

# MOMENTUM BARS MAKE FOR GREAT TRADING CHARTS

August 1, 2016 — by [Troy Noonan](#) — 0

## Momentum Bars are Worth Your Attention as a Home Trader

Have you ever considered trading with Momentum bars? Time based charts and tick charts are not the only charts you should be paying attention to. Range bars give us a way of looking at charts that can really give us a big edge. Momentum bars are simply a type of range bar. In essence, the price bar is based on the price range in a market, not how much time has passed (time based chart) or how many orders have passed through the market (tick chart).

Counter Punch Trader loves price action and Range/Momentum bars show that to us in a very clear way. Three markets (there are plenty of others) that we really like trading with Momentum bars are Soybeans, Heating Oil and the Russell eMini. Check out these three trades from today's session as we head into the Dog Days of August. Notice how clean the setups are and how tradeable the chart looks. Each of these three markets were able to hit their tradeplan goals with the very first trade and were done very quickly. That's what we love. To be able to quit positive and finish trading fast and early leaving the rest of the day to enjoy and to pursue other things.

**SOYBEANS HITS ALL OF ITS TARGETS AND WAS ONE AND DONE TODAY USING A 5 TICK MOMENTUM RANGE BAR. WE USE THIS CHART EVERY SINGLE DAY WITH SOYBEAN FUTURES WHICH IS A GREAT TRENDING COMMODITY. SOYBEAN FUTURES TRADE LIKE THE ES, \$50 PER POINT, \$12.50 PER TICK.**



HEATING OIL FUTURES ALSO FIRED ON ALL CYLINDERS HITTING EACH OF ITS TARGETS WHILE PICKING UP A NICE TRAILER. WE LIKE A 20 TICK MOMENTUM BAR WITH THIS MARKET.



This 8 tick Momentum Bar with the Russell eMini makes this market more reasonable for many home daytraders. Profitable, too. Each point is worth \$100 per contract. Today it too was one and done, hitting all its targets and a trailer for a sizable gain. Notice how clean and straight forward this chart looks. As with all range bars, each bar is the same size, in this case, 8 ticks. As the 8 tick range is exceeded, a new bar prints. Regardless of what market you trade, forex, futures, stocks, etc., who wouldn't want to catch a short like this?

THE RUSSELL EMINI, USING THIS 8 TICK MOMENTUM BAR WAS ONE AND DONE TODAY, HITTING IT OUT OF THE PARK WITH A NICE RUNNING TRAILER TOO, ALL WITHIN 12 MINUTES.

