

Scooby-doo The Big Lewinsky User Guide

Trading method

Welcome to Monica's older and more intelligent auto-trading robot. We are indebted to Nick for the name. This is a trend trader. The trading principles are these:

- Identify a trend
- Wait for a retrace
- After the retrace, send a pending order in the direction of the trend. If the market then resumes the trend, the trade will eventually fill. If not, it will expire and the robot will resend the pending trade if conditions are still correct.
- Calculate take profit and stop loss using the Average True Range of each pair. Traders can choose which time frame ATR to use.

I am already trading live with this robot.

It does not matter which chart time frame you use; trading decisions are based on the your ATR choices, with the value of ATR added/subtracted to or from the market price; these override the chart tf. It is a multi-pair trading robot, so put it on a GJ chart to maximise the ticks received.

Note for newbie traders

Newbie traders, you need to be comfortable with these concepts:

- trend
- retrace
- swing
- ATR (Average True Range)
- Pending (often called 'stop') trades
- Moving Averages
- set files
- Trade breakeven
- Risk:reward ratios

If you are not sure about these, you will still be able to trade this robot – frankly, it is idiot-proof – you simply will not understand what it is doing and will be uncomfortable when a trade goes into drawdown. You cannot ask basic questions in the scoobs thread, but there is one set up for you to do so at <http://www.forexfactory.com/showpost.php?p=3242387&postcount=1>

When you put this robot onto a live account, it will demand that you change the default magic number and trade comment, and will not trade until you do. Understand this vital point: brokers are basically criminals who will do everything in their power to separate you from your cash. The purpose of forcing you to change these inputs is to make it harder for the crims to detect that a number of people are using the same trading robot, so make sure you change these inputs completely, not just by a single digit or letter.

Trend detection method

We are indebted yet again to scoobs, for his trend detection logic, which is this:

- Up trend: on 15, H1, H4 and D1 time frames, 20 period EMA's must all be above the 200 period EMA's
- Down trend: on 15, H1, H4 and D1 time frames, 20 period EMA's must all be below the 200 period EMA's

Your chart screen

Your chart screen should look something like this:



Notice the 'TRADING SUSPENDED' message along the top. The robot defaults to not trading to give you time to study the screen and decide which pairs to trade. You may need to alter your screen resolution to fit everything on. I have removed all the candles by turning them all black (press F8 to call up the chart editing window).

The colours are editable for those of you with difficulties seeing colour, or who dislike the defaults:

- green: trend is up and we are looking to go long after a retrace
- red: trend is down and we are looking to go short after a retrace
- blue is flat: no trading

I am not going to describe the function of the columns, except for the final one. All the others are to help experienced traders and coders to work out the best settings for themselves. If you are confused, then leave the defaults in place for now, except for turning TradingSuspended to false.

Note to experienced traders: you can use the robot as an individual pair trader by leaving the pair you want to trade as the only one in the PairsToTrade inputs and changing the magic number for each instance of the robot you are using..

The **Spread** column is to help traders decide which pairs to trade. Wait until the markets open before finally deciding; because there are some strange spreads at the weekend.

Editing inputs

Inputs are only successfully edited when the robot is loaded onto a chart for the first time. When you want to make a change whilst the bot is already running, here is how to do it:

- Press the F7 key to call up the robot's inputs window.
- Save your set file in case you change your mind
- Make your edits
- Re-save your set file with a new name
- Re-load the robot, calling up your newly saved set file.

This simulates a first-time load up of the robot.

The inputs

Note that inputs requiring pips default to 5 digit wally plonker dipstick criminal accounts. The robot automatically adjusts these for 4 digit accounts, so holders of these need to multiply the setting you *actually* want by 10.

Here is a list of the inputs, with explanations where necessary, along with their data types and defaults for the coders:

- **extern string PairsToTrade =**
"AUDCAD,AUDCHF,AUDNZD,AUDJPY,AUDUSD,CADCHF,CADJPY,CHFJPY,EU
RAUD,EURCAD,EURCHF,EURGBP,EURNZD,EURJPY,EURUSD,GBPCHF,GBPJP
Y,GBPUSD,NZDUSD,NZDJPY,USDCAD,USDCHE,USDJPY,USDSGD":
- **extern double Lots = 0.02:** your chosen lot size. This needs to be divisible by 2 because the robot closes half the trade and moves the stop to breakeven +/- BEP at half-way to your take profit. Both this and the result of dividing by two must be acceptable to your criminal.
- **extern int MagicNumber = 563656:** allows the robot to recognise the trade it 'owns'.
- **extern string TradeComment="ScRT":** makes it easier to see which trades were sent by this robot.
- **extern bool CriminalIsECN=false:** set this to 'true' if your criminal requires you to send stop loss and take profit after first sending the trade without them – 2 stage order sending.
- **extern int MaxTradesAllowed=6:** tells the robot how many trades it is allowed to send i.e. 1 trade per pair up to this maximum.
- **extern int PendingTradesPipsDistance=150:** The number of pips away from the market to price the pending trade.
- **extern int PendingTradesExpireMinutes=60:** The length of time to allow a pending trade to sit unfilled before expiring and being deleted.
- **extern int AtrPeriod=14:** do not even *consider* changing this unless you know what you are doing.
- **extern int BEP=100:** stands for Break Even Profit and is the number of pips to add to the breakeven price to lock in a bit more profit.
- **extern bool TradingSuspended=true:** use this when you want the robot to do nothing more than manage its own trades. When set to 'true', it will not trade. This is the default to give you time to get used to the screen and decide on your settings.
- **extern string srs="----Swing Retrace settings----";**
- **extern bool UseSwingRetrace=true;** tells the robot to wait for a swing low before going long, and a swing high before going short. There is a section later on describing a swing.
- **extern int SwingTimeFrame=240:** the timeframe in minutes to use to measure the swing. D1 would be 1440.
- **extern string rtds="----ATR Retrace type. Select one----":**
- **extern bool UseFixedRetrace=true:** tells the robot to send a trade when the market has

retraced beyond the 20 period 15M EMA by 25% of the D1 ATR.

- **extern bool UseFlexibleRetrace=false:** tells the robot to send a trade when the market has retraced beyond the 20 period 15M EMA by the selected ATR Retrace input.
- **extern string atrs="----ATR Retrace settings. Select one----":** the time frame whose ATR you want to use as the retracement measurement.
- **extern bool UseM15ATRrt=false:** 15 minute
- **extern bool UseH1ATRrt=true:** 60 minutes
- **extern bool UseH4ATRrt=false:** 4 hours
- **extern bool UseD1ATRrt=false:** Daily
- **extern double RetraceAtrMultiplier=1:** leave this alone unless you know what you are doing.
- **extern string tps="----Take profit ATR settings. Select one----":** the time frame whose ATR you want to use as the take profit
- **extern bool UseM15ATRtp=false;**
- **extern bool UseH1ATRtp=false;**
- **extern bool UseH4ATRtp=false;**
- **extern bool UseD1ATRtp=true;**
- **extern double TpAtrMultiplier=1:** the most often used ATR tp multipliers are 1.5 and 2, giving risk:reward ratios of 1:1.5 and 1:2 respectively, if SlAtrMultiplier is left at its default.
- **extern string sls="----Stop loss ATR settings. Select one----":** the time frame whose ATR you want to use as the stop loss
- **extern bool UseM15ATRsl=false;**
- **extern bool UseH1ATRsl=false;**
- **extern bool UseH4ATRsl=false;**
- **extern bool UseD1ATRsl=true;**
- **extern double SlAtrMultiplier=1:** leave this alone unless you know what you are doing.
- **extern string wei="----Week ending inputs----":**
- **extern bool FridayClose=true:** tells the robot to send no more trades after StopTradinHour.
- **extern bool SaturdayClose=false:** equivalent to the FridayClose for our Antipodean cousins.
- **extern int StopTradinHour = 12:** tells the robot what time to stop trading
- **extern string dins="----Pair display settings----":** These allow you to specify your chart display colours. They are self-explanatory.
- **extern color PairColour=Yellow;**
- **extern color LongColour=Green;**
- **extern color ShortColour=Red;**
- **extern color FlatColour=Blue;**
- **extern bool ShowPairsInformation=true:** set this to 'false' if you do not want the pairs information columns displayed on your screen.
- **extern double DisplayHorizontalStart=80:** Column display starts here.
- **extern double DisplayVerticalStart=12.2:** Row display starts here.
- **extern string oae="----Odds and ends----":**
- **extern int DisplayGapSize=30;**

Definition of a 'swing'

A swing consists of five candles.

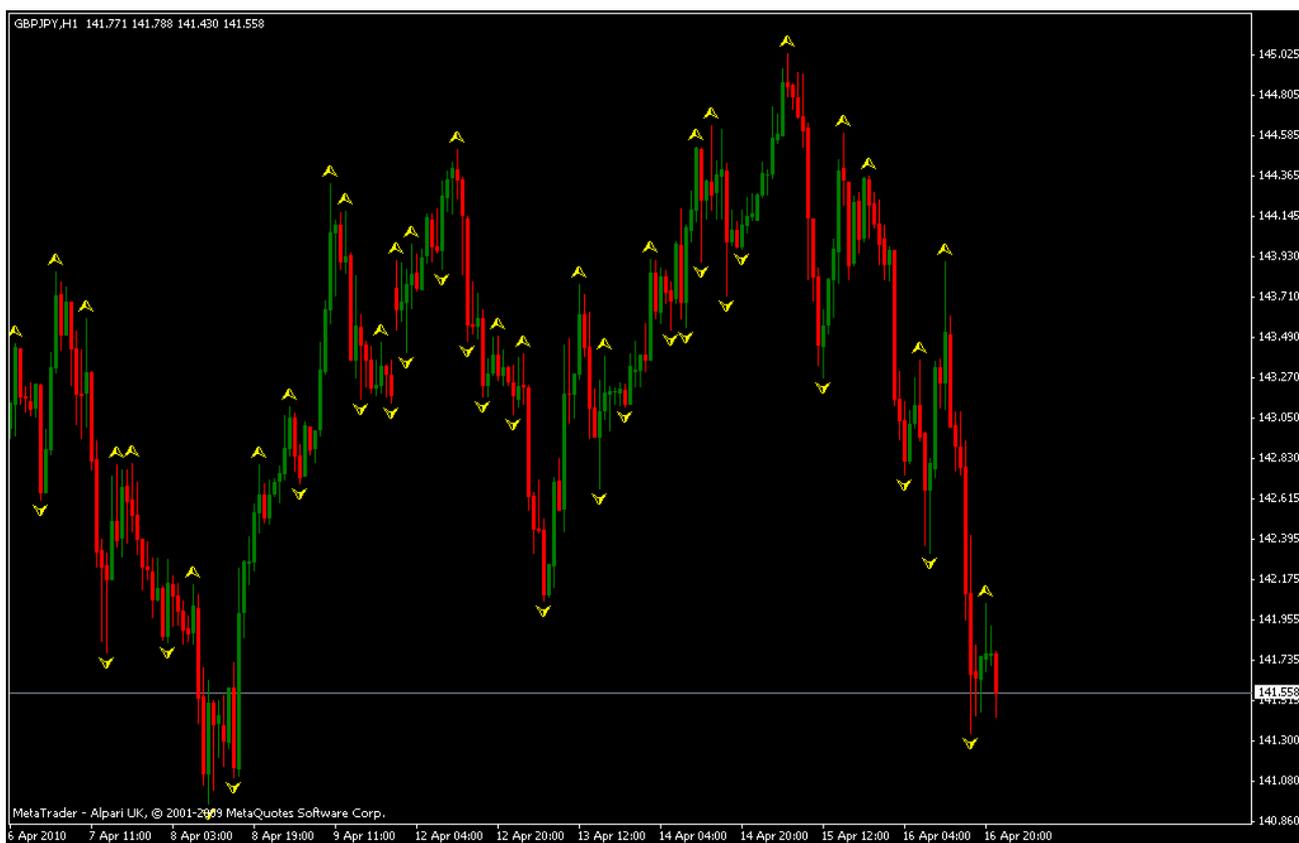
- For a 'swing low' the 5 candles are:
 - 1, 2, 4 & 5 all have higher lows than no 3, forming a downward-pointing wedge shape. Previous to the swing, the market will have been moving downwards. Remember, it is the *low* of each candle that counts; high, open and close are irrelevant.
- For a 'swing high' the 5 candles are:
 - 1, 2, 4 & 5 all have lower highss than no 3, forming an upward-pointing wedge shape. Previous to the swing, the market will have been moving upwards. Remember, it is the *high* of each candle that counts; low, open and close are irrelevant.

I found this brilliant pic on a site I was directed to, that illustrates this beautifully.



The point about all this is, a swing happens after a rising market meets resistance and is rejected, whilst a falling market has hit support and bounced back. The market has momentum in the new direction. Suppose the overall trend is up, a swing high will herald a retrace and the market will drop. At the end of the retrace there will be a swing low that indicates the trend is continuing; this is the time TBL will take the trade i.e. candle no 6 in the sequence, once the Ask is greater than the candle opening price.

There is a great indicator to show past swings, called Fractals and you will find it in your Indicators section of your Navigator window. When added, your chart will look something like this:



You can see how the little pointy arrows mark a swing high/low. We could probably do worse than simply to trade off these. You can see that the momentum that caused the swing sometimes fizzles out, but there would have been some great trades in there.