How to Trade Using StatWare – Basic
Easy as 1 – 2 - 3

Here's an intro on how to get started trading with StatWare in a systematic manner. This covers entering the trade, managing the trade and exiting the trade.

1 - Entering the Trade

The indicator KEES stands for Kase easy entry system.

Blue dots for bullish and red dots for bearish show a bar's status.

Small dots tell you if a bar is bullish or bearish, but mean the bar didn't move in the right direction.

Large dots confirm a bar is bullish or bearish and mean that it moved in the right direction as well.

When there is a valid buy or sell setup an "L" for buy or "S" for sell will appear. The Kase approach is to wait for a letter, a pullback that doesn't make a new low or high, and then the same letter to display. With a second or consecutive L or S, a buy or sell signal has taken place.

The chart below shows a first buy signal followed by a pullback and then a second buy signal.

Step 1 – Getting In
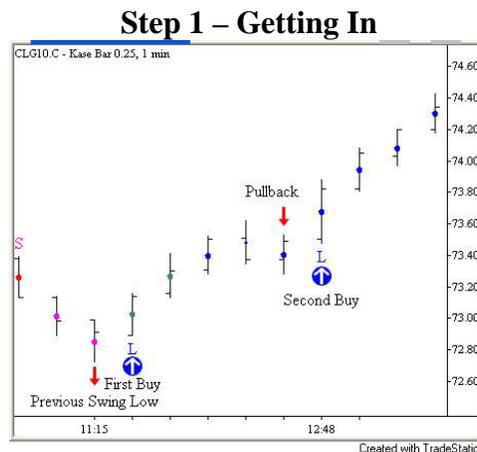
2 - Placing and Managing Stops

Plotting Kase DevStops on your chart is the only step you need to take to manage trade risk. The stop displays as four trailing stop levels.

The level farthest away from the market, called Dev3, is the stop to use should the market turn without warning. If your stop is hit, exit.

If the stop seems too wide to you, try dropping to a lower time frame, or trading less volume, or if you are willing to get stopped out a bit more often, pull your stop in to a closer level.

You can always scale out using the most distant two or three stop levels, to spread out your risk.

Step 2 – Placing Stops
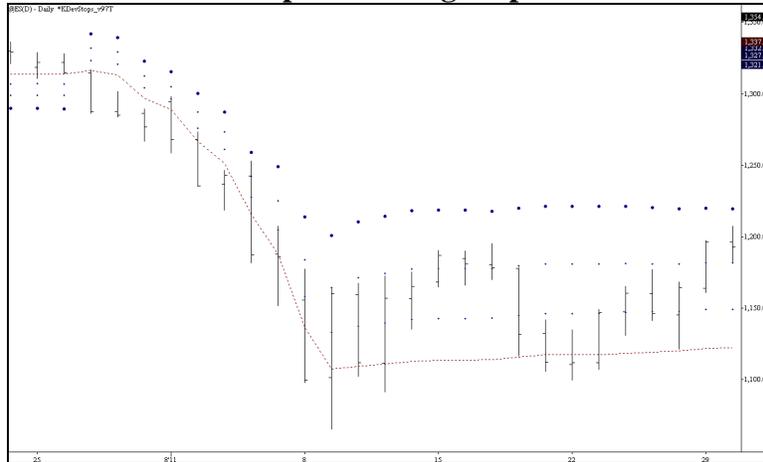
3 - Exiting the Trade

KPO and KCD are "momentum indicators".

Two types of exit signals are generated by momentum indicators - overbought or oversold signals and "momentum divergence" signals.

Kase StatWare will tell you when an exit on overbought or oversold is generated, with a green "P" on the KPO and a red "K" on the KCD.

Momentum divergence is a higher (or equal) high in price and a lower (or equal high) on the KPO or KCD and vice versa. Don't worry about that, though - Kase StatWare draws a green line and/or a red line for you to show that the KPO (red) or KCD (green) has generated an exit signal.

The manual will explain how much to exit when you get a signal or combination of signals.

The chart below shows both a red and green line. When you see that happen, get out. If you miss it - and you are using your stops – then they will get you out instead.

Step 3 - Exit Signal
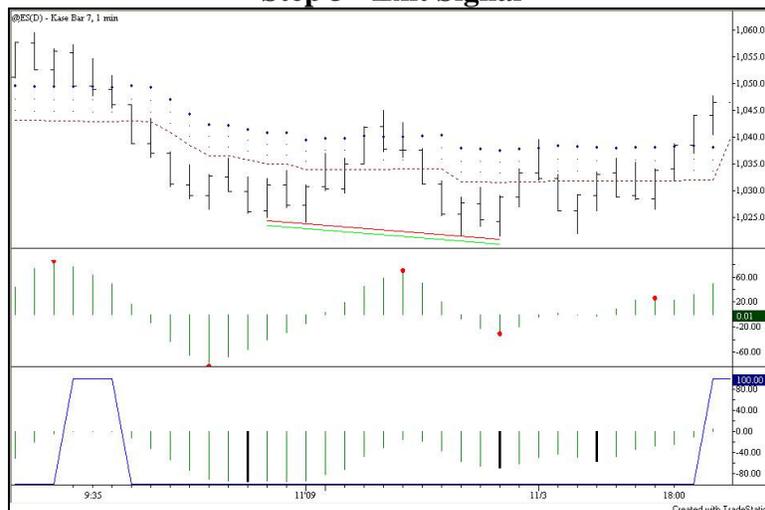
Now that you have exited, just go back to step one and start over!