

## **FXCORRELATOR FREE Trading Indicator**

Hey all!

Many, many thanks for trying this Free indicator – it's innovative approach to individual G8 currency analysis makes it as powerful a tool as anything I've (personally) ever seen out there in the Trading cosmos - with some practice, experimentation and application it should provide you with a solid and reliable support to your own trading ideas and systems – plus a valuable introduction to using and developing strengthmeter trading tools.

If you are keen to develop your trading further, I believe this system will also whet your appetite for trying more advanced systems and trading methods (see later) – the innovative FXCorrelator has limitless potential once you can understand and observe Forex market behavior in this unique way.

If you get a chance, do read through my T2W Thread (that is still going strong as I publish this system guide in April 2018.....or visit my Website [FXCorrelator.com](http://FXCorrelator.com) for more information where it shows the evolution of this system and general strengthmeter technology that everything is based on

The FXCorrelator truly *Brings currencies to life!*

Over the years I have developed much more advanced Hybrids of the FXCorrelator, and these may be marketed by my company (FXCorrelator Limited) in the future, incorporating the incredibly innovative World of strengthmeter technology and market analysis - something I believe is a revolutionary way to view and trade the Forex market – please contact me when you want to take that next step. I am always happy to collaborate on ideas so contact me for a chat.....especially if you are a programmer as I am not a specialized programmer and always need help!

Meanwhile if you have any questions at all - please e-mail me at [FXcorrelator@gmail.com](mailto:FXcorrelator@gmail.com) or post on the T2W Thread and someone will come running.

So without further delay – let's get you fired up and using the Free Indicator and system !

Best regards

Neil (NVP)

Oops – here's the serious legal stuff.... pay attention all:-

**Trading carries a huge degree of risk and is NOT for Amateurs – once you start Trading with real money you must have a Professional approach in all areas or you will fail**

**In loading the FXCorrelator indicators you are agreeing to all of the legal disclaimers posted on the T2W FXCorrelator Thread Terms and conditions. We take no responsibility for any losses incurred using this information or related documentation**

**Do not re-sell the indicators or the information contained in this publication. Please contact me if you find anything being sold and we will take appropriate action**

## 1) System Requirements

- Any decent modern PC or laptop will do the trick – the more memory the better
- Internet access for the feeds (I would advise a secure cable link for live trading/feeds )
- Metatrader 4 software installed on your machine (this system is available for MT4 platform only)
- A broker feed for the MT4 live data (we cannot recommend anyone). It is possible to use free feeds but this may require reloading the software every month, so it's better to sign up to a live account and deposit minimal funds. This will give you an uninterrupted service going forward. Ask on T2W if you're not sure who to use.

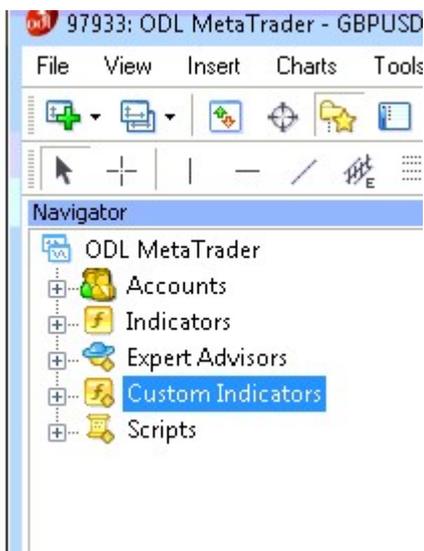
Contact me at [FXcorrelator@gmail.com](mailto:FXcorrelator@gmail.com) with any queries on the above if needed

## 2) The Indicator and load instructions

Ok – we are going to assume you have a nice shiny Metatrader 4 platform up and running on your computer (see 1 above) and its on a broker platform that will provide the feeds. The first thing we need to do is load up the new customised indicators you will be using .

Here's how ( please skip this section if you know how to install indicators for Metatrader)

When navigator is open - You are going to be copying them into the custom indicator folder shown below



locate the file embedded in the post this is attached to and copy it over to the folder area above - or here it is again with the full address I have in my laptop



## Colour key to the system

Unless stipulated separately in the Indicator the following colours apply

Green = USD , Yellow = Yen, Blue=Euro, Red = GBP, Light Blue = NZD , Orange = AUD, Brown = CAD

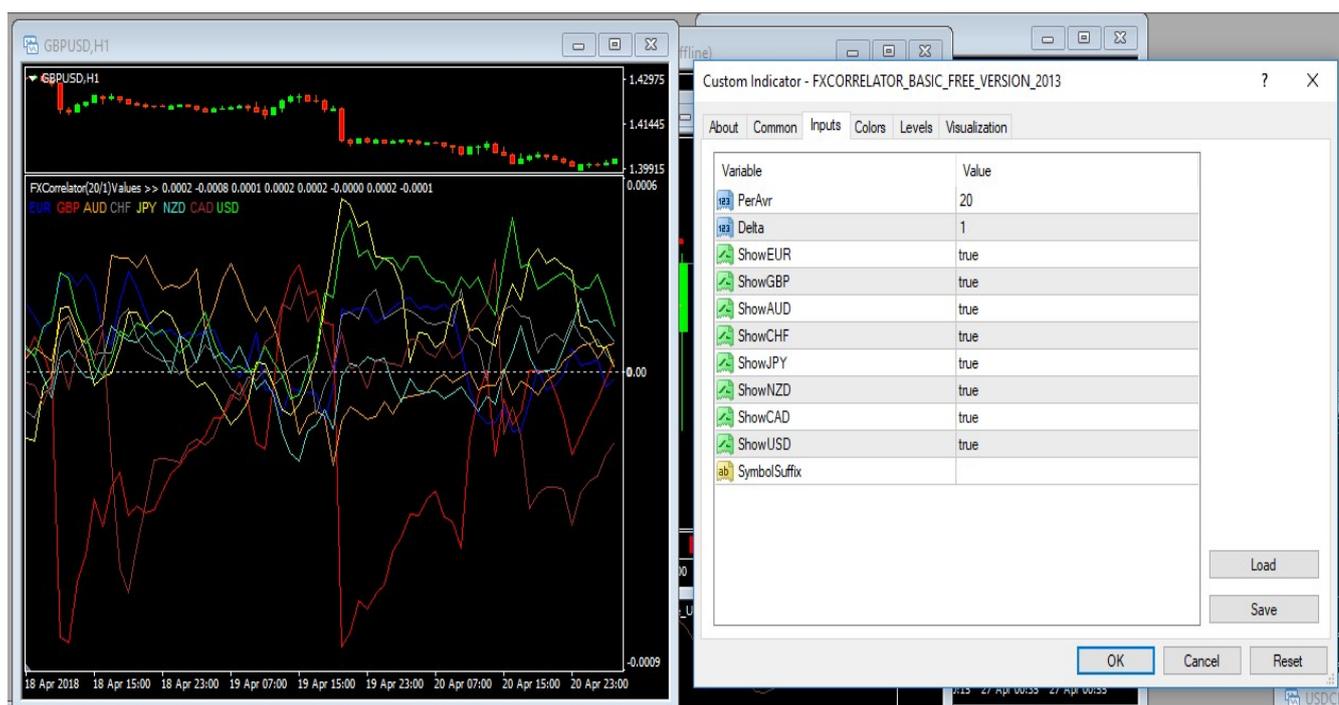
## FXCorrelator 20ma System (Default)

Instructions: - load / drag the indicator onto a new pairchart on your platform – set it to any timeframe

Note the default 20 MA delta 1 setting you see (dragged onto a 1Hr GBPUSD chart below)



Here is the settings list in the indicator ( just edit indicator and go to settings)

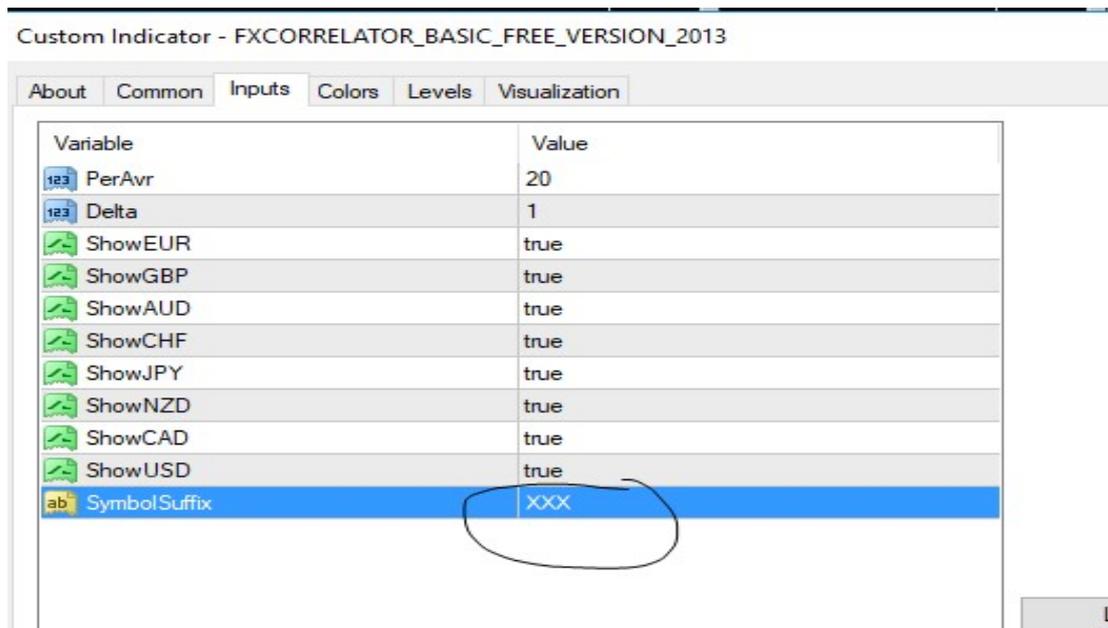


**IMPORTANT** - The symbol suffix is important, especially if you cannot see the indicator on your chart ...we need to add some characters there for the indicator to identify the broker codes if you see just flat lines on the indicator.

So lets suppose your broker has additional characters in the pair chart syntax's .....Like perhaps XXX below (it happens on many platforms)



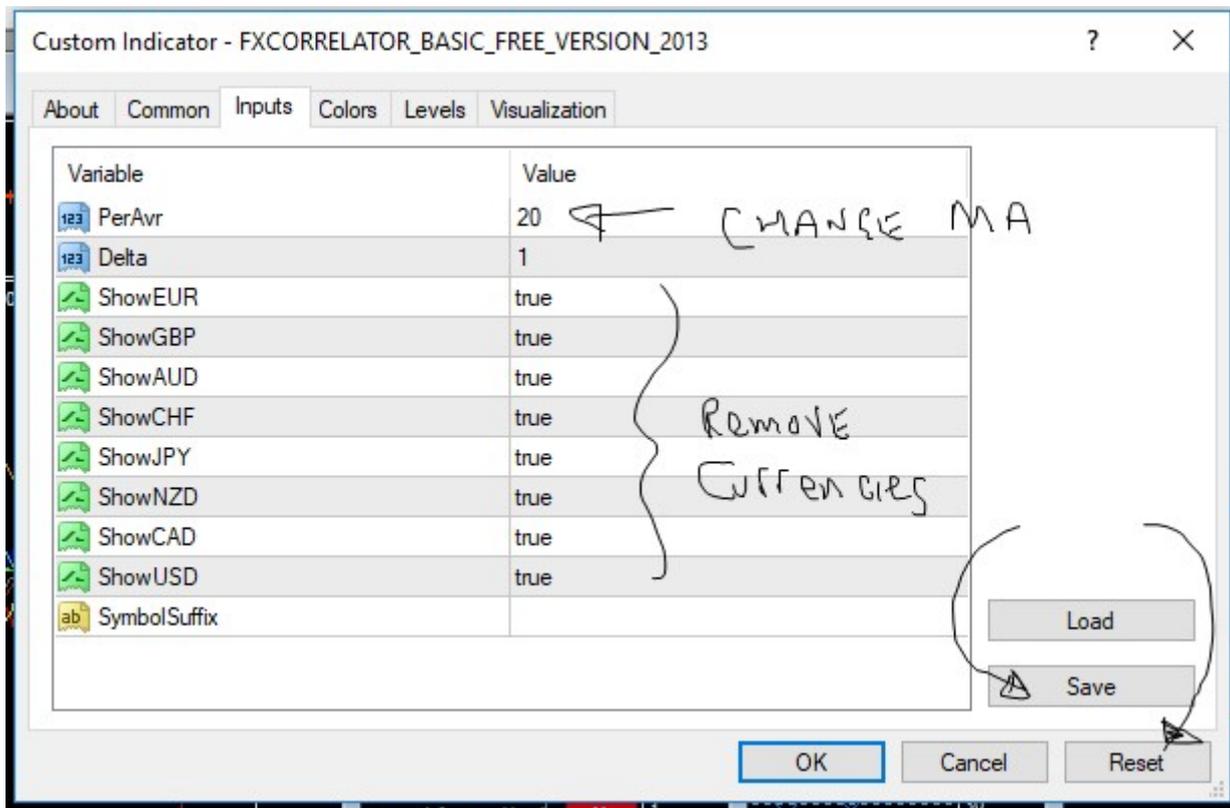
**Just type the “XXX” into the symbol suffix settings area ....the indicator needs this to understand the pairchart its feeding from - Don’t type anything in unless you need to though**



If this doesn't fix it please feel free to contact me at [FXcorrelator@gmail.com](mailto:FXcorrelator@gmail.com)

All the other settings are pretty self-explanatory .....you can change all the colours of currencies on one page and even remove currencies from the chart to make it simpler ...just fool around ...but remember to **save** before you exit any updates you want to do ....and remember :-

**Just press reset and the settings go back to the default – no problem !**



## **RULES**

The basic indicator is very simple but effective.....

- 1) ONLY Buy currencies **above** the Zero (ie these currencies are trending above the moving average set)
- 2) ONLY Sell currencies **below** the Zero (ie these currencies are trending below the moving average set)

I would recommend you initially only trade USD pairs and the trading partner to the USD is up to you.....this system provides an edge to give you the predictive direction of the USD !

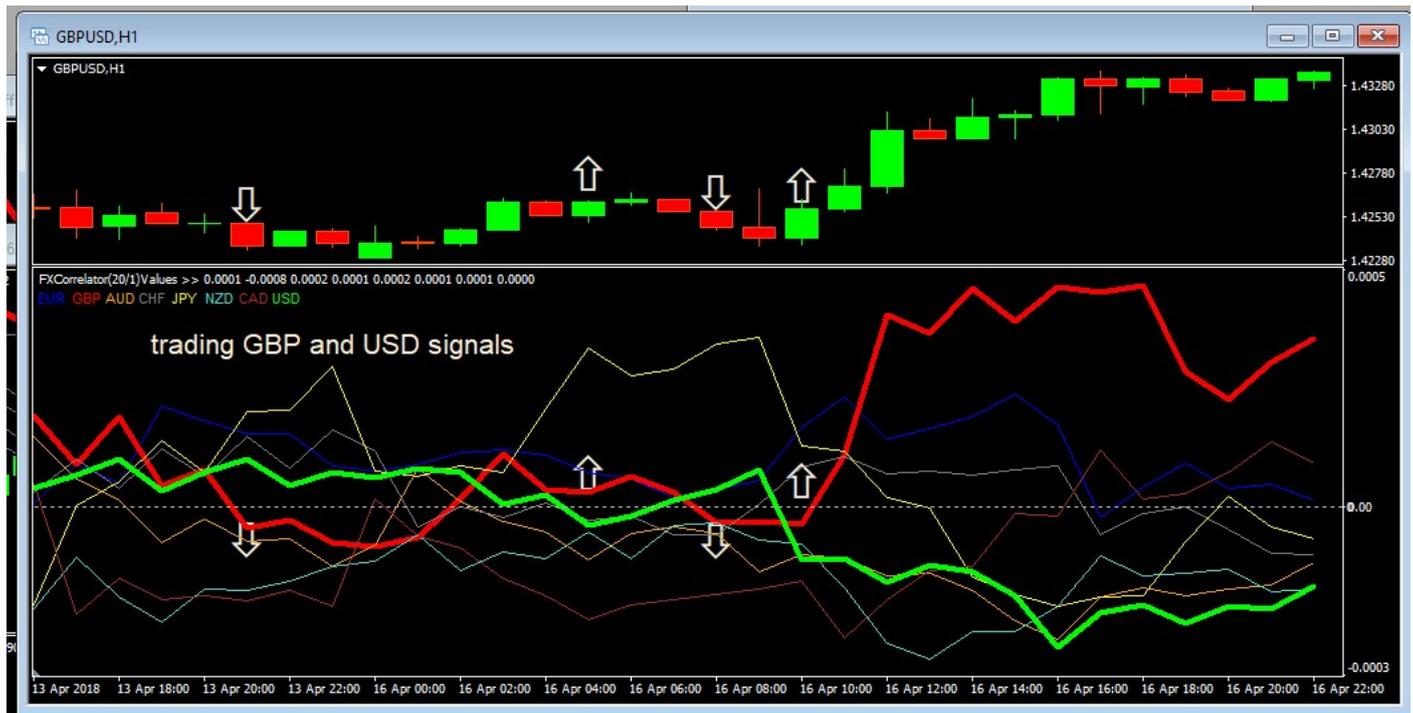
Again remember - this indicator is brilliant in supporting your current trading strategies ....

think of it as a valuable tool to get you trading the RIGHT pairs at the RIGHT time !

## Example

Here's that GU 1 hour chart on a basic 20ma setting ....if we were using a very very simple approach to trading we would only look for trades when the green USD and the Red GBP lines are on **opposite** sides of the zero

Never trade them on the same side ....why ? .....because they are **both** bull or bear!



I have spent nearly 20 years developing and trading strengthmeter based systems - but this is the simple indicator platform from where it all starts.....

## **Observing relative strengths of currencies and repeating patterns**

## Additional information

### Adding more Rules

This is a very very basic introduction to trading strengthmeters and using market correlation principles .....its the tip of the iceberg in my world...and my journey continues in taking these approaches to the limits...we are eternal students!

Once you get the rules and play a little - feel free to experiment ....I would suggest you focus on the following

- 1) Vary the MA settings and TF to suit your own strategies and trading needs
- 2) Combine multiple charts (use 2 or 3 settings for confirmation, multiple timeframes..... etc etc )
- 3) Observe repeating patterns / dynamics / behavior's of the G8 currencies to give an edge in currency pair choice

The ideas and strategies and options are endless .....

All of which **must be** aligned to good basic trading processes (especially regarding money management) and observation of all current Economic news and events that **will** be moving the market

### TimeZones

My observations are the same as most traders on this - so look for active periods when other markets are in full swing and preferably the US or the European sessions. For me in the UK I would always look to be active from 7am to 11am ish, then let the markets settle into the US opening before trying an afternoon session as well. Evening sessions with US markets are perfectly tradable as US equities are key to moving markets

Watch how currencies behave when they are not in their own relative Timezone market open periods, it is fascinating.

Forex however is a 24/7 business (except for most of the weekend) so trade when you want!

### TimeFrames

The FXCorrelator systems work in any timeframe, however the 1hr and higher TF will be more consistently profitable as lower TF noise is removed (although I am personally happy at even 1min TF's if needed)

### Entry and Exit levels

In all of the indicators I use it is important to wait until **the price bar closes and confirms** the signal you are waiting for. The FXCorrelator is very sensitive – especially on the lower Timeframes!

You will frequently see the currency lines cross the zero levels and each other during the time bars duration, only to fall back and withdraw from the signal when the bar eventually closes. This is the nature of **ALL** signals and you will see this in any pair chart or indicator – so be patient and let it close! (Sometimes I don't wait, and I win or lose based on my impatience!) **Your money, your choice.....**

Regarding Exit points for trades? - You will see nothing here regarding my advice on this, why? Because whatever I say you will probably find the opposite will happen on the next 3 trades you take!

Seriously – I could write a book on exit strategies, because for many traders it's even more important than the entry point. For scalping that's relatively easy, pick your pairs you regularly trade, work out the 1min/5min ATR's for the scalps you are hunting, and after entry be ready to then exit on the price achieving these targets before the market inevitably retraces. The system described above needs practice and WILL provide excellent entry signals. Remember they demand currency lines to be above /below certain levels to initiate the trade, so once you are in the trade keep one eye on the pair chart being traded (naturally!), but also keep an second eye on the indicator that got you in, and if that indicator **stops** registering the signal that got you into the trade **THAT IS A WARNING THE PARTY MAY SOON BE OVER!.....**so certainly tighten stops at this point or even eject in a scalp situation. I cannot teach you this...it's called experience, so practice practice practice!

### Money Management and Leverage

Hey c'mon we are all adults here right? Just don't be stupid with your trading (or Gambling - whatever you want to call it). I grew up in a family of UK Bookmakers and have watched far too many gamblers lose every penny they had (and more) and spend the rest of their days in misery and despair, destroying families and other lives along the way.

However you want to treat your Trading, as soon as the real money starts being traded - you have to take **full responsibility** for all your actions and play to win at all times as a professional Trader....

**You stop being a Amateur when you put real money down.**

Every time you trade (having taken every precaution to ensure the signal is pure and correct) you still need to realize that even the greatest traders in the world lose money on failed trades on a frequent and regular basis. **It's part of the cost of doing business.** Like restaurants have a lot of food preparation wastage, you can't avoid it, **but you can certainly ensure it's kept it to a minimum at all times through good processes and rigid discipline.**

**Please ensure you are totally proficient and comfortable on the particular FXCorrelator indicator you are using before trading real money**

Don't over leverage your account (don't trade with real money until you understand what the hell I am talking about) and I would suggest using MAX 1-2% of your Bank (the money you have allocated/written off to trading – fully losable) to every trade you do. Don't grade your trades and allocate money accordingly – a signal is a signal, so what the hell are you taking a less than top grade signal trade for anyway?

My Correlator indicator and any derivatives (when used properly) is designed to give you the best chance of selecting a currency moving upwards and also one moving downwards.

As I have mentioned before in my T2W thread, all I need to do is get just 1 currency direction correct (and especially if it is the more Volatile currency of the pair chosen) to ensure I don't lose on the trade. This equates overall to my (pure G8 Forex) trades targeting a very low percentage for losing on any trade taken. I am a very low risk trader

My philosophy is **don't lose money** .....that is very different to many newbie traders who are just looking for the fast bucks and big winners.....and I'm the one still here after many many years of trading guys!

Combine the 1-2% of (cumulative) bank per trade with low risk trades and you will make steady profits with experience and practice.

**Trading carries a huge degree of risk and please refer to my legal disclaimers on all FXCorrelator documents and Indicators.**

### **Your Journey starts**

In the few pages above I've only just scratched the surface on demonstrating what this amazing indicator and family can do. My journey continues in finding new ways to make this Indicator a profitable trading tool, and I would love you to join the family - perhaps discovering trades and signals which are still (as yet) hidden inside the FXCorrelator.

Ok all I'm going to have to go now.....you know how to contact me and my team at [FXCorrelator@gmail.com](mailto:FXCorrelator@gmail.com) on any questions. But please read the whole of this document a few times to understand what's happening, plus read the mega thread at T2W for more background knowledge. The more you practice and eyeball the charts the more you will understand what is happening and the fantastic way these indicators present relevant trading data and signals.....the FXCorrelator truly *Brings currencies to life*

**Best regards**

**Neil (NVP)**