



Lesson 7 NOTES

# **ALT FINS** **Education**

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CRYPTO TECHNICAL ANALYSIS (TA) AND  
TRADING USING ALTFINS PLATFORM

Lesson 7 NOTES

# Lesson 7 (strategy): Trading Key Levels

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## STRATEGY DESCRIPTION

Key level approach and breakouts.

Key levels (horizontal support and resistance) are pillars of technical analysis because these are areas where a lot of trading action happens.

**Breakouts strategy** – triggered once the price breaks through key level (zone).

## TA CONCEPTS COVERED

- Key level approach
- Key level breakout
- Breakout failures
- Stop loss – risk mngt

# Trading Key Levels

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## PRACTICAL IMPLEMENTATION

- Scan for coins with key level approach or breakout, and in sync with trend direction

## TRADING RULES

- Find coins with key level approach or breakout
- Trade with trend
- Scale into your position
- Use Stop Loss orders for risk mngt

# Lesson 6: Emerging vs. Breakouts

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- Emerging (aka Approaching) – when price is approaching Resistance
- Breakouts – when price breaks above Resistance
- Both are tradable opportunities with high success rates

Read more: <https://altfins.com/knowledge-base/emerging-v-completed/>

Read more: <https://altfins.com/how-to-trade-resistance-and-support-breakouts-and-resistance-approaches/>

# Lesson 6: Breakouts

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- Breakout indicates that sellers are satiated at that level and buyers are anxious.
- If there is another resistance zone at some distance above the current broken zone, price will generally trade up to that next higher zone.
- Hence, a resistance zone in an advancing market can become a price objective once a lower resistance is broken.
- How to confirm a breakout?
  - Close filter – wait for closing price, instead of acting on intraday breakouts
  - Could trade intraday breakouts, but need tight stops
  - Ideally breakout through the resistance zone => so above the highest level of the zone
- False breakouts (aka Fakeouts) will happen, often

# Lesson 6: Patterns success rates

	Inverse HnS	83%
	Double bottom	79%
	Head and Shoulders	79%
→	Horizontal Resistance - Emerging	78%
	Channel down	73%
→	Horizontal Resistance - Breakout	72%
	Horizontal Support - Emerging	72%
	Double top	72%
	Channel up	71%
	Triple bottom	71%
	Ascending triangle	69%
	Horizontal Support - Breakout	69%
	Falling wedge	67%
	Rising Wedge	65%
	Desc triangle	64%
	Flag	64%
	Triple top	64%
	Triangle	61%
	Penant	52%
	Rectangle	49%

# Lesson 6: Implementation

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- Patterns section – sort for Resistance breakouts
- Screener – custom filter
- Curated Charts – 35 altcoins with TA analysis by in-house analyst team
- 200-day MA breakouts – often significant events

Last Price crossed above SMA 200 within last 2 intervals ✘ Market Cap (\$) is above 5000000 ✘ Medium Term Trend is Up ✘

- Use Price Alerts to monitor Support / Resistance zones and Breakouts
- Use Stop-Loss orders for risk management
- Lots of small trades to realize success rate statistics

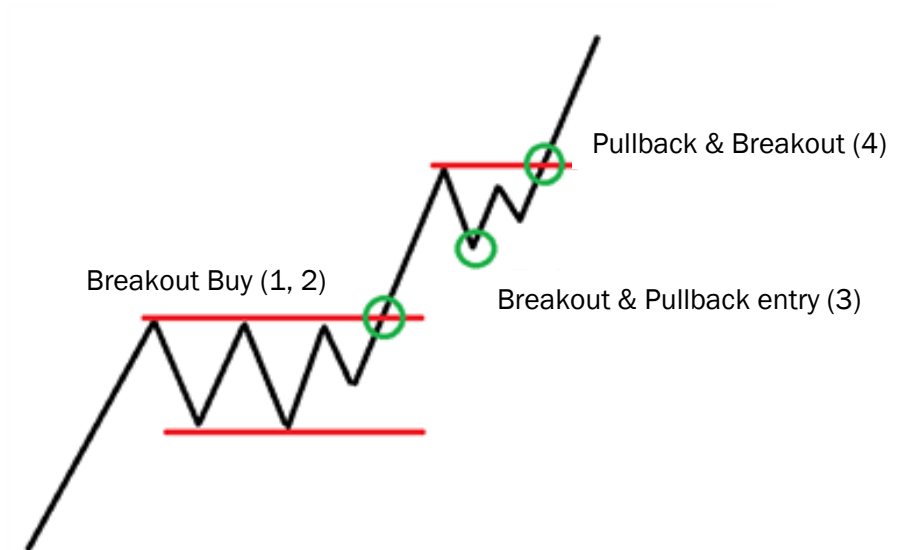
Read more: <https://altfins.com/knowledge-base/how-to-trade-using-chart-patterns/>

# Lesson 6: Entry Options

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Entry options (in order of risk and reward - highest to lowest):

1. Intraday breakout – high risk of “fakeout” (false breakout) but biggest upside potential
2. Closing breakout
3. Breakout & Pullback - wait for price to pull back
4. Pullback & Breakout
5. Combination – could split the order into 2 or 3 smaller orders and add to position on the way up





*"Technical Analysis is the only way to measure the emotional component of the market. We know that many times an ounce of emotion can be worth a pound of facts. How else to explain a sudden shift in the market without a change in the fundamentals?"*

- STEVEN NISON

credited for bringing Japanese techniques to the western world

# Instructor

## Richard Fetyko, CEO and Founder, altFINS

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Mr. Fetyko spent 14 years on Wall Street as an equity research analyst at investment banks like Janney Montgomery Scott, covering Internet and Tech sectors, and then 6 years as a portfolio manager at a family fund Twin Capital.

During his Wall Street career, Mr. Fetyko was ranked among top analysts for his coverage of Internet:

[Ranked No. 2](#) by StarMine Analyst Awards in 2010 for ratings performance in Internet Software & Services industry

Ranked No. 4 and No. 2 by The Wall Street Journal's "Best of the Street" Analyst Survey in Advertising and Publishing sector in 2008 and 2007, respectively.