

Zone Dominator Package

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ZoneDominator.com

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Welcome

Welcome to the Zone Dominator package.

I'm really glad to share this amazing indicator and software with you. It is the product of years of researching and development, and I hope you will improve your trading and profit from it.

This manual will explain how to trade the Zone Dominator for maximum profits, installing it and generally using it for maximum effect.

If you have questions or need any help, please send me an email at tom@zonedominator.com

If you have any suggestions or improvements you wish to have in the next versions, please send us an email. We always love to hear from our customers!

To Your Success,


Tom Bennis

Introduction and Analysis Technique

The main idea behind the Zone Dominator is of cycle analysis. The algorithm behind it uses cycle analysis to identify the phases in which price is in, and to pin-point the beginning of new cycles and the end of the current cycle. These are the reversal signals that we will trade.

The Zone Dominator uses dynamic D.S.P. Algorithms to find these cycles on any chart, and identify their beginning and end.

On the chart these levels are marked from -40 to 100 – with -40 being the beginning of the cycle and 100 being the end of the cycle, the end of the trend in fact.





In the next chapters you will learn exactly how we interpret the indicator for signals, but this is the general method.

Installing the Indicator

Before you install: If you don't have MetaTrader ® installed, please download it from this link:

http://www.alpari.co.uk/files/site_uk/000software/MT4_set_up.exe

Follow the instructions and open a demo or real account. We recommend trading the indicators on demo account before proceeding to real accounts.

Installing the Indicators: Copy the indicators files EX4 into your /experts/indicators/ folder. This folder is in the folder of the MetaTrader trading platform.

Examples:

If you are using the Interbank FX Trader broker, the folder will be at
C:\Program Files\Interbank FX Trader 4\experts\indicators

If you are using the Alpari MetaTrader broker, the folder will be at
C:\Program Files\MetaTrader – Alpari\experts\indicators

If you are using the FXDD broker, the folder will be at
C:\Program Files\FXDD – MetaTrader 4\experts\indicators

If you're having problems, here is a video showing how you to **install indicators to the** MetaTrader ® platform:

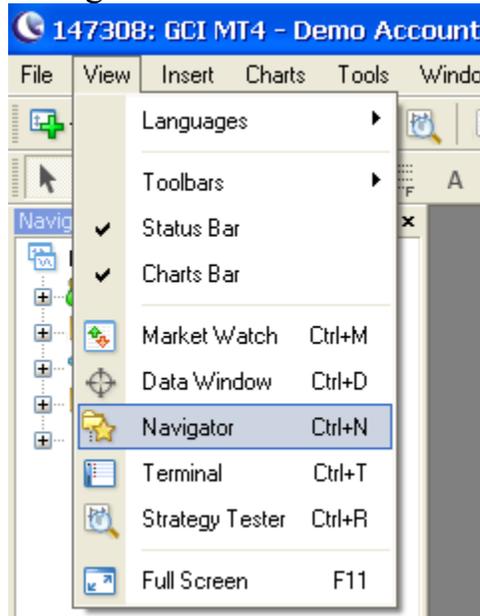
<http://www.youtube.com/watch?v=F-VusM-Q8rw>

If you can't find your /experts/indicators/ folder or need any assistance, please contact our technical support at tom@zonedominator.com and we'll be happy to help.

Opening the Indicator

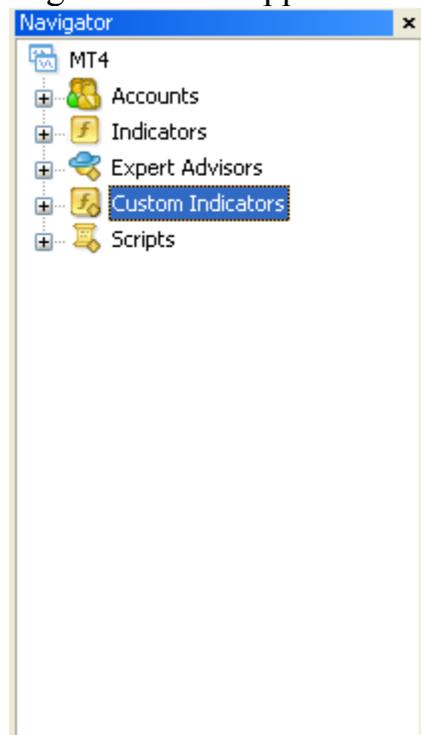
→ **Step 1:** Open the MetaTrader® platform.

→ **Step 2:** Click on View -> Navigator. You can also click on CTRL+N.



Click on 'Navigator'

→ **Step 3:** A window titled 'Navigator' should appear. Click on Custom Indicators.



The Navigator

→ **Step 4:** You should see the Zone Dominator Package indicators © at the Custom

Indicators folder. Double click on both indicators and click OK to load them onto your chart.

Interpretation and Trading Signals

There are several methods of interpreting the Zone Dominator indicator, from the simplest method to the more professional and extreme methods. We will cover each one right now.

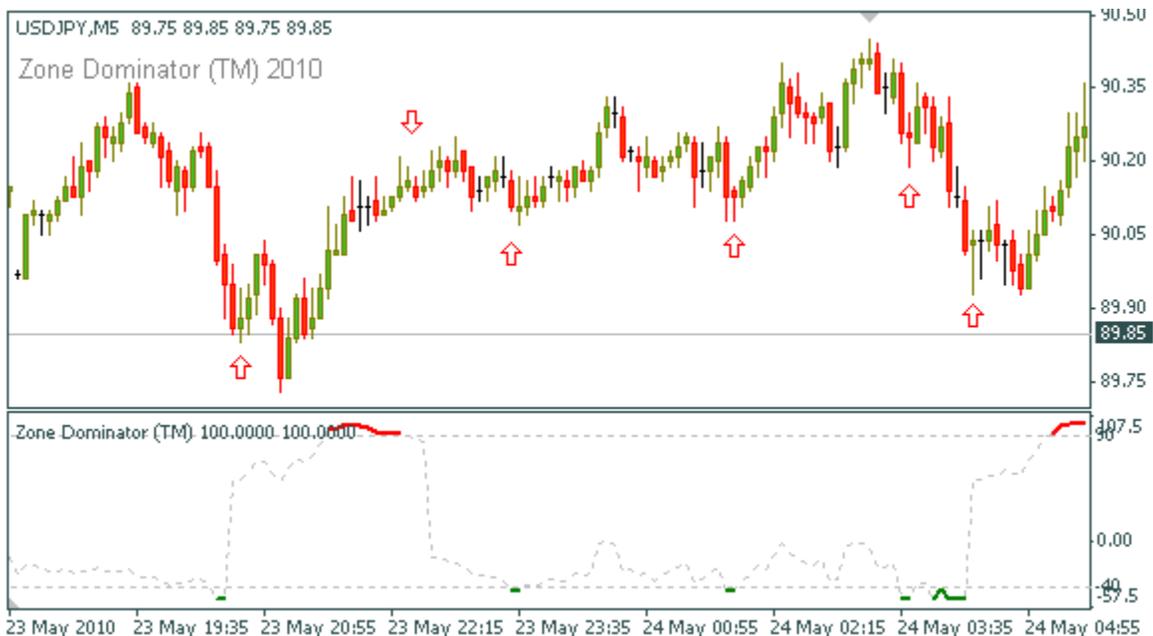
#1 – Basic Strategy

The simplest interpretation of the Zone Dominator is like an ordinary overbought\oversold indicator.

When it crosses the 100 line from above, it is a bearish signal and when it crosses the -40 level from below, it is a bullish signal (buy).

Examples:





This interpretation gives good reversal signals in most markets and is enough to trade the Zone Dominator profitably.

General note on Stop Loss: We use a regular stop loss mechanism, putting stop loss above recent swing high or swing low.

So for long trades please place stop loss 5 pips below the lowest low of last 4 bars, and for short trades please place stop loss 5 pips above the highest high of last 4 bars.

#2 – Mild Strategy

The mild strategy is a slightly more accurate trading method that has a higher win rate, at the price of less trades.

The main idea behind this strategy is that price does not cross the overbought\oversold levels for more than one candle. It needs just to touch these levels, and reverse immediately in the following candle.

This indicates that these levels are so strong, that price even didn't manage to cross them – only a touch created immediate reaction in the opposite direction.

The hit rate of this strategy is extremely high and can reach 80-85%.

#3 – Trend Following Strategy

The trend following strategy is for trader who want to take trades with the trend, rather than trends against the trend (as in reversal signals).

The trading of this strategy is done by looking at the middle line of the indicator: the 50-line.

A long signal is created when the 50-line is crossed from above, and a short signal is created when the 50-line is crossed from below.

Examples:



#4 – UltraBounce using the Special Zone Bounce Indicator

The UltraBounce strategy uses the special Zone Bounce indicator that is a bonus indicator. This indicator is a more sensitive variation of the regular Zone Dominator indicator and is used here for more efficient exit signals.

We enter as usual with the Zone Dominator but exit as soon as the Zone Bounce Indicator gives us the reversal signal (touches the opposite overbought\oversold level).

The SuperTrader Money Management Guide

"Successful traders have a larger edge and better money management than unsuccessful traders. Unlike popular belief however, this study shows that the smaller edge of successful traders is not the cause of their failure. Traders' failures can be explained almost exclusively by their poor money management practices."

"The Secrets of Successful Trading", Fernando Diaz

Money management is an important part of the system that is designed to protect your capital and reduce your drawdowns. We will now present you several money management rules you should employ.

Do not deviate from these rules at any cost:

- ✓ **Never risk more than 1-3% of your capital in any single trade** – Never risk more than this amount in any trade you enter. Risking more than 5-10% in any trade will lead you to great risk, and very few losing trades would kill your account, preventing you from trading and recovering from your losses.
- ✓ **Never change your Stop Loss** – Never change your stop loss due to your capital and equity. We have presented you with solid stop loss rules you should use to calculate your stop loss point. This point has nothing to do with your capital and should not be affected by it. You should change the trade size (lots) to fit the amount you are willing to risk. For example: your stop loss is 10 pips and your equity is 10,000\$. You wish to risk 2% of your equity in this trade, so you enter trade with 2 lots – so your risk is 200\$, or 2%.
- ✓ **Always take a time out from trading any time you lose 5% of your capital.** This breaks bad momentum and limits negative spirals into deep holes. It gives us time to calmly reevaluate the situation. A few days off helps clear the head. A time out helps limit revenge trading. The desperate attempt to quickly make back the loss most often causes even more trouble.
- ✓ **Always close trades before weekend.** This is not so much money management as it is risk management. If you keep positions over weekend you are exposing yourself to the risk of a gap in the opening. Price can open at Monday at a totally different price than it was at Friday, and your stop loss cannot protect you from it. If price did not reach target, close your trades at Friday noon.

- ✓ **Always use actual stops.** Actual stops protect you from major catastrophes, power breakdowns and many other unfortunate events. Don't worry about stop hunting – most brokers don't do it and if yours does, choose a more reputable broker to trade with.

For traders interested in learning more about money management we recommend entering this great mini-site:

<http://www.turtletrader.com/money.html>

Sound and Email Alerts

To set sound alerts just set '**Sound.Alerts**' to '**True**' in the inputs tab of the Zone Dominator indicator.

To set email alerts follow these steps:

- ✓ Enable Email Alerts. In the '**Inputs**' tab, set '**Email.Alerts**' to True.
- ✓ Click on '**Tools**' and '**Options**'.
- ✓ Click on the '**Email**' tab.
- ✓ Check the '**Enable**' checkbox.
- ✓ Ask your Internet Service Provider (ISP) what are his email server details. If you need help with that you can also send us a message and we'll do the best to assist.
- ✓ Click on '**Test**'. You should receive a test email to your inbox.

Support and Researching

Major idea of the Zone Dominator is sharing the knowledge. As we shared the knowledge and tools with you we will be very happy if you could help us share and improve the Zone Dominator.

If you find interesting trading styles or methods that use the Zone Dominator we will appreciate it. Together we can improve and make the Zone Dominator better, more accurate and more profitable.

You may contact me at any time at tom@zonedominator.com

If you have any suggestions or improvements you wish to have in the next versions, please send us an email. We always love to hear from our customers!

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