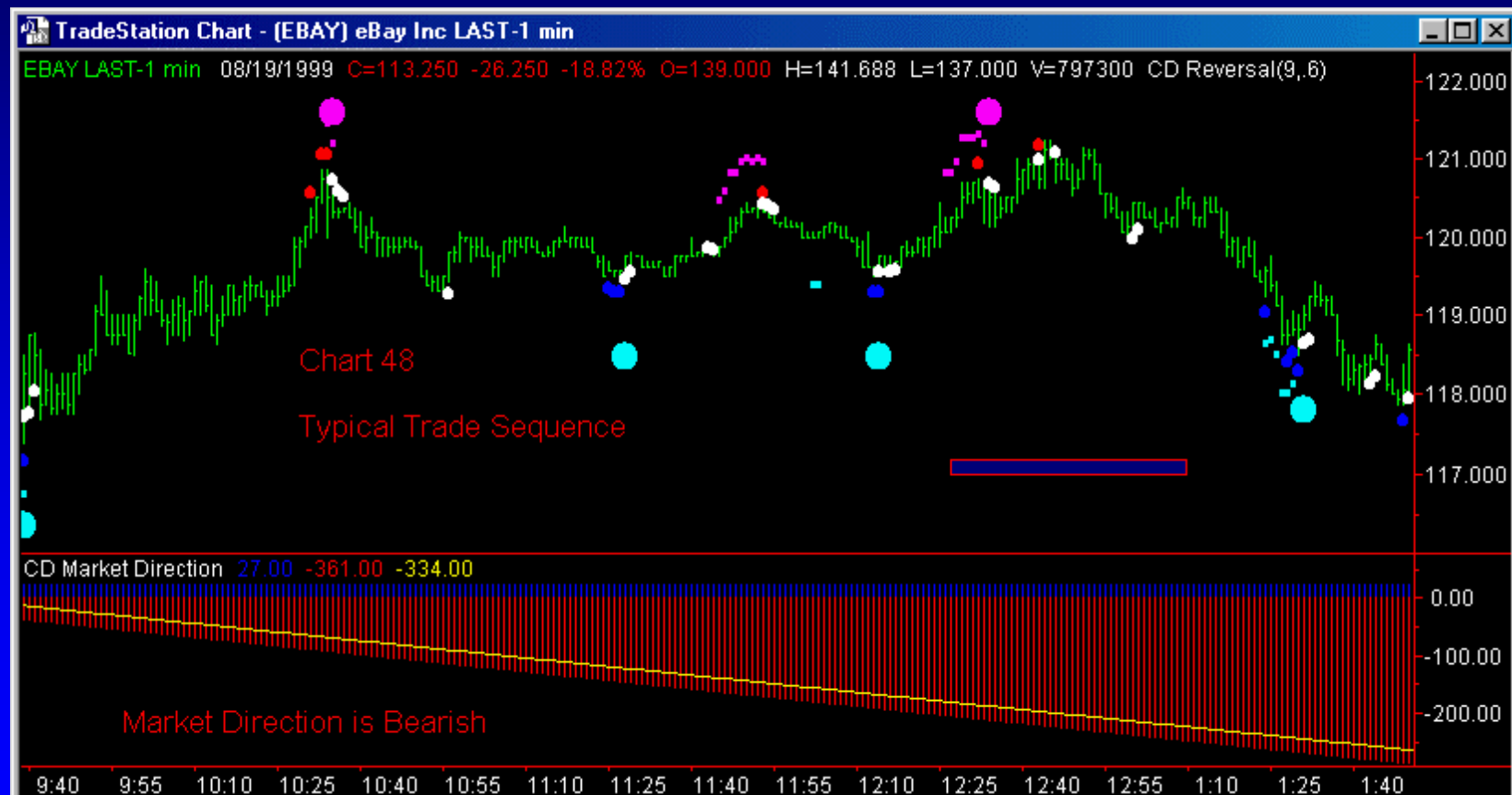


# Trade Sequence





# Trade Sequence





# Step Three Entry

 CD Entry Point Indicator



# Step Three Entry

- ✍ CD Entry Point Indicator
- ✍ Measures Short Term Support and Resistance



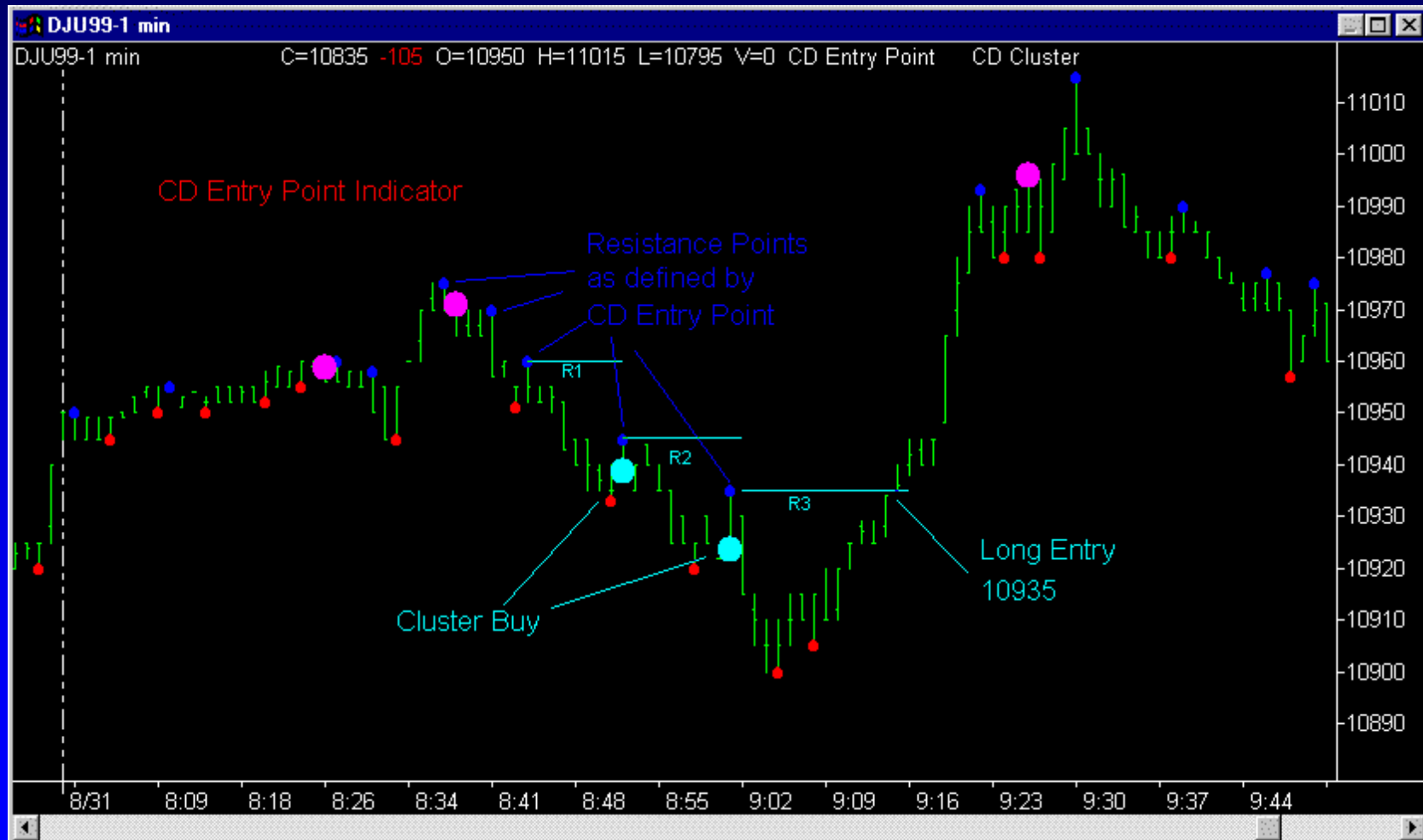
# Step Three Entry

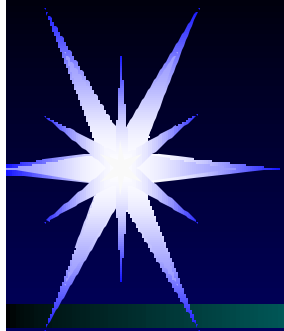
- ✍ CD Entry Point Indicator
- ✍ Measures Short Term Support and Resistance
- ✍ Place buy stops and sell stops



# Step Three

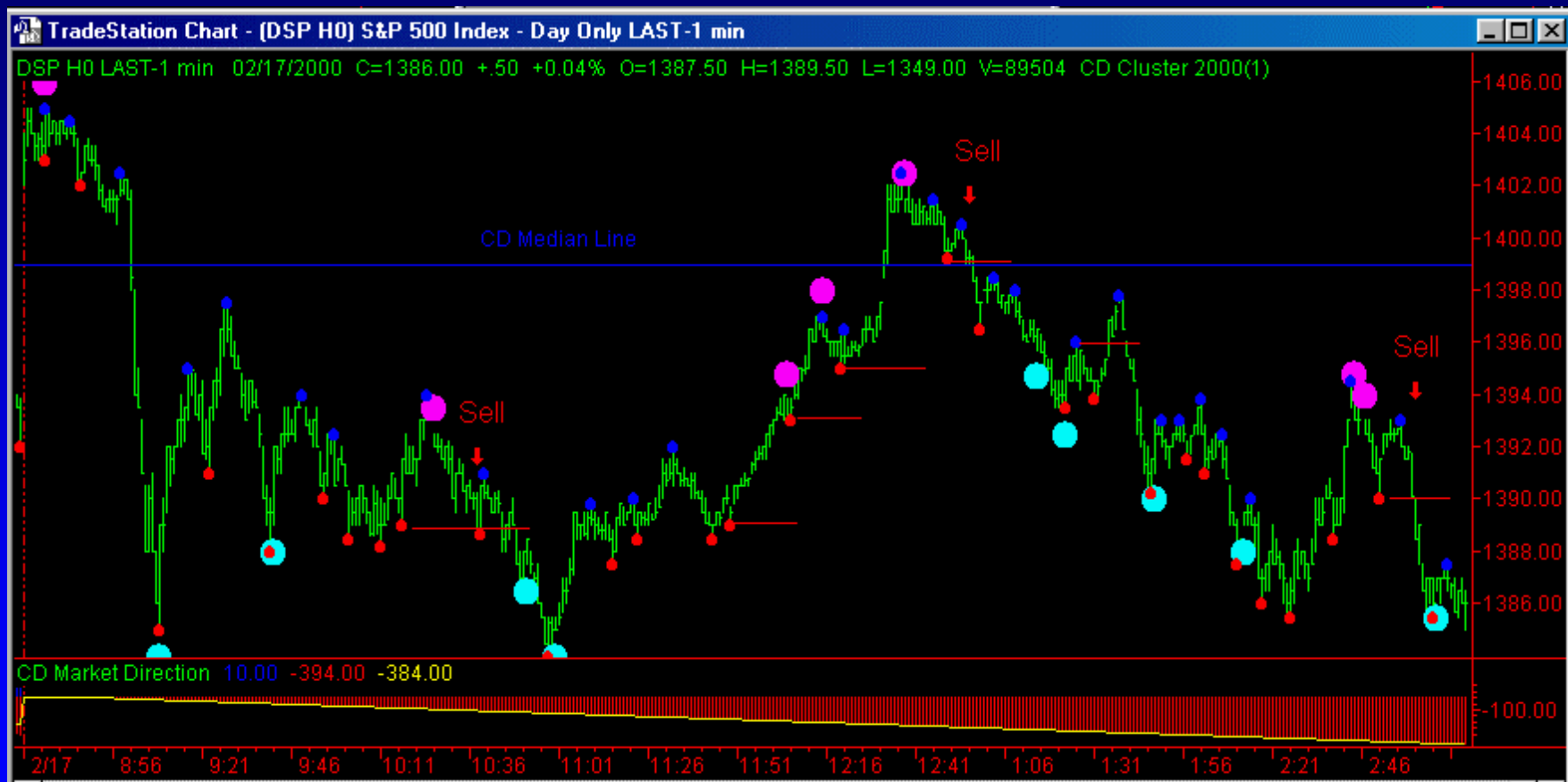
## CD Entry Point





# Step Three

## CD Entry Point







# Step Four Exit

 Trailing Stop



# Step Four Exit

✍ Trailing Stop

✍ CD Entry Point



# Step Four Exit

- ✍ Trailing Stop
- ✍ CD Entry Point
- ✍ CD Volatility Stop



# Step Four Exit

- ✍ Trailing Stop
- ✍ CD Entry Point
- ✍ CD Volatility Stop
- ✍ CD Cluster Volatility Stop



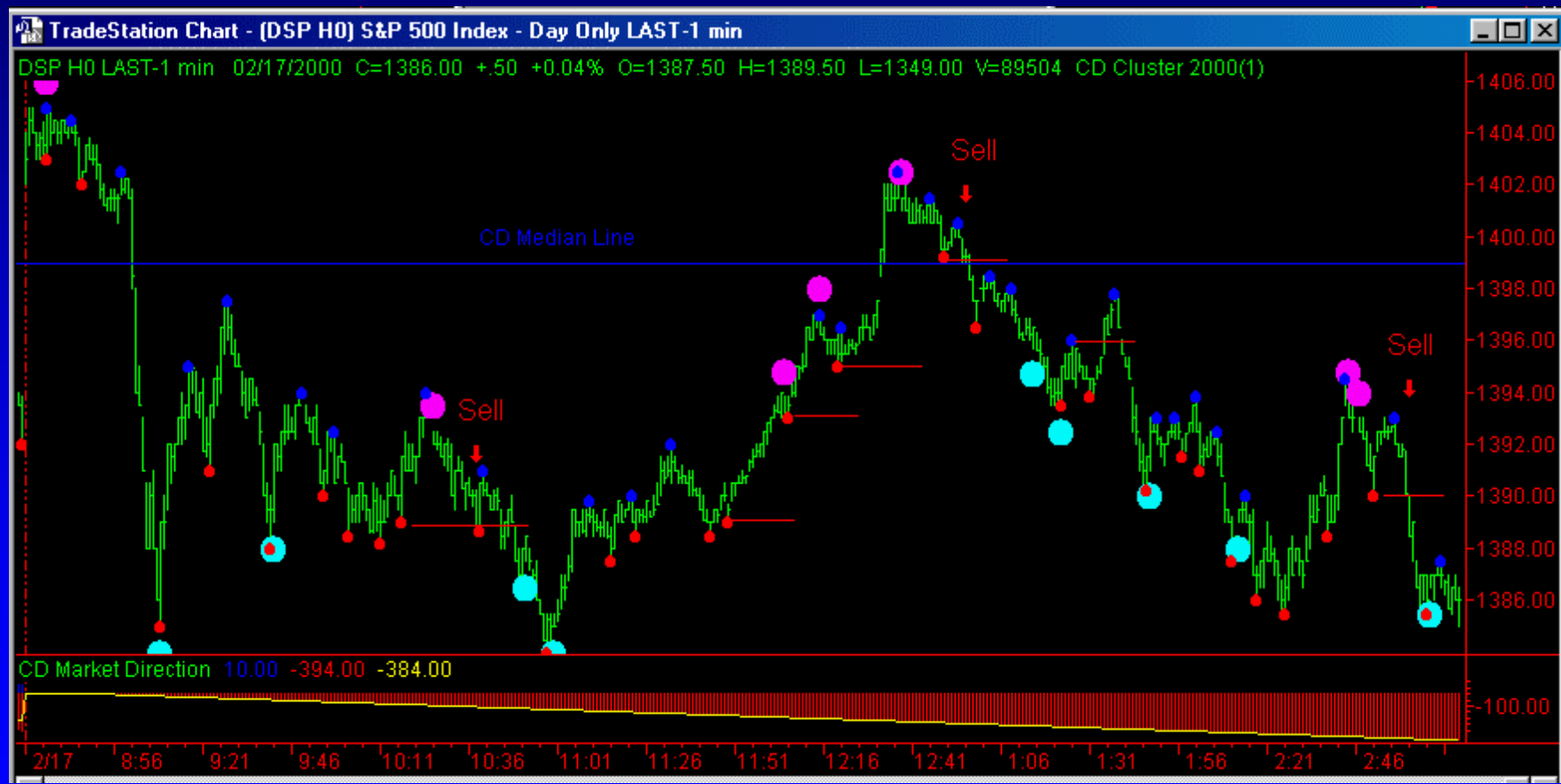
# Step Four Exit

- ✍ Trailing Stop
- ✍ CD Entry Point
- ✍ CD Volatility Stop
- ✍ CD Cluster Volatility Stop
- ✍ CD Real Time Target



# Step Four

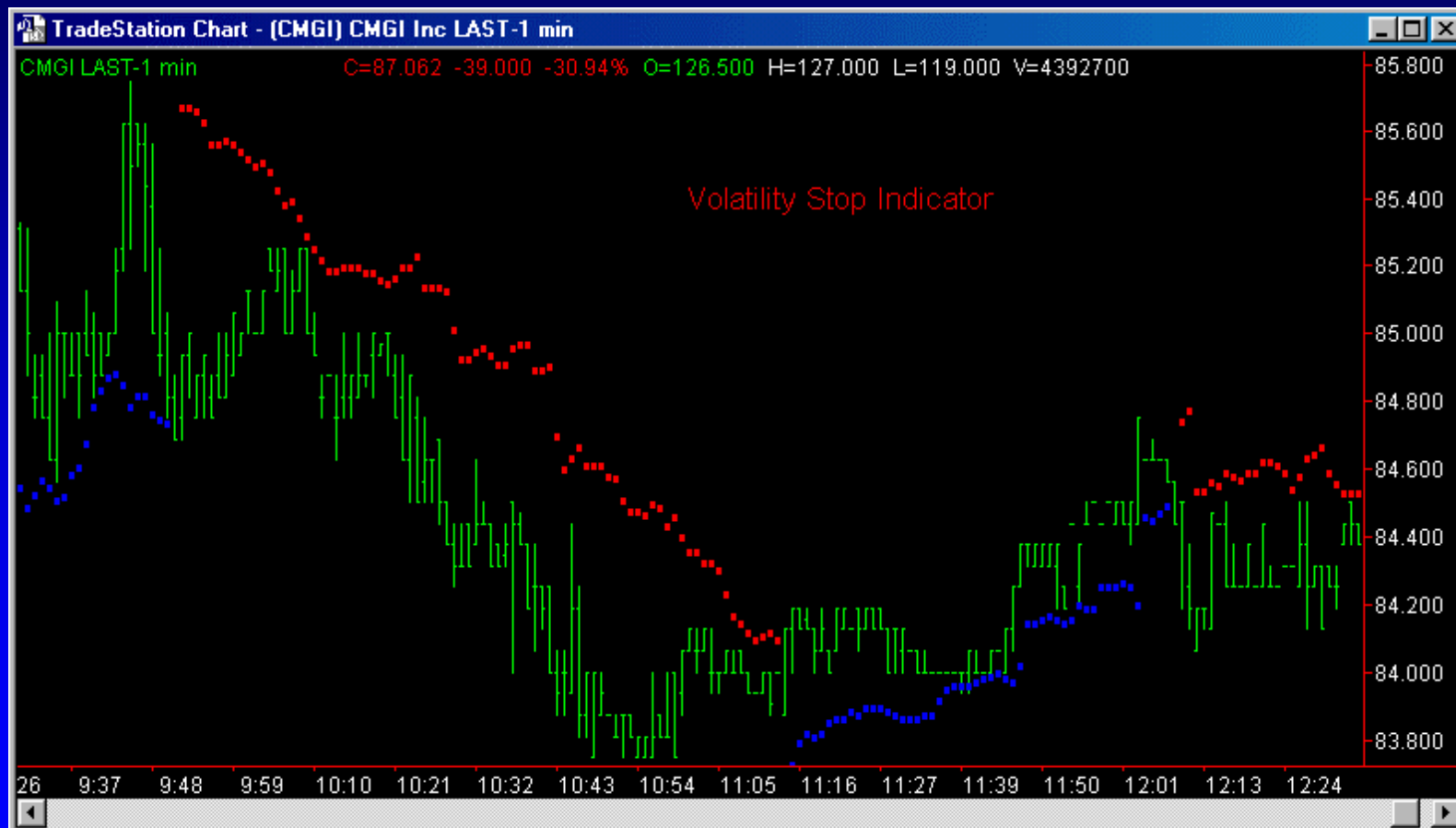
## Exit - Trailing Stop

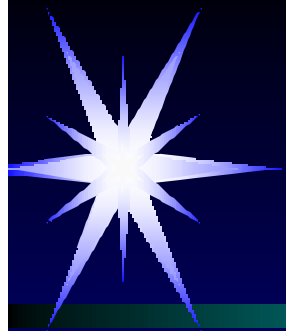




# Step Four

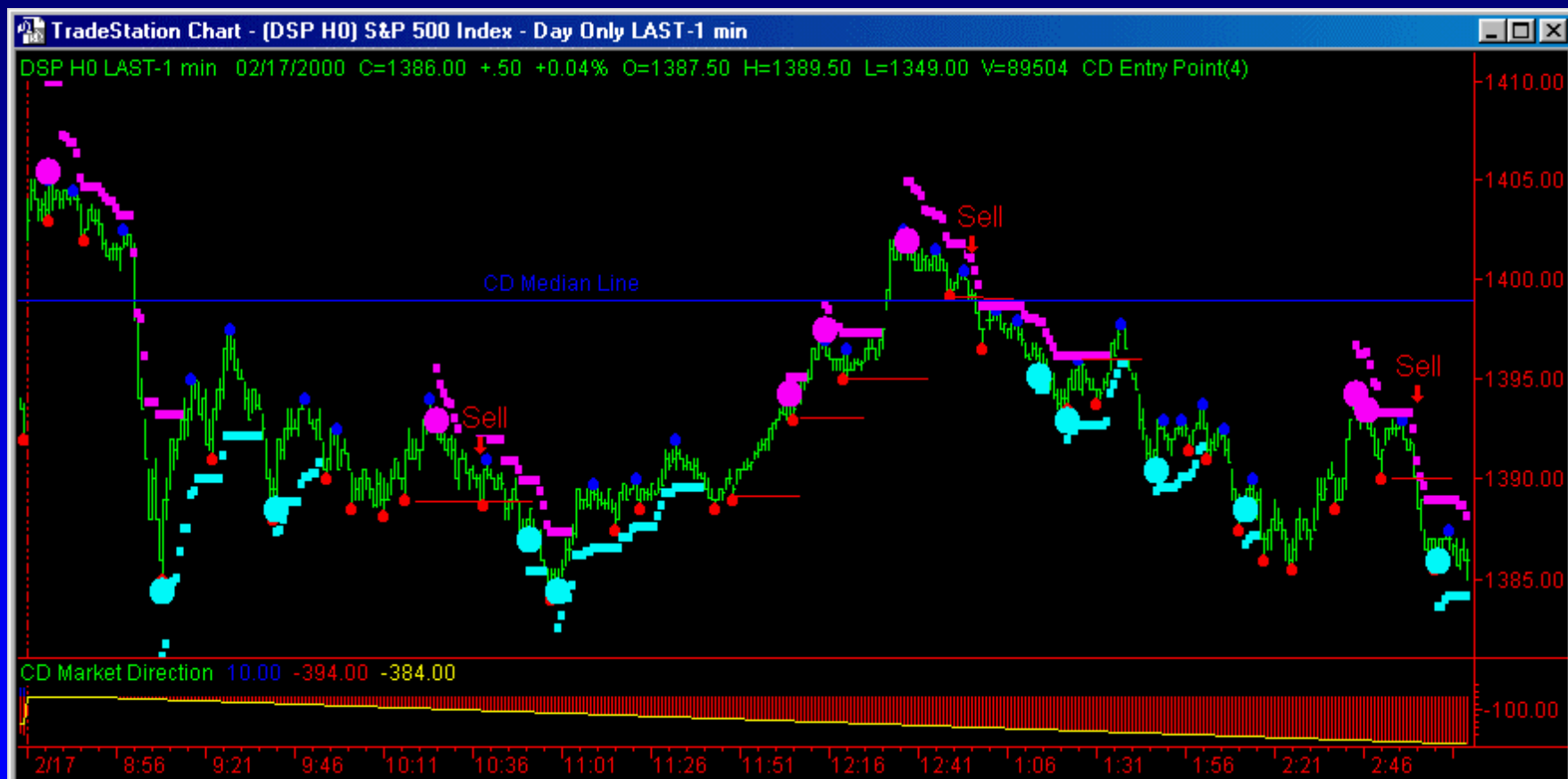
## Exit - Volatility Stop





# Step Four

## Exit - Cluster Volatility Stop







# Step Four

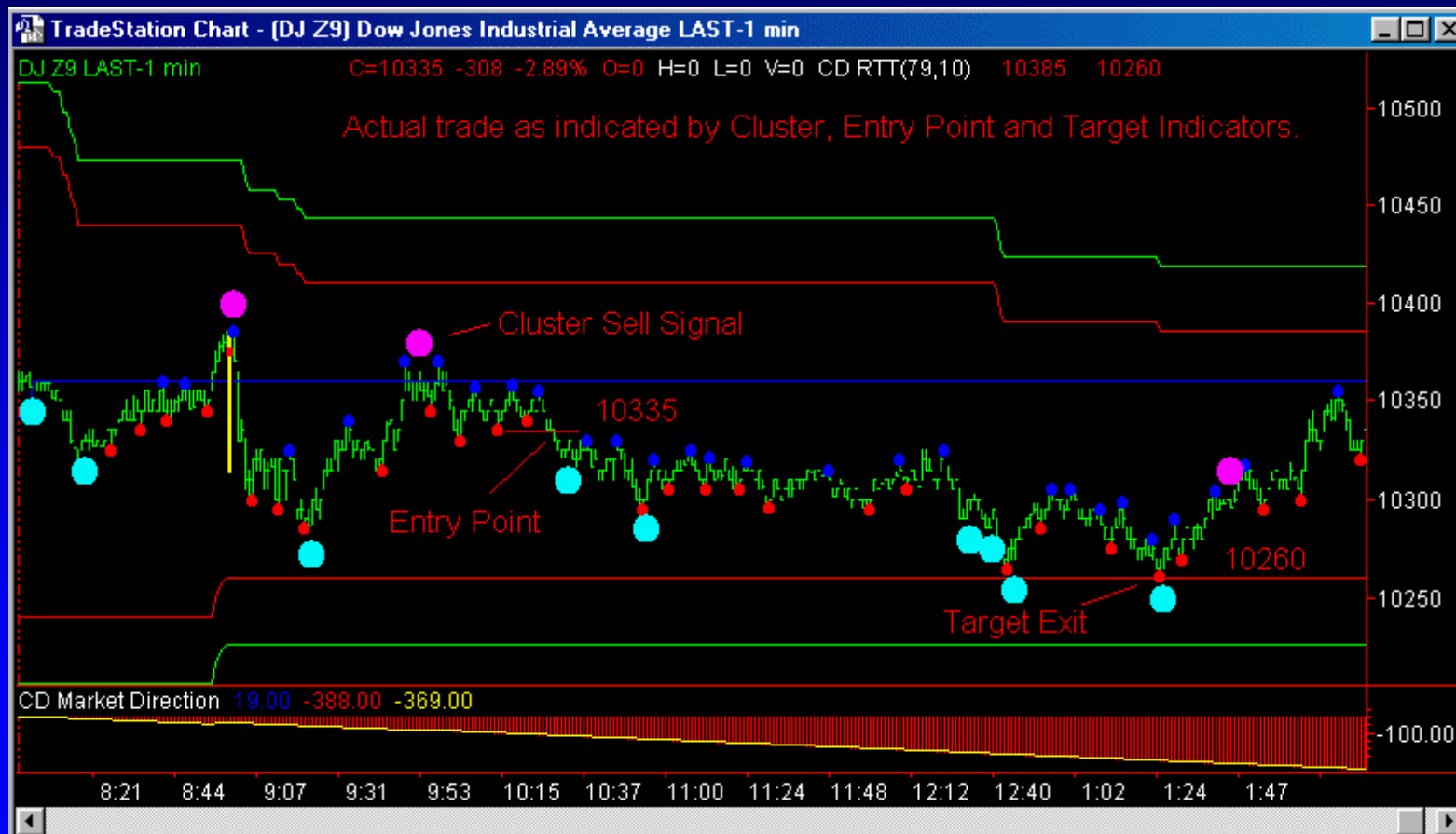
## CD Real Time Target Exit





# Step Four

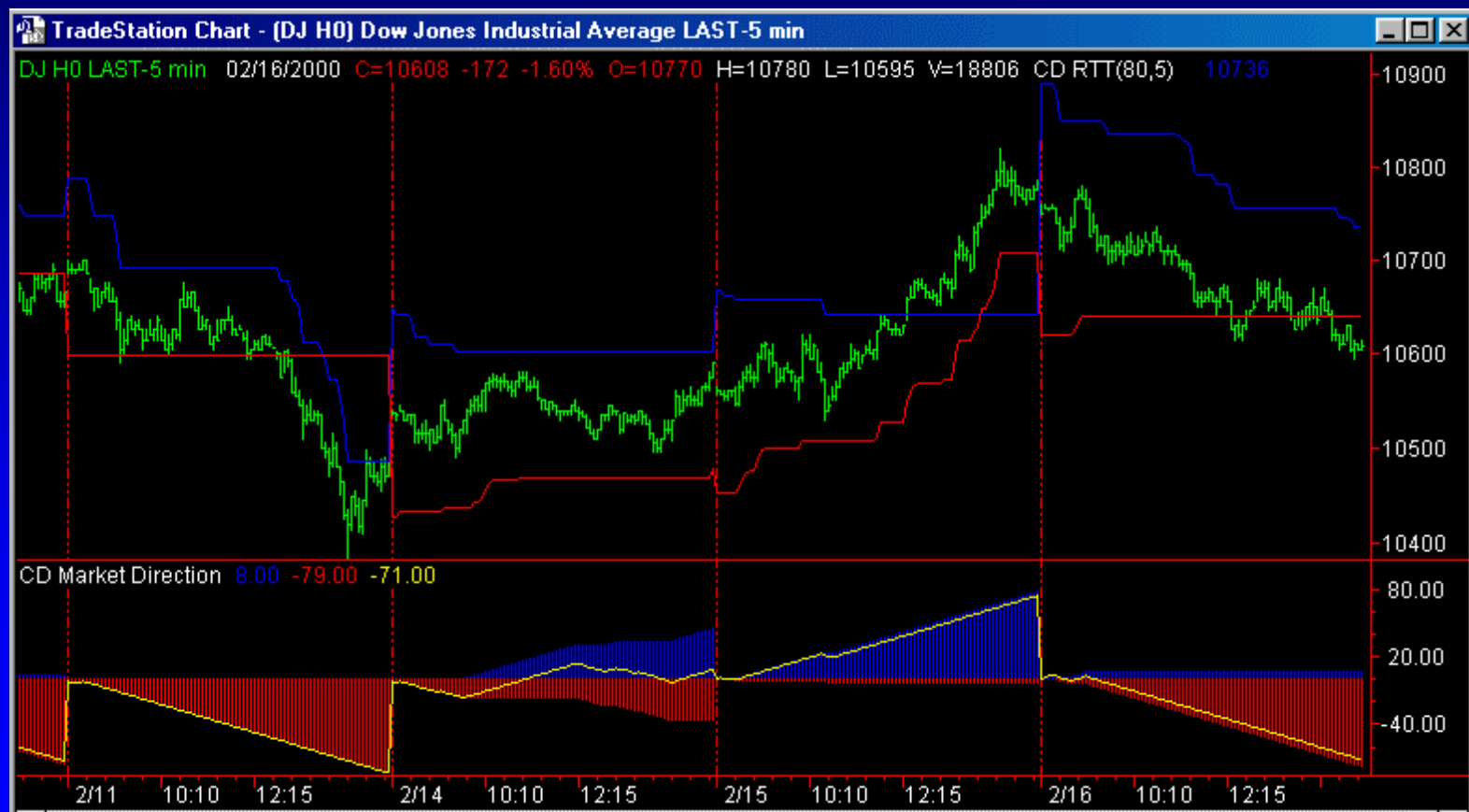
## CD Real Time Target

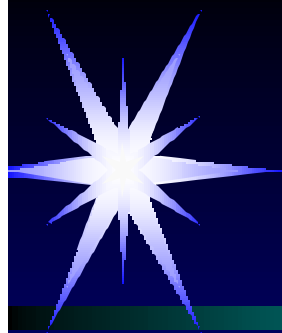




# Step Four

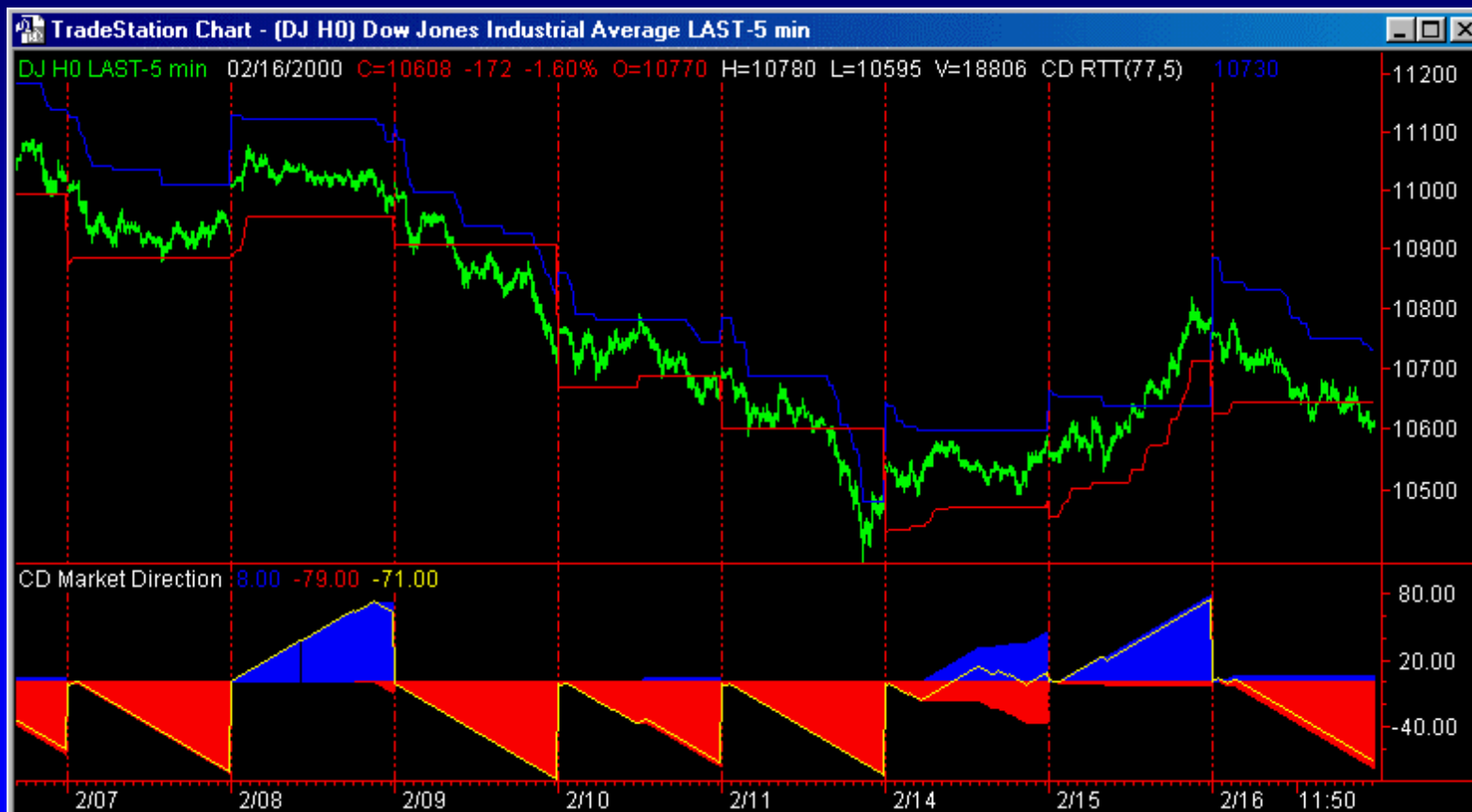
## CD Real Time Target





# Step Four

## CD Real Time Target





# Step Four

## CD Real Time Target

