

GRID HEDGING CURRENCY TRADING (by Mark Harris)-

The following is one example of how to trade the currency forex market using this strategy I created, and Script I commissioned to be built for me by MethodTraders.com.

Mark Harris Script is not an EA to be used in Metatrader, instead it is a Script. This Script is not tick dependent to close open positions. So, when the Expert Advisor button is depressed to the OFF position, then instantly, all long and short placed orders are deleted, and all open long and short positions are closed out at the market price regardless of tick. For Mark Harris Script to function, it must be placed in your brokers Metatraders' Script Folder. (Find the Expert Advisors folder, then go to Scripts and place Mark Harris Script in this Folder). This Script is fully customizable. Below you will find more information...

Mark Harris Script – INSTRUCTIONS FROM METHODTRADERS.COM

Please note that this is a script so you must place this inside experts/scripts folder.

Below are the definitions of the settings:

UseBuyStop = if set to true Script will allowed to place BUYSTOPS

UseSellStop = if set to true Script will allowed to place SELLSTOPS

Slippage = Set the maximum allowed slippage. This input does not apply to ECN brokers

TakeProfit = You can set the pip takeprofit per trade, 0 to disable

StopLoss = You can set the pip stoploss per trade, 0 to disable

Levels = This is the number of pending orders that will be placed, 4 means Script will place 4 BUYSTOPS and 4 SELLSTOPS

Initial_Level_Distance = Distance in Pips of price from the First Level Pending Order

Level_Distance_Increment = The Amount of Pips to add to Initial Level, for setting the next trades.
ex. If this is set to 5, levels will be 5,10,15,20 pips apart

Lots = The lot amount of the first level of pending order

AddLots = The amount of lots to add to the next pending orders

TO SET UP CHART IN METATRADER TO DETERMINE STRONG TREND FOLLOW THESE INSTRUCTIONS:

ONLY USE 1 HR CHART FOR DETERMINING TREND - NO LOWER TIMEFRAMES.

LOAD 3 EMA'S ONTO THE CHART -

EMA 5 PERIOD - BLACK COLOR

EMA 15 PERIOD - BLUE COLOR

EMA 60 PERIOD - GREEN COLOR

TO DETERMINE STRONG SHORT (DOWN) TREND:

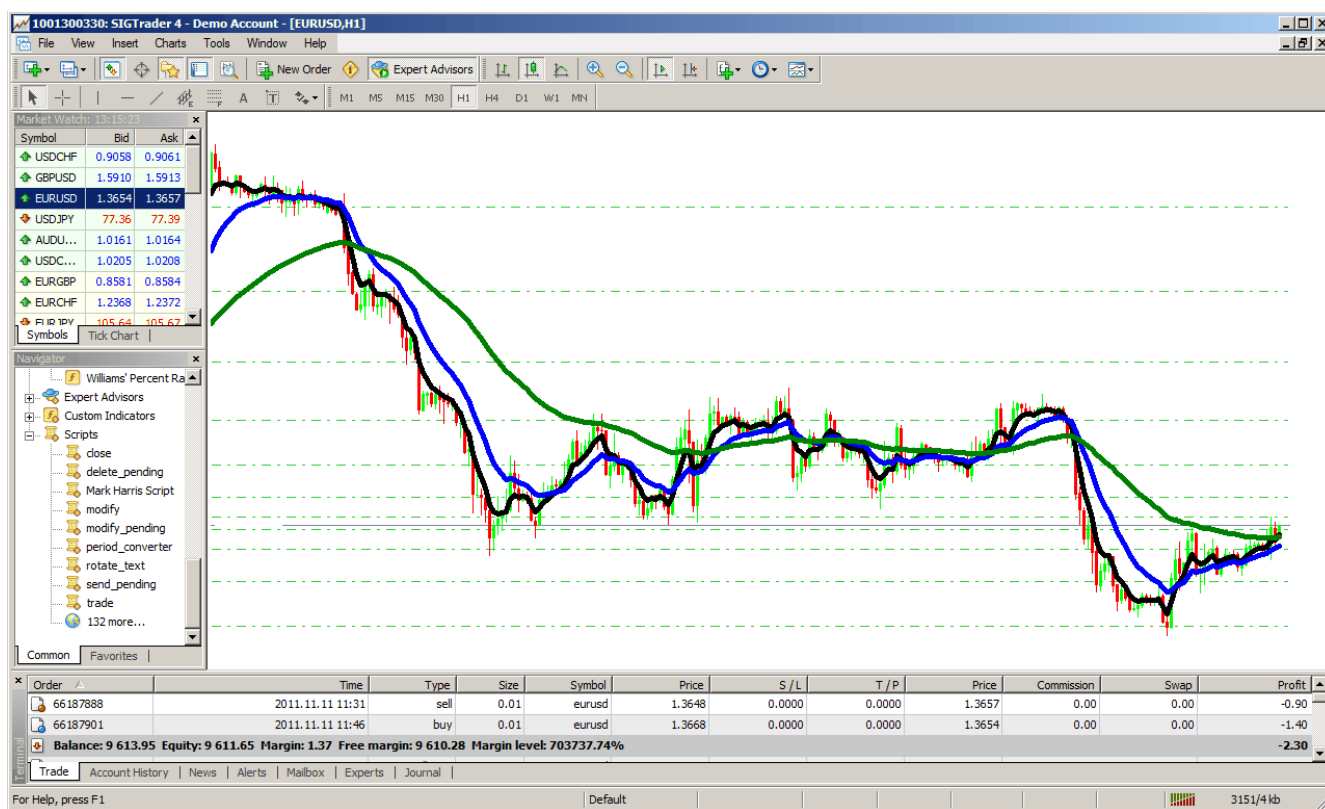
- 1) EMA 60 PERIOD GREEN COLOR AND EMA 15 PERIOD BLUE COLOR ARE BOTH POINTING DOWN
- 2) EMA 5 BLACK IS BELOW EMA 15 BLUE
- 3) EMA 15 BLUE IS BELOW EMA 60 GREEN

Short when green is on top, then blue, then black is on bottom

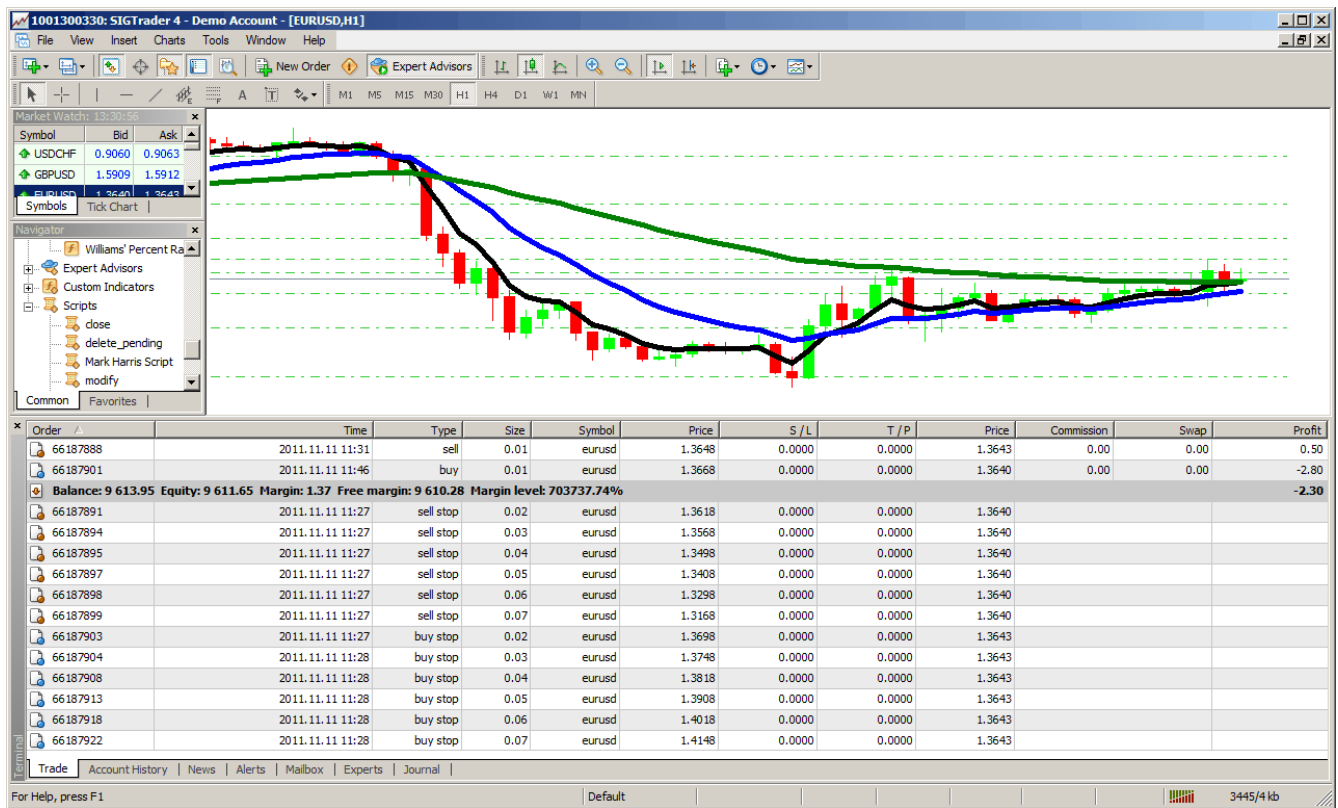
Go long when black is on top, then blue, then green is on bottom. Note: These chart Ins. Were found on YouTube.

Below is a demo account demonstration of my Grid Trading Strategy.

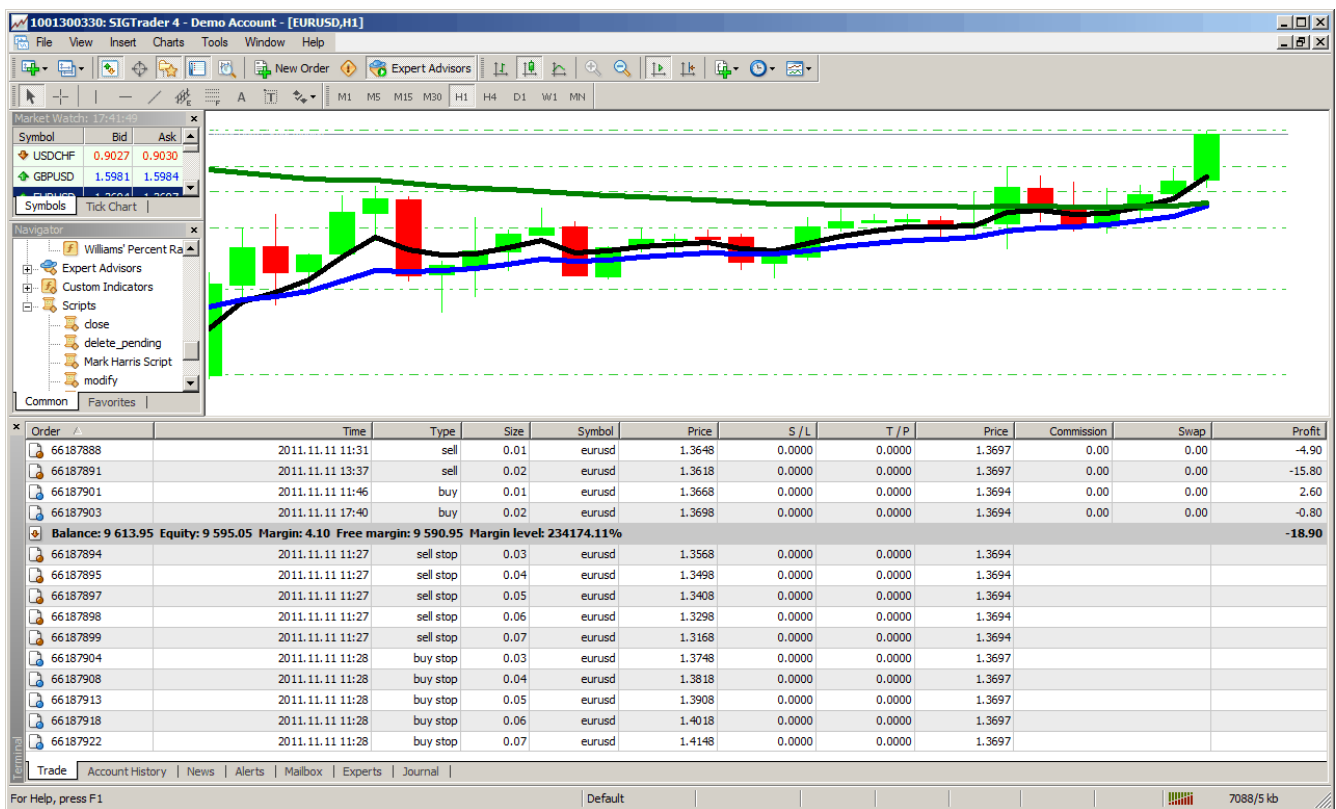
In example 1 Screen-shot, I preset this Script to go 7 levels deep, both long and short. After installing this script onto the chart.. I depressed the Expert Advisor button, and 7 long, and 7 short stop orders were placed in increments away from the current price. The first level I set to activate 10 pips from the current price. The default setting is 5 pips.. (this is too short). Please note: allow 2 minutes for your metatrader to place the 14 stop orders. This does not happen instantly all at once. Be realistic.. accept that long and short positions will be filled while trading and hedged trades will occur. Ideally, you would want just to trade in an extremely strong trending market so only long or short positions will be filled.. This is unrealistic, and will drive you crazy. To profit from this system you need only to have price moving in a steady direction.. either long or short. When profit is realized, then just depress the Expert Advisor button to the OFF position, and every open trade and placed order will be closed out.



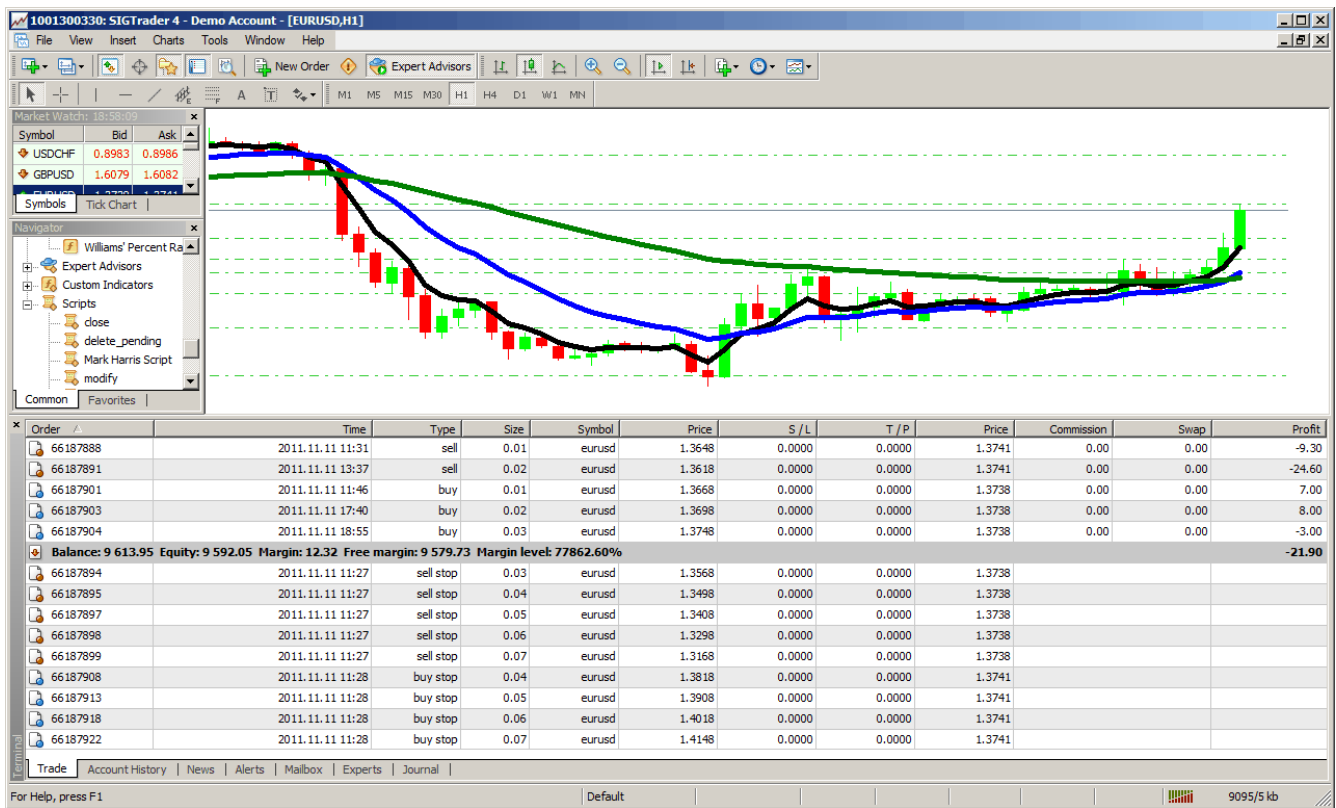
As you can see from the above example 1 screen-shot, as price moves, both long and short positions were opened on the first level. The starting balance of this demonstration is: \$9,613.95 on 11-11-11.



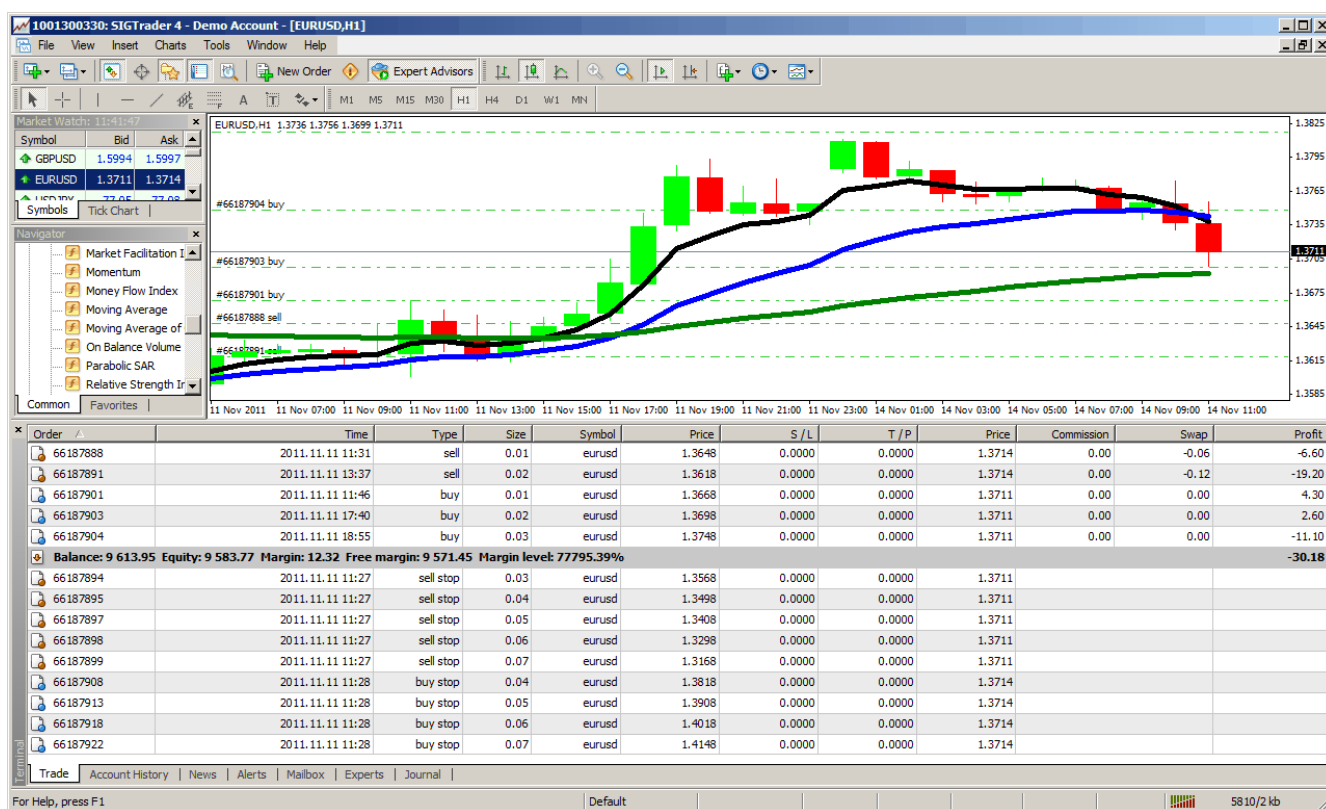
As you can see now in the above close-up example 1 screen-shot, the first level was filled.. There are 2 open orders and below this are long and short pending orders waiting to be filled.



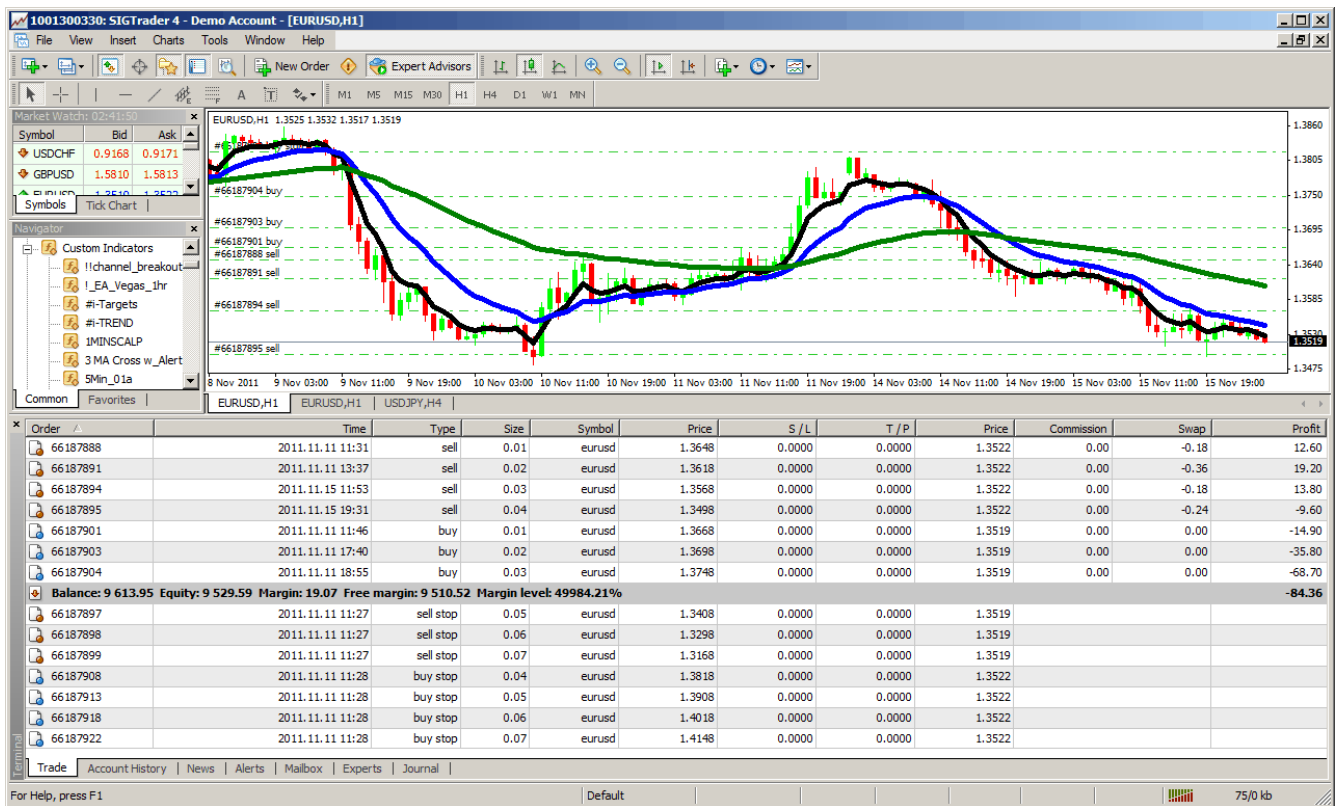
Unfortunately, the second level both long and short were filled too.



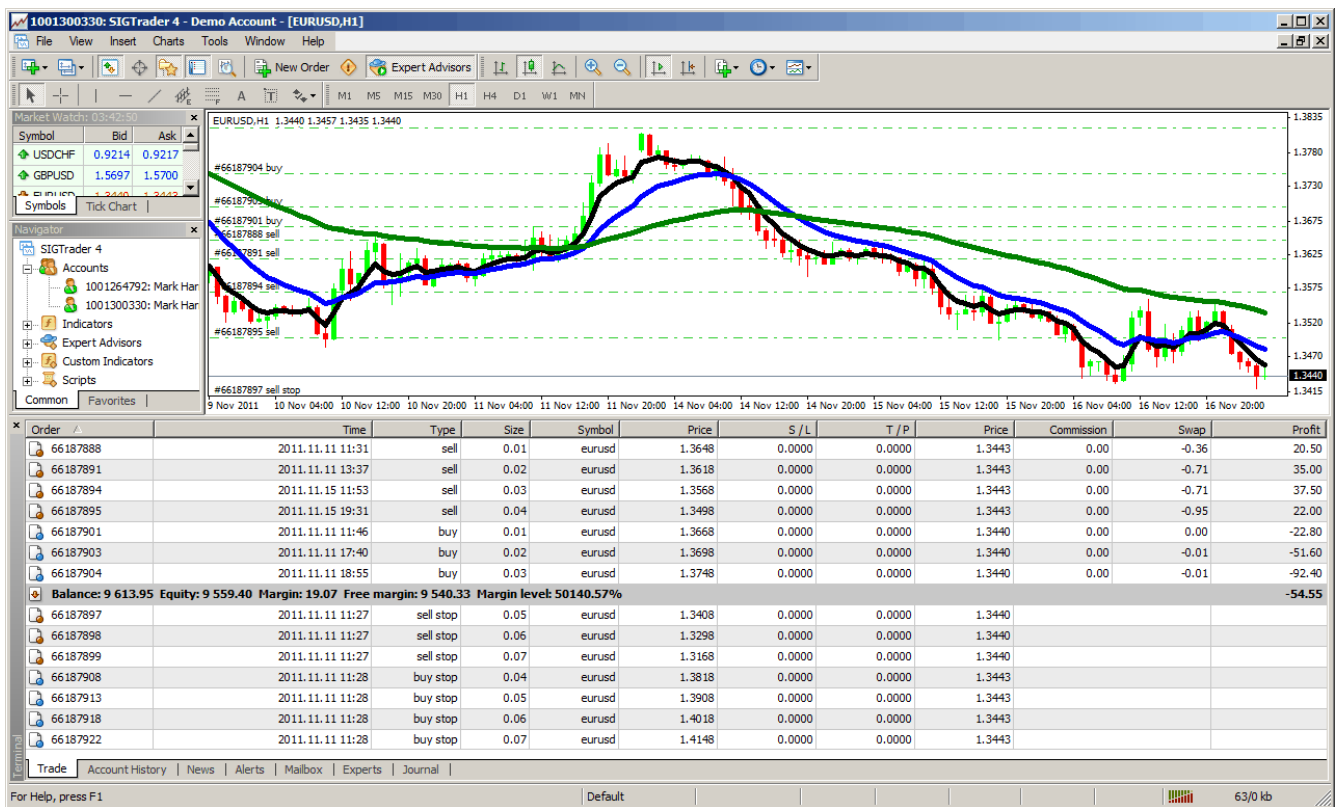
As time marches on, the 3rd. Level deep long position was filled.. Let's hope for the best now that price should continue upward.



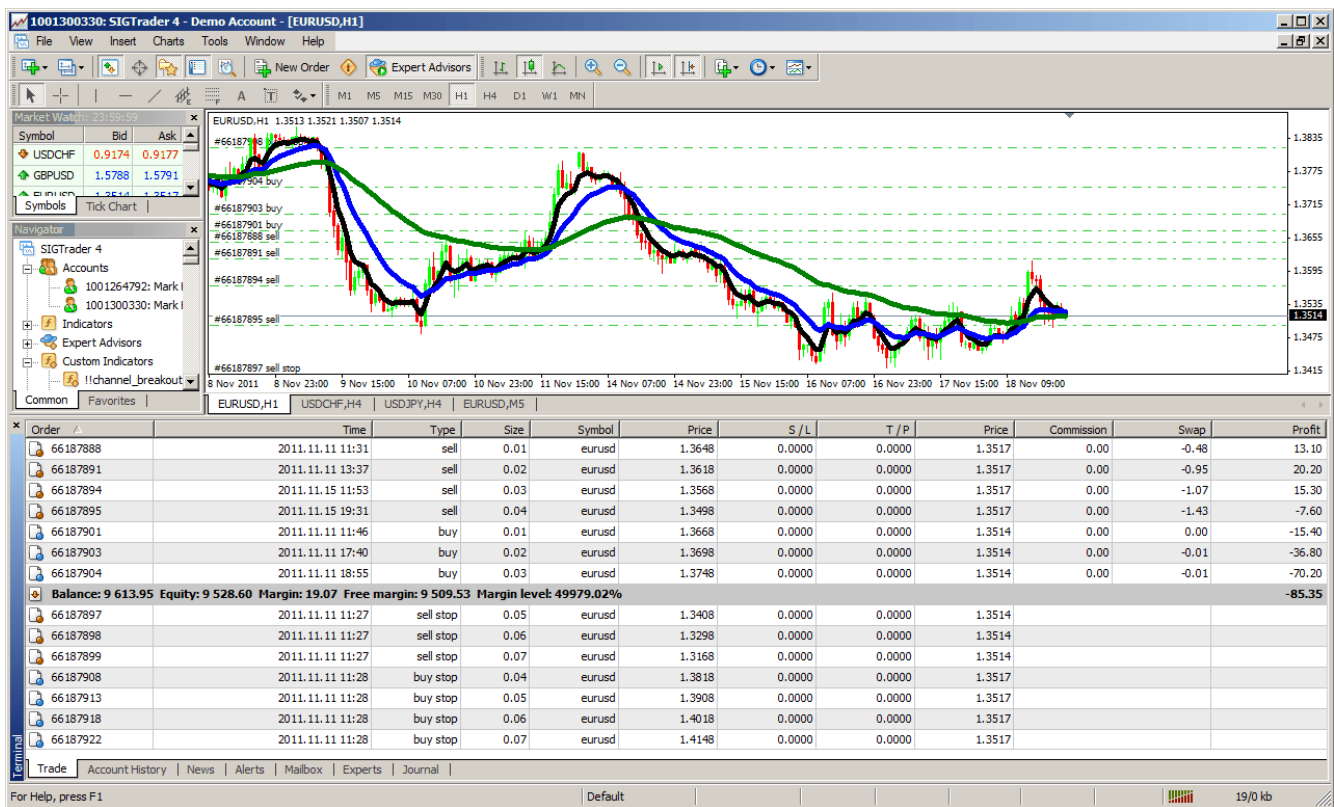
Price does not continue upward. The above screen-shot is for Mon. 11-14-11, which is the beginning of the trading week. The 4th level buy stop order was not filled. Instead, price has turned and is now heading down.



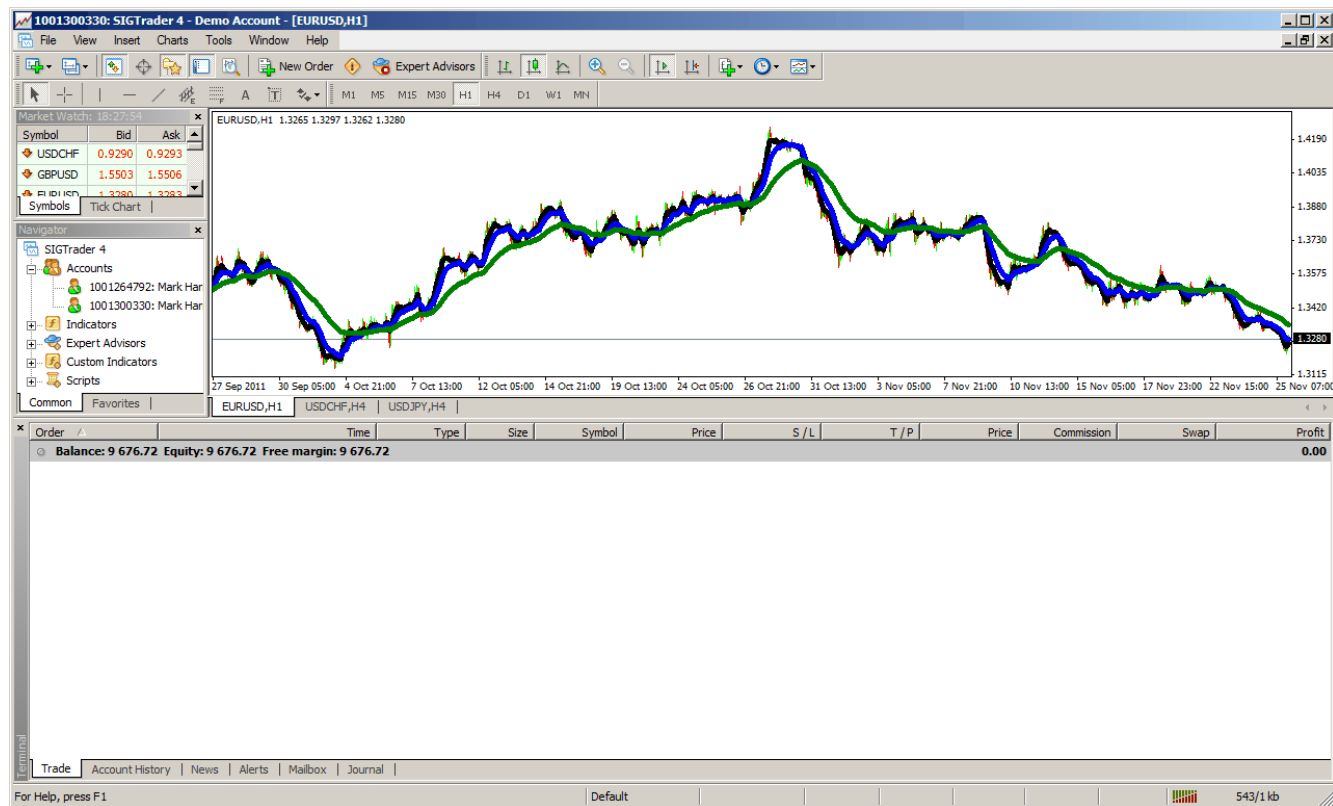
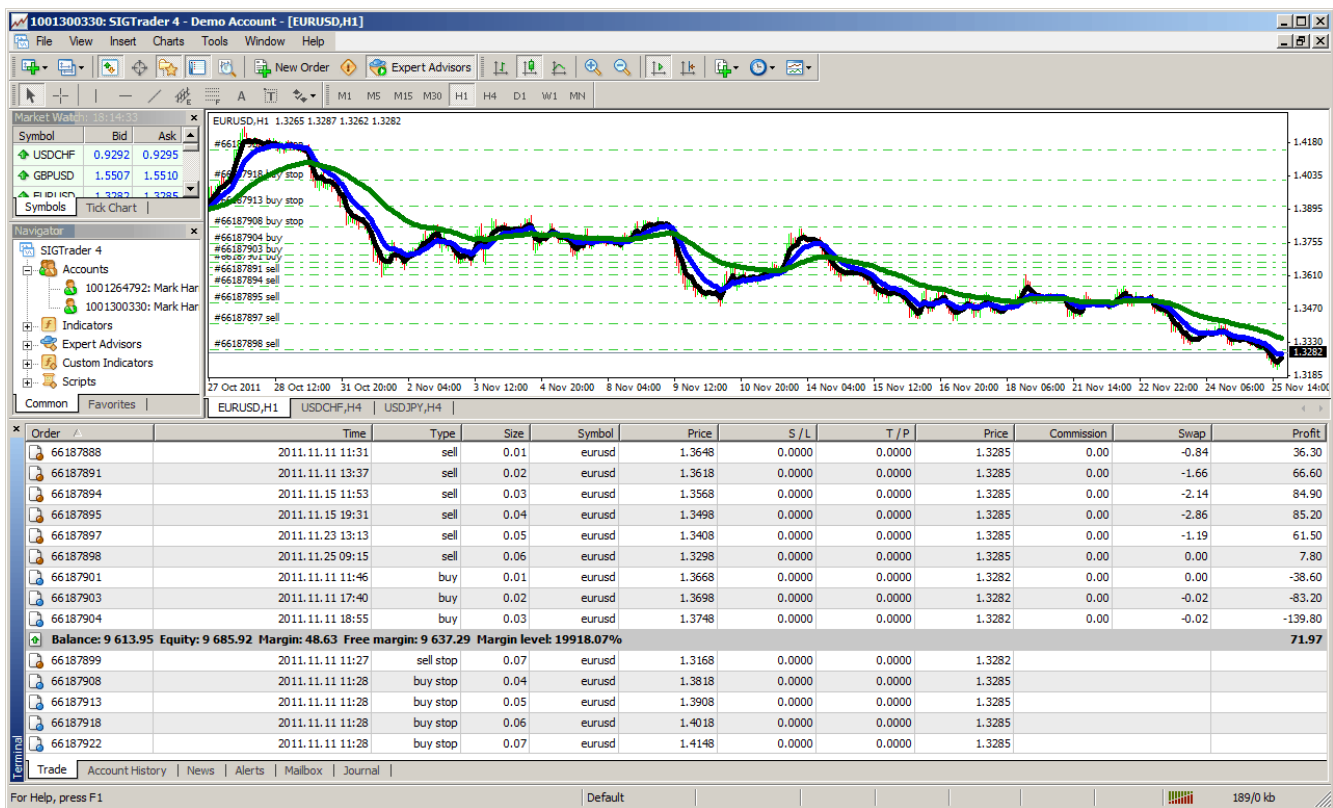
The above screen-shot shows that on Tue. 11-15-11, the 4th level sell stop order was filled.



On Wed. 11-16-11, price continues to weaken and is heading down.



By the close of the Market on Fri. 11-18-11, the Euro/USD pair rebounded. Let's hope next week that price will continue down now since there is 4 levels of open sell positions, and 3 levels of open buy positions..



ON FRIDAY, 11-25-11, ALL OPEN ORDERS WERE CLOSED, AND ALL PENDING ORDERS DELETED. TOTAL BALANCE NOW IS \$9,676.72.

DEMONSTRATION STARTING BALANCE ON 11-11-11 WAS \$9,613.95. DEMONSTRATION ENDING BALANCE ON 11-25-11 WAS \$9,676.72.

TOTAL PROFIT: \$62.77.

THIS WASN'T THE BEST DEMONSTRATION BUT PROFIT IS PROFIT. PLEASE NOTE, IF YOU CLOSE METATRADER, AND THEN REOPEN METATRADER.. SCRIPT WILL NOT BE RUNNING SO YOU WILL HAVE TO CLOSE ALL OPEN POSITIONS, AND PENDING ORDERS MANUALLY. IF YOU LEAVE METATRADER ON 24/7, THEN THIS WILL NOT BE A PROBLEM. WHEN YOU WANT TO CLOSE ALL, THEN JUST DEPRESS THE EXPERT ADVISOR BUTTON.

BEST REGARDS,
MARK HARRIS
topdawg@howling.com