

The Force 5min system

Original Version

Traders,

Detailed below is my newest strategy. I invite everyone to try it out as it does produce good profits if traded correctly. By good profits I mean you make pips everyday even if its only a few. Ive only traded this strategy on the Eur/Usd.

Details:

Name: The Force

Pair: Eur/Usd

Time: 5min

Sessions: Any, but I only trade during the asian and euro session.

Indicators

MACD: 12,26,1 (1 means nothing)

Stochastic: 5,3,3

EMA: 5 to the close

EMA: 5 to the open

no trades during news times

Risk is set to 1%

Take profit is random based on market conditions but ill usually cash out based on reversal patterns or a cross of the two ema's

Trade signals are only confirmed on closed candles/bars.

Buy Signal

- a) When the stochastic crosses up from the 20 line and is not overbought
- b) The MACD closes higher than the previous time interval
- c) The Signal candle/bar closes higher bullish
- d) The 5 ema to the close has crossed the 5 ema to the open

Stop Loss is the low of the previous candle or 20 pips but 20 pip min.

Close when the 5 ema to the close has crossed the 5 ema to the open

Sell Signal

- a) When the stochastic crosses down from the 80 line and is not oversold
- b) The MACD closes lower than the previous time interval
- c) The Signal candle/bar closes lower bearish
- d) The 5 ema to the close has crossed the 5 ema to the open

Stop Loss is the high of the previous candle or 20 pips but 20 pip min.

Close is based on price action.

That's it. I like to keep life simple. If anyone has any questions they will be answered between 12am and 7am eastern time. Rest assured all questions will be answered so keep checking back if you have posed a question and have not received an answer. Chart examples will be produced based on demand. Enjoy.

msn chat: theforcefx@live.com

Live Chatroom: <http://force.appruv.com>



Advanced rules

For the people who have been trading my system since its first post and have a good grip on the basics can now kick it up a notch. What's changed from the basic rules is that we will no longer wait for the stochs to come out of the oversold/overbought area. Instead we're going to add in daily, weekly and monthly pivots combined with trend lines. How does this affect the strategy? It gives the opportunity to now trade failures or bounces of minor and major support and resistance. How does this work? When the price approaches a major or minor support or resistance we wait for the price to fail to clear it. Then we wait for a stoch cross, macd and MA signal to occur in the direction of the bounce. Again exit is based on reversal patterns and price action. A quick tip about support and resistance and pivots. The larger the time frame of these items means the more powerful support and resistance. Always wait for the bounce to occur and a confirmation of the indicators and a closed bar with the confirmation before you enter the trade. Lot size will be determined by account size at 1%. To calculate take your account size calculate the 1%. Take the sum and divide it by the number of pips from the low/high to close from the signal bar and now you have the proper lot size for your trade. Even if you're in demo status you should practice this for proper MM. Everyone should take a good 15min before they start trading to draw their trend lines. First take your 5min chart and zoom as far out as you can and make the connections. Then zoom in one level and do the same. Keep zooming in till you get them all bearish and bullish. Then once you're done make sure you know where all your pivots are for the daily, weekly and monthly. After that's done, double check everything. Then once that's done check it again. Then sit and wait for a trade. Watch everything the price is doing and get to know how the pair moves. Everytime the price moves there's a reason behind the movement, be it technical or fundamental. With all these SR lines and pivots what you have is information telling you what's happened and what's likely to happen. You also now have the

advantage of looking at what the pros are prob looking at. The pros handle the big bucks. The big bucks make the big moves. Included by attachment is a pivot indicator. Set daily, weekly and monthly to true.

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Risk is set to 1%

**Take profit is random based on market conditions but ill usually cash out based on reversal patterns.*

Trade signals are only confirmed on closed candles/bars.

Buy Signal

- a) When the stochastic crosses in bullish divergence and is not ovebought
- b) The MACD closses higher than the previous time interval
- c) The Signal candle/bar closes higher bullish
- d) The 5 ema to the close has crossed the 5 ema to the open

Stop Loss is the low of the previous candle or 20 pips but 20 pip min.

Close is based on price action.

Sell Signal

- When the stochastic crosses in bearish divergence is not oversold
- The MACD crosses lower than the previous time interval
- The Signal candle/bar closes lower bearish
- The 5 ema to the close has crossed the 5 ema to the open

Stop Loss is the high of the previous candle or 20 pips but 20 pip min.

Close is based on price action.



Expert Rules

Below are the rules for trading the forece expert. I have used Friday as an example chart to demonstrate the rules in effect. This is the best way to maximize your pips gain and the final goal that everyone should strive for when trading my system from beginning to end.

Trade setup

You will draw one long term TL upper and lower TL fomr the 15min chart zoomed as far out as possible. Just connect the two most highs and lows visible. Then go back to your 5min chart as this is the only place the trades will take place. Find a comfortable zoom level but not to close because you need to be able to see the bigger picture.

Enter short

Wait for the price to push then bounce or just bounce of the Upper TL

Wait for retracement and failed restes of the upper TL

Enter short after failed retest

Trace price with short term TL and add to position on bounces of short term TL

Close all when the same thing happens in the opposing when the same pattern happens again but opposite.

Enter Long

Wait for the price to push then bounce or just bounce of the Lower TL

Wait for retracement and failed restes of the Lower TL

Enter long after failed retest

Trace price with short term TL and add to position on bounces of short term TL

Close all when the same thing happens in the opposing when the same

pattern happens again but opposite.

Thats it. If this doesnt make sense to you your not at the point where your ready to trade the expert rules. The basic and advanced rules are created to train your eye to recognise these patters. The chart below is how I trade FX behind the scenes. From now on This is what my charts will look like when I post them. I hope everyone enjoys the feeling of satisfaction they will have for themself getting to the point where they can trade in this fassion.

