

KG Relative Strength Daily Cross trading EA

Daily Cross Strategy

This uses KG RS GROUP to initiate individual trades. Please note that individual DC trades are subject to the **MaximumSpread** setting; the EA will not send the trade if the broker spread is too large, but will keep on trying.

KG posted that on the D1 chart, individual trades taken when there is a crossover of trigger currencies are successful. His method involved spotting the cross, then waiting until the new candle (i.e. the start of the next day) then placing the trade when some of the lower tf relative strength reading match.

Once you have your EA set up on a D1 chart, **DO NOT CHANGE THE TIMEFRAME**. You will muck up the EA's calculations and you could easily end up with a shed-load of trades you do not want. Use a separate chart if you want to visually check lower time frames.

The EA uses a two-stage process to send trades. Imagine a GBPJPY long trade:

1. Stage 1 spots the cross:
 - Checks to see that the JPY trigger was stronger than the GBP two days ago.
 - If so, checks to see that the GBP trigger was stronger than the JPY yesterday.
 - If so, checks to see that the GBP trigger is stronger than the JPY today.
 - If so, sets a Validating Trade status.
2. Stage 2 validates the trade:
 - Checks that the GBP trigger is stronger than the JPY on the lower time frames (LowerTimeFrameFilter1 etc).
 - If each of the time frames match up, sends the trade.

During the Validation process, you will occasionally see all your lower time frame filters lined up yet the EA is not sending the trade. This will happen when the spread exceeds your maximum – this happens a lot with NZD pairs on IBFX.

Getting started

- Extract all the indicators to the Indicators folder of your mt4 platform. You do not need them on a chart, although KG RS GROUP V1.1 will send countless errors to your Experts tab if you do not drag this one onto a chart. If this does not bother you, then forget about it.
- Unzip the EA to the Experts folder of your mt4 platform.
- Unzip LibOrderReliable.mq4 to the Experts\Libraries folder.
- Unzip LibOrderReliable.mqh to the Experts\Include folder.
- Decide which strategy you want to adopt. Either: KG's original method of sending a trade as soon as all the criteria are met; or Sahar's method of sending a pending order that will only fill if the price continues to move in the direction you want to trade. Each instance of the EA can trade only one strategy. If you want to trade more than one at a time, you have to use multiple instances of the EA on multiple charts.
- The released code is mql source code that needs to be compiled for the robot to run. Your platform should do this automatically, but sometimes fails. If nothing happens when you drag the robot onto a chart for the first time, read the **Robot does not run when dragged onto a chart** section at the end of this document. You will need to follow the same steps with LibOrderReliable.mq4 and

. Daily Cross inputs are:

- **TradeKgMethod:** set this to 'true' to send a trade as soon as Validation is complete and all the filters line up.
- **TradeSaharsMethod:** if set to 'true', this adds an extra layer of security to the trade, because it sends a pending order that will only fill if the price continues to move in the direction you want to trade. These are the settings for this method:
 - **SaharsPendingDistancePips:** the distance from the current price that you want to send the pending order. The default of 10 is pure guesswork.
 - **SaharsPendingTimeLimitHours:** the number of hours you want the pending to stay with the broker before it expires. This avoids leaving 'orphan' trades when the market moves away from the trade and it never gets filled. The default of 4 hours is pure guesswork.
 - An example of how this works:
 - GBP trigger crosses USD trigger, long.
 - Validation of lower tf's is complete.
 - All the other filters are in favour of the trade.
 - Say the market is at 1.4000. The EA sends a pending buy order to fill at 1.410.
- **Tradexxx:** the trigger currencies you are hoping to trade.
- **MinGapBetweenTriggers:** this is the minimum gap you will allow between the two triggers that are to make up the trading pair. The default of 5 is pure guesswork.
- **CloseDcTradesOnRecross:** this tells the EA to close open trades if the trigger strength indices re-cross against the trade. These re-crosses turned out to be fleeting due to wide jumps from tick to tick; for example, it is normal to see JPY at 25 on one tick, then 75 on the next. This meant that trades were being closed at a loss, based on an incorrect reading of the relative strength of the two currencies in the pair. I have adopted BluePerl's suggestion of checking for a recross on lower time frames so:
 - **CloseDcLowerTimeFrameFilter1:** this should represent the next tf down from the one you are trading. The default of 240 represents the 4H tf, as this is a daily trading strategy.
 - **CloseDcLowerTimeFrameFilter2:** this should represent the second tf down from the one you are trading. The default of 240 represents the 1H tf, as this is a daily trading strategy.
- **CloseDcTradesOnRecrossPoints:** assuming CloseDcTradesOnRecrossPoints is set to 'true', this tells the EA to wait until the recrossed pair have separated by this number of points. Use zero to force immediate closure. The default of 10 is pure guesswork; I have no idea what it should be.
- **DcStopLoss:** set this to the number of pips you want to use as a stop loss.
- **AutoDcCalcStopLoss:** set this to true to base the stop loss on KG's settings (overrides DcStopLoss). He said this:
 - OK.. once a cross has occurred, i suggest we entering the trade on the next candle open with SL at High of previous candle+spread+10 for SELL and Low previous candle-spread-10 for BUY (If we need a SL). This is for individual trade base on D1 chart.
 - **MinStopLoss:** the auto-calculated sl can be too tight if the high\low of the previous candle is too close to the market price. This setting ensures a minimum sl. The default of 200 is a best-guess.

- **DcTakeProfit:** take profit in pips (the EA adds the spread).
- **AutoCalculateTakeProfit:** set this to true to make the EA calculate a take profit using a combination of ATR and ADX. These are both indicators that ship with Mt4 platforms; they need to be in the Indicators folder but not on the chart. You can read about these at <http://www.forexpros.com/education/technical-analysis/doubly-adaptive-profit-objectives-2592>. The settings associated with this function are:
 - **AtrPeriod:** leave this alone unless you are familiar with ATR.
 - **AdxPeriod:** leave this alone unless you are familiar with ADX.
- **LowerTimeFrameFilter1:** the first lower time frame, in minutes, that the EA will check after detecting a cross and validating a new trade. The default of 240 is the 4H chart.
- **LowerTimeFrameFilter2:** the next lower time frame, in minutes, that the EA will check after detecting a cross and validating a new trade. The default of 60 is the 1H chart.
- **LowerTimeFrameFilter3 & 4:** these allow you to drill into even lower time frames if you wish. The defaults of 0 turn them off, so enter lower TF values if you wish to use them. **DailyCrossMagicNumber** & **DailyCrossTradeComment:** take a guess at what these mean.
- **Brokers2stageCrook:** set this to true if your broker is playing the particularly nasty trick of only allowing sl\tp to be sent after the initial trade is place. I assume this is in the hope that there will be a lengthy systems crash\disconnect before the stops are sent, followed by a massive move against the trade that will cost the trader a lot of money. Frankly, I think only an idiot uses such a broker, but people do. Setting this input to true will do the 2-stage thingy for you.
- **OverrideMaxTradesAllowed:** I include this for anybody trading either of the basket strategies in addition to this one. Set this to true and the EA will override the MaxTradesAllowed setting when sending individual Daily Cross Trades,
- **No_Trade_For_X_Bars:** This forces the EA to wait X candles after a trade has closed, before attempting to send another. It is intended to get over the problem of the EA instantly replacing trades that we have closed manually, because it sees the conditions as being correct for placing a trade. The default setting of 2 equates to 24 hours on the D1 chart.
- **UseStochasticFilter:** this filters out trades where the pair has already gone too far in the direction you want to trade, and are about to reverse. Google 'Stochastic' if you do not know what this indicator measures.
 - **StochOverBought:** the default of 80 represents the traditionally accepted 'over bought' level.
 - **StochOverSold:** the default of 20 represents the traditionally accepted 'over sold' level.
- **UseMACD:** use this filter when trading the EA on lower tf's than the D1. It ensures that trades are only taken in the direction of the tf set in MacdPeriod. The defaults equate to 3 days on the D1 chart.
 - **MacdPeriod:** the period in minutes that represents the higher tf whose trend you wish to use as the filter. You have to set this input to the correct number of minutes for the chart you are trading. The settings are:
 - 1
 - 5
 - 15
 - 30
 - 60 (H1)
 - 240 (H4)

- 1440 (D1)
- 10080 (W1)
- 43200 (M1)
- **MacdLookBackBars:** how many periods to look back to establish the trend.
- **UseShamusFamous:** this is the D1 filter that ShamusFabous uses for his lower tf trades. His explanation in the thread is sufficient explanation:
 - “When I get a long signal for example, I check the D1 candle for trend. Simply said If the d1 candle is higher than open of candle (up) I'll take that trade. Reverse for shorts. I check this every time I get a valid signal.”
- **ImmediateAlertOnCross:** this is for mrpipster and the manual traders of DC. On the first occasion the EA detects a cross, it shows and sounds an Alert. Leave the default of 'false' in place if you do not understand this.
- **ImmediateEntryOnCross:** take care with this setting, as it makes the EA look to send a trade immediately it detects a cross, without waiting the extra candle for confirmation. Use some of the other DC filters in conjunction with this trading method – lower tf's, Stochastic, minimum gap etc. This is **not** standard KG DC trading. There is a set file sent with the zip that will get you started – 'dc instant.set'.

Managing Daily Cross Trades

I have copied some of the management features of MPTM. The following notes are copied from the MPTM user guide.

Stop Loss Manipulation

- 1) Break even settings: set a break even stop loss after the price reaches the setting in BreakEvenPips. You can use this in conjunction with the Part-closure routine (details later), as well as a stand-alone routine.
 - BreakEven: set to true to enable this facility.
 - BreakEvenPips: the number of pips you want the market to move in your favour before setting the stop loss to the order entry price, ensuring the trade cannot turn into a loss.
 - BreakEvenProfit: will add this to the stop loss to a buy order, subtract it for a sell order. My default of 2 pips means the sl is set to break even + 2, ensuring a minimum of 2 pips profit. Set it to 0 if you do not want this feature.
 - **Jumping stop loss settings:** this will jump the stop loss by JumpingStopPips when the price moves in your favour by that number of pips. Many traders consider this to be a better option than a straight trailing stop. The first time this option is triggered by the market price, it will set the stop loss to break even. After that, it will increment the sl by JumpingStopPips every time the market moves sufficiently in your favour.

This routine incorporates settings to part-close a percentage of the profits every time the sl jumps.

- **JumpingStop:** set to true to enable this facility.
- **JumpingStopPips:** the number of pips to jump. For example, my default of 30 works like this:
 - Market price hits order open price + 30: moves sl to break even.
 - Market price hits order open price + 60: moves sl to + 30.
 - Market price hits order open price + 90: moves sl to + 60.

- **AddBEP:** adds BreakEvenPips to the break even if set to 'true'.
- **JumpAfterBreakevenOnly:** use this in cooperation with BreakEvenSettings to manage longer-term or positional trades. If set to 'true', this will force JumpingStop to wait until the sl has been moved to breakeven before operating.
- ---- **part-close settings**----
- **PartCloseEnabled:** set this to 'true' to enable the routine.
- **Close_Lots:** this is the amount of the trade you wish to close at each jump.
- **Preserve_Lots:** this is the amount you want to leave 'on the table'. The ea will only close down the amount of the trade you specify in Close_Lots if there is more than this setting left to close.

For example, suppose you have a 1 lot trade. You want:

- The jumping stop to move the sl every 20 pips profit.
- Lock in 2 pips profit at the first jump.
- 0.2 lots of the trade closed at each jump.
- 0.4 lots of the trade left on the table to follow the move until tp or a retrace hits your stop.

These would be your settings:

- JumpingStop: true
- JumpingStopPips: 20
- AddBEP: true (and set AddBEP to 2 a little higher up)
- JumpAfterBreakevenOnly: false
- PartCloseEnabled: true
- Close_Lots: 0.2
- Preserve_Lots: 0.4

- 2) **Trailing stop loss settings:** works like the conventional trailing stop you can enter into the MT4 platform. Set TrailingStop to 'true' to use this facility, then enter the trail distance into TrailingStopPips.
- 3) **Instant trailing stop loss settings:** this will start moving the stop loss as soon as the market moves in your favour. It will set a sl at InstantTrailingStopPips if there is not one already in place, otherwise it will act on the existing sl. I cannot imagine a use for this, and wrote it only to satisfy myself that I can.
 - **InstantTrailingStop:** set this to 'true' to use this feature.
 - **InstantTrailingStopPips:** the number of pips to trail.
 - **StopInstantTrailAfterBreakEven:** set to 'true' to disable this feature as soon as the trade has achieved breakeven.
- 4) **DC global order closure:** This offers the facility to close all open positions when the Daily Cross trading profit reaches your target.
 - **DcGlobalOrderClosureEnabled:** set this to 'true' to enable this feature, 'false' to disable.
 - **ProfitInDollars:** set this to 'true' if you want the ea to close all orders at a set USD profit, then set **DollarProfit** to the figure you want.
 - **ProfitAsPercentageOfBalance:** set this to 'true' if you want the ea to close all orders when your trading profit reaches your chosen percentage of the account balance, then set **PercentageProfit** to the percentage you want.
 - The default settings are:
 - ProfitAsPercentageOfBalance = true

- PercentageProfit = 10
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- 5) **Opposite direction trades:** the EA has the ability to open a simultaneous trade in the opposite direction to the main Cross trade. For example, the EA takes a GBPJPY buy as the main trade, so it also takes a sell at the same time. This counter-trade has a tight tp and sl, so it is a quick in-and-out. The settings are:
- **TakeOppositeDirectionTrades:** set this to 'true' to send these trades.
 - **TodtImmediate:** I plan to code a number of different strategies for placing these trades. This is the first one, so set it to 'true' to use it; this forces the EA to send a counter-trade immediately it successfully opens the main trade.
 - **TodtTP:** the take profit for these counter-trades.
 - **TodtSL:** the stop loss for these counter-trades.

General EA settings

- **MaxTradesAllowed=24:** if the EA discovers that there are more than this number of trades already open, it will not open a new basket. This is to avoid over-trading as new trigger currencies are added to the EA. If this figure is exceeded during a basket opening, the EA will complete the basket.
- **Lot=0.01:**
- **TradeWeak** and **TradeStrong:** set either of these to false if you do not want to trade in both directions.
- **CriminalIsUS:** set this to true if your account is held by a US criminal. The robot will not consider as part of the basket, any trade that would be disallowed by the no-hedging rule; ditto *any* trade that would cause chaos because of FIFO.
- **PairSuffix="m":** use this if yours is an IBFX mini account. Change it to "" if not. If your broker uses a different suffix, then change PairSuffix to this setting.
- **ShowAlerts=true:**
- **MaximumSpread=20:** matrixebis's indi highlighted some horrible spreads on occasions. If the broker's spread exceeds this, the EA will not place the individual trade. It will continue to place the remaining trades in the basket. If your broker quotes 5 decimal places, then you need to multiply this number by 10.
- **DisplayGapSize:** this indents the screen feedback. It is useful if your broker puts messages on the left of the chart that clash with the feedback.
- **ShowMagicNumbersOnScreen:** set this to 'false' and the EA will not show the magic numbers. This frees up a lot of screen space and is useful if you are using the EA to manage the trades.
- **CurrencySymbol:** a present for Eddie. Change this to the currency you use for trading if it is not the \$.

Trading time filters

- **SleepMinsAtStartup=2:** this is a *really* important setting. On first starting your mt4 platform, or loading up KG's indi, the indi has a lot of work to do. The values you first see on screen are incorrect and can lead the EA to place trades incorrectly. This figure tells the EA how long to wait before starting up, and gives the indi time to sort out the correct values.
- **TradeSundayCandle:** set this to 'true' to tell the EA to trade on Sunday, if you live in a part of the world where this is possible. Experienced traders say not to do this, so best to leave it set to 'false'.

Global order closure settings

This offers the facility to close all open positions when the trading profit reaches your target. By default, the settings are all either false or ridiculous profit targets for safety. Remember this is different to the Daily Cross global closure; this function closes ALL trades. The settings are:

- 1) **GlobalOrderClosureEnabled:** set this to 'true' to enable this feature, 'false' to disable.
- 2) **IncludePendingOrdersInClosure:** will close pending orders if 'true' but will ignore them if 'false'.
- 3) **DollarProfit:** The profit at which you want the EA to close all your trades. The default of 100,000 is for safety.

Shirt Protection Settings

"Losing your shirt" is a slang expression to describe losing everything - money, home etc. Here, it applies to a margin call.

- 1) **ShirtProtectionEnabled:** set this to 'true' if you wish to enable this feature.
- 2) **MaxLoss:** set this to the dollars loss at which you want the ea to close all open trades (it will leave pending orders in place). For example, imagine you have an account with a balance of \$1,000. You can stand up to 80% upl but no more. You would set MaxLoss to -800. **MaxLoss must be a negative number.**

Really important point:

This routine should be irrelevant to you. If you think you might need it, they your trades are over-leveraged and ridiculously risky. Re-examine your trading techniques.

Pairs exclude list

This is a feature requested by ShamusFamous. It offers the ability to disable trading in up to 5 individual pairs. For example, you might want the GBP and JPY *triggers* enabled, but not want to trade GBPJPY. Enter GBPJPY in one of the boxes and the EA will not trade this pair.

Make sure you enter the pair *exactly* as shown in your mt4 platform; the EA does not add a pair suffix.

IBFX users

IBFX routinely puts criminal spreads on some of their pairs – I have seen GBPNZD at 105, for example. I think this practice makes NZD and AUD unusable as triggers for IBFX account holders.

Robot does not run when dragged onto a chart

As I have released the source code, your platform has to compile it from an .mq4 file into an .ex4 form that it can use. Sometimes the platform loses contact with the compiling process; how or why, I have no idea. When this happens, the robot shows up in the navigation window but cannot actually run.

Try this:

1. Left click on the robot and select Modify from the menu. After a few seconds, the mql editor window should appear with the source code open.
2. Press the F5 key to compile the code.
3. After a few seconds, you will get a message at the bottom of your screen saying, "0 errors, 2 warnings" and some stuff about OrderReliable functions being deleted from the compiled file because they are not called. Ignore them.
4. Press the F4 key to call back your trading platform. The robot should work now.
5. Close the mql4 editor.

If stage 1 does not work, it means your platform has lost contact with the editor. In this case: shut down the platform; navigate to the Experts folder using Windows Explorer or my Computer; double click on the source code file and follow steps 2-5.

And finally

If you are new to it, demo this EA for a few days to get a feel for how it works. **DO NOT** rush straight into live trading with it – only an idiot does this.

You can lose a *lot* of money trading Forex. Use of this EA does not guarantee you will profit from its use. Default settings are provided to get you started and do not constitute trading recommendations.