



FOREIGN EXCHANGE TRADING



“Access the World of FX Profits”

**WINNING CONCEPTS
&
SUCCESS TACTICS**

Tuesday, 06 November 2007

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INTRODUCTION

What is FOREX?

The Foreign Exchange market, also referred to as the "FOREX" or "Forex" or "Retail forex" or "FX" or "Spot FX" or just "Spot" is the largest financial market in the world, with a volume of about £2 trillion a day. If you compare that to the £25 billion a day volume that the London and New York Share Exchange trades, you can easily see how enormous the Foreign Exchange really is. It actually equates to more than three times the total amount of the shares and futures markets combined!

What is traded on the Foreign Exchange?

The simple answer is money. Forex trading is the simultaneous buying of one currency and the selling of another. Currencies are traded through a broker or dealer, and are traded in pairs; for example the Euro dollar and the US dollar (EUR/USD) or the British pound and the Japanese Yen (GBP/JPY).

Because you're are not buying anything physical, this kind of trading can be confusing. Think of buying a currency as buying a share in a particular country. When you buy, say, Japanese Yen, you are in effect buying a share in the Japanese economy, as the price of the currency is a direct reflection of what the market thinks about the current and future health of the Japanese economy.

In general, the exchange rate of a currency versus other currencies is a reflection of the condition of that country's economy, compared to the other countries' economies.

Unlike other financial markets like the London Stock Exchange, the Forex spot market has neither a physical location nor a central exchange. The Forex market is considered an Over-the-Counter (OTC) or 'Interbank' market, due to the fact that the entire market is run electronically, within a network of banks, continuously over a 24-hour period.

Until the late 1990's, only the "big boys" could play this game. The initial requirement was that you could trade only if you had about ten to fifty million pounds to start with! Forex was originally intended to be used by bankers and large institutions - and not by us "little guys and girls". However, because of the rise of the Internet, online Forex trading firms are now able to offer trading accounts to 'retail' traders like us.

All you need to get started is a computer, a high-speed Internet connection, and your broker!

What is the 'Spot' FX Market?

A FX spot market is any market that deals in the **current price** of a currency. It is a cash market. All trades are 'settled' within 2 working days. Retail traders settle their trades immediately.

Which Currencies Are Traded?

The most popular currencies along with their symbols are shown below:

Symbol	Country	Currency	Nickname
USD	United States	Dollar	Buck
EUR	Euro members	Euro	Fiber
JPY	Japan	Yen	Yen
GBP	Great Britain	Pound	Cable
CHF	Switzerland	Franc	Swissy
CAD	Canada	Dollar	Loonie
AUD	Australia	Dollar	Aussie
NZD	New Zealand	Dollar	Kiwi

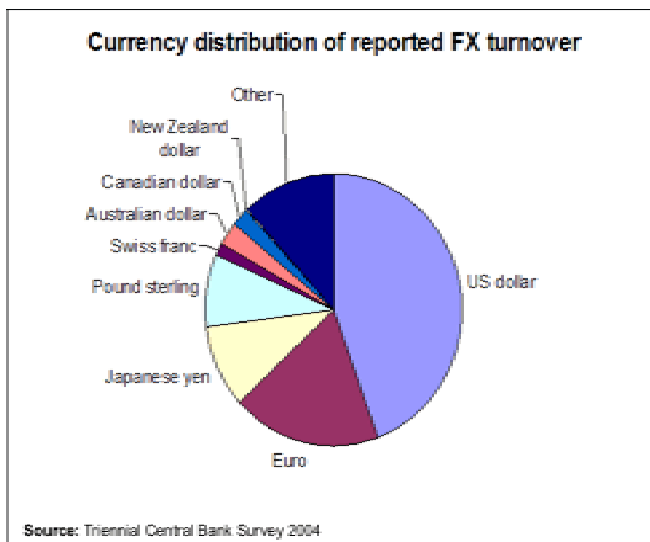
Forex currency symbols are always three letters, where the first two letters identify the name of the country and the third letter identifies the name of that country's currency. USD is US dollars, GB pounds etc..

When Can Currencies Be Traded?

The spot FX market is unique within the world markets. It's like a Super Money Market which is open 24-hours a day. At any time, somewhere around the world a financial center is open for business, and banks and other institutions exchange currencies every hour of the day and night with generally only minor gaps on the weekend.

The foreign exchange markets follow the sun around the world, so you can trade late at night or early in the morning. It can be traded on full or part time basis.

The chart below shows global foreign exchange activity. The Dollar is the most traded currency, being on one side of 89% of all transactions. The Euro's share is second at 37%, while that of the Yen is at 20%.



Why Trade Foreign Currencies?

There are many benefits and advantages to trading Forex. Here are just a few reasons why so many people are choosing this market:

- **No commissions.** No clearing fees, no exchange fees, no government fees, no brokerage fees. Brokers are compensated for their services through something called the bid-ask spread.
- **No middlemen.** Spot currency trading eliminates the middlemen, and allows you to trade directly with the market responsible for the pricing on a particular currency pair.
- **No fixed trade size.** In the futures markets, lot or contract sizes are determined by the exchanges. A standard-size contract for silver futures is 5000 ounces. In spot Forex, you determine your own trade size. This allows traders to participate with accounts as small as £500
- **Low transaction costs.** The retail transaction cost (the bid/ask spread) is typically less than 0.1 percent under normal market conditions. At larger dealers, the spread could be as low as .07 percent. Of course this depends on your leverage and all will be explained later.
- **A 24-hour market.** There is no waiting for the opening bell - from Sunday evening to Friday evening, the Forex market never sleeps. This is great for those who want to trade on a part-time basis, because you can choose when you want to trade--morning, noon or night.
- **No one can corner the market.** The foreign exchange market is so huge and has so many participants that no single entity (not even a central bank) can control the market price for an extended period of time.
- **Leverage.** In Forex trading, a small margin deposit can control a much larger total contract value. Leverage gives the trader the ability to make nice profits, and at the same time keep risk capital to a minimum. For example, Forex brokers offer 200 to 1 leverage, which means that a £50 margin deposit would enable a trader to buy or sell £10,000 worth of currencies. Similarly, with £500, one could trade with £100,000 and so on. But leverage is a double-edged sword. Without proper risk management, this high degree of leverage can lead to large losses as well as gains.
- **High Liquidity.** Because the Forex Market is so enormous, it is also extremely liquid. This means that under normal market conditions, with a click of a mouse you can instantaneously buy and sell at will. You are never "stuck" in a trade. You can even set your online trading platform to automatically close your position at your desired profit level (a limit order), and/or close a trade if a trade is going against you (a stop loss order).
- **Free "Demo" Accounts, News, Charts, and Analysis.** Most online Forex brokers offer 'demo' accounts to practice trading, along with breaking Forex news and charting services. All free! These are very valuable resources for "new" traders who would like to hone their trading skills with 'play' money before opening a live trading account and risking real money.
- **Spread Bet Trading:** You would think that getting started as a currency trader would cost a ton of money. The fact is, compared to trading shares, options or futures, it doesn't. Online Forex brokers offer "mini" and "micro" trading accounts, some with a minimum account deposit of £250 or less.

A. THE BEST BUSINESS IN THE WORLD ?

I believe that FX is one of the most lucrative business opportunities in the world because; it has:

- No premises
- No employees
- No stock
- No customers/clients
- No Tax / VAT payments (via UK Spreadbetting Platforms)
- No accounting requirements to the Tax man
- 100% Cash Liquidity = No bad debts
- Powerful financial leverage
- Low monthly operating costs (PC & broadband)
- Worldwide 24 hour trading opportunities

How do I make money from this ?

In the FX market, you buy or sell currencies. Placing a trade in the foreign exchange market is simple. The object of Forex trading is to exchange one currency for another in the expectation that the price will change, so that the currency you bought will increase in value compared to the one you sold.

Bid/Ask Spread

All Forex quotes include a two-way price, the **bid** and **ask**.

The **bid** is the price in which the dealer is willing to buy the base currency in exchange for the quote currency. This means the bid is the price at which you (as the trader) will sell.

The **ask** is the price at which the dealer will sell the base currency in exchange for the quote currency. This means the ask is the price at which you will buy.

The difference between the bid and the ask price is popularly known as the **spread**.

Let's take a look at an example of a price quote taken from a trading platform:



GBP/USD	
Bid	Ask
1.7445	1.7449
Sell	Buy

On this GBP/USD quote, the bid price is 1.7445 and the ask price is 1.7449. Look at how this broker makes it so easy for you to trade away your money.

If you want to sell GBP, you click "Sell" and you will sell pounds at 1.7445. If you want to buy GBP, you click "Buy" and you will buy pounds at 1.7449.

Bid and Ask is easy to remember - The bid is always lower than the ask price.

How to Read an FX Quote

Currencies are always quoted in pairs, such as GBP/USD or USD/JPY. The reason they are quoted in pairs is because in every foreign exchange transaction you are simultaneously buying one currency and selling another. Here is an example of a foreign exchange rate for the British pound versus the U.S. dollar:

GBP USD = 1.7500

The first listed currency to the left is known as the **base currency** (in this example, the British pound), while the second one on the right is called the **counter or quote currency** (in this example, the U.S. dollar)..

When buying, the exchange rate tells you how much you have to pay in units of the quote currency to buy one unit of the base currency.

In the example above, you have to pay 1.7500 U.S. dollar to buy 1 British pound.

When selling, the exchange rate tells you how many units of the quote currency you get for selling one of the base currency. In the example above, you will receive 1.7500 U.S. dollars when you sell 1 British pound.

You would buy the pair if you believe the base currency will appreciate (go up) and you would sell the pair if you think the base currency will depreciate (go down). It is as simple as that.

I don't have enough money to buy £100,000 euros. Can I still trade?

You can with margin trading! This is how you're able to open £10,000 or £100,000 positions with as little as £50 or £1,000. You can conduct relatively large transactions, very quickly and cheaply, with a small amount of initial capital.

Spread Bet Trading has made it very simple. Typically the margin is 1: 100 so you need to deposit just £1 to control £100 of Forex Ex. £1,000 deposit would control £100,000. This is leverage.



A small investor like yourself can trade large amounts of money using leverage. Think of your broker as a bank who basically fronts you £100,000 to buy currencies and all he asks from you is that you give him £1,000 as a good faith deposit, which he will hold you for but not necessarily keep. Sounds too good to be true? Well this is how forex trading using leverage works.

The amount of leverage you use will depend on your broker and what you feel comfortable with. The broker will also specify how much they require per position (margin) traded.

Typically the broker will require a minimum account size, also known as account margin or initial margin. Once you have deposited your money you will then be able to trade.

Demo Trading

You can open a demo account for free with most Forex brokers.

This account has the full capabilities of a "real" account.

Why is it free?

It's because the broker wants you to learn the ins and outs of their trading platform, and have a good time trading without risk, so you'll fall in love with them and deposit real money.

The demo account allows you to learn about the Forex markets and test your trading skills with ZERO risk.

**YOU SHOULD DEMO TRADE FOR AT LEAST 2- 3 MONTHS BEFORE YOU
EVEN THINK ABOUT PUTTING REAL MONEY ON THE LINE.**

Forex Trading is not a Get-Rich-Quick Scheme!

Forex trading is a SKILL, there are NO shortcuts to Forex trading.

Skilled traders can and do make money in this field. Some of them enormous amounts of money

However like any other occupation or career, success doesn't just happen overnight. Forex trading isn't a piece of cake (as some people would like you to believe).

Practice trading on a DEMO ACCOUNT and pretend the virtual money is your own real money and do NOT open a live trading account until you are trading PROFITABLY on a demo account.

Concentrate on ONE major currency pair.

It gets far too complicated to keep tabs on more than one currency pair when you first start trading.

You can be a winner at FX currency trading, but as in all other aspects of life, it will take dedication, learning, and discipline.

B. THE DEEP SECRETS ARE REALLY VERY SHALLOW

There are 3 key “understandings” that once understood will put you into a very small and selective group of successful traders. They are;

1. Trading is simply a skill
2. The banks are stealing your money
3. Its all about ‘Pain and Pleasure’

1. Trading is simply a skill

Forex trading is a science that can be understood. You do not have to be a super human to get great results in trading Forex. The reality is that trading is just a skill and a skill can be learnt!

Once it is learnt then you will know how to do it and when to apply it correctly and consistently.

Desire, patience and practice are the ingredients to acquiring and developing this skill.

The One Skill That You Absolutely Need is... Market Sentiment Analysis.

This will allow you to understand the Forex environment and how it is traded across the world.

You can't trade with technical analysis alone

99% of the time, traders just use technical analysis and don't understand market sentiment, therefore they fail miserably. Technical analysis is great, but it must be used with knowing the current market sentiment. Once you begin to understand this you will see technical analysis from a whole different light and trading will become simpler.

2. The banks are stealing your money

The banks have been trading for years and years. They are very, very profitable. They know the formula that works, and they apply that formula over and over. But that's not what people understand or what new traders are being taught.

Most traders believe that you have to be competitive and trade against others in the market. With over 80% of the market being made up of the big banks, hedge funds etc, they are trying to beat the ‘big boys’! It is critical that you understand “what you are up against” when it comes to trying to ‘out trade’ the banks, hedge funds and market makers, because

“They know what you don't and they know that you don't know”

If you can understand how the “big boys” trade then you can understand their trading sentiment and can therefore, ‘piggy back’ onto their trades and share in their profit taking!

Literally, They are the 'financial whales' and we are the 'small fish'.... The fish need to swim behind the whales... simply follow their lead and swim with them in their direction!

Remember, trading is a skill and if you can also understand the FX arena sentiment then you are playing with them. This will give you the power to completely transform your life. Learning to read Market Sentiment means:

- You don't have to have a Master's degree in economics
- You don't have to have a Master's degree in technical analysis
- You don't have to have worked for a bank for 20 years to trade successfully
- You don't have to have huge capital reserves to trade successfully

But you do need to have the desire, patience and willingness to develop a new skill. Once this is done then you will have the ability to;

- 'capture' 50-500' pips regularly
- 'bank' long term profits. You will know what to look for in order to 'spot' good trades

“Swimming with the whales means you can stand on the shoulders of giants”

This is the key understanding in my trading career that has made everything else pale in comparison. Simply put, **you don't need to re-invent the wheel.**

Trading is no different. It's been around for a long time, and lots of really smart people have spent a lot of time testing, tweaking and perfecting their trading. If you want your trading to work, don't try to make it happen from scratch...look at what has worked in the past. Use that as a starting point and a model for your trading...and you will be on your way to trading profitably.

80% of the profits made in this market are made only 20% of the time!

Why is it that so many traders think they have to trade all of the time?

When they do this the “Big Boys” love to 'steal' the small traders' money.

And they do this when the market is in the range. The fact is it is in the range 70-80% of the time. This is easy for the banks to do because they all do the same thing at the same time. Trading in the range means that the market stays within a tight price range for a given period of time without any major longer term runs. For example if the euro trades between 1.2400 and 1.2700 for 2 months it would be in the range. Contrary to popular belief among some FX traders, this is **not** when the most money is made.

The money is made when due to key fundamental changes the market breaks out of this range. When it does this you will see 400-1000 pip moves in a very short period of time. This is the kind of analysis the banks and other big traders use.

This is where the big money is without a doubt. Most traders never make it to this level because they got all of their money 'stolen' from them by the banks when the market was in the range.

Therefore, they have no trading capital left to 'load the trade' when a big move occurs.

3. *Its all about Pain and Pleasure*

Back to basics

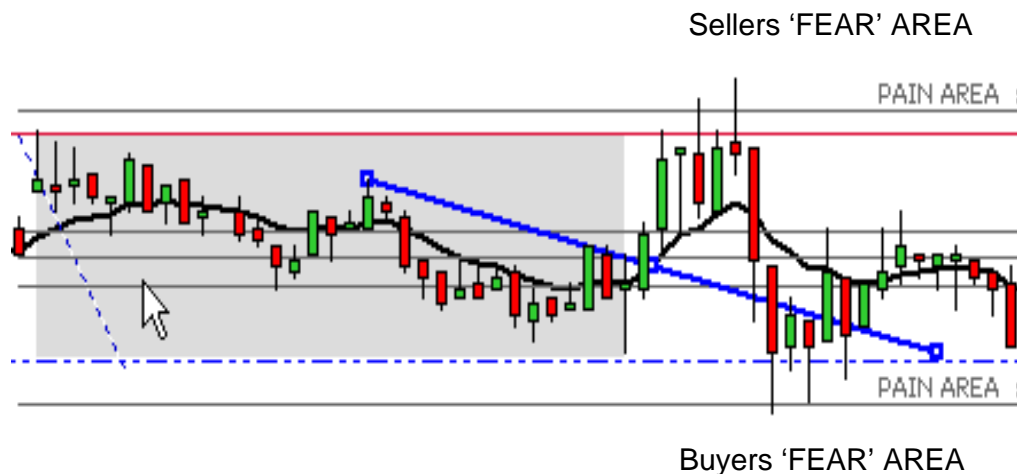
To understand how Forex trading works we need to identify the basics of trading;

- The market is made up of people – they drive the markets up or down
- People have financial goals and targets
- These financials goals and targets have emotions attached to them
 - The profit target has a pleasure emotion (wish to achieve it) = GREED
 - The loss target has a pain emotion (wish to avoid it) = FEAR

Therefore, the Forex market is driven primarily by greed and fear. These cause emotional trading responses which ultimately lead to failure for the vast majority of traders.

The following example shows the ‘emotional dynamics’ of the Forex market.

On every trade there are two sets of people - those that want the price to go up and those that want it to go down. Each set of people will have their profit targets (pleasure area) AND they will each have their own ‘Stop Losses’ (Pain Area). This is shown in the chart below.



The fear area is the area where the traders put their *automatic 'get me out of this trade, I have got it wrong and I am losing money'* orders, with their brokers. It makes absolute sense to put these orders with brokers to protect yourself from huge losses, if you get it wrong.

However, **the 'big players' know your psychology**, they know these 'pain areas' and as you can see from the chart they simply took the price up to 'take out the sell orders and then they immediately took the price down to take out the buy orders... nice, easy and simple profits for them !

The lesson is simple. Trade against them and you will fail, but trade with them, with their knowledge and tactics and it is so much easier and more profitable.

C. FX KEY FEATURES

There are 7 key features that make FX highly lucrative;

1. POWERFUL CONTINUING TRENDS
2. REGULAR HIGH TIMES OF HIGH VOLUME
3. CLEAR EARLY WARNING OF DANGEROUS TRADING TIMES
4. MUTLI TIME FRAME CONFIRMATION OF MOVES
5. CLEAR MARKET MOVEMENTS
6. POWERFUL TECHNICAL ANALYSIS

The best tactics for 'sustainable' FX profitability are :

1. FOCUS on the most powerful TRENDING currency pair
2. AVOID 'NEWS IMPACT' ON MARKETS
3. MUTLI TIME FRAME CONFIRMATION for every trade
4. CLEAR AUTOMATED TARGETS..... Unemotional automated trading
5. EARLY BREAK EVEN AND BANKING OF PROFITS – Free Trading Concept
6. RIDE EACH TREND.... Average candle colour changes over time
7. SIMPLE TRADING HABITS.... Systemised daily times, routines and actions

Our trading system has been designed and tested to allow you to access the powerful features of FX Trading using the best tactics for success....

1. POWERFUL CONTINUING TRENDS



The Daily Chart opposite shows the Main Trend for the GBPUSD for a 3 month trend move. It is what the big banks, Hedge Fund Managers and Professional Traders are looking at and trading every day..... This allows us to see which 'currency' they are focusing on, because in the huge FX market only they have the financial power to create such huge candles and big trends.

The lines are 'all lined up' and spread out.. ie Trending... This shows us very clearly that the Trend is upwards.

When the price comes back and hits the gold line.. it will bounce off it.. we would enter a trade in the direction of the trend using the ATR indicator figure, as shown at the bottom of the chart as our safety stop loss.

The ATR (Average True Range) indicator shows us that the daily figure right now is 119 pips. We would use this figure (by dividing it in half) as our stop loss figure when entering a trade. Each night we would pull our stop up by the new ATR number. Thus, we are able to 'lock in' profits each day and be in a free trade in the first day or so....

ACTION 1 : I will be scanning all the markets every day. At 10pm every evening when the market produces the 'virtual' day end I will email you my updated chart identifying the best trending currency.

ACTION 2 : I will 'switch' the web ex over to the 'best' Trending Currency of the day, with the current web ex content style. Please note that once in a powerful trend the best currency will usually be in the trend for weeks or months....

SUMMARY : If we 'enter' it correctly we can ride 'big moves' with one spread cost and get into a free trade situation within the first few days... once in, we simply lock in profits until it turns.... The above chart shows a trend of over 1,000 pips in 3 months.... At £1 per pip that was a nice £1k profit...at £10 it was £10k and at £100 it was 100k !

2. REGULAR TIMES OF HIGH TRADING VOLUME

The FX market seems to be chaotic and disorganised, as there is no real single FX exchange or market and it is spread out across the world. However, there is a very real sense of order and process. The following data will help you to understand its key characteristics.

The market opens at Sunday night GMT 10pm and closes Friday night GMT 10pm.

Time Zone	EST	GMT
Tokyo Open	7 PM	0:00
Tokyo Close	4 AM	9:00
London Open	3 AM	8:00
London Close	12 PM	17:00
U.S. Open	8 AM	13:00
U.S. Close	5 PM	22:00

There are three main trading centres:

- Asia – Tokyo Trading Centre
- Europe – London Trading Centre
- US - New York Trading Centre

The key trading times are shown in the table opposite. Trading passes through each Centre. Thus the best time to trade is when 2 or more centres are open at the same time. They are

- First - GMT 6-8am : London and Tokyo
- Second - GMT 1-3 pm : London and New York
- Third - GMT 10-12 pm : New York and Tokyo

Session	EURUSD	GBPUSD	USDCHF	USDJPY
Tokyo	88	79	100	68
London	88	99	121	74
U.S.	87	78	101	60

Average pip range of the 4 majors during each session

The average price movement for the top four FX Majors is shown in the table opposite.

- USD CHF - Highly Volatile
- GBP USD - Highly Volatile

The London session is the most volatile (high volume) with two key trading times – when London opens and when New York opens.

Day of the week	EURUSD	GBPUSD	USDCHF	USDJPY
Sunday	24	21	38	25
Monday	82	119	141	85
Tuesday	182	128	162	104
Wednesday	191	123	188	106
Thursday	83	96	121	77
Friday	85	96	117	72

Average pip range of the 4 majors for each day of the week

During the week, it can be seen that the FX market takes time to move. It starts of slowly on Sunday and it has its best days of trading on Tuesday and Wednesday.

Sundays and Fridays are 'slow days' as people are not at work or are taking extended early weekend breaks. The key is to understand that FX is conducted by people. Therefore, their patterns of behaviour will directly impact the markets.

The best Currencies to trade are GBP USD and/or USD CHF During high volume trading times - London Open (GMT 6am-8am) and New York Open (GMT 1pm- 4pm). Day trades should be placed at a low volume time, which is GMT 10pm.

The best trading days are Tuesday and Wednesday with Mondays and Thursdays being acceptable. It is important to ensure that you build your personal timetable to allow you to trade at these times.

Our Web Ex Screen is 'live' from Monday to Friday 5am to 5pm, so you can trade the key high volume market times.

3. CLEAR EARLY WARNING OF DANGEROUS TRADING TIMES

The currency rate of each country is effectively an indication of its economic power and performance. Therefore, we are effectively trading the changes of economic performance and power of a country related to another country. Throughout the trading day, many economic reports and speeches are made in the key industrial countries which can and do effect the currency rates.

This can make the market very erratic and emotional. This is a very dangerous time to trade. The big market players do trade the news releases. But with such powerful, dramatic moves, only the big players can play it successfully, because they get the news within seconds of its release and are able to directly buy/sell in the market. We can not trade it that quickly. So the risks for the small player are great. We can purchase fast professional subscriptions for news releases, but they cost about £2,500 to 3,000 per month and we then need direct trading access, via direct accounts.. these start at a minimum balance of £50,000 to £100,000!

This is very high risk style of trading I strongly recommend not trading in this manner.

The only 'safe' way to deal with it is **to stay out of the markets on news releases**.

On the Web Ex Service we have an automatic updated, live streaming news data chart, in the top left hand side of the screen. It shows and counts down to the next key News release time, and its expect level and its impact potential. On the right of the chart are the World clocks for the 3 main trading centres, Asia, Europe and America... i.e Tokyo, London & New York.



The Broker time is shown on the bottom right hand corner of the chart. It is the time of the chart data feed from the brokers PC server and is one hour ahead of the London time.

Therefore the candles in the chart are real time candles happening now but the time of the charts shows one hour ahead... the chart is wrong. Just ignore the chart time and use the real time at London. This time difference has no impact for any trading purpose. It has impact for indicators only. However, I have accounted for this hour difference in the indicator programming. No need for you to worry - just be aware of it.

Please note that the 'Daily News Release chart' will inform you of the key news releases that are scheduled, this accounts for 95% of the releases. However, we do get surprise announcements... there is no easy way of knowing and reacting to them. They do occur but they are rare. i.e Bank of England announcing a surprise interest rate rise.

Every country produces its own reports and releases these throughout the month. The key economic releases are UK and US. The US are the most powerful and our news chart will warning you when the next one is due. It will count down the minutes to it, so you can ensure you are not trading as it is released.

US Traded Releases

Employment 'Non Farm Payroll'
Consumer Price Index
Durable Goods
Gross Domestic Product
Personal Income and Consumption
Retail Sales
International Trade
Current account

UK Traded Releases

Consumer Price Index
Gross Domestic Product
Retail Sales
Trade Balance
Balance of Payments

4. MUTLI TIME FRAME CONFIRMATION OF MOVES..... ' FX Dashboard'

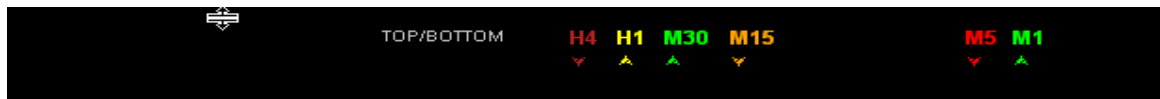
With over £1 trillion traded everyday, FX is a huge market. Trading is very big. It is therefore 'played' by many hundreds of thousands of people across the world. They all play different timeframes. From the 1minute market all the way up to the daily, weekly and monthly markets.

We need to choose the timeframe we will trade, but we can not ignore the others. We need to 'look at' all the others without getting 'overloaded' and 'confused' by all the data.

Therefore, we need a simple way of accessing all this information... ie trend and price direction in all the timeframes. The hard way is to look at a chart for each time frame - that means at least 9 different charts plus 9 indicators. Then make 9 decisions as to the trend/price action in that market. All this will allow us to 'evaluate' the strength of each move so that we can decide how powerful it is as a whole! However, just doing this once is challenging and mentally demanding, but doing this constantly would prove to be exhausting!

Our FX Dashboard makes this simple and effective. It is fully automated and it monitors the markets continuously. It is shown below and is on the top right hand side of the Web Ex screen.

It has two parts. The first part of the chart shows if the price is overbought or oversold, as shown below;

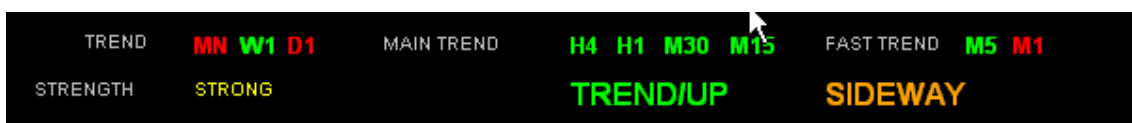


The timeframes on the chart are:	H4	Four hour chart
	H1	One hour chart
	M30	Thirty minutes chart
	M15	Fifteen minutes chart
	M5	Five Minutes chart
	M1	One minute chart

The chart shows, for each daily timeframe whether the price is 'overbought' or 'oversold'.

RED Time & DOWN Arrow	Overbought	At the top of its price	Up pressure decreasing
GREEN time & UP Arrow	Oversold	At bottom of its price	Down pressure decreasing

Part Two of the chart (as shown below) is the Multi Time Frame Trend Strength.



The timeframes on the chart are the same as the part one with the addition of the bigger timeframes:

D1 = Daily chart	W1 = Weekly chart	MN = Monthly chart
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The screen shows three Trend levels. They are labelled as follows:

Macro level	= Trend	MN,WK,DAILY	For Day trades
	= Main Trend	H4, H1, M30, M15	For Breakout trades
	= Fast Trend	M5 & M1	For Scalping trades

Trend Strength	This will be STRONG, MEDIUM or WEAK
Trend Comment	TREND UP, TREND DOWN or SIDEWAYS
Trend Colour Code	GREEN is UP, RED is DOWN and ORANGE is SIDEWAYS

The FX dashboard allows easy, continuous, real time, effective price action monitoring of all the timeframe trends.

The Full Dashboard

When we combine the two parts of the dashboard we get the full dashboard. Now we have a very powerful multi timeframe trend monitoring system.

The UP Signal



The board should be read from left to write.

- The Trend is showing a green D1 daily signal - (UP)
- The main trend and Fast trend comments are currently showing Green TREND UP signals
- The strength of the TREND UP signal is Medium
- The Top/Bottom indicators are GREEN showing mainly Green up arrows. Thus the bias is towards increasing price pressure. The price in most timeframes is simply oversold and pressure is for an increase in price.

The above signals are used to confirm a price move in the main price chart. They should only be used alongside price setups to add weight (probability) to a BUY (UP) trade. It must not be used on its own for trading decisions.

The DOWN Signal



The board should be read from left to write.

- The Trend is showing a Red D1 daily signal - (DOWN)
- The main trend and Fast trend comments are currently showing Red TREND DOWN signals
- The strength of the TREND UP signal is Strong
- The Top/Bottom indicators are RED showing Red Down arrows. Thus the bias is towards decreasing price pressure. The price in most timeframes is simply overbought and pressure is for decrease in price.

The above signals are used to confirm a price move in the main price chart. They should only be used alongside price setups to add weight (probability) to a SELL (DOWN) trade. It must not be used on its own for trading decisions.

The Sideways Signal



The Board is now giving conflicting signals and the fast trend is giving a SIDEWAYS signal, simply stay out of trading until a consensus is reached in the market. Now is a time to be patient and stay out of the market.

D. POWERFUL TRADING TECHNIQUES

1. CLEAR MARKET MOVEMENTS

The FX market has a distinctive way of moving. Prices have tended to follow certain patterns. They have been monitored and identified over the years. It is not 100% exact and accurate but it does provide a simple way of 'understanding' the market moves. We use two very tried and tested ways of 'knowing the overall ' pulse of the market'. Wave patterns for the macro view and the direction candles for the continuation of the current trend.

a. WAVE PATTERN COUNTS



The above graph shows the simple pattern which the market tends to follow. In our training we went through this pattern in greater detail, so that we can understand, observe and trade it. The wave patterns for the currencies have all been worked out and they are updated everyday. The updates are emailed to everyone every night. An example of a typical wave pattern chart, that has been emailed out, is shown below.

The wave pattern for trading the green wave 5 is show below, as per my 4 hour trading screen.



Yesterday's Wave Patterns were successfully completed

Tomorrow's Potential Move : I believe it will be a, b and c (of Y blue wave) as show above

- London session should complete the first wave downward and possibly retrace
- New York session should complete wave c
- This will allow us to complete waves a, b, c thus complete wave Y blue.

The wave patterns are not an exact science, but when used alongside price setups and the FX dashboard, they become extremely useful in adding weight (probability) to our trading decisions.

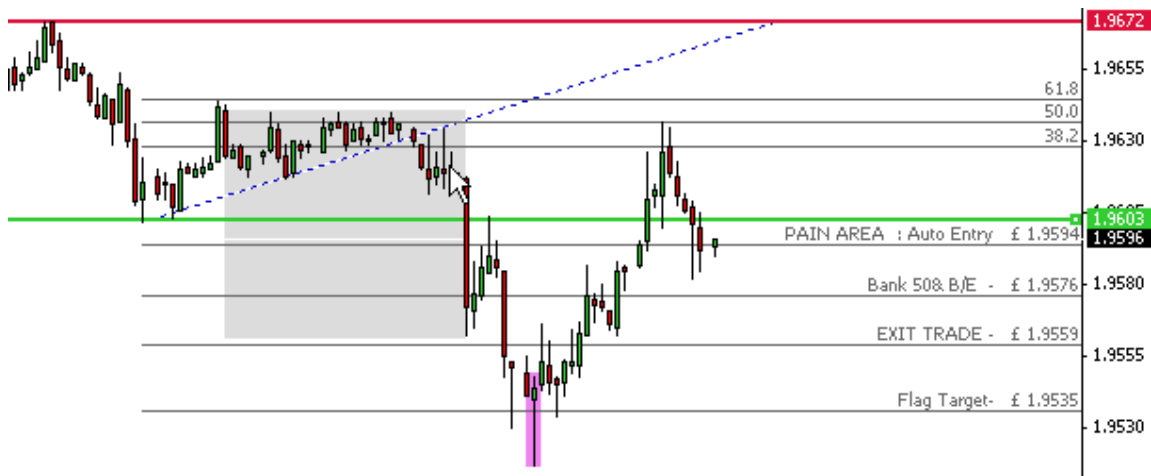
There are five things that are the fundamental things to FX trading, they are;

- Correctly using Support and Resistance
- Correctly utilising Fibonacci ratios
- Understanding "The Pain Area" (based on Traders fear and greed)
- Cutting losses quickly
- Letting profits run

The following two tools will ensure that we trade professionally and greatly enhance our probability of success.

b. Trading Targets Grid

The Trading Grid ensures we 'mark out' the current 'playing field' which is relevant to the currency. A powerful example of it is shown in the chart of GBPUSD on 28th Feb 2007 below.



- The Gray shaded area is the Asia night time trading session
- The Red line at £1.9672 is the resistance line created by New York last night
- The Green line at £ 1.9603 is the Support line created by New York last night
- The blue dotted line is the Support Trend Line for the Asia session and it 'projects' two price target areas
 - The 4 price lines; Pain, Bank, Exit, and Flag
 - The Reversal Zone of 38.2,50 and 61.8

This was a successful move of 35 points. The entry and exit would be automatic orders on the system. So the computer would of taken us in and then taken us out automatically.

Target Grid 4 Price Lines

1. **PAIN AREA** : Auto Entry. This is the price area where all the stop losses of all the traders who have placed orders on the upside are. When the price drops to this level these traders will be in the emotional pain of losing as their stops are hit or they have to exit the trade. When they exit the trade they will have to sell. Thereby placing extra sell orders into the market. This will push the price further downwards to our favoured entry price. This is the ideal time to enter the market for a successful down trade. Their pain becomes our pleasure !
2. **BANK 50%& Break Even**. This is the predetermined price at which half the trade should be banked and the stop loss pulled up to the break even price. Now the trade will be a winner, no matter what happens. It becomes a free trade situation. In this way 'a winning trade can not become a loser' and you can let your profits run!
3. **EXIT TRADE**. This is the price where the rest of the trade should be closed. It could be an automatic order.
4. **FLAG TARGET**. This is the price that should be reached if the breakout is extreme with big candles.

Reversal Zone

After a break the price will always 'bounce' off support and resistance prices and retrace the original move by the favoured retrace percentages are 38.2, 50 or 61.8.

The retrace trade can be taken but with extreme caution. There is no set percentage as a retrace target, it will be one of the three. Taking the retrace trade means you are trading against the trend. This is not recommended.

If it is in a Trend then it will retrace and bounce back into trend upon hitting any of the three percentages targets. You can then enter a trade again back into the trend.

The Target Grid automatically places these retrace levels onto our chart when we set up the first trade. I systematically place the Grid onto the web ex system and updated them in the morning and throughout the day as necessary.

B. Run your Profits

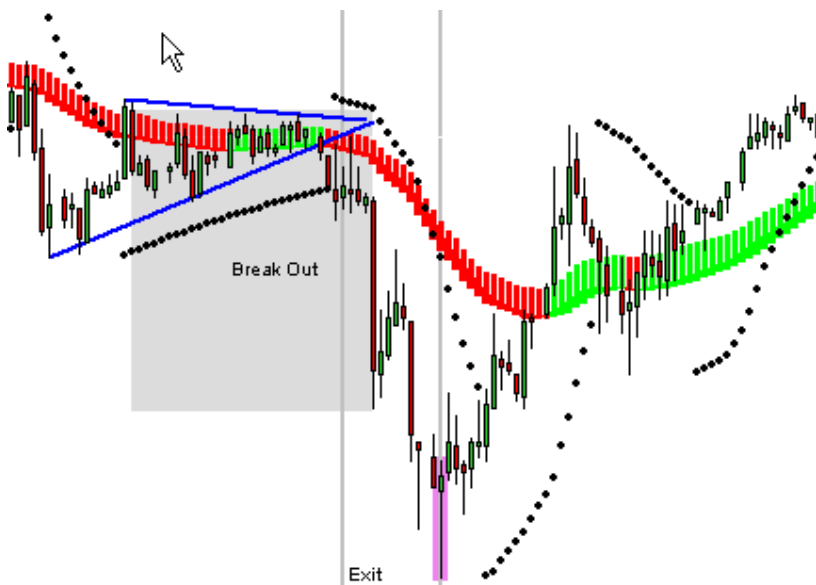
One of the biggest problems when trading is knowing exactly when to exit so as to maximise your profits from it.

The Grid gives us a good predetermined profitable exit figure for each trade. It makes it much easier to hit that target.

The Grid also automatically generates two indicators, in real time on the price chart next to the live price candle. The Price Spot and the Direction candle.

PRICE SPOT. This is a simple BLACK SPOT which is either above or below the price candle.

- If it is above, then the price pressure is downwards
- If it is below, then the price pressure is upwards
- If it flips from top to bottom or bottom to top, this indicates a price reversal. It will then simply follow the price candles until it reverses again, as per the chart below.



DIRECTION CANDLE. This is a solid Green or red candle floating above or below the price candle. The red candles show downward pressure and green upward pressure. Once they change then a new direction is indicated. When we are in a trade we could simply stay in the trade until the candle changed away from our preferred colour.

Each of these two tools on their own are powerful, but when they are combined then they provide us with a very powerful method of staying in a trend trade in order to maximise our profits.

When we use the Price Spots, Direction candles along with the FX DASHBOARD we have a very powerful set of indicators that clearly and simply show the trend.

2. POWERFUL TECHNICAL ANALYSIS

Technical analysis is highly effective in FX. It is the study of market prices over time. With the power of modern day computing computers and software technical analysis has become easier, simpler and faster.

However, FX is a fiercely competitive market and very successful traders do not easily share their technical trading tools and setups. Unfortunately, the 'stuff' that is readily shared is from the people that are not that good at trading. Obviously there are always exceptions to the rule. I have studied and tested hundreds of indicators used in the FX market. I have identified the ones that work well.

1. TREND POWER INDICATORS

a. Trend Candles

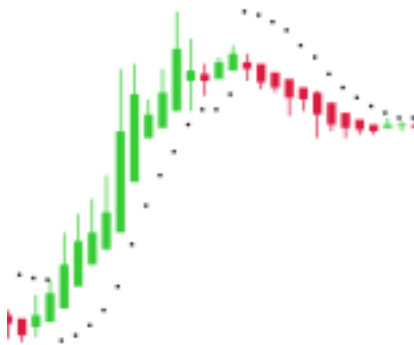
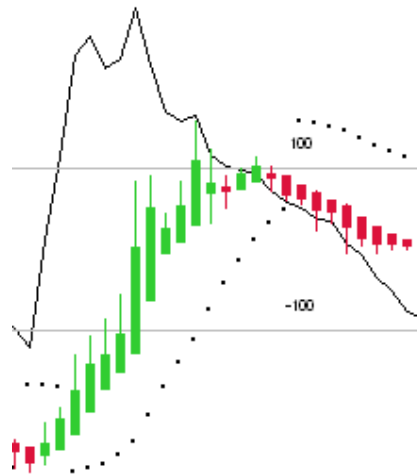


Chart a shows Trend candles; Green up and Red down. These candles 'filter' out small market moves to identify just the major price action. The spots show the support for the candle. If the price goes to the spot level, the support 'collapses' and flips over to the opposite direction.

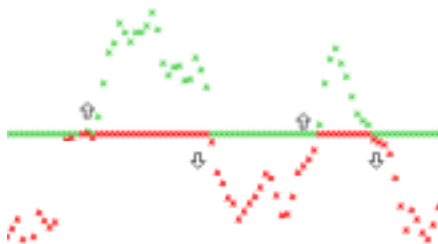
Chart b shows the momentum of the trend. If it is above 100 then a strong buy is signalled and if it is below -100 then a strong sell is signalled. Naturally when the price goes over either 100 it will fall back past 100 when it changes direction. This is often a powerful reversal point.

When these two charts are combined together into a single chart it becomes easier to see the direction, momentum and support for the current trend.

b. Trend Momentum



2. The Break Out Momentum Indicator



When a price reversal has occurred then the next challenge is timing the trade entry. This indicator enables us to ensure that 'momentum' has built up in the new price direction. It will help to eliminate false trades.

The Green stars are Bullish upwards pressure. This is from Bull traders who want to push the price higher.

The Red stars are Bearish downwards pressure. This from Bearish traders who want to push the price Lower.

The Red and Green floating stars represent the price momentum moving about.

The horizontal line of stars is the critical Neutral moment line. This line represents traders who are waiting to 'jump on board' the trend when the neutral line is broken. Therefore, when the star goes from one colour to the other .i.e from one zone to the other zone, it breaks through the neutral zone, THIS IS A BREAK OUT SIGNAL.

E. THE WINNING TACTICS - Be the Casino, not the Gambler!

“Casino’s have a small edge and they know, over time that the edge will manifest itself “

Likewise, professional traders have a slight edge that will manifest itself over time!

The number one reason why 90% of traders fail is that they do not understand winning and losing probabilities. That is how to play the odds when they trade. Most of the time they will trade with the odds heavily stacked against them.

The normal average cost of a trade is 3 points (PIPs) and many Traders will target about 10 to 20 points as a profit target. The odds of the trades are shown below;

Target = 10	Cost = 3 pips	So Break even	3+10 =	13 pips
		So 10 pip loss	3-10 =	7 pips
		ODDS	13/7 =	1.85%
		Win Loss ratio		1: 1.85
		& Cost of Trade =	3/10 =	30%

This is nearly 2 to one against. It is very aggressive trading and is far more riskier than any game in any casino! Also, it is an expensive trade at 30% cost !

Target = 20	Cost = 3 pips	So Break even	3+20 =	23 pips
		So 10 pip loss	3-20 =	17 pips
		So ODDS	23/17 =	1.35%
		So Win Loss ratio		1: 1.35
		& Cost of Trade =	3/20 =	15%

This is much better, but is still quite aggressive and playing against the odds!

Target = 30	Cost = 3 pips	So Break even	3+30 =	33 pips
		So 10 pip loss	3-30 =	27 pips
		So ODDS	33/27 =	1.22%
		So Win Loss ratio		1: 1.22
		& Cost of Trade =	3/30 =	10%

This is better still, and the cost of trading is done to an acceptable 10%

Target = 50	Cost = 3 pips	So Break even	3+50 =	53 pips
		So 10 pip loss	3-50 =	47 pips
		So ODDS	53/47 =	1.35%
		So Win Loss ratio		1: 1.1
		& Cost of Trade =	3/50 =	6%

This is acceptable, nearly a 1:1 (or 50:50) probability and only paying out 6% trading cost.

“ Casinos and big traders are nothing more than great statisticians!”

1. Risk to Reward - Play it professionally

Another way you can increase your chances of profitability is to trade when you have the potential to make 3 times more than you are risking. If you give yourself a 3:1 reward/risk ratio, you have a significantly greater chance of ending up profitable in the long run. Take a look at this chart as an example:

10 trades	Loss	Win
1	\$1,000	
2		\$3,000
3	\$1,000	
4		\$3,000
5	\$1,000	
6		\$3,000
7	\$1,000	
8		\$3,000
9	\$1,000	
10		\$3,000
Total	\$5,000	\$15,000

In this example, you can see that even if you only won 50% of your trades, you would still make a profit of £10,000. Just remember that whenever you trade with a good risk to reward ratio, your chances of being profitable are much greater even if you have a lower win percentage.

2. Money Management

This section is one of the most important sections you will ever read about trading.

Why is it important? Well, we are in the business of making money, and in order to make money we have to learn how to manage it. Ironically, this is one of the most overlooked areas in trading.

Many traders are just anxious to get right into trading with no regards to their total account size. They simply determine how much they can stomach to lose in a single trade and hit the “trade” button. There’s a term for this type of trading....it’s called GAMBLING!

When you trade without money management rules, you are in fact gambling. You are not looking at the long term return on your investment. Instead you are only looking for that “jackpot”. Money management rules will not only protect us, but they will make us very profitable in the long run. If you don’t believe me, and you think that “gambling” is the way to get rich, then consider the following real life example:

People go to casinos all the time to gamble their money in hopes to win a big jackpot, and in fact, many people *do* win. So how in the world, are casino’s still making money if many individuals are winning jackpots? The answer is that while even though people win jackpots, in the long run, casino’s are still profitable because they rake in more money from the people that *don’t* win. That is where the term “the house always wins” comes from.

The truth is that casinos are just very rich statisticians. They know that in the long run, they will be the ones making the money—not the gamblers. Even if Joe Bloggs wins £100,000 jackpot in a slot machine, the casinos know that there will be 100 more gamblers who WON'T win that jackpot and the money will go right back in their pockets.

This is a classic example of how statisticians make money over gamblers.

Even though both lose money, the statistician, or casino in this case, knows how to control their losses. Essentially, this is how money management works. If you learn how to control your losses, you will have a chance at being profitable.

You want to be the rich statistician...NOT the gambler because in the long run, you want to "always be the winner."

So how do you become this rich statistician instead of a loser?

Here is a little illustration that will show you the difference between risking a small percentage of your capital compared to risking a higher percentage.

Trade #	Total Account	2% risk on each trade	Trade #	Total Account	10% risk on each trade
1	\$20,000	\$400	1	\$20,000	\$2,000
2	\$19,600	\$392	2	\$18,000	\$1,800
3	\$19,208	\$384	3	\$16,200	\$1,620
4	\$18,824	\$376	4	\$14,580	\$1,458
5	\$18,447	\$369	5	\$13,122	\$1,312
6	\$18,078	\$362	6	\$11,810	\$1,181
7	\$17,717	\$354	7	\$10,629	\$1,063
8	\$17,363	\$347	8	\$9,566	\$957
9	\$17,015	\$340	9	\$8,609	\$861
10	\$16,675	\$333	10	\$7,748	\$775
11	\$16,341	\$327	11	\$6,974	\$697
12	\$16,015	\$320	12	\$6,276	\$628
13	\$15,694	\$314	13	\$5,649	\$565
14	\$15,380	\$308	14	\$5,084	\$508
15	\$15,073	\$301	15	\$4,575	\$458
16	\$14,771	\$295	16	\$4,118	\$412
17	\$14,476	\$290	17	\$3,706	\$371
18	\$14,186	\$284	18	\$3,335	\$334
19	\$13,903	\$278	19	\$3,002	\$300

You can see that there is a big difference between risking 2% of your account compared to risking 10% of your account on a single trade. If you happened to go through a losing streak and lost only 19 trades in a row, you would've went from starting with £20,000 to having only £3,002 left if you risked 10% on each trade. You would've lost over 85% of your account! If you risked only 2% you would've still had £13,903 which is only a 30% loss of your total account.

Of course, the last thing we want to do is lose 19 trades in a row, but even if you only lost 5 trades in a row, look at the difference between risking 2% and 10%. If you risked 2% you would still have £18,447. If you risked 10% you would only have £13,122. That's less than what you would've had even if you lost all 19 trades and risked only 2% of your account!

The point of this illustration is that you want to setup your money management rules so that if you do have a losing streak, you will still have enough capital to stay in the game.

Can you imagine if you lost 85% of your account?

You would have to make 566% on what you are left with in order to get back to breakeven.

Trust me, you do NOT want to be in that position.

In fact, here is a chart that will illustrate what percentage you would have to make to breakeven if you were to lose a certain percentage of your account.

Loss of Capital	% required to get back to breakeven
10%	11%
20%	25%
30%	43%
40%	67%
50%	100%
60%	150%
70%	233%
80%	400%
90%	900%

You can see that the more you lose, the harder it is to make it back to your original account size. This is all the more reason that you should do everything you can to protect your account.

So by now, I hope you have understand that you should only risk a small percentage of your account in each trade so that you can survive your losing streaks and also to avoid a large drawdown in your account.

Remember, you want to be the casino...NOT the gambler!

Golden Rule :

Always Stick to the 2% rule

And

Never allow the result of any single trade to disrupt or change your trading plan

3. Leverage: Good financial habits

Most professional traders and money managers trade 0.5% of their total fund on any single trade. Therefore, their account has very little risk exposure.

They would have to over 100 continuous losing trades before their account are 'cleared'.

2% risk of total fund is acceptable, but 0.5% is great.

It means that the probabilities will be stacked heavily in the professional traders favour.

The number one reason new traders fail is because they are **undercapitalized** from the start and don't **understand how leverage** really works. They set themselves up for failure from the start.

If professionals trade with less than 0.5%, why do less experienced traders think they can succeed by trading 100K with a £2,000 account or 10K £200?

It is a very high risk exposure – one or two trades and they are wiped out !

The table below shows the 'number of losing trades in a row' required to 'clear' an account is very high if the account is properly structured and managed.

The secret is to 'stick religiously' to the 2% or below rule.

Total Fund	Trade £ pip	STOP LOSS	£ RISKED	% Fund	Losing Trades ? (£500)	Continuous Losing (Max 2%)
£ 10,000	£10	50 pips	£500	2%	50	70
£ 10,000	£10	40 pips	£400	2%	50	80
£ 10,000	£10	30 pips	£300	2%	50	95

Most new traders will work out the stop loss (50 pips) and then the total risked on that stop loss (£500). They would then risk this amount thinking it was 2% of their fund. In the first losing trade yes it is, but with each successive loss, it is more than 2% and keeps growing.

In this way they would wipe it out in 50 losing trades. However, if they stuck to the 2% of the fund, and this would decrease as the fund total went down they would actually have at least another 20 trades extra!

By capitalising the fund correctly in the first place and then always playing the 2% traders will set themselves up for success. Whereas undercapitalisation and then ignoring the 2% rule will ruin the account and lead to financial failure, usually in the short term.

“Trading success is simply having a set of good financial habits”

F. SETTING YOURSELF UP FOR FX SUCCESS

1. *The Spread Bet Edge*

Many FX brokers offer the following;;

- 100:1 Leverage
- Open an account with *only* £250
- Trade with small tight stop losses
- Tax free trading
- Free accounts with no commissions
- 2-3 pip spreads
- 24 hour dealing

I believe most new traders who open a forex trading account with the bare minimum deposit do so because they don't completely understand what the terms "leverage" and "margin" really are and how it affects their trading.

It's crucial that you're fully aware and free of ignorance of the significance of trading with leverage. If you don't have rock solid understanding of leverage and margin, I guarantee that you will 'clear out' your trading account in the short term.

The typical charges for most financial spread betting companies are as follows:

Currency	Leverage	Trade Value	Spread (cost of trade)	Margin (Deposit per point)
GBP /USD	100:1	£ 1 per point	3 points	200

This means that this trade will require you to deposit a minimum of £200 for each £1 you trade with. That £1 will give you the ability to purchase £100 worth of currency. The cost of 'purchasing' the currency 3 points.

For example, if the quote was 6767 / 6772 and you bought it at 6772 at £10 per point. Then the following would apply;

Cost of trade = £ 10 * 3 points = £ 30.00
 Margin required in account = £ 200 *10 = £ 2,000.00

You would be looking for the price to increase. If prices did increase and you closed the position at 6782, a 10 point increase then the profit would be as follows;

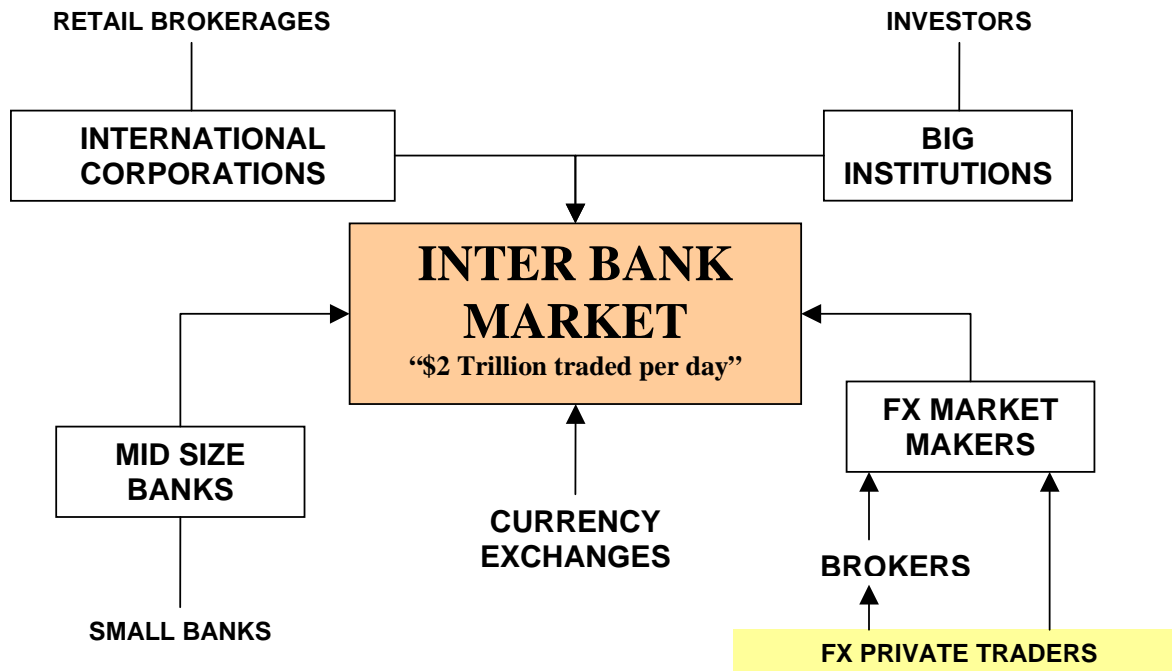
Open level 6772
 Closing level 6782
 Difference + 10 points therefore, a profit of 10 * £10 = £100

If however, the price went 10 points against your position then it would be a £100 loss.

The best aspect of this is that a spread bet trade is tax free and audit free, so you get to keep all the profits that you make!

2. Beat the Broker

The diagram below shows the overall picture of the various parts of the FX market. The 'heart' of the markets is called the "Inter bank market" and consists of the major international banks who trade amongst themselves. This represents 80% of the total FX trades done each day.



The private FX trader has access to the market in two ways . Firstly, via a major market maker who gives him direct access (called level II) and secondly through a FX broker.

They are both called market makers because they provide a 'mini market' based upon the interbank prices to the private trader. The direct interbank market, is huge in volume and in cost, the minimum single trade in the interbank market is 100,000 units! Therefore, most traders will not be able to trade with such sums and volumes. Also this type of trading is liable for tax. Thus, it is not suitable for most private traders.

The FX brokers provide trading opportunities via spread betting. Currently spreading betting is not taxable, thus it is an excellent way to trade FX. The brokers have very simple trading platforms. This is the way that the vast majority of private traders trade FX in the UK. However, we must remember the following key points:

- brokers are businesses and they are focused on making money. They provide an excellent way to access the market and take profits... but nothing is for free !
- over 81% of traders in the stock exchange typically lose their entire account within 1 year. This figure is much higher in FX over 90% of traders will lose. FX is a 'zero sum game', so for every loser there must be a winner... thus 5-10% of traders end up winning from the remaining 90% losers. The brokers often trade against the individual, you are trading against them ! So, it is simply a 'business game with the broker'. Typically are the winners, we need to 'beat them'.
- The 2% money management rule is critical for long term success
- Trading is just a skill which MUST be learnt, developed and mastered before any big risks are taken! Once learnt successfully trading and beating the market makers is much easier !

How do we stay safe and beat the broker?

The Market makers (brokers) usually win because::

- They **know your psychology**. Traders are driven by pleasure (greed) and pain (fear).
 - 'Greed' makes most traders start to trade and trade with big risks before they are ready. They have not educated themselves nor built up their trading experience.
 - 'Fear' of losing the trade makes most traders put very tight stop losses in and often panic and 'cut their losses' too quickly.
- They **control the price data feeds** to the traders, which are usually free of charge!
- **They know where traders typically put their stop losses**. They simply are able to hunt this and take them out of the market before the real trade move takes place. This is illegal but it does happen, because it is so difficult to prove.

Therefore, the brokers are in a very powerful situation. They have the motive (making profits), they have the means (control of data) and they have the opportunity (know where the stops are). Now I am not saying for one moment that they are all doing it and on every trade... but from experience I know it does go on.....

I have developed a very simple and effective tactic to 'overcome' this 'stop hunting' by the brokers. It is based upon three key understandings.

1. Trades are usually lost when you:
 - a. Trade against the trend
 - b. Put your stop loss in the wrong place
 - c. trade with more than 2% of your fund on any single trade
2. The trader must take the 'temptation' away from the broker by not having a 'visible stop'
3. The whole point of a stop loss is to avoid a catastrophic loss on your account... so no bad trade could 'wipe' out 100% you're trading account.

Therefore, the 'tactics' are;

1. Have only 2% of your trading account with the broker at any time, so a catastrophic loss would only be 2% of your whole trading fund in any single trade!
2. Now you can trade without a stop loss visible in your trade, but still be trading 2%.
3. When you win or loss, you adjust your account balance according by removing winnings and add if you lose in order to always maintaining just your 2%!
4. Have a predetermined 'mental' price level where you will execute a manual 'stop loss'
5. In a trade situation, put in a stop loss as soon as you reach the 1st profit level or break even price, so you 'lock' in your profit. Thereafter, the trade is a winner no matter.

Key Note:

Most spread betting brokers will require £100 or £200 margin (deposit) for each £1 per point you trade with. Also, they would typically put in an automatic stop loss at 80% of your margin. So that would be 80% of £200 deposit, which is 160 points. If 160 points is reached they will have to give you a 'margin call' to ask for more money to be deposited or close the trade. No broker in the right mind would try and hunt that stop loss setup! Please note that not all brokers offer auto stop losses, only a few do and we use them.

3. Build your success - £1 at a time

The tables show, as a guideline the possible 'earnings' at each £1 per point level. The 'tactics' to use are;

- Capitalise your account properly, as described in the previous section
- Put down put down a minimum 'mental' 50+ pip stop loss (ideally the 2% set up as described earlier)
- Start off playing with small £1 increments and build up slowly
- Once you have made 20 successful trades at a price level then you 'graduate' to the next price level in £1 increments. This sounds like a small increase, but with leverage it gets magnified very quickly
- Always trade with the 2% - 5% as a maximum fund exposure in any single trade, as per the table below:

Pip £	Stop Loss 2%	DAILY Earnings	Weekly Earnings	Monthly Earnings	Annual Earnings	Equivalent Job Salary	REQ'D FUND
£1	£ 50	£ 50	£250	£1,000	£11,000	£15,400	£ 2,500
£2	£ 100	£ 100	£500	£2,000	£22,000	£30,800	£ 5,000
£3	£ 150	£ 150	£750	£3,000	£33,000	£46,200	£ 7,500
£4	£ 200	£ 200	£1,000	£4,000	£44,000	£61,600	£10,000
£5	£ 250	£ 250	£1,250	£5,000	£55,000	£77,000	£12,500
£6	£ 300	£ 300	£1,500	£6,000	£66,000	£92,400	£15,000
£7	£ 350	£ 350	£1,750	£7,000	£77,000	£107,800	£17,500
£8	£ 400	£ 400	£2,000	£8,000	£88,000	£123,200	£20,000
£9	£ 450	£ 450	£2,250	£9,000	£99,000	£138,600	£22,500
£10	£ 500	£ 500	£2,500	£10,000	£110,000	£154,000	£25,000
£11	£ 550	£ 550	£2,750	£11,000	£121,000	£169,400	£27,500
£12	£ 600	£ 600	£3,000	£12,000	£132,000	£184,800	£30,000
£13	£ 650	£ 650	£3,250	£13,000	£143,000	£200,200	£32,500
£14	£ 700	£ 700	£3,500	£14,000	£154,000	£215,600	£35,000
£15	£ 750	£ 750	£3,750	£15,000	£165,000	£231,000	£37,500
£16	£ 800	£ 800	£4,000	£16,000	£176,000	£246,400	£40,000
£17	£ 850	£ 850	£4,250	£17,000	£187,000	£261,800	£42,500
£18	£ 900	£ 900	£4,500	£18,000	£198,000	£277,200	£45,000
£19	£ 950	£ 950	£4,750	£19,000	£209,000	£292,600	£47,500
£20	£ 1,000	£ 1,000	£5,000	£20,000	£220,000	£308,000	£50,000

Pip £	Stop Loss 5%	DAILY Earnings	Weekly Earnings	Monthly Earnings	Annual Earnings	Equivalent Job Salary	REQ'D FUND
£1	£ 50	£ 50	£250	£1,000	£11,000	£15,400	£ 1,000
£2	£ 100	£ 100	£500	£2,000	£22,000	£30,800	£ 2,000
£3	£ 150	£ 150	£750	£3,000	£33,000	£46,200	£ 3,000
£4	£ 200	£ 200	£1,000	£4,000	£44,000	£61,600	£ 4,000
£5	£ 250	£ 250	£1,250	£5,000	£55,000	£77,000	£ 5,000
£6	£ 300	£ 300	£1,500	£6,000	£66,000	£92,400	£ 6,000
£7	£ 350	£ 350	£1,750	£7,000	£77,000	£107,800	£ 7,000
£8	£ 400	£ 400	£2,000	£8,000	£88,000	£123,200	£ 8,000
£9	£ 450	£ 450	£2,250	£9,000	£99,000	£138,600	£ 9,000
£10	£ 500	£ 500	£2,500	£10,000	£110,000	£154,000	£10,000

4. FX – A new career?

The purpose of this report is to 'demystifying' Forex trading.

In summarising, please note the following points;

- FX is the favourite profit generating activity of the big banks, hedge funds and investors
- FX is a highly lucrative activity
- FX is available to trade practically 24 hours, 6 days a week
- FX can be traded on a part time and/or full time basis
- FX requires just a few key understandings that will make a huge difference
- FX is an excellent way work from home and control your on daily timetable
- FX is easily accessed with internet access, broadband and a spread bet platform
- FX has very low running costs, typically less than £50 per month
- FX requires the learning of a new skill, which can be developed and mastered
- FX can be conducted 'tax free' with no legal reporting requirement to the tax man
- FX can be a low risk, low cost way to gradually build a new career from £1 per trade!

I have developed a powerful system which will allow you to learn and access this market;

- A full 2 day 'training program' to teach and train you in all key knowledge and tactics
- A 'live' web connection for 12 months which will give you access to my trading analysis and system indicators in 'real time' showing you daily
 - Wave counts and trade setups
 - Target Grid for setups
 - The FX Trend Dashboard to give you full market overview
 - Simply and effective indicators to help you monitor market sentiment
 - news feeds to notify you of key times when not to trade

This is the 'total solution' for the needs of a new trader.

Even though technology has enabled me to create a very powerful set of trading resources, it all comes back down to the individual and building their skill. My Human Resources and Forex experience combined with my professional coaching background will ensure that I will be able to help you 'learn and master' the skills necessary for successful FX trading. Once learnt you can profit from them for the rest of your life.

Thank you for taking the time to read this report. You are now very well informed about Forex trading. Also, you are now able to make a more 'informed' decision about whether it is something of interest to you or not. An exciting career in the worlds' most profitable money market is possible if you want it.

If you have any questions and/or would like to have a demonstration of the FX Flow system please contact me on 07738 197206 or email me on bobby@blueyonder.co.uk