

THE TREND HUNTER SYSTEM

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Hello fellow traders, i have made this manual to explain the system tha i have been using very profitable lately, i think there is just 2 ways to trade the forex, one of them is going with the flow of the market (this system), and the other is support and resistance, along with fibs for which i have another technique, maybe i will make another manual for this, but later on, ok let's move to what interests most, the system:

CHART SETUP:

I will go step by step in this part because i want you to understand this as clear as possible, ok setup your candles the way you like, i mean, i u use candlesticks put the color you like the most, or use bars, again whatever you like.

Put an Exponential moving average, period 70 applied to close, and in the levels tab put one with value 7 and another with value -7, make them dashed, ok this EMA70 is your current trend, you can use whatever timeframe you like, it works in all of them but i like the 5M and the 15M, because i don't like to manage large drawdowns, take long trades only if the price is above the EMA70, take short trades only if the price is below the EMA70, at this step your chart should look like this one:



Ok, now add 2 more moving averages:

1. Exponential Moving Average, period 20, applied to High, color this one Purple (or whatever you like)
 2. Exponential Moving Average, period 20, applied to low, color this one yellow (or whatever you like)
- This 2 moving averages are what i call the Entry Range MAs your chart should look like this at this stage:



Ok, now let's move to the fun part:

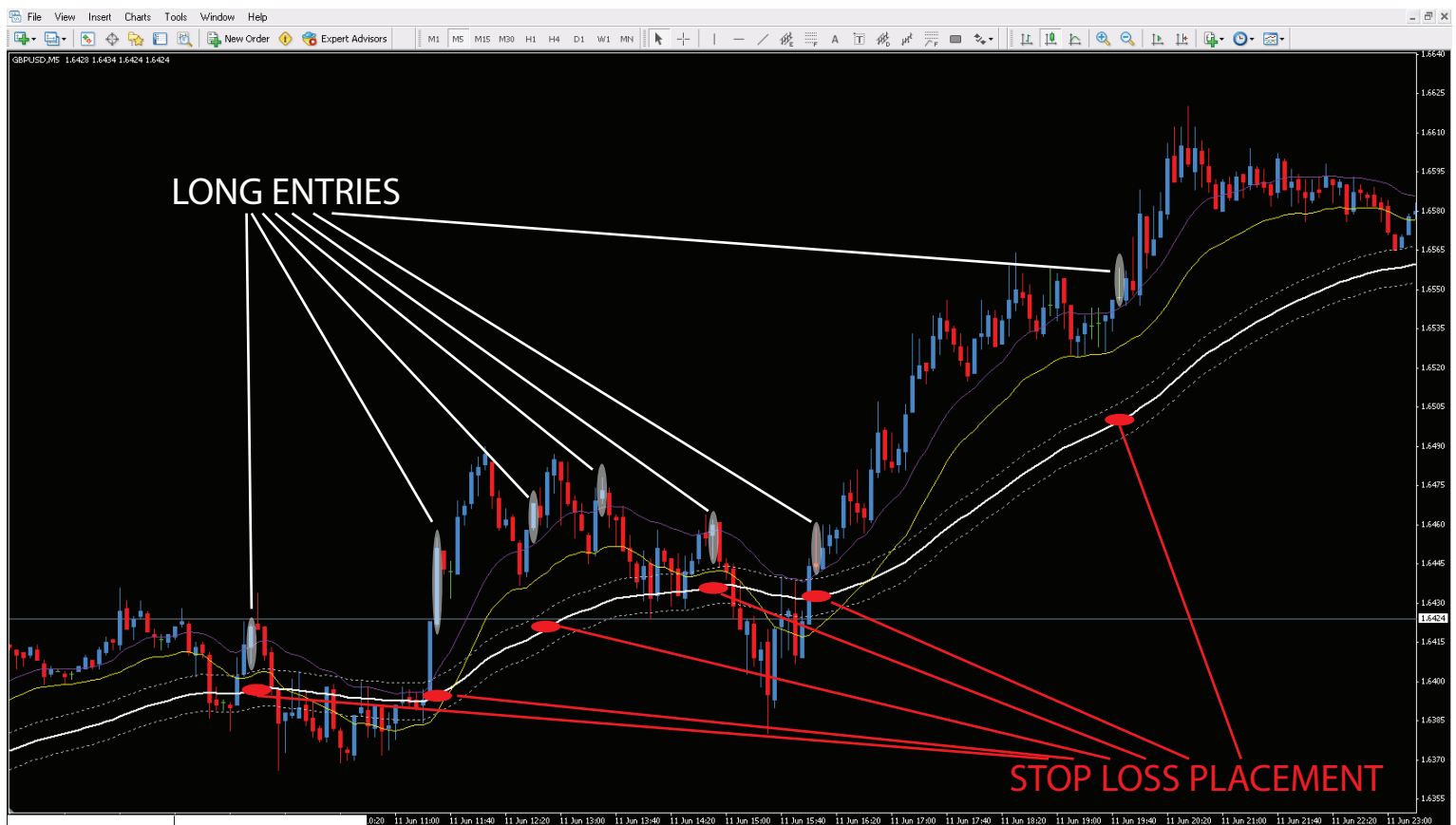
ENTRIES, EXITS, AND SL:

As you might heard already things like: Trade with the trend, money management is the key, consistency is the key, etc, etc, this phrases are all true, so, for any system you learn, please apply all of this things, nearly every system works, what doesn't work is the trader, for any system i think 70% lies on the trader, and 30% on the system

LONG ENTRY:

Enter long if this scenarios occur:

1. If the price was below the 70 EMA, and starts to go up, place a long trade at the first candle that closes above the EMA70 (of course this candle should be above both EMA20s), place your STOPLOSS at the 70 EMA level (if you want to risk small), or place the STOPLOSS at the yellow EMA20 (if you wish to tolerate a little bigger drawdown)
2. If the price is trading above all the EMAS, wait for it to retrace and get into the 20 EMAs range (In between both of them), once the first candle closes above the 20 EMAS range place a long trade, set your SL on the 70 EMA level, and trail it while the price moves in you favor, i usually take between 15 and 50 pips (sometimes more) depending on the market volatility, or when the price touches the Purple EMA 20., if this happens you wait for the price to break the purple again to the upside and go long again. see pic below.



SHORT ENTRY:

Exactly the opposite of the long entry!.

THE WAY I TRADE IT:

The way i do things is as follows, when i place a trade depending on the current situation and volatility, i place 3 trades at 0.10 (one dollar p/pip), and close the first at 15 pips, place the SL on 0 for the other two trades, close the second when it reaches 30, and let the third run until you thing it is reversing or touches the first EMA20, or you are happy with the current profit

P.D.

I Use the 5M and 15M, always trying to look at bigger timeframes to see what's happening on the big picture, draw fibs on bigger timeframes like the 4H and put a pivot point indicator to see where is support or resistance.

TRADE THIS SYSTEM ONLY AFTER 2:00 a.m. NY time