



Protecting Traders Since 2010

## **FOREX GUARDIAN**

[www.bennusoft.com](http://www.bennusoft.com)

**All information we share is our personal view from our years of experience.  
Nothing more or Nothing less. We are not responsible from any of our comments  
or advices or other sentences written in this e-book. If you don't like this rule  
then don't read it.**

**V 1.0 - 07.2014**

## **Introduction**

This book is created to help traders who are partnering with Bennusoft. If you like the e-book you can share it across to your friends without changing the document content. This E-book will be updated in future times so make sure to check our website to get the latest version.

First we would like to thank you all who are currently reading this e-book. We created this e-book so you can reach our knowledge about FOREX and alter your ideas for better. We want all traders to have more experience in FOREX and not lose money.

We would like to apologise if we are having grammar mistakes in the e-book. We are not professional writers but we want to share our knowledge so you can improve yourself for the better. If you see any mistakes please contact us from our website so we can improve ourselves.

Let's introduce ourselves before we start our journey in FOREX. Bennusoft is a coding service company. When you have any request to automate some trading strategy or any custom indicator then we are here to assist you. We are not selling any special automated trading strategies and we will explain why in the later chapters. We are offering high quality service and high quality support. We have been in this sector from 2009 and we have been improving ever since. We have been in contact with hundreds of traders and we have been growing every day. Lastly, our mission is to help you in this FOREX journey.

Hope you will enjoy this e-book and have best of Luck in every part of your life.

## Contents

Introduction .....	2
Chapter 1: FOREX???! What is that? .....	4
Chapter 2: I know already FOREX. How I can improve myself?.....	5
Chapter 3: Bennusoft Advice: Never be Lazy! .....	7
Chapter 4: Bennusoft Advice: Never be Emotional!.....	11
Chapter 5: Bennusoft Advice: Know Your Broker!.....	15
Chapter 6: Bennusoft Advice: Trust Your System!.....	17
Chapter 7: Bennusoft Advice: Automate Your System!.....	21
Chapter 8: Bennusoft Advice: Know Possible Scams!.....	24
Chapter 9: Bennusoft Advice: Prepare For Battle! .....	28
Chapter 10: Bennusoft Advice: Victory But still Problem!.....	29
Conclusion.....	30

## Chapter 1: FOREX????!! What is that?



Source: World Wide Web

If you ask this question it simply shows that you are new in this area and you definitely need to read this E-book.

Lets us simply explain what FOREX is and then guide you how you can continue on improving yourself. Let's suppose you have some Euro and you are going on a vacation to United States. When you reach USA anything you want to buy there will have a Dollar price tag. That is why you have to change your Euro into Dollar. You go to some currency changing place and change your Euro into Dollar. When you do this action simply you are trading your Euro in exchange for Dollar. FOREX is the giant version of that simple logic.

Let's just use Wikipedia to learn what FOREX is. According to Wikipedia:

"The **foreign exchange market (forex, FX, or currency market)** is a global decentralized market for the trading of [currencies](#). The main participants in this market are the larger international banks. Financial centers around the world function as anchors of trading between a wide range of multiple types of buyers and sellers around the clock, with the exception of weekends. The foreign exchange market determines the relative values of different currencies."

(reference: [http://en.wikipedia.org/wiki/Foreign\\_exchange\\_market](http://en.wikipedia.org/wiki/Foreign_exchange_market))

Okay this may be too difficult to understand however we are here to guide you to overcome your problem. When you are new at FOREX you first have to go to this wonderful website: [www.babypips.com](http://www.babypips.com). When we first started FOREX, our first destination was there. This website has School section. In this section you will learn everything about FOREX and FOREX Trading. This is a MUST and you cannot escape from it. If you want to make money and if you want to not lose money in FOREX you must know what playground you are in.

## Chapter 2: I know already FOREX. How I can improve myself?



Source: World Wide Web

Okay if you went to Babypips website and checked all the subjects in the group then you are ready to meet the community. I will put here all the community forums where you meet the herd and learn from their mistakes. You will also see a lot of people advertising their strategies or trying to sell products or offering services like we do.

There are main web pages which traders all around the world is using:

★ **Forexfactory:** [www.forexfactory.com](http://www.forexfactory.com)

The Holy central of FOREX Traders. In this place you are find anything related to FOREX. The most populated forum and I think is the high quality place for FOREX traders.

★ **Babypips:** <http://www.babypips.com>

The Education ground for FOREX traders. In this place you will learn everything about FOREX and you can also use their Forums to meet new traders or to read and learn other people's adventures. The

★ population is not high as Forexfactory but still it is okay to go take a look.

★ **ForexPeaceArmy:** <http://www.forexpeacearmy.com/>

If you don't want to get scammed you better visit this website. This is a very high quality place giving information about nearly every FOREX Broker, Forex Expert Advisor etc. This place is very active and people are putting their scam report to warn other traders. If you don't want to get scammed you must visit this website and get information related to your problem.

★ **Forex-Tsd:** <http://www.forex-tsd.com/>

We have interacted in this web site. The population is moderated and you may find useful information.

**MQL4 Forum:** <http://forum.mql4.com/>

There is of course the Official Metatrader 4 and 5 Community Forum. In this web site you can find Freelance who offer coding services. (but of course we offer the best quality 😊 ). This place is mostly technical rather than trader style forum. Because it is the trading program Forum most questions are coming regarding to the expert advisor or indicator.

**MT5 Forum:** <http://forum.mt5.com/>

We personally not using actively. However if you want to check besides Forexfactory you can enter their forum also.

**Earn Forex:** <http://www.earnforex.com/forum/>

In this website you can get information about the brokers and again they have forums. We never used their forum before however their broker information is very nice.

**Elite Trader:** <http://www.elitetrader.com/vb/>

Another forum however we don't have so much knowledge about how quality is it. You can check them out.

**Trade2win:** <http://www.trade2win.com/boards/>

This forum is supported by Fxpro. Again unfortunately we don't have so much information about this forum but in blogs this website is referred as worth to visit forum.

All these web sites above will be greatly useful for you to improve yourself.

## Chapter 3: Bennusoft Advice: Never be Lazy!



Source: World Wide Web

There are 2 main categories of traders in FOREX. One type we call Lazy traders while other type are the Real traders.

### Lazy Traders Characteristics:

1. They don't learn anything about FOREX, all they want to do is to make money from money.
2. They think themselves as investors and they just want to put their money on other traders rather than relying on themselves. In this way, they take the guilt of losing away their money and wait their thousands of dollars in one month.
3. They rely on Expert Advisors (if you don't know what is expert advisor please go to chapter 1) which are on sale. Interestingly these expert advisors are 60\$ or 200\$ some even goes to 10 000\$. **Please note that the price does not have any effect on the quality of the expert advisor and we will explain in later chapters.**
4. They search good signal giving services and they put their money on that services to make money.

There are other properties also but these are the most important and they require attention in our point of view.

### **Our Comments regarding Lazy Trader Characteristics:**

**About Number 1:** We think that if you are investing your money you should learn at least the basic concept of FOREX. You must know how hard is to earn money. Why you should put money on something that you don't know about? That is why; we believe that you should learn about FOREX

**About Number 2:** There are thousands of traders in the FOREX world offering Fund management. They are offering %10 per month or %100 per month from the initial deposit. These people are offering to connect to your account and run their systems on your account and getting success fee from your account.

### **Our Advices According to Our Years of Experience:**

- **Situation 1:** If they want you to invest on their personal account this is probably the dangerous method. They can simply run away and probably %90 of the people in the world wouldn't want to risk their money with this action. We are totally sure that these traders will try to get you trust them and show you even some proofs. They may even state something like: "Well if you don't want to make money then fine I am already earning well enough.". They may leave conversation and you will wonder if this person is really a scammer or not. **Never fall in doubt and never EVER send anyone any money for trading!**
- **Situation 2:** Some people want to run on a PAMM account. They will want you to create an account on a certain broker and they will want you to direct your investment to their account. In this way still you will have your money on your account but the usage will be given to the investor. These traders will earn money in 2 ways.
  - If they are working with the Broker and if you register your account giving this trader information then for every trade you do will generate them income. Because every trade you will pay spread to the Broker and Broker gives some of that money to the Trader.
  - They will get success fee for every month from the generated profit.

You may wonder and say “Well as long as they make me money I they can earn from this way”. However what happens if they are not actually profitable traders. Then they will not make money from generated profit; however they will earn money from the commission that they make from your trading; so for them it is a win situation.

### **Our Humble Advice to Our Dear Lazy Traders For Situation 2:**

- Make sure to request the LIVE Trading Report is from a well known Broker. (However this can be easily faked but still request it.)
- Make sure to ask if they have <https://www.myfxbook.com/> trade record available. Make sure the broker is a well known broker. Make sure Track Record Verified is verified and Trading Privileges Verified is verified. Also check if the account is Real account or Demo account.
- Google the trader in the internet and check if there are any people warning about him.
- If they have investor password connect to the broker and check the live action. Make sure you don't connect to some IP when entering the server. Download the Broker's official mt4 and check it from there. Make sure the Broker is a well known trustful broker.
- Share to forum and ask more professional trader's advice if they are trustable.
- Find a FOREX programmer (or contact us from our website) and ask if it can be a scam or not.
- Never risk your money until you are completely sure.
- But don't forget this. Past Performance won't guarantee future performance. That is why ask yourself if you are willing to risk on a strategy which someone else operates on?

**About Number 3:** The most obvious thing which you SHOULD get away from. It does not matter [how expensive the expert advisor is.](#)

Ask yourself this: "If I had a program which makes lots of money would I sell it?". The answer which %99 of people will give, will be NO. In this world, no people will or ever sell an expert advisor which is profiting for many years and earning lots of profit.

All the experts' advisors which are being sold any website (even if it is on our website) are not trustable for future. They may sustain for current market condition but there is no Absolute Guarantee that it will hold for future. That's why you have to trust to the company or the programmer completely. Unfortunately there are many programmers and companies who abuse their customers and sell false hopes. That is why stay away or be very, very cautious while paying your hard earned cash.

**About Number 4:** It is actually not so much different from the Number 2 Situation. All the requirements above we described at Number 2 have to be met before trusting the signal service.

## Chapter 4: Bennusoft Advice: Never be Emotional!



Source: World Wide Web

If you are not a lazy trader then you must be a Real Trader. Let's check what characteristics do the real traders have.

### Real or Potential Trader's Characteristics:

1. They know all about FOREX like How the FOREX works? Who are the main players? What kind of brokers there are? What is Technical Analysis? What is Fundamental Analysis? What is Volume Spread Analysis ? etc.
2. They rely on themselves not other traders to do trades for them.
3. They hunt down and test every indicator and expert advisor at the market where they find for free.
4. They know that without doing DEMO test, there will be no LIVE test.
5. They create their own systems or improve the existing systems. They test and fail. Then they change and test and fail and then change and test and fail then again change and test and SUCCEED. This process can take months or even years depending on how you are open to new ideas and how your brain works.
6. They don't use their emotions.
7. They never ever give up.
8. They Don't rely on Strategy Tester. (Unfortunately Shocking Truth)

### **Our Comments regarding Real or Potential Trader's Characteristics:**

**About Number 1:** In later chapters we will give information about broker types and how they operate. It is crucially important what kind of broker are you choosing. If you see a playground is full of trash then you should not play there because all the things there are meant against you so you would lose money. That is why it is our duty to explain and protect those broker types in our later chapter.

**About Number 3:** In our communications between successful traders, we often have debate regarding indicators or expert advisors on the web which are for free to download. One opposition states that to work on indicators or expert advisors which are online already are not useful anyway; otherwise those publishers would hide it rather than give it to public. Our humble opinion about this agrees and also disagrees with it. We believe that yes those expert advisors or indicators are not useful however their working methods will give you ideas to improve your trading strategy. Every new indicator that you see can create a new idea in your head which may bring you success. That is why to investigate expert advisors or indicators which are FREE, is **OKAY**. In this way you will learn and you will improve your ideas. There is even a small but still a chance that those indicators or expert advisors be profitable. Because when publishers put online it doesn't mean that they have tested every single setting of that expert advisor or an indicator. There are limitless ways to test with limitless settings. That is why if you work hard on those expert advisor or any indicator, you may come with a nice idea. No one knows what your brain can come up with so give it a chance.

**About Number 4:** This is the most important thing. **NEVER EVER TRY ON LIVE BEFORE TRYING ON DEMO**. Some traders state that emotions are not the same when you do LIVE account. It is TRUE. That is why we say that you have to automate your strategy so you will put strict logics to your trading strategy. In this way you won't be in emotional mode. You will simply watch how the strict logics work.

There is also a well known fact that some conditions like Slippage or requites are not same as LIVE environment. That is why you have to investigate the best broker from forums and

also ForexPeaceArmy website. You have to find the best broker who offers very similar environment with DEMO and LIVE platform.

**About Number 5:** You have to work hard and simply if you are a quitter then FOREX is not for you.

**About Number 6:** There has been a research about human choosing behaviour when they are facing lost and when they are facing winnings. According to the research in the face of a loss people tend to hold on to their losses because they hope that market will turn in their direction. Unfortunately this way is a dead end way.

Market is very unstable environment and it can simply trend against your position and take you out from the market. That is why you must stick to your rules. If you are doing manual and you see lots of money in a losing state you may fail to obey your rules and may break them. This is simply a dead sentence to your trading system because you are not respecting it. That is why we offer all traders that they have to automate their strategy.

Even though some successful traders whom we have talked states that semi automatic expert advisors is better than automatic, we personally believe that every human behaviour can be turned into a strict logic. That is why if you put all your behaviour in logical order and rules then you will turn up same in expert advisors as you do manual trading. Only difference will be that robot is doing for you rather than you do yourself. What this means is that there is no EMOTION anymore.

**About Number 8:** Unfortunately Metatrader 4 Backtester is not a good tester to test your strategies. If you are using Tick based expert advisor and you are testing on higher than 1 minute, you will see that ticks are going so fast. The main reason is that strategy tester is doing random ticks not past real market ticks. In markets in 1 hour candle for example there can be thousands of up and down ticks. However in StrategyTester this is only a few ticks then the next candle appears. This is simply a false hope for you so don't believe in it.

There are some commercial programs to improve the tick quality however we personally believe that even though you increase the tick quality it will not show the real tick

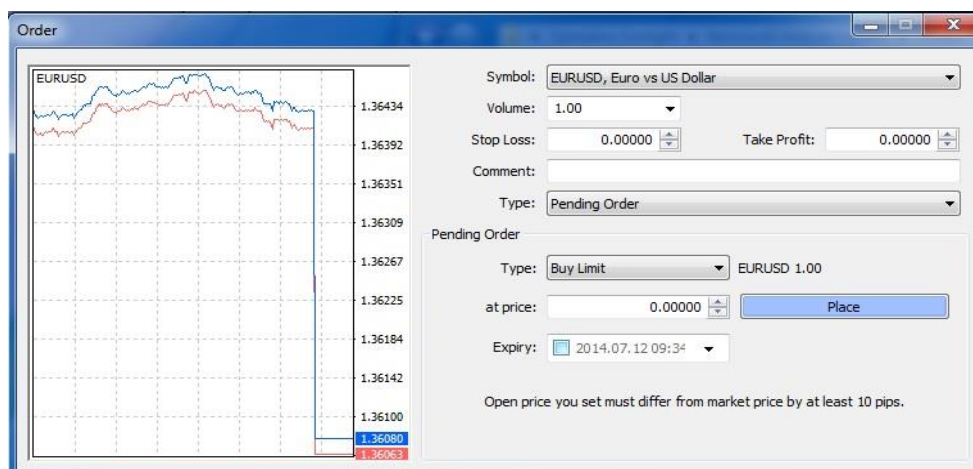
information. If you look at the forums there are strategy tested expert advisors showing %99 tick quality however they end up dead in face of forward test.

Our suggestion is that still test it on Backtest however don't count on it. Know the logic of your Expert Advisor if it is tick based or indicator based or pure price action based. In this way you will see how important is the tick information is for you. If you are using for example tight stop loss you tick is very important so it is very hard to test scalping expert advisors at Backtest.

## Chapter 5: Bennusoft Advice: Know Your Broker!

If you have done your reading at Babypips.com then you already know the types of brokers. (<http://www.babypips.com/school/kindergarten/choosing-a-broker>) In this link you will remember the types of brokers. What we can suggest while choosing your Broker:

1. In our personal opinion try to make sure that there is no Dealing Desk at the Broker. The main reason is behind this idea is this; **they make money when you lose money.**
2. Check ForexPeaceArmy website (we have given the link at chapter 2). There you will find the review about the broker.
3. Check margin call level of your broker. This is very important. If you stay against the trend for a long time and if your account is not big, Broker will state that you are in a margin call so they close the trades automatically and you will end up losing. Please check in detail on Babypips or in any forum about margin call.
4. Check the spread rates and trade execution speed. From our clients we have heard that some brokers are executing at a speed of 40 second. This is simply crazy and not suitable for a trader. All these Brokers are exposed in ForexPeaceArmy so we HIGHLY suggest you to read and learn all about the brokers.
5. Check the minimum stop rate. For example in some brokers they put some rule that you cannot place your pending order near the market at least minimum 10 pips. If you have a system which is operating on pending order taking this may be problem for you. You can simply check the amount like shown in the picture.

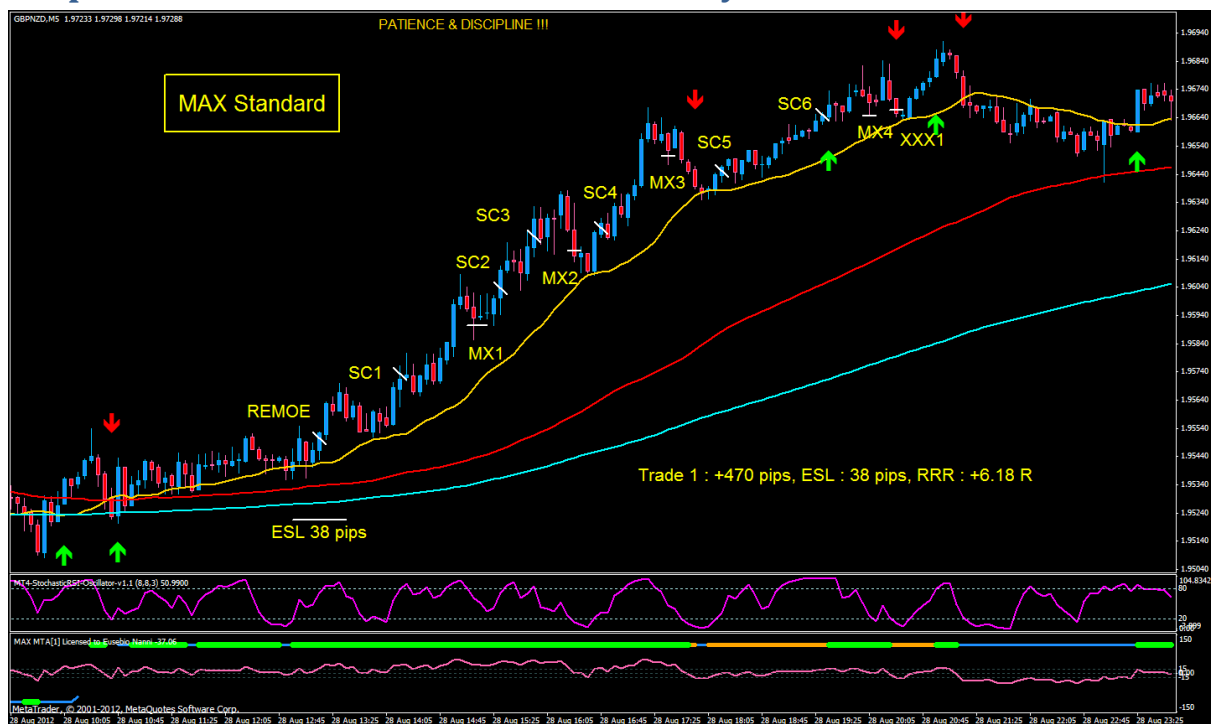


Source: Metatrader 4 Screenshot

6. Check the maximum order amount. This is important for grid traders because they are opening many trades and a Broker blocks the number of those trades then there is no need to use that Broker. If they don't respect your trading system why you should respect them?
7. Check the maximum total lot order number. This is actually same with number 6. Because if you are doing grid trading, the total number of the lots will make your trading stuck at their barrier. For example lets suppose that Broker doesn't offer total lots more than 2 lots; however offers you to do unlimited amount of trades. If you are trading 0.10 lots it means you cannot exceed 20 trades because  $20 \times 0.1 = 2$  lots in total. So in this way you are still stuck and cannot do more trades.
8. We have recieved some information that Some Brokers are changing the already made trades. You can get this information from ForexPeaceArmy website. This is simply the most irritating and disturbing situation. You are doing your trade with certain price and then you are seeing that this price has been altered and mostly against your favor. This action happens on the time of the news trading to prevent people to make money from high impact news. If you face this kind of action dont trade on those brokers and warn in every forum with proof that you have faced this situation.
9. Make sure slippage is not high. In fast moving markets there are of course slippage however with expert advisors you can prevent this as low as possible. Try to find a broker whose slippage is very low and the requote does not exist. We know that it is hard to find but still do your research.

Did you check all these things? Good then we can move on to Trading.

## Chapter 6: Bennusoft Advice: Trust Your System!



Source: World Wide Web

Probably one of the hardest parts in the FOREX is to create your own trading system or to examine one trading system.

We know that it is very hard and frustrating. However think like this. We believe that FOREX is like a mountain Everest. Many people try to reach its top and some of them even die while they attempt. Our trading systems are the travellers which are trying to reach the top. In this journey they face lots of failures and start from the beginning. But each time that you realize the strategy is wrong; you are learning something from it. That is why the next expert advisor is becoming better than the previous one; but of course this still won't guarantee that you will succeed.

Let us give some knowledge regarding the process of creating the trading system.

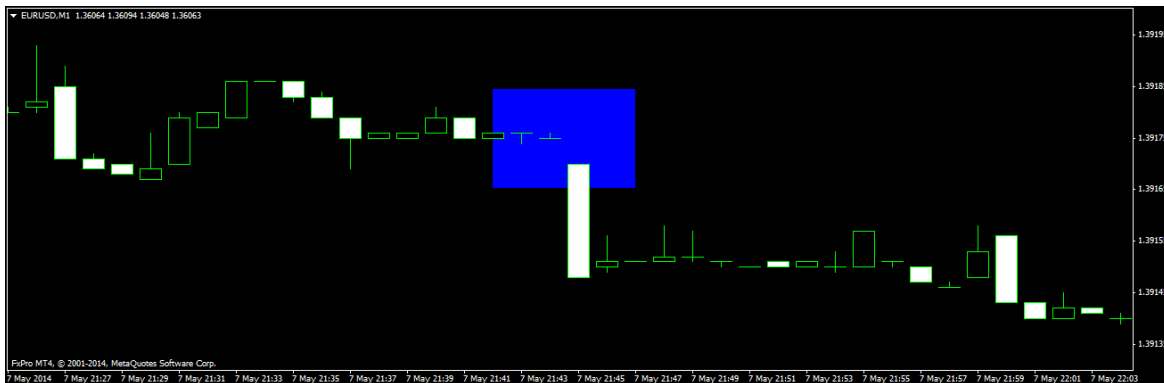
1. Indicators are not evil but they are lagging. They just give the past information. This means that it won't guarantee what will happen now. You will witness it when you are seeing in news time. For example the indicator states that market is very slow according to the data. The real thing actually is happening behind is

people are waiting for news and it may create a big boom according to the news. In this way if you just close your eyes according to that indicator you will end up failing.

2. Know what drives the market. There are 2 types of news in FOREX. One is expected news and other is WTF news. We can give a simple example to explain ourselves.

- **Case 1:** Let's suppose that it is a beautiful Monday and you get on your laptop and check the news which will happen today. You will see from Forexfactory site about the news time and so you know when this news will be given out to the public. This is expected news. We (the majority) know that this news will come out at that time and will be prepared for it. That is no problem and simple to understand. Let's look at the WTF news.
- **Case 2:** Let's suppose your trading system rule works on low volatility. This means your trading system doesn't like news. You sit in front of your laptop and check if there is news today. You see that there is no expected news. "Well this is awesome" you say to yourself and then put your expert advisor on. That looks okay isn't it? Well let us tell you this. On this day you may see a big move out of blue. You will unfortunately see it at the price even before the news falls on the public. You will say WTF. You will check Forexfactory or any forum trying to figure out what was that about. You will see some fellow traders saying at the forums something like "Hey does anybody know why this movement just happened?" then in few minutes you will realize at the news section at right side of the Forexfactory that (All news section) there is one high alert news which states something like "Earthquake in Japan" or "Some important guy said: We don't know if should be good time to sell Euro". In this news we as individuals have no control over it. Unfortunately we have to see on the prices before we can find its explanation. If you are rich person you can simply get some exclusive first information from Reuters or other news provider so you may get this information before. But we personally believe that price is faster than even those providers.

The only way that you can protect yourself against WTF news is to have your stop loss. However does it fully protect of course not! There is one evil in FOREX world called The **GAP**. This evil is so evil that there is **NO PROTECTION** (If there is contact us and tell us the method so we can share with everyone). So what is GAP? One screenshot can explain everything. This is **GAP**:



Source: Metatrader 4 Screenshot

There is so much pressure on the price that the price cannot go single pip. It will jump more than 1,2 or even 10 pips or maybe even more pips especially in the time of the market open. These gaps are appearing in **High Impact News** or when the **Markets Open For the New Week**. In some cases this GAP happens at **WTF news**. According to broker this is an extreme situation so even though you put your stop loss nicely; if the price jumps way behind that stop loss then simply you are taking more loss than you were expecting. This is also same if you have pending orders. When a gap happens near your price, your trade will execute at the dropped price not at your preferred price. This simply eliminates the news trading strategies if the high impact news creates GAP.

3. Know Technical analysis and Fundamental Analysis.
4. Understand the concept of Supply, Demand and Volume. We know that FOREX is not a centralized market and volume is just a small fraction of the information that we get from Brokers. However this volume can help to analyze the price movement.

5. Be careful if your indicator is Repainting. Repainting indicator is a nightmare to the newbie traders. Make sure you are not using a repainting indicator. In our FOREX journey we have met people who actually make money from repainting indicators. They somehow create strategy using those repainting indicators. In our humble opinion try to keep yourself away from those indicators. How to understand if the indicator is repainting? That is simple. Put the indicator on 1 minute chart and watch it. Sometimes put the indicator back and see if the signals on the previous candle disappear. If they don't then it is a non-repainting indicator. But please make sure to take advice from forums or Metatrader programmers to exact information.
6. What there is on the chart is just price. There is nothing besides price and volume. All the news information is inside the price that is why it is not easy to detect if you are Backtesting the price action. Our personal suggestion is that focus more on Price Action. To have more information please check online.

## Chapter 7: Bennusoft Advice: Automate Your System!



Source: World Wide Web

Let's suppose that you have a trading system in your mind and you want to know if it was working previous years. You have 2 options. One is to look at the past candles and check the conditions and do the trades manually and calculate with your paper and pencil OR you can automate the strategy. The reasons we suggest you to do automation:

1. You will definitely save time. It is frustrating to test all the settings and all the possibilities but if you automate it you will see it easily.
2. Fast result of your trading strategy. You can forward test and Backtest it and you can see how it is progressing. We have talked about the problems of Backtesting before but we will revise it below again.
3. Testing all the settings which you want to see. You will also see where your expert advisor fails to overcome. This way you can create new ideas and make a better expert advisor.
4. If you are working with a developer or programming service provider then you can get help from them while trying to improve yourself.
5. No emotion. Straight strict logics will govern your trading. In this way you will not get emotional and you will watch how your trading system performs.

**How you can automate a strategy?** There are two ways. Either you learn Metatrader 4, 5 programming or you can hire a developer for you. There are free developers who can do coding for free in the forums to advertise themselves or just to help people. We admire

those people but in our humble opinion we believe that if you want something quality work and high quality support you have to work with people who are doing this business as a work not charity. That is why we as Bennusoft offer our services for a fee. We still want to help traders and we offer these freebies to improve your trading journey.

Enough with advertising let's talk the problems of the automation. These problems happen on Strategy Backtester in Metatrader 4.

1. In your Backtesting may see your trading system winning all the time. Unfortunately this can be misleading. The main reason is depended on the missing tick data.
2. There is no margin check in Backtester. For example you may see that the trade is holding on in the Backtester; however in reality the Free Margin value is actually going to 0 or even – (minus) value. What this means is if you have a LIVE account and you have this situation then you would have a **MARGIN CALL**. This margin call happens on the trading systems which don't have stop loss concept.

### **Our Comments regarding to Automation Problems:**

**About Number 1:** If you are not expert in Metatrader 4 then you have to contact with a programmer (or us) to verify that if this result is a valid result. You have to know if your system depends on tick based or not. If it is tick based system then you have to do forward testing which means you cannot see the past performance. This simply limits you because a person cannot handle 10 forward testing at the same time. You can still increase your Tick value quality but still this won't actually prove that it is profitable. You have to trust the logic of your expert advisor and get the suggestion of your developer.

**About Number 2:** There is no problem to put margin check control in the automation system to figure out if you are exceeding your limit while trading. You simply need to implement it in the automation system so it will warn you if there is a margin call possibility.

This automation test, fail then automation test fail will continue until you give up or you succeed. If you don't want to spend too much money, you have to first test it manually yourself at the chart. If you trust that this system is profitable then you have to automate it to

see in Backtest if the years of time can beat the system. If market beats the system you have to check the reasons behind it. We will be always here to support you in your journey and we will guard you until you are fully prepared.

## Chapter 8: Bennusoft Advice: Know Possible Scams!



Source: World Wide Web

This part is very serious and you have to be very careful about it. We will expose all the possible scams which we saw on web.

**Possibility of Scam 1:** A person at web trying to sell an Expert Advisor. (Does not matter in which website he sells!)

### How to Protect Yourself:

1. Ask for strategy tester result (Protection level **Low**). Any programmer can play with the expert advisor to make it profitable at the past. Because the past data is already known. Simply they can do trading according to the past information and show that this expert advisor is making a lot of profit.
2. Ask for myfxbook.com verification (We don't suggest other verification websites because currently myfxbook.com offers the best) (Protection Level **Medium**). In this method they cannot fake their past performance. Also they can show their current performance so you will know how they are progressing. Make sure that
  - They are using a well known broker.
  - Their Record Verified is verified and Trading Privileges Verified is verified in the myfxbook.com.
  - You check how long it has been in test. Short time testing simply means that it hasn't faced the long term conditions of the market. The longer time tested the better it is.
3. You ask this question to them (Protection level **Low**). "Why are you selling the Expert advisor if you think it is profitable". Common answer would be "I

would make more money”. However if they increase the lot amount they can simply make a lot of money. They wouldn’t need your money. They may even sell these expert advisors for thousands of dollars. They would state that selling this with that high price, they can earn nearly as same amount while they are trading. Do not get fooled. They would come up with lots of interesting and even convincing reasons. But do not get into trap. Be careful.

4. If possible, ask for Investor password (Protection level **High**). Enter with the same platform that they are using. Directly go to the broker of that account and download their platform. **DONT ENTER SOME IP** at the server area in the Metatrader account login screen. If these people are so sure of themselves they can show on a broker which they can point out to. Then you can go to that Brokers website and download the Metatrader 4 then you can get the account information and investor password. Some scammer use special servers where they host own Metatrader 4 server and they fake their trading. That is why if you don’t know the Broker or even if they cannot offer you any official Broker’s webpage **DO NOT TRUST THEM**. This scam is highly dangerous and even can trick the professional traders.

We know that if there is a profitable expert advisor and the owner for some reason want to sell it to public then it would be very hard for him to prove that his expert advisor works. He may get blocked from many Brokers. However we are sure that there are well known brokers which really just make money without dealing desk. In those Brokers it would not matter if you are making money because their gain is from Spread. We have witnessed some cases that some profitable traders are being pushed away from the Broker. To find out this kind of broker related problem ForexPeaceArmy site is there to provide help.

If you are a profitable trader who for some reason wants to sell expert advisor then find a nice reputable broker and run there and show how great you are.

5. Find professional FOREX advisor. You can for example contact us and we can tell you the possible danger of the expert advisor that you have found in web.

### Our Comments regarding to Scam 1:

It is our humble opinion that the only expert advisors which are on sale are either scam or very low profit level or only supports for the near time market conditions. If the expert advisor is optimised for near market conditions; then this is gambling situation because you may never know what market will become next month. Get help from professionals. Get help from forums. But think more than once before spending your money.

**Possibility of Scam 2:** A person at web trying to sell signal service or who states himself as fund manager.

Do all the protection actions which we stated at Scam 1 section. A profitable trader can also sell signals because they are not giving away their strategy they have the core idea to themselves. However this is unfortunately dangerous. It is not easy to differentiate from a profitable fund manager to non profitable fund manager. If you do the actions which are stated at scam 1 then you can increase your protection level. However take a look at this situation:

If the fund manager provides all the information, it does not mean in future it will make profit. That means that you have to count on the fund managers trading logic. To trust on the logic which you don't know is dangerous. If you want to risk your hard earned money then we cannot say anything about it. However know that in some cases even they lose the account they can actually make money. These fund managers who blow up when a certain amount passes may get away in profit. **HOW?** Simply from the commission that they take from your trades. When you register to the Broker where they point out it, Broker will know that you are in their website because of this person's referral. In this way they will pay to that fund manager if you are opening a live account and start trading. In this way they will make commission from you and plus if they get profitable they will get success fees. If they blow up these commission may cover their losses so overall it will be their profit. Of course the winner is always **THE BROKER**.

The signal sellers are already making risk free money if you register their signals. This type is more honest at least because you will see the signals and you can take trade if you want or

not. If you don't like then you can cancel on the next month. However don't forget to do the checks which we mentioned at the Scam 1 area.

## **Chapter 9: Bennusoft Advice: Prepare For Battle!**

In this part we will tell the Holy Grail properties of a trading Strategy. These are completely our personal ideas and it may change in the future.

1. Your Expert Advisor has to be checked by a Professional Programmer. We have already explained many times above why no need to re explain.
2. If you are using Stop loss or Take profit do not use fixed amount. Market is a changing environment. The volatility in 2006 is not the same as 2010 or 2014 or 2020. If you put some hard coded number like 20 pips stop loss this means that maybe it will hold for the current volatility however it does not mean it will hold for 2016 condition. Then you have to adjust your stop loss for 40 pips for example. We suggest that you should use a mathematically supported variable. Not fixed number
3. Backtest your Expert Advisor. Yes Strategy tester is very bad and can be misleading but we have warned already about how you can get over those problems. So if you know its vulnerabilities then you can easily see it while doing your Backtest. We believe that Backtest is also important if you see the problematic and misleading information while testing. In this section professional programmer can help you with it.
4. Backtest your Expert Advisor for 2006 at least. The price and also volume information can be misleading as we go back in time. That is why we wanted to include in our tests the time of the crisis. There is no single evidence that this kind of crisis won't happen in future. That is why you have to be prepared for this kind of market movements. In this view some successful traders are rejecting this idea. They think that few years test is okay. We respect their views but our view is that the test has to sustain in long time period.
5. Don't enter Live before doing at least one month DEMO Trading. Our rule is that you should double your account in demo trading with the automated system then if you want you can risk your own money. But you have to know the problems of your expert advisor so you won't fool yourselves.

## **Chapter 10: Bennusoft Advice: Victory But still Problem!**

If you started your live account after all these preparations it is most likely that you are a profitable trader. However does it mean we are safe? Of course not 😊. Here are what successful traders should do:

1. You may get blocked by many Brokers because now you are a successful trader. You have to do special contract with the broker so they won't block you anymore.
2. You have to keep the expert advisor to yourself. Unfortunately there is self destruct mechanism in FOREX. If you give your strategy to public which is very profitable because the majority will start using then this system will start to fail. Because everyone will want to make money using that strategy. Don't forget that in FOREX when someone is making money other is losing money. That is why some people have to lose in this trading. Unfortunately that is how it works.
3. You can sell your signals however you cannot control if your customers are also selling your signals😊. This will surely create a lot of traders following your signals. When so many people are following your trading can be a target to Smart Money. That is why be cautious about it.
4. Enjoy the money of course 😊😊😊

## **Conclusion**

We thank everyone who supports us and if you like the e-book then please share it across with your friends. We as Bennusoft will be here to help and assist. This e-book may be updated so visit our website to check if a new version is uploaded.



Protecting Traders Since 2010