

LOSS RECOVERY TRADER EXPERT ADVISOR



The Forex Cabin

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1) Risk Disclosure /Terms of Use

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For more information read [here](#).

This guide provides information regarding using the Loss Recovery Trader Expert Advisor which is based on the Loss Recovery Algorithm described in the link bellow.

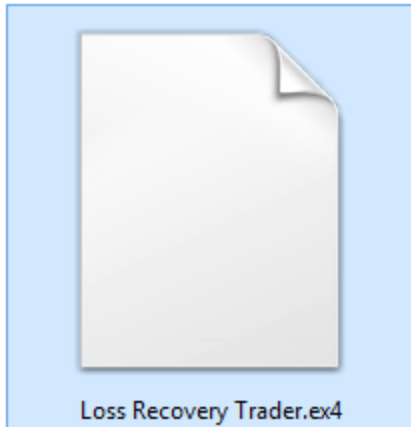
<http://www.theforexcabin.com/loss-recovery-trader/>

Also ensure you understand and agree to the following risk disclosure terms and conditions prior to using this indicator. <http://www.theforexcabin.com/about/risk-disclosureterms/>

If you have any questions ,suggestions or have found any bugs please email info@theforexcabin.com.

2) Installation

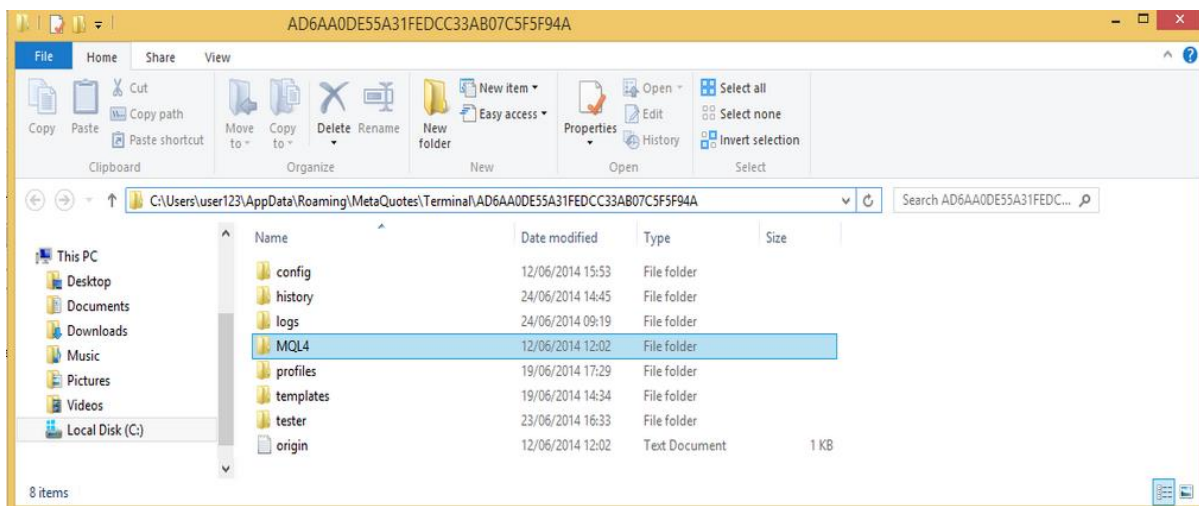
a) Copy Loss Recovery Trader Expert Advisor.



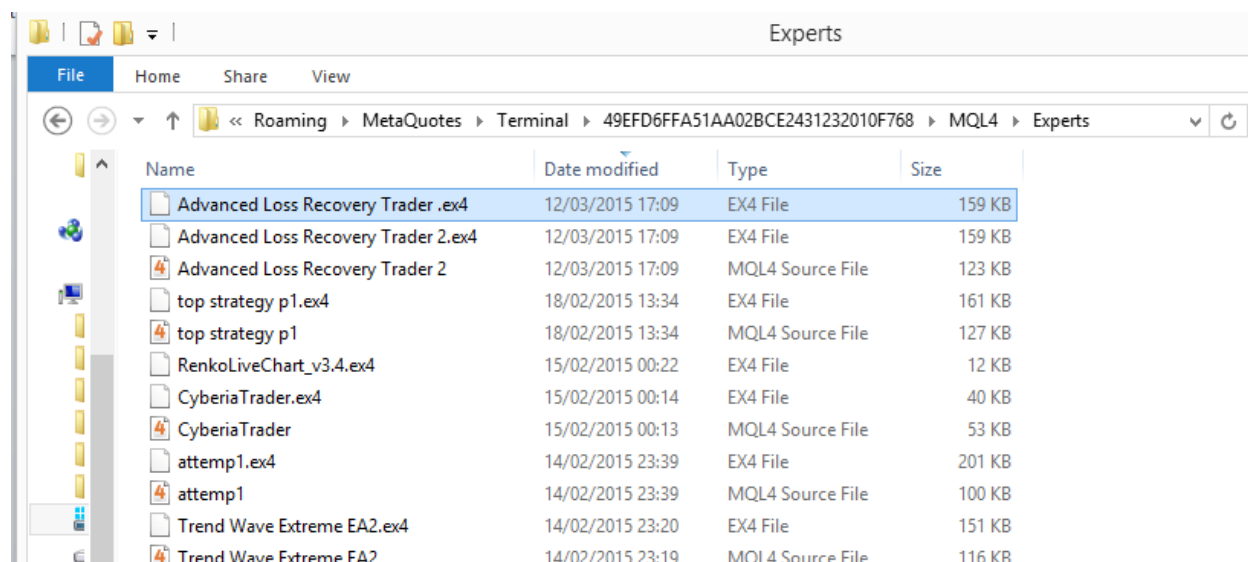
b) Open your MT4 client terminal and go to **File/Open Data Folder**



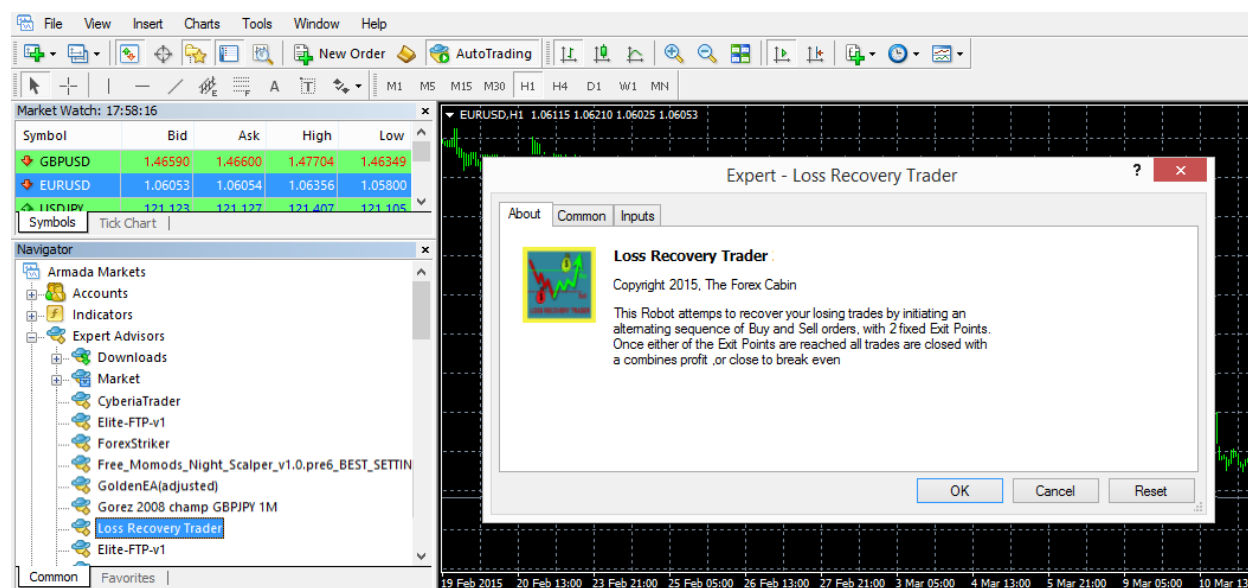
c) Open **MQL4** folder



- d) Open the **Experts** folder and paste Loss Recovery Trader.ex4 there



- e) **Restart** the MT4 platform and go to the **Navigator** window and **locate** the Loss Recovery Trader Expert Advisor from the Experts Tab. **Attach** the Expert Advisor to the symbol you wish to trade.



NOTE : If you have bought this Expert Advisor via MQL5 You need to Login to the MQL5 community via your MT4 terminal and activate the product. To do this ,from your MT4 terminal, go to Tools/Options ,select the community tab. And enter your MQL5 credentials. Then at the bottom of your screen (Terminal Window) select the Market tab go to Purchased and you will find all the products you have purchased. Then click the Activate button. The Robot will now appear under Experts/Market at the Navigation window at the left. Each time you activate the Robot at another PC it counts as 1 out of the 5 available activations. You can skip the remaining parts regarding installation.

3) Understanding the Recovery Algorithm

READ THIS SECTION TO UNDERSTAND THE ALGORITHM BASED ON WHICH THE EA WORKS

The main use of this expert advisor is not to initiate trades but instead to recover trades that have been determined to have become losing trades. Though some version of this expert advisor may include a strategy for initiating trades the focus is how to recover trades that have been imitated by the trader or another expert advisor.

3.1) Definitions

The following is a list of key definitions whose parameters are vital when using the Recovery Algorithm. It is important to understand them for risk management purposes as they determine the future lot sizes .

Start Lot: This is the Lot Size of the first trade being initiated.

Initial Trade: The first trade being initiated. Depending on the outcome of this trade (Loosing or Profitable) it will be determined if the recovery algorithm will be initiated.

Profitable Trade: The initial trade has been determined to have become a profitable trade once it reaches its take profit number of pips prior to sustaining a number of losing pips (both determined by the user). The trade is then closed instantly.

Losing Trade: The initial trade has been determined to have become a losing trade once the maximum number of losing pips it has sustained has exceed a threshold level determined by the trader. In this case the Recovery Algorithm gets initialized.

Recovery Zone Range Pips: This is the number of pips loss that has to be sustained in order for a new trade to be initiated (or the Recovery Algorithm to be initiated if only the initial trade is open) .

Entry Levels : (Entry Long/Entry Short) These are the Levels where additional prices get initiated . Each trade type will be to the opposite direction of its preceding trade. The Entry Levels (if no slippage takes place) will be two fixed levels with a distance between them equal to the Recovery Zone Range Pips, with one of them being the price at which the Initial Trade took place.

Recovery Zone Exit Pips: This is the number of pips that need to be gained by the last opened trade in order for the recovery to be completed.

Exit Levels (Exit Long/Exit Short) these are the Levels where all the trades close and the recovery algorithm is completed.

Exit to Entry Ratio: This is the ratio you get by dividing the Recovery Zone Exit Pips by the Recovery Zone Range Pips. The greater this ratio is it means the last trade needs to win more pips in order for the recovery to be completed. Hence increasing this ratio will reduce future lot size but will likely increase the number of trades required for the recovery to be completed.

3.2) How does the Recovery Algorithm work

The Recovery Algorithm will commence only if the Initial Trade becomes a losing trade. In case the initial trade is a profitable one, or has been closed by the trader there is no need for the algorithm to be initiated.

Let's assume that the initial trade was a 1 lot buy trade with Recovery Zone Range Pips is 50 and Recovery Zone Exit Pips is 150 pips. The take profit for this trade was 150 pips.

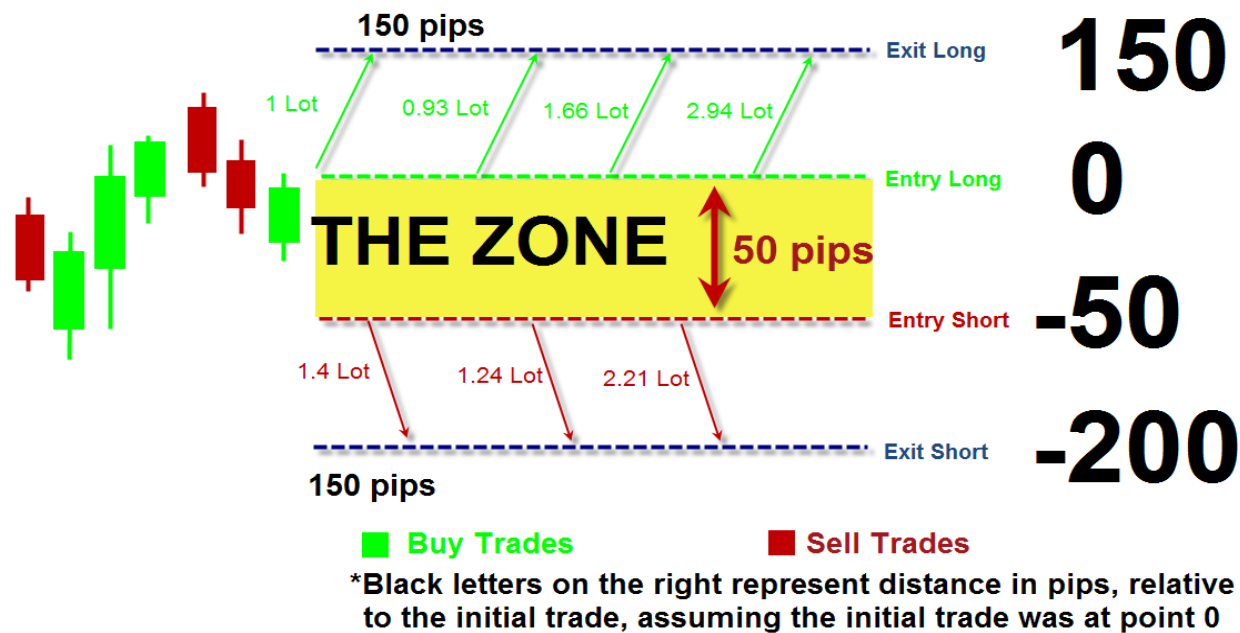
Note: In this case the Take Profit is the same as the Recovery Zone Exit Pips for simplicity and illustration purposes. You can set this Take Profit to a different price (Lower or Higher)

The initial trade takes places at the Entry Buy Level (Reference Point 0)

Scenario 1: Profitable trade. The initial trade reaches the Take Profit (Reference Point 150) prior to losing Recovery Zone Range Pips (Reference Point -50) and closes with profit.

Scenario 2: Losing trade. The initial trade loses Recovery Zone Range Pips (Reference Point -50)) prior to reaching the Take Profit (Reference Point 150) . The Recovery Algorithm gets initiated.

The definitions and Recovery Algorithm are illustrated in the Recovery Zone Algorithm image bellow. In this example the initial trade is 1 lot, the Recovery Zone Range Pips is 50 pips while the Recovery Zone Exit Pips is 150 pips.



Recovery Zone Algorithm Illustration Image

- A trade to the opposite direction is opened with a different lot size (1.4 Lots Sell. Entry Short Level, Reference Point -50)
- A new exit point is determined for exiting all the trades (150 pips lower the Entry Short level, Reference Point - 200)
- Once the exit point is reached all trades are closed and both trades close in a combined profit or break/even
 - $1.4 \text{ Lot} \times (150 \text{ pips}) - 1 \text{ Lot} \times (-200 \text{ pips}) = 210 \text{ pips} - 200 \text{ pips} = 10 \text{ pips profit}$

- If after the last trade (1.4 Lots Sell) the market moves, once again, against us to the Entry Long Point prior to reaching the Exit Short an additional trade is now opened (0.93 Lots buy at the Entry Long Point) . All trades will close once the Exit Long (Reference Point 150) is reached.
- The algorithm keeps repeating this process of buying and selling, when the market moves against you and closes all the trades together once either of the exit points is reached.

No Hedge Mode Recovery

This recovery mode uses the same principle but without hedging. By which we mean that each time a new Entry point is reached the active trade is replaced by a new trade to the opposite direction with a profit target the nearest Exit Point. The Lot Size that is to be used will be the equivalent Net Lot as if hedging was allowed and all trades were active instead of 1. The Net Effect (Profit, Risk, Exposure) will be the same. The only thing different is the number of active trades (always 1) and Floating Profit.

Example: Here is what happens when Hedge Mode vs No Hedge Mode on EURUSD

Start Lot : 1,

Recovery Zone Range Pips: 50 pips

Recovery Zone Range Exit Pips 150 pips

Trades Opened: 2

| | Hedge Mode | | No Hedge Mode | |
|----------------|------------|---------|---------------|---------|
| | Trade 1 | Trade 2 | Trade 1 | Trade 2 |
| Lot | 1 | 1.4 | 1 | 0.4 |
| Trade Type | Buy | Sell | Buy | Sell |
| Profit in Pips | -200 | 150 | -50 | 150 |
| Profit In USD | -2000 | 2100 | -500 | 600 |
| Net Profit | \$100 | | \$100 | |

| Market Move | Action | Net Exposure | Realised Profit | Active Trades |
|-------------|------------------|---------------|-----------------|---------------|
| Point 0 | Buy 1 Lot | 1 Lot Long | 0 | 1 |
| Point -50 | Sell 1.4 Lot | 0.4 Lot Short | 0 | 2 |
| Point -200 | Close All Trades | | \$100 | 0 |

| Market Move | Action | Net Exposure | Realised Profit | Active Trades |
|-------------|---------------------------------|---------------|-----------------|---------------|
| Point 0 | Buy 1 Lot | 1 Lot Long | 0 | 1 |
| Point -50 | Close Buy 1 Lot Sell 0.4 Lot | 0.4 Lot Short | -\$500 | 1 |
| Point -200 | Close All Trades | | \$100 | 0 |

3.3) Estimating Profit and Risk Management

READ THIS SECTION TO UNDERSTAND HOW TO ESTIMATE AND ADJUST THE RISK YOU ARE TAKING AND YOUR PROFITS

It is important to be aware prior to initiating the recovery algorithm for a losing trade what the future lot sizes will be your floating losses and also what your likely gain/loss will be once the trades have been recovered. The way you set your Recovery Region and the desired profit you wish to achieve to achieve upon completion are the key parameters you would need to adjust.

The 2 factors that you would try to reduce when selecting your settings are the following.

Number of Trades: Though it is not possible to know how many times the market will move up and down, and hence generate more trades, there are ways to reduce the expected number of trades to be opened. This can be achieved by setting the Recovery Zone Range Pips to a number large enough to prevent additional trades being opened and by setting the Recovery Zone Exit Pips to a number small enough to ensure that it can be reached relatively easy prior to an additional trade being added.

Lot Size Increase Rate: Each time a new trade opens your net exposure lots are likely to increase. The Lot Size of the new trade needs to be sufficient enough to cover the losses that will be caused by the opposite trades and generate the desired profit. The key determinant of how fast the future lot sizes will increase depends on the Exit to Entry Ratio(explained in 3.1). A bigger ratio will reduce the Lot Increase Rate as it implies more pips can be won by the profitable trades due the bigger distance between the Entry and Exit level and hence allows for a smaller lot size increase to recover the lot size. The Future Lot Sizes will also increase/decrease depending on how you adjust your profit will be at the end of the recovery algorithm.

Setting Your Recovery Region

Setting the Recovery Region to something tighter will most likely result in a faster recovery ,however could lead to an increased number of trades and lot increase. Vice versa a wider Recovery Region would likely result to less trades and lots (hence less risk) ,however the recovery would last longer as a bigger market move needs to be made to complete the recovery. It is therefore important to experiment to find an optimal combination that is the ideal for you and your account that will reduce both factors. Please note this combination should be different depending on the volatility of the instrument being traded and the way the first trades opens.

Profit Calculation

The profit that you will achieve at the end of each Recovery cycle depends on the Start Lot you select as well as the profit calculation method you select.. Clearly these two parameters will increase the future lot size as the profitable trades need to have more weight over the losing trades.

Profit in pips: In this method profit is calculated as the weighted average number of pips that are won across all the trades involved.

Profit in amount: In this method profit is calculated as an exact net amount to be won across all trades being involved.

Note : *The calculations are not entirely accurate and the future lot sizes and resulting profit may vary due to reasons including but not limited to the following. Increased spread, slippage , swap, rounding errors . The MT4 terminal lot sizes is limited to two decimal places hence the lot size calculations are rounded to 2 decimal places. Therefore this reduces the accuracy of the calculation that can result sometimes in the resulting profits being above or below the amount set. Also this can have limitation when your starting lot size is small(less than 0.10) causing several subsequent trades to be of equal lot or increasing risk.*

3.4) The Loss Recovery Trader Excel Calculator

The Loss Recovery Trader calculator is an excel file where you input some parameters and you can see what the future lot sizes and profits will be. It is assumed that the account currency is in USD. Use it to experiment so you are aware of the risks of your settings.

LOSS RECOVERY TRADER CALCULATOR

| | | | |
|---------------------------|--------|---------------------|-----------------------------------|
| Start Trade | Buy | Margin (USD) | 1334 |
| Start Lots | 0.05 | | |
| Profit Calculation Mode | AMOUNT | Exit to Entry Ratio | 3.00 |
| Profit in pips | 10 | | |
| Profit in amount (USD) | 30 | | |
| Recovery Zone Exit Pips | 150 | | |
| Recovery Zone Range Pips | 50 | Location | -200 |
| Max Trades | 15 | | |
| Spread | 0.6 | | Enter a value between -200 and 50 |
| Value Per Pip (USD/1 lot) | 10 | | |
| Leverage | 500 | | |

Summary at Closing

| | Lots | Profit Pips | Profit x Pips | Profit (USD) |
|--------|-------|-------------|---------------|--------------|
| Buy | 6.67 | 150 | 1000.5 | 10005.00 |
| Sell | 4.95 | -200 | -990 | -9900.00 |
| Spread | 11.62 | -0.6 | -6.972 | -69.72 |
| Net | 1.72 | | 70.56 | 35.28 |

| Trade No | Trade Size | Trade Type | Net Buy | Net Sell | Net Lots | Total Lots |
|----------|------------|------------|---------|----------|----------|------------|
| 1 | 0.05 | Buy | 0.05 | 0.00 | 0.05 | 0.05 |
| 2 | 0.09 | Sell | 0.05 | 0.09 | 0.04 | 0.14 |
| 3 | 0.09 | Buy | 0.14 | 0.09 | 0.05 | 0.23 |
| 4 | 0.12 | Sell | 0.14 | 0.21 | 0.07 | 0.35 |
| 5 | 0.16 | Buy | 0.3 | 0.21 | 0.09 | 0.51 |
| 6 | 0.21 | Sell | 0.3 | 0.42 | 0.12 | 0.72 |
| 7 | 0.28 | Buy | 0.58 | 0.42 | 0.16 | 1 |
| 8 | 0.38 | Sell | 0.58 | 0.80 | 0.22 | 1.38 |
| 9 | 0.51 | Buy | 1.09 | 0.80 | 0.29 | 1.89 |
| 10 | 0.68 | Sell | 1.09 | 1.48 | 0.39 | 2.57 |
| 11 | 0.92 | Buy | 2.01 | 1.48 | 0.53 | 3.49 |
| 12 | 1.24 | Sell | 2.01 | 2.72 | 0.71 | 4.73 |
| 13 | 1.66 | Buy | 3.67 | 2.72 | 0.95 | 6.39 |
| 14 | 2.23 | Sell | 3.67 | 4.95 | 1.28 | 8.62 |
| 15 | 3.00 | Buy | 6.67 | 4.95 | 1.72 | 11.62 |

Summary at Location

| | Lots | Profit Pips | Profit x Pips | Profit (USD) |
|--------|-------|-------------|---------------|--------------|
| Buy | 6.67 | -200 | -1334 | -13340 |
| Sell | 4.95 | 150 | 742.5 | 7425 |
| Spread | 11.62 | -0.6 | -6.972 | -69.72 |
| Net | 1.72 | | -11969.44 | -5984.72 |

Loss Recovery Calculator Snapshot

The cells that can be modified by the user are the ones that have a **yellow fill color**. You only need to modify this cells and you will get the information regarding future lot sizes, exposure, margin required and profits at the exit points and at specific locations. If you move your mouse cursor over cells with a red triangle at the upper red corner you will see a comment giving explanation.

Profit Calculation Mode
Profit in pips
Profit in amount (USD)
Recovery Zone Exit Pips

4) Using the Expert Advisor

READ THIS SECTION TO UNDERSTAND HOW TO USE THE EA WITH YOUR MT4

This section is aimed to give you some information regarding using the EA and its features and settings. The Loss Recovery Expert Advisor needs to be placed at the chart of the symbol that you wish to trade.

The EA has numbers 1,2,3... etc. relating to settings related sections you can adjust.

General Settings: These settings appear at the top for quick access

Kill All Now: Closes all trades and pending orders. Set it back to false to use the EA again.

Orders Comment: The comment that is displayed on the trades.

Magic: Magic number used by the EA. A unique identification number the EA assigns on its trades so it can identify them later.

4.1) Select Your Initial Trade Placement Method

This is where you decide how you wish the first trade to open and adjust some of its settings

As mentioned this EA main purpose is to recover losing trades. Therefore an initial trade needs to be active. Here are a couple of methods to initiate the first trade. This initial trade will determine everything.

| Variable | Value |
|-------------------------------|---|
| Initial_Trade | ===== 1. SELECT YOUR INITIAL TRADE PLACEMENT METHOD ===== |
| FirstTradeMode | External_EA_Trade |
| Strategy_Type1_Settings | External_Manual_Trade |
| MovingAveragePeriod | External_EA_Trade |
| MovingAverageMethod | Strategy_Type_1_Moving_Average |
| MA_Close_Trades_Before_TP | Strategy_Type_2_Bollinger_Bands |
| Strategy2 | Strategy_Type_3_Trend_Extreme |
| Ma_Period | Double_Trader |
| Deviations | Instant_Buy |
| BBands_Close_Trades_Before_TP | Instant_Sell |
| | Buy_Stop |
| | Sell_Stop |
| | Buy_Limit |
| | Sell_Limit |

The **FistTradeMode** option presents you the following options regarding how the first trade opens.

- External Manual Trade : The first trade gets opened by an external manual trade
- External EA Trade : The first trade gets opened by an external EA
- Moving Average: A Moving Average strategy is applied for opening the first trade
- Bollinger Bands: A Bollinger Bands reversal strategy is applied for opening the first trade
- Trend Extreme/Double Trader(Premium) : Check section 8 of the PDF.
- The other selections will open immediately one instant trade of the selected type directly through the EA.

Using an External EA : Under this method the Loss Recovery EA will automatically take control of trades opened by an external EA

1. Place both the Loss Recovery Trader EA and the External EA on separate charts of the instrument to be traded.
2. Select **External EA Trade** under FistTradeMode
3. Ensure that both EAs are using the same **Magic Number**
4. The external EA should not open more than one trades (for the symbol and magic number combination) unless the Grid Mode is enabled

5. The external EA should not close trades once the recovery algorithm begins
6. Take Profit/Stop Loss/Trailing stop should be handled by the Loss Recovery Trader and not by the external EA
Once the trade by the EA has been initiated the Loss Recovery EA will read the trade, initiate the lot calculations and take over the trade if the Recovery Algorithm begins.
7. If you cannot ensure 4,5,6 read the option on how to disable the external ea.

Using an External Manual Trade Under this method the Loss Recovery EA will automatically take control of trades opened manually.

1. Place the Loss Recovery Trader EA on the instrument to be traded.
2. Select **External Manual Trade** under **FistTradeMode**
3. **DO NOT OPEN MORE THAN ONE TRADES ON THE SAME INSTRUMENT** unless you are applying a grid method.
4. Open the trade manually directly through the MT4.

Note: You can open several pending orders (Stop/Limit) and once the first trade (Buy/Sell) has been triggered or opened, all other pendings will be deleted.

Using a pre-existing open trade :

Please note that it is possible to apply the Recovery Algorithm to a trade that is already active. Simply determine if the trade was opened manually or using an external EA and apply the relevant steps described above. It does not matter if the Steps have been applied after the trade was initiated.

Directly through this EA : In case you want to place more than one manual trades on the same instrument you can place trade with this method.

1. Place the Loss Recovery Trader EA on the chart of the symbol you wish to trade.
2. Select under **FistTradeMode** the type of trade to be placed.
3. If you select a Pending Order (Buy_Stop/Sell_Stop/Buy_Limit/Sell_Limit) you can enter the entry price in the **PendingEntryPrice** option.
4. If you already have manual trades on this instrument change the magic number to another one.
5. In order for a new trade to be place the EA need to be removed and repeat these steps.
The EA will immediately place this trade and assign a magic number and comment to it.

Using the EA Full Auto based on its internal strategies :

Please read section 8: Entry Strategies to read more information about the way the internal strategies open

4.2) Set Your Recovery Region

This is where you decide when the recovery algorithm opens new trades and the recovery is complete. Note that this is the selection that mainly determines the risk in the EA.

| | |
|------------------------------------|---|
| ab) Recovery_Region_Settings | ===== 2. SET YOUR RECOVERY REGION ===== |
| 1a) RecoveryZoneRangePips | 25.0 |
| 1a) RecoveryZoneExitPips | 50.0 |
| change_the_next_range_after_trades | false |
| change_trade_no | 3 |
| newRecoveryZoneRangePips | 50.0 |
| newRecoveryZoneExitPips | 100.0 |

RecoveryZoneRangePips: Pips to be lost in order for an opposite direction trade to be opened

RecoveryZoneExitPips: Pips to be won by the last trade for the recovery to be complete

Change the next range after trades(Premium): This option when enabled will change the recovery zone region used after a given number of trades. The purpose of this is to force a recovery to finish by reducing the region or increase the region to decrease the lots risk in the event recovery was not achieved yet.

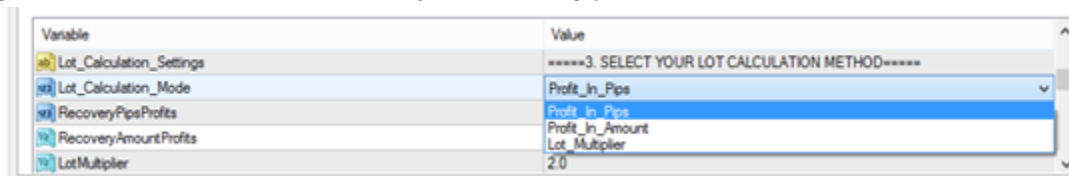
Change trade no: The number of trades after which the Recovery Region is changed.

newRecoveryZoneRangePips: The new Recovery Zone Range that gets applied.

newRecoveryZoneExitPips: The new Recovery Zone Exit Pips that gets applied.

4.3) Select Your Lot /Profit Calculation Method

This is where you decide how the lot calculation of the upcoming trades will be. Depending on your option the subsequent lot size of future trades will adjust accordingly.



The **Lot_Calculation_Mode** option allows you to select the method the lot sizes get calculated

- **Profit In Pips:** The lots are calculated to give a specific Net Average Pips Profit at the end of the recovery.
- **Profit In Amount:** The lots are calculated to give a specific Net Amount at the end of the recovery.
- **Lot Multiplier:** Each trade will be a multiple of the previous trade. (Very High Risk, Not suggested)

Depending on the selection for Lot Calculation Mode you can then adjust the relevant of the 3 options.

RecoveryPipsProfit: If Profit_In_Pips has been selected set the pips to be won

RecoveryAmountProfits: If Profit_In_Amount has been selected set the amount to be won

The above two modes (Profit in Pips/Profit in Amount) do not affect the location the trades will close. This is controlled by Recovery Zone Exit Pips. The higher you set these either of these two options the faster will your lots increase to give a bigger **combined profit** at the end of the recovery.

Example: Recovery Zone Range 50 pips/Recovery Zone Exit Pips 150 pips. Trade A was 1 lot buy, Trade B was 1.4 lot Sell. Instrument is EURUSD.

| Profit in Pips Mode | Profit in Amount Mode |
|--|--|
| Trade A lost 200 net pips (1 x -200) | Trade A lost 2000 USD (1x10x-200) |
| Trade B won 210 net pips (1.4 x 150) | Trade B lost 2100 USD (1.4x10x150) |
| The Recovery Pips Profit is 10 (210-200) | The Recovery Amount Profit is 100USD (2100-2000) |

Therefore a bigger value will increase the subsequent lot size to give bigger profit.

LotMultiplier: If Lot Multiplier has been selected set multiplication factor here

RoundUptheLots: Sometimes if you set a small starting lot (eg 0.01) depending on the Recovery Region you have selected the Lot Calculation may fail to product adequate lot sizes and give zeros. Setting this to true will increase the lot size by 0.01 to avoid this.

4.4) **Set The Initial Trade Settings**

These options will affect ONLY the initial trade. They do not apply once recovery has started. They generally relate to its lot size and how it closes with profit.

| Variable | Value |
|----------------------------|---------------------------------------|
| Initial_Trade_Settings | ===== 4. INITIAL TRADE SETTINGS ===== |
| Lot | 0.1 |
| Auto_Lot | true |
| Lot_Percents | 0.1 |
| Take_Profit | 30.0 |
| Trailing | ===== Trailing Stop ===== |
| Enables Trailing Stop | false |
| Trailing_Stop_Start_Level | 50.0 |
| Trailing_Stop_Distance | 20.0 |
| Protect_Profit | ===== Protect Profit ===== |
| Enables Protect Profit | false |
| Protect_Profit_Start_Level | 20.0 |
| Protect_Profit_Exit_Level | 10.0 |

Lot: Lot size fixed amount

Auto Lot: Start Lot is calculated as % from balance

Lot Percents: When Auto Lot is true

Take Profit: Take Profit in Pips

Note: When using with External Trade/EA you don't have to modify Lot Size. The EA will automatically read the lot size of the active trades

Enable Trailing Stop: Enables Trailing Stop

Trailing Stop Start Level: Pips to be won for the Trailing Stop to be activated

Trailing Stop Distance: Trailing stop step pips

If you are unfamiliar with how a trailing stop works you can learn about it [here](#).

Enable Protect Profit: Ensures a fixed amount of pips is secured

Protect Profit Start Level: Pips to be won for Protect Profit to be activated

Protect Profit Exit Level: Min pips to be secured. After activation once the profits drops to these many pips the trade will close.

4.5) Adjust You Recovery Risk Management

These options will prevent the EA from taking any further risk or staying in the market when certain limits have been reached. **They apply only after the recovery has begun even if grid mode is being active.**

| Variable | Value |
|---------------------------------------|--------------------------------------|
| Risk_Management | ====5. RECOVERY RISK MANAGEMENT ==== |
| Max_Orders | 20 |
| Close_Trades_When_Max_Orders_Exceeded | false |
| Max_Loss_Amount | 0.0 |
| Max_Drawdown_Percent | 0.0 |
| Close_All_at_This_Profit | 0.0 |

Max Orders: Max Orders that can be opened on the specific symbol with that magic number. Once that number is reached not more trades will be opened.

At this point trades ,if not closed manually, will close based on the Risk Management options the user has selected, if the account reaches its exit point or if it runs out of funds.

Close Trades When Max Orders Exceeded: Closes all trades if max number of trades has been reached and the last opened trades sustains a loss equal to the Recovery Zone Range Pips

Max Loss Amount: Closes all trades once the **account's** total open losses reach this amount. Under No-Hedge mode it is based on the accumulated losses of the specific pair.

Max Drawdown Percent: Closes all trades once the **account's** balance based drawdown reaches this percent. It does not apply for no-hedge mode.

Close All at This Profit: Closes all trades once the pair's total open recovery profits reach this amount Under No-Hedge mode it is based on the accumulated profits of the specific pair.

Cooldown minutes(Premium): Delay opening a new trade in minutes since its last closed trade

enable earlier closing: When true same function as Close All at This Profit , but allows to place a different profit after a given number of trades is reached.

earlier closing trades: The number of trades after which the total profit amount is changed to.

earlier closing profit amount: The new total profit amount target.

enable profit trailing(Premium): When set to true it applies a trailing stop based on the floating profits. Can be used to avoid having a recovery that is in profit reversing against you and opening more trades.

profit trailing trade start: The number of trades after which the trailing profit can be used.

profit trailing amount start: Once this profit amount is reached the trailing option gets triggered.

profit trailing amount step: Once the max profit amount made drops by that much trades will close.

Multi Currency Risk Management (Premium)

| | | |
|-----|---------------------------------------|--|
| ab | Multi_Currency_Risk_Management | ===== Multi_Currency_Risk_Management ===== |
| | Enable_Multi_Currency_Risk_Management | true |
| 123 | Max_Pairs | 5 |
| 123 | Max_Trades_For_Signle_Currency | 7 |
| 1/2 | Max_Exposure_For_Signle_Currency | 1.4 |
| 1/2 | Max_Floating_Loss | -300.0 |

Enable_Multi_Currency_Risk_Management: Once set to true this option will prevent new First Trades from opening if certain limits on the whole trading account are reached. This is to allow existing recoveries to finish prior to starting new trades.

Max Pairs: Max number of different pairs (with specific magic number) that can have active trades

Max Trades For Signle Currency: The max number of active trades in a single symbol.

Max Exposure For Signle Currency : The max number of net lots active in a single symbol.

Max Floating Loss: Biggest negative floating loss (enter value in negative).

Once No-Hedge Mode is used the risk parameters will be calculated based on the active trades

| |
|------------------------------|
| ===== Limits ===== |
| Active Pairs: 3 / 5 |
| Biggest Cycle: 4 / 7 |
| Biggest Exposure: 0.54 / 1.4 |
| Account Profit: -7.70 / -300 |

The EA will also display the limits on all the charts it is applied on.

4.6) Advanced Settings

If you have adjusted steps 1 to 5 then you are good to go. The rest of the settings are for advanced users or for users that want to use a specific feature.

| | | |
|-----|---------------------------|------------------------------|
| ab | Advanced | =====ADVANCED SETTINGS ===== |
| | SafetyPlacing | true |
| | AllowHedging | true |
| | Slippage_Mode | false |
| | Hide_the_Exit_Points | true |
| | Trail_the_Exit_Point | true |
| 123 | Exit_Point_Trail_Start | 1 |
| 123 | Exit_Point_Trail_Step | 1 |
| 1/2 | Fixed_Spread_Pips | 0.0 |
| 1/2 | Commission_per_Lot_Amount | 0.0 |
| | Use_Spread_Filter | false |
| 1/2 | Max_Spread | 5.0 |
| | use_zone_as_external_sl | false |
| 1/2 | recovery_zone_multiplier | 2.0 |

SafetyPlacing: Forces an instant trade to be placed in the event that a stop trade was not placed. If you experience a trade getting placed twice, put this option to False.

AllowHedging: Can be set to False for clients whose broker does not allow hedging. Check section 3.2 No Hedge Mode Recovery. Some options may not work when false.

Slippage Mode: If trades suffer slippage, this slippage it is added to the Recovery Zone Exit Pips. In this way the trades need to win more pips to cover the slippage sustained.

Hide the Exit Points: Recovery Trades will close with instant trades instead of TP/SL.

Trail the Exit Point*: The points where recovery trades close will be trailed to make more gains

Exit Point Trail Start: Additional Recovery pips to be won for the trail to activate

Exit Point Trail Step: Step pips for exiting the trail

Note*: When trailing the exit points both the Losing and Profitable trades get trailed. Also the trades will close with instant orders instead of TP/SL .

Fixed Spread Pips:** Spread to be used by the EA.

Commission per Lot Amount:** How much commission per lot the broker charges for that instrument.

Use Spread Filter: Avoids taking trades when spread is too high. Only applies to first trade.

Max Spread: Max acceptable spread.

Note:** When left to zero, the current Commission and Spread will be calculated and used by the EA.

The EA will be calculating what the next trades' lot size will be based on the new spread at that moment. Therefore the lots can sometimes increase rapidly due to a big temporary spread. Setting the spread as Fixed ,it will always assume that specific spread and avoid that.

Use Zone as External Sl: When set to True this feature will read how many pips the Stop Loss of the initial external trade was, remove the stop loss and use that number as the Recovery Zone Range. (Not valid for Grid Mode or when Hedge Mode is 'false').

Recovery Zone Multiplier: How many times bigger than the Recovery Zone Range Pips the Recovery Zone Exit Pips will be.

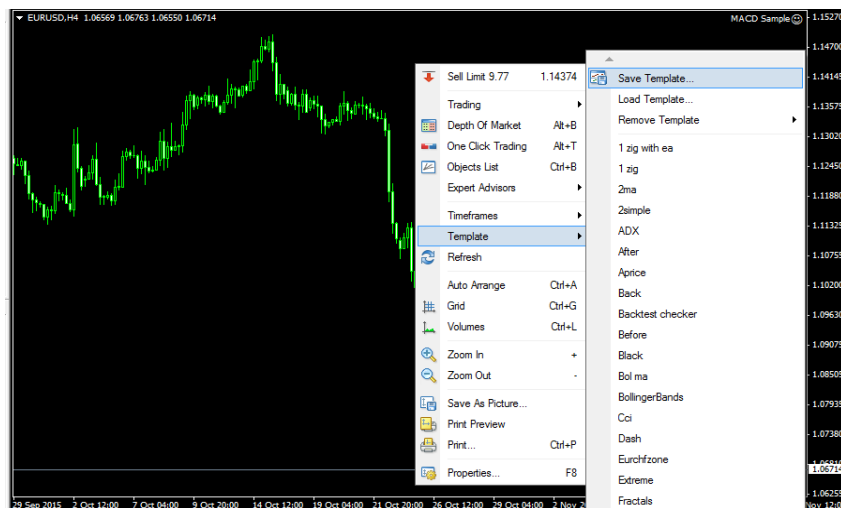
4.7)Disabling External EA

This option allows disabling the operations of the External EA once the recovery has started to prevent any conflicts between them.

a. Save the templates

You would need to create 2 templates of the chart where the External EA is running. A template is simply a saved form of a chart with various items (Indicators/Robots/Labels, etc.) that you can load at any time.

To save a template you simply add everything you want in the chart right click



Open a chart of the instrument you wish to trade

Save a template for that chart as it is and give it a name eg "after" .

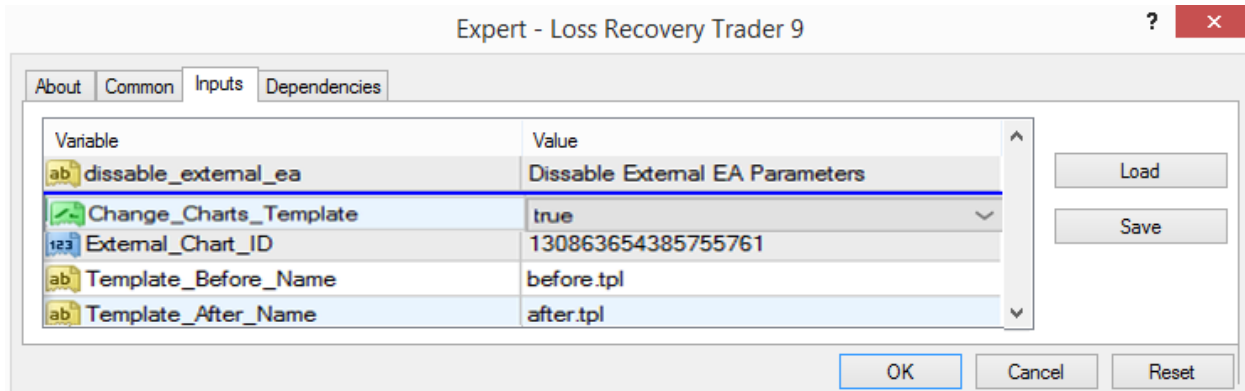
Attach the External EA on that chart with how you want it to run and save as a template for it with a given name eg "before" .

b. Get the Chart ID

You need to identify the chart ID where the external EA is running.

[This link downloads the script](#) "get_chart_id", which you need to install in the script folder will give you the chart id of the other chart once you put it on a chart.

c. Adjust the Settings



Change Chart Template: Set to True to enable this feature

External Chart ID: the ID of the chart where the other EA runs (given to you by the script)

Template Before Name: the name of the template where the external EA is active

Template After Name: the name of the template where the external EA is inactive

Once the Recovery begins the After template is applied and the External EA gets removed. Once 0 trades are active the Before template is applied and it becomes active again.

4.8) Grid Settings

It is possible to have the EA open multiple trades *in the same direction* (Apply Grid) prior to having the recovery start. This can be done to give the initial trade more chance of ending up in profit and prevent the recovery starting. Similarly you can link the Loss Recovery EA with another external EA or manual trade that has opened multiple trades in the same direction.

The average open price of all the grid trades will be calculated for profit closing and the last opened price will be used as the basis level of the Recovery Zone Range placing stop orders.

| Variable | Value |
|---------------------------------|---------------------------|
| Grid | ===== GRID SETTINGS ===== |
| EnableGrid | false |
| GridGap | 40 |
| GridAdditionalTrades | 2 |
| GridMultiplier | 1.0 |
| GridTP | 20 |
| External_Trade_Number_of_Trades | 1 |

EnableGrid: Enables Grid Trades (Does not apply when Hedging is not allowed)

GridGap: After how many losing pips a new grid trade opens

GridAdditionalTrades: Additional Grid to the initial trade that can be opened

GridMultiplier: How bigger each trade will be relative to its previous trade

GridTP: Combined Take Profit in pips. It is calculated based on the average opened price.

External Trade Number of Trades: If you are using with an External EA/Manual Trade that opens more than 1 trade you can specify here after which trade number the Loss Recovery Trader begins to work.

4.9) **Time Filter Settings**

These settings will apply time restrictions on when **the first trade** open and allow closing **all trades** on Fridays.

The time used is the time your broker uses. Once the first trade has applied the time opening restrictions do not apply.

| Variable | Value |
|------------------------|-------------------------|
| TimeFilters | ===== TIME FILTER ===== |
| Use_Time_Zone_1 | false |
| Time_Zone_1_Start | 08:00 |
| Time_Zone_1_End | 12:00 |
| Use_Time_Zone_2 | false |
| Time_Zone_2_Start | 14:00 |
| Time_Zone_2_End | 16:00 |
| Trade_Fridays | true |
| Close_Trades_on_Friday | false |
| Friday_Close_Time | 22:30 |

Use Time Zone 1: Enables First Time Zone Restriction

Time Zone 1 Start: First Time Zone start time

Time Zone 1 End: Time Zone end time

Use Time Zone 2: Enables second Time Zone Restriction

Time Zone 2 Start: Second Time Zone start time

Time Zone 2 End: Second Time Zone end time

Trade Fridays: Enables trading on Fridays

Close Trades on Friday: Enables closing of all trades on Friday

Friday Close Time: Close on Friday time

Leaving trades open during the weekend carries a risk of a gap which could cause slippage. It is up to the individual trader to decide to close active trades with a loss or take the risk of leaving open during the weekend. However it is a good idea to avoid opening new trades on Friday to avoid this dilemma.

These settings will apply time restrictions on when **the first trade** open and allow closing **all trades** on Fridays.

The time used is the time your broker uses. Once the first trade has applied the time opening restrictions do not apply.

5) Backtesting

Backtesting this EA to see its performance may not be entirely accurate as you cannot initiate trades using External EA or External Trade under backtest. **Unless your entry strategy is part of the EA First Trade Mode**, it does not make sense to judge the performance of the EA based on the backtest. If is not then you can use it to

- See in visual mode how the recovery algorithm works
- Experiment with different recovery zone parameters and symbols to see how many trades can be opened and the exposure that can be reached.

The premium version features the following options for analysing the backtest results

| | |
|--------------------------|-----------------------------------|
| Backstst_Reporting | =====10. BACKTEST REPORTING ===== |
| Show_BackTest_Stats | true |
| Show_Trade_Distribution | true |
| Generate_BackTest_Report | true |

In order to be able to use these features you need to first put the EA once on a real time chart of any symbol so it can be verified that is a bought version (and not demo). Repeat the process any time you will use the EA on a new account.

Show Backtest Statistics: This option displays information on the chart while backtesting

```
===== Backtest Statistics =====
                Biggest Cycle: 9
                Biggest Exposure: 1.51
                Total Profit: 818.11 (8.18%)
                Biggest Floating Loss: -122.77 (1.19%)
```

showing the biggest trade cycle , biggest exposure, total profit (with percentage return) and the biggest floating loss (with max drawdown percent). You can change your backtest/Recovery settings and see how these results change. Your aim is to reduce the Biggest Cycle/Exposure and Floating Loss while increasing the Total Profit.

Show Trade Distribution: This option displays on the chart the distribution of the recovery cycles. Rather than simply judging a backtest by only the above statistics it may be important to see how many times your settings were successful under fewer trades and if the Biggest Cycle was caused one 1 rare occasion or is more frequent. The aim is to find a setup that reduces the frequency and expected number of Recovery Cycle trades.

```
===== Trade Distribution =====
                Total Cycles: 135
Expected Number of Trades per Cycle: 2.71
                1:14 (10.37%)
                2:82 (60.74%)
                3:16 (11.85%)
                4:7 (5.19%)
                5:4 (2.96%)
                6:5 (3.70%)
                7:1 (0.74%)
                8:2 (1.48%)
                9:3 (2.22%)
                10:0 (0.00%)
```

Generate Backtest Report: This option will generate an html file with information of the backtest. The file will be located at the Tester/Files folder having the name Loss Recovery Trader plus the Symbol Name and Timeframe. Existing files will be replaced when a new backtest is performed so you should copy them to avoid losing them if you want. To access the report on your MT4 terminal go to File ,Open Data Folder and then Tester/Files .

LOSS RECOVERY TRADER REPORT(EURUSDH1)

=====SETTINGS=====

Entry Strategy :5
Recovery Zone Range Pips : 40
Recovery Zone Exit Pips : 90
Take Profit Pips : 45

=====RESULTS=====

Start Equity= 10000.00
End Equity= 27449.98
Total Profit: 23802.78 (238.03%)
Max Drawdown: -494.00 (3.42%)
Biggest Cycle: 13
Biggest Exposure: 8.61

=====TRADE DISTRIBUTION=====

Total Cycles: 572
Expected Number of Trades per Cycle: 2.62
1 : 63 (11.01%)
2 : 365 (63.81%)
3 : 50 (8.74%)
4 : 31 (5.42%)
5 : 21 (3.67%)
6 : 14 (2.45%)
7 : 9 (1.57%)
8 : 6 (1.05%)
9 : 7 (1.22%)
10 : 3 (0.52%)

6) No Hedge Mode

If you are using a broker where hedging is not allowed then you need to set to True the No Hedge Option. It is important to read this section so you are aware how the EA operates under this mode and how to terminate the Recovery Mode under this method.

Under this mode each time only one trade will be active.

Whenever a trade is placed it will have as **Take Profit** the **Recovery Zone Exit Pips** (assuming is not the initial trade) and as **Stop Loss** the **Recovery Zone Range Pips**.

Whenever the Stop Loss is reached a new trade will open to the opposite direction. Whenever the Take Profit is reached the Expert Advisor will understand that the recovery process has been completed and hence no new trades will open.

Whenever a trade is closed prior to reaching the Stop Loss/Take Profit (eg manually or through another EA) the EA will check if was closed with a Loss or Profit. If the trade was closed with a Loss then the EA will continue the recovery and will then open a trade to the opposite direction. This way you get to start the recovery and change the direction of the recovery faster than waiting for it to reach the Stop Loss. In case the trade was closed with a profit then the EA will assume that the recovery has finished and won't open any new trades.

Terminating the recovery process (very important): Under the No Hedge Mode the EA will read the previously closed trades , to determine if a new trade is needed. Therefore if you wish to terminate the recovery process and prevent the EA from opening new trades then you need to set to True the option “Kill_All_Now”. And of course set the option to False, prior to using the EA again. What this option do is to close the active trade (if there is one) and place and immediately delete a Stop order at level 99999999. This trade is used as a label to tell the EA that the recovery process is over. Whenever the EA sees that the last trade was a deleted stop order at level 99999999 it will understand that and no more recovery trades will be placed.

Please note that under this mode the Grid mode cannot be used. In addition the Risk Management principles will be applied based on the net profits and numbers of the closed and active trades. The Max Drawdown option cannot be used though and you should use the Max Loss instead.

7) Information and Graphics

Several information and Graphics are displayed on the chart.

| | |
|----------------------------|---|
| ab Display | ===== DISPLAY ===== |
| Show_Comments | true |
| Text Color | <input type="checkbox"/> White |
| Text Font Size | 8 |
| Anchor Corner | 0 |
| Offset From corner, pixels | 10 |
| Space Between Rows, pixels | 17 |
| DrawRecoveryRegion | true |
| EntryPointsColor | <input checked="" type="checkbox"/> Green |
| ExitPointsColor | <input checked="" type="checkbox"/> Red |
| GridAveragePriceColor | <input checked="" type="checkbox"/> Blue |

You can adjust the settings shown in the picture above regarding what information to be displayed, their colors , size, space and location (**Anchor Corner**)

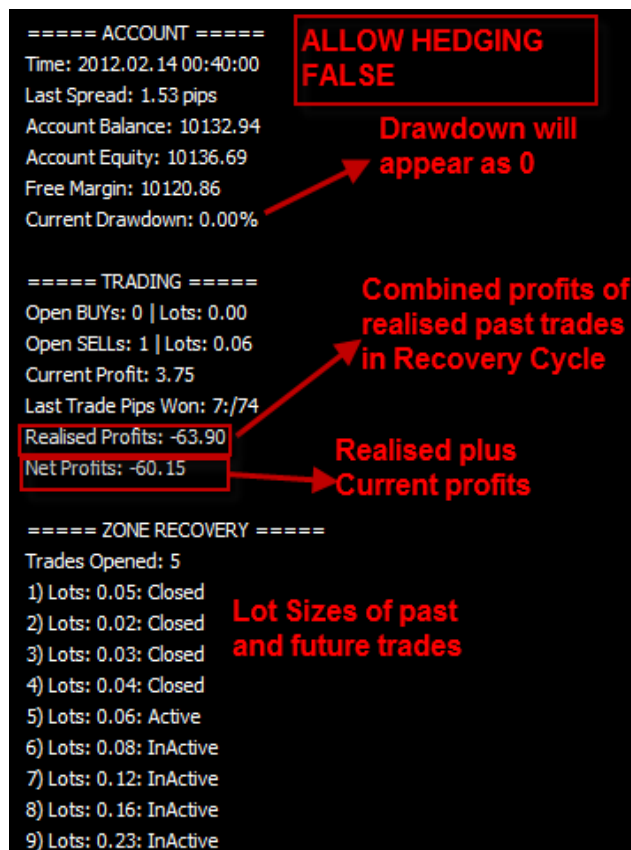
Statistics

The **Last Trade Pips Won** will display how many pips your last open trade is winning followed by the max pips it has won. You can use this as reference to know how close to the recovery ending you are/were.

When **Grid Mode** is active the **Average Entry Price** of the Grid Trades will be displayed followed by the **Average and Max Pips** have been won by the grid trades from the Average Entry Price . If recovery has started the Average Pips won turns to zero.

The lot sizes of the current and future trades are shown. Lots shows the actual lot size, Total shows the combined total buy plus sell lots, Net shows the overall Net Exposure followed by an indication if that trade is active or not. You can use this information to be aware of the risk you will be taking as more trades will be open

| | |
|--|--|
| ===== ACCOUNT ===== | |
| Time: 2012.01.26 09:25:00 | |
| Last Spread: 1.53 pips | |
| Account Balance: 10157.61 | |
| Account Equity: 10109.86 | |
| Free Margin: 10104.64 | |
| Current Drawdown: 0.47% | |
| ===== TRADING ===== | |
| Open BUYS: 2 Lots: 0.15 | |
| Open SELLS: 2 Lots: 0.13 | |
| Current Profit: -47.75 | |
| Last Trade Pips Won: 72;/80 | |
| Average Entry: 1.28547 | |
| Average Pips Won: -12;/6 | |
| ===== ZONE RECOVERY ===== | |
| Trades Opened: 4 | |
| 1) Lots: 0.05 /Total: 0.05 /Net: 0.05 : Active | |
| 2) Lots: 0.08 /Total: 0.13 /Net: 0.03 : Active | |
| 3) Lots: 0.08 /Total: 0.21 /Net: 0.04 : Active | |
| 4) Lots: 0.07 /Total: 0.28 /Net: 0.06 : Active | |
| 5) Lots: 0.14 /Total: 0.42 /Net: 0.08 : InActive | |
| 6) Lots: 0.19 /Total: 0.61 /Net: 0.11 : InActive | |
| 7) Lots: 0.27 /Total: 0.88 /Net: 0.16 : InActive | |



No Hedge Mode

If hedging is not allowed there is a variation in how some information is

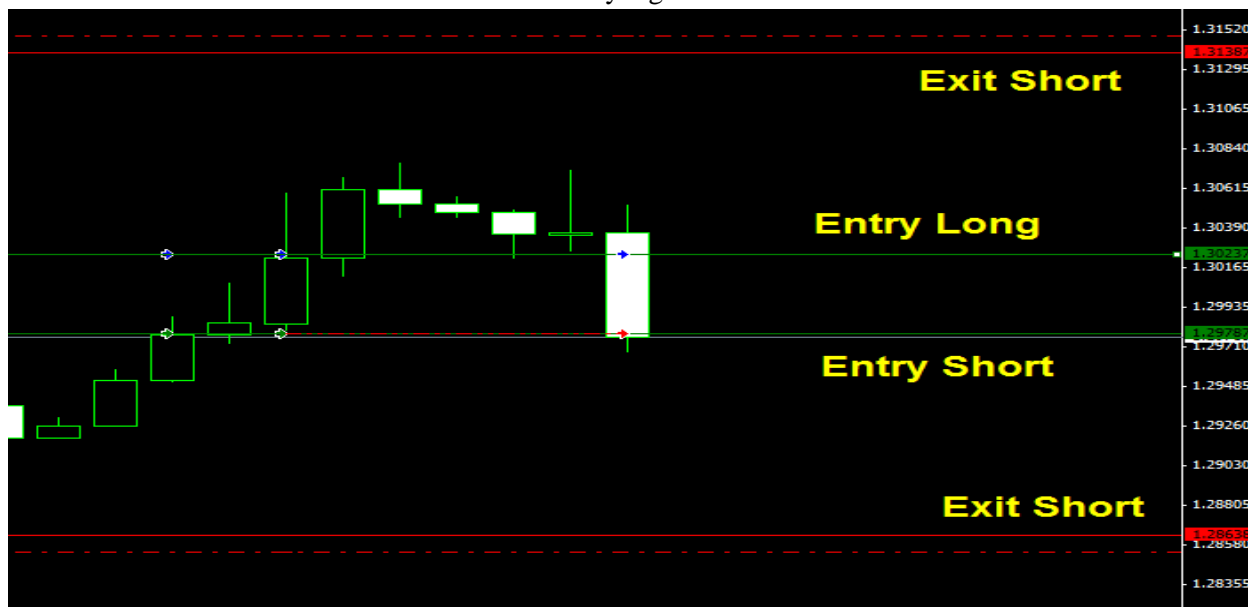
The Current Drawdown cannot be calculated and hence it will always appear as 0.

The **Realised Profits** of all the trades involved in the current recovery cycle will be displayed followed by the **Net Profits**. This figure will display how much you have overall won or lost in the current cycle.

The Lot size will only display what the Lot Size of the trade will be as only 1 trade can be active each time. It will also display if a specific trade has been opened, closed or is the active one.

Graphics

This is how the chart will look like whenever the recovery algorithm has commenced.



Main Snapshot Illustration of the EA Graphics

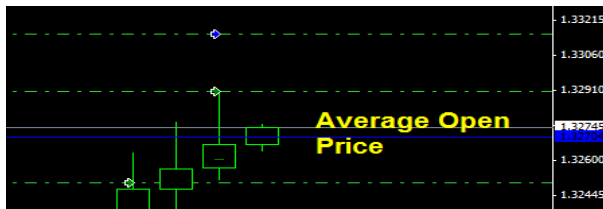
Assuming the user is using the default color scheme.

The two **Green** lines display the places where trades are initiated.

The two **Red** lines display an estimate where the Exit Points are where trades close.

Please note that the Exit Point lines are just graphics and due to the Bid-Ask spread sometimes the trade may remain open when the market reaches this price.

You will notice another **red dotted line** above and beyond each exit line. Those are the stop levels of the trade which will be in the losing side and due to the Bid-Ask spread it is above or below the Exit Point line. Do not worry about it however. Once either trade reaches its exit point the remaining trades will close with instant trades.



If you have Grid Mode Active a **Blue** line will display the Average Open Price of the active trade. If recovery begins it will be replaced by the **Green** Entry level price.

Other options such as Double Trader/Trend Extreme Entry Strategies ,Multi Risk Management Settings ,Backtest Statistics ,etc. will produce additional information on the chart.

8) Entry Strategies

This section provides some information regarding the entry strategies that can be used to enter the first trade. The option you select under **First Trade Mode** determines how the first trade gets opened.

Once a trade has not entered recovery mode the trade opening and closing is controlled by the settings , First Trade Mode, Take Profit, Trailing Stop, Protect Profit as well as the relevant setting of the entry strategy.

(If grid mode is used the grid settings will take over prior to recovery). Once recovery has started the above settings are no longer used as the recovery settings take over.

External Manual Trade will link the Loss Recovery EA with trades that you have opened manually , External EA Trade will link it with trades opened by another EA while the options Instant Buy/Instant Sell/Buy Limit/Sell Limit/Buy Stop/Sell Stop will simply place a trade of that specific type selected once (You would need to remove the EA and apply it again for new open to be opened in this way).

8.1)Moving Average Strategy: The Moving Average strategy is a very simplified strategy for opening the first trade. Moving Averages are technical indicators that can be used to determine if the instrument is trending up or down. How it works is to calculate a value of the moving average and compare that value against the current Market Price of the instrument traded. **If the Market Price is higher than the Moving Average the Robot will buy,** while **if the Market Price is below the Moving Average Price the Robot will sell.** Simple as that. As the market will always be either above or below a value, **this strategy will always have a trade active and it will open a new trade at the end of a recovery or successful trade.**



[You can read more on how Moving Averages work here.](#)

The following options are available for the Moving Average Strategy

Moving Average Period: Over how many periods will the Moving Average value will be calculated .

MA METHOD MovingAverageMethod: The method over which the averaging calculation will be performed.

MA Close Trades Before TP: If this option is set to True and the active trade is in profit then the trade will be closed once the Market Price crosses the Moving Average value, to lock the current profits and a trade in the opposite direction will open, rather than waiting for the trade to reach its Take Profit value.

8.2) Bollinger Bands Strategy: The Bollinger Bands Strategy is a more sophisticated method for opening the first trade, using the Bollinger Bands indicator. Bollinger Bands is a strategy that constructs a region (a moving average with 1 upper and 1 lower band) within which it assumes the price will range in. It is assumed that once the market reaches the Top Band it will reverse and move down and vice versa. This strategy will sell once the market price reaches the top band and buy once the market price touches the bottom band.



[You can read more on how Bollinger Bands work here.](#)

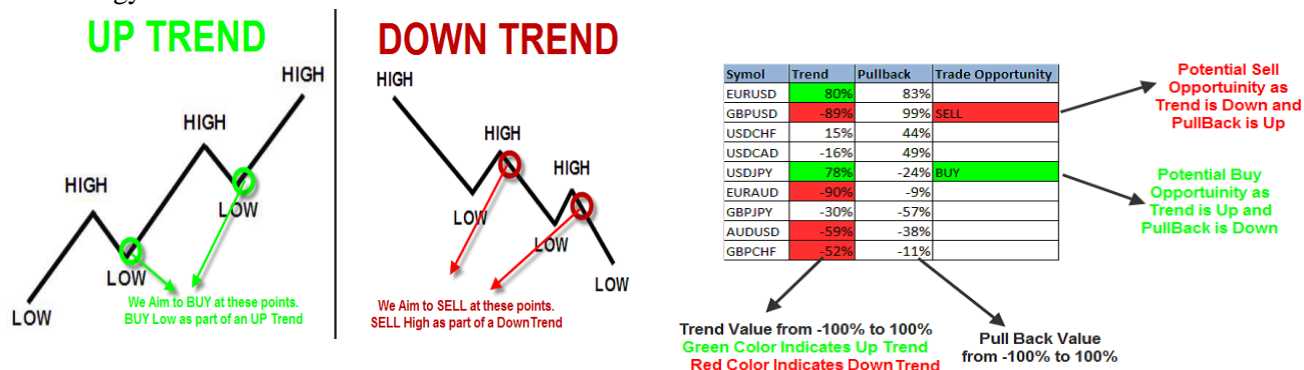
The following options are available for the Bollinger Bands Strategy.

Ma Period: Over how many periods will the Bollinger Bands Moving Average value will be calculated .

Deviations: How many deviations (wide) will the Bands be created.

BBands Close Trades Before TP: If this option is set to True and the active trade is in profit then the trade will be closed once the Market Price crosses the Moving Average value, to lock the current profits, rather than waiting for the trade to reach its Take Profit value.

8.3) Trend Extreme Strategy(Premium): The Trend Extreme Strategy is a highly sophisticated strategy that aims to enter trades at the best possible times by calculating the Trend (market direction) , utilising also the Extreme market conditions to enter Buy trades on oversold conditions and Sell trades on overbought conditions. [A separate PDF manual for the Trend Extreme Strategy can be downloaded here.](#) Therefore please consult that PDF for more info on this strategy.



[You can read more on how Trend Extreme Strategy works here.](#)

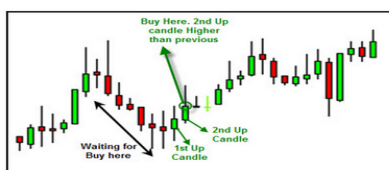
Trend Extreme Settings: These are settings that relate directly to the Trend/Extreme algorithm. When inputting score values user should assume they will be for an UP Trend situation.

entry trend score: Enter a value between 0 to 100. This value determines how strong the Trend score should be at least ,in order for a trade to be placed.

entry extreme score: Enter a value between -100 to 0. This value determines how strong the Extreme score should be at least ,in order for a trade to be placed. Negative value to be placed.

entry counter trend extreme score: The extreme score that will be used when counter trends trades are true.

Seek confirmation: (True/False). Setting this to True will imply the EA will look for two consecutive candles to the Trend direction prior to opening the trade. **Setting this to True will imply the signal is more reliable and you avoid the risk of the Trend moving further against you, however sometimes you may sacrifice some pips and enter the trade a bit late to achieve this reliability.**



For Buy Actions

Look for 2 consecutive Up candles.

Buy once the 2nd Candle reaches higher than the previous



For Sell Actions

Look for 2 consecutive Down candles.

Sell once the 2nd Candle reaches lower than the previous one

Image shows illustrations of how seek confirmation works

counter trend trades: Setting this to true implies sell trade will open when a symbol is Overbought and buy trades when a symbol is Oversold irrespective of the Trend Score.

minpipmove: The minimum pip move in one direction the symbol needs to make in order for trades to initiate.

trend timeframe: Select which timeframe the Trend Score will be calculated at. By default it will be the selected timeframe.

extreme timeframe: Select which timeframe the Extreme Score will be calculated at. By default it will be the selected timeframe. You can use a timeframe lower than the one used for Trend if you want to get an entry signal faster and don't want to wait.

confirmation candles timeframe: Select which timeframe the seek confirmation candles will be calculated at. By default it will be the selected timeframe. You can use a timeframe lower than the one used for Trend if you want to get an entry signal faster and don't want to wait. It is recommended to use same timeframe as the Trend or Extreme.

rerun minutes: This is how often in minutes the Expert Advisor will recalculate the Trend/Extreme scores. By default this is set to 0 so there is no pause. In case your machine is slow and you run the EA in multiple instruments you can increase this value.

```
===== TREND EXTREME =====
Trend Score: -55 %
Extreme Score: 60 %
Pips Move: 35 pips
```

Whenever this strategy is selected the EA will display on the chart information related to the Trend Extreme Strategy values.

THE TREND EXTREME STRATEGY IS CODED WITHIN THE LOSS RECOVERY PREMIUM VERSION SO YOU DO NOT NEED ADDITIONAL

CHARTS OR EAs TO RUN THIS

8.4) Double Trader Strategy(Premium): Double Trader is a strategy that will open simultaneously a sell trade and a buy trade on the selected instrument when no trades are active and will keep repeating this process whenever no trades exist in the specific pair (with the selected magic number).

The benefit of selecting this strategy is the fact that you will know that one of your two trades **will always reach your profit target**, securing a good profit, while the other trade will enter recovery mode or subject to some conditions and settings it may avoid recovery and also generate some profit.

Once the two trades have been opened the first trade will close based on your **Initial Trade Settings (explained in section 4)**. By this we mean whichever of the two trades reaches first the Take Profit/Trailing Stop/Protect Profit criteria it will close.

Once the first trade closes, the Loss Recovery Trader will now focus on that trade and treat it as if it was opened as any other method. The second trade may continue losing and enter in recovery mode (or grid mode if enabled) or it may reverse and also give you profit.

Important points to note

- **Set the Recovery Zone Range Pips to be more than your first trade profit target (either the take profit or the trailing stop) as the second trade can only go in recovery mode once the first trade has closed. Make sure the distance between the two to be more than the spread the broker uses in that symbol.**
- Setting a significantly higher Recovery Zone Range Pips than your first trade profit target could allow the second trade enough room to reverse and close without going in recovery mode. However when that doesn't happen your trade will begin recovery at a bigger loss and wider Recovery Zone Range.
- Enabling Grid Mode for 1 additional trade may be a good idea when combined with double trader as it will give some more chance to the second trade to avoid recovery.

The following options are available for the Double Trader Strategy.

MagicBuy: Magic Number to be used for Buy Trades.

MagicSell: Magic Number to be used for Sell Trades.

It is important to use a separate magic number for the above 2 and also to be different from the other Magic Number used by the EA.

Second Trade TP: Once the first trade has been closed you can have the 2nd trade close with a different take profit (smaller) as you want to avoid recovery and your first trade already closed at a profit.

Use Extreme Filter: This is an optional feature, that will prevent the initialization of this placing trades using this strategy when the market is found to be in Extreme conditions (Oversold/Overbought).

Extreme Limit: Enter as a value from 0 to 100 how Extreme (Oversold/Overbought) the market to be to prevent new trades.

DTrader_extreme_timframe: The timeframe under which the Extreme score is calculated.

```
===== DOUBLE TRADER =====  
BUYs : 1 | Lots: 0.10  
SELLs: 1 | Lots: 0.10  
BUYs Pips : -9.0:/1  
SELLs Pips : 9.0:/15  
Extreme : 20.0%
```

Once both trades are active the EA will display information regarding the number of trades per direction, their lots, the pips currently being won followed by the max pips they have won. The extreme value also is displayed when the Extreme Limit is used.

Please note that during the time that both trades are active the other panel (on the left) displaying trade information will be showing 0s. It will start displaying information once only the first trade closes.

THE DOUBLE TRADER STRATEGY IS CODED WITHIN THE LOSS RECOVERY PREMIUM VERSION SO YOU DO NOT NEED ADDITIONAL CHARTS OR EAs TO RUN THIS

9) Customization (Premium)

If you wish to have the Robot customized for you simply contact us at info@theforexcabin.com , explaining in detail what are the features you wish to add. This can involve entry strategies or some other types of trade management.

We will respond later to you regarding this.

| | |
|-----------------------|-----------------------------|
| ab Customization | =====11 CUSTOMIZATION ===== |
| ab Customization_Code | 0 |

In order to avoid re-creating an EA every time someone wishes a customisation the customisations will be handled as follows. A unique customisation code will be assigned that will perform the relevant customisation. Once the user enters there the relevant customization code the robot will perform the relevant functions.

Optional parameters will be controlled by an external file.

10) Frequently Asked Questions

This is a list of questions being asked frequently

I just bought the EA, how do I use it , I need more details ?

Please read first the detailed manual and the FAQ. You can contact me at (info@theforexcabin.com)

I bought the EA but I have not received it?

If you purchased the EA through my website, then send an email to info@theforexcabin.com attaching the Loss Recovery Request Form, where you indicate the account numbers you want the EAs to work and you will receive it as .ex4 via email shortly. Instructions on how to install it are described in the detailed PDF.

If you purchased it from MQL5 you need to Login to the MQL5 community via your MT4 terminal and activate the product. To do this ,from your MT4 terminal, go to Tools/Options ,select the community tab. And enter your MQL5 credentials. Then at the bottom of your screen (Terminal Window) select the Market tab go to Purchased and you will find all the products you have purchased. Then click the Activate button. The Robot will now appear under Experts/Market at the Navigation window at the left.

How many accounts can I use the Robot with ?

If you have purchased it from the website you can use in up to 5 different accounts at a time (Demo/Real) at any PC/VPS you want. You can ask anytime to add/switch accounts.

If you have purchased from MQL5 as per the MQL5 rules each purchased product can be used in 5 different machines (PC/VPS). Within those 5 machines it can be used with unlimited accounts and MT4 terminals. You are allowed 5 activations , 1 for each machine.

How to use/activate this EA on other terminals/PC?

If you have purchased it from the website you should copy the .ex4 file in the Experts Folder of the relevant terminal (described in the PDF manual).

If you have purchased from MQL5 you need to Login to the MQL5 community via your MT4 terminal and activate the product. To do this, from your MT4 terminal, go to Tools/Options, select the community tab. And enter your MQL5 credentials. Then at the bottom of your screen (Terminal Window) select the Market tab go to Purchased and you will find all the products you have purchased. Then click the Activate button. The Robot will now appear under Experts/Market at the Navigation window at the left. Each time you activate the Robot at another PC it counts as 1 out of the 5 available activations.

Why are the prices between MQL5 and your website different. Is there any difference in the products?

The products, service and support is the same. MQL5 charges a commission when selling products so we can use a different price through the website.

Can this EA be used as a fully automated EA or does it only recover existing trades?

It can be used in both ways. You can have the EA work in one of the following ways.

- Fully automated EA, to also decide when to start opening the first trade.

- Recover trades that have been opened manually.
- Recover trades that have been opened by another EA.

Can this EA be run fully independently as an EA?

Yes . This EA has two internal strategy types you can use so it operates 100% automatically.

Set the First Strategy Mode to either Strategy Type 1 Moving Average or Strategy Type 2 Bollinger Bands, Strategy Type 3 Trend Extreme ,Double Trader.

1- Moving Average strategy. This strategy will always have active trades as it will buy or sell based on if the market price is above or below its current Moving Average price. Active trades will close when they are in profit and a new crossover appears or based on take profit criteria.

2- Bollinger Bands based strategy. This strategy will open counter trades when the market reached the Bands . Active trades will close when they are in profit market reaches the Middle Bollinger or based on take profit criteria.

Trend Extreme and Double Trader are for premium mode only.

Can this EA recover manual trades?

Yes. You need to select External Manual Trade under FistTradeMode. Note that you can only recover one manual trade per instrument (unless Grid Strategy is used). You can read more about it in section 4.1 of the PDF Manual.

Can this EA recover trades that have been opened by another EA?

Yes. You need to Select External EA Trade under FistTradeMode and change the External EAs Magic Number so it is the same as the Loss Recovery Trader Magic Number. You can read more about it in section 4.1 of the PDF Manual.

Can the EA work with another EA that applies a Grid/Martingale Strategy?

Yes. There are options (Section 4.7) where you can have the EA recover Grid Trades. **Can this EA recover existing trades?**

Yes it can. You can attach the EA after the trades have been opened.

With how many pairs can I can this EA work with?

The EA can work with as many pairs as you want simultaneously, with no limitation provided one recovery cycle per instrument is used. For each pair to be recovered you need to attach the EA in a separate chart of the pair to apply recovery.

Can I have more than one trades recovered in the same instrument?

Yes it is possible, but there are some limitations in some specific methods.

If you are using external EA or one of the internal strategies, is possible if you apply the Loss Recovery in separate charts of the same instrument and change the Magic Number each time.

Under Manual Trades it is not possible ,unless you are using a grid method , as Manual Trades don't use Magic Numbers. You can however place more than one trades instantly on the same instrument directly through the EA. Put the EA on the instrument you want to trade and select the type of trade you want to be placed under FistTradeMode.

The EA will place a trade instantly with the specified magic number. Open a new chart, change the magic number and repeat the process to place a new trade.

Will the EA work with pending orders?

Yes it can. Once the pending order becomes active the EA will pick it up and continue. You can actually place several pending orders and once the first one gets triggered all the rest will be deleted.

Will the EA open automatically new trade after recovery is over?

A new trade will open only if the method you have used to initiate the first trade produces a trading signal. Recovery will follow after if the specified amount of pips is lost. Therefore if you have selected to Use External Manual Trade a new trade will not start until you place a trade manually. If you have selected to Use External EA or one of the two Strategy types of the EA the new trade will open once a new trading signal appears. If you want the EA to always start a new trade after end of the recovery then you can select the Strategy Type_1 which is based on Moving Average that will always open a buy/sell trade or if the Double Trader method is used.

Can I automatically disable my external EA after recovery has started so it does not interfere with Loss Recovery EA?

Yes. Section 4.8 describes how you can do that with the use of templates.

What is minimum lot size/ Can I trade with 0.01 Lot?

The minimum recommended lot size is 0.10 LOT. As additional trades get initiated and the MT4 platform allows trades to be placed only up to 2 decimal places the lot sizes of the future trades will be rounded to 2 decimal places.

You can use with 0.01 lot however this will result into the lot sizes of the trades increasing in a faster rate and hence riskier recovery. For example if a future trade needs to open 0.014 lot for the Recovery to work then the trade will be placed as 0.02 lot due to the 2 decimal size allowed by the MT4.

If you want to trade with 0.01 micro lots is better to use a Cent account. Under a Cent account 1 lot is equal to 1,000 units instead of 100,000 units. Hence by placing a 1 Lot trade under a cent account is the equivalent of placing 0.01 Lot under a standard account. In this way the lot size calculations can be performed properly.

We generally suggest using the [XM micro account](#) for this.

How much deposit to use for this EA?

This is a very general question. The deposit depends on your risk settings also. Depending on how you set your recovery zone region will determine how fast the Lots for the future trades will increase. Therefore you should have enough deposit to allow sufficient margin for several future trades.

As a general rule you should not have less than 1000USD for every 0.01 Lot you trade.

If you want to use a smaller balance then you should use a cent account (Check the [XM micro account](#) for this) as the lot sizes are smaller trade sizes there.

How many pairs simultaneously can I trade based on my balance?

That is also a very general question as it depend on the lot sizes you use and the risk of the recovery zone settings.

As a general rule assume a 1000usd account can run up to 4 with 0.01 start lot.

However avoid opening simultaneous trades in correlated pairs and try to diversify. For example avoid having buy trades on EURUSD/GBPUSD and sell trades on USDCAD/USDCHF cause essentially you will end up with 0.04 lots selling USD increasing you risk and exposure.

Does the EA run on 5-digits or 4-digits Broker?

It can work on both. The EA will automatically detect the broker's digits.

Does the EA run of fixed spread or variable spread?

It can work on both, the EA will read the current spread at the time trades will open.

Which is best broker do you recommend?

I recommend using the [XM micro account](#). The leverage of 888:1 and 50% bonus can help maintain a higher margin that will help support the open trades longer when in recovery mode. What is more their micro(cent) account is the ideal for smaller accounts (under 1000USD) for maintain a better risk management. Another important factor is the fact that margin will only be charged on the Net Position. Assume you have 3 lots buy and 2.5 lots sell. Your Net position is only 0.5 lot which is the amount XM will charge for margin. Other brokers however may charge margin on the full 3 lots which will make your accounts require more funds for this strategy.

[Click here](#) to open an XM micro account and receive a 30 USD no deposit bonus from XM so you can try out their trading service absolutely risk free.

What to do if my Broker does not allow hedging (eg US Client)

You have two options for this

- A) The EA has an option to perform the Recovery without hedging , keeping open only one trade at time while maintaining the same risk and final profit.
- B) You can switch to a broker allowing US Clients to hedge. [Trader's Way](#) accepts and allows US, Canadian traders to hedge with leverage 1000:1.

What are the best pairs for running the EA?

The EA can generally run into any pair that is volatile. Just adjust the Recover Region settings as you wish to have them based on the volatility of the pair being traded, your strategy for opening trades and your risk preferences and you can use it with any pair.

How much profit can I make per month?

This is a general question as it depends not only by your settings, the number of instruments traded simultaneous but also the market conditions which cannot be predicted.

What timeframe is this EA for?

This EA ,when recovering trades it is timeframe independent as it does not perform any analysis. It monitors and manages the trades based on the market movement within a range irrespective of timeframe.

When using the EA fully automated with one of the three strategies (1: Moving Average ,2 Bollinger Bands,3 Trend Extreme) timeframe does matter when opening the first trade as the market is being analysed. If you are to have a

longer recovery with higher Take Profit targets (eg 40 pips) the recommended timeframes are 30Mins-1 Hour-4Hours. If you want to use the EA as a scalper for smaller recovery regions and initial take profit targets can use M5-M30.

How to do backtest?

You can backtest the EA , however you can only backtest it with being fully automated EA opening first trades based on one of the two internal strategies. It is not possible to backtest it if is to be used with another EA or manual trades.

To backtest it you need to first change the Strategy Type to 1 (for Moving Average) or 2 (Bollinger Bands) and then or 3 (Trend Extreme) or 4 (Double Trader) adjust the rest of setting as you wish.

What happens when the Max Orders number is reached?

Under risk management there are several options that control this.

- If the option “Close_Trades_When_Max_Orders_Exceeded” is enabled all trades will close when the trade number equal to Max Orders+1 was scheduled to open
- If the options Max_Loss_Amount or Max_Drawdown_Percent have figures greater than 0 then if either of those figures is reached by the account is reached all trades will close.
- If hide_the_exit_points is set to true (by default it is false) the EA assigns TP and SL at the exit points instead of closing with instant trades. In that case the trades will close when the exit point is reached ,however with a combined loss, as the TP/SL are triggered
- If none of the above apply then trades will close either if your correct exit point is reached or the account reached stop out.

What should I select the Recovery Region of the EA?

There is not fix rule regarding what the best Recovery Region should be. It depends on how volatile the instrument is, the more volatile the bigger it should be, the volatility of the market at a given time, how you enter the first trade as well as how fast and risky you want the recovery to be.

A tighter region recovery will usually have the recovery be completed faster however is likely to be more risky as more trades may get triggered and lot sizes increase faster. A wider region recovery will usually be less risky , with less trades and lot exposure being generate, however you will likely wait longer for it to be completed.

You can request after the purchase the **Loss Recovery Risk Calculator** that will tell you important information such as future lot sizes/drawdown/funds risked/exposure/profits based on the recovery region you set. So you can modify the Recovery Settings till you come up with a setup that you consider the ideal for you based on your risk profile and return expectations.

What are the best/recommended Settings?

There are no fixed best settings as the term “best” is very subjective as it depends on what the user wants. Also it relies on the fact that if you are using the EA full automatic ,using one of its two internal strategies, or with an External EA/Trade utilising another strategy. We understand that everybody wants to achieve the best return with the lowest risk/drawdown but some concepts need to be understood by the trader first for this robot.

Here are a couple of factors you should consider when selecting your settings

- The way you enter and exit the first trade. The strategy it involves.
- How fast and risky you want the recovery to be
- The overall volatility of the pair being traded
- Your risk profile and profit expectations.

Please also read the “**What should I select the Recovery Region of the EA**” question

If you want to use settings for fully automated the EA with some less risk, then you can use the default settings under EURUSD H4 . It uses the Bollinger Bands Strategy with a wider recovery region.

What is the difference between the Take Profit , Recovery Exit Pips and Recovery Pips Profit?

Take Profit affects only the initial trade and it can set to any value .This is the profit in pips the initial trade will make if it is profitable. Once the initial trade enters recovery mode then this take profit is removed and instead all the trades including the initial one will close once the last opened trade makes a profit equal to the Recovery Exit Pips. Recovery Pips Profit is the average net profit won at the end of the recovery between losing and winning pips. *It does not affect the location the trades will close. This is controlled by Recovery Zone Exit Pips. The higher you set the recovery pips profit the faster will your lots increase to give a bigger **combined profit** at the end of the recovery. Check section 4.3 of the PDF manual for an example.*