PipBoxer
Single Exit Tool

A Guide to PipBoxer_SE

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Introduction

I f you are familiar with trading for a while you have probably heard about "Money Management". A retail trader usually overlooks this term but a professional trader knows that in a risky environment the ability to manage your money is very important.

Money management is a series of techniques that help you to get the most of your trades and/or investment. It is about how you take care of your portfolio. It is a very interesting subject in finance. As a trader you need to know where to allocate your money, when transfer your money from once source of income/investment to another, and much more. When it comes to a single trade you need to know how to enter and exit a trade to get the most of it. It is not about the strategy of taking a trade but how to deal with it to make the most of it.

For example suppose you buy a standard lot of British Pound vs. US Dollar (i.e. GBPUSD) at 1.9320. What would you do if the price drops to 1.9220 (this is equivalent of losing $1000). Do you stay in the trade? Do you close it? Do you buy another lot in the hope that price goes up and you can average out two trades? Do you sell half a lot and keep the other? If you do not have the answer to this question upfront you'd better not to enter the trade in first place.

Money management answers such questions. With money management techniques in place you setup proper Stop Loss and Take Profit levels in place and change them properly according to price movements. With solid criteria in place you get less excited about what happens in a single trade. You watch the market carefully and exit the trade according to what you have planned long before entering the trade.

Of course money management is beyond managing the exit strategy but for sure a good exit strategy depends on proper money management techniques in place.

When I first designed PipBoxer v2.0 I realized – with the help of Forex Factory members – the more sophisticated the exit strategy the more profitable trades can be. Therefore PipBoxer v2.0 takes several steps to exit a trade as safe as possible. I am very happy with the results. On the other hand there are many people who do not use

PipBoxer or even if using PB they also enter some of the trades manually. I am a member of second group. PipBoxer_SE is a tool that helps you to achieve this goal. It uses the PipBoxer technology to help you exit a trade as safe as possible no matter how you entered it and no matter how you set up the initial SL and TP levels.

This guideline helps you to understand the mechanism, usage, and installation of PipBoxer_SE.

Notes:

1. Do not use this tool for scalping and exiting trades with SL and TP levels less than 15 pips.

2. PipBoxer_SE is not a complete trading package. You need to open the trade yourself. It just helps you exit the trades in a better way.

3. PipBoxer_SE is a freeware. Feel free to distribute and send it to your friends. However, it's under www.pipboxer.com copyright. You are not permitted to sell this program or use reverse engineering techniques to extract the code.

4. PipBoxer_SE is written for MetaTrader 4 build 201 or a later release. It might not work properly on other releases of the MT4. For the latest updates refer to www.pipboxer.com.

5. You are using this tool at your own discretion. Neither www.pipboxer.com nor the author of this tool shall not hold responsible for your losses due to the usage of this tool. I recommend forward testing it several times to make sure this is the solution you are looking for.

2

Attaching an EA to a Chart

Since PipBoxer_SE is an Expert Advisor for MT4 the following section shows you how to use an EA in general. You may also refer to MetaTrader 4 online help or manuals for more information about using Expert Advisors.

One of the reasons that MetaTrader 4 (MT4) is a highly regarded trading station is its capability to automatically run trading orders. The tool that traders use to conduct such automated trades is called an EA (Expert Advisor).

An EA is a software program that a trader can use within the MT4 terminal. A trader may use an EA for different reasons, included but not limited to analyzing the market and creating trading signals, conducting fully automated trades, defining complex criteria for running a trade, and so on.

In order to be able to use an EA you must attach it to a chart. If you attach an EA to a chart it uses the chart tick movements to analyze the market and do its job. For example if you attach an EA to the USDJPY chart the EA will run every time the price of USDJPY moves. Let's see how to attach, compile, and use EAs.

The Location of EAs on Your Computer

You need to place your EAs in the "experts" folder. If for example you have installed MetaTrader in a folder called "My Trading Station" under drive C: the address to this folder could be "C:\Program Files\My Trading Station\experts\".

If an EA needs to use one or more custom indicators place the custom indicators in a folder called "indicators" under the "experts" folder (e.g. "C:\Program Files\My Trading Station\experts\indicators\").

EA Formats

EAs are available in two different formats: the raw format (or source code) and the compiled format (or executable version). The file extension for EA source codes is *.mq4 (e.g. PipBoxer.mq4) and the file extension of EA compiled programs is *.ex4 (e.g. PipBoxer.ex4). The default location for both formats is the "experts" folder.

You cannot use the source code to run the EA. You must compile the source code first to make it an executable file. On the other hand the compiled (*.ex4) format is ready to use. You don't need the source code to run the compiled format. So eventually all you need is the compiled file.

As I mentioned before if you receive the source code you need to compile it first to be able to use it in MT4.

Compiling an EA*

If you place an error-free source code in "experts" folder and then start MT4 it automatically compiles the EA and creates the *.ex4 file. You may also compile the EA yourself as follows.

When you install your MT4 trading terminal you also install an application called MetaEditor. The installation is done automatically. You can use MetaEditor to develop EAs. You also use MetaEditor to compile EAs. So if you receive the source code of an EA (i.e. the *.mq4 file) use the following steps to compile it. If you already have the compiled file in hand skip this procedure.

1. From the MT4 terminal run MetaEditor. You can find the MetaEditor icon on the Standard toolbar of the MT4 terminal (Figure 1).

Figure 1

2. In the MetaEditor window open the EA source code. You can either use the File>Open to locate and open the file or double-click the file name in the "Navigator" window. This window is located on the right side of the MetaEditor window by default.

3. On the MetaEditor toolbar click the "Compile" button (Figure 2).

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* I distribute PipBoxer v2.0 in compiled format so you do not need to compile it. I just keep this section for those who want to know how to compile an EA.
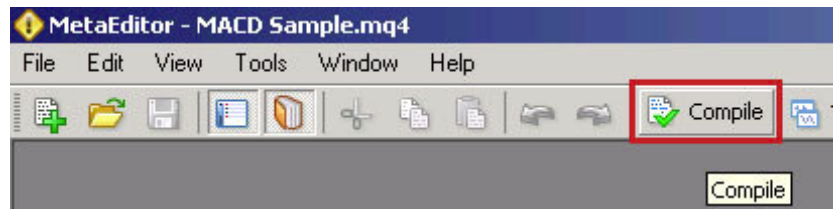
Figure 2

4. If the code contains no errors the application creates the compiled (*.ex4) file and you are ready to use the EA. The error messages appear on a window called "Toolbox" embedded in the MetaEditor environment. If you receive a message similar to the one shown in Figure 3 you are good to go. If not, you either need to fix the error yourself or contact soemone who is an MQL developer.
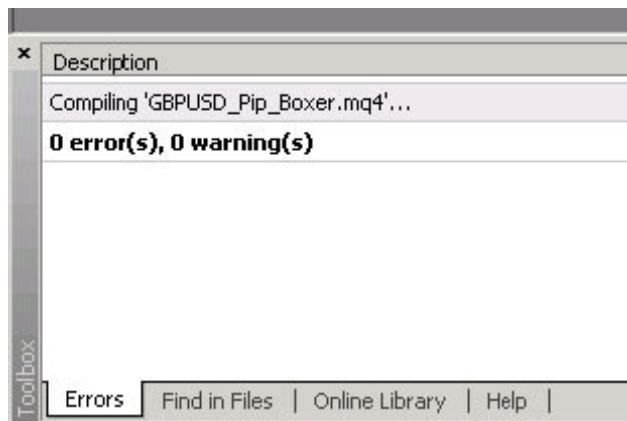

Figure 3

5. Close MetaEditor.

Now you are ready to use the EA.

Attaching the EA

To attach an EA to a chart use the following steps.

1. In the MT4 terminal open the desired chart.

2. Select the proper time frame by clicking one of the icons on Periodicity toolbar or Chart > Periodicity menu. The current time frame for PipBoxer is M15 (or 15 minute charts).

3. Make sure that the "Navigation" window is open. The default location of this window is below the "Market Watch" window on the left side of the MT4 terminal (Figure 4). If the "Navigation" window is not open either press Ctrl+N or from the View menu select Navigation.
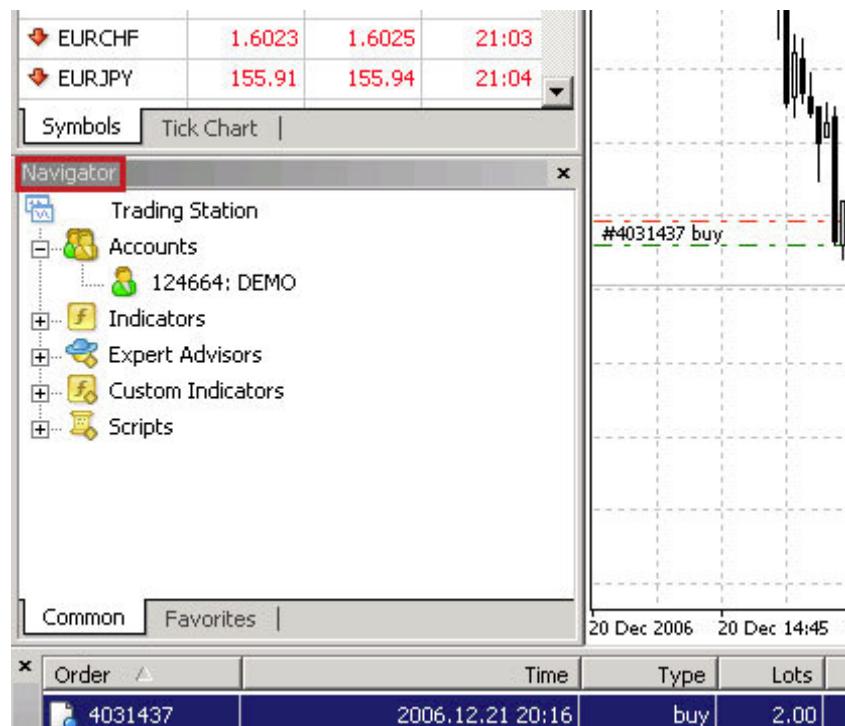
Figure 4

4. In the "Navigator" window click the "+"sign next to "Expert Advisors". The list of current EAs appear in the window.

5. From the list either drag-and-drop the EA to the chart or double-click it. A dialog box appears.

6. On the "Common" tab select the "Allow live trading" option (Figure 5). If you do not select this option the EA does not enter trades automatically.
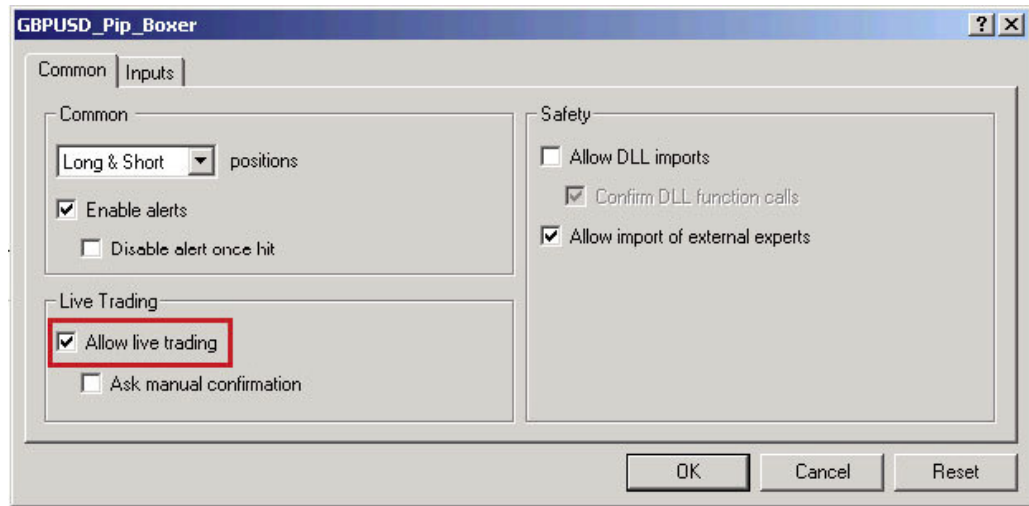
Figure 5

7. On the same dialog box select the "Inputs" tab. The tab is located at the top of the dialog box. In this tab you can make any changes to external variables (Figure 6).
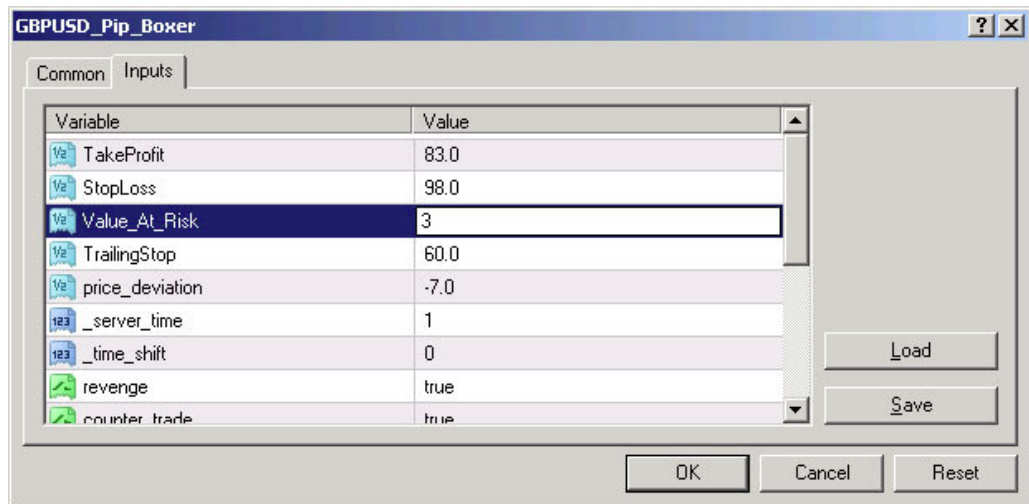

Figure 6

7. Click OK. A smiley (happy face) appears on the upper right corner of the chart indicating that the EA is running (Figure 7).
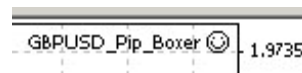

Figure 7

You may see an "x" sign instead of the happy face. This means that all of the EAs are deactivated. To activate EAs from the Standard toolbar press the "Expert Advisors" icon (Figure 8).
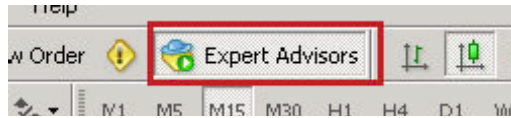
Figure 8

If instead of the happy face you see a sad face it means that this EA is not allowed to trade live. To enable live trading:

1. Press F7 to see the EA properties dialog box.

2. Select the "Common" tab.

3. Select the "Allow live trading" option (Figure 5).

Changing the Properties of an Attached EA

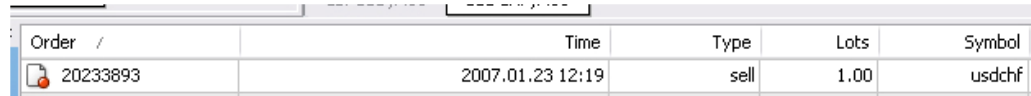To change the properties of an EA that is attached to a chart use the following steps:

1. In the MT4 terminal open the chart.

2. Press F7 to see the EA properties dialog box. Alternatively, you may right click on the smiley and select Properties from the pup-up menu.

3. To change the values assigned to external variables, select the "Inputs" tab and make the desired changes or click Reset to restore the original settings of the EA.

4. To change other options select the "Common" tab and select or deselect desired options.

5. Click OK.

Note: Some brokers disable EAs by default. You need to contact your broker and ask them to activate EAs for your account. They usually ask you to submit a form.

3

The PipBoxer _SE Strategy

PipBoxer_SE exits a single trade by entering the ticket/order number of the trade. You need to install it on a chart that matches the pair you have traded. The timeframe of the chart is **not** important. To activate the EA you need to enter the ticket number of the open trade in the EA's property box. Refer to the previous section for more information about changing the properties of an EA.

For example in figure 9 the ticket/order number is 20233893 and the pair that is being traded is USDCHF so you need to attach the EA to a USDCHF chart (no matter which timeframe is active) and in the properties box of the EA (that you can see by pressing F7) enter this number in "_ticket_number" box. That is all you have to do. The EA will take care of closing the trade for you.

Order /	Time	Type	Lots	Symbol
20233893	2007.01.23 12:19	sell	1.00	usdchf

Figure 9

How PipBoxer_SE Manages a Trade

To be able to use the PipBoxer_SE you need to have defined both a TP and an SL for the trade. It won't be able to move them to proper levels if they do not exist in first place. PipBoxer_SE moves SL and TP according to the following variables. You can use the properties box to disable any of these variables.

- **_move_to_break_even**: With this variable set to "true" if the price moves in your favor and at least 38.2% of profit target the system moves the Stop Loss to the purchase price of the currency plus 1 pip. For example if you purchase USDJPY at 121.10 and your TP is 122.10 the profit target is 100 pips. If the price moves 39 pips in your favor (i.e. 121.49) the EA changes SL from its current level to 121.11 so the worst case scenario is that you exit this trade with 1 pip in profit.

- **_trailing_stop_available**: If the price moves in your trade's favor to 61.8% of your profit target the system will move the trailing stop according to the distance between the current price and the pinpointed price. In the previous example the pinpointed price is 121.72 or 62 points above the purchase price (above 61.8% of the profit target). If the price moves to 121.75 since 121.75 minus 121.72 equals to 3 pips the TS moves the SL to BE+3 pips or 121.13. If the price moves to 121.80 the SL moves to 121.18 because 121.80 minus 121.72 is 8 pips and the system adds those 8 pips to breakeven to calculate the new SL. If the price moves in opposite direction the system does not change the SL level so the worst case scenario is that you exit this trade with 8 pips in profit.

- **_move_to_mid_TP**: If you set this variable to "true" when the price advances over 85.4% of profit target in your favor the system moves the SL to 50% of profit target. In the previous example if the price moves above 121.96 (i.e. 86 pips plus BE) the system moves the price to 121.60 (i.e. 50%x100 pips + BE). With this approach in place the worst case scenario is that you exit the trade with half profit of what you expected.

- **_compromise_TP**: If the price moves 61.8% in the opposite direction and there is a big chance that you'll lose this trade with this variable set to "true" the system moves the TP to BE+1. In the previous example if Stop Loss is set to 120.10 (i.e. 100 pips below the purchase price) if the price moves below 120.48 the system moves the TP to 121.11. If you get lucky and the price moves in your favor again it may hit the new lowered TP and closes the trade with 1 pip in profit.

- **_neg_TS_available**: This system is similar to trailing stop feature but moves in negative direction. If the price moves over 85.4% of the SL level the TP jumps below the BE and trails the price based on its difference with the pinpointed price. In the previous example the pinpointed price is 120.24. If the price drops to 120.20 the TP moves to 121.06. If the price moves direction in your favor the TP remains where it is and the system closes the trade with 4 pips in loss. This approach helps to reduce the loss size from a huge loss to a lower level of loss. I have disabled it by default.

- **_move_to_mid_SL**: If the price moves over 95% against you this variable moves the TP to midway of SL so if you get lucky you only lose half of what you expected. In the previous example if the price moves below 120.15 this variable moves the price to 120.60 and might get lucky and lose 50 pips instead of 100 pips. I have disabled this feature by default.

With all these tools in place you are guarded against negative market movements to get the best results possible.

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