

ForexSabotage Package

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Welcome

Welcome to the Forex Sabotage package.

I'm really glad to share this amazing package and software with you. It is the product of years of researching and development, and I hope you will improve your trading and profit from it.

Please read the entire strategy before applying it in trading - so you have the full knowledge and basis needed to exercise trades profitably. Please trade on demo account before trading on real money, so you have some trading experience and have confidence in the strategy.

We are confident that if you apply the strategy in your trading, your profits will increase beyond your wildest dreams and you will enjoy a consistent system with high win rate and profitability.

We have made any effort to present the material in this guide as simply as possible. If you have any questions regarding the material, do not hesitate to contact us.

If you have any suggestions or improvements you wish to have in the next versions, please send us an email. We always love to hear from our customers!

To Your Success,
Forex Sabotage Team

Introduction and Analysis Technique

The main idea behind the Forex Sabotage is of watching the big picture. The algorithm behind it uses cross-pair analysis to identify the phases in which price is in, and to pin-point the beginning of new cycles and the end of the current cycle. These are the reversal signals that we will trade.

The Forex Sabotage Signal indicator uses dynamic D.S.P. Algorithms to find the relative strength of each currency, and identify the 'shifts of power' which result in trading signals.



BLUE : Euro

RED: Japanese Yen

GREEN : US Dollar

GOLDEN : Pound

The 2nd indicator of ForexSabotage is the momentum sense indicator. It analyzes the markets momentum-wise and tell you when it is safe to enter the market, and when it is in range so you should avoid trading.



The 3rd and final indicator of ForexSabotage is the Market Info indicator. This indicator gives you all sorts of insight on the market: increasing\decreasing volume, buying\selling pressure and a lot of valuable insight on trading. 99% of this insight you cannot see and is 'under the hood' information that can highly improve your trading.



Installing the Indicators

Before you install: 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.

Installing the Indicators: Copy the indicators files 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're having problems, here is a video showing how you to **install indicators to the** MetaTrader ® platform:

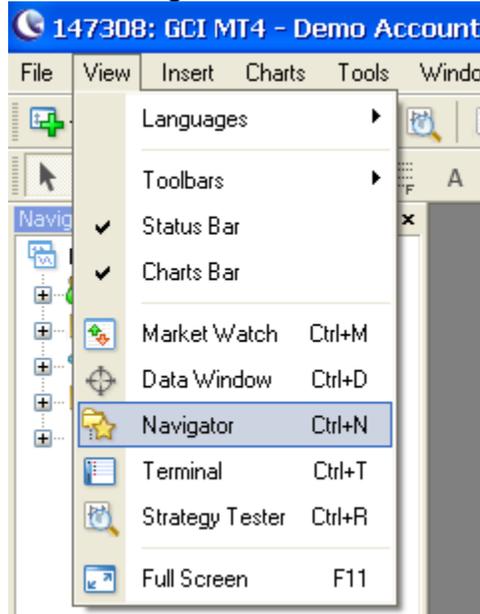
<http://www.youtube.com/watch?v=F-VusM-Q8rw>

If you can't find your /experts/indicators/ folder or need any assistance, please contact our technical support and we'll be happy to help.

Opening the Indicator

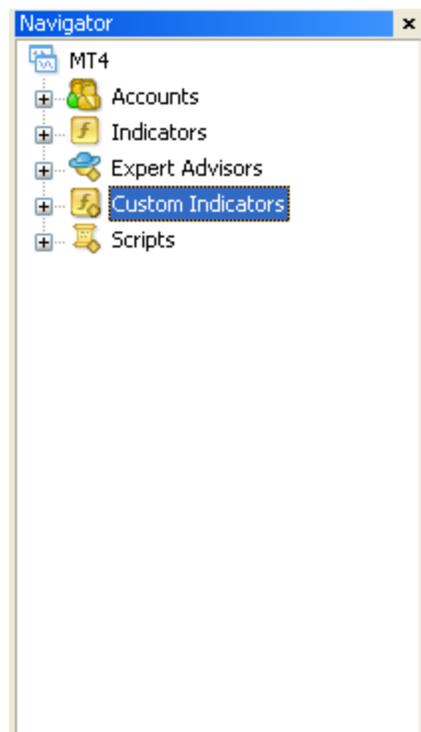
→ **Step 1:** Open the MetaTrader® platform.

→ **Step 2:** 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 Forex Sabotage indicators © at the Custom Indicators folder. Double click on all the 3 indicators and click OK to load

them onto your chart.

Interpretation and Trading Signals

In this chapter you will learn how to trade the ForexSabotage trading system. You will learn how to use this system to harness incredible trading profits day by day.

When to enter Long trades:

- ✓ When *Forex Sabotage Momentum Sense* indicator turned from **Blue to Green**.
- ✓ If you are trading a major pair (EUR\USD, EUR\JPY, GBP\JPY, USD\JPY, GBP\USD, EUR\GBP): Confirm with the *Forex Sabotage Signal* indicator. If you are trading the EUR\USD, make sure the EUR line is **above** the USD line of the indicator. If you are not trading one of these pairs, disregard this confirmation.

When to enter Short trades:

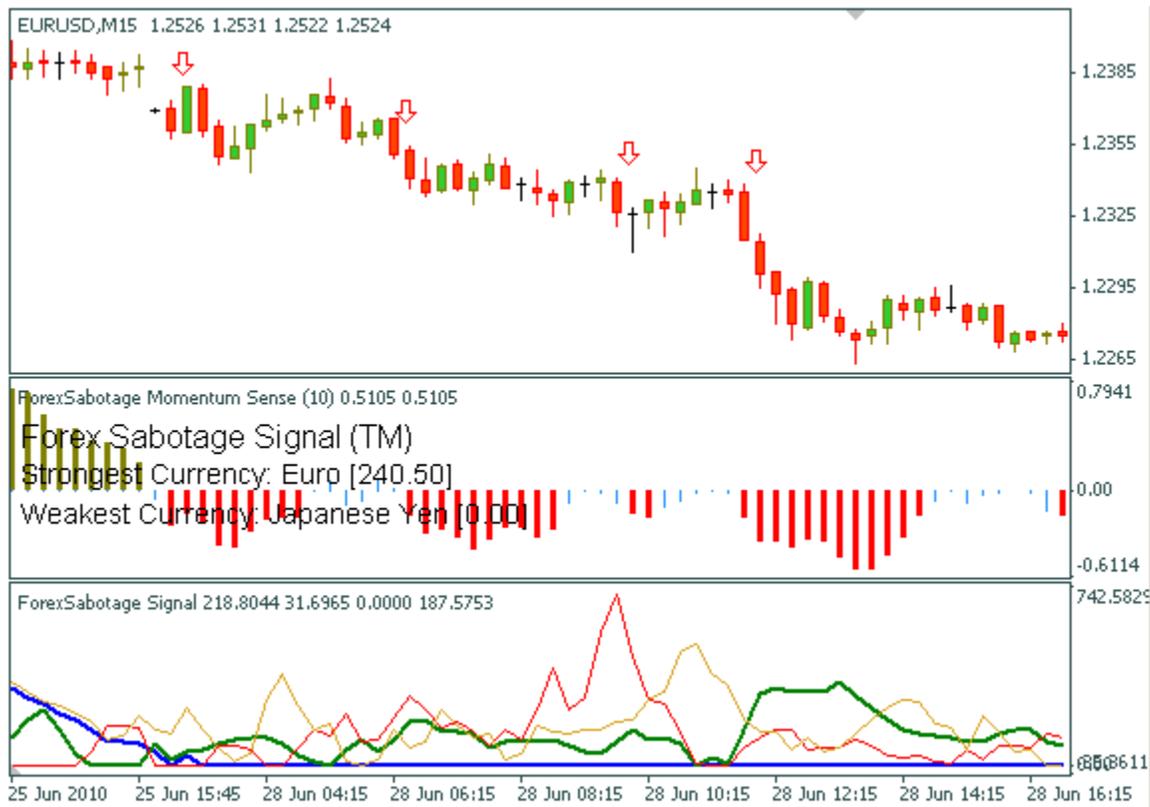
- ✓ When *Forex Sabotage Momentum Sense* indicator turned from **Blue to Red**.
- ✓ If you are trading a major pair (EUR\USD, EUR\JPY, GBP\JPY, USD\JPY, GBP\USD, EUR\GBP): Confirm with the *Forex Sabotage Signal* indicator. If you are trading the EUR\USD, make sure the EUR line is **below** the USD line of the indicator before you take SHORT trades.. If you are not trading one of these pairs, disregard this confirmation.

Examples:









Stop Loss is calculated in the following mechanical method:

- ✓ **For Long Trades**, place stop loss 1 pips below the lowest low of last 4 bars.
- ✓ **For Short Trades**, place stop loss 1 pips above the highest high of last 4 bars.

Stop Loss for each trade is also shown in the *Forex Sabotage Market Insight* indicator. If you are entering long trade look for the 'Stop Loss for Long Trades', and if you are entering a short trade look for 'Stop Loss for Short Trades'.

Exiting Trades

Exit the trade when the Market Insight tells you that the volume is declining. Another exit signal is the *Forex Sabotage Momentum Sense* indicator changing to Blue color. If it changes and the bar is closed – exit the trade.

Money Management

The trade size for each trade is specified by the *Market Info* indicator. It is calculated so you have a constant, 2% risk in each trade.

The Super Trader Money Management Guide

"Successful traders have a larger edge and better money management than unsuccessful traders. Unlike popular belief however, this study shows that the smaller edge of successful traders is not the cause of their failure. Traders' failures can be explained almost exclusively by their poor money management practices."

"The Secrets of Successful Trading", Fernando Diaz

Money management is an important part of the system that is designed to protect your capital and reduce your drawdowns. We will now present you several money management rules you should employ.

Do not deviate from these rules at any cost:

- ✓ **Never risk more than 1-3% of your capital in any single trade** – Never risk more than this amount in any trade you enter. Risking more than 5-10% in any trade will lead you to great risk, and very few losing trades would kill your account, preventing you from trading and recovering from your losses.

- ✓ **Never change your Stop Loss** – Never change your stop loss due to your capital and equity. We have presented you with solid stop loss rules you should use to calculate your stop loss point. This point has nothing to do with your capital and should not be affected by it. You should change the trade size (lots) to fit the amount you are willing to risk. 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%.

- ✓ **Always take a time out from trading any time you lose 5% of your capital.** This breaks bad momentum and limits negative spirals into deep holes. It gives us time to calmly reevaluate the situation. A few days off helps clear the head. A time out helps limit revenge trading. The desperate attempt to quickly make back the loss most often causes even more trouble.

- ✓ **Always close trades before weekend.** This is not so much money management as it is risk management. If you keep positions over weekend you are exposing yourself to the risk of a gap in the opening. Price can open at Monday at a totally different price than it was at Friday, and your stop loss cannot

protect you from it. If price did not reach target, close your trades at Friday noon.

✓ **Always use actual stops.** Actual stops protect you from major catastrophes, power breakdowns and many other unfortunate events. Don't worry about stop hunting – most brokers don't do it and if yours does, choose a more reputable broker to trade with.

For traders interested in learning more about money management we recommend entering this great mini-site:

<http://www.turtletrader.com/money.html>

Mindset

"The longer I live the more convinced I become that life is 10 percent what happens to us and 90 percent how we respond to it."

Charles Swindoll

This is the final concept we will describe in the XVolume strategy. However, it is still important no matter how or what you trade.

It also derives from the first conclusion regarding the win rate: any trader sometimes has losing trades. No matter how good your trading system is, it may have losing trades. In any system or strategy, you may also face streaks of 4-5 losses in a row. This is the reality of trading and you have to face it.

However, professional traders know that these streaks have nothing with their trading proficiency or abilities. They are simply the result of temporary bad luck. What most novices do in such situations is starting to question themselves: they think about changing their trading strategy, adding indicators or confirmations, or completely changing their system. They do not understand that their system is fine – and these losses are a part of trading reality. They alter their system after any loss, aiming to achieve 100% hit rate. **100% hit rate is not achievable**, as in any time one bank can take a trade against you and drop the market 50 pips in a second. There is no way you can anticipate such moves, so please stop trying.

What you need to understand here is simply: **always stick to the strategy**. Do not change it no matter how much you lose. Don't worry, if you trade this strategy, your winning will be 3, even 4 times the losses. Again, do not change the system. It has proven itself for a hundred years and will continue forever, so enjoy your knowledge and trade the system as mechanically as you can.

A good exercise you can do to increase your confidence in the strategy is to look for past set-ups and trades. Look for past trades in the currencies and timeframes you are comfortable with, and summarize the result. Calculate the profit the strategy made in the past, so you are 100% sure that it is consistently profitable and your fear is reduced.

For more information about trading mindset, we recommend the great book, *Trading in the Zone* by Mark Douglas.

Sound and Email Alerts

To set sound alerts just set '**Sound.Alerts**' to '**True**' in the inputs tab of the ForexSabotage indicator.

To set email alerts follow these steps:

- ✓ Enable Email Alerts. In the '**Inputs**' tab, set '**Email.Alerts**' to True.
- ✓ Click on '**Tools**' and '**Options**'.
- ✓ Click on the '**Email**' tab.
- ✓ Check the '**Enable**' checkbox.
- ✓ Ask your Internet Service Provider (ISP) what are his email server details. If you need help with that you can also send us a message and we'll do the best to assist.
- ✓ Click on '**Test**'. You should receive a test email to your inbox.

Support and Researching

Major idea of the ForexSabotage is sharing the knowledge. As we shared the knowledge and tools with you we will be very happy if you could help us share and improve the ForexSabotage.

If you find interesting trading styles or methods that use the ForexSabotage we will appreciate it. Together we can improve and make the ForexSabotage better, more accurate and more profitable.

You may contact our technical support at any time.

If you have any suggestions or improvements you wish to have in the next versions, please send us an email. We always love to hear from our customers!

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