

FX Prime V2

Instruction Manual

Welcome To FX Prime V2

This instruction manual will teach you how to use Fx Prime V2 and how to interpret the signals.

Fx Prime V2 filter uses 4 different ways to analyze the direction of the market. We use Fx Prime Filter in conjunction with 3 moving averages to give us high probability trades.

So let's start with currencies:

This system can be traded on any currency but the ones I prefer are the GPBUSD and USDJPY.

Trading Times (Very Crucial)

The trading times are very important. What you need to do is trade with this system during one of the market opening times. Here are the market opening times.

Forex Market Center	Time Zone	Opens GMT	Closes GMT
London Great Britain	Europe/London	08:00 AM 11-December-2008	04:00 PM 11-December-2008
New York United States	America/New York	01:00 PM 10-December-2008	09:00 PM 10-December-2008
Sydney Australia	Australia/Sydney	09:00 PM 10-December-2008	05:00 AM 11-December-2008
Tokyo Japan	Asia/Tokyo	11:00 PM 10-December-2008	07:00 AM 11-December-2008

As you can see above, there are 4 trading hours for market opens. This system works best 1 hour before and 1 hour after markets open.

For example, if you are trading the GBPUSD, I would trade it during the London open and the New York open, 1 hour before opening and 1 hour after closing. Trade the currencies that are affected the most by certain market opens. Here's an example:

London open
GBP currencies
EUR currencies

New York Open
USD currencies

Sydney Open
Aud currencies

Tokyo Open
JPY currencies

Again you have many currencies to chose from but I prefer trading only once a day and on one currency GBPUSD.

But it's up to you to pick your trading times based on your time available for trading.

DON'T Trade During News

If there is a news event and it occurs during your trading times, never trade 30 minutes before and 30 minutes after the news event.

For example, if your trading times are from 7 a.m. - 9 a.m. and news happens at 8 a.m., trade from 7:00 a.m. to 7:30 a.m. and then from 8:30 a.m. to 9:30 a.m.

For up to the minute news events go to:

<http://www.forexnews.com/globalcalendar/default.asp>

Fx Prime V2 Install

What I really enjoy about the FX Prime V2 setup is that it is very easy to read and very easy to understand. A lot of work was put into the indicator to make it as simple as possible using V1 setups and filtering out the bad trades.

In the FXPrime_V2.zip file that was sent to you, there should have been a file named HowToInstall.pdf that clearly explains how to setup the system on your charts.

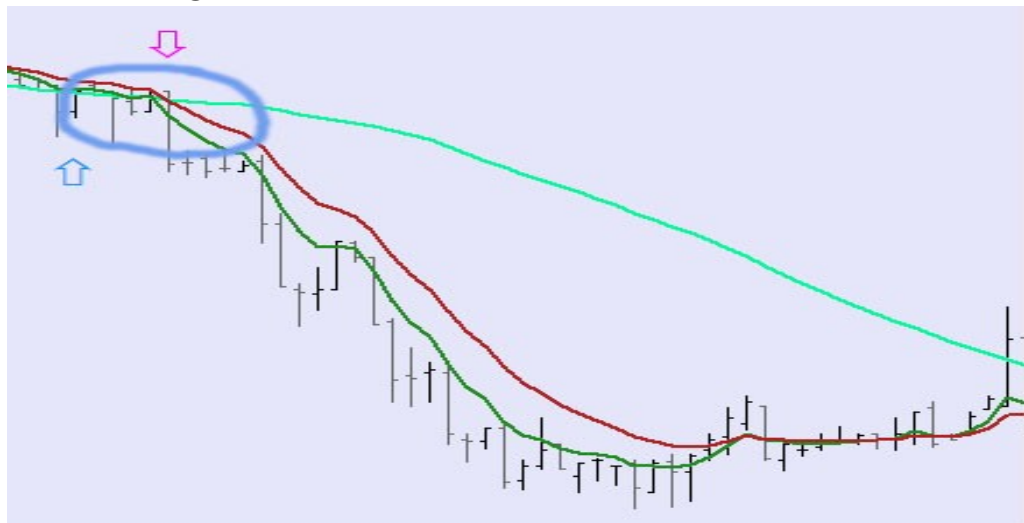
You should see 3 Moving averages, some arrows on the chart, pink and blue background and the fx prime filter on the bottom.

FX Prime V2 Setups

The setup is as follows.

1. The first thing that needs to happen is that the **6 EMA** and the **12 EMA** cross into the **50 SMA**. Here's an example of a cross:

See how the green Ema and the red Ema cross the flashy green line? That is the first step of a signal. Now the optimal signal is when the red and green lines are VERY close together when they cross the flashy green line. What this means is that it is moving very well into the up or down direction. When the lines are further apart when the cross happens, the trade is a bit riskier. You will also hear an alarm go off when the Emas cross; this is so you don't have to be glued to the screen.



2. The next thing we look for is the Fx Prime Filter. When there is a setup of the EMA crosses, we then wait for the FX Prime Filter to give us the go ahead. Once a bar paints we enter the trade. Here's how it looks like:



Now the important part is this: The closer the signal happens after the cross the higher the probability of a winning trade. If the signal occurs 5 bars after the cross, you see long bars and you are very far from the cross, do not enter. The safest trade is when the cross happens and right after FX Prime signals a trade.

The further away you are from the cross and the Fx Prime Signal the riskier the trade. (This is something you will get the handle on, and why I like to get to know and trade one currency like the back of my hand!)

The Exit Strategy

For the exit strategy we will use a very special Heiken Ashi indicator.

Once you have entered a trade you want to look for the Heiken ashi indicator to change color. Here is an example:



In the graph above, do you see how the Heiken ashi turned from red to green? When you get that green signal, it is time to close the trade. That was a 45 pip trade right there.

As you can see, the exit strategy is very strong and should give you some good pips.

Things to remember: Make sure you are trading during market opens 1 hour before and 1 hour after. Make sure that the trade is TIGHT i.e. when the Emas cross the 50, they are tightly squeezed and you get an immediate signal from Fx Prime Filter. Get to know one currency and stick to it. The more you get the feel, the higher your win % will be.

Making A Plan And Sticking To It

I would say that the system you are trading is only worth about 30% - 40% of your own success as a trader. This system is great but... As soon as you let your emotions get into the way, it can take you from a profitable day to a losing one very quickly.

That is why you need to create a trading plan. And **STICK TO IT!!**

As a free bonus, you have received a file called

- FX_Trading_Income_Calculator

This file will help you greatly in creating a plan and going for your pips daily. Here's what a trading plan looks like.

SAMPLE DAILY GOAL LIST AND RULES

1. Get at least 8 hours of sleep every night
2. Only trade the USA open from 7a.m. EST - 9 a.m. EST
3. Only trade GBPUSD
4. Make sure EMAS are very tight when they cross
5. Make sure the filter signal happens very close to the cross
6. Once 30 pip target is hit, END trading day
7. If more than 3 losses in a row, END trading day
8. Practice using strategy tester 1 hour on Sat and Sun
9. Never trade more than 2 hours a day

These are simple rules but they are important. Sleep affects the way we trade in a HUGE way. As for keeping your emotions out of the way, you need structure in your trading hours, pips and currency traded.

If you do not have a plan and strict rules, how are you going to get to your destination? Take your rules sheet and make sure it is visible when you trade. Once you have made the trade and it happens to be a loser, look at

your sheet and ask yourself: Did I follow the rules? Be honest with yourself! :)

The Last Big Secret

On a closing note, my mentors, who were very successful in trading forex, always asked me: What's harder? Going after 100 pips a day or going after 20-30? Of course 20-30. So, why trade all day, miss time with your family, get stressed over trades, when you can concentrate on accuracy instead of the amounts of pips.

Last closing quote:

“It's not the amount of pips you make in a day that counts. It's the accuracy at which you trade”

It only takes a few pips a day to make your investments grow. Just use the power of leverage and compounding for maximum gain.

Thank you again for being part of this very special group of traders and best of pips to you!

Canadian_Dude

Forex Risk Disclosure

Risks Associated with Forex and Trading

Trading foreign currencies is a challenging and potentially profitable opportunity for educated and experienced investors. However, before deciding to participate in the Forex market, you should carefully consider your investment objectives, level of experience and risk appetite. Most importantly, **do not invest money you cannot afford to lose.**

There is considerable exposure to risk in any foreign exchange transaction. Any transaction involving currencies involves risks including, but not limited to, the potential for changing political and/or economic conditions that may substantially affect the price or liquidity of a currency.

Moreover, the leveraged nature of FX could sustain a total loss of initial margin funds and be required to deposit additional funds to maintain your position. If you fail to meet any margin call within the time

prescribed, your position will be liquidated and you will be responsible for any resulting losses. Investors may lower their exposure to risk by employing risk-reducing strategies such as 'stop-loss' or 'limit' orders. There are also risks associated with utilizing an internet-based deal execution software application including, but not limited to, the failure of hardware and software.

Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. The high degree of leverage can work against you as well as for you. Before deciding to invest in foreign exchange you should carefully consider your investment objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your initial investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading, and seek advice from an independent financial advisor if you have any doubts. Trading means that any market movement will have an equally proportional effect on your deposited funds. This may work against you as well as for you.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE INFERRED OR SHOWN. THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS & THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY A PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK & NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. THE ABILITY TO WITHSTAND LOSSES OR ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE MANY OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF A SPECIFIC TRADING PROGRAM OR SYSTEM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS -- ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.