

4.4.3 - Entry

**“Take time to deliberate,
but when the time for action has arrived,
stop thinking and go in.”**

...Napoleon Bonaparte

Entry Principles

Let's start with some basic principles of entry.

Imperfection

Should we use a breakout style entry (stop entry order) or work a better price through a pullback style entry (limit entry order)?

Unfortunately, the best entry technique for a particular price action setup CANNOT be known until the trade is over and reviewed with the benefit of hindsight.

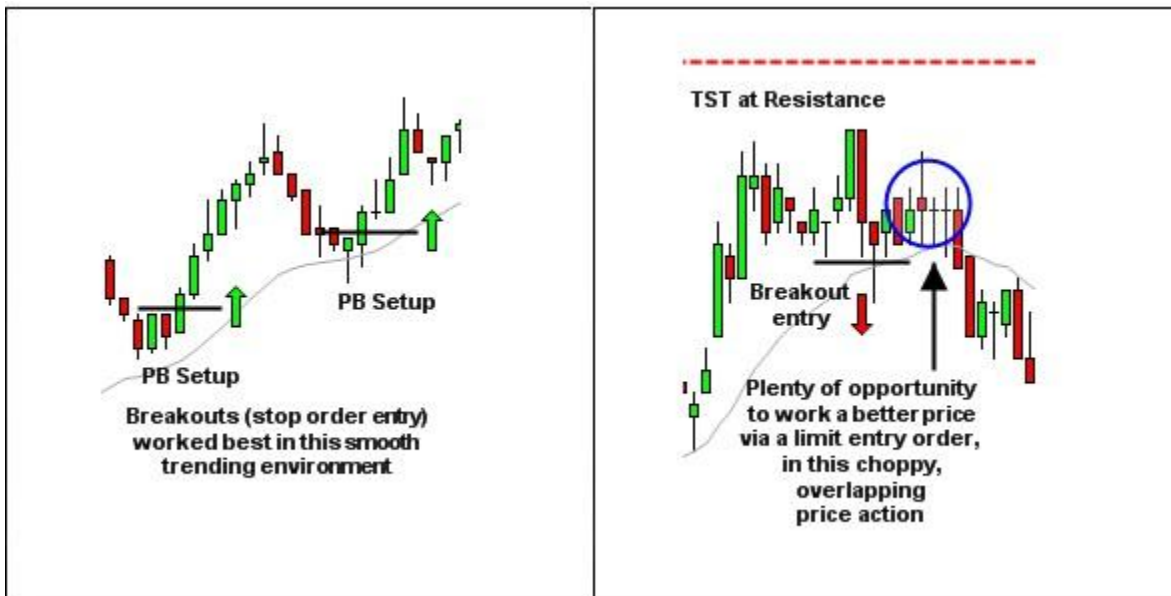


Figure 4.49 - Entry Uncertainty – Stop Entry or Limit Entry?

In figure 4.49, LHS, a breakout (stop order entry) was the best way to get into the trade. Price broke through the entry price and then didn't look back. There was very limited opportunity to get into a pullback (limit order) entry prior to the trigger, and certainly no opportunity after the