How to Trade Using StatWare – Advanced
Easy as ABC

Trading with Multiple Charts (Bar Lengths)
If you are trading normally using 45-minute bars or longer, you might want to "scale-up" from shorter to longer bars using three charts. This is a way to limit risk.

To begin set up three Kase StatWare charts.

Chart A should be one-third to one-fifth the bar length of the chart you would normally use. So if you normally use an hourly bar, you might want to choose a 15-minute.

Chart B is the chart you would normally use to trade.

Chart C is usually three to five times longer than Chart B, or may be defaulted to a daily chart.

If you normally like to trade on a daily chart, and you are trading a market with a short trading day, just use two charts, such as an hourly and daily.

You can always use tick volume bars of KaseBars. See your manual for suggestions on how to choose bar lengths for those

Check the Risk
Take a look at the risk associated with the farthest stop on Chart B. If it's too high, you might adjust the bar length down. For example if an hourly chart's risk is a bit too high, try a 45-minute. If the risk is much lower than you expected, then you might be trading too short a timeframe.

Trading Up – Easy as ABC
Monitor both Charts A and B. Should either chart generate a full buy or sell signal as described in the basic rules, enter the trade on whichever chart generates the signal first. This usually is Chart A. Monitor the trade using the basic rules.

If entering a trade on Chart A, keep an eye on Chart B. If Chart B has triggered one L or S at the same time or after the second L or S on Chart A, an entry may be taken. Once on Chart B, monitor the trade using the basic rules.

If you would like to hold a winning trade longer, repeat the process for Chart C.

Below, Chart A has 15-minute bars, and Chart B 45-minute. Chart A has a second sell signal at 1:45 PM. Chart B has a confirming "S" at 2:15 PM. At that point, the trade had about $0.25 running profit, which acts as a buffer for the greater risk associated with the longer timeframe.

Moving from Chart A to Chart B

Chart B Triggers after Chart A

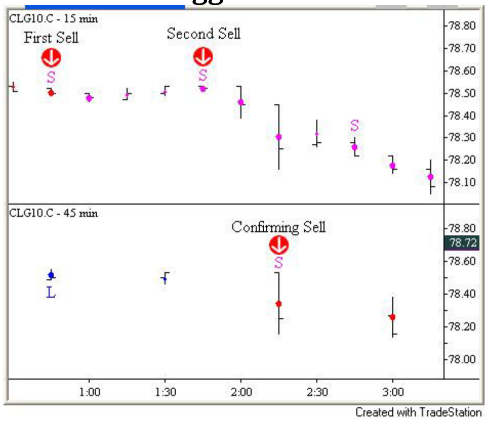
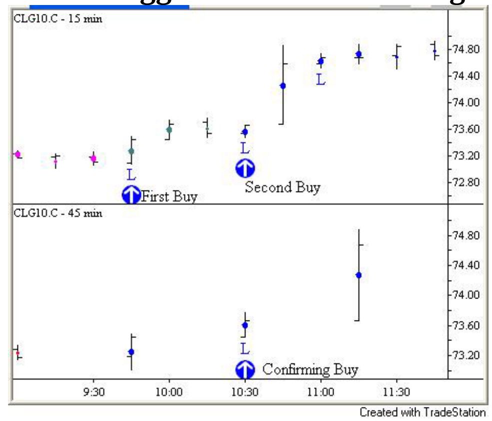


Chart B Triggers when Chart A Signals



Some Special Rules

If an incomplete exit has been taken and the market then continues in its original direction, the same approach as described above may be used to re-enter the portion of the trade previously exited.

If an incomplete exit has been taken and the market then reverses, generating a valid entry in the opposite direction, a stop and reverse trade may be taken.

The chart below shows a partial (80 percent) exit after a divergence, and then a second sell signal. At that point a 120 percent short is executed, closing out the 20 percent that had been long, and establishing a short trade.

Reversal Signal