

AUTO TREND FORECASTER

User Manual

May, 2011

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Introduction

Congratulations on your decision to use our auto trend forecaster. We are sure you will be satisfied with its performance and convenience.

We have spent a considerable amount of to develop this indicator, and we believe we have our best (Trend indicator) work ever presented here. Many late nights have gone into perfecting every single detail about the indicator. You find installing a breeze and it will run completely on autopilot for you.

The "Auto Trend Forecaster" is a complex software that does not involve any of the "regular" indicators used in financial markets nowadays, like the MACD, RSI or moving averages. It adapts itself to current market conditions using complicated algorithms based on price action and out custom indicators. The indicator will gives you trading signals Buy or Sell + stop loss levels indicated in the popup alert window and graphically - by drawing a color line on your mt4 chart. The indicator is easy to use: all you have to do is to press buy or sell button whenever you get a signal to enter a trade.

Installing the Indicator

IMPORTANT: If you don't have MetaTrader ® installed, please download it from this link:

http://www.alpari.co.uk/files/site_uk/000software/MT4_set_up.exe

Follow the instructions and open a demo or real account. We recommend trading the indicators on demo account before proceeding to real accounts.

The indicator file is: **autotrendforecaster.ex4**

➔ **Step 1:** Copy the indicator file EX4 into your /experts/indicators/ folder. This folder is in the folder of the MetaTrader trading platform.

Examples:

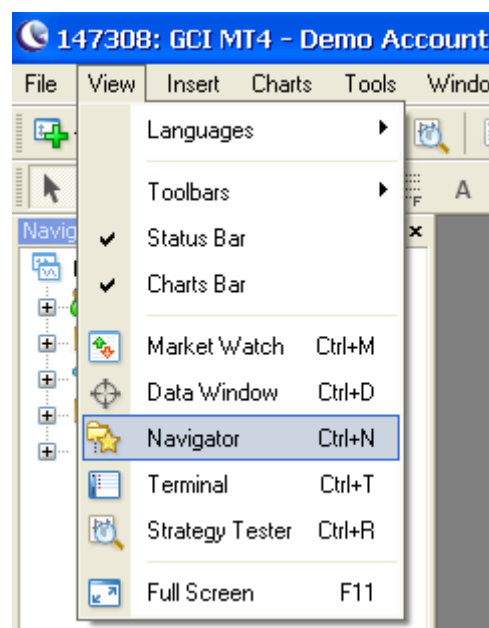
If you are using the Interbank FX Trader broker, the folder will be at
C:\Program Files\Interbank FX Trader 4\experts\indicators\

If you are using the Alpari MetaTrader broker, the folder will be at
C:\Program Files\MetaTrader - Alpari\experts\indicators

If you are using the FXDD broker, the folder will be at
C:\Program Files\FXDD – MetaTrader 4\experts\indicators\

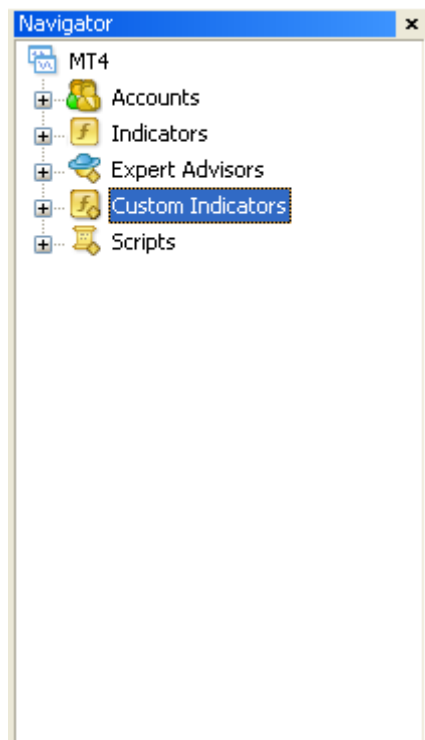
If you can't find your /experts/indicators/ folder, please contact our technical support.

➔ **Step 2:** Open the MetaTrader® platform, and click on View -> Navigator. You can also click on CTRL+N.



Click on 'Navigator'

➔ **Step 3:** A window titled 'Navigator' should appear. Click on Custom Indicators.



The Navigator

➔ **Step 4:** You should see the **Auto Trend Forecaster** at the Custom Indicators folder. Double click on the indicator and click OK to load them onto your chart.

Here is a video showing how you to **install indicators onto the** MetaTrader® platform:

<http://www.youtube.com/watch?v=F-VusM-Q8rw>

If you need any assistance, do not hesitate to contact our technical support team.

IMPORTANT RULES - How to use the signals

- Identify a current long term trend. (Remember? Trend is your friend?)

Example – if you trade on a 30m timeframe – go to one timeframe higher (1H in this case) and identify a current global trend.

On a 30 min timeframe The Auto Trend Forecaster will show you smaller intraday trends which are currently inside a global trend (in this case 1h timeframe trend)

- Ignore all signals against a global 1h trend!

Example:

1H Trend is up – but you get a “sell” signal on your 30 min timeframe (ignore it!)

Wait for a “buy” signal to enter. This is the most important rule #1, if you follow it – you will have no losing trades at all.

- The most important rule #2: do not trade and do not use the indicator on a side trend. This is “MUST follow” rule#2.

If you DON'T follow or ignore the rules above – good results are not guaranteed!

Stay away from using the signals and open trades on unclear trends. Never use the indicator on a sideways trends!

None of the Forex software work well on a sideways market, this has been proven many times...

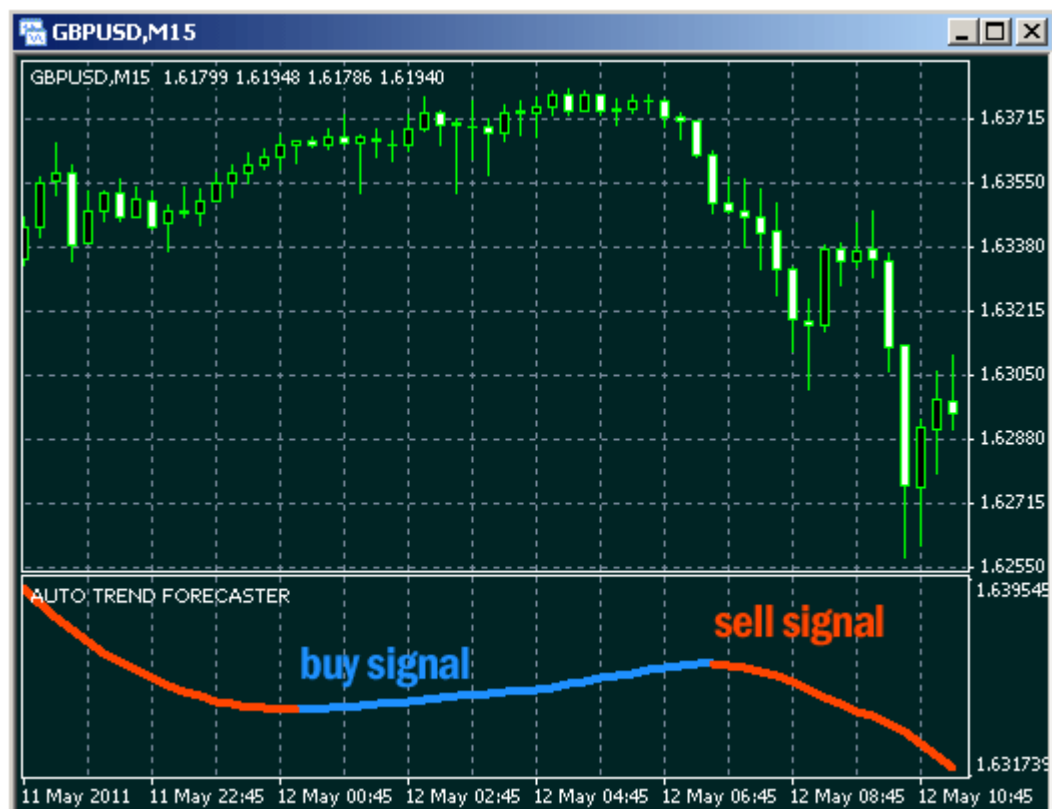
Entering Trades

The Auto Trend Forecaster © generates trades when it changes colors.

To use the Auto Trend Forecaster © to generate signals:

Long trades occur when the Auto Trend Forecaster © changes color from Orange to Blue.

Short trades occur when the Auto Trend Forecaster © changes color from Blue to Orange.



Stop Loss

Option 1

Place your stop loss according to the popup alert number

Option 2 (for advanced traders)

Place your stop loss below the previous low (bottoms)

For long trades.

Place your stop loss above the previous high (tops)

For short trades.

IMPORTANT: Set stop loss for all your trades and do not deviate from it. Once the trade has touched your stop loss be disciplined and close the trade. This will protect you from major capital losses.

Exiting Trades

Exit trades when the Auto Trend Indicator issues the opposite trading signal. This ensures that you trade with maximum profits and right before the market reverses.

Another exit mechanism which is highly effective is to exit near strong support or resistance levels. It is a method that generates exits earlier, so you take profits early.

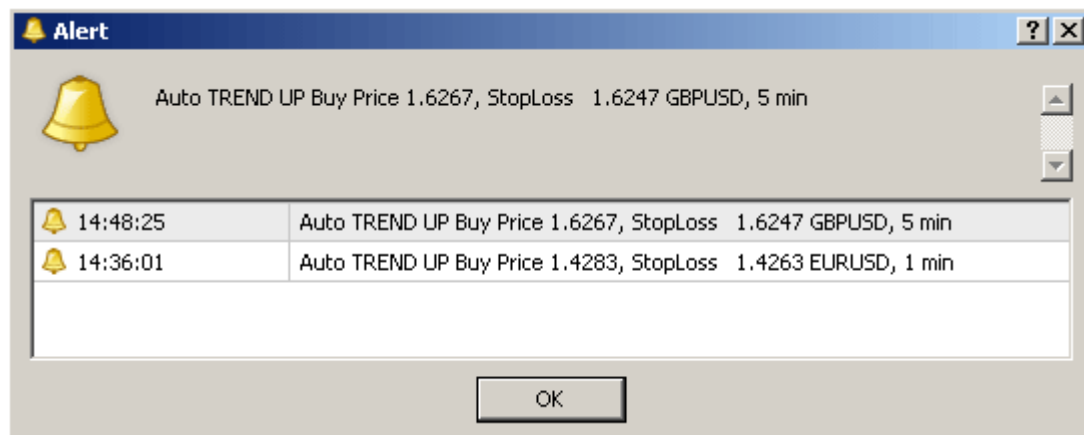
Time Frames and Pairs

- 5 min (not recommended - risky), 15 min, 30 min, 1H
- All major pairs

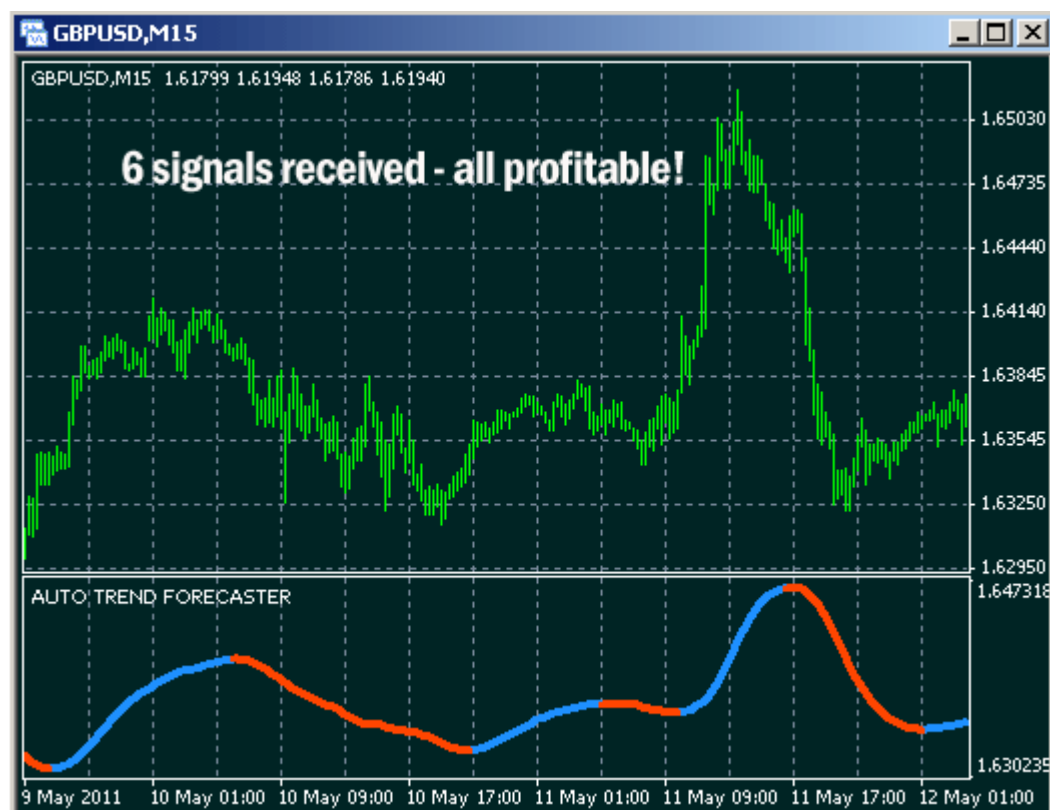
Signal Popup Alert Window:

All information will be printed in the popup alert:

- Trend direction: TREND UP or TREND DOWN
- Buy or Sell signal
- Entry price
- Stop loss level
- Timeframe (on which chart signal received)
- Pair



Sample signals and trades:



Recommendations

Stay away from using the signals and open trades on unclear trends or side trends. Do not trade near the news releases!

Normal market, great signals:

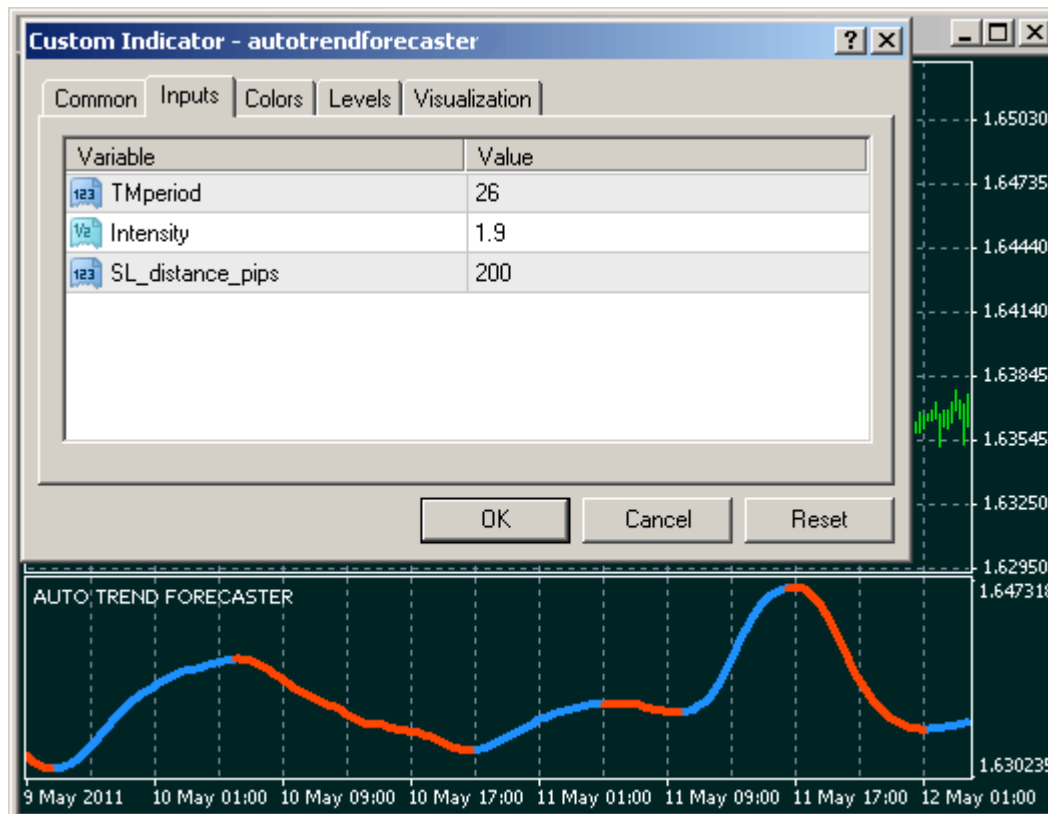


No trending ranging market, news releases – stay away from trading:



*(Again: Stay away from using the signals and open trades on unclear trends.
Never use the indicator on a sideways trends! Non of the Forex software work well
on a sideway market, this has been proven many times...)*

Parameters:



You can change TMperiod (by default 26) for example to “15” to speed up the indicator and get more entry signals.. but you will get more false signals.. so, be careful. You can also change the Intensity 1...2.5

SL_distance_pips by default = 200 (for 5 digits brokers) = 20 pips

Change it if you use 4 digit broker to:

SL_distance_pips = 20 (for 4 digits brokers) = 20 pips

Default setting optimized for a day trading timeframes 15m 30m.

There are some more parameters that you can try for a popular
Timeframe 1 HOUR:

Pairs	<i>TM period</i>	<i>Intensity</i>
gbpusd	31	0.9
usdchf	45	0.8
usdjpy	38	0.9
audusd	39	0.9
usdchf	38	1.1
eurchf	40	0.9
eurgbp	50	0.9
eurjpy	40	1.5
gbpchf	40	0.9
gbpjpy	40	1.0

Money Management

Money management is a very important concept that has an enormous effect on drawdowns and margin calls. The cardinal rule of money management is the following:

You should only risk 1-3% of your account on any single trade. You may have heard this rule hundred times before, but it is amazing to see how many good traders fail to comprehend this concept – and don't understand why they are wiped out again and again, despite great entries and timing of trades.

Another important concept that is related to your **stop loss**: In this software you learned how to place stop loss for each setup. This stop loss is calculated regardless of your level of risk or your equity, and is based solely on price-action. After stop loss is set, calculate your trade size so you achieve the percent of risk you trade with. For example: your stop loss is 10 pips, and your equity is 10,000\$. You wish to risk 2% of your equity in this trade, so you enter trade with 2 lots – so your risk is 200\$, or 2%.

“Auto Trend Forecaster”

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