Hello!

(**NOTE: Ignore this page, I'm giving this strategy away for FREE, so there is no guarantee… also, I've not provided the Metatrader™ 4 template, but the instructions are in here so you can setup the charts yourself… hey, you're getting it for free… no complainin' ☺**)

This ugly little eBook is going to make you money.

And if it doesn't… ask for your money back **whenever you want!**

You heard correctly - this eBook comes with a LIFETIME, MONEY-BACK GUARANTEE!

If you've decided that you're not happy with this product 47 years from now just email (or whatever method is most appropriate at that date in the future – perhaps teleport directly into my office?... or even better, travel back in time, and stop yourself from buying it in the first place?!... but I digress) and you'll get your money back in full*.

* Note: 47 years from now the amount you paid for this eBook will probably only be worth around $0.26 in today's money – but it's the principle of that matter, isn't it?

Seriously though - I <u>DO</u> offer you a lifetime guarantee.

Where were we?... Oh yes, HELLO! There's no fancy graphics or pictures in this little eBook! No Sir!! We don't need anything fancy to make **money**.

Okay, so you're here to learn how to make money trading forex, spending *only two hours* in front of the screen? Well, I'm the man who's going to show you how to do it… (yes, I'm a man, well I was the last time I checked… *checks again*… yep, definitely a man!)

Enough already… let's get on with it!

First I'll show you how to setup the charts (we use Metatrader™ 4 for this – if you use something else then I'm afraid you're on your own for setting up the charts, matey… but don't worry, it's actually pretty easy!).

Actually, we include the template you need so you probably don't even need to be shown – but I'll do it anyway in case you use another platform or for some reason (like in 47 years' time Metatrader™ 4 doesn't actually exist… and hopefully Tofu… yuck!) can't get hold of the indicator.

After we've got the charts setup then we're rockin' and a rollin'!

Charts

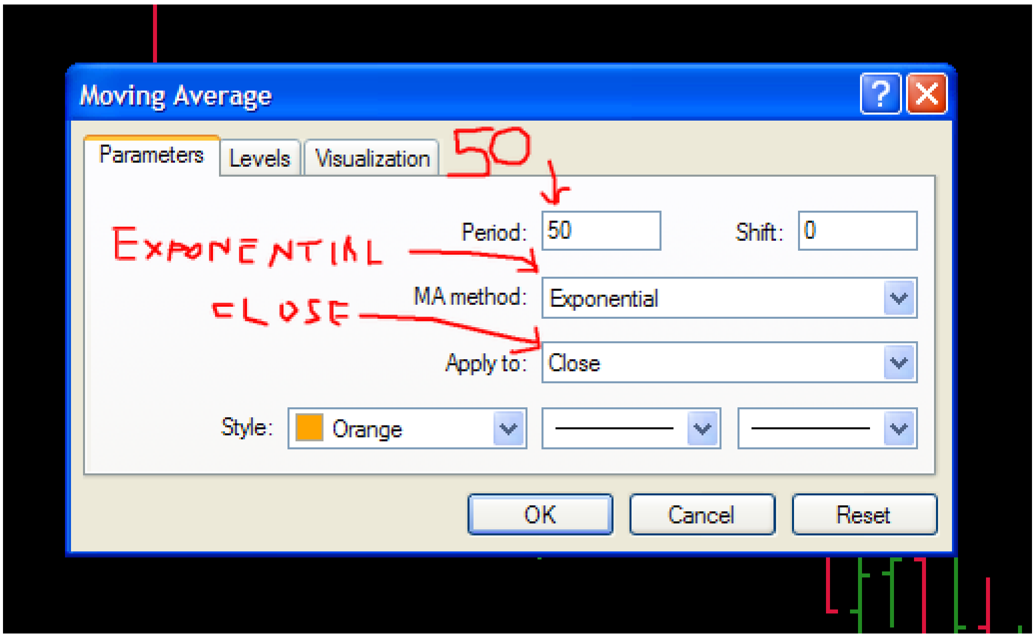
The Easy Way:

Place the Metatrader™ 4 template (which we provided for you when you downloaded this eBook – you DID download the indicator didn't you?) into the template folder in your Metatrader™ installation path.

And you're done! Told you it was easy!

The Less-Easy Way:

sigh… right, once you have your Metatrader™ up and running, drag-and-drop (try saying that with a mouth full of marshmallows!) the '**Moving Average**' indicator onto your charts and then change the values so they look like this:



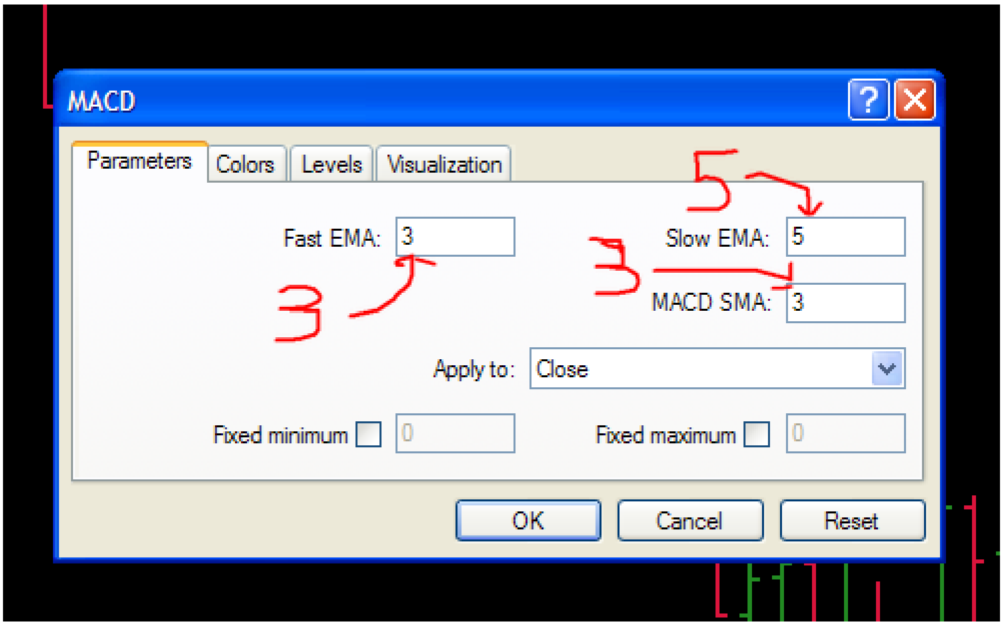
Congratulations! You now have a '*50-Period Exponential Moving Average'* on your chart… or as I like to all it, the '50EMA'… it's a little more catchy don't you think?

Now, do the same with another moving average, drag-and-drop but this time make the Period '**21**'.

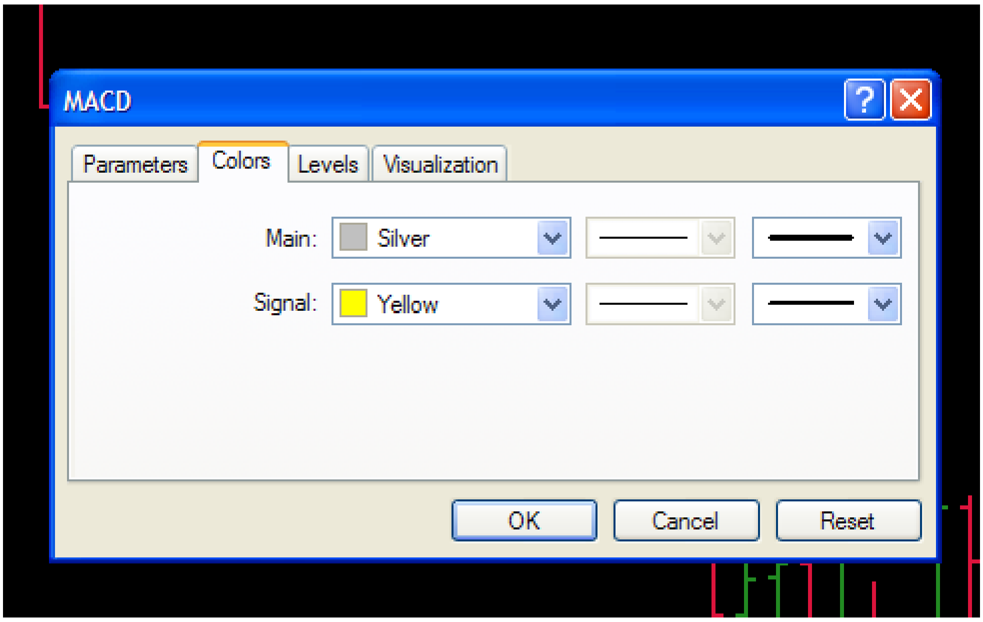
And finally do it one more time but make this Period a '**10**'.

Okay, that's the MAs done, just have to add the '*Moving Average Convergence Divergence*' indicator (or, '**MACD**' as many of you may know it as) and we're there.

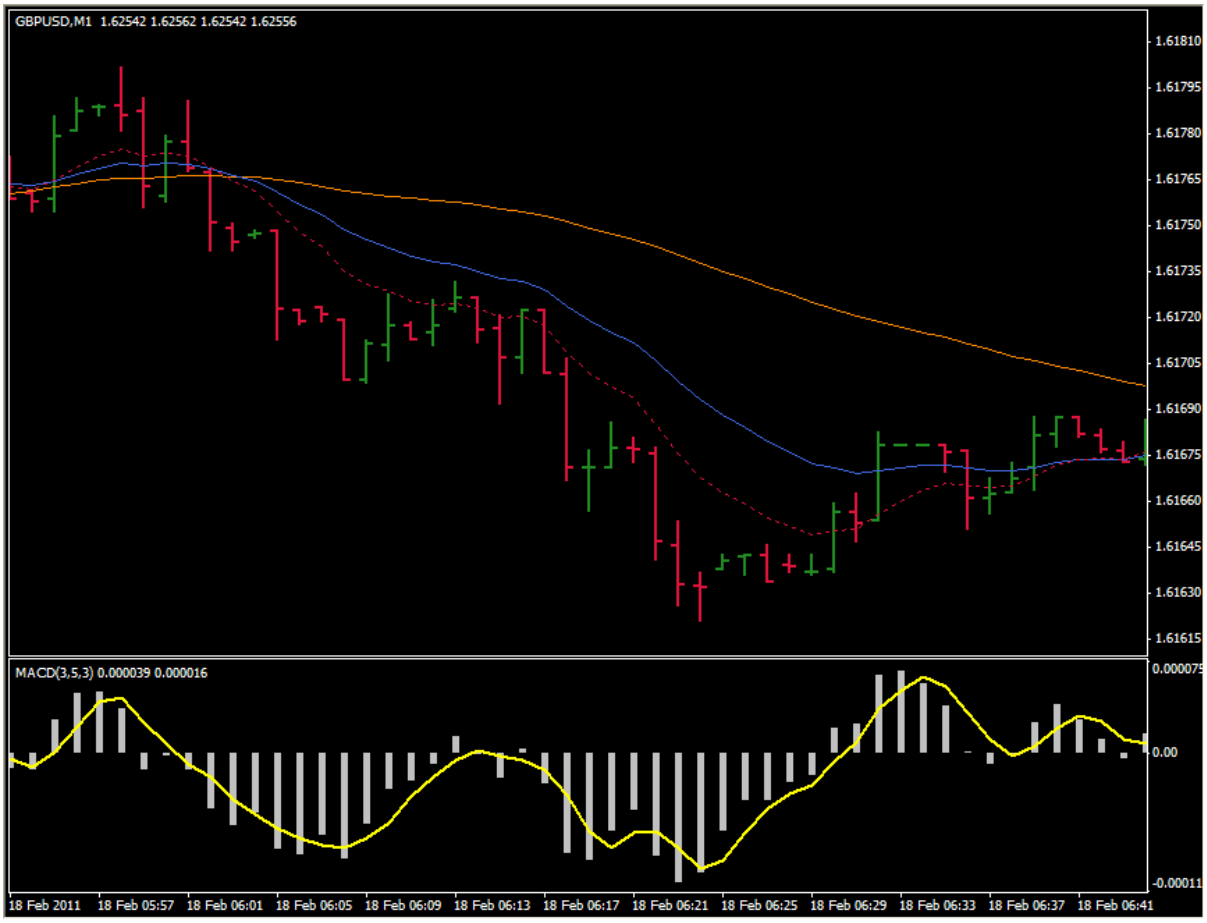
So drag-and-drop the indicator that says '**MACD**' onto the chart and change the values to this:



…and this:



That’s it! You should now have something like this (one I prepared earlier):



The Strategy

We've got our charts all ready to go – so perhaps now would be a good time to grab a tea or coffee (even a beer if that's more your style) before we dig right in…

Right, you're back, good. Let's begin…

- We trade only the GBP/USD.
- We trade only the hours (roughly) between 06:00GMT and 08:00GMT – these are not strict times; you can use a little flexibility here if you see something you like to trade. :)
- We trade only the 1-Minute chart.

It really is that easy! Next is what we look for *specifically* in our setup…

We trade in either direction - buy or sell; it's all the same to us.

So that means that whatever we look for as our setup to take a long (that means buy by the way in "trader speak) is the same thing we look for taking a short (that means sell) – except it's in the opposite direction.

If you don't quite get it then you'll see what I'm talking soon enough…

First example is a short trade:

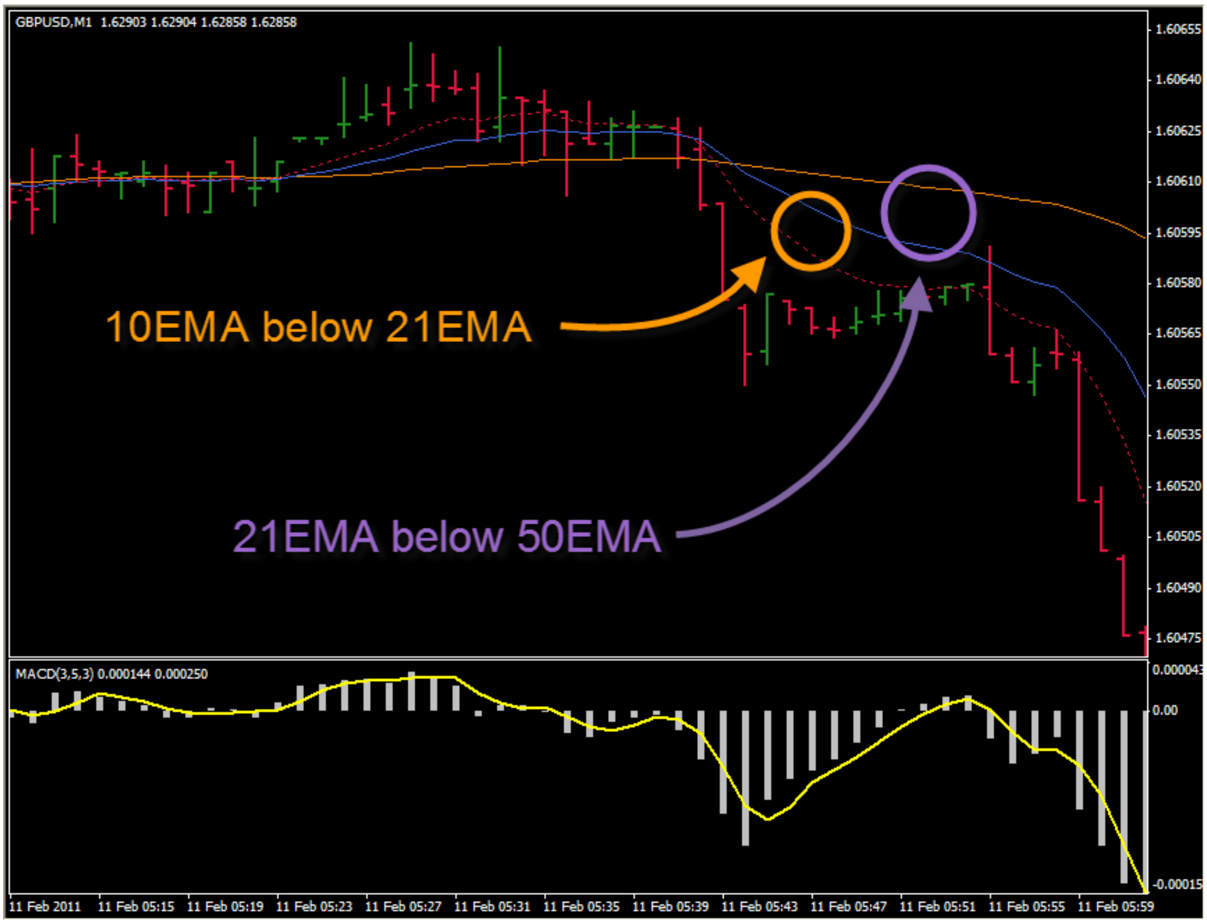
We want the **10EMA** to have crossed below the **21EMA**

and

we want the **21EMA** to have crossed below the **50EMA**.

(so far so good!)

The setup will look something similar to this:



Now, believe it or not, we're nearly there… actually, just believe it.

Once we have the above in place (remember, this is for a short setup) we then look for the **yellow** MACD line to go above '0.0' and then <u>come back down below</u> the '0.0' level.

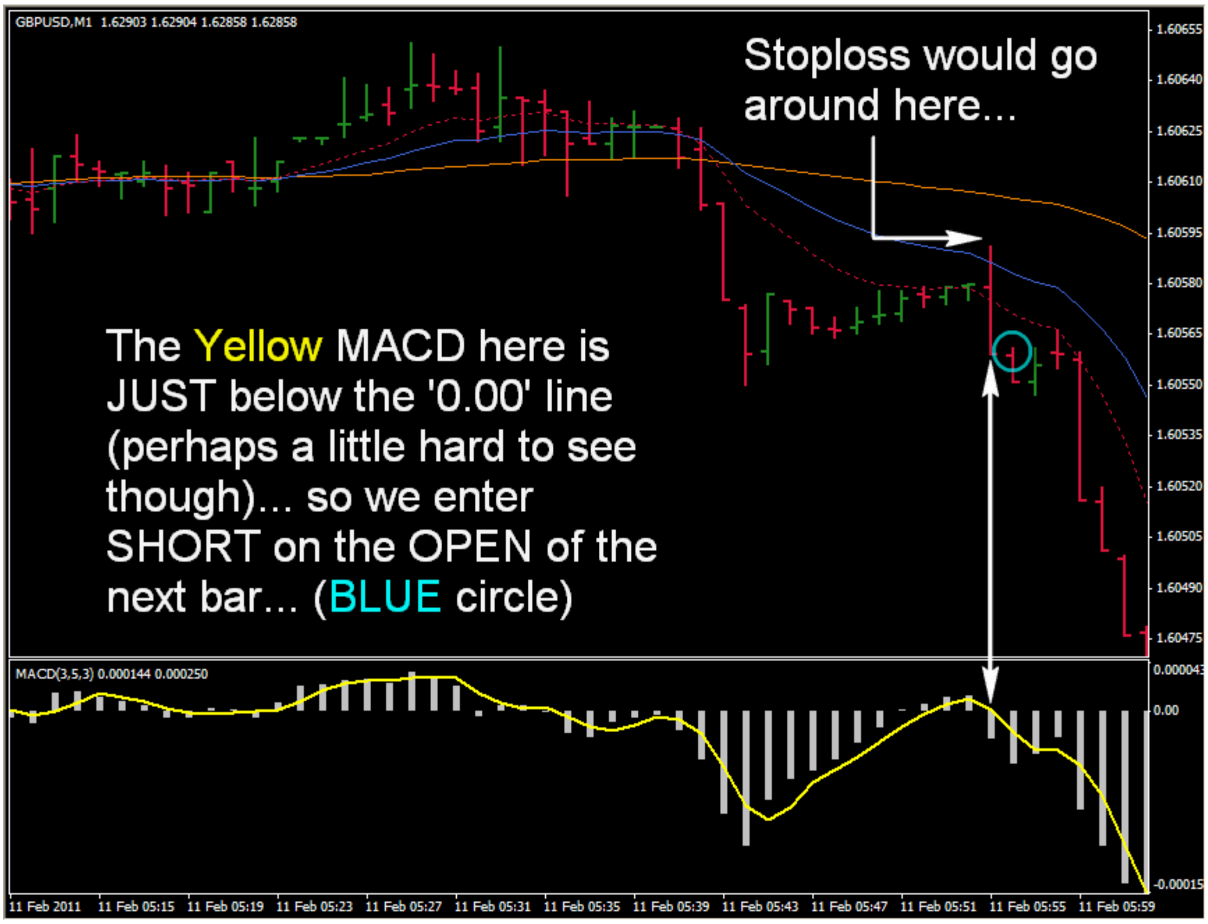
Would you believe it, we get the yellow MACD line doing exactly what we want in the above example (coincidence? I think not… cunning and strategic planning on my part!).

So we get our setup as follows:

This is our **CALL TO ACTION**!

When the bar closes that causes the yellow MACD to close below 0.0 then we enter our short position on the close of that bar (or the open of the next bar – it's the same thing).

So our entry (and I've also pointed out our STOPLOSS too) would be like this:



Like it says on the chart, the yellow MACD only *just* closed below the '0.00' line. In this case, if you were not sure, then you could certainly have entered on the NEXT bar (and you would only be a couple of pips worse off).

We can see that the market took-off (how convenient, I chose a winning trade for the first example… I just wanted to keep YOU motivated – how nice am I…?!).

Next up comes the **exit** of the trade. Dear Lord the **exit**!

The exit of a trade is good when you do good; and bad when you do bad.

I'm going to give it to you straight here: there is a lot of randomness in exits (whether YOU like it or not, skipper!) and so the only thing you can do is just be consistent.

However there are a couple of exit strategies I would like to recommend.

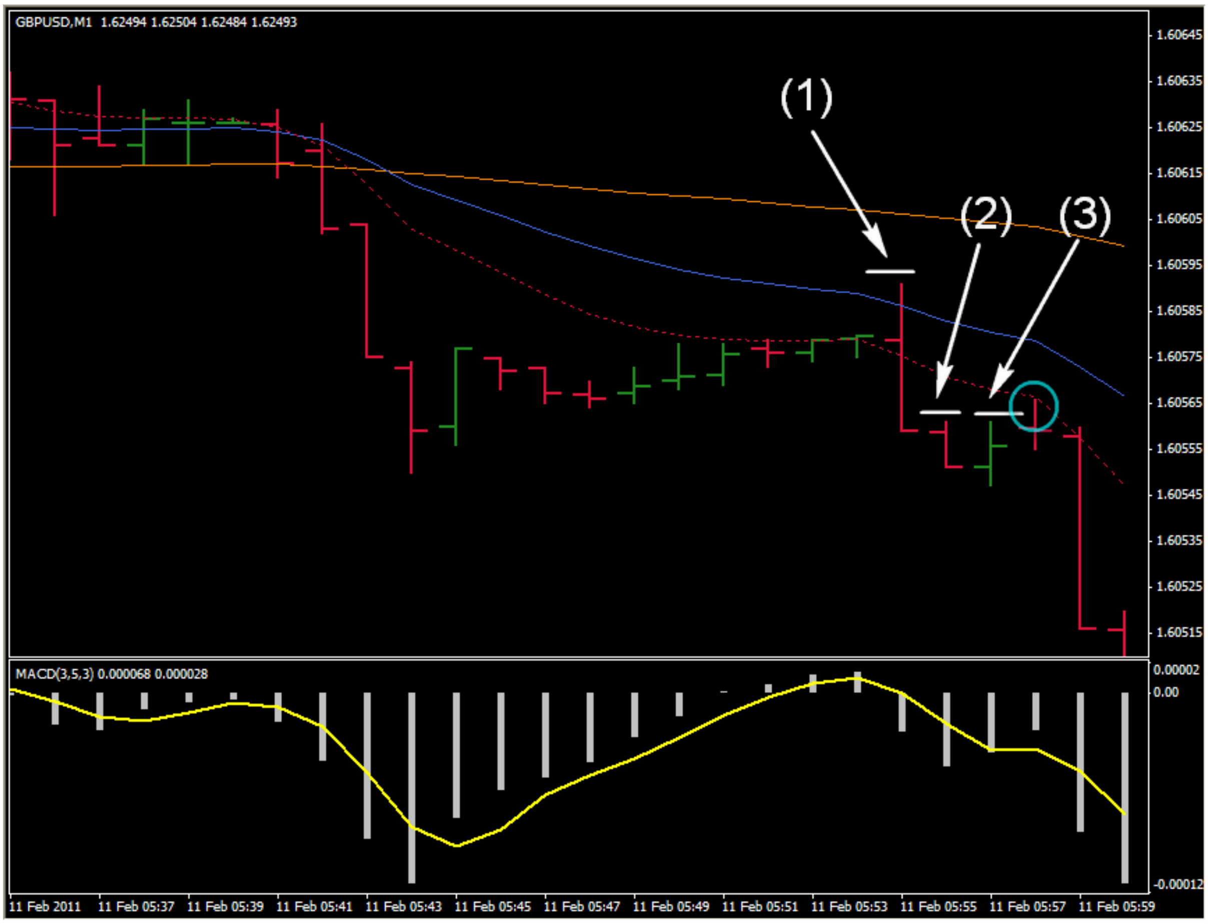
Exit Strategy #1 – Trailing Stoploss

This exit strategy **will** get you riding some big moves. However, it can also take you out right before a big move happens. You're not going to always hit it every time, if you get kicked-out before the big move, move on – that's trading! (harsh but true)

So what is this magical and mystical **trailing stoploss** that I speak of?

Well, for a 1-bar trailing stoploss (which I'll now call a '1-bar TS') you simply move your stoploss up (or down) as each new bar is formed. Your stoploss goes underneath (or above) the previous bar to the current one.

Let's see an example:



The initial stoploss is placed at **(1)**. Then once the next bar is formed the stoploss is placed at **(2)**. The formation of the next bar makes us place the stoploss at **(3)** – this stoploss is finally hit and we are out of the trade.

Unfortunately we can see that the market carried on down…

A 2-bar trailing stoploss, or 2-bar TS, on the same chart would give us almost the same exit as the above scenario. But instead of exiting when price went above **(3)** – we would exit when price went above bar **(2)**.

For a 2-bar TS, when we are in a short trade, our stoploss goes above the HIGHEST of the <u>last two bars</u>.

Let's see this example with a 3-bar TS:

Using a 3-bar TS would keep us in this particular trade for a decent move. But remember – a 3-bar TS, although got us more profit in this trade, can result in *less* profit in another trade.

So that's the trailing stoploss exit plan. Have a look back in some charts – I'm pretty sure you will be impressed at how effective it can be!

Exit Strategy #1 – X:1 Take Profit

I'm sure you're thinking, "what is this 'x:1' rubbish he's talking about?!"… but fear not – I shall now explain.

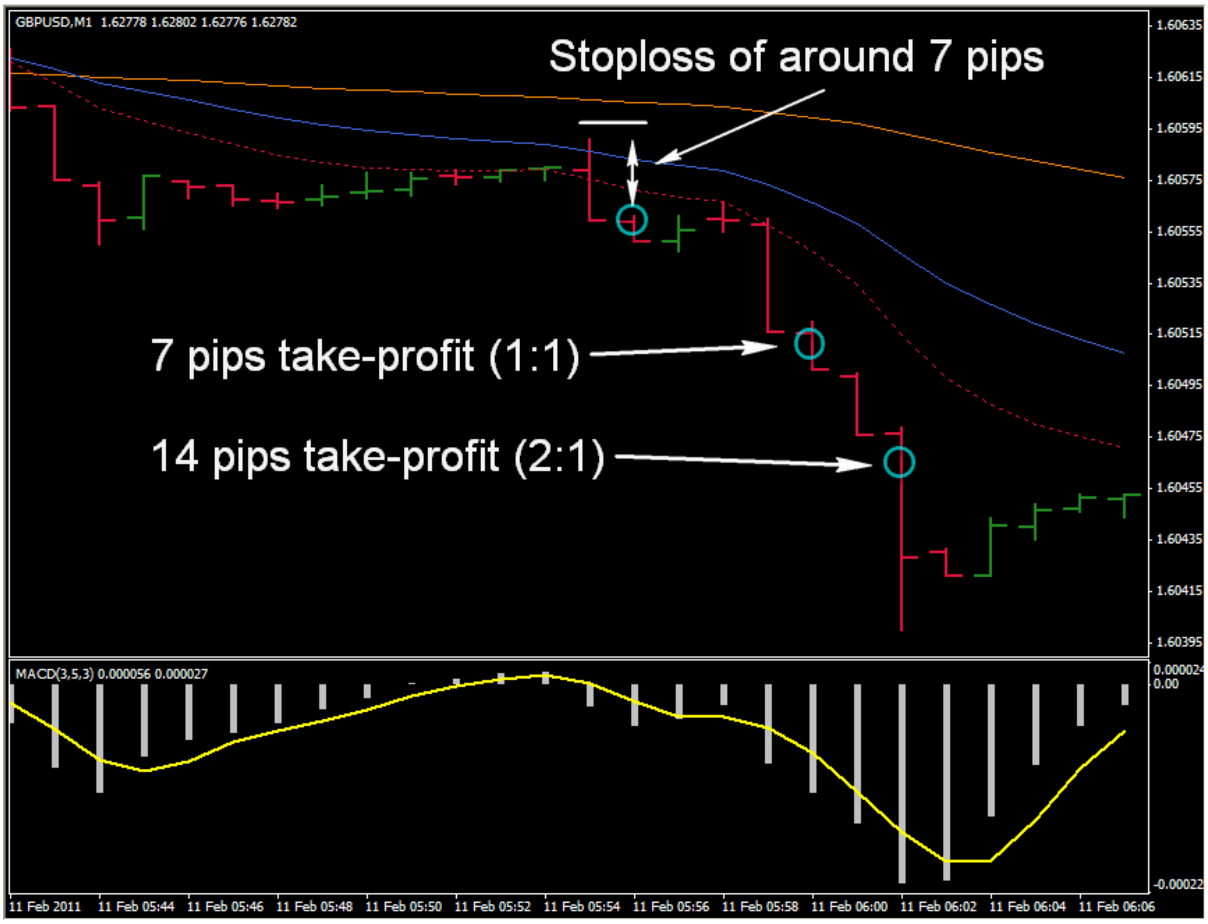
The 'x' is where you decide how much profit you want to take. For example, if your initial stoploss was **10** pips and you decided to take profit on your trade at **10** pips also, this would be a **1:1** take profit.

If your initial stoploss was **10** pips, and you decided to take profit at **30** pips, then you would be using a **3:1** take profit.

Now THAT is simple; too simple? No, nothing can be *too* simple.

Like I said earlier, trading exiting can be a bit random (although lots of people like to think it isn't – and are kidding themselves!), so as long as you can stick to a decent exit strategy then your good.

Here's an example of the x:1 in action (using the previous example):

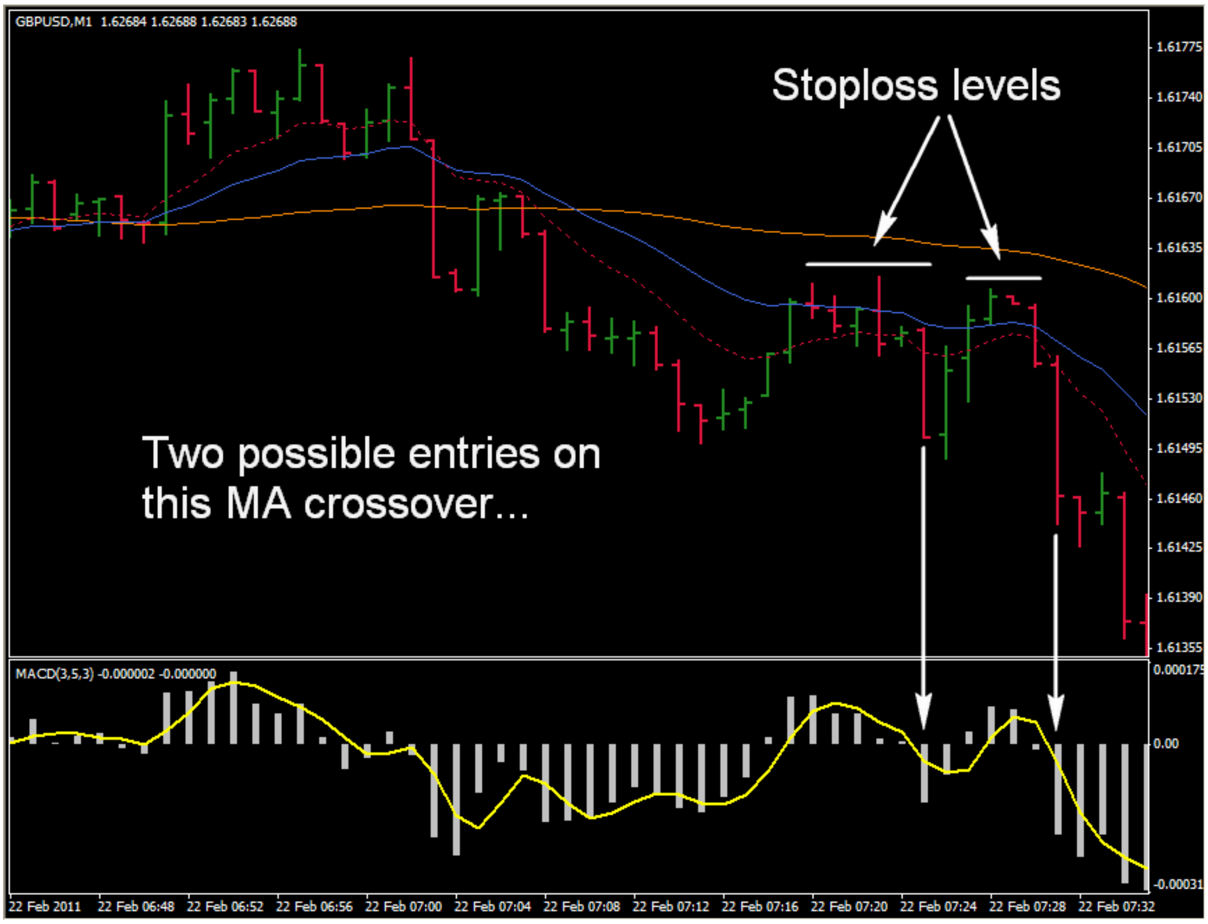


Now that's the two exit strategies done and dusted… let's hit some examples before we hit the beers!

Some Trade Examples

The strategy is pretty simple – but I thought I'd throw in some examples just to make sure you "get it"…

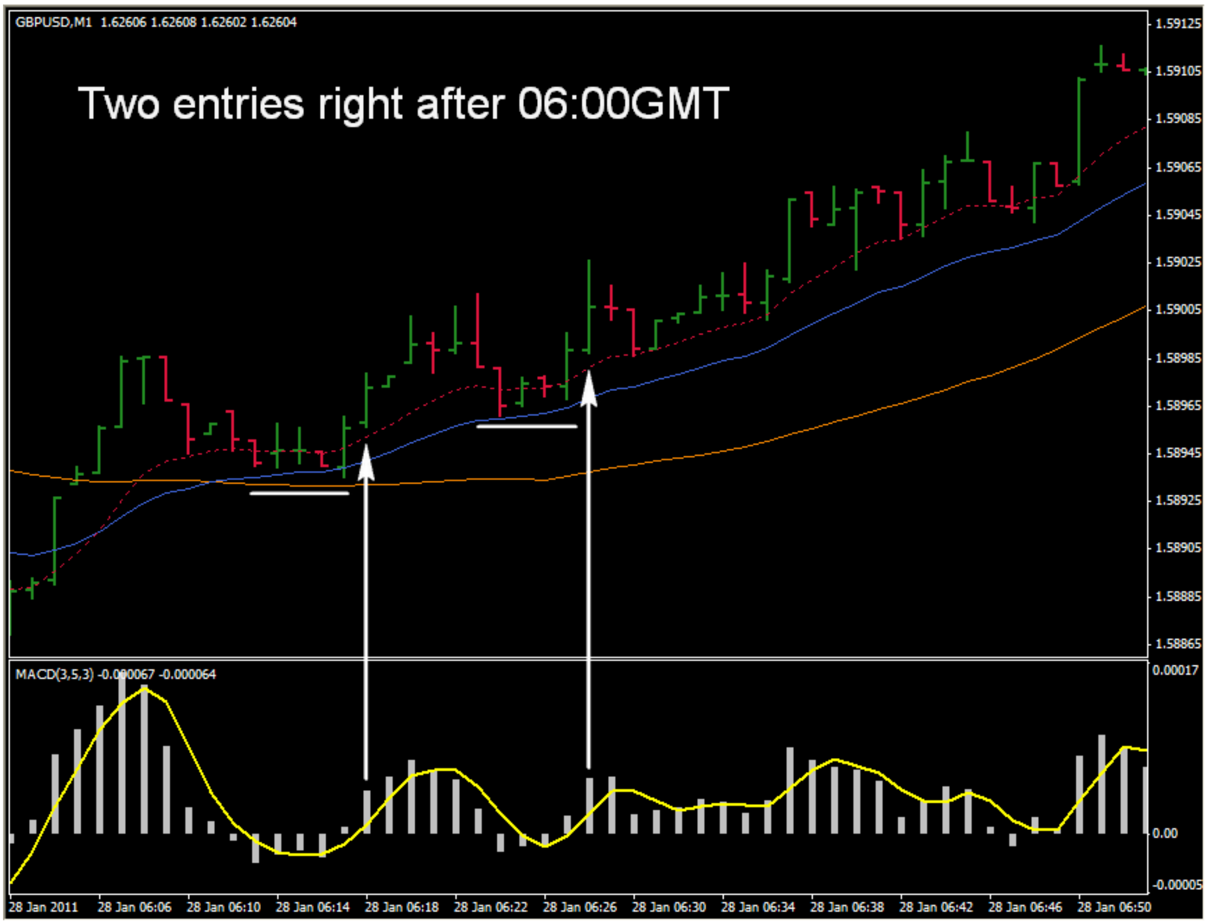
Trade #1



Trade #2


GBPUSD,M1 1.62671 1.62674 1.62664 1.62669
Stoploss
Price goes against us by a few pips before continuing down...
MACD(3,5,3) -0.000040 -0.000022
24 Feb 2011
24 Feb 06:04
24 Feb 06:06
24 Feb 06:08
24 Feb 06:10
24 Feb 06:12
24 Feb 06:14
24 Feb 06:16
24 Feb 06:18
24 Feb 06:20
24 Feb 06:22
24 Feb 06:24
24 Feb 06:26

Trade #3


GBPUSD,M1 1.62606 1.62608 1.62602 1.62604
Two entries right after 06:00GMT
MACD(3,5,3) -0.000067 -0.000064
1.59125
1.59105
1.59085
1.59065
1.59045
1.59025
1.59005
1.58985
1.58965
1.58945
1.58925
1.58905
1.58885
1.58865
0.00017
0.00
-0.00005
28 Jan 2011
28 Jan 06:06
28 Jan 06:10
28 Jan 06:14
28 Jan 06:18
28 Jan 06:22
28 Jan 06:26
28 Jan 06:30
28 Jan 06:34
28 Jan 06:38
28 Jan 06:42
28 Jan 06:46
28 Jan 06:50

Beer Time!

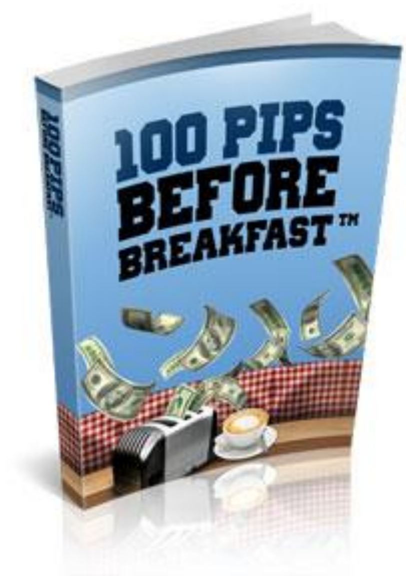
That's me – I'm done. I hope you enjoyed this little strategy from this ugly little eBook.

I can't say I enjoyed writing it that much (shock horror!) but the truth is – I'm not really big into writing – trading is more my thing to be honest.

But I see so much garbage out there in the trading world that I can't help but write something just to *at least* point people in the right direction and to help stop them getting side-tracked my internet marketers and other such people.

Anyway, time for a shameless plug… hey, I can do what I want, it's *my* book! Ha-haa. I'd like to offer you the chance to try **100 Pips Before Breakfast™** for no-risk… you heard right – **no-risk**…

Here's a pretty picture of the eBook (got it custom designed and everything – hope you like it!)…



100 Pips Before Breakfast™ is about one hundred times better written than this eBook, and if you can even imagine the strategy, is about a hundred times better as well – I joke you not!