

# Forex Trend System - Setup Guide

**Congratulations on your purchase!** Please read the entire guide and follow the instructions very closely. All updates to the system will be emailed to you and posted on the following page: <http://www.forextrendsystem.com/updates.htm>

- (1.) If you haven't already, please send us your **MetaTrader 4 (MT4) login number along with your name and 8 digit order number** to [support@forextrendsystem.com](mailto:support@forextrendsystem.com). You will receive your system files within 24-48 hours. The following assumes that you do NOT already have the Metatrader 4 platform on your computer. If you do skip (2.) and proceed directly to (3.)
- (2.) Go to <http://www.alpari.co.uk/mt4setup.exe> and download the “Metatrader4” setup file. It's free and there's no limit to how long you may access the account – also an excellent platform for live trading. You must place at least one demo trade every 90 days so that it doesn't expire. This doesn't apply for live accounts. You can always ask the broker to set your demo account to not expire. Many brokers will accommodate your request. Double Click the “**mt4setup**” icon and follow the on screen instructions. Set up a demo account at the website or via the software setup program.
- (3.) Save the **Forex Trend System “.ex4”** files to the following directory: **C:\Program Files\MetaTrader 4\experts\indicators**, where “Metatrader” is the name of the Company through which you have a demo or live account. So if your account is with “XYZ” then the destination folder for the download will probably be **C:\Program Files\XYZ\experts\indicators**. You will need to close and reopen your MetaTrader platform for the indicators to load inside the platform.
- (4.) When you have your login and password for the platform, set your charts up as follows: delete the 4 charts that are probably on your computer screen, then click “file”, “new chart”, “GBP/USD” and set the timeframe (listed above the new chart) to **1 hour** (or higher depending on your preference). See (13.) for recommendations for particular currency pairs. Right click on the chart and select “Periodicity” to select your time frame.
- (5.) On the left hand “Navigator” panel, click the “+” sign on “Custom Indicators” then click on each of the six “T” indicators (T1, T2, T3, T Stop, T Alert and T Long Short) and drag them onto the chart. You will sometimes get an alert “Checking Account Number (0) [www.forextrendsystem.com](http://www.forextrendsystem.com)” – if there is a 0 between the brackets then the indicators are simply logging in, click "okay" and the alert will go away. If your account number is between the brackets then the indicators are not correctly compiled to your account.
- (6.) You should now have a chart with red and blue dots and three lines that are sometimes blue and sometimes red, occasionally **white**. These are the Forex Trend System Trigger lines. **Blue** is “**Buy**” and **Red** is “**Sell**”, **white** is neither – stay out of the market entirely! At the bottom of the chart is a set of alternately **blue** and **red** vertical lines. These help us to confirm entry signals. The Red and Blue bars (**Long/Short** indicator) tell us if we should be long or short. An audible alert will occur a little before all entry conditions have been met and an e-mail alert can be set up as well – “Tools”, “options”, “e-mail”. Click “Help” to bring up the dialogue box below for instructions on how to set up your email alerts. **N.B:** You must have your trading platform running in order to receive audible and email alerts! See (8.)(b) below for more.

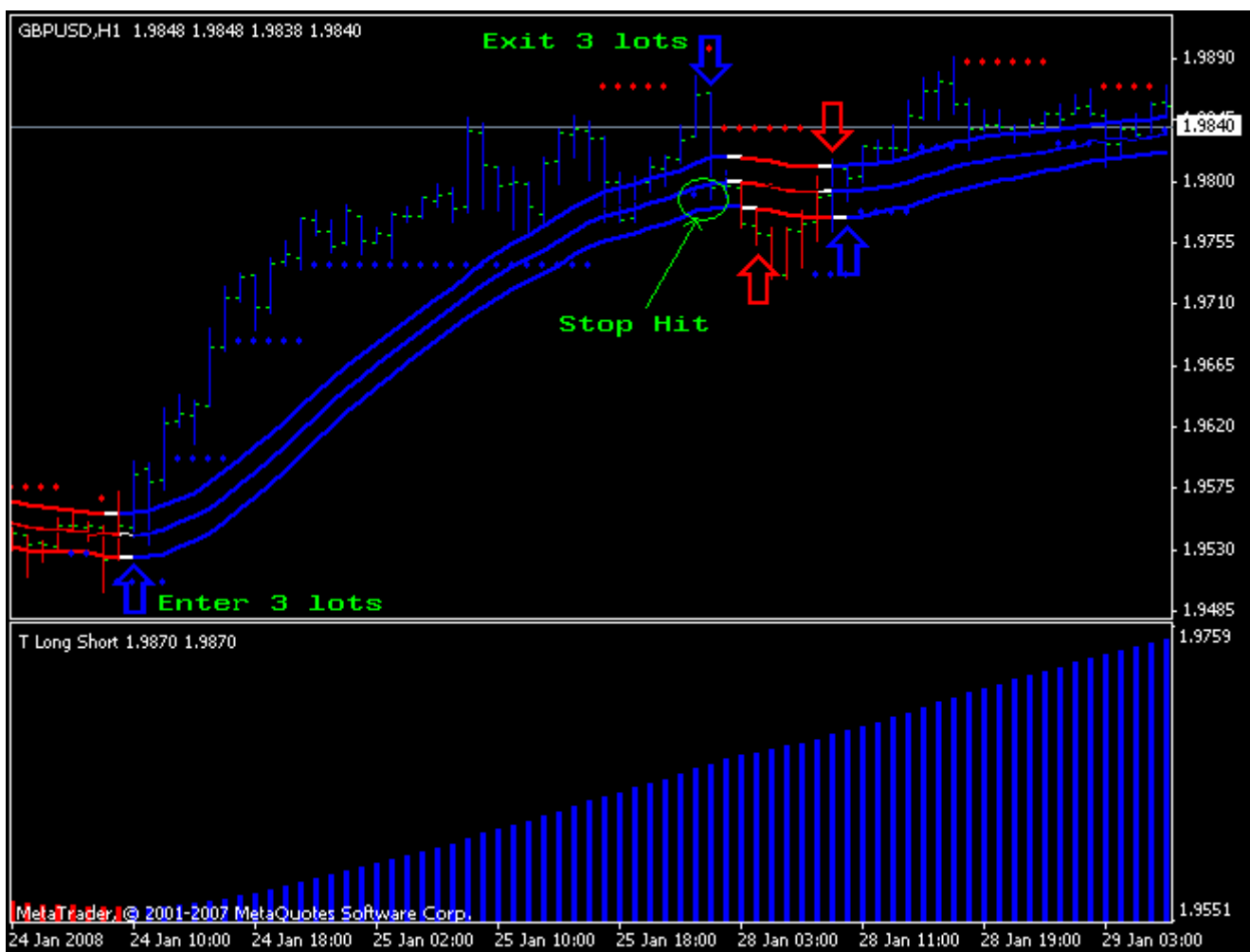
## Email Tab

In this tab, the electronic mailbox is set up. Later on, these settings will be used to send message by the [expert advisor](#) command or by a triggered [alert](#). To start setting up of email, the "Enable" must be enabled and the following fields must be filled out:

- **SMTP server** — address of the SMTP server used and port. The given server will be used for sending messages. The entry must have the following format "[internet address-server address] : [port number]". For example, "192.168.0.1:443", where "192.168.0.1" is the server address, and "443" is the port number;
- **SMTP login** — login to authorize at the mail server;
- **SMTP password** — authorization password;
- **From** — electronic mail address from which messages will be sent;
- **To** — electronic mail address to which messages will be sent.

**Fig 1. – Email Alert Settings**

- (7.) Now save a template so you can quickly apply this set up to other charts. Click "Charts", "Template", "Save Template" and name your template something you can easily refer back to. To apply your template to a new chart, right click on the chart, select "Template", "Load Template". To zoom in or out from your chart, click on the magnifying glass at the top of your trading platform. To save a profile of your screen set up, click "File", "Profiles", "Save As". You can reload this profile under the "File", "Profiles" menu.



Indicator Settings: T1/T2/T3 & T Alert = 34. Long Short = 136. Please note the arrows and text are for illustrative purposes only.

**Fig 2. – We enter long when all 3 lines turn blue and the Long/Short indicator bars are also blue. We enter short when all 3 lines turn red and the Long/Short indicator is also red. The blue arrows are all valid trades because of the rules outlined in (8).(a) below, the red arrows represent an invalid trade for the same reason.**

- (8.) (a.) **The safe trading option:** We ONLY enter a trade **short** when ALL THREE trigger lines on the chart change colour from **white to red** and the Long/Short indicator bars are also red. We ONLY enter a trade **long** when ALL THREE trigger lines on the chart change colour from **white to blue** and the Long/Short indicator bars are also blue. It is best to enter a long trade when the **blue bars are short**, and a short trade when the **red bars are tall**, however, this does not invalidate the trade if all other entry conditions are met, it just means that the trade may not be as profitable. Enter with three lots – placing a stop loss in line with the most recent blue dot in a long trade and in line with the most recent red dot in a short trade (**using the rules for money management see (21.) below NB!!NB!!**). When a dot moves the "wrong" side of price, we keep the stop loss at the last appropriate dot.

Exit one lot if any of the trigger lines change to white (or your trailing stop is hit), exit another lot when one more of the trigger lines change to white. It will sometimes happen that one trigger line changes colour and then changes back while the others don't. This is a warning and change is usually imminent. If the line changes back to the same colour of the original trade, you can re-enter and buy back that lot if ALL other entry conditions are met. If the Long/Short indicator changes colour during a trade, don't worry, we only use it for entry. Please note that trading this way we **DO NOT** enter if the trigger lines have been red or blue for a few bars and then the Long/Short indicator turns the same colour. We need the Long/Short indicator to be red or blue first **before** the trigger lines change colour for a valid entry condition to be met. This is the safest way to trade the system.

**One Lot Trading Option:** If you only want to trade with one lot, exit when all three lines have been white at some stage during the trade or your stop-loss is hit.

(b.) **The aggressive trading option:** We enter a trade **short** when all three lines change from **white to red**, without confirmation from the Long/Short indicator. We enter a trade **long** when all three lines change from **white to blue**, without confirmation from the Long/Short indicator. Money management and exits as above. This second option will get you into some fantastic trades but you incur more losses than (a.). This is for the more aggressive trader. Audible and email alerts are generated by the entry conditions of the aggressive trading option. Please note that these are only alerts to potential trade set ups, they are not indications to buy or sell. You must confirm the alerts by waiting to see if the entry conditions are met.

- (9.) You can modify the settings of the "**T 1/2/3**" and "**T Alert**" indicators to get more trades and shorter holding times, or less trades and longer holding times. Click "Charts", "Indicators List", select the indicator you wish to modify, then click "Edit", "Inputs", and double click the number next to "**T Period**". By increasing this number the indicator will be less sensitive to trend changes and you will receive slower entries and exits, fewer trade set ups and longer holding times. By decreasing this number the indicator will be more sensitive to trend changes and you will receive faster entries and exits, more trade set ups and shorter holding times. If you do modify the "**T 1/2/3**" and the "**T Alert**" settings, set them ALL to the same value. Suggested values are between **11-34**, but specifically **11, 21 or 34**. I prefer **34**.

The "**T Long Short**" indicator can be modified to increase or decrease the number of potential trade set ups when using the safe trading option. By increasing this number the indicator will be less sensitive to trend changes and you will receive fewer trade set ups. By decreasing this number the indicator will be more sensitive to trend changes and you will receive more trade set ups. Suggested values for the "Long Short" indicator are between **10-140**, but should ideally be **four times (4x)** what the period settings are on the "1/2/3" and "Alert" indicators. I prefer **136**.

- (10.) Another way of trading the system is to use different time frames for entries and exits. Say for example you have a 1 hour chart set up with "34" settings for entries, and a 30 minute chart set up with "34" settings for exits. This would give you a slower entry and a faster exit.

- (11.) **Advanced Strategy:** If your money management and equity allow, this is another way of maximizing profits. Say for example you normally trade 1 lot. Break that lot down in to 5 sub lots of 0.2. Set up the **Stop Loss** and **Take Profit** for each 0.2 sub lot with the following values:

**25 Pips**            **25 Pips**

**50 Pips**            **50 Pips**

**75 Pips**            **75 Pips**

**100 Pips**           **100 Pips**

**100 Pips**        No Take Profit – rides the trend out, move s/l to +100 Pips after 125 pips profit has been gained.

- (12.) The best times to trade are 1-2 hours either side of opening and closing times, but if we have confirmation from all of our indicators then the trade stands a good chance of being successful. While this system will work on any currency pair, it has been very successful on the **GBP/USD!**
- (13.) In the example above I used the GBP/USD which often has greater profit potential than many of the other currencies. While the GBP and EUR do tend to move in the same direction at the same time, which can have advantages and disadvantages, the former will many times move further than the latter, while only costing on average an extra pip in spread. It is often good to trade currencies that have no correlation to each other. For more information on this see the section on “Money management in **“[Money Management and Trading Psychology](#)”**. The system works for **15min timeframes** and **UPWARDS**, the **LONGER** the **BETTER!** My preference is for the **1hr** chart. Some pairs such as the NZD/USD and AUD/USD may be more profitable on the **4hr** chart. This does not preclude you from using higher timeframes such as the daily or weekly chart. Some pairs such as the NZD/JPY, USD/JPY, CAD/JPY and USD/CAD may be more profitable on the **daily chart**.
- (14.) You can tile as many charts as you want in MT4 which is useful for trading more than one pair. I trade eight pairs: GBP/USD, EUR/USD, USD/CHF, AUD/USD, USD/CAD, USD/JPY, EUR/JPY AND GBP/JPY.
- (15.) **NEVER** trade without a stop. When a trade is moving in your favour move the stop loss as the T Stop dots move.
- (16.) Cut losses short and let profits run
- (17.) Set yourself a realistic daily profit target and when that is attained go and do something else.
- (18.) Never trade this system around important news release times, no indicator can withstand that kind of volatility. In this regard go to <http://www.forexfactory.com/> and check out the day’s economic data before you even consider entering a trade. Please note that the calendar times are GMT, so you'll need to add the relevant number of hours to get the announcement time in your time zone. Announcements with a **RED** flag can have a dramatic effect on the market and are to be avoided if trading this system. Announcements around **Orange** flag times bear watching closely if you are in a trade.
- (19.) Spread betting is tax free in the UK. I use “**IG Index**” amongst others ([www.igindex.co.uk](http://www.igindex.co.uk)), where if you have the correct type of account (standard cleared funds), you can trade the EUR/USD @ 2 pips and the GBP/USD @ 3 pips (in £) which is very competitive and their deposit/withdrawal procedures are very simple compared to some of the forex brokers. Other reputable brokers are “**Cantor Index**” (<http://www.cantorindex.co.uk/>) and “**City Index**” (<http://www.cityindex.co.uk/>).

- (20.) We are all at different stages in our trading careers, some more experienced, others less so. If I have missed a step or there is something that needs clarification, please do not hesitate to contact me at [support@forextrendssystem.com](mailto:support@forextrendssystem.com) or visit the website, <http://www.forextrendssystem/>
- (21.) Take the time to read “[Money Management and Trading Psychology](#)” and “[Trading in mind](#)”. Without these guiding principles you are unlikely to succeed, especially if you are new to forex trading.
- (22.) Please note that this system is copyrighted and that unauthorised distribution is illegal. By purchasing you have entered into a binding agreement that the system is solely for the use of and by the purchaser.
- (23.) If you have any further questions, please browse the [FAQ](#) first. You may find an answer to your question there. The latest version of this setup guide can be found online. To view it online, click [here](#) and use the password “ftsonline”.
- (24.) If you would like to write a review or submit a testimonial, please click [here](#)
- (25.) Best of luck and may the pips be with you!

- Gary

**Disclaimer:** 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. This system is supplied as is, and the end user agrees to hold Forex Trend System, its affiliates and employees, harmless from any damages, loss, costs or expenses that may arise from the use of this system. No “safe” trading system has ever been devised, and no one can guarantee profits or freedom from loss. This system is not to be used in a jurisdiction where doing so would violate local regulations. It is the end user's responsibility to ensure that they comply with all local laws and regulations that apply in their jurisdiction.