

Quoting carbonado

{quote} first..how do you pick the zones.....when do yo know a zones is not valid again.....and what if price does not reach another UHV zone before it changes direction.....

Carbonado,

UHV that really stands out is the easy answer to get started with. It can get more complex and refined as you understand how the zones work and more about finding the smaller supply and demand / activity zones within the larger zones to really pin point entries. A zone is no longer valid when a new UHV zone replaces it in the future. If price does not reach another UHV zone and changes direction it is because it has hit a supply or demand zone not marked on your chart. We can't get them all and sometimes price will just appear to stop in the middle of nowhere. I assure you however that if you look back far enough and dissect the zones you can almost always find the reason for the turn. Also remember there are no straight lines in FX and just because price starts up towards a new zone but stops and goes back down this does not mean that that zone will not be reached. Price movements are series of ups and downs. We always go down at least some even when the ultimate SM target is higher up. They need to slowly deal with filling their buy orders, removing the supply overhead and the filling more buy orders and so on (opposite for SM selling). This is why we will often see what we think are SOS and are sure price is going up only to see a new low printed before the real move begins. A fake move down to suck in shorts while filling more buy orders a more attractive lower prices.

To succeed in trading we need to learn more than VSA or VZA we need to understand market dynamic and how buyers and sellers operate and how to tell which side the SM ultimately is on. Again if we trade on a lower TF we can still trade both the ups and downs however the big pips, longer term, higher RR trades will always be with the SM in their ultimate direction. The more buys we can get in on at lower prices while SM are also buying the more chance we can trail the trade for a great R:R provide we let the trade breath. How do we do this? We trail our SL's below the last locations we saw SM buying and work our way up with the SL below the buying swings. This answers a question from another post of yours. Yes I will hold trades for days if the PA allows it and if I was able to get in low (or high) enough to trail my SL successfully. Nothing better than getting in a trade with a nice tight SL and riding it for days gathering hundreds of pips and massive R:R.

I manage my risk and trades in such a way that any trade could turn into a runner however I take some of the table to balance my risk as soon as I can without ruining the trade.