



**PRICE
ACTION
TRADING
GUIDE**

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The Retail Trader's Edge

Trading is one of the most misunderstood professions.

To the average person, it looks like gambling. Fast, emotional, and reckless. Whether it's stocks, forex, options, even crypto — many see risk, not structure.

But as Warren Buffett once said, “Risk comes from not knowing what you’re doing.”

Smart traders know what we’re doing.

We don’t gamble, we manage risk.

We don’t guess, we prepare.

But there’s a side of the market that often goes unseen...

**Price doesn’t just move.
It’s manipulated, managed, and often misleading.**

The market isn’t random; it’s engineered by those who know how to move prices and trigger emotions. Retail traders often lose because they fall into traps they don’t see coming.

Mastering Price Action Manipulation™ lets you spot these setups, decode the deception, and profit alongside the big players.

In this guide, you’ll learn the foundation and thinking patterns behind price action trading. We’ll explore how markets move, who’s moving them, and how to navigate the battlefield with confidence — not confusion.

Because in this game, you either outplay the market...

Or the market plays you.

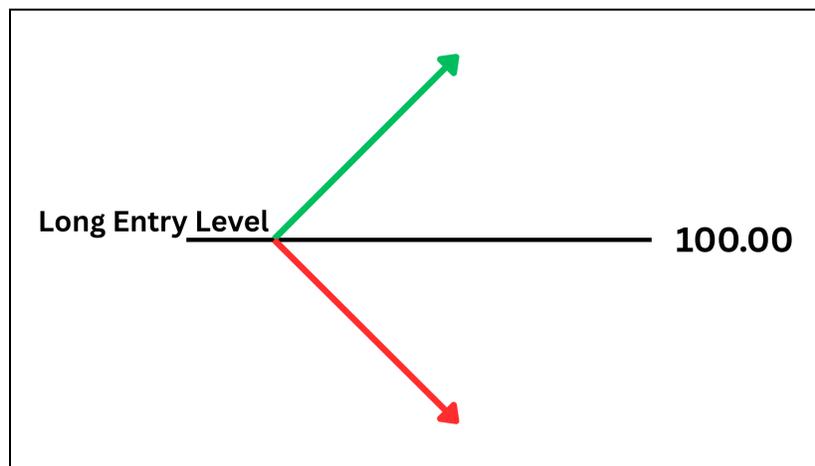
Let's Start with the Basics

Most people step into the markets thinking there's only one way to win: buy low, sell high. That's what long-term investors do. And it works — in a rising market.

But what happens when the market crashes?
What happens when price dives, volatility explodes, and fear floods the charts?

This brings us to the real power of trading:
You're not limited to one direction.

Long position: Profit from a rise in price of the underlying asset.

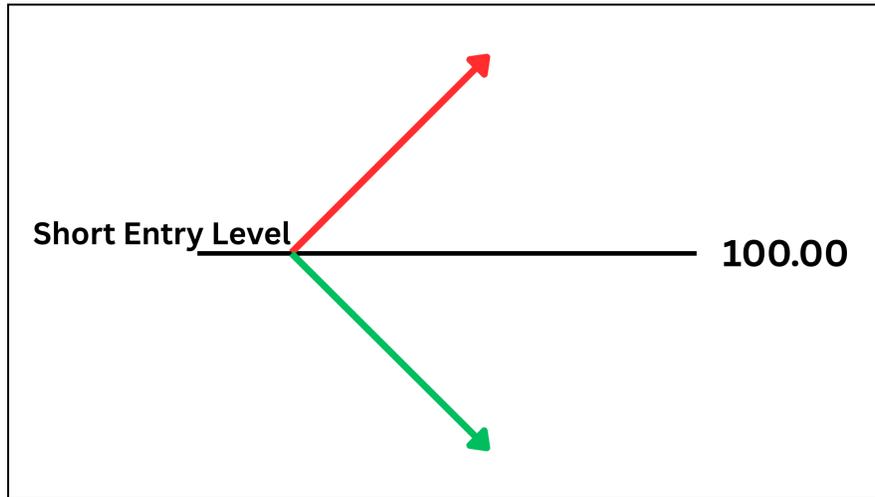


Going long means buying first, and profiting when the price goes up.

You buy a stock at \$100 and sell it when it rises to \$120 and pocket the \$20 difference.
If the price falls below \$100, you lose money.

We say a trader is **bullish** when he believes the price will go up.

Short position: Profit from a decline in price of the underlying asset.



Going short is to do the opposite. Instead of buying low and selling high, you sell high first, then buy back lower to close the trade, keeping the difference as profit. But if the price goes above your short price, you lose money.

We say a trader is **bearish** when he believes the price will fall.

How Traders Make Money from the Market



What Drives Price Movement?

If you've ever wondered *why* prices suddenly shoot up or crash down... it all comes down to two things:

Long-Term: Price Follows Value

Over time, the price of a stock or asset tends to follow its fundamentals—things like earnings, company growth, industry trends, and economic strength. When a company consistently grows profits, its stock generally climbs. This is what long-term investors focus on: *underlying value*.

But that's the slow, steady story.

Short-Term: Price Follows Emotions

In the short term, price is often ruled by raw emotion—**greed and fear**. Traders reacting to headlines, rumors, earnings surprises, or central bank decisions can trigger sharp moves in a matter of minutes.

Think of it like a stampede: once a few people start running, the whole crowd follows—whether it's toward profits or away from danger.

Real-World Examples

Let's look at two recent cases:

- 1) On Monday, 14 July 2025, NVIDIA (NVDA) announced that it has won approval from the Trump administration to sell its top-selling H20 AI chip to China. Share prices jumped 4% by midday the next day.



- 2) Just one week after the devastating tariff announcements, on April 9, 2025, the Trump administration announced a pause on many of the threatened tariffs and hinted at de-escalation in trade disputes. The S&P then soared ~10%, one of the largest single-day percentage gains in recent history.



These sudden moves aren't always logical. They're emotional reactions creating *imbalances* in supply and demand. And when more people want to buy than sell? Prices go up. When panic takes over and everyone rushes to exit? Prices tank.

The Bottom Line: It's a Game of Supply and Demand

Price is ultimately a reflection of supply and demand—but what fuels that supply and demand?

Greed and fear.

And that's where **Price Action Trading** comes in.

Because if you can read those emotional imbalances on a chart, you don't just react to the market...

You *profit* from it.

What Is Price Action Trading?

Price Action Trading is the art of making trading decisions based purely on *price movement itself*—without relying on technical indicators like RSI, MACD, or Bollinger Bands.

In other words, it's about reading the **story behind the candles**.

Every candlestick reflects what buyers and sellers are doing in real time—when they're aggressive, when they hesitate, and when the tide starts to turn.

A price action trader doesn't ask, *"What does this indicator say?"*
He asks, *"What is price telling me right now?"*

How Is Price Action Different from Trading with Indicators?

There's more than one way to trade the markets—and each trader eventually finds a style that suits their personality and goals.

At Piranha Profits, we teach both:

- Price action strategies that rely on raw price movement
- Indicator-based strategies that use technical tools like moving averages or oscillators

But what's the real difference?

Let's break it down.

Trading with Indicators

Indicator-based trading uses calculated tools (like RSI, MACD, Moving Averages, Bollinger Bands) to help identify potential entry and exit points. These tools are based on historical price and volume data.

✓ Pros	✗ Cons
<ul style="list-style-type: none">• Helpful for new traders to spot signals and patterns• Can add structure and consistency to a trading system• Easier to automate and backtest	<ul style="list-style-type: none">• Most indicators are lagging—they react after price has moved• Can create information overload with too many signals• May cause traders to ignore what price is really doing

What an indicator-based chart looks like...



Trading with Price Action

Price Action trading focuses purely on reading the market's behavior through candlesticks, patterns, and key price levels—without relying on external tools.

✓ Pros	✗ Cons
<ul style="list-style-type: none">• Based on real-time price behavior—no lag• Helps traders develop a deeper intuition and market feel• Clean, uncluttered charts = faster decision-making• Adaptable across all markets and timeframes	<ul style="list-style-type: none">• Requires more screen time and focus to master• May feel “less structured” for beginners• Can be harder to backtest systematically

What a price action chart looks like...



So, Which is Better?

It depends on the trader.

Some prefer the structure and signals of indicators. Others enjoy the freedom and clarity of price action.

At the end of the day, **all indicators are derived from price**—so learning to read price action gives you a solid foundation no matter which strategy you eventually use.

Even if you trade with indicators, price action can help you filter out false signals, improve timing, and gain an edge over traders who blindly follow their tools.

Understanding Price Action

Bars – The Story of Price

Price bars (also called candlesticks) are the building blocks of every chart. Each bar shows the battle between buyers and sellers during a specific time period—whether that's a minute, an hour, or a day.

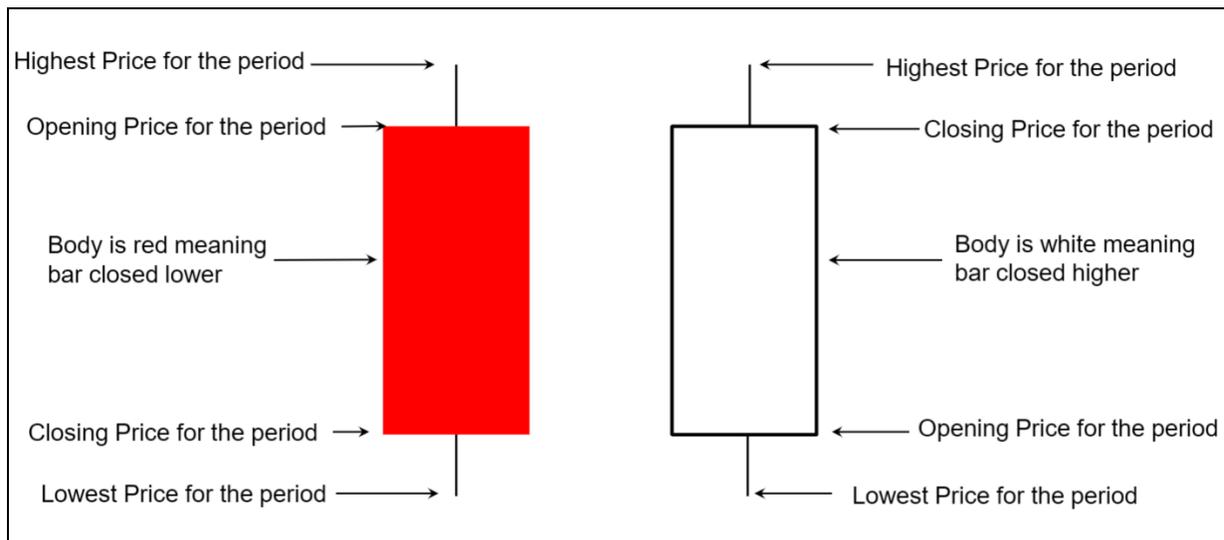
Here's how to read them:

- **White bar = Price closed higher than it opened**
(Buyers were stronger — price went up)
- **Red bar = Price closed lower than it opened**
(Sellers were stronger — price went down)

Each bar tells a story:

- The **top and bottom wicks** show the highest and lowest prices reached
- The **body** shows where price started and ended during that period

Think of each bar as a tug-of-war. The winner? Whichever side closes the bar.



Identifying Price Trends

Before you can make smart trading decisions, you need to know which direction the market is moving. In price action trading, we look at the **trend**—whether price is generally going **up**, **down**, or **sideways**.

Why is this important? Because **trading with the trend** puts the odds in your favor. It's like swimming with the current instead of against it.

▲ Uptrend – When the Market is Climbing

An uptrend shows strength in buying pressure. Traders often look to *buy on dips* during an uptrend.

Key traits of an uptrend:

1. **Higher Highs** – Price reaches new peaks each time it rallies
2. **Higher Lows** – Price doesn't fall as low as before when it pulls back
3. Overall, price is *climbing steadily* over time



▼ Downtrend – When the Market is Falling

A downtrend shows strength in selling pressure. Traders often look to *sell on rallies* during a downtrend.

Key traits of a downtrend:

1. **Lower Highs** – Price fails to climb as high with each bounce
2. **Lower Lows** – Price keeps falling to new depths
3. Overall, price is *drifting downward* over time



📌 Tip: Trends can exist on any timeframe—from 5-minute charts to monthly charts. But no matter the timeframe, the pattern of highs and lows tells the story.

► Consolidation

A consolidation happens when price moves sideways in a tight range. It shows **indecision**—neither buyers nor sellers are in control.

During this phase, traders often stay on the sidelines or prepare for a breakout.

Key traits of a consolidation:

- **Flat Highs and Lows** – Price bounces between clear support and resistance levels
- **No Clear Trend** – Price isn't making new highs or lows
- **Low Momentum** – Smaller candles, tighter ranges, lower volatility



📌 Tip: Price often breaks out of consolidation with strong momentum—either up or down. That's why many price action traders keep a close eye on these zones.

Support and Resistance: The Market's Natural Boundaries

Support and resistance act like **invisible barriers** on the chart—levels where price tends to pause, bounce, or reverse.

Support – The Floor Beneath Price

Support is a price level where **buying interest is strong enough to stop price from falling further**. It's like a *floor* that cushions price.

When price drops to a support level, buyers often step in, pushing price back up.

If support is tested multiple times and holds, it becomes stronger.



Support levels aren't always horizontal lines. They can also take the form of dynamic support, such as a **moving average (MA)**—a popular indicator used by many traders.

Some of the most commonly used MAs are the **50-day, 150-day, and 200-day** moving averages on daily charts.

These moving averages often act like *flexible support zones* where price bounces off, especially in trending markets.

Here's an example of the 200-day MA acting as a support level:



Resistance – The Ceiling Above Price

Resistance is a price level where **selling pressure is strong enough to stop price from rising further**. It's like a *ceiling* that price struggles to break through.

When price rises to a resistance level, sellers often take profit or enter new short positions, causing price to fall.

Like support, the more times resistance holds, the more significant it becomes.



Here's an example of the 50-day MA acting as a resistance level:



Role Reversal: When Support Becomes Resistance (and vice versa)

Once broken, support can turn into resistance, and resistance can become support. This happens because market participants “remember” these levels and react to them again in the future.



Why Support and Resistance Matter to Traders

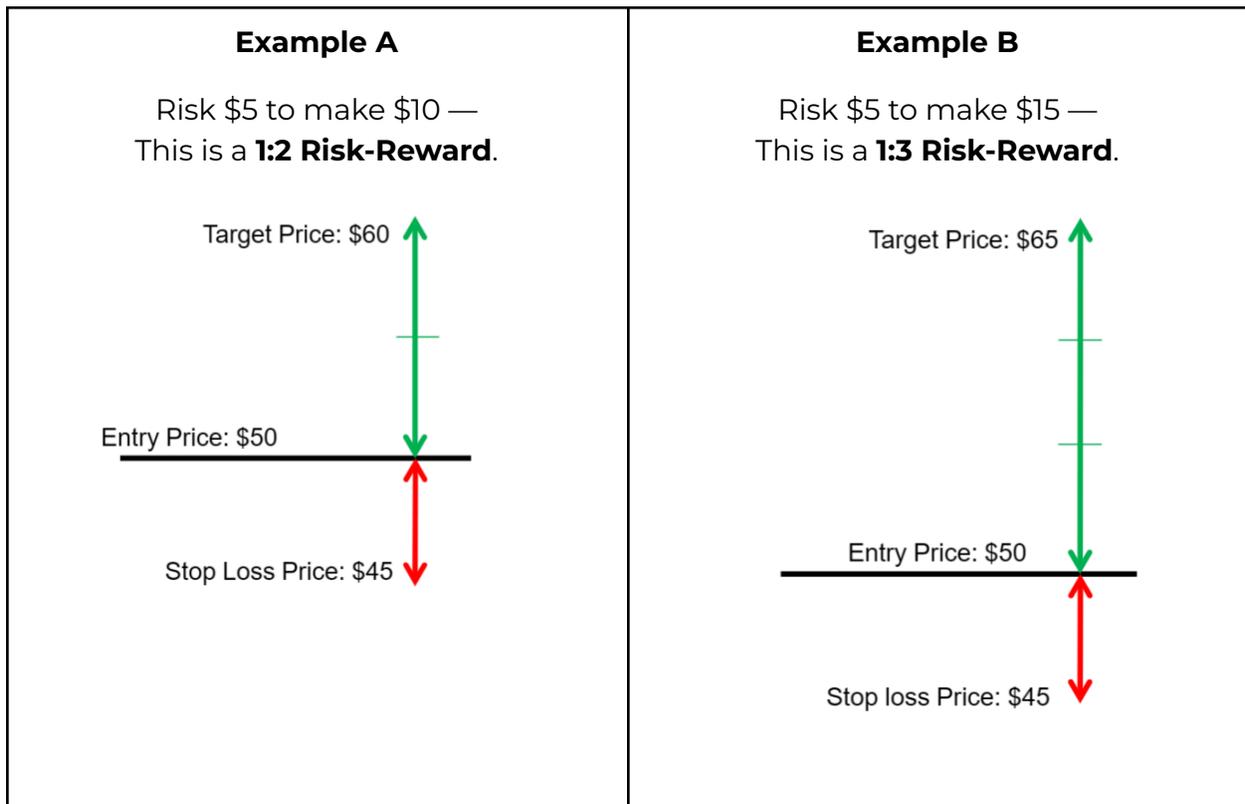
- They help you spot **entry points**, **take-profit zones**, and **stop-loss areas**
- Many price action patterns form **at or around** these key levels
- Understanding these zones gives you insight into **where the market is likely to react**

Price may move randomly in the short term—but it often respects key levels from the past.

Building Blocks of a Trade

Before a trader makes a trade, he needs to plan four things:

- **Entry Price** – The level where you enter (buy or sell)
- **Stop-Loss** – The level where you exit if you're wrong (limits your loss)
- **Profit Target** – The level where you exit for profit
- ⚖️ **Risk-Reward Ratio** – How much you're risking vs how much you could gain



So... shouldn't every trader aim for the highest reward possible?

Not necessarily. The higher your target, the harder it may be to reach. That means a higher chance of getting stopped out before the market moves in your favor.

Smart traders aim for a reward that's worth the risk; a stop-loss that protects them; and a target that's realistic, not wishful thinking.

You don't need to be right all the time—you just need your winners to outweigh your losers.

How Price Action Traders Make Money

Now that you've seen how price moves in trends, and how we plan trades with entry, stop-loss, and take-profit... it's time to answer the big question:

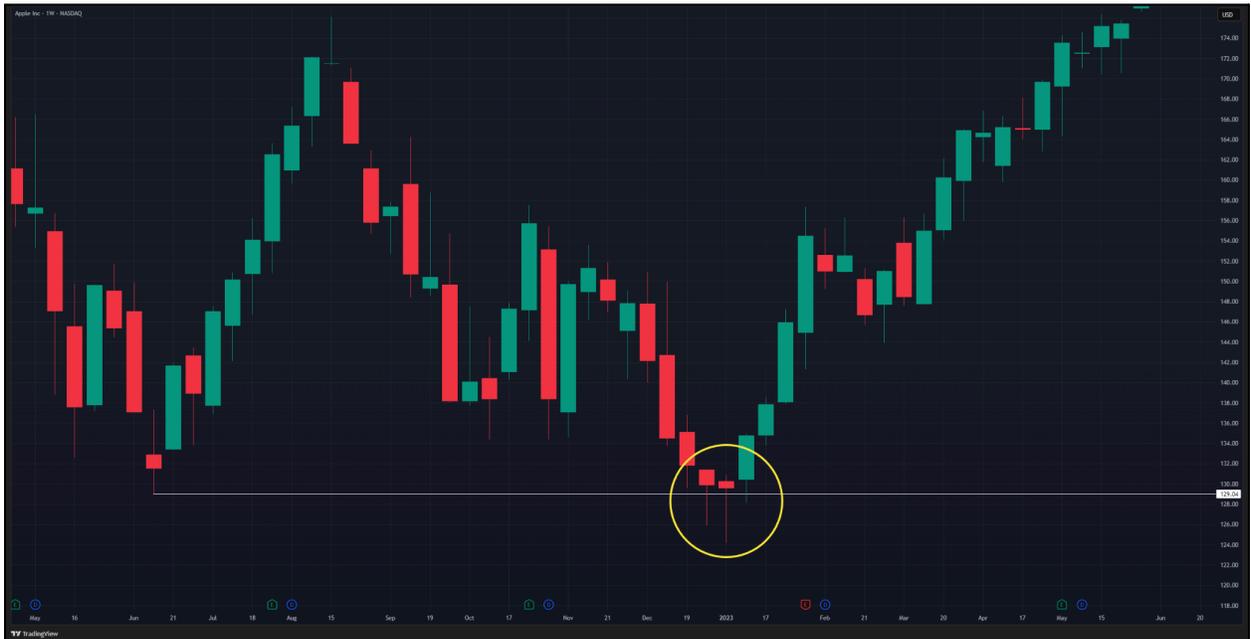
“How do price action traders know *when* to enter a trade?”

The answer is **by spotting patterns in price behavior**—especially at key support or resistance zones.

These patterns aren't random. They reflect the *psychology of the market*—moments when the balance of power shifts between buyers and sellers.

Let's look at some **typical bullish signals** that price action traders use to enter long trades...

1. Bullish Pin Bar (Rejection Candle)



- Long lower wick shows price was pushed down, but buyers fought back and closed the bar higher
- Signals **rejection of lower prices** at support
- Often used as an entry signal after a pullback in an uptrend

Trade idea: Buy after confirmation bar closes above pin bar high

Stop-loss: Below wick low

Target: Nearest resistance or swing high

2. Bullish Engulfing Pattern



- A small red candle followed by a large green candle that fully “engulfs” the previous body
- Shows **strong shift in momentum** from sellers to buyers
- Often appears at the end of a downtrend or at a pullback zone

Trade idea: Enter on breakout of the bullish candle high

Stop-loss: Below the pattern’s low

Target: Swing high or Fibonacci level

3. Double Bottom / W Pattern



- Price forms **two swing lows** at roughly the same level, rejecting support twice
- Often seen after a downtrend as a **reversal signal**
- Second low is usually followed by a strong bullish move

Trade idea: Enter on breakout above the neckline (middle peak)

Stop-loss: Below second bottom

Target: Height of pattern projected above neckline

4. Breakout of Consolidation



- Price moves sideways in a tight range, then breaks out with strong momentum
- A sign of **accumulation** followed by a **surge in demand**
- Works best when aligned with the overall trend

Trade idea: Enter on breakout candle close

Stop-loss: Below consolidation range

Target: Measured move or resistance level

But hold on...

If it were that simple, wouldn't *everyone* be making millions from these patterns?

That's where the plot thickens.

The Dark Side of the Market

Until now, we've shown you the bright side of trading—bar, trends, support, resistance, bullish signals.

But here's the uncomfortable truth...

If reading price action were so straightforward, everyone would be raking in millions. So why do most retail traders still lose money?

Because they're playing a game **they don't realize is rigged.**

Introducing... the Market Makers

Ever wondered why we can just buy or sell anytime in the financial markets? It's as if buyers and sellers automatically meet at a mouse-click. That's because Market Makers stand by to take care of this — as middlemen, they keep the markets running smoothly.

Market Makers are big market players who have the financial muscle to fund sheer volumes of trades — even when there's no ready buyer or seller. In doing so, they literally “make the market”.

That's great for us, because without Market Makers, it'll take much longer to match buyers with sellers. And as profit-driven traders, we know time is money.

But the real question is... are Market Makers truly on our side?

Market Manipulation:

Who Do the Market Makers Actually Profit From?

Market Makers aren't charities—they're in it for profit. And where does that profit come from?

Us. The retail traders.

As middle-men of all trades, Market Makers profit by swaying supply and demand. As they buy and sell high volumes of stocks and currencies — often among themselves — they can “print” candlesticks to create deceptive price patterns.

That's when prices suddenly plunge or hike — catching us traders off-guard and hitting our stop-losses. These are what the industry calls “bull and bear traps”, and it's how the big players make money off retail traders like us.

How Market Makers Fool Retail Traders

Ever noticed how a stock seems to be rallying... only to U-turn the moment you enter the trade?

This is a sign of market manipulation at play.

Market Makers make use of price traps to prey on retail traders' emotional buying & selling behaviors, such as FOMO (Fear of Missing Out), panic selling and greed at the sight of a breakout.

There are two kinds of price traps:

- **Bull Traps** – Fake breakouts to lure in eager buyers... before slamming price down
- **Bear Traps** – Sudden plunges that trigger panic selling... before the price rebounds hard

Let's look at a classic bear trap example.

The chart below shows a **false break pattern** that happened during a sell-down.



See something fishy there?

Thinking the price would bounce off the 200 moving average support, many unsuspecting retail traders placed their stop-loss at \$333.32 (at the low of the bullish green bar).

But because **Market Makers can see those exact stop-loss levels...**

... they took the opportunity to squeeze prices below the stop-loss level and take out retail traders' positions.

See the big red candle at the bottom?

This fake selling induced panic in traders and investors, causing many to dump their positions.

Once most retail players were eliminated from the game, Market Makers would use this thing called "accumulation process" to grind prices back up.

So you see, market manipulation is rampant. It can also happen in markets like forex, cryptocurrency, and futures – not just stocks.

Whether these are traps or opportunities depends on whether you have the skill to detect them.

So... How Do We Beat the Game?

We don't try to out-muscle the Market Makers.
We learn to **read their footprints...** and profit *with* them.

That's exactly what Alson Chew teaches in his **Price Action Manipulation™ (PAM™)** method. It's all about *decoding manipulation*—so you stop falling for traps, and start profiting from them.

The following Alibaba (BABA) example is an actual trade that Alson took in Jan 2025. That green box is the "Kill Zone" where Market Makers are quietly taking out the stop-losses of retail traders like us, just before pushing the price higher.

But instead of getting stopped out, Alson was able to use his PAM™ strategy to **profit over \$34,361** in 1 month, right alongside the Market Makers.

CATCH ALSON CHEW LIVE AT BLACK MARKET 2025

DECODING MANIPULATION: THE \$421K TRADER'S BLUEPRINT ALSON CHEW

 Singapore Time: 23 November, Saturday, 10:00 AM

 Pacific Time: 22 November, Friday, 7:00 PM

With \$421K YTD profits and counting, Alson exposes how Market Makers create hidden profit setups in today's AI-driven market trends. Through his Price Action Manipulation™ strategy, he'll show you how to ride early breakouts and timely exits in stocks and digital coins — with an electrifying case study on his \$340K ZCash trade.

LIVE TRADE HUNT: SPOT & PROFIT FROM MARKET MANIPULATION TRAPS ALSON CHEW

 Singapore Time: 25 November, Tuesday, 9:30 PM

 Pacific Time: 25 November, Tuesday, 5:30 AM

Watch the live market action of the former prop desk trader who has made over USD 8 million in profits throughout his trading career. Watch him execute his Force Strike Bar™ strategy in real time as he hunts for potential multi-bagger rallies.

Meet Your Price Action Trading Mentor ALSON CHEW

With 14 years of market experience, Alson has made over USD \$8 million in profits by trading multi-assets including stocks, futures and digital coins with 50.5% returns on his stock portfolio to date.

Formerly a two-time award-winning top trader at the prop desk, he created his signature Price Action Manipulation™ strategy after uncovering Market Makers' deceptive tactics. He is the first trading mentor in Singapore to teach retail traders how to profit from market manipulation patterns.

Known for spotting early breakouts, Alson banked a 7-figure profits in 2025 by riding multi-bagger gains in alt-coins like XRP and ZEC. He also spotted hidden entry signals ahead of the recent Hong Kong market rally and locking in a solid 6-figure profit within days.



About Piranha Profits



A wise man once said,

“Give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime.”

We started Piranha Profits® with one mission — to teach aspiring investors & traders the skills to profit from the markets for a lifetime.

Headquartered in Singapore, we have since empowered the financial lives of over 34,000 students across 160 countries.

The Piranha Profits® education team is led by award-winning financial mentor Adam Khoo, alongside 7-figure trading mentors Bang Pham Van and Alson Chew.

Living by our motto, “Keep Winning”, we believe investing & trading success is less about “one-hit” strategies and more about reliable long-term profits.

At Piranha Profits®, we stand by proven strategies and real results. All our financial mentors are true-blue market practitioners with 7-figure portfolios and verified track records. Our courses are backed by rave reviews from real-life investors and traders.