

Authorized SSBO Dynamic Breakout Box User Guide

Stairstep Breakouts FOREX Trading System © Forexhard 2011/12

AuthorizedSSBODynamicBreakoutBox Indicator © Forexhard & SSBO Coding Team 2012

SSBO System Creator: Forexhard

SSBO Coding Team: Squalou, FxSpin and Xux99

These are the basic operating instructions for the primary indicator for the Stairstep Breakout Trading System located at <http://www.forexfactory.com/showthread.php?t=302007>.

This free indicator should never be offered for sale under any circumstances. Please notify the SSBO team immediately if you see this happening.

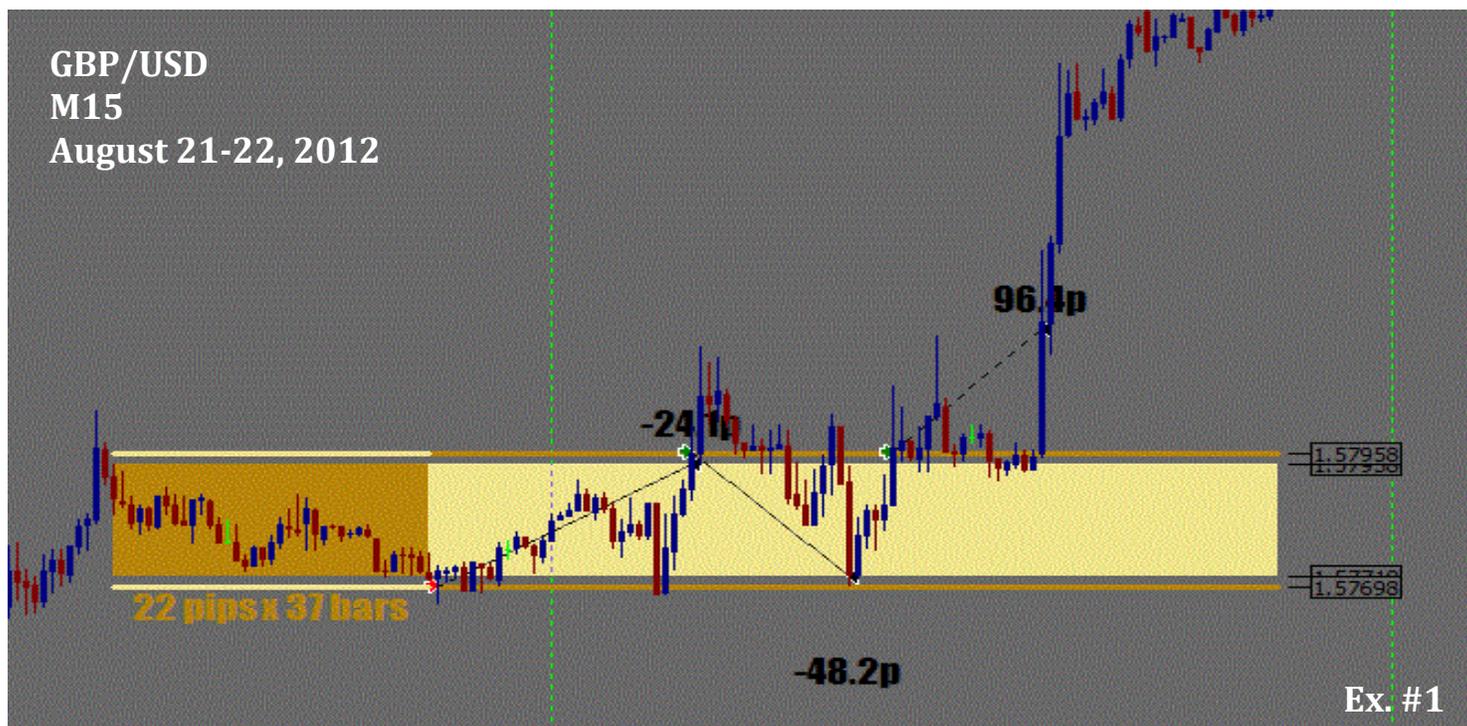
INTRODUCTION by Forexhard

The **Forex Factory** is the home of my trading blog dedicated to this system, which I started over a year ago, on July 1st, 2011. SSBO was being taught as a naked trading system at that time, so no indicators. Then a skilled software developer named Squalou stepped in and gave us the original SSBODynamicBreakoutBox indicator, which was later adapted by FxSpin, and then finally by Xux99, both skilled software coders in their own right. It has taken the 4 of us nearly a year to get the indicator to where it is today.

The **AuthorizedSSBODynamicBreakoutBoxFinalEdition** indicator is designed to pick out areas of extreme consolidation – e.g., Consolidation Zones, or CZ's – on the MT4-based software used in FOREX trading, according to user-defined parameters. CZ's located by the algorithm will be drawn ("painted") on to your MT4 chart, together with Buffer Lines and recent swing values. A 3-part statistical dashboard then highlights every CZ found within the Days Back parameter, which also breaks each CZ down by Wins and Losses, and many other useful statistics besides.

Once a new CZ is formed the trader will have several ways to trade it. For example, a "safer" trader might decide to focus on just the initial breakout, whereas a riskier trader might choose to build a multi-trade basket around the CZ, to name just two. Either way, this indicator offers traders of all experience levels something to work with.

Always keep in mind that the various settings and search parameters of this indicator are extremely sensitive, so even the smallest adjustments to any of the inputs will have the tendency to drastically alter the statistical dashboard.



Example #1: A typical Consolidation Zone 22 pips tall by 37 bars in length, plus the Extended Consolidation Zone which followed. The CZ is the entry filter; the ExtCZ is the trading zone. In this example, typical of most trade sets with the SSBO system, there were early entries that got stopped out (2 in this case) before a final trade with enough momentum behind it finally broke free of the S&R zone, reaching the projected target level.

SYSTEM PHILOSOPHY

The underlying concept behind SSBO is so simple it's hard: Wait until the market is doing "nothing" (relatively speaking) before setting out your plan of action. In other words: 1) When the market is active we do nothing; 2) When the market does nothing, this is when we plan for our next trade.

For SSBO, this "nothing" comes in the form of Consolidation Zones, or CZ's.

The "B" in SSBO stands for *breakouts*. We do not trade swings or trends; we trade **breakouts**, without regard to direction.

All basic calculations performed by the indicator are based on a 1:1 win/loss ratio for both the Take Profit and the Stop Loss values. The only exception to this fixed rule is the *QuickTakeProfit* setting, which allows for a larger than average win on the first trade of a set (only).

INDICATOR PARAMETERS

BoxLength: Minimum number of bars required to form a CZ.

BoxRange: Maximum height in pips required to form a CZ. Works in tandem with *BoxLength*.

BoxTimeFrame: Zero ("0") means the indicator will re-set to any Time Frame it is dropped on to. Any Time Frame value higher than zero will cause the indicator to preserve that Time Frame, and will cause it to display ONLY the results found in that TF on to every other TF you change to. The prefix of "M" or "H" must be added to any numerical value above zero - (i.e., M15, not simply 15.)

BoxBufferPips: Distance in pips between a CZ boundary and the Buffer Lines. Since the indicator is hard coded to close trades at the CZ boundary and then re-open recovery trades at the buffer, it is recommended that this setting be used, thereby creating a mandatory pause between the 2 actions.

MinBarsClosedOutsideBO: The number of candles that must close beyond the Buffer Line before a trade will open. "1" or "2" are standard values, and "0" turns this feature off.

MaxBreakoutTradesPerBox: Sets the maximum number of trades that can be opened for multi-part trade sets. It includes both open and closed trades. The higher the value the riskier the set-up. Minimum of "1" is required here, and "6" is considered high.

InitialBreakoutDirectionOnly: True will limit all trades to the same direction as the first trade of a set. Meaning, no alternating trades will be allowed. False allows for alternating trades, so long as the next 2 inputs are set to True.

LongTrades: True = Long trades are allowed.

ShortTrades: True = Short trades are allowed.

QuickTakeProfit: The Take Profit for the first trade of a set, which allows for the winning of extra pips on this trade only should it go straight to TP without retrace. Something like 35-50 is the recommended value here, or roughly 1.5-2 times the normal 1:1 ratio for most pairs.

StopLossOverride: Zero (the recommended default setting) means the standard SSBO 1:1 trading algorithm is working. Any pip value greater than zero turns off the standard algorithm and substitutes this SL value instead, ignoring the S&R levels established by the current CZ, allowing the trader to work completely independent of the indicator. **REPEAT: This setting turns off the fixed 1:1 algorithm! You are now setting your own custom SL levels. NOT RECOMMENDED THAT THIS BE DONE EXCEPT UNDER EXTREME DISCRETIONARY CIRCUMSTANCES.**

EmergencyStopLoss: The default back-up SL value in case of mechanical malfunctions, disconnect issues, or unexpected spikes, etc.

BoxMartingale: True tells the indicator to adjust the pip count by doubling losses until a win is ultimately achieved.

AutoReduceBoxSize: True (recommended default) allows the CZ to shrink to the smallest possible height and still stay within your other CZ-finding parameters.

RecalculateZeroBar: True updates the indicator on every tick. False, just once per candle.

DaysBack: The number of days you want the indicator to consider in making its calculations.

SignalMail: Sends trading signals by email.

SignalAlert: Alerts are shown on trading signals.

ShowFibs: True = FIB-based TP targets will be drawn against the latest CZ.

ShowSwings: True = The latest price swings will be drawn around the latest CZ.

ChartDisplay: 0 means no statistics are shown; 1 means just the top section of the dashboard is visible; 2 means the top 2 sections are visible; 3 means all sections are visible.

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