

BBMA Trading Summary

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1. Prolog to this PDF

The BBMA trading strategy was developed by Oma Ally. As far as I know, Oma Alley is a highly respected trader from Malaysia. He even runs his own YouTube channel. Since it is not that easy to find more information about the complete approach of his BBMA trading strategy, I have compiled the things that I know in this PDF.

I do not claim that the information summarized here about Oma Ally's BBMA trading strategy is complete or error-free.

Nevertheless, I think that this PDF can save some interested trader a lot of time researching the BBMA strategy.

I also apologize for grammatical errors in this PDF. This text was partly created with a translator.

Finally, I would like to express my thanks to **Mr Oma Ally** for his wonderful BBMA trading strategy.

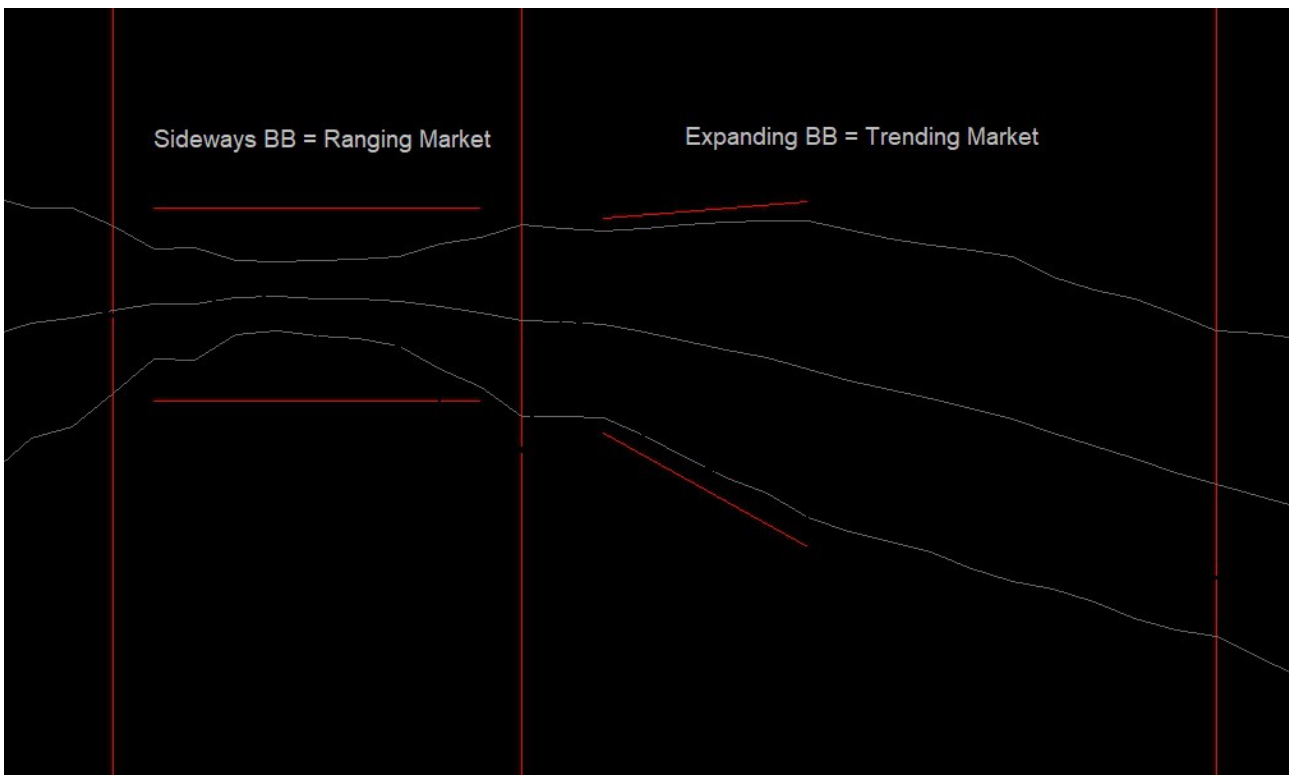
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2. Indicators and their functions

1. Bollinger Bands (20, 2.0)

The functions of the Bollinger Bands are several,

1. Identification of ranging market or trending market
2. Identification of low volatility or high volatility
3. Identification of signals like Extreme, MHV, CSD, CSM

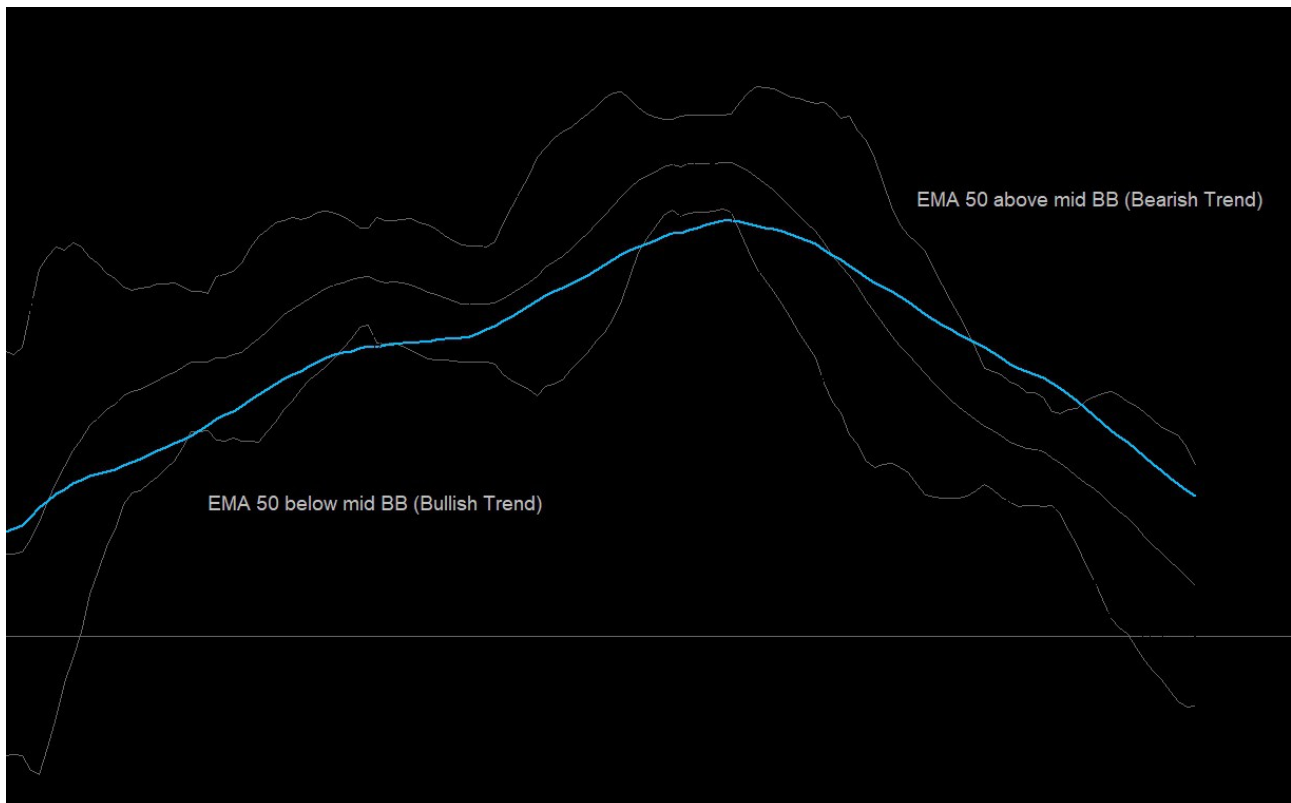


2. EMA (50)

EMA 50 is used to identify an uptrend or a downtrend,

EMA 50 above the mid BB = **Downtrend**

EMA 50 below mid BB = **Uptrend**

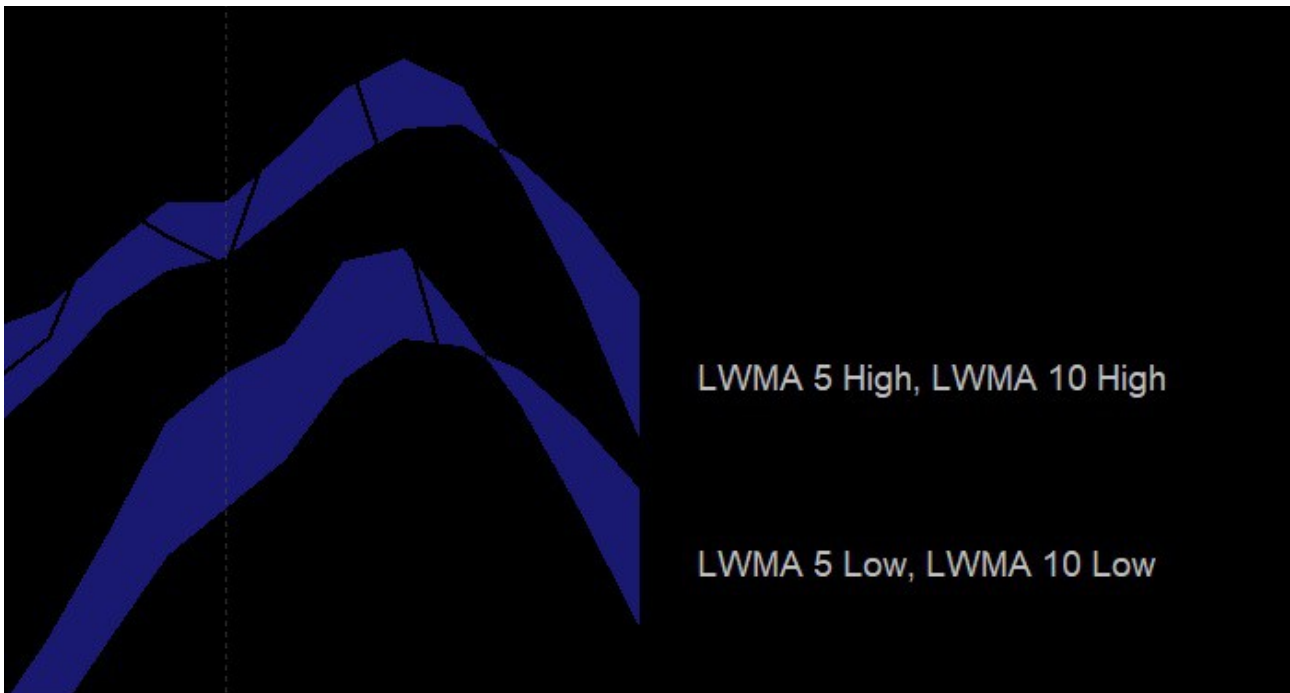


3. LWMA 510 Zones

The LWMAAs form reentry zones,

LWMA 5 High and LWMA 10 High form the reentry **sell zone**

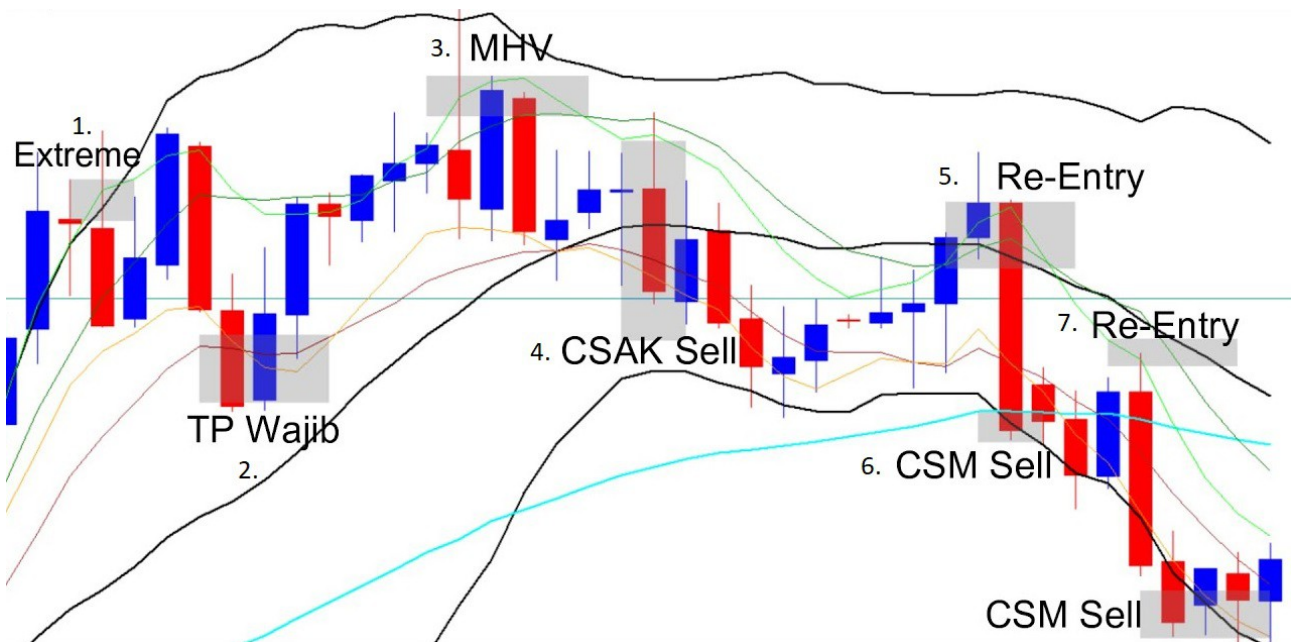
LWMA 5 Low and LWMA 10 Low form the reentry **buy zone**



3. The BBMA cycle

The complete BBMA cycle and its components

- | | |
|------------------------|----------|
| 1. Extreme | (Signal) |
| 2. TPW | (Signal) |
| 3. MLV | (Signal) |
| 4. CSD (CSAK) | (Signal) |
| 5. Reentry (after CSD) | (Setup) |
| 6. CSM | (Signal) |
| 7. Reentry (after CSM) | (Setup) |



In my opinion, the BBMA cycle has two important tasks:

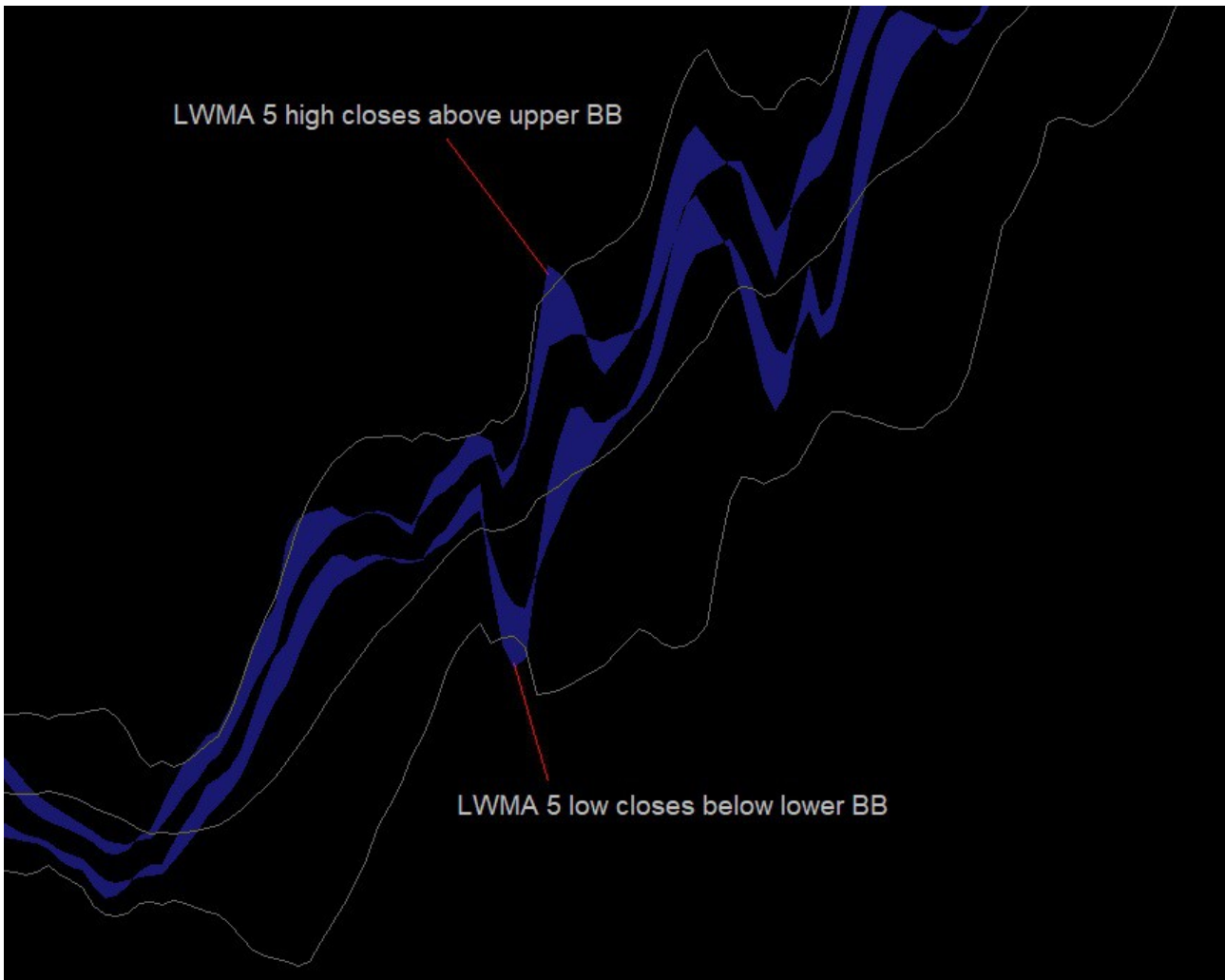
1. You can use this cycle to identify a major trend reversal early on
2. You can use this cycle to determine the end of a correction in an existing trend early on

4. The 7 components in the BBMA cycle

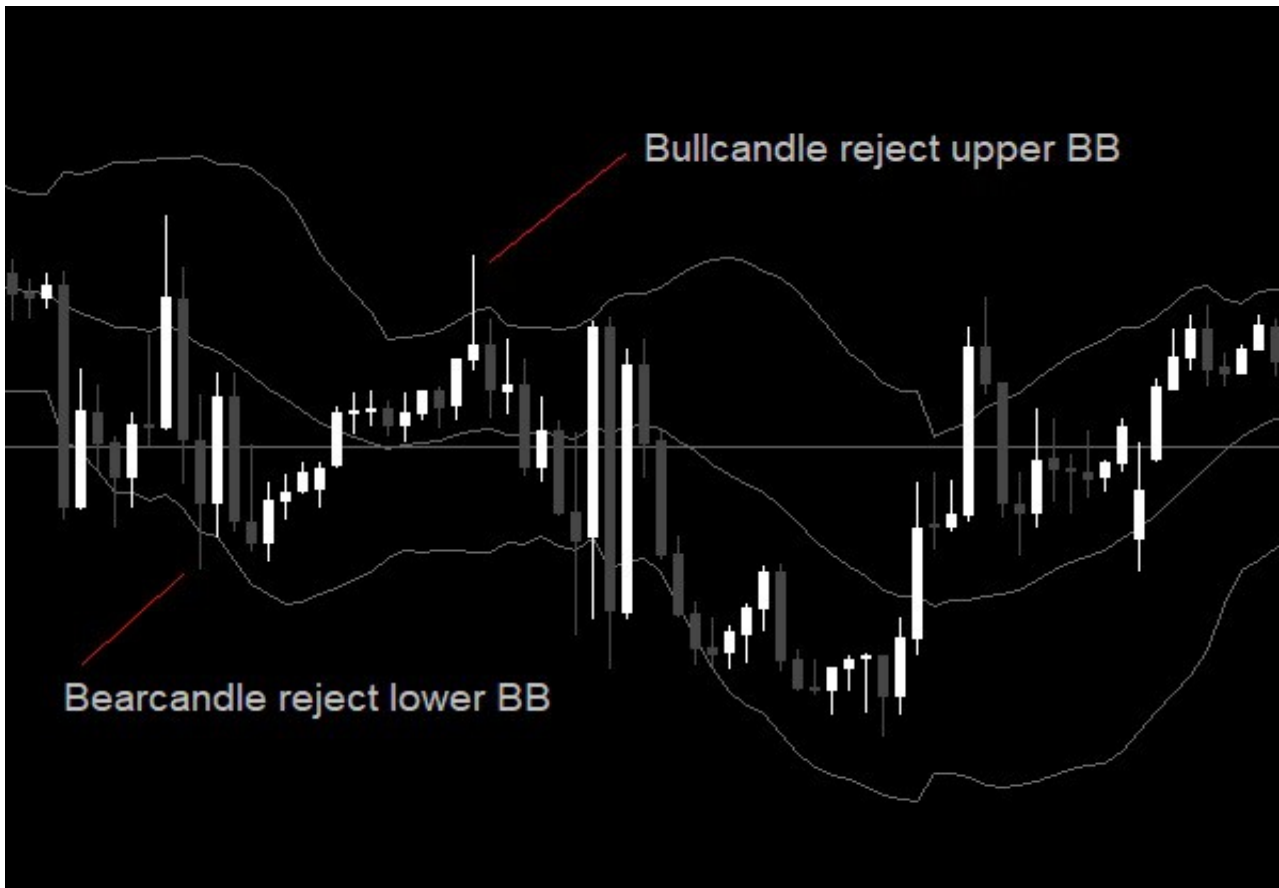
1. Extreme

An Extreme is a signal and not yet a trading setup. It is the first component in the BBMA Cycle. There are **4 different types** of Extreme:

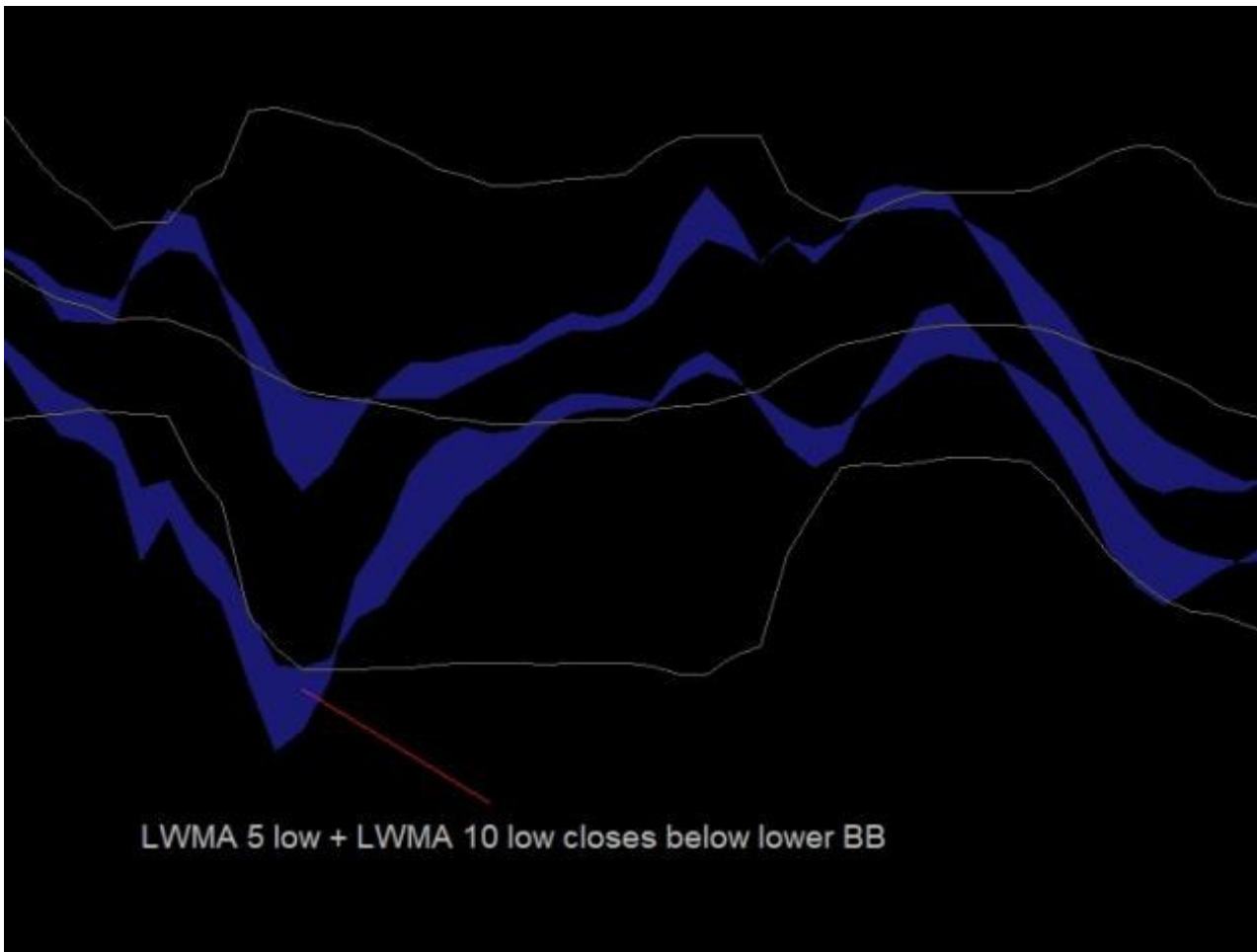
Extreme Type A: LWMA 5 high closes above the upper BB or LWMA 5 low closes below the lower BB



Extreme Type B: Bullish candle rejects upper BB or bearish candle rejects lower BB



Magic Extreme: LWMA 5 + LWMA 10 closes both either upper BB or lower BB
(very rare but powerfull)



Advance Extreme: Price rejects EMA 50



2. TPW (Take Profit Wajib)

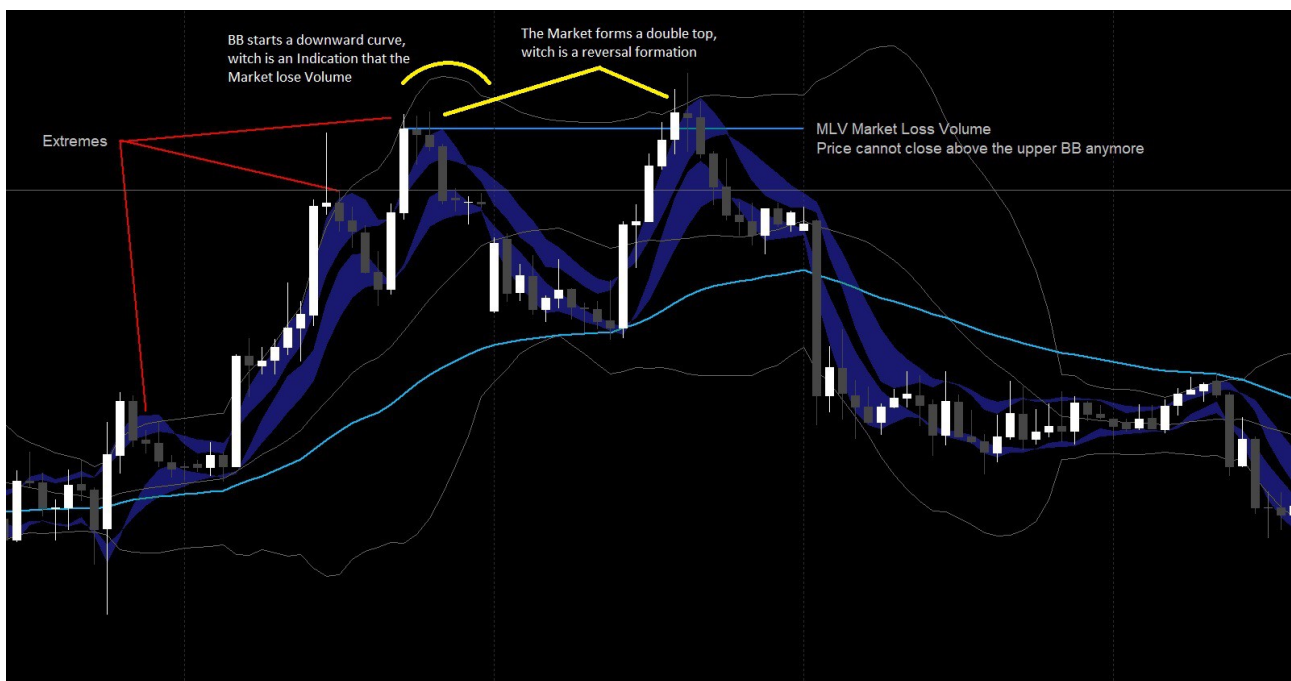
Take profit Wajib means in English you have to take profit. This component is a signal to take profit and belongs to the Extreme trade setup which will be discussed later in the BBMA setup section.

3. MHV/MLV

After Extreme and TPW have been explained, we move on to the **3rd** component MHV. To keep it simple, we use MLV for the abbreviation MHV, which stands for Market Loss Volume.

After several extremes have developed, the market eventually starts to lose volume. This becomes noticeable when the price no longer makes it to the upper or lower BB. This is a sign of weakness and it is then assumed that the market is losing volume.

MLV can appear in many different forms and is not always easy to interpret. For example, MLV can appear as a double top, head and shoulders or a quasimodo formation. There are also other MLV appearances and I believe that this is the most difficult part of the BBMA strategy to master.



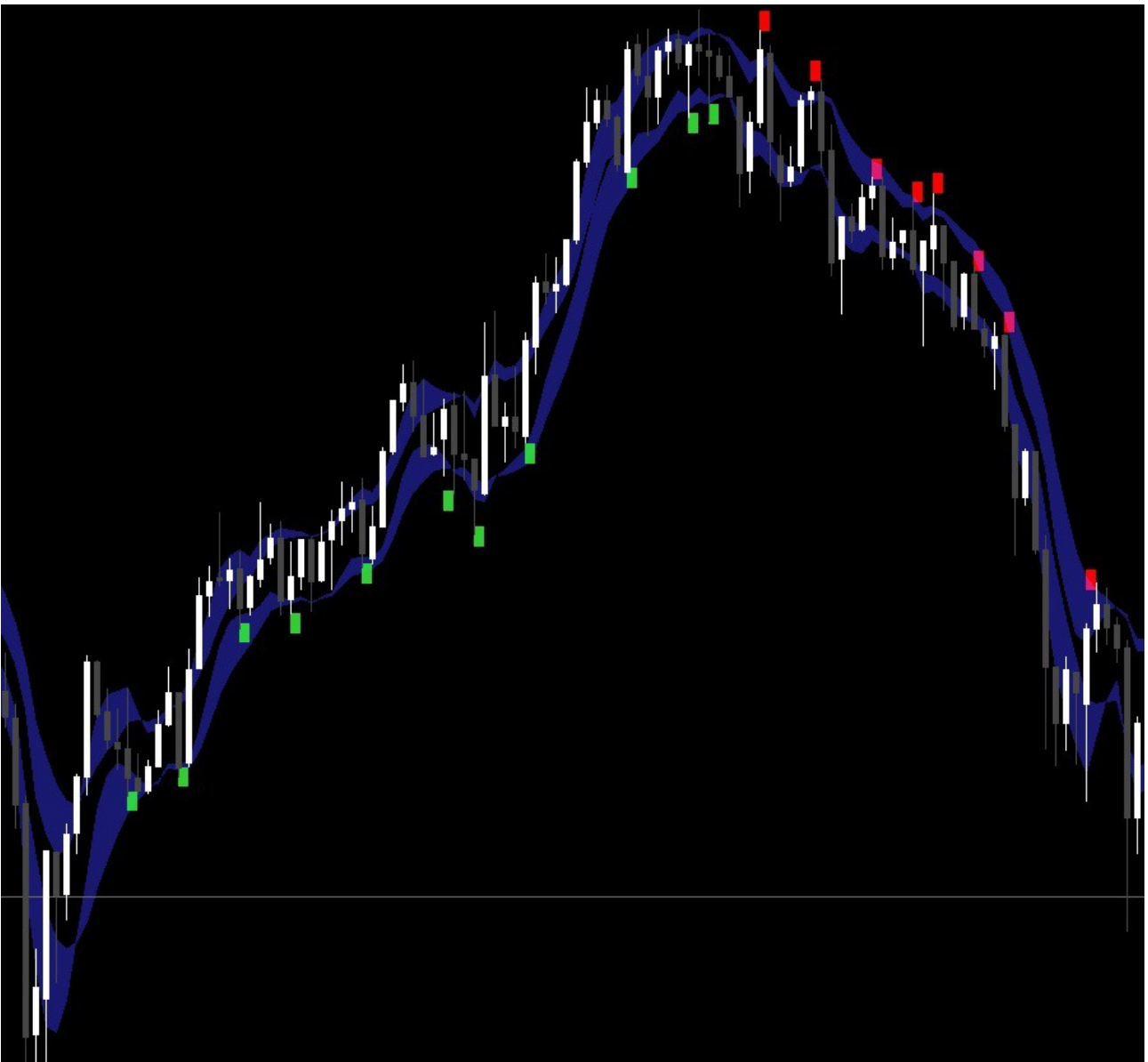
4. CSD

After it is clear that MLV has taken place, we find our confirmation in a CSAK or in english CSD (Candle Stick Direction). Since the market no longer has enough volume to continue its trend, it is now very likely that a major correction or even a complete trend change will occur. There are two kinds of a CSD signal, an early CSD and the normal CSD.



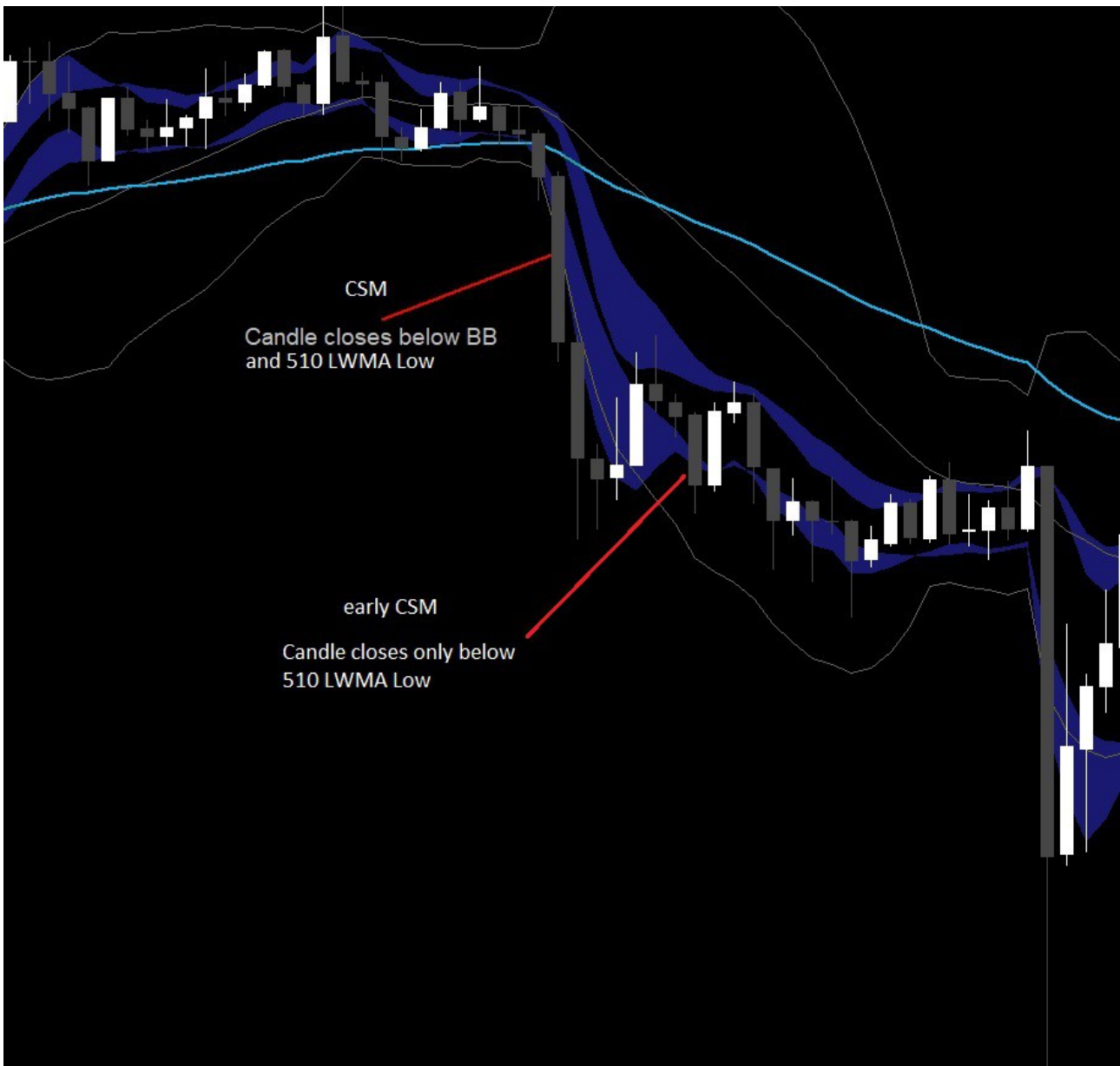
5 + 7. Reentries

The Reentry component represents a trading setup in the BBMA strategy. In total there are 4 Reentry Setups in BBMA Strategy (as far as I know) which will be later discussed in the setup section. Reentries are only permitted in the 510 LWMA zones or beyond.



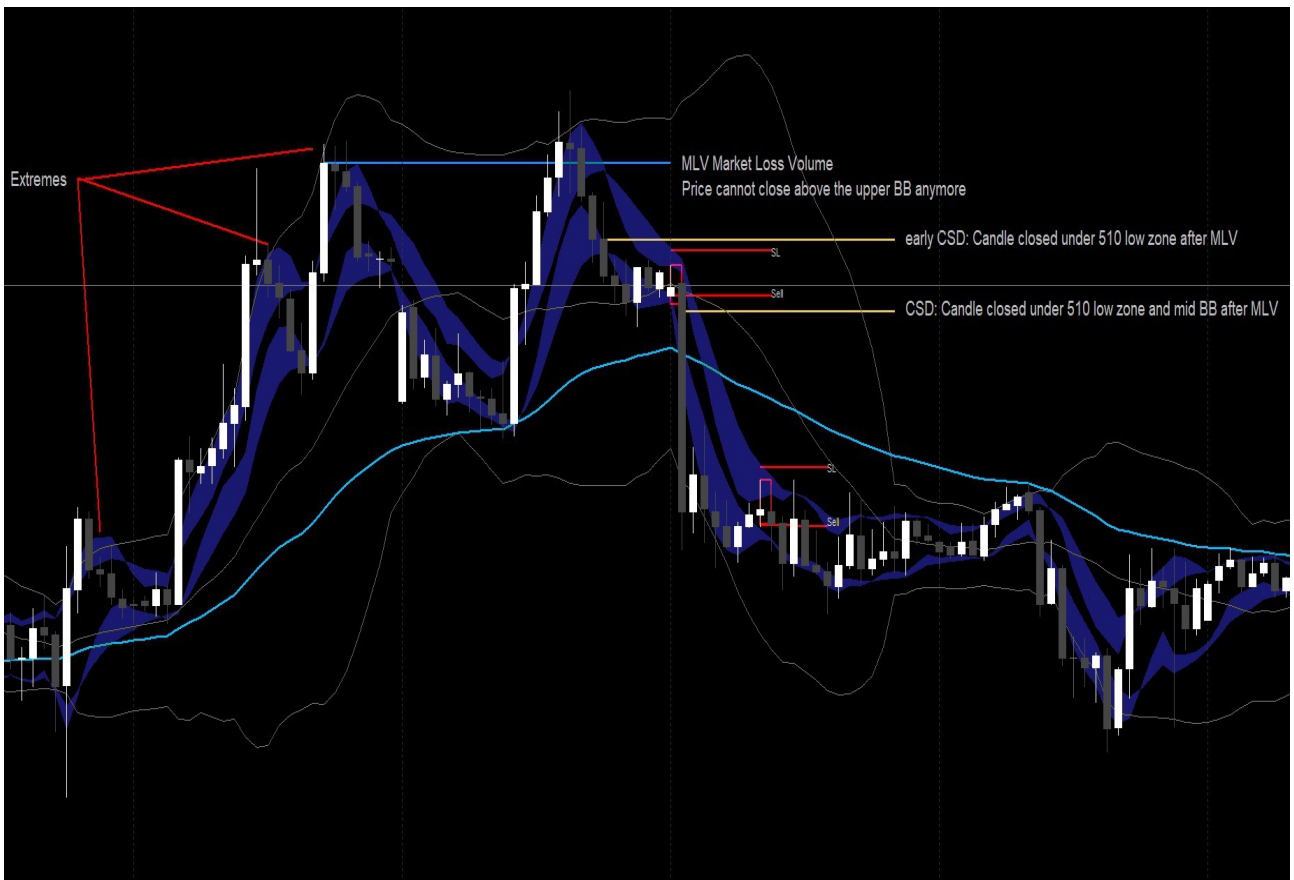
6. CSM

After a new trend has been established, we often get momentum in the new trend direction. CSM stands for candlestick momentum. This signal can be used to find the best trades in the BBMA strategy. There is also an early version of this signal that carries more risk than the normal CSM signal, the early CSM.



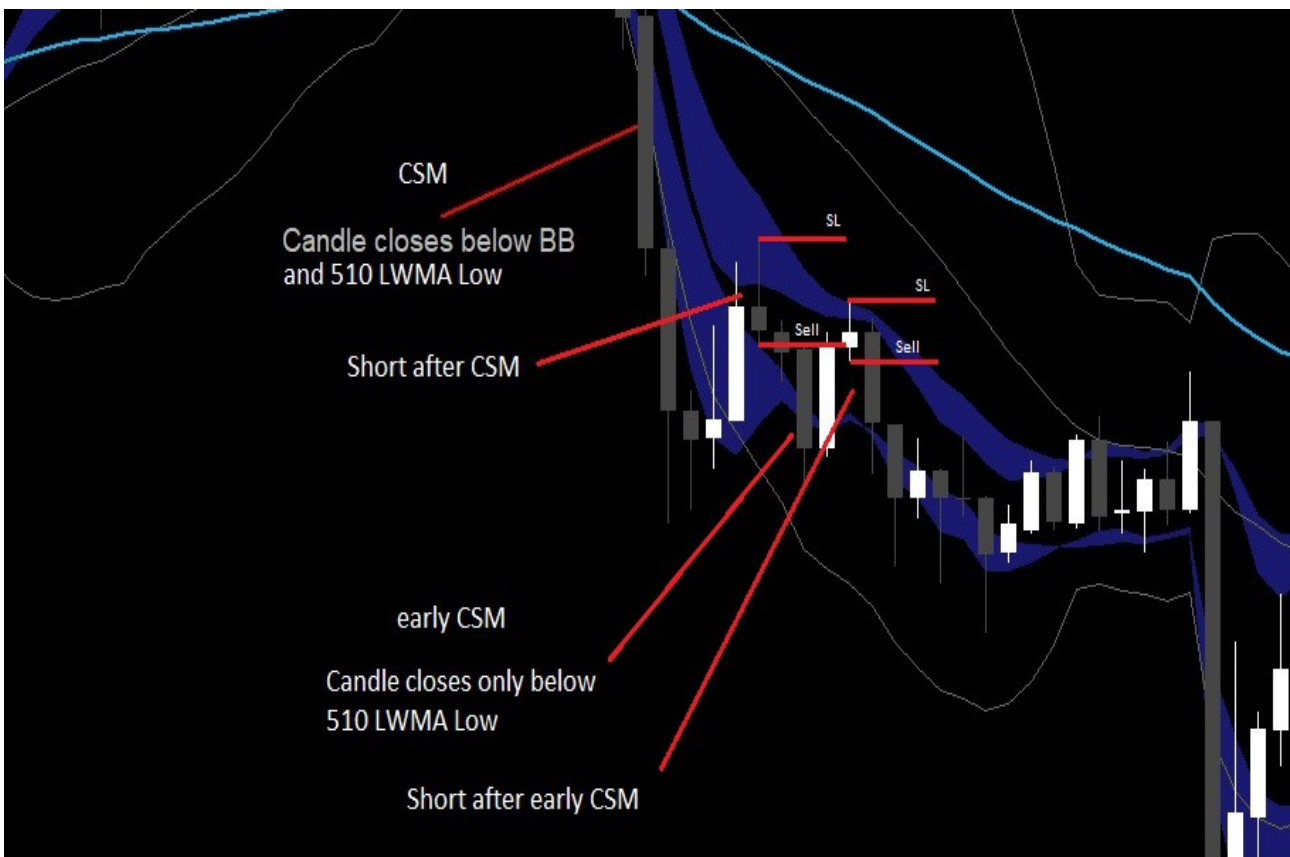
Second and third trading setup in the BBMA Cycle (Reentry after CSD)

After a CSD or an early CSD signal, we wait until the price corrects to the 510 sell zone to take a sell trade to the lower BB. TP is variable, you can take it to lower BB on higher timeframe or at supply or demand etc.



Forth and fifth trading setup in the BBMA Cycle (Reentry after CSM)

Basically the same story as CSD reentry. When a CSM sell or an early CSM sell signal appears we wait for at least a correction to the 510 high zone or beyond before making a short trade. TP is variable, you can it to lower BB on higher timeframe or at supply or demand etc.



It is also important to note that there are a total of 5 setups, of which only 2 are really strong in my opinion.

1. Extreme Setup (countertrend)
2. CSD Setup (trend reversal)
3. early CSD Setup (trend reversal)
4. CSM Setup (trend continuation)
5. early CSM Setup (trend continuation)

The CSD Setup and the CSM Setup are the strongest and very conservative. I consider the CSM Setup to be the strongest in BBMA Strategy. Now it is best to memorize these things and understand the logic of the BBMA cycle before you start fine-tuning in the form of multi-timframe analysis and other useful things.

7. Multi Timeframe Codes

For the multi timeframe analysis of the BBMA Strategy, 3 time frames are initially used. You can also decide which trading style is best for you.

- Position trading (MN, W1, D1)
- Swing trading (D1, H4, H1)
- Day trading (H4, H1, M15)
- Scalping (H1, M15, M5)

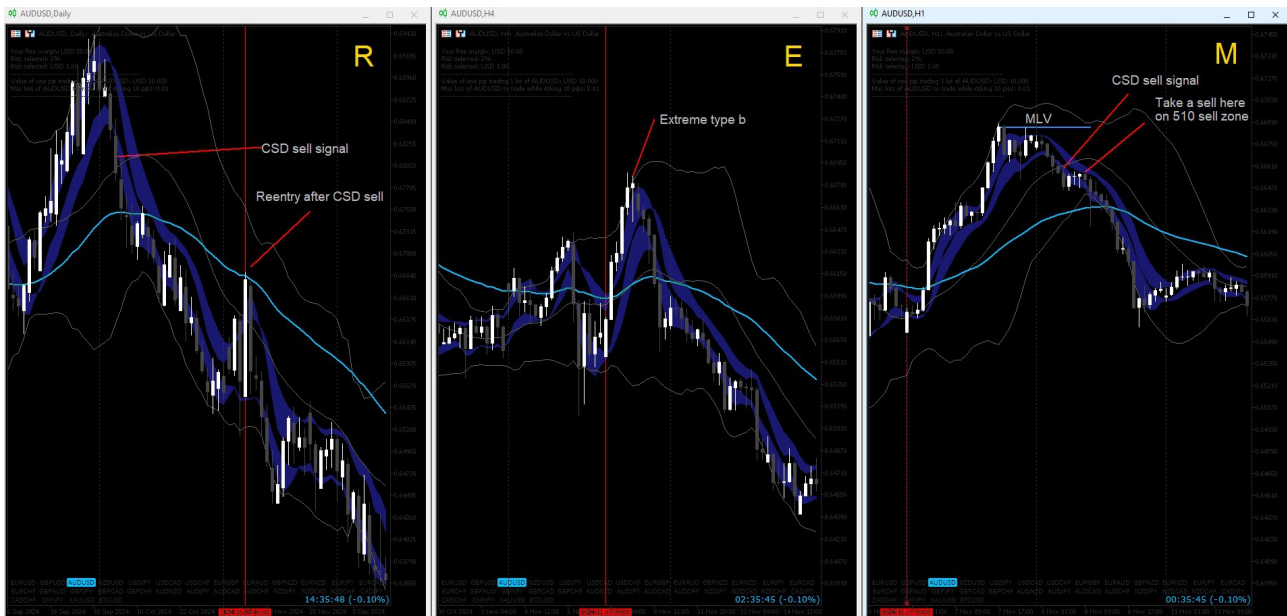
For the multi timeframe analysis, a checklist with various codes is used to find trading opportunities. In addition, these trading opportunities must be confirmed by this code on smaller time frames.

The list for the codes looks like this:

BBMA Multiple Timeframe				
M	R	R	R	R
W	E	R	E	M
D	M	E	E	EE
D	R	R	R	R
H4	E	R	E	M
H1	M	E	E	EE
H4	R	R	R	R
H1	E	R	E	M
M15	M	E	E	EE
H1	R	R	R	R
M15	E	R	E	M
M5	M	E	E	EE

R = Reentry
E = Extreme
M = MLV
EE = Double Extreme

Example for Swing Trading with REM code



On D1 chart we find a Reentry after CSD sell signal. Price rises beyond the 510 sell zone and also touches the EMA 50. (R)

On H4 chart we find an Extreme. (E)

On H1 chart we find MLV. (M)

We wait for the trading opportunity until the downward trend on the H1 chart is continued by a CSD. So we have a CSD sell signal on H1 and we wait for the correction in the 510 sell area where we then enter the sell trade. The SL could be above the MLV on H1 (50 pips) and the TP could be set on the lower BB on D1 (200 pips).

To get a better risk reward ratio, you could for example take the entry on M15 or M5 instead of H1. However, there is a higher risk of being stopped out.

The BBMA System thread on Forex Factory can be found at this link:
<https://www.forexfactory.com/thread/1329529-bbma-system>

best regards

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