

Forex day trading system

"Show me the money"

by Domino



Hi my forex traders friends,

I created this mini-ebook to give you many details about my forex day trading system and some ideas.

I hope it can help you if you want to create your own forex day trading system or a swing trading strategy.

This forex ebook is free. You can give it to all your friends who search some forex trading strategies, and you can put it on your website or blog.

I'm here to help you because I am lucky to create a forex system that gave me:

+1847 pips in February

and

+2386 pips in March

But you have to help other forex traders like you too. Don't be selfish ! More we are and more we'll have good ideas to find, and to create profitable strategies.

No matter you have a lot of experiences or you are a real beginner, you can help us in this success story.

A lot of forex traders send me some questions at my email account about my forex day trading system because I was too confused in my explanations.

This forex e-book is a solution about it.

Learn all the steps, and I'm sure you'll be ready to test and day trade my free forex system online.

Domino

www.free-forex-day-trading-system.com

Step # 1 : My Settings

My **forex day trading system** use the trend. Every trader has to know this rule: " The trend is my friend".

Part 1

To identify the Trend (I call it The Big Trend), I use two moving average exponential :

➡ MAE 14

➡ MAE 42

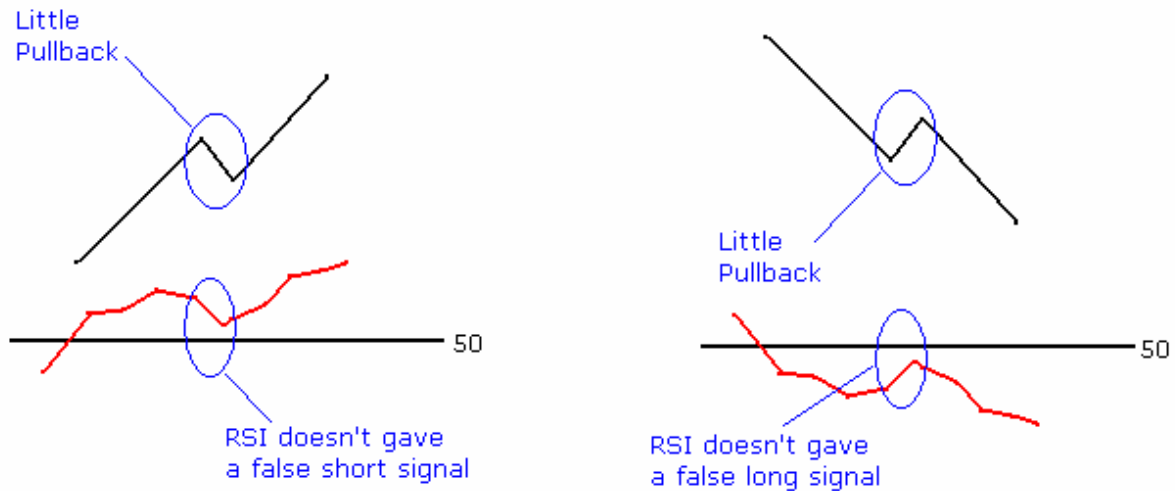
Be careful, some forex softwares write EMA (Exponential Moving Average). No matter, the mos important thing it is you read: Moving average + exponential.

If $MAE\ 14 > MAE\ 42$ then the Big Trend is Up. That means, you must wait a **Long** signal.

If $MAE\ 14 < MAE\ 42$ then the Big Trend is Down. That means, you must wait a **Short** signal.

Part 2 : RSI

I use RSI because it's a forex indicator that follow the Big Trend with more accuracy. It doesn't give many false signals when prices do a little pullback. It's an advantage

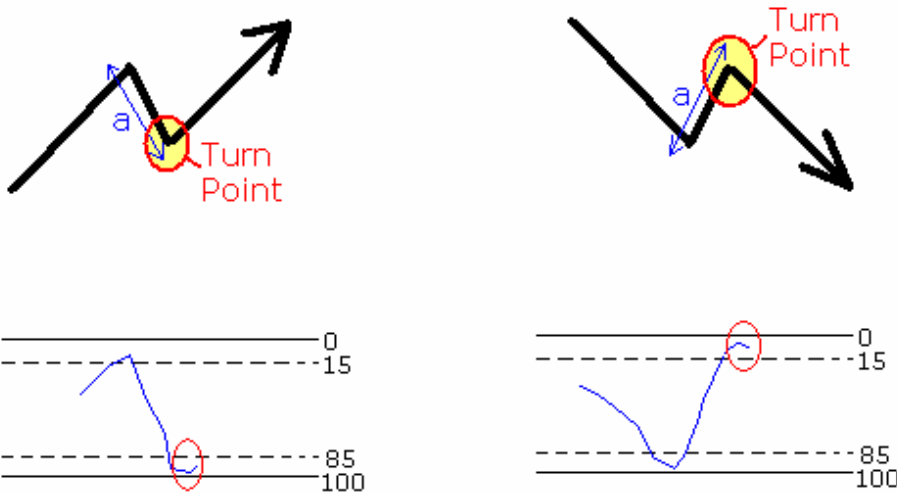


My RSI period is 21

Normally, I use RSI only to find little pullbacks, but sometimes it can help me to go out of my day trades. I use it like a pre-signal, we'll see that later.

Part 3 : William's %R

For me William's %R is the King of forex indicators. I use it to find the turn point of pullback. One minute, I'll explain with my simple english words. William's %R shows me when the end of a pullback is near. Did you understand me ?



Now pay attention, please.

William's %R value are between $[-100 ; 0]$, but for me, when I write I do $[0 ; +100]$. Why ? I don't know. May be I don't like negative numbers.

Hey, I lost three times my money, so I'am a little paranoid.



When $0 \leq \text{William's \%R} < 15$, that means our little pullback is near dead. And at this moment, we open our eyes, and say the market: "Show me the money !".

It's only valuable if the Big Trend is **Down**.

When $85 < \text{William's \%R} \leq 100$, and if there is an Up Big Trend, That means the pullback arrive at his end. And we say : "Show me the money !".

For this case we must have a **Long** Big Trend.

My William's %R period is 7

Yeah !!! You just learnt my forex day trading system settings.

Example



Did you see how MAE could help you to find the right direction ? RSI showed us the market was Up even if prices did some little pullbacks. And William's %R showed us the end of the little down trend.

Bonus

I received some emails from forex traders members who had taken a losing trade. After I analyzed their charts and I saw they took a good signal but a risky trade.

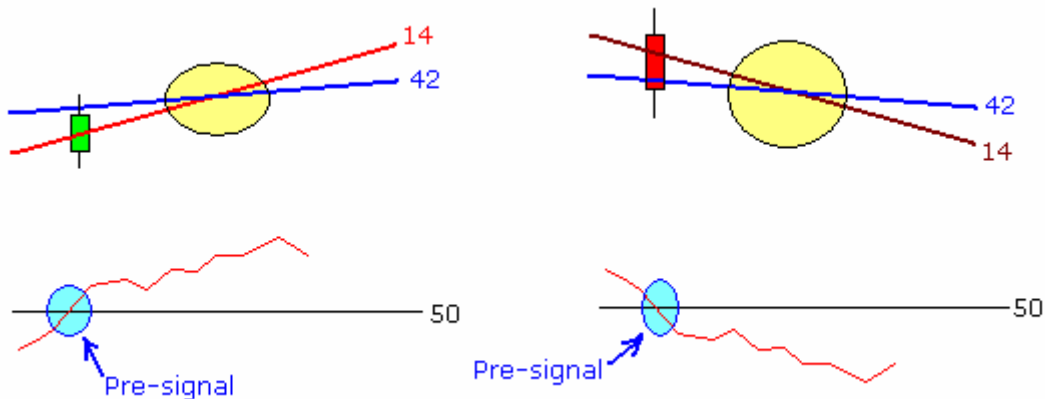
Often, they entered too late in the Big Trend. So I wanted to show you How to find the best day trade.

I use RSI to do this job.

Remember, we have a Up trend when MAE 14 cross up MAE 42, and a Down trend when MAE 14 cross down MAE 42.



But sometimes, RSI shows us a Pre-signal



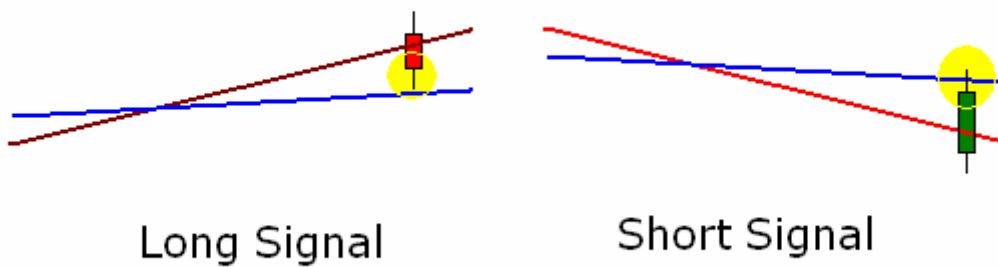
Long Pre-signal when RSI > 50 before MAE 14 cross up MAE 42.

Short Pre-signal when RSI < 50 before MAE 14 cross down MAE 42.

MAE 14 can help us to find the best day trade too.

For a long signal, it's better if the down candlestick close under MAE 14.

For a short signal, it's better if the up candlestick close above MAE 14.



Example

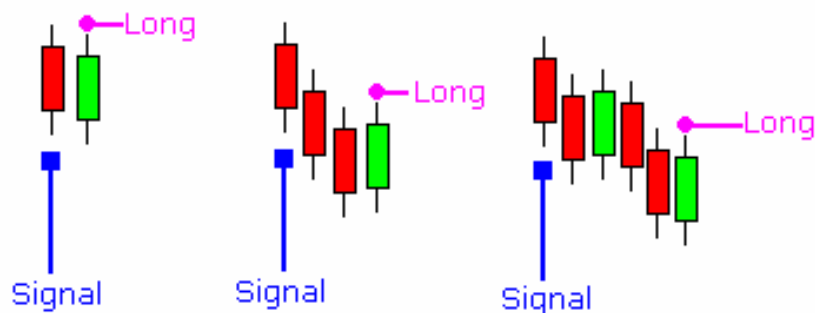


Step # 2 : My Entry

There are many ways to enter, but I'll show you the most "popular".

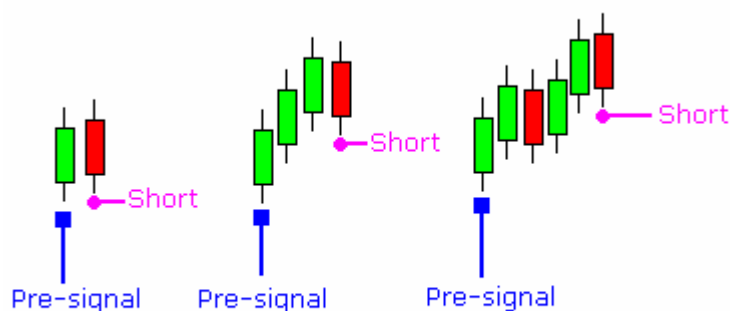
#1

If we wait a Long signal, we take a position with an Up candlestick:



When you have an Up candlestick, we enter if prices cross his High, with a market order.

If we wait a Short signal, we take a position with a Down candlestick:

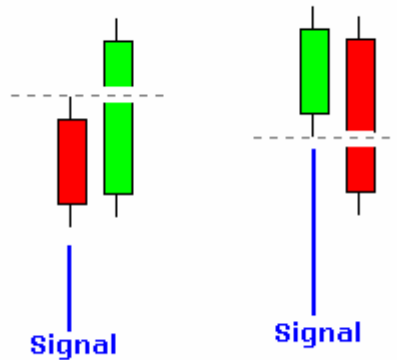


When you have a Down candlestick, we enter if prices cross his Low, with a market order too.

#2

If we wait a long signal and prices cross the high of the Down candlestick that gives the signal. We can take a position.

And if we wait a short signal with prices cross the low of the Up candlestick that gives the signal. We can take a position too.



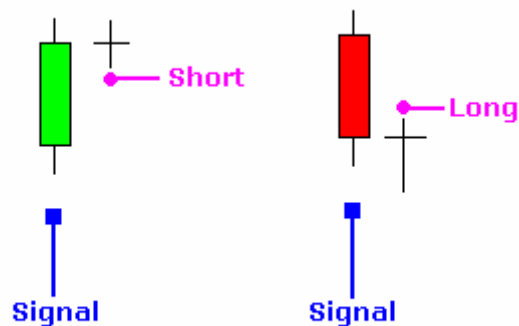
But, take an entry like that, it's more risky than the #1 way. Test it on a forex broker account to be confidence with this type of entry.

#3

Sometimes, after the candlestick that gave a signal (long or short), we have a doji. It's a candlestick with his open has the same value of his close. Doji ==> Open = Close.

In this case, we'll enter when prices cross:

- The High of the doji for a Long signal
- The Low of the doji for a short signal



Open a free forex demo account and find how you like to enter on a day trade. We are all different, so test, test, and test again.

Step # 3: My Stop loss

The Big error of the beginners is to use one stop loss. They are afraid to be take a big loss then they put their stop loss near the entry. I think it's a big mistake.

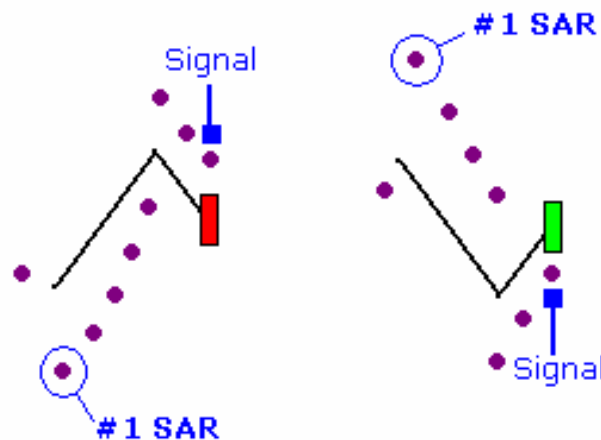
Stop loss #1

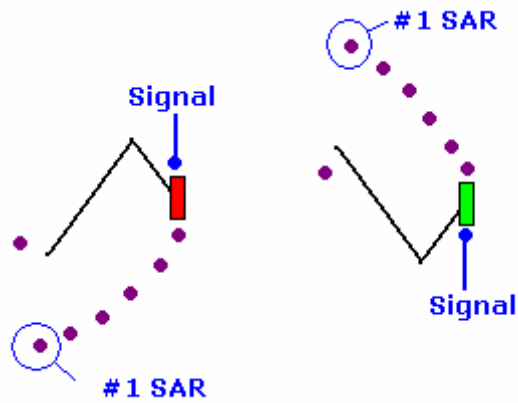
To put my #1 stop loss, I use SAR parabolic. The settings are (0,02 ; 0,2). I take the #1 SAR and put my stop loss under it for a Long signal or above it for a Short signal.

How to find the #1 SAR ?

Ok let's go !

#1 SAR is before the signal candlestick. We have two cases:





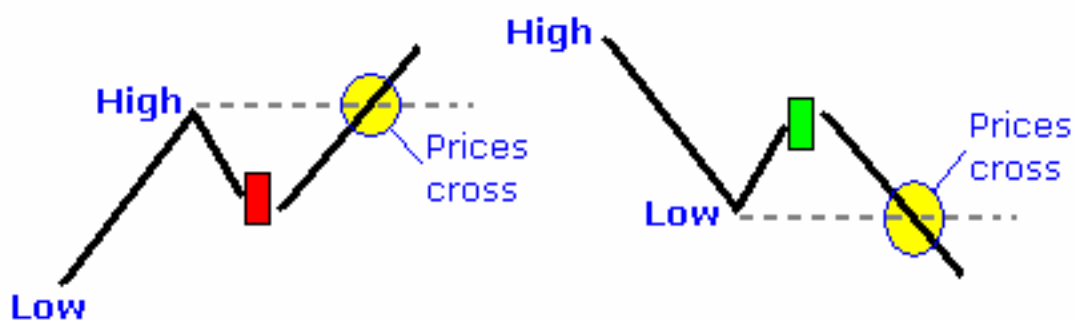
But be careful, we can have a false signal. It's when you have a SAR dot alone.

Ok, we put our #1 stop loss under the SAR dot for a long signal or above it for a short signal.

Stop loss #2

We put this stop when prices cross:

- the "High" for a Long trade
- the "Low" when we have a short trade



Where to put it ?

We place it under the lowest of the pullback for a long trade.

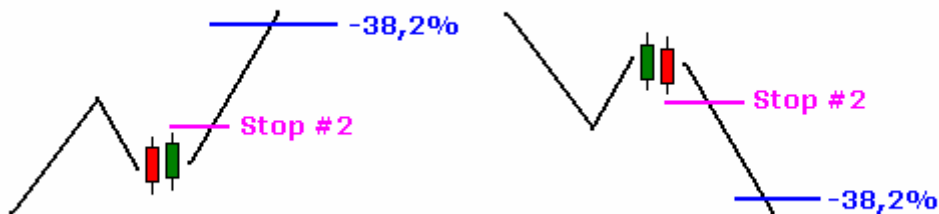
We place it above the highest of the pullback for a short trade.



Are you ok with that ? Currency trading is a business not a game, so you must to learn seriously if you want to have a chance to find success.

Stop loss # 3

This stop loss is more simple. When prices touch the "-38,2%" level we put our stop loss #3 at the entry.



Like you can see, it's simple.

We must always follow this plan for the stop loss if you want to have a chance to make big money in the forex jungle.

Domino

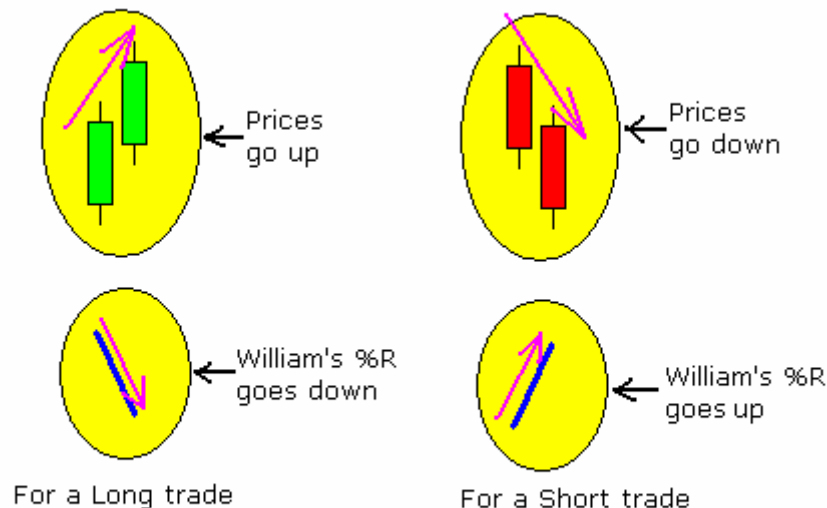
Step # 4 : The Exit

To exit we have many choices :

- When prices touch the "-38,2%" level, we can go out immediately.
- We can exit when prices close above the "-38,2%" for a long trade or under it for a short trade.

If you are a beginner, chose one of these options.

After, if you aren't afraid to lost your money, you can wait a divergence to go out.



Divergence

For exit, it depends on you only. The most important it's to take more than 15 pips per trade (minimum). Sometimes, we have no choice, we'll have to take a loss.

To better understand exit, follow my forex trades commentaries and watch my videos.

You can send me your forex charts to I advice you. I can be your forex mentor for free if you want.

Now, you have many details about my
forex day trading system !!!

If you have any questions, you can send me
a message on my website:

www.free-forex-day-trading-system.com