

5 Min 4R/R System

Hello Traders-

Here I am making a small effort to help all those following Rifid's 5 Min 4R/R system. Everything presented here is from the thread and I have added nothing to it. This .pdf simply puts everything in one place to understand the system. Please do your due diligence of back testing the system and see if it suits you.

Let's get started.

The system is based on sound trading principles around the popular triangle chart pattern which most traders are familiar with.

A triangle pattern is a continuation pattern in a trending market and what we are aiming at is entering the market at precisely the right time just as it breaks out of the triangle.

- Using this system it works approximately 50% of the time with a Risk to Reward of 1:4
- We use constant 5 pips SL and 20 TP.
- We DO NOT trade around red news. If already in a trade around news move SL to BE.
- This system will NOT work If your spread is bigger than 1.5 pips. Please make sure to use a broker that offers small spreads.

Money Management

This is very important

- Never risk more than 2% on any trade.
- We DO NOT reduce the trade risk after a loss.
-

For Example if you had \$1,000 account with a 5 pip SL you would only be risking \$20 per trade and we are working on a 1:4 RR so a win will generate \$80.

Trade Setup

This system is called a Point to Point System.

- It is a continuation pattern of an already established trend.
- We need a minimum of 2 points to qualify and they need to be inline forming resistance.
- Second point or last one can be slightly higher but not lower If looking for long trade and vice versa for short setups.
- After the 2nd point or last one we need one small retracement creating a void. Once this void is created, pending order can be placed.

- Bottom points of the setup, from 1st point on to 2nd should be gradually coming up showing that buyers are growing in strength and vice versa in case of a short setup.
- Do not take a trade just because the entry looks good. Look at the bigger picture
- Look at minimum of 15 min and 1 hr chart to see if there is room for the trade to move to your TP. If there is major resistance or maybe a round number just half way into your trade you need to manage that or even worse if there is only 5 pips before these obstacles you may reconsider even taking the trade.

Entries

The aim of the rules in this system is to try and put as many things in our favor as possible and give us the best possible chance of a successful trade.

Getting your entry right is critical to this system and may take some practice.

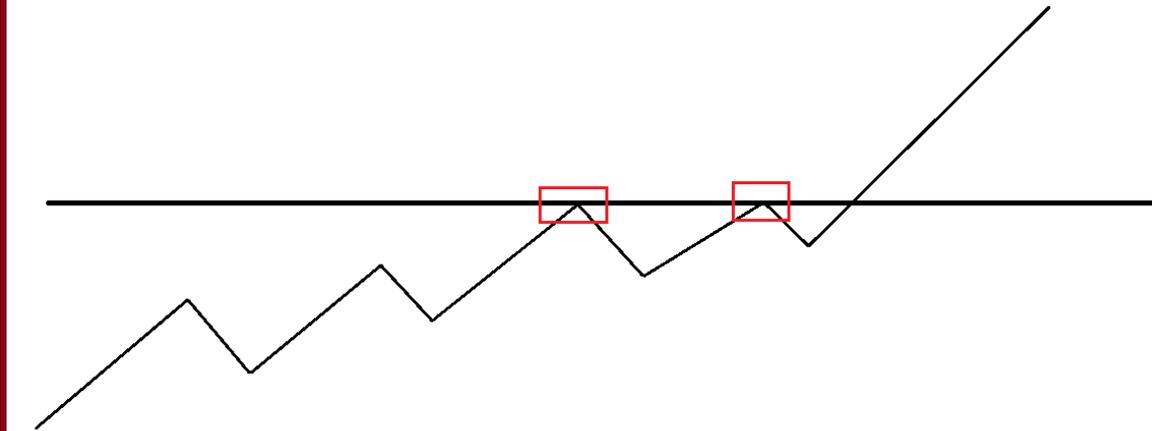
- When a trade setup is forming set a BUY STOP at the highest point plus your spread and your 5 pip SL at the same time and wait for the price to trigger your order.
- Once moving in your direction set TP of 20 pips.
- At this stage do not walk away from your trade, manage it.
- Move your SL to BE when your trade has reached 75% of your TP.

Some Tips

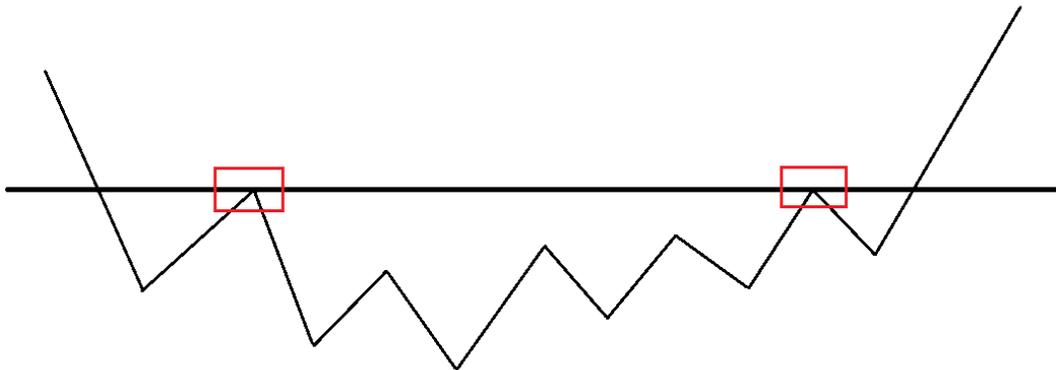
- *If you are patient and are prepared to wait for good setups you will get 50% easily.*
- *Trading is a numbers game, the more good setups you find the more trades/wins you will get.*
- *For quality setups we need the tops to line up and as few pinny candlesticks as possible. Remember, neat and clean and pure in form gets the best results.*
- *Pinny Candlesticks are the ones with wicks on both top and bottom of a candle representing indecision in the market.*

Main setups we are looking for

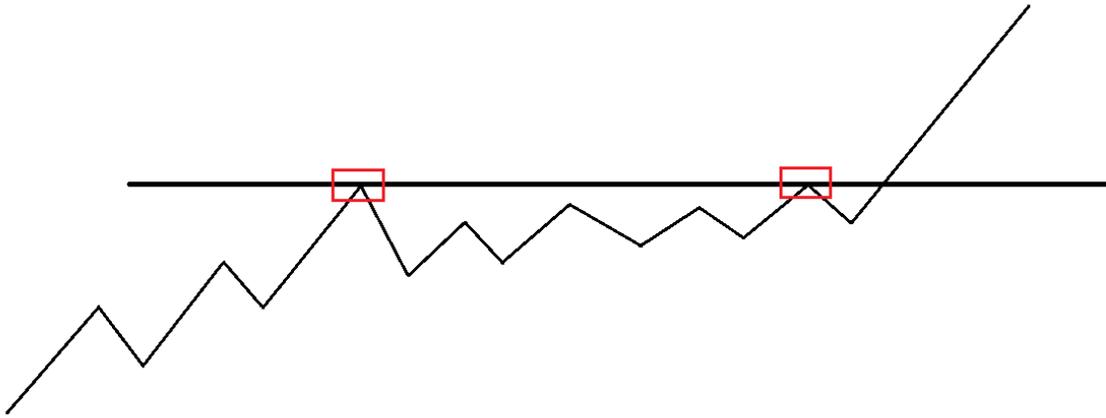
Standard setup in up/downtrend. Second point can be slightly higher but not lower.



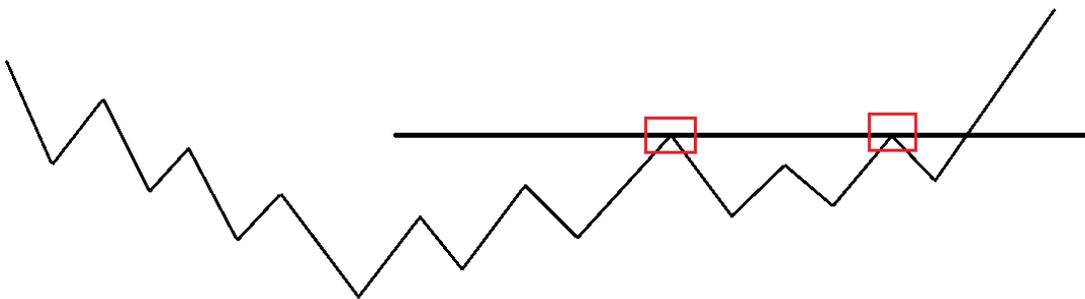
This is NOT a valid setup. We cannot combine points from both up & downtrend. 1st point is NOT valid.



Most successful setup. Points forming a long consolidation of a longer term trend. Can have multiple in-line points

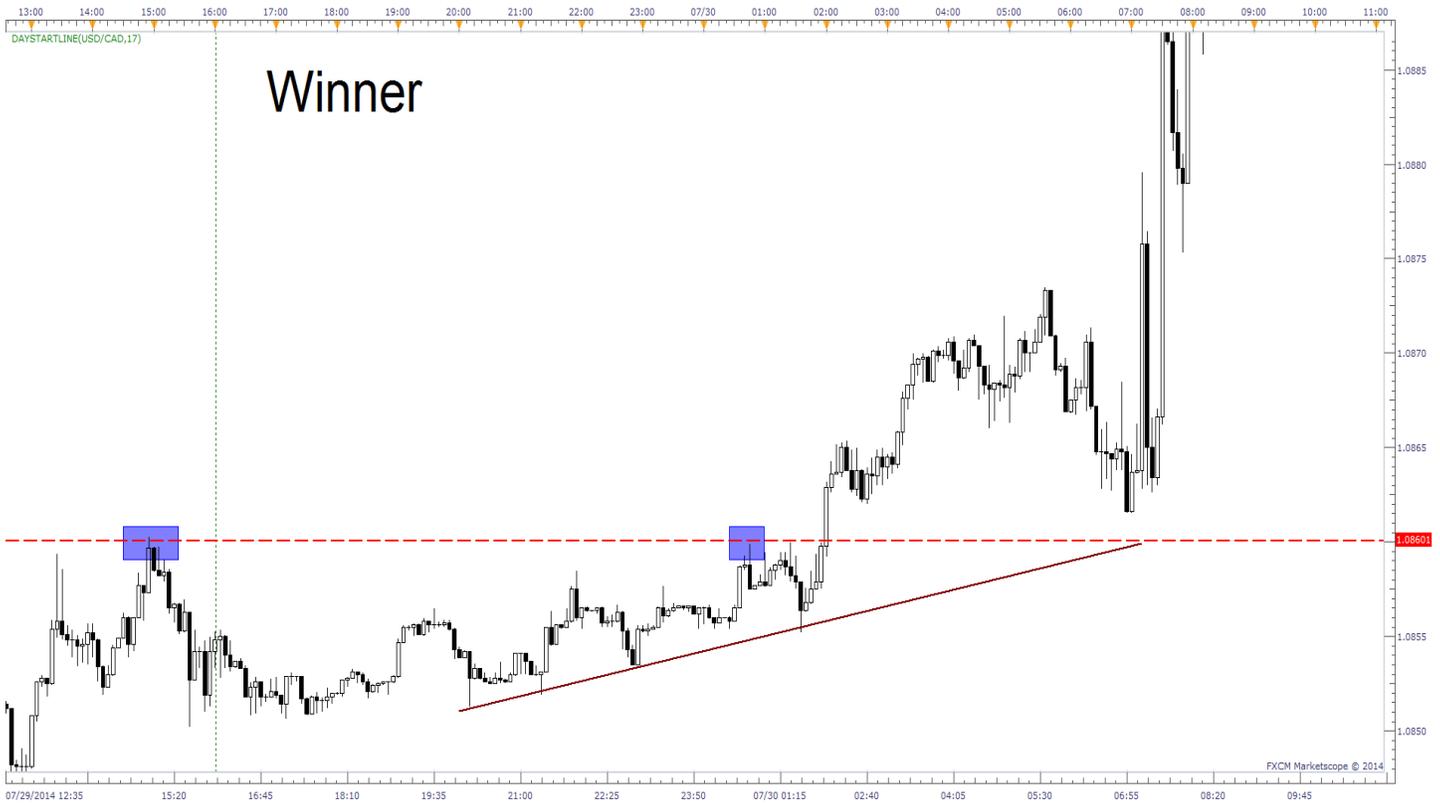


This is a setup just after change of trend. As long as points are on the same plane/trend it is a valid setup.



Examples of trades











Hopefully, you all got an idea with these examples of what we are looking for. Please do your own back testing to see if this method is for you.

Wishing you all lots of green pips.

Remember

Make Pips

Keep Pips

Repeat

This Pdf has been reproduced with the permission of RIFID in brief form from Forex Factory web site for the purpose of having a handy quick reference guide to the system and is not to be reprinted or sold in any form without the expressed permission of the system's creator, namely RIFID. For in depth discussion on the system please refer back to the FF forum.

Method by – Rifid

Written by – AmanFx