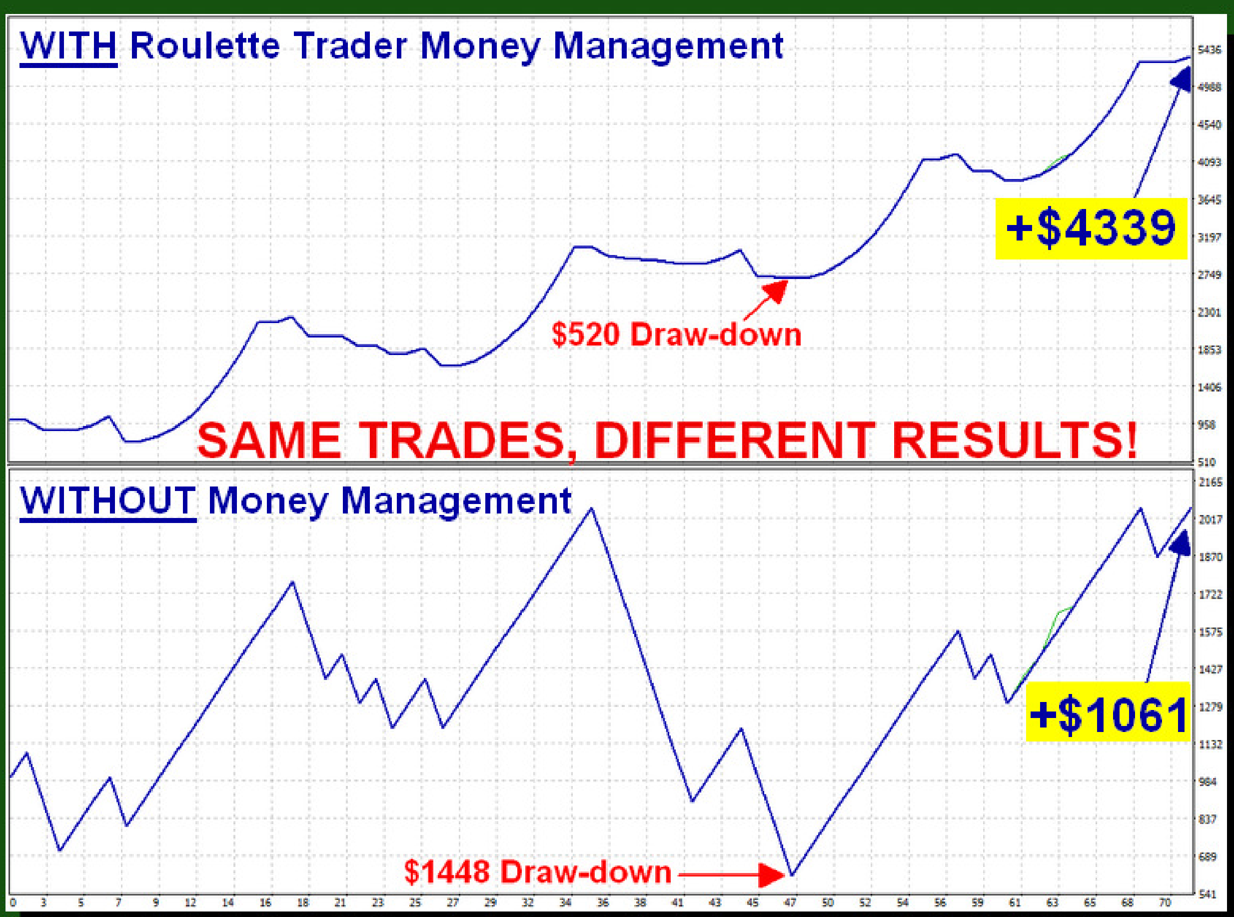
Roulette TRADER

FOREX TRADING MONEY MANAGEMENT SYSTEM

CRUSH the FOREX Market with

BIGGER PROFITS

and Smaller Losses!



* Past performance is not indicative of future results

Table of Contents

DISCLAIMER

This course includes many simulated gambling and trading scenarios, which do not reflect actual gambling or trading. Trading foreign exchange on margin carries a high level of risk and may not be suitable for all investors. The high degree of leverage can work against you as well as for you. Do not risk money you cannot afford to lose. **PLEASE READ THE FULL RISK DISCLOSURE AT THE END OF THIS DOCUMENT.**

Use Roulette TRADER Money Management to turn Small Losses into NICE PROFITS like these...

And Turn Ordinary Profits into EXTRAORDINARY PROFITS...

The equity curve comparisons above show how my money management system effects profitability when applied to the SAME trades. The key thing to note is how the draw-downs (periods of losses) are considerably smaller when my money management system is applied in the "**AFTER**" images, while periods of profit are much larger.

FREEBIES & RESOURCES

To get the most out of this ebook, I encourage you register on my website and take advantage of the **FREE** bonus eBook, Trading Robots, tutorials, Renko Bar script, spreadsheets, and other resources that can help improve your trading and profit potential.

Watch the Videos on my Website:

www.RouletteTRADER.com

Register for FREE Member Access to
my Trading Robots and FREE trading tools at:

www.RouletteTRADER.com/Kindle

Download Your FREE BONUS eBook
in the Member's area of my website.

"Understanding the Myths of Market Trends and Patterns"

See Page 58 for
the complete list of FREEBIES I have waiting for you!

Have a Question? Contact me!

Don@RouletteTrader.com

Introduction

Dear friend and fellow trader,

My name is Don Guy and I'd like to thank you for investing in **Roulette TRADER**! If you have any interest in trading or gambling (and I'm assuming you do), then this ebook may be the best investment you'll ever make and will likely change the way you trade forever!

Look... **you don't need a crystal ball to be a highly profitable trader,** and you certainly don't need to risk a lot to make a lot either! You just need a **great money management system**! And I'm not talking about the industry norm of risking 2% per trade. That'll get you nowhere fast!

But before I get into the details of how the system works, let me first tell you the story of how I discovered the raw version of this system by accident. **If you want to jump straight to the mechanics of it, then go to page 12**. But once you read my story, the question of "**why**" it works will make a lot more sense to you. It literally flies in the face of human emotion and what seems like the logical thing to do, and that is exactly why so many traders and gamblers can never REALLY win big, and instead, usually end up losing big.

When it comes to casino betting systems, in one way or another, they all tell you to increase your bet after losses (negative progression) to quickly win It back and ***"only play for a short period of time or the odds will catch up with you"***. In short, they risk their entire bankroll in hopes of consistently coming out a little bit ahead after a series of losses. Many traders have even incorporated this type of suicidal negative progression betting system into their trading and it almost always ends in disaster. It's really just a matter of time before their luck runs out.

Well, I have some good news for you! My system is about risking a <u>little</u> to <u>**MAKE A LOT**</u>, and the longer you play or trade, the more likely you will come out way ahead. After all, if you can't make a lot, then why bother putting your money at risk in the first place? But sometimes we need to learn the hard way and that leads me to my story...

Back in 1999, when I was in my late 20s, my best friend was telling me about a betting system he and his brother developed for playing Roulette on Nintendo. They made thousands of dollars every time they played the game and they even used the strategy to clean house on "Casino night" at my friend's work party. They played for tickets, which they redeemed for prizes at the end of the night. They were the champions of the night with their "magic" betting strategy and won an additional "Grand Prize" for having the most tickets at the end of the night. For months, they joked about how they were going to take their betting system to Las Vegas and get "black listed" at every casino for cleaning them out.

They were even talking about the disguises they would need to wear to sneak back into the casinos. These guys were a couple of clowns and often dressed in crazy disguises just to walk through the shopping malls to get funny looks. They said it was easier to meet girls that way. And strangely, it actually worked, but that's an entirely different story.

These goofball friends of mine had me so intrigued about their betting system that I installed some casino software on my computer and began testing it myself. To my amazement, it actually worked and never failed, and yet it was so simple I couldn't figure out why nobody else knew about it.

The so-called "MAGIC" Betting System

This incredible Roulette system was simply this: Start with a $10 bet on red and black (yes, we were actually betting against ourselves) and then double the losing bet until you win all your money back. And since we were betting on both red AND black, we were averaging $10 profit per spin. When one lost, the other won $10. Our only enemy seemed to be green, in which case, we would lose everything but then we'd simply double BOTH bets on red and black and we'd soon have all our losses back. It was flawless!

We tested this system for about a year on Nintendo and my computer, and never had a run of more than 5 or 6 consecutive red or black before we made our money back (with a profit). And these consecutive runs of red or black very rarely happened so we figured the same would be true in a real casino too. We were going to be rich and we were now planning a trip to Vegas, which was only a 5-hour drive from our homes in southern California.

At that time, I had managed to save up $2000 of hard-earned money from my part-time job so I was ready for the trip and ready to start my new life as a professional gambler. So off to Vegas we went!

Las Vegas - Year 2000

I booked us a room at the Rio Hotel & Casino and as soon as we walked through the doors, I could feel my heart pounding with excitement & anxiety as I looked around at the roulette tables. Each table had a digital display above it showing the results of the last 10 spins. At just a glance, I could see that I would have been making money at nearly every roulette table in the casino. My confidence continued to build as I strutted through the casino, chest puffed out with a pocket full of cash. As we passed each roulette table, my friends would chant with excitement ***"THE SYSTEM IS IN EFFECT! THE SYSTEM IS IN EFFECT!"***. With my heart racing with excitement, I knew I was going to be unstoppable!

We quickly went to our rooms and then grabbed a late lunch. I had butterflies in my stomach the entire time as I contemplated all the money I was going to make that night. Well, the time had finally come. I grabbed my $2000 in cash and made my way down to the roulette tables with my buddies. After walking the tables for 20 minutes or so, I found one I liked where the system was definitely "in effect" (or at least had been), and I sat myself down, surrounded by my best friends who were ready and eager to cheer me on into my new profession.

As planned, I started with a $10 bet on both red and black. Everything was going as it always had on Nintendo. I was up $100 after just 10 spins (as usual). But then the dealer noticed that I was betting against myself and she was trying to tell me not to, saying ***"You can't win if you bet against yourself. It doesn't make sense"***. I was getting nervous and irritated by her because I didn't want to be noticed, but the dealer would NOT let it go. I finally said in a frustrated tone, ***"Look, I'm up $100. I know what I'm doing"***. That really baffled her but she backed off a bit, though she paid close attention to see what I was doing. I'm sure it's not every day that she sees people betting against themselves and turning a profit. After another spin or two, she went and got the pit boss to come watch me. I was thinking, *"You've got to be kidding me! I haven't been there 30 minutes and I'm already about to get black listed!"* Fortunately, the pit boss was not impressed by my $10 bets and quickly walked away.

Well, as fate would have it, the next 4 spins were red. This meant my next bet on black needed to be $320 and I was already down $310 on that run. I was out of chips so I had to buy more chips from the dealer. I could see the satisfaction on her face as I was starting to look like the stupid one betting against myself.

But I swallowed my pride knowing that I'd soon be the one laughing. So, I proceeded to pull out my wad of $100 bills to buy more chips. She then goes to get the pit boss again to witness the buy-in and whispers something to him while he's standing there. He then comes out of the pit area and stands behind me. I was trembling like a leaf and my "good friends" started to back away from the table, as if they didn't know me. I was on my own now but I had to win my money back so I acted as though nothing fishy was going on. I placed my **$320** bet on black (plus $10 on red) and the dealer spins the wheel. Of course, it's **FRICKING RED AGAIN!**

Before I could even think about the giant knot developing in my stomach, the pit boss leans over my shoulder and asks me ***"Are you staying here?"*** I said ***"Yes, why?"*** He then asks ***"Are you being rated?"*** I had no idea what he was talking about so I said ***"No"***. He then asked to see my driver's license. I thought, ok, I'm really screwed now but I just lost a lot of money so what could he have against me? So not wanting any confrontation with him, I gave him my license and he walked away with it and then gets on the phone in the pit area. My friends started saying ***"Dude, he's checking your ID against their black list"*** and ***"He's calling in the thugs to drag you into the back alley"*** and various comforting things like that.

Well, it was time for my next bet and guess what? I had to buy **MORE** chips because my next bet on black needed to be $640 and I only had a few chips left. So, I pulled out my wad of money again (what was left of it) and the same pit boss comes over again to witness the buy-in (holding my license in his hand). At this point, I was sick to my stomach but I knew I had to stick to the system in order to win. If this was Nintendo, there's no way I'd stop now, right? If I did, I would just lock in my loss. So, I reluctantly bit the bullet and placed my **$640** bet.

Can you guess what happened next? I'll give you one guess...... drum roll please...... ok, enough suspense. I think you know what happened... It was **FRICKING RED AGAIN!!** Un-fricking-believable!!! I felt like I had just been shot in the stomach with a 12 gauge. I just lost over $1100 (half of my life's savings). And, of course, my awesome friends were keeled over in laughter saying things like ***"Dude, you could have gone to Hawaii for a week with that money!"*** and so on.

That was it! I didn't have enough money left to cover my next bet, which would need to be **$1280** plus $10 on red but I only had about $900 of my savings left. So I was forced to sit out (completely sick to my stomach) but I watched the next few spins to see how long it would take to finally hit black and it actually went 2 more spins red. This means I would have needed a bank roll of about **$15,300** to finally win my money back, all for a whopping average of $10 profit per spin! At that point, I turned around and looked at my friends and asked **"Who in the HELL made up this STUPID system???** All 3 of them keeled over in laughter but, I was determined to go home a winner.

So, what did I do? Later that night (after a miserable night on the town with my so-called friends), I walked down to the casino (alone this time) to win my money back. My friends, who were going to bed, said ***"Don't do it! Cut your losses and call it a lesson!"*** but I had a dream and I was determined to make it come true (plus I didn't want them making fun of me the whole 5-hour drive home). I had to redeem myself! So off I went down to the casino with my remaining $900 and change. In order to make back my $1100, I needed to survive 110 spins of the Roulette wheel so I was prepared for a long night ahead with all fingers and toes crossed.

I quickly found an empty table so I sat down to get started. It was just myself and the dealer. He was a nice guy and didn't give me crap for betting against myself (although I'd hate to hear what he was thinking). Things were going great, at least until this big-bellied drunk Italian guy named Vinny sat down next to me. I know this sounds like something out of a movie and gets a little off topic, but it's the honest-to-God truth and I just can't leave this out. I thought I was being punked or on some hidden video show.

BAD-LUCK-CHARM VINNY

This wanna-be mobster guy with a thick New Jersey accent named Vinny sits down at my table next to me. He had an entourage of Italian goons surrounding him who cheered him on as loudly as they could to draw as much attention as possible. His pack of goons were even more obnoxious than mine! Now, let me put this into better perspective. This guy Vinny was covered in thick gold chains around his neck with a huge gold medallion hanging just below his hairy man boobs, and shirt buttoned only half way so everyone could all see the huge medallion. This guy was right out of a Joe Peche mafia spoof, if there ever was one.

Now if that wasn't enough, every time this idiot lost, he would start yelling at the dealer, as if it was his fault, saying ***"This is bullshit! Do you know who I am? Do you know who I am? Do you? Do you?"*** with his entourage behind him going ***"Yeah Vinny, You tell him Vinny, You don't take shit from no-one Vinny!"***.

The dealer would just quietly reply ***"No sir, I'm afraid I don't know who you are"***. And then Vinny would reply back ***"Well you ought to know! Do you know how much money I spend here? Do you? Do you? Where's your pit boss? Get me your f*cking pit boss! This is ridiculous! I'm Vinny from such-and-such town New Jersey"*** as though nobody could tell where he was from.

I couldn't believe what I was seeing, and I was right in the middle of it, surrounded by these loud obnoxious wanna-be mobster goons in Vegas, all while I simply wanted to just make back my losses at a modest $10 per spin (for the next 110 spins). To put it lightly, the vibe at the table turned sour very quickly and as my luck would have it, I soon had another run of losses that started as soon as “bad-luck-charm” Vinny sat down. I had lost my entire $2000 life savings. I was now broke and sick to my stomach! I should have been the one screaming at the dealer, but I walked away quietly with my tail between my legs. Nobody even noticed my misery with the loud obnoxious Italians making such a scene. I should have left as soon as Vinny sat down. If good ol' Vinny wasn't a warning sign, then I don't know what is!

And as for the drive back home from Vegas... it was even worse than I imagined. My friends did not let up on me for the entire 5 hours! I've never heard about how many great things I could do with $2000 before, but they all came to the surface on that ride home. All I left Vegas with was empty pockets, a good story to tell, and an **AMAZING** betting system!

Yes, I actually said “**Amazing**” betting system. I know that sounds odd after what just happened to me, but on the drive home from Vegas (and every day following that dreadful trip) I thought to myself “***if I had just done the exact opposite, I would have made over $1000 TWICE in one night and I would have only been down $100 at my worst point”***.

I later found out that there was a name for the betting system I was using. It's actually no secret at all. It's called the Martingale system and it's very deadly, very quickly, as I experienced first-hand TWICE in the same night.

MY INTRODUCTION TO FOREX TRADING

Shortly after that dreadful trip to Vegas, I was introduced to forex trading. After a couple years of taking trading courses and studying technical analysis, I decided to give the old Martingale betting system a try in the forex market. After all, it's not random like a roulette wheel and I actually had some control of my wins vs losses. Plus I could use leverage to increase my bets too. How could I possibly lose now?

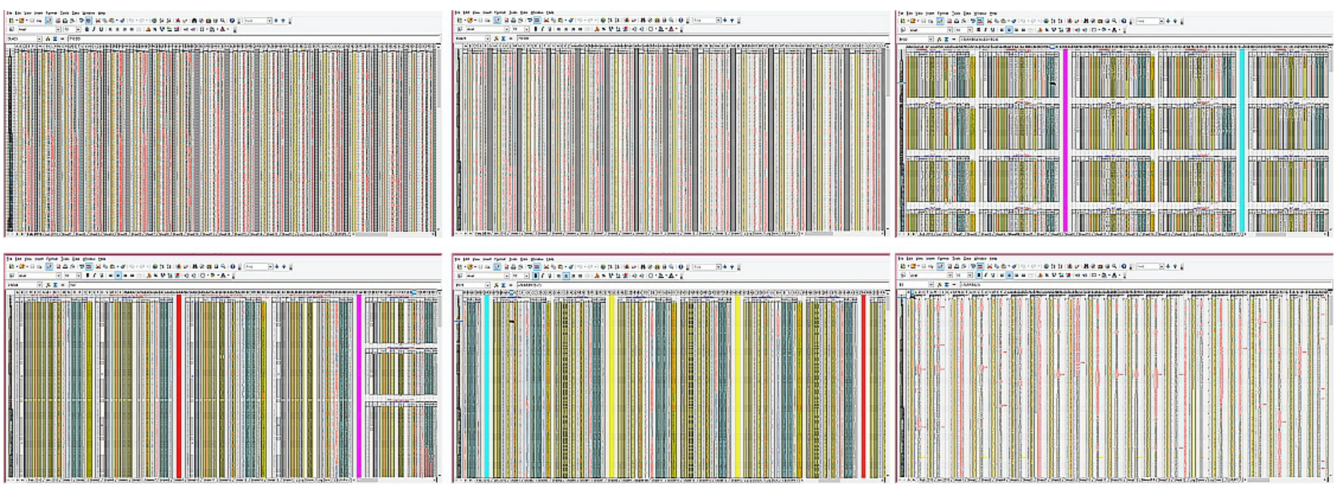
So I deposited $1000 into my trading account and went for it. I studied the charts and placed a trade before I went to bed each night based on what my technical analysis was telling me. Well, it was just like good ol' Vinny sat down at my table again. I lost my first 7 trades and quickly wiped out my account. I was beginning to feel cursed! I was now down over $3000 from the stupid Martingale system! How could anyone be so unlucky with a system that mathematically puts the odds in your favor and works flawlessly on Nintendo? Every time I used it with real money, I immediately got my ass kicked! But I was determined to have a winning betting system so I went back to the drawing board with a vengeance!

This time, I revisited my old thought about doing the opposite of what the Martingale system taught. So I opened a spreadsheet and started to reverse engineer the Martingale system. There must be something to it! When you really think about it, it's actually pretty insane to risk everything for a potential $10 profit per spin, but I'd be more than happy to risk $10 per spin to make THOUSANDS! So that made a great starting point for my research.

After a few years, I had developed some automated FOREX trading systems where I could quickly back-test my trade signals on real market data to get some real trading scenarios from. However, I couldn't automate the money management yet and I didn't have my money management system developed yet anyway. I was still working on it.

To test hundreds of different betting strategies, I would hand-type the trade results from my automated trade signals into Excel spreadsheets to see what type of money management system would generate the highest profits with the lowest draw-downs.

I actually performed manual tests like this for many years and I have tons of "FULL" spreadsheets to prove it. I actually put so much data into these Excel spreadsheets that I would exceed the data limits for the file. I ran thousands of hypothetical tests using different trading systems and scenarios, including randomly computer-generated numbers too. Here are just a few screenshots of my spreadsheets so you can see I'm not BSing you! They are zoomed out to fit as much of the sheet as possible. I could fill this entire ebook with screenshots like this, and these are just the top left corner of 6 spreadsheets, but I think you get the idea.



I would back-test automated trade signals across many years of FOREX price data and then extract the worst parts of the trade results to enter on my spreadsheets because **my primary focus was to limit my losses and protect my capital**. I figured, if I can survive the worst periods without too much downside, then making profit the rest of the time would be easy!

Through all these tests, there were two similar money management strategies that were consistent winners (the highest profits with the lowest draw-downs) and they were similar to running the Martingale system IN REVERSE, just as I had imagined after my horrible experiences. However, the best strategies were NOT exactly the Martingale system in reverse so if you're thinking this is just going to be a Reverse Martingale strategy, it's not. That was just a starting point to work from.

So to give you a thorough understanding of the logic behind my money management strategies, I'm going take you through my experience in reverse engineering the Martingale system. First I'm going to show you some examples of the traditional Martingale system through a winning streak and losing streak, and then compare them to what would happen if you did the Martingale system IN REVERSE. After that, I will introduce you to my two Roulette Trader strategies, which include my profit-locking & equity curve smoothing adjustments.

THE FATAL MARTINGALE SYSTEM

With the Martingale system, you are supposed to double your bet after each loss until you win. This means you would make back 100% of your losses (plus your original bet) with a single win. If you do win, your bet goes back to your initial bet (say $10) and you would stay at $10 until you have a loss. So on a run of 7 consecutive losses followed by a win on the 8th bet, your bets would look like this example below when betting on Red or Black (or any equal risk/reward bet). For easier reference, I put the original Martingale examples in red headings while the Reverse Martingale examples further below are with blue headings):

MARTINGALE ON A LOSING STREAK Double Bet After Each Loss Back to $10 Bet after Each Win.				
Bet	Result	Bet	Win Amount	Cumulative Profit
1	Lose	$10	-$10	-$10
2	Lose	$20	-$20	-$30
3	Lose	$40	-$40	-$70
4	Lose	$80	-$80	-$150
5	Lose	$160	-$160	-$310
6	Lose	$320	-$320	-$630
7	Lose	$640	-$640	-$1,270
8	Win	$1,280	$1,280	$10

Woohoo, you made a whopping $10 profit at the end of this losing streak and nearly had a cardiac arrest in the process! Was it worth the pain of a $1270 draw-down, or $2550 if you had lost that 8th bet? **HELL NO!** And how far are you willing to ride it out to finally win back your losses? Chances are, you would have given up after the 6th or 7th loss with no way to make it back without risking another $1000 - $2000. And keep in mind that most roulette tables have a $2000 maximum bet. The table limit works in the casino's favor because it prevents you from making back all your losses in scenarios like this. After the 8th loss, your cumulative losses essentially become locked in and the casino wins big time!

Now let's look at the Martingale system on a winning streak and see what happens...

MARTINGALE ON A WINNING STREAK Double Bet After Each Loss Back to $10 Bet after Each Win.				
Bet	Result	Bet	Win Amount	Cumulative Profit
1	Win	$10	$10	$10
2	Win	$10	$10	$20
3	Win	$10	$10	$30
4	Win	$10	$10	$40
5	Win	$10	$10	$50
6	Win	$10	$10	$60
7	Win	$10	$10	$70
8	Lose	$10	-$10	$60

No magic there, right? $70 cumulative profit -$10 lost on the 8th bet = a whopping $60 profit after an amazing winning streak.

Reverse Martingale

Now, if you had followed the exact OPPOSITE betting strategy as the previous two examples, your bets would have looked like the following two "**Reverse" Martingale** examples below...

REVERSE MARTINGALE ON A LOSING STREAK Double Bet After Each Win, Back to $10 Bet after Each Loss.				
Bet	Result	Bet	Win Amount	Cumulative Profit
1	Lose	$10	-$10	-$10
2	Lose	$10	-$10	-$20
3	Lose	$10	-$10	-$30
4	Lose	$10	-$10	-$40
5	Lose	$10	-$10	-$50
6	Lose	$10	-$10	-$60
7	Lose	$10	-$10	-$70
8	Win	$10	$10	-$60

At your worst point above, you were only down a cumulative total of -$70. No biggie, right? And that was on a horrible losing streak too. No cold sweats, no stomach aches, no cardiac arrest, or even a single heart palpitation. And if this were a roulette table, you'd be getting free drinks in the process so it's nearly a wash if you consider the price of drinks at a casino.

Now let's look at the **Reverse** Martingale on a winning streak...

REVERSE MARTINGALE ON A WINNING STREAK Double Bet After Each Win, Back to $10 Bet after Each Loss.				
Bet	Result	Bet	Win Amount	Cumulative Profit
1	Win	$10	$10	$10
2	Win	$20	$20	$30
3	Win	$40	$40	$70
4	Win	$80	$80	$150
5	Win	$160	$160	$310
6	Win	$320	$320	$630
7	Win	$640	$640	$1,270
8	Lose	-$1,280	-$1,280	-$10

Now how is that for an exciting ride? Your cumulative profit quickly ran up to +$1270 before you lost it all on the 8th bet resulting in a $10 loss. However, you could have walked away after the 6th or 7th win with a very healthy $630 or $1270 profit. You only ended up with a small $10 loss because you kept going without locking in any profit for yourself. The casino wins again, but only $10 this time. Now compare the best & worst points of the two Reverse Martingale examples (bet #7 below)...

REVERSE MARTINGALE ON A WINNING STREAK Double Bet After Each Win, Back to $10 Bet after Each Loss.				
Bet	Result	Bet	Win Amount	Cumulative Profit
1	Win	$10	$10	$10
2	Win	$20	$20	$30
3	Win	$40	$40	$70
4	Win	$80	$80	$150
5	Win	$160	$160	$310
6	Win	$320	$320	$630
7	Win	$640	$640	$1,270
8	Lose	-$1,280	-$1,280	-$10

REVERSE MARTINGALE ON A LOSING STREAK Double Bet After Each Win, Back to $10 Bet after Each Loss.				
Bet	Result	Bet	Win Amount	Cumulative Profit
1	Lose	$10	-$10	-$10
2	Lose	$10	-$10	-$20
3	Lose	$10	-$10	-$30
4	Lose	$10	-$10	-$40
5	Lose	$10	-$10	-$50
6	Lose	$10	-$10	-$60
7	Lose	$10	-$10	-$70
8	Win	$10	$10	-$60

After 7 consecutive wins in the graph on the left, your cumulative profit was **+$1270** at your best point. At the worst point, after 7 consecutive losses in the graph on the right, you were down a total of **-$70**. **That's an absolutely HUGE difference from 2 identically opposite situations!** This is where light bulbs really started to go off in my head because I knew I was onto something quite powerful, and this is where I first got the idea of running identically opposite trade signals in reverse of each other and letting the money management do the rest. One would have small losses while the other had **HUGE** profits! All you needed was an occasional winning/losing streak.

But after a lot of testing and tweaking different money management strategies, I found that the **"Reverse Martingale"** strategy of doubling your bets was just too aggressive and too much of a wild ride for a long-term trading system but I was certainly on the right track. There would be large draw-downs and then massive spikes of profit but you would quickly lose it all with a single trade because it never locked in any profit during the winning streaks. Of course, you could walk away at any point with your cumulative profit, but if you didn't reach your goal, you ended up with a loss, no matter how many consecutive wins you had. So at what point should you end the cycle and lock in your cumulative profits? There was no way to know when the next loss would come, so I fine tuned the betting system to lock in some profits along the way but it would also let the profits continue to snowball too. It makes a nice compromise while keeping it all very simple. In fact, it's so simple that I overlooked it for years.

The Roulette TRADER
Money Management Strategies

With my Roulette TRADER Money Management strategies, instead of doubling your bet after each win (as you would in a "let-it-ride" Reverse Martingale system), you simply break your bets into units and add 1 unit after each win. But there are different ways to add and subtract units and the best way depends on the following factors:

1. Your typical Win/Lose ratio (this is predetermined in Roulette but can vary wildly in trading)
2. The size of your wins vs. losses (which usually effects your win/loss ratio)
3. How well your wins and losses occur in clusters of winning streaks & losing streaks

Unlike a random casino game, you can control all 3 of these factors when designing trading systems for financial markets. But for ease of understanding, let's focus on applying these strategies to the game of Roulette for now, and then I'll show you how to apply these strategies to foreign currency trading and stock trading.

(continued on next page)

Applying the Roulette TRADER Strategies to the Game of Roulette

I have two betting strategies for where to place your bets (for land-based Roulette) and 2 different money management systems. One money management system capitalizes on **consecutive** wins and the other capitalizes on **cumulative** wins.

THE CONSECUTIVE WINS SYSTEM EQUAL Risk to Reward Bets

1. BETTING RED & BLACK (Equal Risk/Reward):
The last time I went to Las Vegas in 2012, I had already developed most of this system and turned $20 into $500 in about 1 hour with this strategy, and I was up to about $750 profit before my last loss. The $500 I walked away with was locked in. Here's how it works...

I started with a $10 bet and followed the color of the previous spin (unless it was green). This way I was guaranteed to be on the right side of a color streak IF, and when, one happened, and it didn't take long! I can't remember how many times it hit the same color but my stack of chips was getting pretty large and the run of red numbers on the digital display was drawing some attention.

I had people stopping to watch and then they actually started betting black (against me). I said ***"Don't do it! Go WITH the trend, not against it!"*** But like the fool I once was, they ignored me and continued to increase their bets after each loss (typical gambler mentality). They eventually got upset and walked away BIG LOSERS! I knew what they were feeling but you can't imagine how good it felt to finally get some of my $2000 back from Las Vegas. If I had been using my original Martingale system, I would have immediately lost my ass AGAIN! But 12 years later, I finally felt some redemption, and one day, I'll be back in Vegas to collect the balance.

Ok, enough stories! My **"Consecutive Wins"** Money Management strategy is simply this...

Start with a small 1 unit bet and increase your bet by 1 equal unit after each win, then go back to 1 unit after <u>ANY</u> loss. This immediately locks in most of your cumulative profit at the first sign that the trend is changing (a loss). In this example, each unit is $10 but you can use any size unit you want. Simple, right? Here's an example of how 8 consecutive wins followed by 2 losses would go:

CONSECUTIVE WINS STRATEGY							
+1 unit after a Win, Back to 1 unit after ANY loss or after a WIN at Target							
Spin	Result	$10 Units	Bet	Win Amount	Cumulative Cycle Profit	Profit Locked In	Cycle P/L if Bet Lost
1	Win	1	$10	$10	$10	$0	-$10
2	Win	2	$20	$20	$30	$0	-$10
3	Win	3	$30	$30	$60	$20	$0
4	Win	4	$40	$40	$100	$50	$20
5	Win	5	$50	$50	$150	$90	$50
6	Win	6	$60	$60	$210	$140	$90
7	Win	7	$70	$70	$280	$200	$140
8	Win	8	$80	$80	$360	$270	$200
9	Lose	9	$90	-$90	$270	N/A	$270
1	Lose	1	$10	-$10	New Cycle: Return to 1 Unit after ANY Loss		

The beauty of this strategy is that the most you can possibly lose on any cycle is $10 but you can win hundreds, even thousands if you let it run. After your 2nd consecutive win, the rest of the cycle is RISK FREE!

CYCLE PROFIT TARGETS

Now look at the blue column in the chart above. With a loss on the 9th bet, you end up with **$270** profit that was automatically locked in after the 8th win. However, after the 8th win, you could have walked away with the full **$360** cumulative profit (an extra $90), which is $10 more profit than if you had continued the progression, won the 8th bet and lost the 9th. So, a win on the 7th consecutive spin (yellow column) pays $10 more than a loss on the 9th spin (blue column) and $80 more than a loss on the 8th. Therefore, I like to set a cycle target and end my cycle on a win (a high note) instead of waiting for a loss. As long as your cycle target isn't too difficult to reach, it will lock in a nice chunk of profit on a regular basis, smoothing your equity curve.

Let's say you have a cycle target of 8 units (which is 8 consecutive wins with the Consective Wins strategy). **When you get a win at your cycle profit target (8 consecutive wins), then you would start a new cycle with a 1 unit bet, thus locking in your cumulative profit at that point** and the casino (or broker) can only win that money back from you through a long series of losing cycles.

The following diagram shows how the previous example plays out with an **8 unit cycle target** followed by 2 more cycles. On roulette (betting red or black), I recommend going for at least 5 or 6 consecutive wins with this strategy or it loses most of it's power. Once you have some profit locked in, you can let your cycles run longer or let the table decide when the color is going to change next. You might be very pleasantly surprised!

CONSECUTIVE WINS STRATEGY
WITH CYCLE TARGETS
EQUAL Risk/Reward Bets
+1 unit after a Win, Back to 1 unit after ANY loss or after a WIN at Cycle Target

Cycle Spin	Result	$10 Units	$10 unit Bets	Win Amount	Cumulative Cycle Profit	Total Account Profit	
1	Win	1	$10	$10	$10	$10	
2	Win	2	$20	$20	$30	$30	
3	Win	3	$30	$30	$60	$60	
4	Win	4	$40	$40	$100	$100	
5	Win	5	$50	$50	$150	$150	
6	Win	6	$60	$60	$210	$210	
7	Win	7	$70	$70	$280	$280	
8	Win	8	$80	$80	$360	$360	**< 8 Unit Cycle Target Hit**
1	Lose	1	$10	-$10	-$10	$350	**< Start new cycle with 1 unit bet**
2	Lose	1	$10	-$10	-$20	$340	
3	Lose	1	$10	-$10	-$30	$330	< Stay at 1 unit on consecutive losses
4	Win	1	$10	$10	-$20	$340	
5	Lose	2	-$20	-$20	-$40	$320	
6	Lose	1	-$10	-$10	-$50	$310	< $50 Maximum Cycle Draw-down
7	Win	1	$10	$10	-$40	$320	
8	Win	2	$20	$20	-$20	$340	
9	Win	3	$30	$30	$10	$370	
10	Win	4	$40	$40	$50	$410	
11	Win	5	$50	$50	$100	$460	
12	Win	6	$60	$60	$160	$520	
13	Win	7	$70	$70	$230	$590	
14	Win	8	$80	$80	$310	$670	**< 8 Unit Cycle Target Hit**
1	Win	1	$10	$10	$90	$680	**< Start new cycle with 1 unit bet**
2	Lose	2	-$20	-$20	$70	$660	
3	Lose	1	-$10	-$10	$60	$650	

The day after I lost $2000 playing roulette, my friends were telling a guy at the pool about my horror story playing roulette the night before. He replied **"That's nothing! I was at a table last night that hit 23 red in a row! Everyone was betting black against it and losing their asses!"** Now imagine if that guy had been using one of my systems! He would have been buying everyone drinks at the pool that day.

Oh, and to finish my first Las Vegas story, we had our rooms comped at the end of our stay, and then again on our next trip too. I must have had “MARTINGALE SUCKER” written on my forehead because they rolled out the red carpet for me on our next trip but I never gambled another dime until I had developed this system, despite many more trips to Las Vegas.

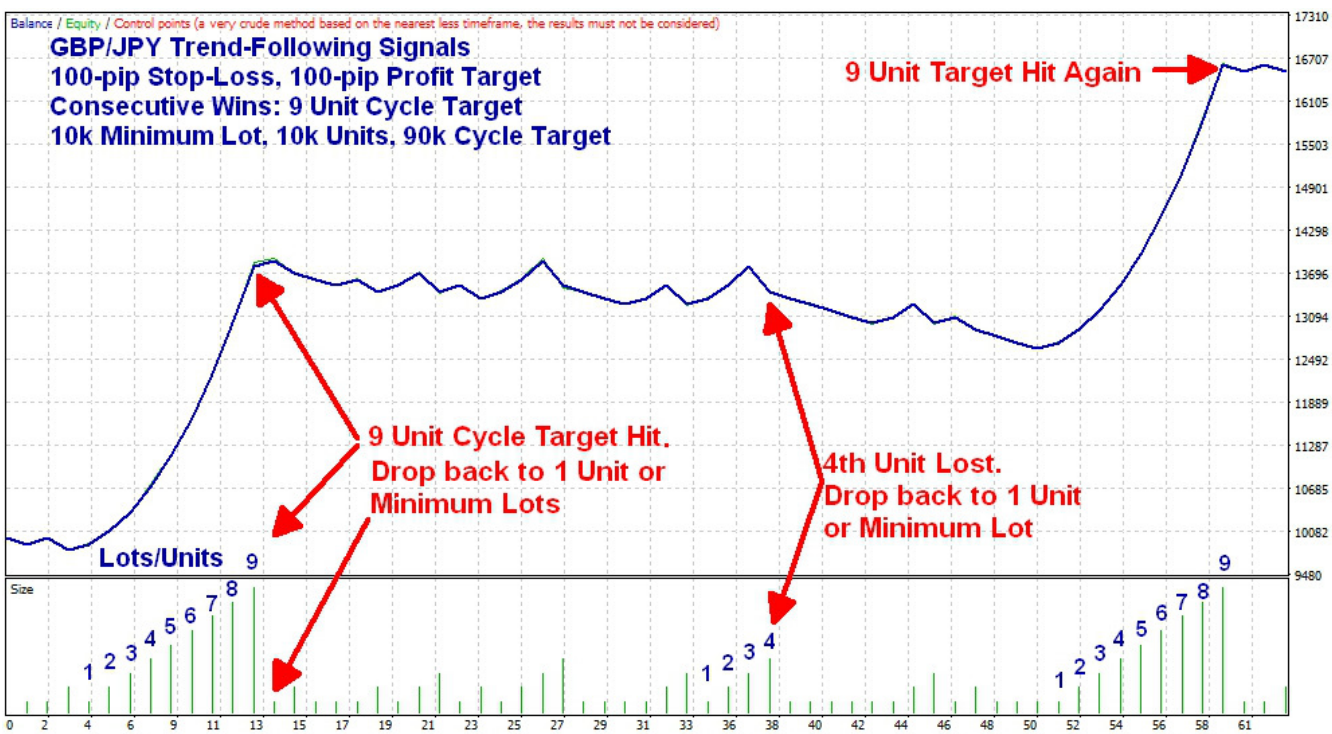
APPLYING THE CONSECUTIVE WINS STRATEGY TO FOREX TRADING

The illustration below shows how you would apply the Consecutive Wins Money Management system to FOREX Trading and is easily applied to any other form of financial trading like stocks, options, indices, etc. Simply replace the word “**lots**” with “**contracts**” or “**shares**” for other markets.

This screenshot below is an equity curve created by one of my automated forex trading robots. This illustration uses 10k lots as units with a 9 unit (90k) cycle target. The vertical green bars at the bottom of the image show the size of the lots, shares, or contracts (depending on your market). These also represent the number of units we are trading.

In this example, I am using a 9 unit cycle target (attempting 9 consecutive wins) with a 100 pip stop-loss and 100 pip profit target (equal risk/reward per trade). When using the **Consecutive Wins** strategy, you always drop leverage to the minimum or starting lots (1 unit) after ANY loss **or** after you have a win at the cycle profit target, whichever occurs first. In this example, there were 2 wins at the 9 unit cycle target, locking in a TON of profit at each instance.

CONSECUTIVE WINS STRATEGY - EQUAL RISK to REWARD TRADES



THE CUMULATIVE WINS STRATEGY
EQUAL Risk to Reward Bets

CUMULATIVE WINS Strategy Betting RED & BLACK on Roulette (Equal Risk/Reward):
Here's another way to do it, which I really like because you get a lot more winning cycles but it comes with the risk of slightly larger draw-downs. Sometimes you get a few random losses during a trend or a cluster of wins, so why let a single loss or two set you back to 1 unit when you could take a nice profit from just a few more wins? So instead of going back to 1 unit after a loss, simply **subtract 1 unit after a loss and add 1 unit after a win until you have a win at your cycle profit target.**

If you want to use this method on Roulette while betting **Red** & **Black**, I suggest starting with the Consecutive Wins strategy first, then switch to this method after your 4th consecutive win because you won't have much farther to go to hit your cycle target. This will reduce your draw-downs. You must also consider the size of your wins vs losses when using this method. For betting Red & Black, your potential risk and reward are equal on each bet so adding and subtracting 1 unit keeps things balanced. When applied to trading, this is comparable having an equal profit target and stop-loss on each trade. Here's how a target of 8 cumulative wins would play out with 3 losses mixed in.

CUMULATIVE WINS STRATEGY – EQUAL RISK/REWARD +1 unit after a win, -1 unit after a loss, Back to 1 unit after a WIN at Target Target: 8 Cumulative Wins						
Spin	Result	$10 Units	Bet	Win Amount	Cumulative Cycle Profit	Cycle P/L if Bet Lost
1	Win	1	$10	$10	$10	-$10
2	Win	2	$20	$20	$30	-$10
3	Win	3	$30	$30	$60	$0
4	Win	4	$40	$40	$100	$20
5	Win	5	$50	$50	$150	$50
6	Lose	6	$60	-$60	$90	$90
7	Win	5	$50	$50	$140	$40
8	Win	6	$60	$60	$200	$80
9	Lose	7	$70	-$70	$130	$130
10	Lose	6	$60	-$60	$70	$70
11	Win	5	$50	$50	$120	$20
12	Win	6	$60	$60	$180	$60
13	Win	7	$70	$70	$250	$110
14	Win	8	$70	$80	$330	Target Reached: $330 locked in
1	Win	1	$10	$10	< New Cycle: Start with 1 Unit	

I know it can be a little confusing when looking at these charts but **all you really need to remember is <u>+1 unit after a win, -1 unit after a loss, and back to 1 unit after a win at your cycle target</u>**. You do not need a calculator or spreadsheet to calculate what you need to do next, so this can easily be used in a casino and nobody will have any idea that you're actually using a powerful money management system.

I love the "**cumulative wins**" strategy because you're not requiring anything extraordinary to happen. Just a few more wins than losses and you've got yourself a very nice profit locked in. Without money management, a $10 bet per spin would put you at only $80 profit in this same scenario. Instead, you've made over 4 times that with about the same risk to your beginning capital.

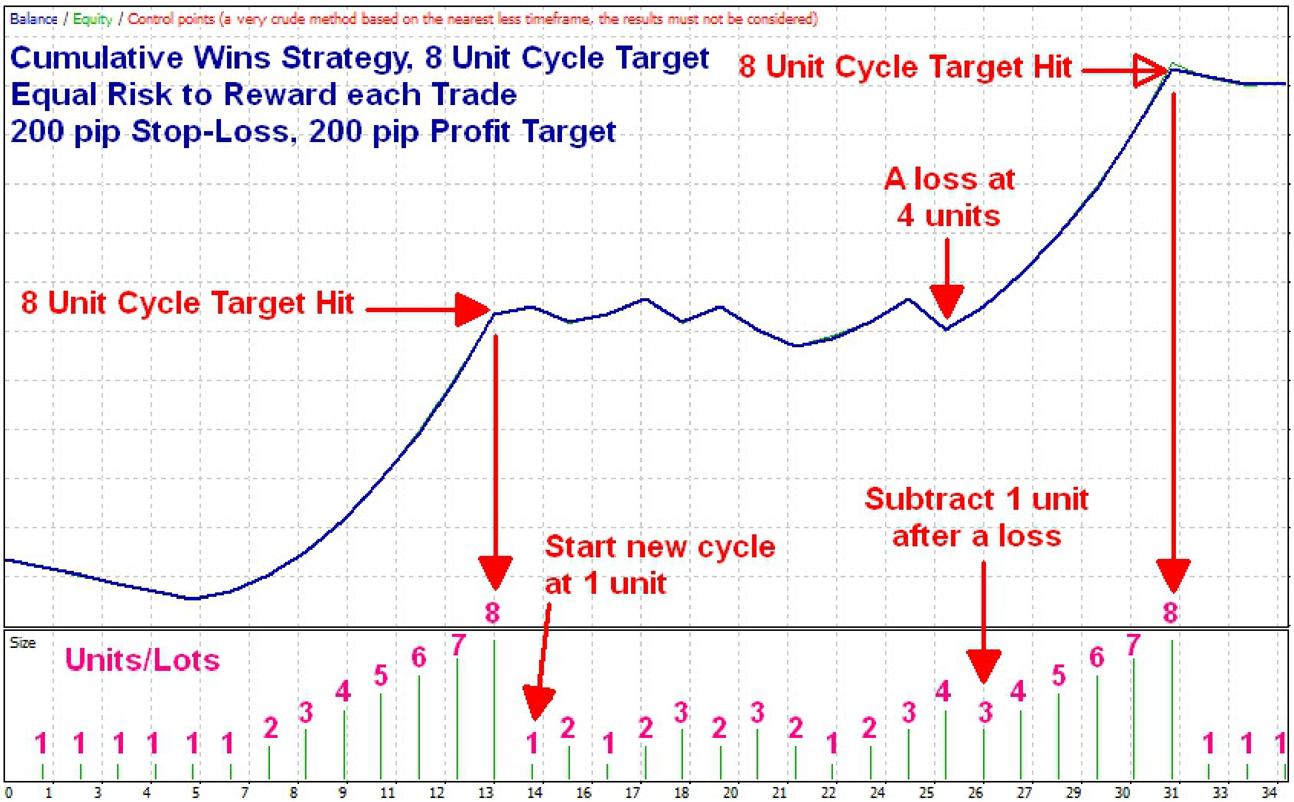
The downside to this strategy that if your target cumulative wins is too high and you go a long time without reaching your target, it will work against you periodically and cause larger draw-downs than the "consecutive wins" strategy. However, the larger draw-downs are often offset by completing more winning cycles, as long as your cycle target isn't too high. You need to balance it out for the smoothest equity curve. Don't be too greedy or too conservative either.

When trading, your goal should be determined by your rate of wins vs. losses and how well your wins are clustered together. You can get a good estimate of the most appropriate goal simply by back-testing your trade signals on historical price data, but be careful not to over-optimize your signals. You want loosely optimized trade signals that trade often and catch very frequent market patterns. Since the markets tend to repeat the same trend and consolidation patterns over and over again, it's relatively easy to find common patterns that generate frequent winning streaks that play right into our hands!

(Continued on Next Page)

The following illustration shows how the Cumulative Wins strategy is applied to forex trading when using Equal Risk to Reward trades (equal stop-loss and profit target). You simply **<u>add 1 unit to your trade size following wins, and subtract 1 unit from your lot size following losses</u>**. Return to 1 unit (or minimum lots) when you have a win at your cycle profit target.

CUMULATIVE WINS STRATEGY - EQUAL RISK to REWARD TRADES



THE <u>CONSECUTIVE</u> WINS STRATEGY <u>DOUBLE</u> Risk to Reward Bets

In financial trading, double risk to reward means having a stop-loss twice the size of your profit target. To use this strategy playing Roulette, you'd place equal bets on 2 of the 3 dozens. A win on one bet pays 2:1 while the other bet loses so your net is +1 if one wins but a loss on both bets results in -2. Your risk is DOUBLE your potential reward but you will win more often than an equal risk/reward bet. This statistically puts your win ratio at 64.8% on a double zero roulette table so winning streaks are frequent and that's the most important thing.

To be sure that you catch a trends, **follow the results of the previous 2 dozens hit <u>when using a real table at a casino</u>.** I've had my table hit the same number 2 and 3 times in a row on multiple occasions so how likely is it that it will hit the same two-thirds of the table 10 or 20 times in a row? It happens more often than you'd think and that's the same concept as my trend-following trading strategies. You're just following the current trend.

For Roulette, you'll need to divide your total bet and units between 2 of the dozens. They work as a team. So for clarity, when I say “units” here, I am referring to your total bet (the 2 bets combined). Simply increase your total bet by 1 unit if one of them wins, and return your total bet to 1 unit after any loss. The downside to this is that you'll need to win 4 consecutive spins (or trades) before you are risk-free on any cycle.

Here's an example using $10 units on a run of 20 consecutive wins to show how the profit accumulates on winning streaks. To keep it simple, I am only using 1st and 2nd dozen bets:

CONSECUTIVE WINS STRATEGY

Double Risk to Reward: Betting 1st and 2nd Dozen on Roulette

+1 Unit After a Win, Back to 1 Unit After ANY Loss

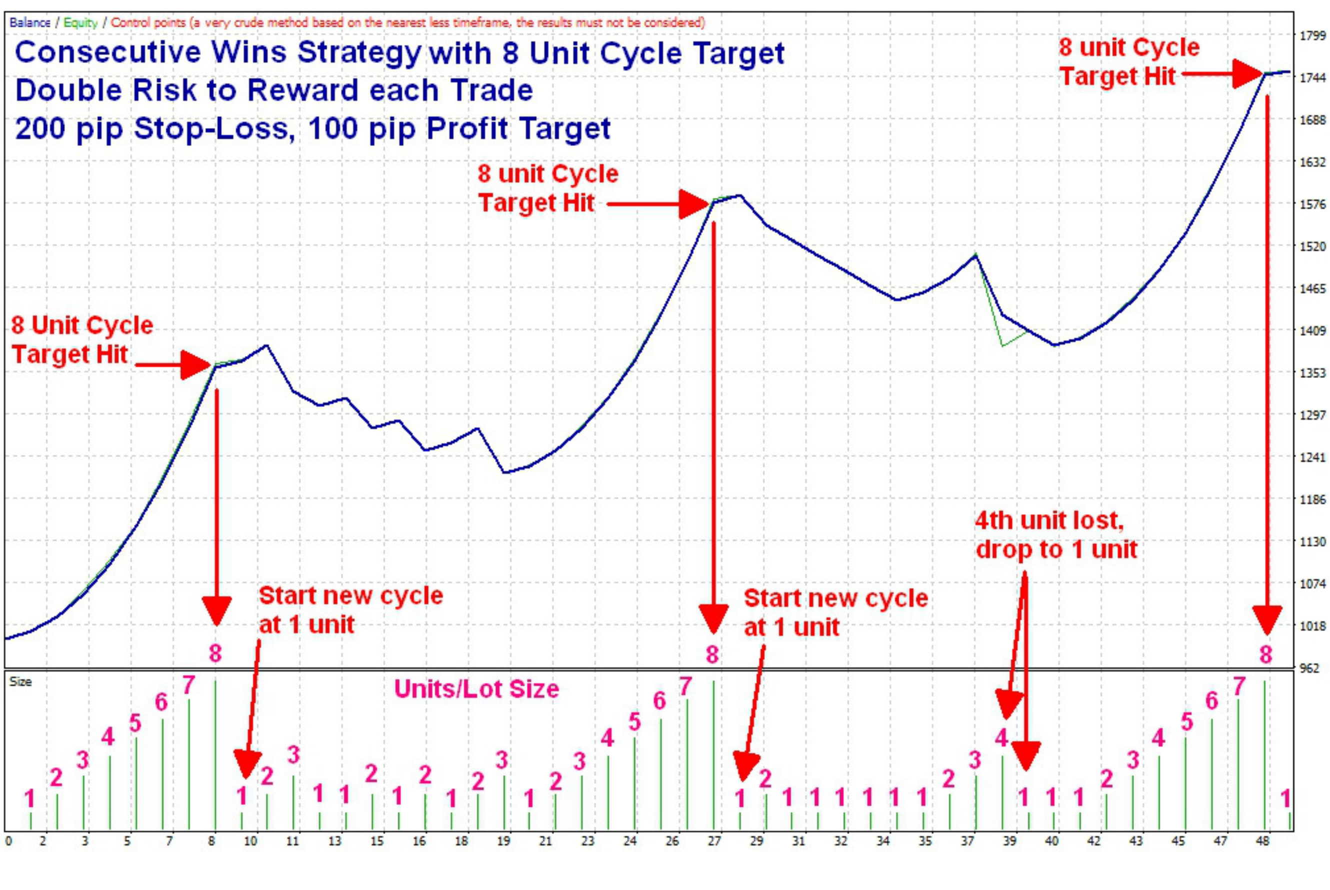
Spin	Result	$10 Units	1st 12 Bet	2nd 12 Bet	Total Bet	Win Amount	Cumulative Cycle Profit	Profit Locked In	Cycle P/L if Bet Lost
1	Win	1	$5	$5	$10	$5	$5	$0	-$10
2	Win	2	$10	$10	$20	$10	$15	$0	-$15
3	Win	3	$15	$15	$30	$15	$30	$0	-$15
4	Win	4	$20	$20	$40	$20	$50	$0	-$10
5	Win	5	$25	$25	$50	$25	$75	$15	$0
6	Win	6	$30	$30	$60	$30	$105	$35	$15
7	Win	7	$35	$35	$70	$35	$140	$60	$35
8	Win	8	$40	$40	$80	$40	$180	$90	$60
9	Win	9	$45	$45	$90	$45	$225	$125	$90
10	Win	10	$50	$50	$100	$50	$275	$165	$125
11	Win	11	$55	$55	$110	$55	$330	$210	$165
12	Win	12	$60	$60	$120	$60	$390	$260	$210
13	Win	13	$65	$65	$130	$65	$455	$315	$260
14	Win	14	$70	$70	$140	$70	$525	$375	$315
15	Win	15	$75	$75	$150	$75	$600	$430	$375
16	Win	16	$80	$80	$160	$80	$680	$510	$375
17	Win	17	$85	$85	$170	$85	$765	$585	$510
18	Win	18	$90	$90	$180	$90	$855	$665	$585
19	Win	19	$95	$95	$190	$95	$950	$750	$665
20	Win	20	$100	$100	$200	$100	$1,050	$840	$750
21	Lose	21	$105	$105	$210	-$210	$840	$840	$840
22	Lose	1	$5	$5	$10	-$10	$830	$830	$830

Notice that the worst you can possibly do on any cycle is lose $15 and your average loss will be around $12.50. However, it can take up to 4 spins to lose a cycle and losing the 5th spin is a break-even. This gives you tremendous staying power. Statistically, you will obviously lose many more cycles than you win but your average profitable cycle will be much more than $12.50. One good winning streak will put hundreds in your pocket, while losing cycles take only small chips from that profit. But the size of your winning cycles depends on how long your winning streaks are, which is impossible to predict on Roulette. However, you can really smooth your equity curve by setting a cycle target and end your cycles on a win rather than waiting for a loss to end the cycle for you. This will lock in good profit for you on a more consistent basis and smooth your equity curve.

In the graph above, compare the yellow “**Cumulative Cycle Profit**” column to the blue column on the right labeled “**Cycle PL if bet lost”**. Let's assume you have a win on the 8th spin and now have $180 cumulative cycle profit but you continue the cycle and lose on the 9th spin, which ends your cycle with a $90 profit that you had locked in. Now if you had ended your cycle after your 8th win, your cycle would have ended with $180 profit (**double the money**). The yellow column represents profit that you can walk away with at any time and it's about 3.5 spins ahead of the blue column so ending your cycle on a win is equivalent to winning an additional 3.5 bets without actually taking the risk on those next bets - another bonus to an already winning system!

The following illustration shows the equity curve using signals with double the risk to potential reward (200 pip stop-loss with a 100 pip profit target. Winning streaks are frequent and occurs every time the market trends. The losing streaks are the relatively flat periods caused by choppy or sideways markets. This example is also using the “Flat-Lining Losses” technique explained later.

CONSECUTIVE WINS STRATEGY - DOUBLE RISK TO REWARD TRADES



THE CUMULATIVE WINS STRATEGY
DOUBLE Risk to Reward Bets

CUMULATIVE WINS Strategy for Double Risk to Reward (betting 2 dozens on Roulette): Previously, in the cumulative wins strategy for equal risk/reward, we subtracted 1 unit after a loss and added 1 unit after a win until we hit our cycle target.

Now our losses are DOUBLE the size of our wins so you should now **subtract 2 units after each loss** to keep the math balanced. This will get you back to 1 unit quickly in the case of a losing streak that begins in the middle or upward side of your cycle while mostly losing accumulated cycle profits. If you only subtracted 1 unit (when losses are twice the size of your profits), then losses would consume your accumulated profits twice as fast and could cut twice as deep into your principal (or your cycle's starting capital). We treat each cycle like an entirely new game.

Here's how it looks when played out with a few losses and a target of 10 cumulative wins (actualy 10 cumulative units now). Follow the "units" column to see how the units are adjusted following wins & losses. **+1 unit after a win, -2 units after a loss, back to 1 unit after a win at the cycle target.** That's all you really need to remember.

CUMULATIVE WINS STRATEGY						
Double Risk to Reward: Betting 1st and 2nd Dozen on Roulette						
+1 unit after a win, -2 units after a loss, Back to 1 unit after a WIN at Target						
Cycle Profit Target: 10 Cumulative Units						
Spin	Result	Units	Total Bet	Win Amount	Cumulative Cycle Profit	Cycle P/L if Bet Lost
1	Win	1	$10	$5	$5	-$10
2	Win	2	$20	$10	$15	-$15
3	Win	3	$30	$15	$30	-$10
4	Win	4	$40	$20	$50	-$10
5	Win	5	$50	$25	$75	$0
6	Lose	6	$60	-$60	$15	$15
7	Win	4	$40	$20	$35	-$25
8	Win	5	$50	$25	$60	-$15
9	Win	6	$60	$30	$90	$0
10	Lose	7	$70	-$70	$20	$20
11	Win	5	$50	$25	$45	-$30
12	Win	6	$60	$30	$75	-$15
13	Win	7	$70	$35	$110	$5
14	Win	8	$80	$40	$150	$30
15	Win	9	$90	$45	$195	$20
16	Win	10	$100	$50	$245	Target Reached: $245 locked in
17	Lose	1	$10	-$10	< Start New Cycle with 1 unit bet	

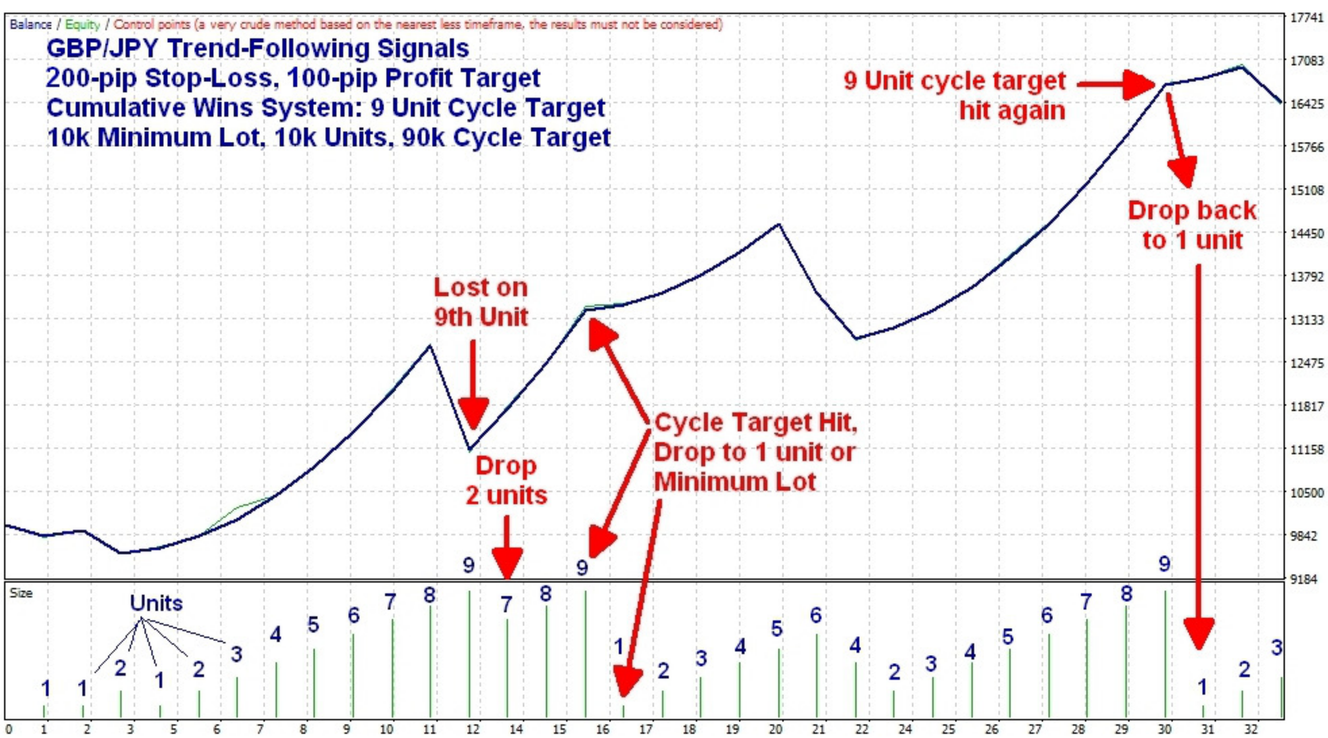
If you ended your cycle after the 10th cumulative win (at 10 units) as in the example above, then you would have ended this cycle with $245 profit. If this had been the “consecutive win” strategy, then you would have 3 separate cycles by the 16th spin. The first would have ended with **$15** profit on the 6th spin. The second with **-$10** on the 10th spin, and the third with **$105** profit on the 16th spin for a total of **$110** profit. Instead, with this system you have **$245 profit** (over double the profit and your best run was only 6 consecutive wins).

Once again, the downside to this strategy is that it can generate larger draw-downs, especially if you set too high of a target to end your cycle. The lower your “**cumulative win**” target, the more often you will hit it but with less profit. Over the long run, it's usually much more profitable to go for larger cumulative wins (like 10 or more) but there will be some wild equity swings in the process so you'll need more patience and a strong stomach to go for the big cycle targets but they can really pay off big time!

The following illustration shows the Cumulative Wins system using 10k units with a 9 unit cycle target (90k lot). The stop-loss is double the size of the profit target (200 pips to 100 pips) so it subtracts 2 units after a loss and adds 1 unit following wins. Drop to 1 unit (or minimum lots) after a win at the cycle target to lock in the profits. The green bars at the bottom of the graph show the size of your lots or contracts (or in our case, units)...

CUMULATIVE WINS STRATEGY, 9 UNIT CYCLE TARGET

DOUBLE RISK to REWARD TRADES



So What's the Secret?

Please understand that these strategies do not make any win/lose sequence profitable. It is NOT a one-size-fits-all system. Instead, it capitalizes on patterns of winning streaks or clusters of wins (as in the case of the cumulative wins strategy), and the good news is that these clusters tend to occur naturally and frequently even in a game like Roulette. While the outcome may not always be profitable, this strategy will give you the most profit potential for any given number of spins but due to the randomness and built-in negative odds on Roulette, there can still be long periods where you do not get a single good winning streak.

However, winning streaks in financial markets tend to occur much more frequently than on any random game of chance due to the repetitive patterns in the markets, which you can **specifically design** your trading systems to exploit. **So rather than bust your brain trying to develop trade signals that are consistently profitable, you only need to develop trade signals that generate frequent winning streaks or clusters of wins (a MUCH easier task) and not worry about losing streaks because the money management will quickly suck the power out of them!** But let's just focus on the game of roulette for now (a random game of chance).

On a roulette table, or any other game with near-equal odds, these would statistically be a net zero system (or worse) if you never got a good winning streak or never locked in any profit when you did get one because it would cause every cycle to end with a large loss. But locking in your profit at a cycle target essentially robs statistics (and the casino or broker) the opportunity to win most of those cycle profits back from you with a final big loss at the end of every cycle and that's where traditional money management strategies fail.

The traditional money management strategy of risking a small fixed percent of your account per trade never locks in a dime of profit at any time and ultimately, it works against you! When profits increase, so does leverage to no end and it actually requires fewer losses to lose all of your accumulated profits than it took to originally gain it. It's counter-productive unless you have holy grail trade signals that never have a losing streak, which rarely happens in the real world, if ever, and you certainly can't count on it! Yet every trading book out there tells you to do exactly that and then they tell you that 95% of all traders fail. Hmm... do you see a common denominator here?

With the Consecutive Wins strategy, it's not as important to have a cycle target that's frequently hit because it's good at automtically locking in profit as you go. As long as you're staying ahead of the game, you can always let fate decide and you might get a grand slam, although I prefer using a cycle profit target to lock in profit more often to smooth the equity curve. As you may have noticed, the equity curves tend to look like steps. Each step typically represents a cycle target hit, which locked in the profit for that cycle.

On Roulette, my suggestion is to play the double risk to reward bets (2 of the 3 dozens) using the Consecutive Wins strategy. To begin with, go for a cycle target of 6 consecutive wins and once you have some profits to play with, you can let the next cycles run wild with no cycle target (Sky's the Limit). A run of 20 consecutive wins using $10 units ($5 per bet) would put

$1050 profit in your pocket (with $750 profit locked in), which grew from a mere $10 starting bet. A run like that would cover the next 84 losing cycles (several hundred spins) and you're likely to get more big winning streaks before you lose 84 cycles in a row. In other words, you'd probably never be in the red ever again! Look at my "**Sky's The Limit**" illustrations further below to get a visual of what this would look like on a trading chart.

If you want to use the Cumulative Wins strategy on Roulette, then start with the Consecutive Wins strategy first. Once you get 4 or 5 consecutive wins, then switch to Cumulative wins since you're already over half way to your target (most likely). It's also best to use Flat Lining too. The worse your odds, the more Flat Lining will help protect you and odds don't get much worse than a Roulette table.

ONLINE CASINO ROULETTE & RNG

Another reason these strategies work is for the same reason I so quickly got my butt kicked **TWICE** in the same night using the Martingale system, and then a **THIRD** time when I tried to use it trading FOREX. The Martingale system relies on statistics to stay within the norm, which worked flawlessly on video roulette. But computerized Random Number Generators (RNG) are artificially random and do not generate the types of trends you will find in natural randomness. That is why these strategies will work better on a physical roulette table than in an online casino using RNG. And that's not even considering that online casinos are probably rigged to begin with.

There is now software that generates True Random Numbers (**TRNG**) but they are very slow to generate numbers because they require natural signals from the physical world (outside the computer) like white noise, the sound of rain drops, birds chirping, or other sounds of nature that can be imported into the computer. The process is slow, expensive, and may give patterns that can be exploited by everyone reading this ebook, so they are simply not used by online casinos.

With **RNG** software, the outcome of each spin is being influenced by an algorithm designed to appear random and is, therefore, designed to not produce frequent streaks of anything that can be easily or consistently exploited. Therefore, the outcome of the previous spins are effecting the outcome of future spins. And that's not even considering that online casinos are probably rigged to begin with. How can anyone ever know?

In the real world, one spin has no influence on any other spin. A real roulette wheel could hit red 50 or 100 times in a row but you'd never see that in video roulette because statistics say it shouldn't happen and so it's programmed not to. I've played around 50,000 spins of online roulette (recording most of it) and never had a run of red or black longer than 12, and even 10 is very rare, while runs of 6-8 occur just often enough to wipe out anyone using the Martingale system. Hmmm, do you think that might be by design?

In real life, trends outside of the statistical norm just happen to occur quite frequently and for no apparent reason. If they didn't, then we'd all be millionaires using Martingale's "double your losing bet” system but that happens to be the best system in the world to lose everything fast! With the Martingale system, when losing streaks veer outside of the statistical norm (which occurs quite frequently), you lose too much money to stay in the game (or you exceed the table limit) and your losses get locked in. All we did is turn the table, make it a bit less aggressive, and added a profit-locking, save-as-you-go mechanism to it.

No gambler or trader has any problem with massive spikes of profit, but if those are losses, then it's game over! In order to win the game, you need to stay in it and these money management strategies keep you in the game even when it's not going very well. It only takes one moderate winning streak to launch you into profit quickly! My profit-locking strategies will keep you in the game long enough to catch some whoppers. It sometimes requires a little patience, but as I'll show you below, **PATIENCE PAYS!**

TRADING FINANCIAL MARKETS

When I think about this, it reminds me of a magic trick where the magician diverts your attention to his right hand while he slips the card out of his sleeve in his left hand. If you want to know where the real magic happens, you need to look where nobody else is looking.

It seems **EVERYONE** is beating their brains to figure out a way to beat the markets with trade signals alone, while money management is completely ignored. I see new systems all the time bragging about their sophisticated technical indicators, artificial inteligence, and complex algorithms. These come and go all the time, probably because they never work for very long. As soon as the market changes just a little, the latest “Holy Grail” system has a forbidden “losing streak” and goes to hell fast so the search for the next “Holy Grail” continues!

100% of the average trader's attention is on trying to predict the next market move when it should really be on Money Management. With proper money management, you can make money by flipping a quarter to make your trade decisions, and that's an incredible edge in itself! But we can do MUCH better than that simply by customizing our trade signals to compliment our money management strategy, or vice versa.

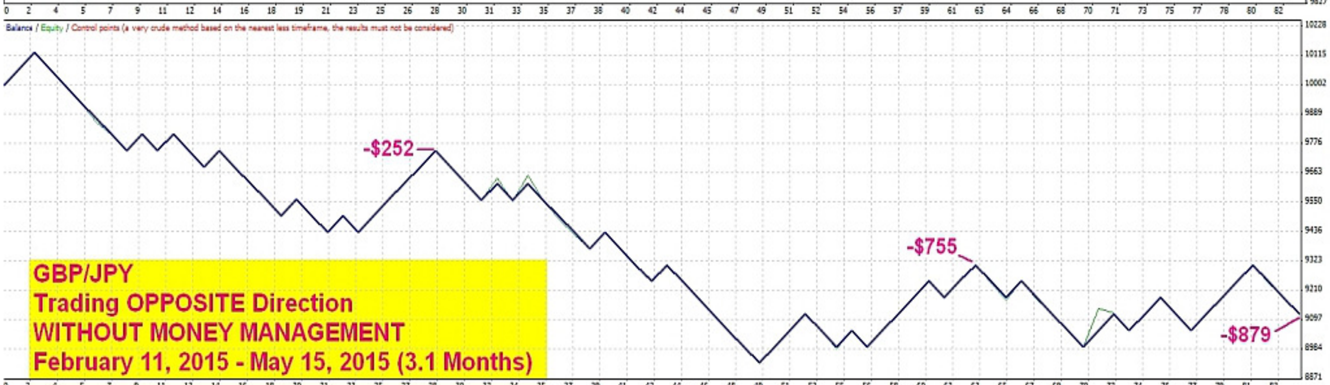
As I mentioned a few pages back, it's **SO MUCH EASIER** to design trade signals with well clustered winning & losing streaks than it is to create trade signals that are consistently profitable, which you could never depend on anyway. The markets naturally form periods of trends and consolidation, and they are usually doing one or the other and most trading systems either do well in one condition or the other, but rarely both, so profits made in one condition are quickly lost in the other.

Using **Roulette TRADER** Money Management, if you want to profit in both market conditions (without giving it all back), all you need is two different signal strategies; one designed to do well in a trending market and one designed to do well in a consolidating (choppy & sideways) market, so that one is stacking on profits at high leverage during a winning streak while the other is preserving your capital at very low leverage during it's losing streak.

As I'll show you below, it's possible to trade identically opposite signals and make a profit on both. That's not always the case but trading opposite signals with the same money management applied to both is usually quite profitable when you combine the two results, as long as your wins and losses typically occur in clusters. A consistent **win-lose-win-lose-win-lose** system will not work. But the good news is that the most basic trading systems should generate well clustered wins & losses quite frequently just from natural market conditions alone so it's important not to over optimize your trade signals. Some of my best signal strategies are as simple as "Price above Moving Average X = Buy, Price below Moving Average X = Sell" and when I apply my money management strategies to it, the results often blow away the most sophisticated trading systems out there!

A GREAT TEST
Trading Opposite Directions Simultaneously

To illustrate the effectiveness of this betting strategy, I took an average trend-following trading system on the GBP/JPY currency pair and then back-tested the signals in **OPPOSITE** directions. These particular trade signals had a 75 pip stop-loss and 75 pip profit target so it was nearly equal odds on both sides (like betting red or black on roulette). I say "nearly" equal odds because the dealer's spread works against us in each direction just like the green zeros on roulette a roulette table. Here's the results of the two **OPPOSITE** trade signals **BEFORE** applying my money management strategy. A **$314** profit in one direction and an **-$879** loss in the opposite direction.



Now Let's Apply Roulette TRADER Money Management To "OPPOSITE" Trade Signals!

Here's the identical trade signals from the example above but this time with the **Cumulative Wins Strategy applied to each with a cycle target of 5 units**. Remember... the 2 graphs below are OPPOSITE trade signals EACH with money management applied so you can compare their winning and losing streaks.

Top Graph: The first trade signals went from a mere **$314** profit to a whopping **$2356** profit while starting with the same contract size and risk per trade. That's a **650%** improvement with a much better profit to draw-down ratio too!

Bottom Graph: The **OPPOSITE** trade signals in the bottom graph went from an **-$879** loss to a **$540** profit. That's a +**$1319** improvement! It actually turned a horrible losing trading scenario into a nice profit! And not only that, the max draw-down was reduced by half! This example had worse statistics than a Roulette table on a bad run, and yet it cleared $540 in profit!

As these are opposite trade signals above, notice that one shoots into profit while the other preserves capital by taking very small losses. Before applying my money management strategy, the net total for the two opposite trading signals combined was **-$565**. After applying money management, the combined net profit was **+$2896**. To put this into perspective, you could have simultaneously traded these two "opposite" trade signals from a single $1500 account, which would be **193%** profit in just 2.8 months, **all while trading in opposite directions**

simultaneously on every trade! How cool is that? And what better way to diversify your portfolio? When one is losing a little, the other is making **A LOT!** With a hedging system like this, you don't need to predict the next market move. You just need to be in it!

TURNING LOSERS INTO BIG WINNERS!

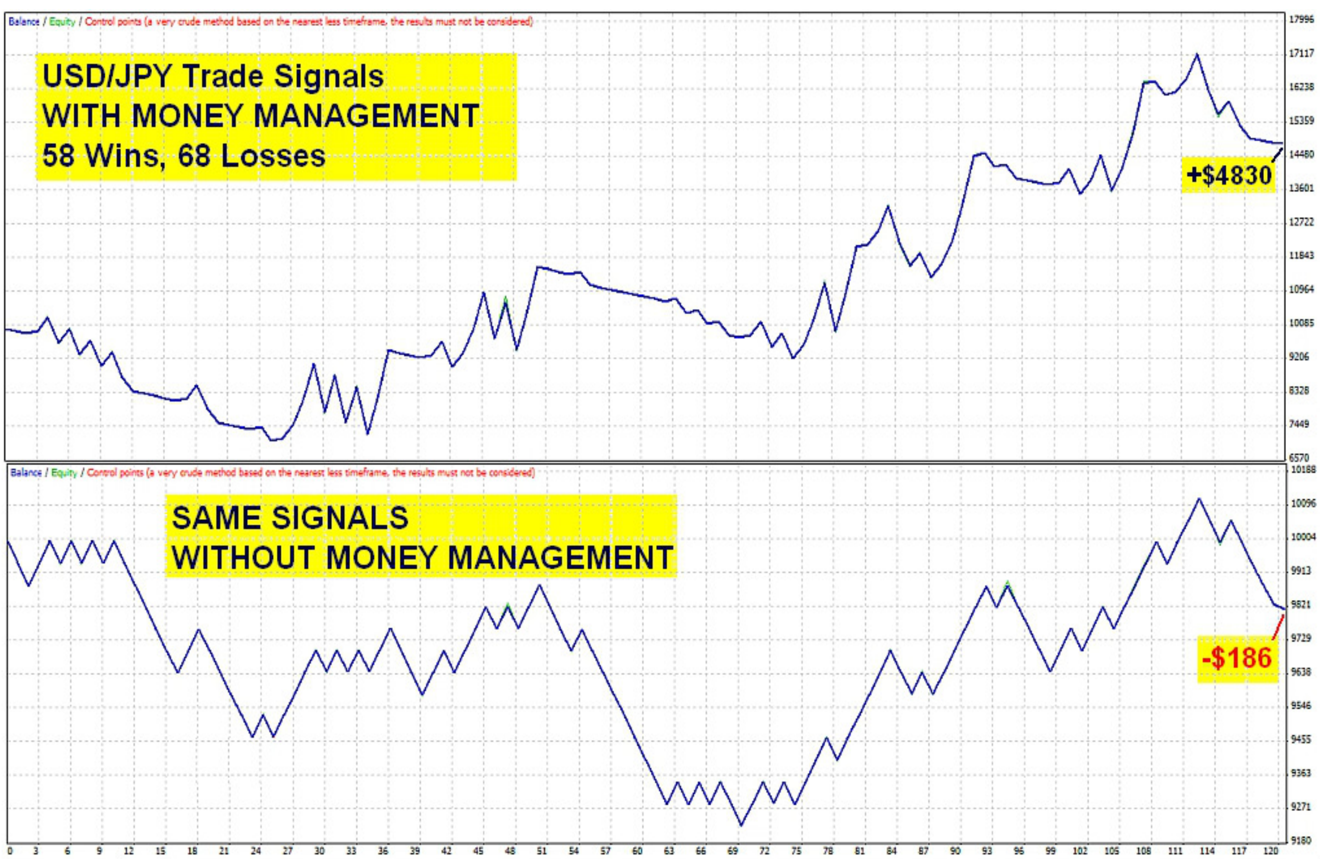
The trade signals I use in these next few examples are not good trade signals and I would never consider trading them with real money. I have much better signals than these for real trading and I'll show you some of those further below. But things don't always go your way, especially when it comes to gambling and trading. So it's nice to know that you have a money management system that can save your back when things aren't going well, and can even pad your pockets at the same time.

From -$186 to $4,830 Profit!

Here are some pretty bad trade signals on the USD/JPY currency pair with a 70 pip stop loss and 70 pip profit target with 48% wins (like betting red or black on roulette). Here I used the **Cumulative Wins strategy with a 5 unit cycle target.** $1k minimum lots, $10k units, $41k maximum lots. The beginning balance was $10,000 and the period shown is over 3 months.

Top Graph: WITH Money Management Applied, it made **$4830** (+48.3%).

Bottom Graph: WITHOUT Money Management, it LOST **$186** (about -200 pips).

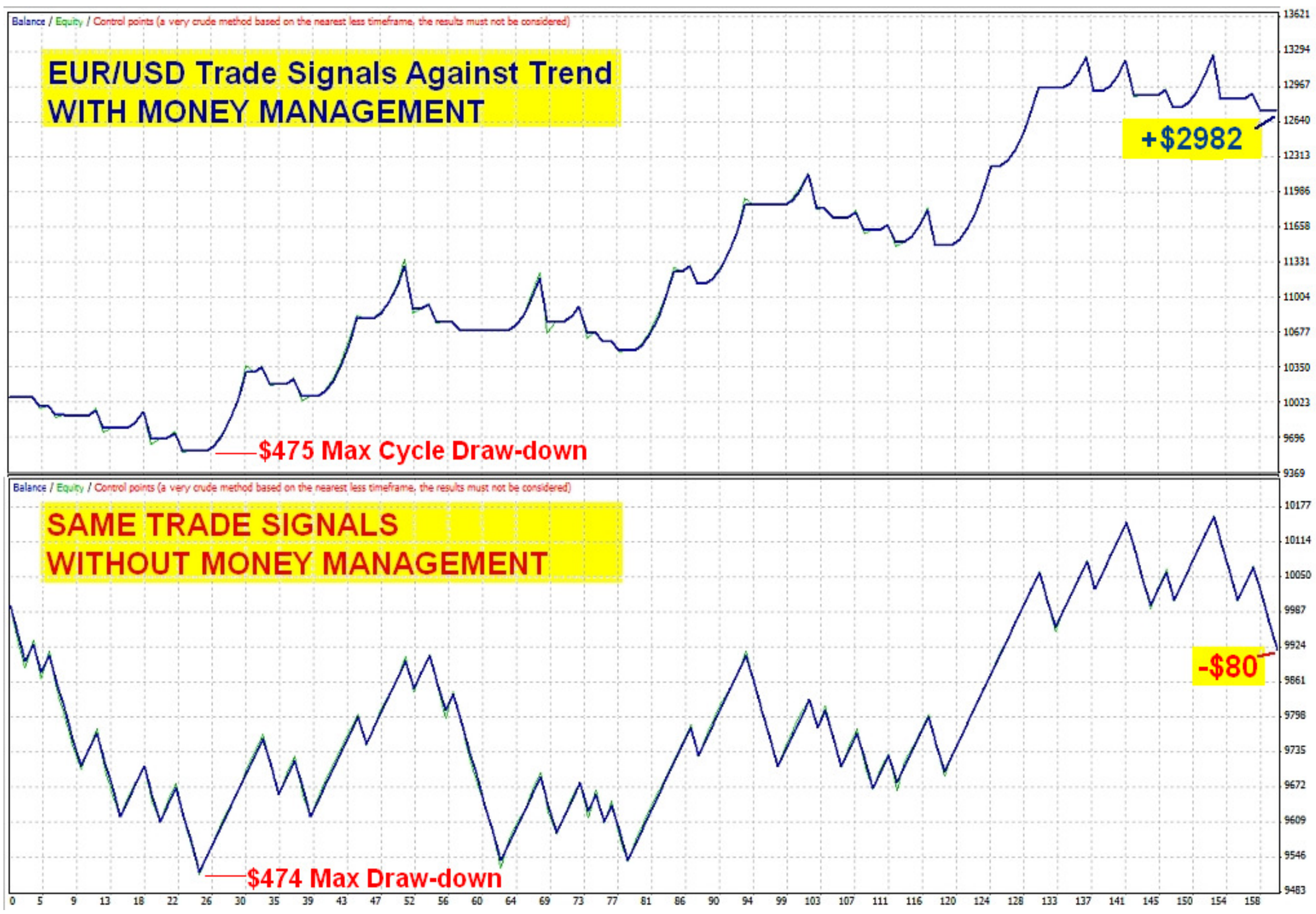


From -$80 to $2982 Profit!

Here are some EUR/USD trade signals, trading against the trend with a 50 pip Stop Loss and 30 pip Profit Target. In the top graph, I used the **Consecutive Wins strategy with a 5 unit cycle target**. The period shown is from Dec 18, 2014 - May 20, 2015 (5 months). If you started trading this scenario on a $1,000 account balance, the return would be 298% while most other traders would have ended with a loss despite having the same maximum draw-down.

Top Graph: WITH Money Management, it made **$2982** profit.

Bottom Graph: WITHOUT Money Management, it LOST **$80** (-80 pips).



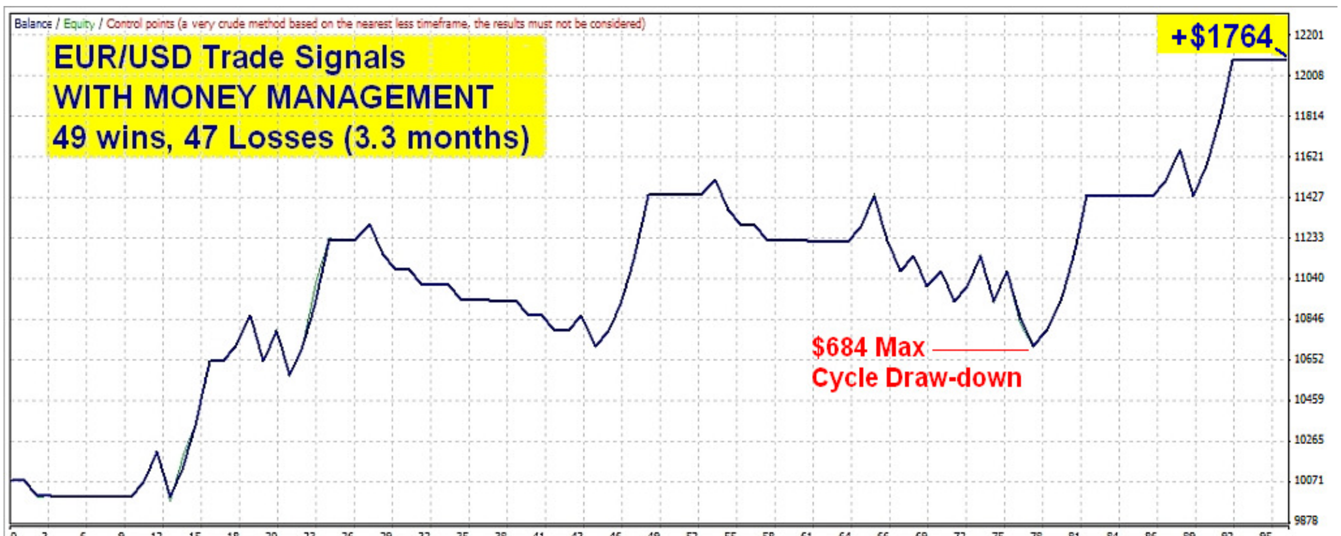
From $72 to $1764 Profit!

Here's another example on the EUR/USD currency pair but this time these are breakout trade signals using Cumulative Wins money management. The period is from Feb 17, 2015 - May 29, 2015 (3.3 months). These signals perform MUCH better with a smaller profit target but I wanted to give you another example similar to betting red or black on Roulette.

For this example, the Stop-Loss and Profit Target are each 70 pips (equal risk/reward). There were 49 wins and 47 losses in this example. In the top graph, I used the **Cumulative Wins strategy with a 5 unit cycle target** and flat-lining the losing streaks (explained later). In this example I had trouble getting the max draw-downs equal in size but I got it close ($684 vs $637). One thing you should notice is that the max draw-down in the top equity curve is still well into profitable territory while the bottom one is in negative territory (below the starting balance).

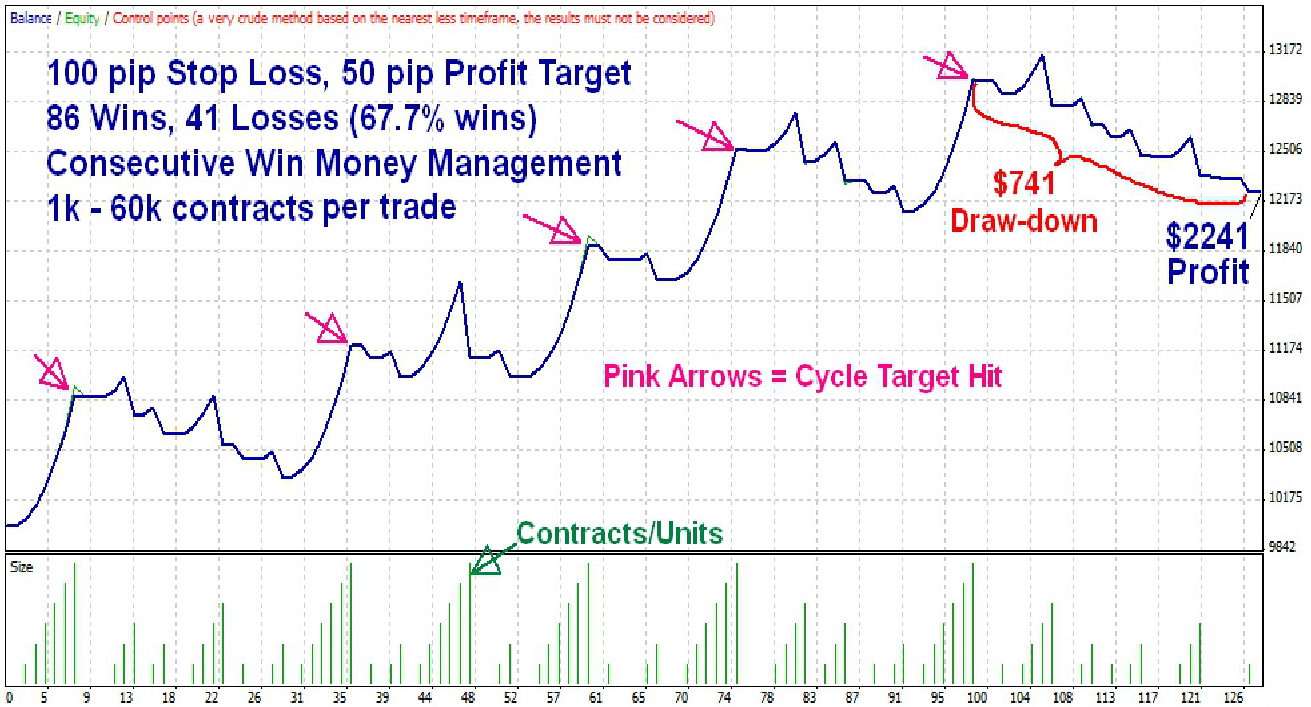
Top Graph: WITH Money Management applied, it made **$1,764** profit.

Bottom Graph: WITHOUT Money Management, it only made **$72** trading a $10k lot per trade.



My Favorite Roulette Strategy Applied to Trading

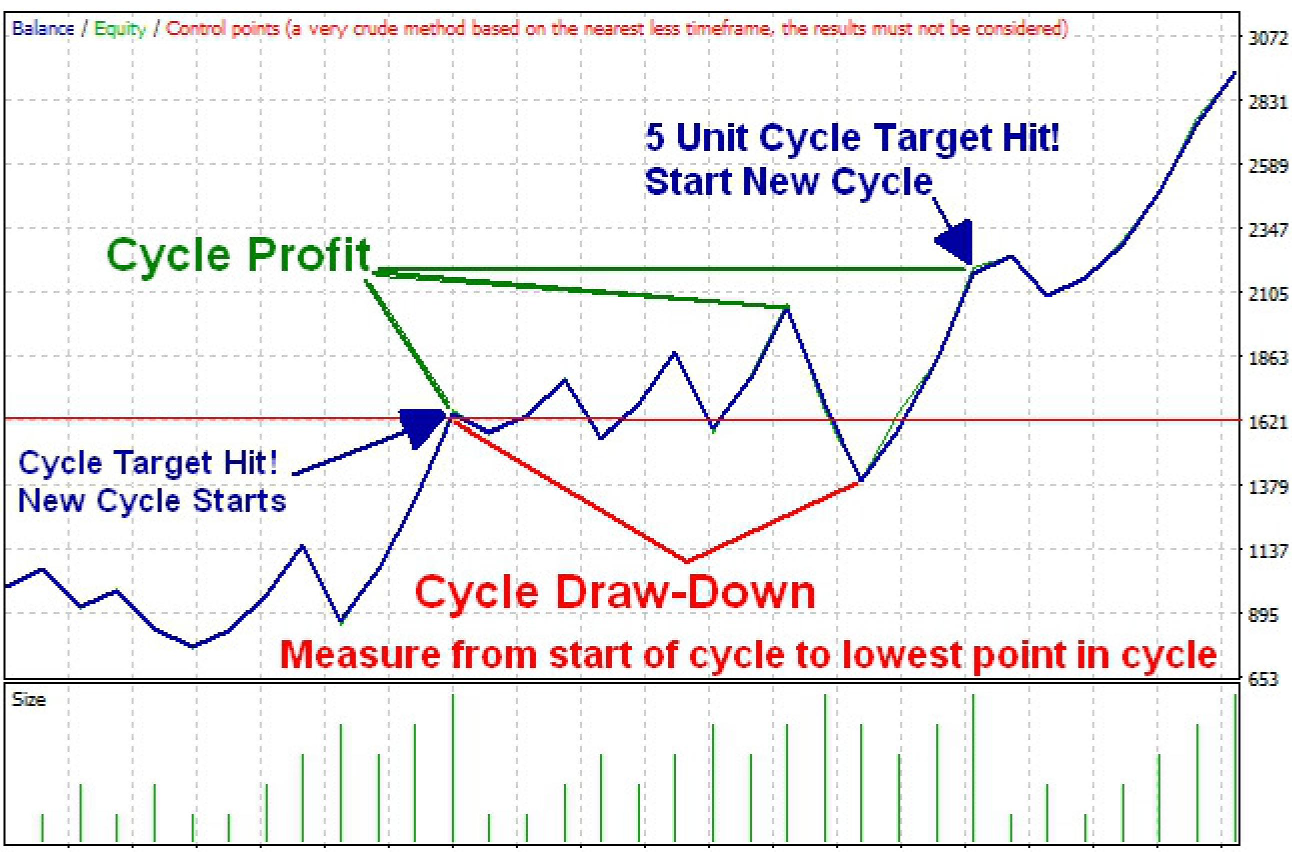
Here are some random trade signals I made up to replicate my favorite Roulette strategy for betting on 2 of the 3 dozens on roulette (a <u>double risk</u> to reward bet). It has a 100 pip stop loss and 50 pip profit target so the losses are double the size of the wins. By adding the **<u>Consecutive</u> Wins money management strategy with a <u>7 unit target and flat-lining (described later)</u>**, it made almost 6 times the profit with only 39% of the max draw-down. There's nothing special about these signals. They are almost perfectly statistically balanced with a 67.7% win ratio. I also used low leverage in the top graph. The beginning balance was $10,000 and the largest contract was $60k (6:1 leverage). With only a $741 max cycle draw-down, I could have easily increased the leverage and profit by 5 times.



How to Measure Cycle Draw-Downs

This is very important to understand because the size of your draw-downs determines how aggressively you can leverage the size of your trades. When measuring draw-downs with these money management strategies, **DO NOT measure from the mid cycle profit highs** because that is the house's money and is not locked in and claimes as ours yet. It's money we are willing to risk in an effort to leverage ourselves to reach an even larger profit point (our cycle target). Mid cycle profits can be lost quickly and it's a necessary part of the game. Therefore, we ignore mid-cycle profits and we only measure dips below our cycle's starting capital (the cycle starting point), which are the only losses that pose a threat to our principal capital.

The illustration below shows 3 cycles but let's focus on the one in the middle for this example. The thin red horizontal line represents the cycle's starting equity, which was also the ending point of the previous cycle. Every dip below the red line is a cycle draw-down and should be measured from the cycle's starting point and **NOT** the high equity points (mid cycle profit) that occurred before it. This shows your potential risk to principal when backtesting. Of course, it could always exceed that in the future but it gives you a good idea of what you can expect as normal if you have a large period of data to test. But when you back-test strategies like this, you will need to calculate your cycle draw-downs manually because trading platforms (like MT4) only calculate peak-to-valley draw-downs (highs to lows). Placing your mouse over the equity curve will show the account balance at each trade and you can calculate it from there.



Now let's apply Roulette Trader Money Management so some better trade signals!

GBP/JPY Trend-Following Signals Consecutive Wins Money Management with an 8 Unit Cycle Target

200 pip Stop-Loss, 100 pip Profit Target

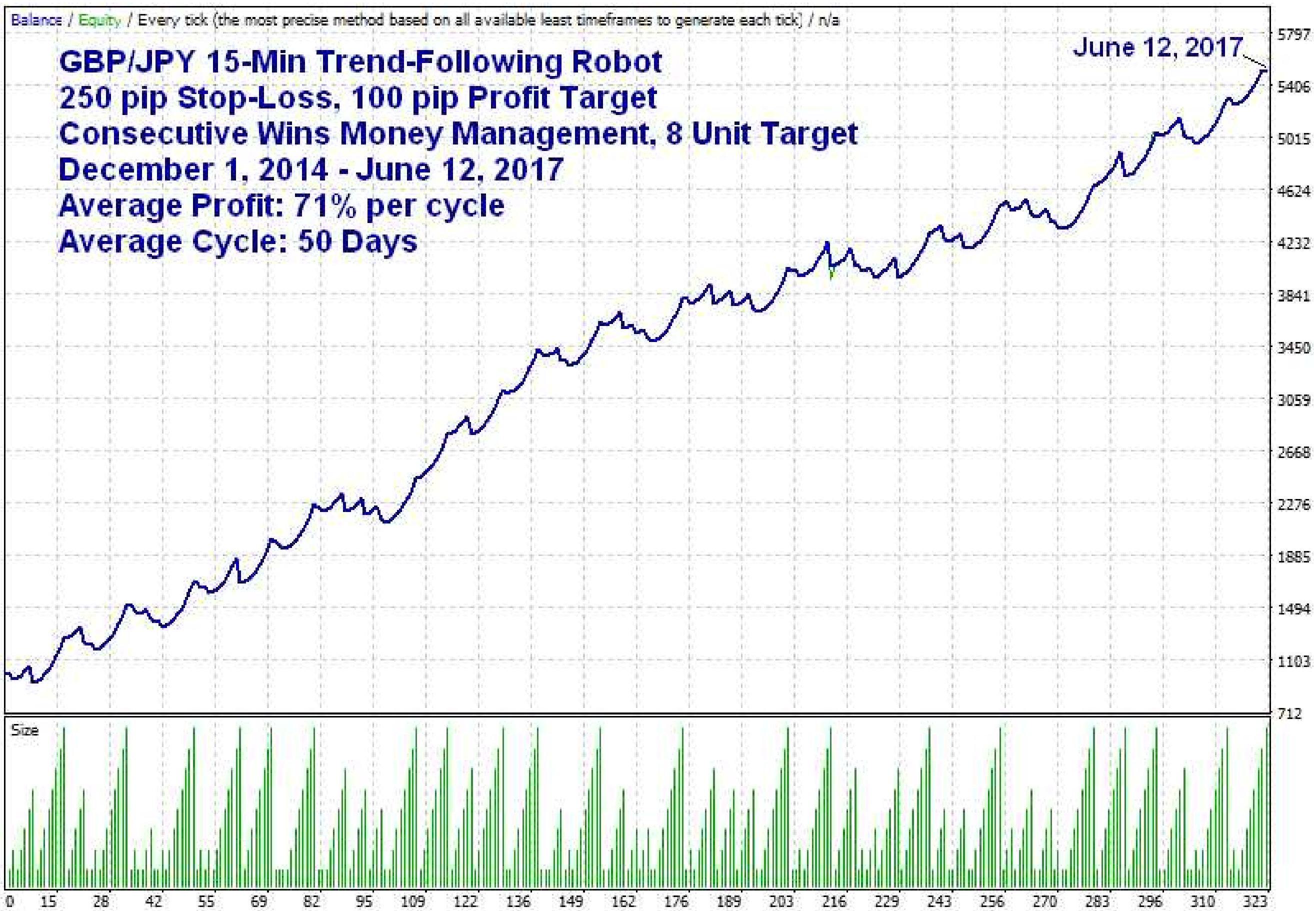
Here's a great GBP/JPY Trend-Following signal strategy where winning streaks occur very often. These are results from one of my Forex Trading Robots. It uses the **Consecutive Wins Money Management Strategy with an 8-Unit Cycle Profit Target** with double risk to reward per trade. It also employs my Flat-Lining technique, which is explained later in this ebook. This money management strategy adds 1 unit after each win until a loss occurs (or a win at the cycle target), then goes back to the minimum lots (1k unit) to lock in all remaining accumulated profits.

The green bars below the equity curve show the size of the contracts on each trade and makes it easy to count the units. The first trade shows no contracts because it is only 1k and too small to notice on the chart, compared to the 30k units being used here. This is my Flat-Lining technique. On consecutive losses, the "Flat-Lining" feature significantly reduces losses while winning streaks quickly launch you deep into profit!

Consecutive Wins Strategy, Double Risk to Reward, 8 Unit Cycle Target

GBP/JPY 15-Min Trend-Following Robot
Consecutive Wins, 8 Unit Cycle Target

This example uses the same GBP/JPY Trend-Following Signals as the previous example except here I used a larger 250 pip stop-loss and **Consecutive Wins Money Management with an 8 unit cycle.** This robot can be traded with as little as **$350** starting balance. At my maximum recommended leverage, this robot has been averaging about **71%** profit per successful 8 unit cycle and is averaging 1 successful cycle every 50 days over the 30 month period shown. This robot has been forward tested since I created it in May 2015 and has been my flagship product since that time! For more details, register at: **www.RouletteTrader.com/Kindle**



Bars in test	62853	Ticks modelled	82368763	Modelling quality	n/a
Mismatched charts err...	260180				
Initial deposit	1000.00			Spread	40
Total net profit	4513.84	Gross profit	8571.44	Gross loss	-4057.60
Profit factor	2.11	Expected payoff	14.02		
Absolute drawdown	77.01	Maximal drawdown	281.98 (11.74%)	Relative drawdown	16.03% (176.20)
Total trades	322	Short positions (won %)	191 (82.20%)	Long positions (won %)	131 (78.63%)
		Profit trades (% of total)	260 (80.75%)	Loss trades (% of total)	62 (19.25%)
	Largest	profit trade	72.82	loss trade	-182.01
	Average	profit trade	32.97	loss trade	-65.45
	Maximum	consecutive wins (profit in ...	21 (791.58)	consecutive losses (loss in ...	3 (-68.25)
	Maximal	consecutive profit (count o...	791.58 (21)	consecutive loss (count of ...	-182.01 (1)
	Average	consecutive wins	6	consecutive losses	1

How to Compound Cycle Profits

To compound profits using the Roulette Trader Money Management System, simply readjust the size of your money management settings after each cycle target is hit (what I often refer to as a **successfully completed cycle**). Since cycle profits are usually significant, the compounding effect from cycle to cycle can be quite signigicant over the course of 1 or 2 years.

This is the potential growth if you were to compound profits after each 8 unit cycle target was reached in the previous GBP/JPY equity curve. The cycle profit target was hit 17 times over the 30 months shown.

Cycle	Cycle Begin Balance	Gain per Cycle	Cycle Profit	Cumulative Profit	Cycle End Balance	Cycle Target Date
1	$1,000	**92.5%**	$925	$925	**$1,925**	01/06/15
2	$1,925	**65.5%**	$1,261	$2,186	**$3,186**	02/11/15
3	$3,186	**59.1%**	$1,883	$4,069	**$5,069**	05/12/15
4	$5,069	**91.2%**	$4,623	$8,691	**$9,691**	07/29/15
5	$9,691	**73.2%**	$7,094	$15,786	**$16,786**	08/24/15
6	$16,786	**56.5%**	$9,484	$25,269	**$26,269**	01/03/16
7	$26,269	**92.5%**	$24,299	$49,568	**$50,568**	01/15/16
8	$50,568	**92.5%**	$46,776	$96,344	**$97,344**	02/01/16
9	$97,344	**86.0%**	$83,716	$180,060	**$181,060**	02/09/16
10	$181,060	**59.1%**	$107,007	$287,067	**$288,067**	02/24/16
11	$288,067	**50.0%**	$144,034	$431,101	**$432,101**	04/07/16
12	$432,101	**62.9%**	$271,791	$702,892	**$703,892**	06/05/16
13	$703,892	**74.5%**	$524,399	$1,227,291	**$1,228,291**	07/14/16
14	$1,228,291	**59.1%**	$725,920	$1,953,212	**$1,954,212**	09/01/16
15	$1,954,212	**42.4%**	$828,586	$2,781,797	**$2,782,797**	11/21/16
16	$2,782,797	**110.8%**	$3,083,339	$5,865,137	**$5,866,137**	01/16/17
17	$5,866,137	**69.2%**	$4,059,367	$9,924,503	**$9,925,503**	04/26/17

The leverage used in the model above is based on a maximum cycle draw-down of 50% since December 2014. I don't recommend always trading that aggressively due to unforeseen extended draw-downs but it's certainly a good way to grow a small account quickly when you're not risking much to begin with. Nobody needs to make $1 million per month so once you get to a comfortable income, I recommend reducing leverage for longer-term trading.

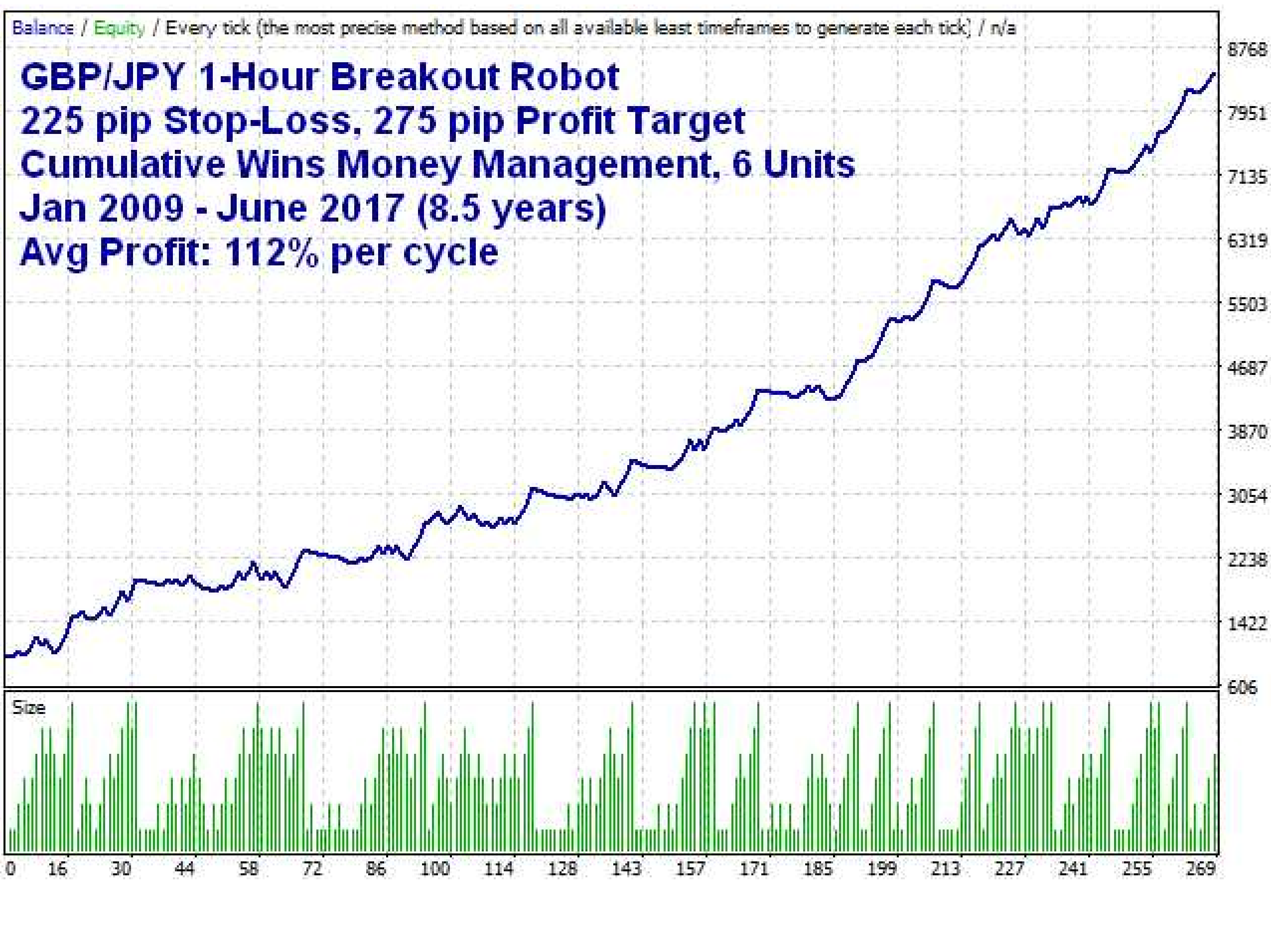
Compounding Tip: For the purpose of compounding cycle profits, it is much easier to manage and properly calculate each new cycle's appropriate lots when you trade only 1 robot per MT4 account. This also allows you to clearly see the performance of each trading robot. Otherwise, your balance will reflect a combination of every system trading on that account. The alternative is to manually record every trade from each robot or trading system into a spreadsheet so you can track each system's individual performance. **Note:** The spreadsheet I used to create the graph above is available for **FREE** download in the member's area of my website. Register for **FREE ACCESS** at: www.RouletteTrader.com/Kindle

How to Handle Big Cycle Draw-Downs

I'm not going to lie and say a big cycle draw-down can never happen. Of course it can! It just requires an unusually long number trades without reaching your cycle target. So what to do in such a case? The solution is simple. You need to stay in the game to win it so if you're trading aggressively, either deposit more money or reduce your leverage (minimum lots, units & max lots) if you ever experience a cycle draw-down in excess of 50%, or whatever your max risk threshold is. If your cycle draw-down threshold is 50%, then cut your leverage in half. When trading aggressively, it usually only takes 1 or 2 successful cycles to double your account so don't dwell on it and just do it. This will give you tremendous staying power and will allow you to really maximize your long-term profit potential, but you must be very disciplined about this.

GBP/JPY 1-Hour Breakout Robot Cumulative Wins, 6 Unit Cycle Target

This GBP/JPY Breakout robot enters trades on a significant move beyond the previous day's average price. If you're willing to accept up to a 50% cycle draw-down, the average return for the past 2.5 years is **112%** every 3 months. Below is an 8.5-year equity curve as of June 12, 2017. For more details about this robot, register at: www.RouletteTrader.com/Kindle



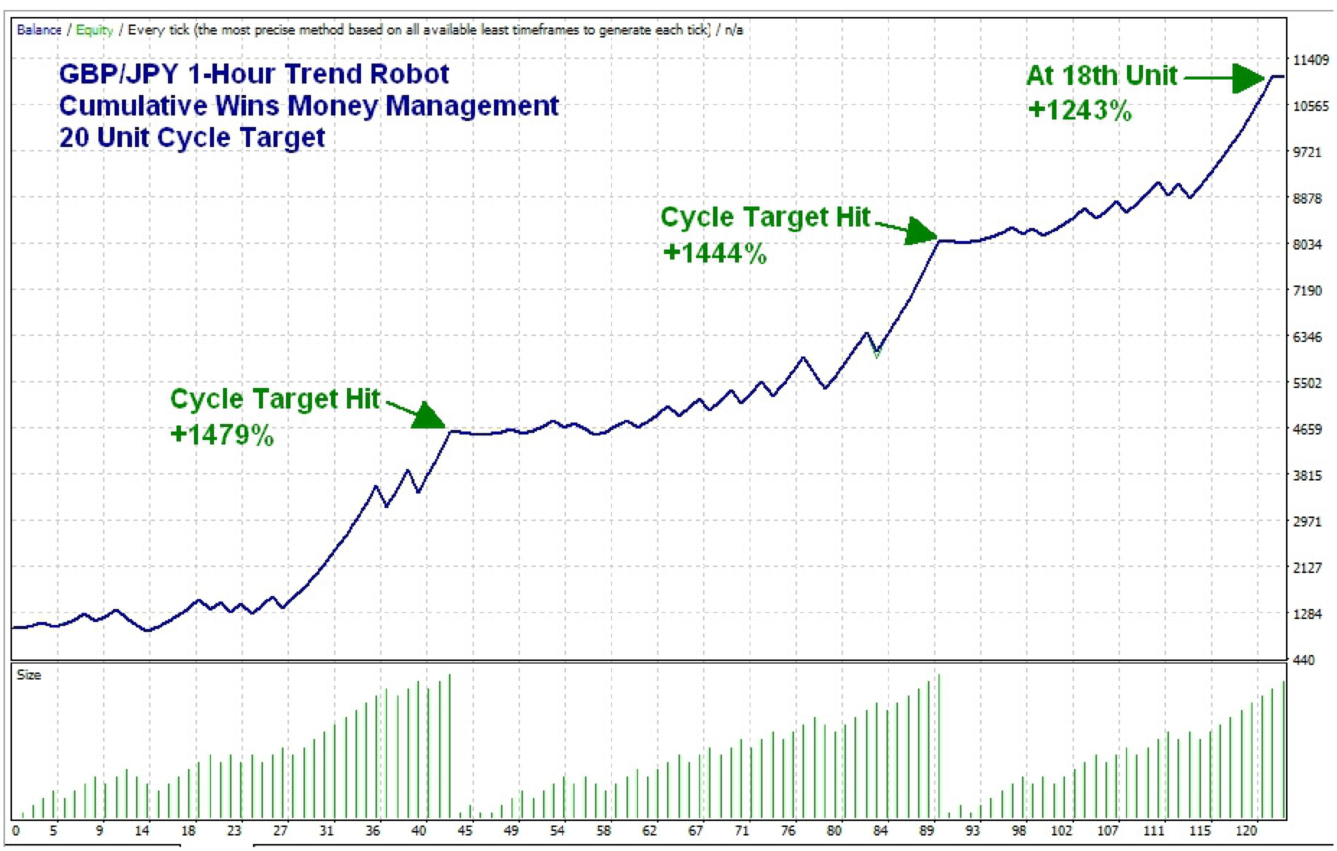
GBP/JPY 1-Hour Trend-Following Robot
Cumulative Wins, 20 Unit Cycle Target

Do you remember when I said larger cycle targets can produce MUCH larger profits? With good trade signals, you can have incredibly profitable cycles like the ones shown below!

This is a GBP/JPY 1-Hour Trend-Following strategy over a 19-month period using a 20 unit cycle profit target. Starting with a $250 balance and compounding cycle-to-cycle profits, each cycle averages over **1400%** while the maximum cycle draw-down was only 16% in this back-test.

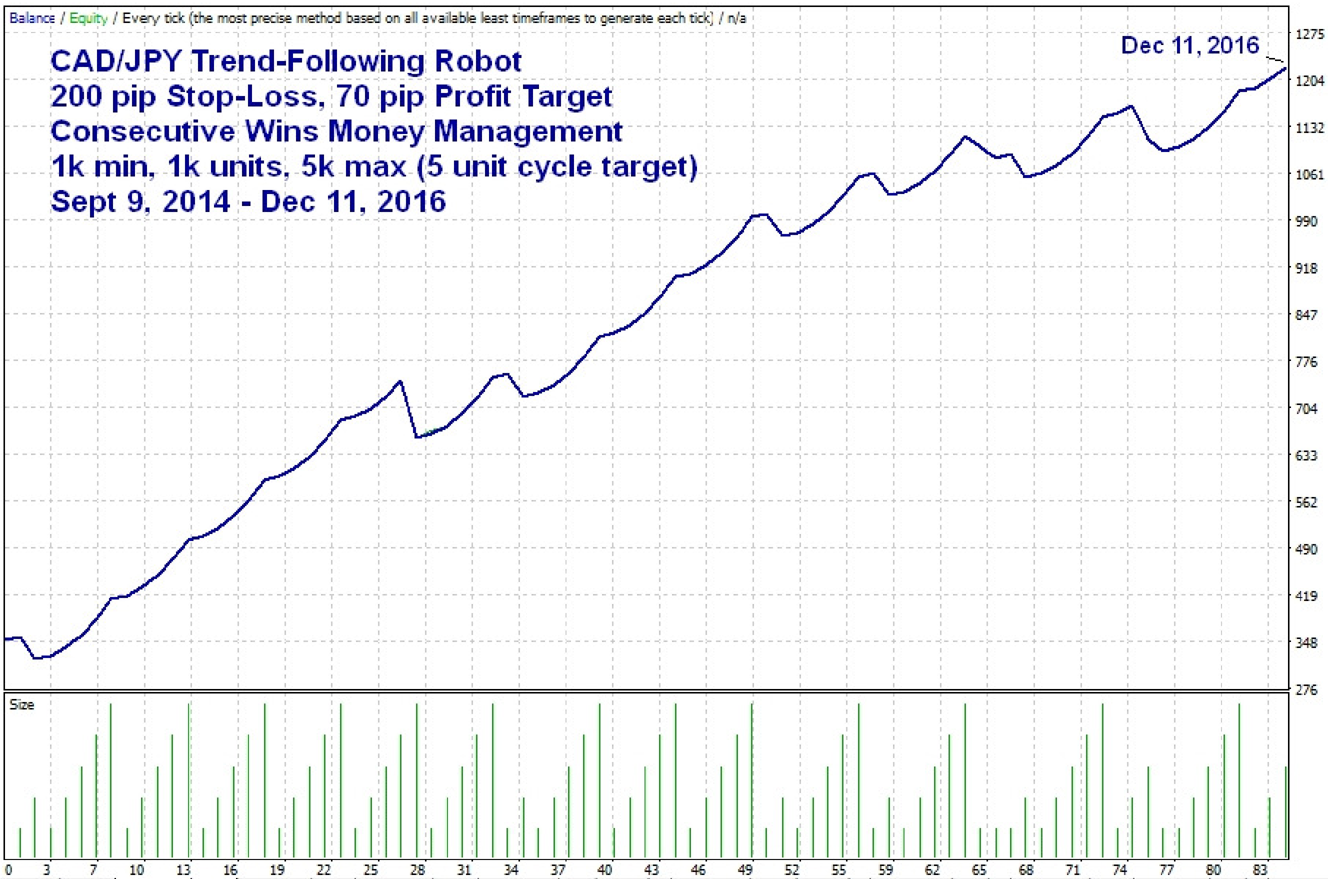
This is actually a safer way to trade since you can start your cycles at very low leverage on a large account or at higher leverage on a very small account. Either way, if things don't go well, it won't do much damage at all. However, a single successful cycle can still generate tremendous profit.

Unfortunately, most people don't have the patience to wait for a 20 unit cycle to play out but like I said before, patience pays... and some nerves of steel wouldn't hurt either because by the 20th unit in your cycle, you'll be trading some pretty large contracts. With a diversified portfolio of strategies like this, you only need one to do well once or twice per year. The cycles shown below lasted an average of 6 months each.



CAD/JPY Trend-Following Signals Consecutive Wins Money Management with a 5 unit Cycle Target

Here's a CAD/JPY (Canadian/Yen) Trend-Following signal strategy that only trades during strong moves in the direction of the current trend. This robot is using the **Consecutive Wins Money Management Strategy with a 5-Unit Cycle Profit Target**. Here, the Money Management settings were: 1k minimum, 1k units (lot_increment), 5k maximum (cycle target). A 6 unit cycle also performs well with this model. This robot is inlcuded in the Robot package, which you can access at: www.RouletteTrader.com/Kindle

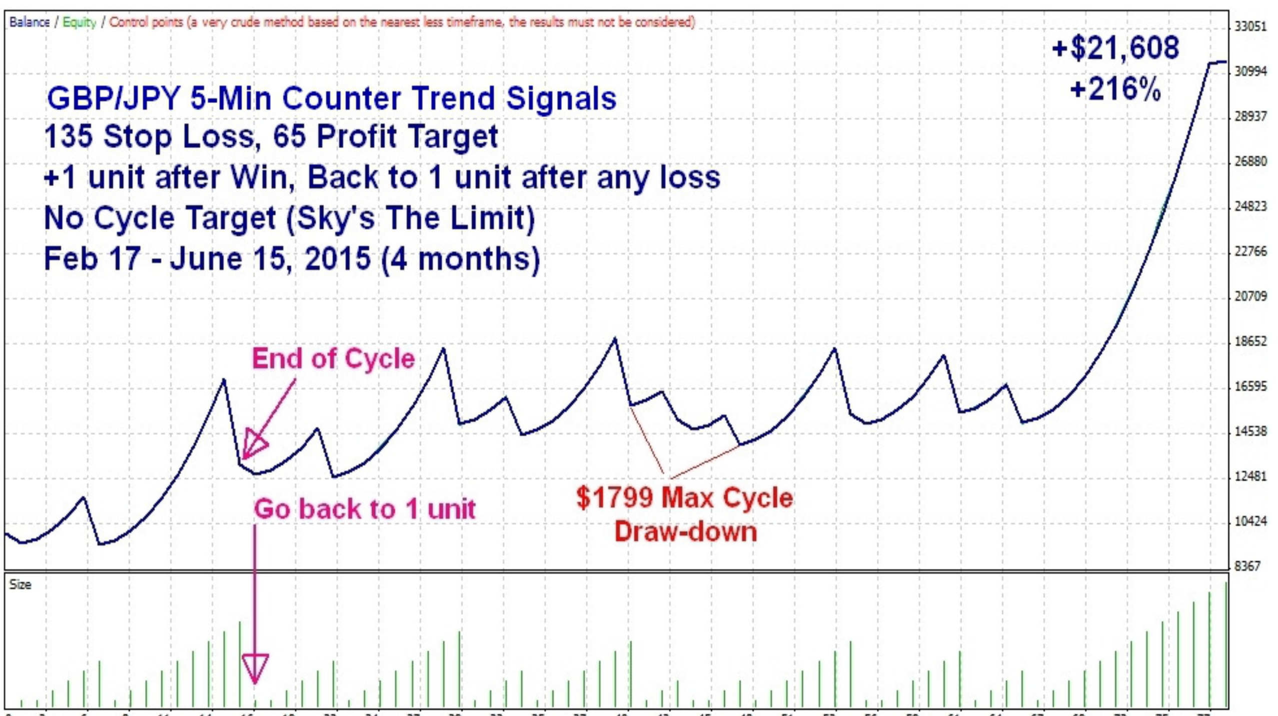


Now, in the next few examples, I'm going to show you how each of my varying Money Management Strategies effect the same trade signals...

GBP/JPY Counter-Trend Signals
Consecutive Wins Money Management
"Sky's The Limit" Strategy

Here's an example of the "**Sky's the Limit**" technique when used with the Consecutive Wins strategy. Basically, you just don't use a cycle target, or you assign a target that is so large, it may never be hit so that every cycle ends with a loss but it allows profits to skyrocket during long winning streaks.

This example uses Counter-Trend signals, which is essentially the opposite of the Trend-Following signals in the GBP/JPY examples above. The money management is **Consecutive Wins with No Cycle Profit Target (Sky's The limit)**. It adds 1 unit after each win until a loss occurs, then goes back to 1 unit to lock in all remaining accumulated profits. It's not the most ideal equity curve but the statistics are great with profit 12x the max cycle draw-down over 4 months and the last cycle is still going with 12 consecutive wins completed. The green bars below the equity curve show the size of the contracts on each trade and makes it easy to count the units.



Bars in test	24637	Ticks modelled	1255699	Modelling quality	n/a
Mismatched charts errors	436				
Initial deposit	10000.00			Spread	30
Total net profit	21608.85	Gross profit	50056.05	Gross loss	-28447.20
Profit factor	1.76	Expected payoff	277.04		
Absolute drawdown	981.94	Maximal drawdown	6325.75 (31.87%)	Relative drawdown	31.87% (6325.75)
Total trades	78	Short positions (won %)	39 (74.36%)	Long positions (won %)	39 (87.18%)
		Profit trades (% of total)	63 (80.77%)	Loss trades (% of total)	15 (19.23%)
	Largest	profit trade	2528.88	loss trade	-3939.27
	Average	profit trade	794.54	loss trade	-1896.48
	Maximum	consecutive wins (profit in money)	13 (16551.20)	consecutive losses (loss in money)	2 (-4376.97)
	Maximal	consecutive profit (count of wins)	16551.20 (13)	consecutive loss (count of losses)	-4376.97 (2)
	Average	consecutive wins	5	consecutive losses	1

The Max Draw-down: In the previous illustration, the stats below the chart show a max peak-to-valley draw-down of **$6325** but over half of that was from a single loss (trade #41) at the end of a profitable cycle. It was all accumulated cycle profit that we had to give back, and yet we still had some cycle profit locked in. The **$1799 Max Cycle Draw-down** marked on the chart is what could have potentially dipped into our starting capital, and that's the only number that really matters to us.

HERE'S THE SAME GBP/JPY TRADE SIGNALS
Using "**Consecutive** Wins" with a **6 unit** Target

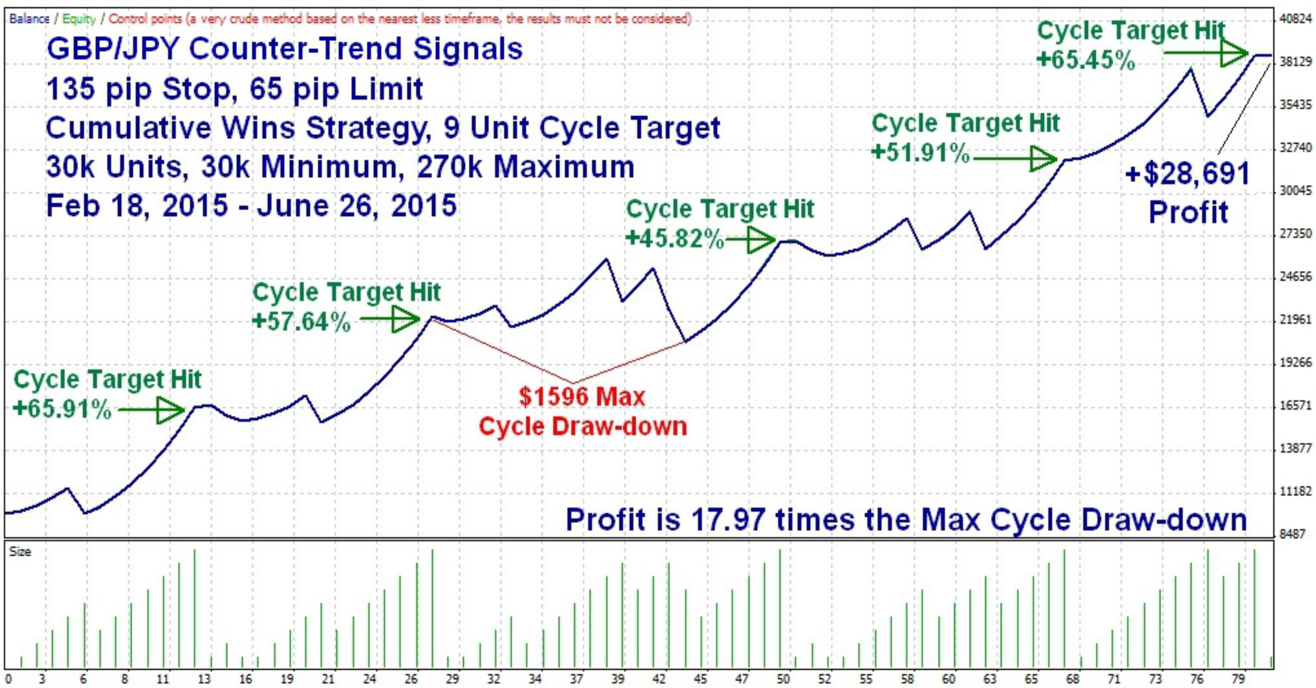
Here's the exact same GBP/JPY Counter-Trend signals as the previoius illustration, also using the **Consecutive Wins** Money Management strategy **but now with a cycle target of 6 units.** Look at how much smoother the equity curve is here, and it only made about $1000 less profit but all of the profit is locked in, while the "**Sky's the Limit**" strategy above could lose a lot of it's last cycle profit on the next trade. This is why I prefer to trade with cycle targets. I prefer a smoother equity curve and having my profits locked in more frequently.

Bars in test	24631	Ticks modelled	1255608	Modelling quality	n/a
Mismatched charts errors	436				
Initial deposit	10000.00			Spread	30
Total net profit	20636.22	Gross profit	38580.81	Gross loss	-17944.59
Profit factor	2.15	Expected payoff	264.57		
Absolute drawdown	982.07	Maximal drawdown	3977.65 (15.62%)	Relative drawdown	23.60% (2786.37)
Total trades	78	Short positions (won %)	39 (74.36%)	Long positions (won %)	39 (87.18%)
		Profit trades (% of total)	63 (80.77%)	Loss trades (% of total)	15 (19.23%)
	Largest	profit trade	1264.51	loss trade	-2625.90
	Average	profit trade	612.39	loss trade	-1196.31
	Maximum	consecutive wins (profit in money)	13 (8866.86)	consecutive losses (loss in money)	2 (-1750.84)
	Maximal	consecutive profit (count of wins)	8866.86 (13)	consecutive loss (count of losses)	-2625.90 (1)
	Average	consecutive wins	5	consecutive losses	1

THE SAME GBP/JPY SIGNALS
using "<u>**Cumulative Wins**</u>" with a <u>**9 Unit Target**</u>

Here's the same GBP/JPY signals again but now using the Cumulative Wins strategy and I increased the cycle target to 9 units (a 3 unit increase from the previous example). This added an extra **$8000** profit to the same signals, despite using 25% smaller units so we could stay within my US broker's maximum allowed leverage. Despite the larger equity swings, we still had a small max cycle draw-down of only $1596 here. That would be 15.96% if you were compounding after each cycle.

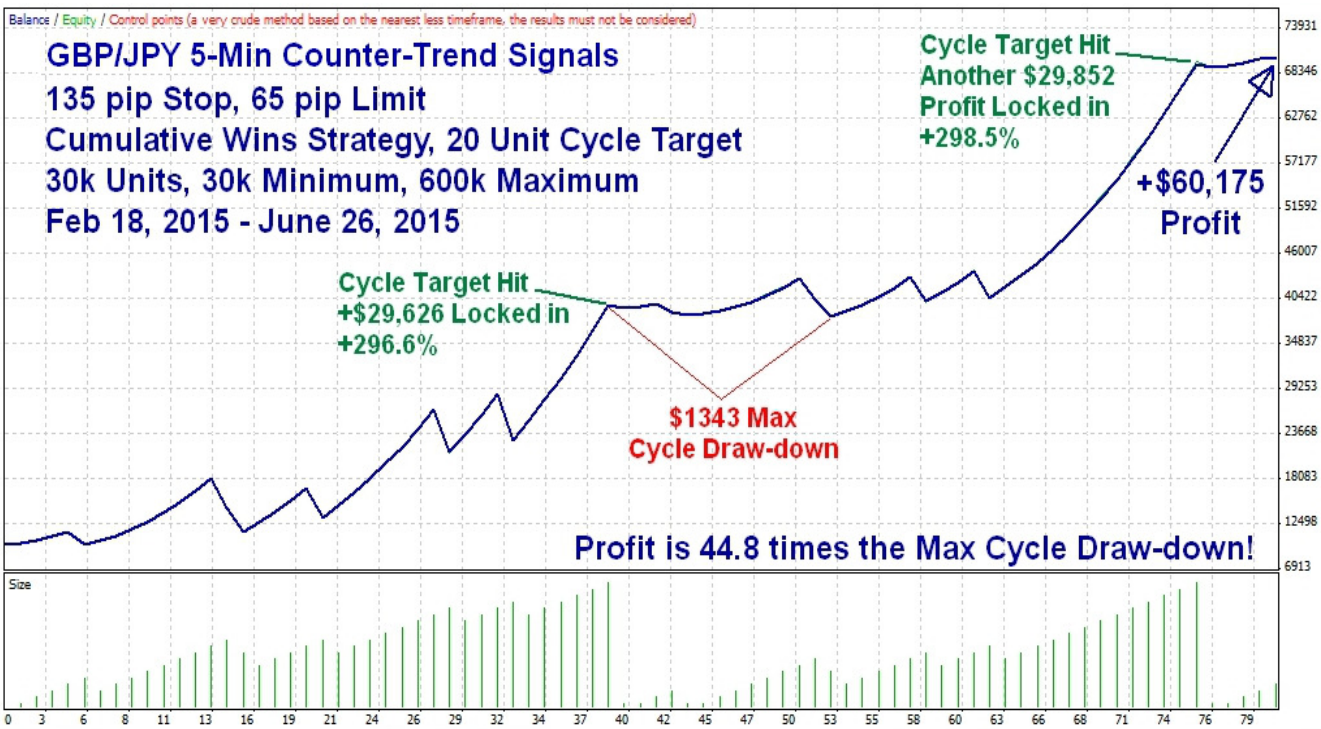
And speaking of compounding... I included the cycle-to-cycle % gain each time the cycle target was hit so you could do the compounding math yourself. We started with a $10,000 balance here so +65.91% at the first cycle target was a $6,591 profit. The cycle target was only hit 5 times in this example, but they are much larger profits so when you compound them, you end up with $85,853 profit (858.5%), which is $30,353 more than the previous example using a 6 unit target.



Bars in test	27223	Ticks modelled	1380012	Modelling quality	n/a
Mismatched charts errors	420				
Initial deposit	10000.00			Spread	20
Total net profit	28691.99	Gross profit	50076.08	Gross loss	-21384.09
Profit factor	2.34	Expected payoff	358.65		
Absolute drawdown	589.41	Maximal drawdown	6514.26 (24.37%)	Relative drawdown	24.37% (6514.26)
Total trades	80	Short positions (won %)	39 (76.92%)	Long positions (won %)	41 (87.80%)
		Profit trades (% of total)	66 (82.50%)	Loss trades (% of total)	14 (17.50%)
	Largest	profit trade	1425.96	loss trade	-2961.11
	Average	profit trade	758.73	loss trade	-1527.43
	Maximum	consecutive wins (profit in money)	13 (11248.61)	consecutive losses (loss in money)	2 (-4605.79)
	Maximal	consecutive profit (count of wins)	11248.61 (13)	consecutive loss (count of losses)	-4605.79 (2)
	Average	consecutive wins	6	consecutive losses	1

THE SAME GBP/JPY SIGNALS
"Cumulative Wins" Strategy with a 20 Unit Target

Ok, it's time to crank things up a bit! Here are the same GBP/JPY signals once again using the **Cumulative Wins strategy but now with a 20 unit cycle target.** As I mentioned earlier, it can be much more profitable to go for larger cycle targets and this is a great example of that. You just need a strong stomach and a lot of patience to wait for the cycle target to be reached because large cycle targets can take several months to hit. The units are the same size as the previous illustration (30k) and since the required margin for the large trade volume was self-funding, the leverage never exceeded 19:1. It only hit it's cycle target twice here but each time was almost a 300% gain (that quadruples the account at each cycle target). If compounding at each cycle target, a $10,000 beginning balance would have turned into about $168,000 at the end of the 2nd cycle in this example.



Bars in test	27223	Ticks modelled	1380012	Modelling quality	n/a
Mismatched charts errors	420				
Initial deposit	10000.00			Spread	20
Total net profit	60175.14	Gross profit	95774.30	Gross loss	-35599.16
Profit factor	2.69	Expected payoff	752.19		
Absolute drawdown	590.62	Maximal drawdown	9099.11 (30.57%)	Relative drawdown	39.65% (7462.75)
Total trades	80	Short positions (won %)	39 (76.92%)	Long positions (won %)	41 (87.80%)
		Profit trades (% of total)	66 (82.50%)	Loss trades (% of total)	14 (17.50%)
	Largest	profit trade	3174.40	loss trade	-5603.62
	Average	profit trade	1451.13	loss trade	-2542.80
	Maximum	consecutive wins (profit in money)	13 (28886.47)	consecutive losses (loss in money)	2 (-6592.33)
	Maximal	consecutive profit (count of wins)	28886.47 (13)	consecutive loss (count of losses)	-6592.33 (2)
	Average	consecutive wins	6	consecutive losses	1

How to ___FLAT-LINE___ Losing Streaks

You may notice that in many of my illustrations, some of the draw-downs appear very flat during a run of consecutive losses. This is from my **Flat-Lining** technique and it's done by using a minimum lot size that is much smaller than your units. For example, if you are using 10k units, then start your cycles with $1k lots and simply add $10k units after each win so your lot sizes would progress like this on a run of 8 consecutive wins: $1k, $11k, $21k, $31k, $41k, $51k, $61k, $71k. Your beginning $1k lot counts as one of your units so don't forget to include it as one of your units in your cycle target. This is illustrated in the following example:

Flat-Lining can be very effective at preserving profits because on a run of consecutive losses, you end up trading $1k lots, which is peanuts compared to the much larger lots used in a winning streak. It's the next best thing to not taking the trade at all. By comparison, these losing streaks appear as flat lines between your spikes of profit. To use this technique, you should have an account balance of at least $750. With a $750 account, you could use $3k units but start with $1k (your minimum lots), so your cycle progression on a run of wins would look like this: $1k, $4k, $7k, $10k, $13k, $16k. The larger your account, the larger your units can be vs. your starting lot size, and the more effective this technique will be. But of course, everything has it's price...

If you use this technique, then it will require one additional consecutive win before your cycle is risk-free (assuming you are using the Consecutive Wins strategy). And during periods of win-lose-win-lose, you will take larger losses than normal. However, over the long run, I have found that this technique usually improves the overall profit to draw-down ratio because, eventually, you will have long runs of consecutive losses and that's where this will really make a big difference, especially if your wins and losses are well grouped.

(Continued on next page)

EXTREME FLAT-LINING

Below is a GBP/JPY equity curve over an 11 month period where flat-lining did an excellent job of preserving the profits, and quite frequently too. I consider this EXTREME flat-lining because the unit size is 80 TIMES the size of the minimum lot in this example (80k units and 1k minimum lot). In fact, the difference is so large that the green bars at the bottom of the chart, which show the size of the lots, doesn't even appear. The signals were only 52.48% wins but look at how well the wins and losses occurred in groups. The equity curve actually looks like steps. When using extreme flat-lining, it's important to have a stop-loss close to, or even less than, the size of your profit target. In this example, the stop-loss is 30 pips smaller than the profit target (60 pip stop-loss and 90 pip profit target).

STAY AT MAX LOTS

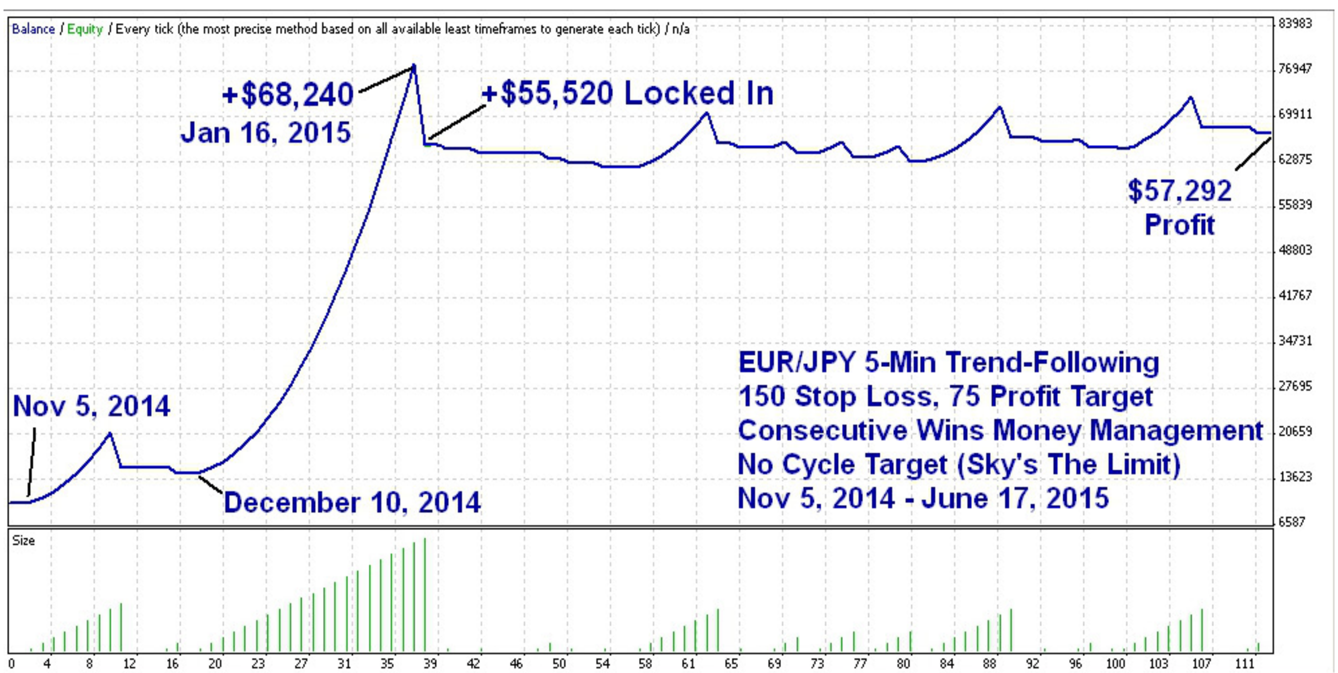
In the example above, I also used my "**Stay at Max**" technique. This is an alternative to using a cycle target. Instead of going back to 1 unit after your cycle target is hit, you **STAY AT MAX** units (or max lots) until a loss occurs. These vertical green bars at the bottom of the chart represent the size of the lots/contracts. Notice that many of the largest green bars are the same size. This shows that the lot size is staying the same size once it reaches the maximum lot size you hae chosen for your cycles. You can activate this feature by making 1 change in my robot's source code and I provide instructions for this in the Tutorials of my member's area.

Stay At Max tends to work best with signals that have a profit target larger than the stop-loss and and also well grouped winning streaks. This should only be used with the Consecutive Wins strategy so that leverage drops to the minimum lot after any loss.

Going for <u>HUGE</u> Profits - *FAST!*
Sky's The Limit!

Have you ever wanted to get rich quick? How about 37 days? Below is a backtest of my EUR/JPY trend-following trade signals using double risk to reward trades and the **<u>Consecutive Wins strategy with NO cycle target (Sky's The Limit)</u>**. Here I started with $1k lots (flat-lining) and used $50k units but the max leverage never exceeded 22:1 because accumulated profits helped provide the additional margin required to open the next trades so it was self-funding. Starting with a $10,000 balance, it spiked to **$68,240 profit (682%)** during a run of 21 consecutive wins then quickly locked in over **$55,520** profit (**555%**) following a loss. It has since added another $1772 profit, while it waits quietly for the next rocket launch!

Having the patience to wait for a long winning streak of 20+ wins like this in forex trading is just not realistic since it could take a year or more to eventually happen but this scenario is really not that uncommon on a Roulette table where you can spin off 30 – 60 bets per hour.



Bars in test	45778	Ticks modelled	5255512	Modelling quality	n/a
Mismatched charts errors	21006				
Initial deposit	10000.00			Spread	30
Total net profit	57292.54	Gross profit	106099.21	Gross loss	-48806.67
Profit factor	2.17	Expected payoff	511.54		
Absolute drawdown	234.39	Maximal drawdown	18887.27 (23.45%)	Relative drawdown	34.19% (7168.09)
Total trades	112	Short positions (won %)	57 (71.93%)	Long positions (won %)	55 (69.09%)
		Profit trades (% of total)	79 (70.54%)	Loss trades (% of total)	33 (29.46%)
	Largest	profit trade	6058.25	loss trade	-12720.07
	Average	profit trade	1343.03	loss trade	-1478.99
	Maximum	consecutive wins (profit in money)	21 (63682.25)	consecutive losses (loss in money)	4 (-654.09)
	Maximal	consecutive profit (count of wins)	63682.25 (21)	consecutive loss (count of losses)	-12720.07 (1)
	Average	consecutive wins	4	consecutive losses	2

Manual Trading & Back-testing

Below is a screenshot of a spreadsheet for manual back-testing that you can download for free in the Member's area of my website. I have examples of the **Consecutive Wins** and **Cumulative Wins** strategies already layed out like this one, which you can study and copy. Just plug in your own trade results and apply each of the strategies with different cycle targets to see which would work best with your trade signals. You only need to fill in the yellow fields. In one example, I demonstrate how to compound your profits from cycle to cycle on a string of 100 trades. Studying these spreadsheets is also a great visual aid to learning how the systems work. Just follow along trade by trade to see how the units change following wins and losses.

This is the type of spreadsheet I used for many years before I had the trading robots developed, which now backtest thousands of trades in seconds but many trade strategies are difficult (and some impossible) to program into a robot so for those cases, this is the best way to backtest them. You can download this spreadsheet in the member's area of my website. Register for free at: www.RouletteTrader.com/Kindle

GBP/JPY 1-Hour Trend Following Strategy
250 Stop Loss, 225 Profit Target
Cumulative Wins, 5 Unit Target

					Begin Bal	
Pips		0.096	Trade	Cumulative	$250	
P/L	Units	1k Pip Value	P/L	P/L	End Bal	NOTES
225	1	0.096	$22	$22	$272	
225	2	0.096	$43	$65	$315	
225	3	0.096	$65	$130	$380	
(250)	4	0.096	-$96	$34	$284	< Subtract 1 unit after a loss (Cumulative Wins Strategy)
225	3	0.096	$65	$98	$348	
225	4	0.096	$86	$185	$435	
225	5	0.096	$108	$293	$543	< Cycle Target Hit, measure cycle drawdown from this high
(250)	1	0.096	-$24	$269	$519	
225	1	0.096	$22	$290	$540	
225	2	0.096	$43	$334	$584	
(250)	3	0.096	-$72	$262	$512	
(250)	2	0.096	-$48	$214	$464	
(250)	1	0.096	-$24	$190	$440	$103 Cycle Draw-down
225	1	0.096	$22	$211	$461	
225	2	0.096	$43	$254	$504	
225	3	0.096	$65	$319	$569	
225	4	0.096	$86	$406	$656	
225	5	0.096	$108	$514	$764	< Cycle Target Hit, measure cycle drawdown from this high
(250)	1	0.096	-$24	$490	$740	
225	1	0.096	$22	$511	$761	
(250)	2	0.096	-$48	$463	$713	
225	1	0.096	$22	$485	$735	
(250)	2	0.096	-$48	$437	$687	$77 Cycle Draw-down
225	1	0.096	$22	$458	$708	
225	2	0.096	$43	$502	$752	
225	3	0.096	$65	$566	$816	
225	4	0.096	$86	$653	$903	
225	5	0.096	$108	$761	$1,011	< Cycle Target Hit, measure cycle drawdown from this high

Varying Sized Wins & Losses

When you have varying sized wins and losses, the important thing to remember is to keep the math balanced on each side (positive & negative), but this is only applicable when you are using the Cumulative Wins money management strategy since the Consecutive Wins strategy always defaults back to 1 unit after any loss.

In our previous examples of Double Risk to Reward trades using the Cumulative Wins system, we add 1 unit after a win but subtract 2 units after each loss because the losses are always twice the size of our wins. My trading robots will do this for you automatically but for manual traders who have varying sized wins and losses, you will need to work out the math yourself on a trade-by-trade basis.

To do so, first determine what your average size win will be (in pips) and make that your benchmark for each unit to add or subtract. So if your average win is 40 pips, then only add 1 unit after each 40 pips profit since your last lot adjustment. If you have a 60 pip loss, the subtract 1.5 units on the next trade. If you have an 80 pip loss, subtract 2 units. If you have a 20 pip loss, subtract a half unit (if possible) since 20 is half of 40. Many FOREX platforms have a 1k minimum lot so so the larger your account, the easier it will be to use balanced money management but you could also use larger bench marks to make things a little smoother with fewer adjustments needed.

For example, if your average win is 40 pips but you sometimes get wins of just 10-20 pips, you could set a benchmark of 60 pips so if you have a win or loss smaller than 60 pips, you do NOT change lot size until you reach or exceed your next benchmark in either direction. Always calculate your pips P/L from your last lot adjustment so the pips gained or lost between benchmarks are cumulative. If you happen to get a single 120 pip win with a 60 pip benchmark, then you can add 2 units to the next trade. You should record your trades to keep track of the math but the main objective is to keep the math balanced.

Keep in mind that you are actually using negative progression against yourself so it is going to work against you until you have a winning streak and that's when the switch will flip to your favor in a big way.

If you are using my trading robots, they have 2 trailing stop features so it's possible to get varying sized wins and losses if you choose to use trailing stops. If you do, I suggest you use the average size win and loss to calculate the number of units to add & subtract and it should average out over the long run but will entail a bit more risk since you could have a series of small wins that increase your lot size quickly only to be followed by a single large loss. It can become very unbalanced and that's why I do not use the trailing stop features in any of my robots but you are welcome to experiment with them. You can always disable the money management feature and trade a fixed lot setting following the benchmark strategy above.

Negative Progression Money Management

Up until this point, we have been covering Roulette Trader's **POSITIVE PROGRESSION** money management systems. Positive progression simply means **increasing units after wins** and these systems offer the highest profit potential since you are using accumulated profits during a cycle to leverage yourself to even larger profits. It's like compounding on steroids.

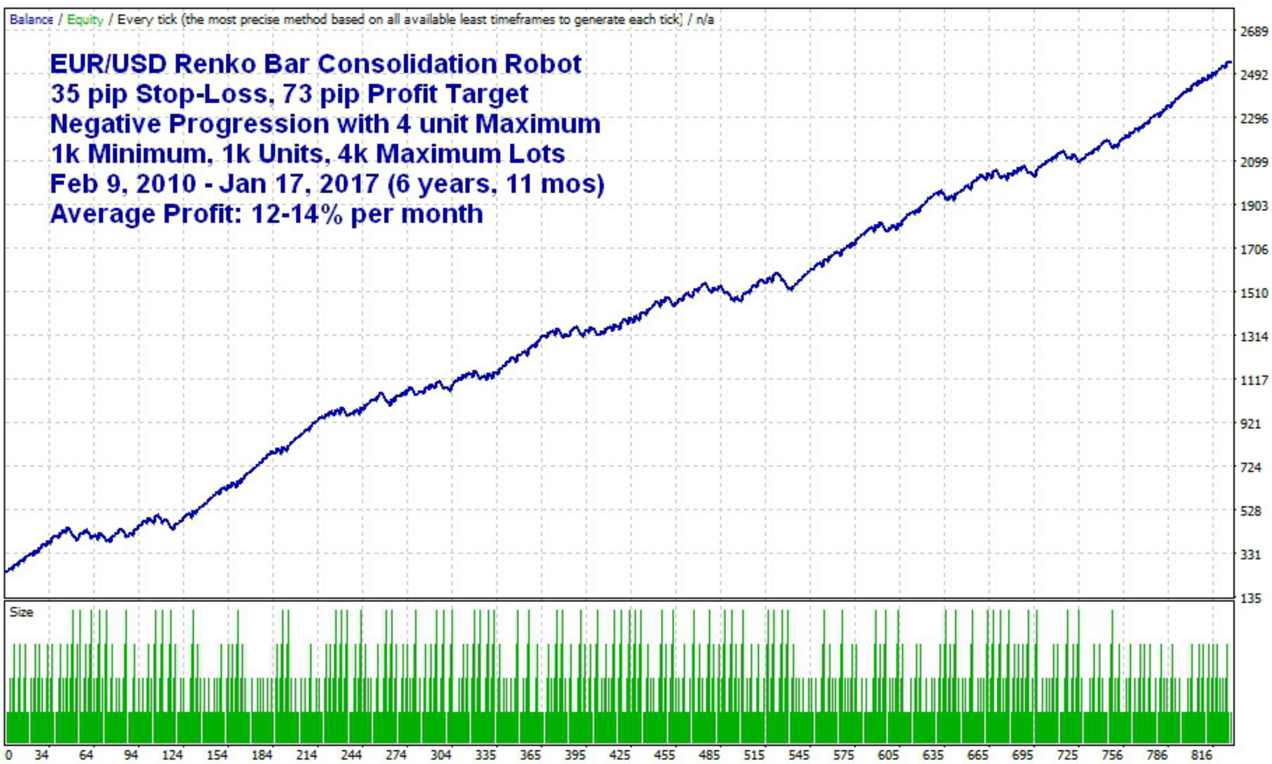
However, most casino betting systems actually use **NEGATIVE PROGRESSION** money management, which **increases units after LOSSES** to overcome the house edge. The most famous of these is the Martingale system, which we discussed extensively earlier in this book. While the Martingale System is extremely high risk and almost always ends in disaster, there is a good way to use negative progression when you have the right type of signals and statistics to work with. This means having signals with a statistical positive outcome with very short and very few losing streaks. Of course, there is a pro and con with this system, just as there is with the positive progression systems. The “**Pro**” is that it can give you an even greater statistical edge over the market with very consistent new profit highs. The “**Con**” is that it involves higher risk (due to the snowballing of losses) and; therefore, must be traded at much lower leverage than the positive progression systems. When done right, the end result is usually a very steady equity curve with relatively small profits when compared to the positive progression systems. You are exchanging lower risk and higher profit potential for lower returns and more consistency.

The biggest problem with the Martingale System is that it requires doubling your bet after each loss in an effort to make back all of your losses on a single win. This snowballs losses very quickly on a losing streak and can quickly wipe out your bankroll (or brokerage account) on just 5 or 6 consecutive losses. A much safer way to do it is just as we did with the positive progression systems, and that is to break your bets into units and add 1 unit after a loss instead of doubling your bet after each loss. This snowballs losses more slowly than doubling each bet but still increases your statistical edge. Following a win, you can either subtract 1 unit or default back to 1 unit if your win is large enough. It is literally the Consecutive Wins or Cumulative Wins systems in reverse but the other important component is to limit the size of the snowballed draw-downs by using a small cycle target. However, in this case, the cycle target (maximum lot) works as a cycle stop-loss. By “small” I mean using a cycle stop-loss of 3 to 5 units, otherwise, draw-downs can become too large. It's usually better to cut your losses quickly and start a new cycle just in case the losing streak continues for a few more trades, which it eventually will.

To use this strategy successfully, all you need is the right signals and statistics to make it work smoothly over a long period of time. So let's look at some examples on the next 2 pages...

EUR/USD Consolidation Robot
Using 4 Unit Negative Progression

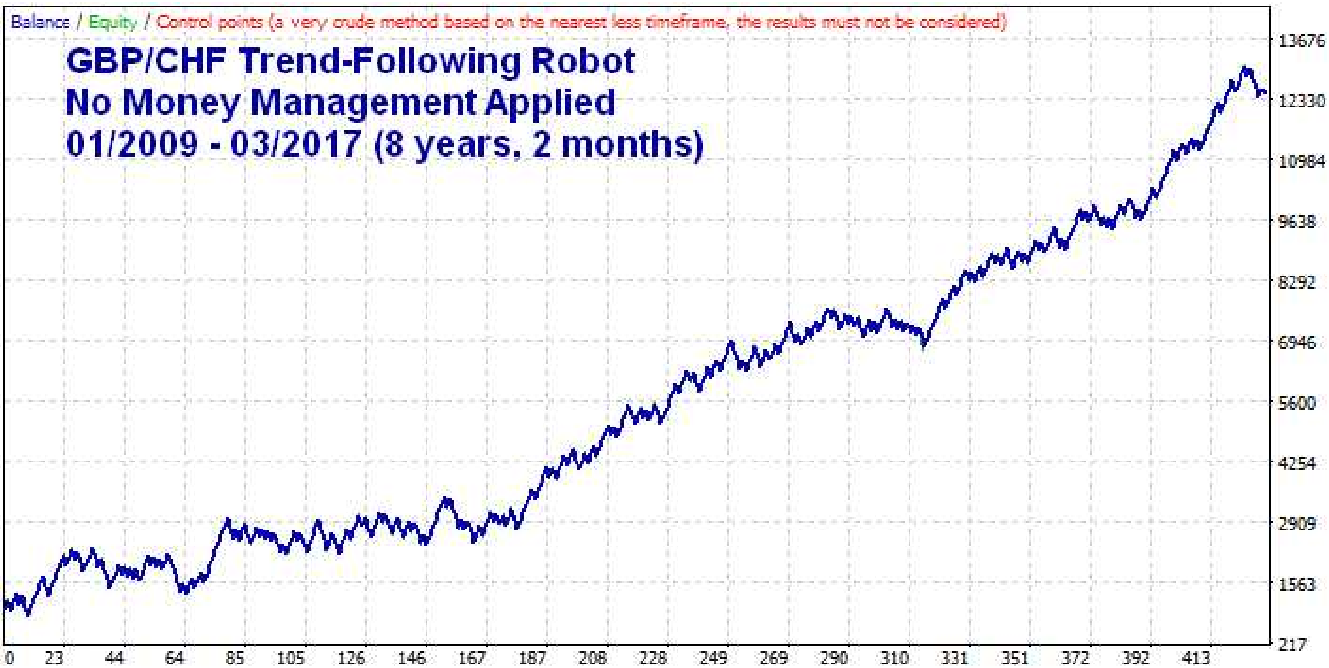
This robot makes a great compliment to any portfolio due to it's long-term consistant profits. Due to the nature of the signals, the wins and losses don't cluster very well so that makes it a great candidate for a negative progression money management strategy. This robot increases 1 unit after a loss and defaults back to 1 unit after any win. It's the **Consecutive Wins** strategy **<u>in Reverse</u>** with a 4 unit maximum to limit losses. In this case, the 4-unit cycle target acts as a cycle stop-loss so after 4 consecutive losses, it automaticaly defaults back to 1 unit to cut the losses and start a new cycle. With a profit target double the size of your stop-loss, this gives you 4 chances to make back your cycle losses without risking your shirt. The screenshot below is over the past 83 months. At my recommended maximum leverage, the average return is **12-14%** per month and it averaged **17%** in 2016. With monthly compounding, that's well over **400%** per year. This robot runs on Renko Bars and is available on my website.



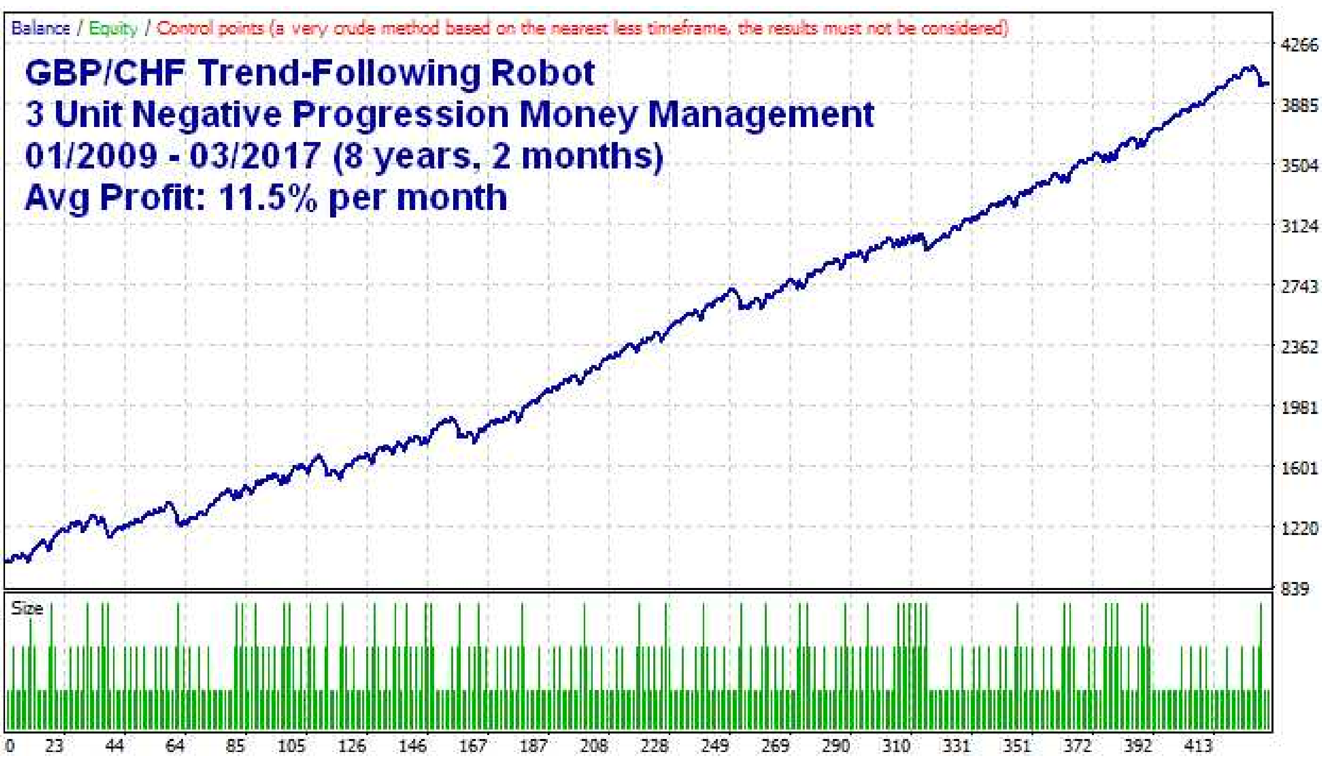
Bars in test	8141	Ticks modelled	3858210	Modelling quality	n/a
Mismatched charts errors	316616				
Initial deposit	250.00			Spread	20
Total net profit	2297.10	Gross profit	5226.60	Gross loss	-2929.50
Profit factor	1.78	Expected payoff	2.78		
Absolute drawdown	0.70	Maximal drawdown	92.94 (5.97%)	Relative drawdown	15.69% (80.57)
Total trades	826	Short positions (won %)	412 (43.45%)	Long positions (won %)	414 (41.06%)
		Profit trades (% of total)	349 (42.25%)	Loss trades (% of total)	477 (57.75%)
	Largest	profit trade	29.20	loss trade	-14.00
	Average	profit trade	14.98	loss trade	-6.14
	Maximum	consecutive wins (profit in mo...	5 (51.10)	consecutive losses (loss in mon...	10 (-80.50)
	Maximal	consecutive profit (count of wi...	51.10 (4)	consecutive loss (count of loss...	-80.50 (10)
	Average	consecutive wins	2	consecutive losses	2

GBP/CHF Trend-Following Robot
Using 3 Unit Negative Progression

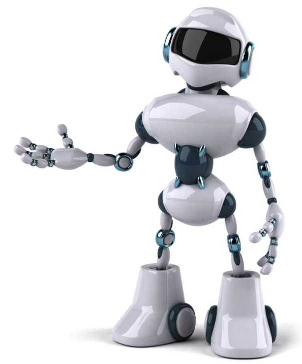
This is the equity curve "**BEFORE**" applying negative progression money management:



And here is the equity curve "**AFTER**" applying negative progression money management.



How to Automate Your FOREX Trading with Roulette TRADER Robots



The automated trading robots that I used to make the illustrations in this book are called **Expert Advisors** (or **EAs** for short) and you can get more details about these trading robots by registering at: **www.RouletteTrader.com/Kindle**

I have made them very affordable and you may buy the robots individually or as a deeply discounted multi-robot package with a **60-Day Money Back Performance guarantee.**

These Expert Advisors are designed to run on the **MetaTrader4** (MT4) trading platform, which is free trading software offered by nearly every forex broker, even if you just open a free demo account. MT4 the most common trading platform for forex trading. These EAs (robots) are scripts of computer code that attach to your charts and fully automate the trading based on the rules and conditions programmed into them. These EAs will automatically place your trades and adjust the lot sizes based on the money management strategy and settings that you choose. Simply follow one of the models shown on my website or customize your own.

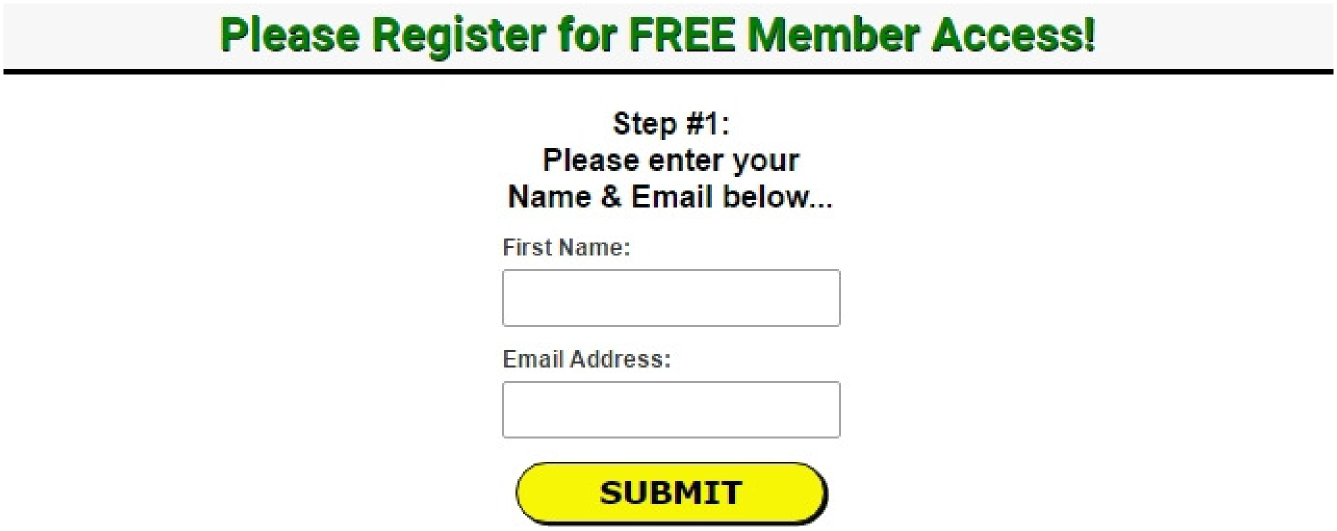
Each of my EAs come pre-programmed with the signal strategy and my recommended money management settings but you can customize all aspects of it. You'll be able to adjust the starting trade size (minimum lot), unit size, and maximum trade size (your cycle profit target). You can switch between the Consecutive Wins strategy and Cumulative Wins strategy, or simply turn the money management off for a specific fixed number of lots per trade. You can even flip the "Reverse_Strategy" switch and have an instant hedging system that generates signals in the opposite direction it was designed for.

I put many hours of my time into developing each one of these automated trading robots. The Buy/Sell signal logic is extremely simple in all of them and they are designed to exploit frequent patterns in the market that, likewise, generate frequent winning streaks that play right into our hands.

You will have so much fun back-testing these automated trading systems using the various money management strategies taught in this book. You can either use the signal strategies I've already programmed into them, or customize them to create your own signal strategies. And to help you get started, you can use the Trading Tutorials in my member's area, which cover detailed instructions on how to install and use the trading robots, among many other things available to registered members, all detailed on the following page.

Register on My Website for FREEBIES!

www.RouletteTrader.com/Kindle



You'll then enter the Member's Dashboard:

GET YOUR FREEBIES!
Once registered, you'll get:

* **Access to my Trading Robots:** See past performance and other details

* **FREE MetaTrader4 Trading Tutorials:**
  - How to install an MT4 Trading Robot
  - How to Back-test your MT4 Trading Robot
  - How to Customize the Money Management Settings
  - How to Customize the Source Code and Signal Strategies
  - How to set up and use Renko Bars

* **FREE Bonus eBook: Forex Trendy:** Understanding Myths of Market Trends & Patterns

* **FREE Renko Bar Script:** (an $84 value)

* **FREE Spreadsheet to Manually Backtest your own Trade Signals**

* **My Recommended Forex Brokers:** How to get Cash Back on every trade!

* **My Recommended VPS Services** (Virtual Private Servers) for 24/7 automated trading

* **My Recommended Sports Picker** (yes you can use Roulette Trader Money Management on sports betting too)

Register FREE at:
www.RouletteTrader.com/Kindle

Like the book?
Please leave me a review!

Thank you for reading! I put years into developing this system and preparing this ebook. I really hope you got something new and exciting out of it and will see trading in a whole new light with opportunities for big profits where you never saw them before. Be sure to register on my website to acces the free bonus ebook, spreadsheets, robots, and other resources in the member's area. To your success!

Don Guy
www.RouletteTrader.com/Kindle
Don@RouletteTrader.com

Your FREE BONUS eBook!

In the Member's Dashboard, click the big yellow button to download this FREE ebook and other FREE bonuses!

This FREE bonus will walk you through many examples of common market patterns and teach you how to properly draw lines of support & resistance in anticipation of a price breakout.

Once price breaks through these lines, it usually makes an explosive move. These price breakouts often make great trade opportunities where the potential profit is much larger than your risk, which is what the **Roulette TRADER** system is all about. It's easy to catch these big moves with simple market orders placed well in advance.

In this ebook, you'll also learn about an alert service that scans the market across 34 currency pairs and alerts you to the currencies that are in the strongest trends, which means they are the most predictable currency pairs to trade and are especially compatible with my trend-following robots.

For these reasons, this ebook makes an outstanding compliment to the **Roulette TRADER** money management system and will help you maximize your potential profits.

Frequently Asked Questions

Q. Can I use the Roulette Trader money management system for online Casino Roulette?

A. Yes! BUT... I do not recommend using it with RNG roulette software. The results are unnaturally random and tend to avoid long streaks of any particular section of the board. Instead, find an online casino that offers a live dealer using a real, physical wheel. Although, you will get much better results in financial markets where you can have very long winning streaks on a regular basis and the odds can be greatly in your favor, rather rigged against you.

Q. Can I use the Roulette Trader money management system for trading Binary Options?

A. Absolutely! But you will need to manually apply the Roulette Trader money management system to your trades. My trading robots are not designed for binary options, which use trade expiration times. In my opinion, it's easier to be profitable in the forex spot market, which does not use trade expirations and a trade can remain open as long as you want.

Q. Will the Roulette TRADER system work for trading Stocks, commodities and indices like the S&P and NASDAQ?

A. You Betcha! In fact, there are so many different stocks to choose from, you could simply search hundreds of them looking for one in a nice trend. Place a series of orders at certain prices in the trend (according to one of my money management strategies), and let the trend be your friend (YOUR VERY BEST FRIEND)! Here's one idea: You can have 3 or more money management cycles running independently for different markets that are all in a nice trend. For example, choose the best trending stock, index or ETF in precious metals, the tech sector, and real estate sector (or energy, banking, pharmaceutical, etc.) . So many options! Each day place a single entry order in the direction of the trend above the previous high or at a consolidation breakout point with the appropriate number of units in the money management cycle. If only 1 of the 3 completes a successful cycle, it should make several times any combined losses in the unsuccessful cycles but there's a good chance 2 or even all 3 could be profitable, even if none of them reached their cycle target yet. It depends on many factors but if you've chosen the best trending markets, then certainly you have some incredible odds in your favor!

Q. Do I need trading experience to use your Automated Forex Trading Robots?

A. Not necessarily because the Expert Advisors will do all the trading for you, but having some experience will help you get set up more quickly. In my member's area, I provide detailed instructions on how to get everything set up on your end. But if you have a question or need help, I can personally log into your computer via remote connetion (TeamViewer) and walk you through the setup process and customize your money management settings based on your risk capital and risk appetite. Just send me an email! I'm happy to help any way I can: Don@RouletteTrader.com

Q. **What platform do your Automated Roulette Trader Robots work on?**

A. Currently, the automated trading robots only work on the MetaTrader4 platform, which you can download FREE from any forex broker.

Q. Can I use the Roulette Trader Robots on a Demo (practice) account with fake money?

A. Yes, you can use the automated Roulette Trader Robots on a demo account with fake money and switch to a live account with real money whenever you are ready.

Q. What is the minimum deposit for forex trading?

A. This can vary from broker to broker but most have a $100 - $250 minimum deposit. However, the trading system you use may require more than this. You can begin trading most of my forex robots with as little as $250 - $350. The MetaTrader platform has a $1,000 minimum size contract so even a $250 account will be leveraged 4 times at it's lowest possible leverage. This makes Flat-Lining your losing streaks and cycle targets above 5 units nearly impossible until you've accumulated some profits. Be careful not to over-leverage your account. Remember, you need to stay in the game to win it!

Q. Do I need to stare at my charts all day?

A. No. If you purchase my Automated Trading Robots, then it is completely automated once it is set up. No manual trading or endlessly staring at your charts is required. All trades and the Roulette Trader money management system are fully automated but you can adjust the settings at any time and manually close trades whenever you want.

Q. How do I withdraw my money?

A. You can withdraw your money from your forex broker account any time you want as long as it is not being used as part of the required margin to hold a trade open. Look at “Available Margin” in the “Trade” tab at the bottom of your MT4 platform and it will tell you what is available for withdrawal but this amount changes with every movement of the market so you will need to leave extra in the account to maintain any open positions. If you need more than half of the money available, you should close any open trades before making a withdrawal to avoid a potential margin call, which could potentially and automatically close your trade prematurely at a loss.

Q. Do I need a Virtual Private Server (VPS) to run the trading platform?

A. A VPS is a virtual computer that lets you run the MetaTrader4 trading platform on your Forex account even if your computer is off. It’s not totally necessary because you can simply dedicate a computer at your home or office if you have a solid 24/7 internet connection. Temporary loss of internet is ok because the MT4 platform will automatically reconnect when internet access returns. If you don't want to use your own computer, then you will need a VPS. You can get a good VPS for about $30 per month and some brokers even offer them free with a minimum deposit. You don't need a large hard drive but the more RAM, the better and the more MT4 platforms you can run simultaneously, if necessary. For more details and VPS recommendations, visit: www.RouletteTrader.com/VPS

Q. Can I trade more than 1 Trading Robot at a time?

A. Yes! You can trade any number of my Trading Robots simultaneously on the same MT4 platform as long as they each have a unique “Magic” code (a unique identifyer in the source code that MT4 uses to identify that particular robot from the others). By default, all robots have a unique “magic” number. But there are a few exeptions. See next question...

Q. Can I trade more than 1 Trading Robot on the same currency pair?

A. This depends on your country of residence or country of your broker. By law, Forex brokers in the USA (who cater to US citizens) do not allow hedging (trading both directions simultaneously on the same currency pair in the same account). If you are trading 2 different robots on the same currency pair, then there will be occasions that would cause hedging and this would prevent any new opposing trades from being opened or would cause the currently open position to close prematurely. US brokers are also restricted by the new FIFA law (First In, First Out). This means the frist trade to open MUST be the first trade to close, so that will also cause a problem when more than 1 trade is open on the same currency pair. For these reasons, traders with a US forex broker should not trade more than one robot on the same currency pair in the same MT4 platform. Instead, install a 2nd MT4 platform and transfer part of your funds to a subaccount and trade it completely independently from your other account. The brokers make this easy to do with a few clicks. This is a scenario where you would need more than one MT4 platform running on your computer or VPS. The side benefit of this is that it will allow you to clearly track the performance of each robot since the results will not be combined with the results of other robots running simultaneously. For this reason, I now trade each robot on it's own MT4 platform. It simplifies the process of calculating appropriate leverage for the next cycle when compounding your cycle profits.

Q. Will the Roulette Trader system work on Binary Options?

A. Of course! But you may not be able to automate it so backtest your signals on a spreadsheet first and see which of the Roulette Trader strategies will work best on your signals. It all depends on how well your wins and losses occur in clusters.

Q. Can I use the Roulette Trader systems for Roulette at online casinos?

A. Due to the artificial randomness of RNG software, I do not recommend it. I have tested it at a few online casinos and it seems to make occasional large gains and then slowly loses it all with no long-lasting progress because it is so random. Of course you can quit after your first big run of profit but for best results, use these systems at a brick & mortar casino with a physical table or find an online casino that has a live dealer. And for absolute best results, use it in FOREX where you can have far better odds than a roulette table.

Q. I have a question that's not answered here.

A. No problem! Just send me an email and I'll be happy to help: Don@RouletteTrader.com

RISK DISCLOSURE:

Roulette Trader nor the author guarantee income or success and examples shown in this presentation do not represent an indication of future success or earnings. Do not gamble or trade with money you cannot afford to lose.

U.S. Government Required Risk Disclosure: Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. The high degree of leverage can work against you as well as for you. Before deciding to invest in foreign exchange you should carefully consider your investment objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your initial investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading, and seek advice from an independent financial advisor if you have any doubts.

The purchase, sale or advice regarding a currency can only be performed by a licensed Broker/Dealer. Neither us, nor our affiliates or associates involved in the production and maintenance of these products or this site, is a registered Broker/Dealer or Investment Advisor in any State or Federally-sanctioned jurisdiction. All purchasers of products referenced at this site are encouraged to consult with a licensed representative of their choice regarding any particular trade or trading strategy. No representation is being made that any account will or is likely to achieve profits or losses similar to those discussed on this website. The past performance of any trading system or methodology is not necessarily indicative of future results.

Clearly understand this: Information contained in this product are not an invitation to trade any specific investments. Trading requires risking money in pursuit of future gain. That is your decision. Do not risk any money you cannot afford to lose. This document does not take into account your own individual financial and personal circumstances. It is intended for educational purposes only and NOT as individual investment advice. Do not act on this without advice from your investment professional, who will verify what is suitable for your particular needs & circumstances. Failure to seek detailed professionally tailored advice prior to acting could lead to you acting contrary to your own best interests & could lead to losses of capital.

***CFTC RULE 4.41** - HYPOTHETICAL OR SIMULATED PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS. UNLIKE AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO NOT REPRESENT ACTUAL TRADING. ALSO, SINCE THE TRADES HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDER-OR-OVER COMPENSATED FOR THE IMPACT, IF ANY, OF CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY. SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFIT OR LOSSES SIMILAR TO THOSE SHOWN.