

The Wise Trader

How to trade using the GVC CSM and DD99 Dashboards



Be at peace when you trade and do not become swayed by greed...

The wise trader who knows when enough is enough will always have enough.

Thanks to the following:

GVC, Ding Dong and Hot Potato for their unselfish gifts to the trading community and their unrelenting desire for perfection and superior coding skill.

JibalaPasan the magnificent - GrandMaster of the CSM for her uncanny trading skill and equally unselfish desire to help the trading community.

Hopefully this guide will cut down on their having to explain the same things over and over again to those too lazy to read the thread.

GoldenEquity for help understanding the technical stuff.

*The information within is for educational purpose only. Do not use on a live account without testing on a Demo account and only after achieving consistent results for an extended length of time. Results obtained may vary from one person to another and no matter how you look at it you are still gambling.

**Don't be in a hurry to lose your money.
These dashboards are not personal ATM's.**

PipFlak
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Dash Fibo Dashboard

GVC CSM Dashboard

The Spread

(Based on Ding Dong 99 Index Absolute Strength and Spread Analysis)

Looking at demand and supply, we can understand the market situation.

We can view this as a study in Disagreement.

In the market there are two conditions: **HIGH Buyer/Seller Disagreement** AND **LOW Buyer/Seller Disagreement**.

We trade when **PRICE MOVES FROM LOW Buyer/Seller Disagreement and progresses TO HIGH Buyer/Seller Disagreement.**

Why ?

Because when price is in High Buyer/Seller Disagreement no one is willing to sell or buy at the current price.

Sometimes we can see that price will "Stick" for a brief period in time.

That means the market is in **HIGH Buyer/Seller Disagreement** because 2 participators are in disagreement with that price for selling or buying.

From this situation without seeing the chart, pattern or indicator, ect.,
we know that the price will move to a Low Buyer/Seller Disagreement state.

We already know that price will move in our favor when in **LOW Buyer/Seller Disagreement**, so how do we ascertain when the market is in a **LOW Buyer/Seller Disagreement** state ?

The answer is: the **SPREAD**.

The bid/ask 'spread' represents the metric on that 'Disagreement' either increasing or decreasing.
It represents the 'tension' between the 2 sides (supply/demand)

It is sufficient to just mention that the MarketMakers (MM's) can 'create' or violate these metrics anytime they choose.

That is an ENTIRELY different subject and those who hold to that view trade a strategy that is completely different than what we are attempting to do here.

Both/Either strategies can only 'try' to anticipate what is 'unknown' and both/either can have success.

We use the spread to signal us when a low disagreement state has been reached by observing the currency

pair spread column on either the DD99 dashboard and then using the DD99 group strength indicator to measure the increasing or decreasing index currency strength.

HIGH SPREAD = LOW Buyer/Seller Disagreement

LOW SPREAD = HIGH Buyer/Seller Disagreement

1. How to trade the spread.

We are looking for an increase in both Volume (the measure of the activity or interest; for Forex it can only be gauged in number/amount of market ticks; equities/futures can measure contracts etc. There is no current volume indicator on either dashboard.) and Spread using the built in DD99 daily/weekly group trade strength indicator and the currency pair spread column from the dashboard. At time of writing the DD99 indicator is only available on the DashFibo dashboard but hopefully will be incorporated into the GVC dashboard as well.

A. When an increase in a base currency group spread is detected along with the corresponding heatmap trend color, observe the DD99 daily/weekly group trade currency strength indicator to determine if the index currency strength is increasing or decreasing.

B.

WIP

Still trying to figure out but working on it.....

Relative Strength

(Based on JibalaPasan's advanced CSM trading techniques)

Trading Relative Strength

Using the relative strength reading on the GVC/CSM creates an edge when picking pairs and gets us into the trade quicker and more reliably. It is also used to determine our dynamic exit points.