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For example, the ability to withstand losses or to adhere to a particular trading program or system in spite of the trading losses are material points that can also adversely affect trading results. There are numerous other factors related to the market in general or to the implementation of any specific trading program, which cannot be fully accounted for in the preparation of hypothetical performance results. All of which can adversely affect actual trading results.

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# Protocol # 1: FREE

Thank you for taking the time to read this report. I think you will find it exceptionally interesting, and here's why.

I believe that trading successfully can be taught. I think that the weak point in most people's career as a trader is the emotional part and that can largely be overcome if you make your system as mechanical as possible.

These mechanical rules could be called Protocols.

## **Here's how Wikipedia defines Protocol:**

"a protocol is a predefined written procedural method"

In the next few reports, I hope to share with you what I consider to be some of the most important Protocols in trading.

Here's a quick overview of what's ahead.....



## Protocol # 1

In Protocol # 1, I will share with you why it's important to know where you are in the scheme of things. For example, regardless of what time frame you trade, other time frames have an effect on the one you are trading. If you read the time frames around you, it can give you a tremendous trading advantage.

# The Forex Trend Hero



In this report, I will be discussing how you can use the indicator to help improve your trading. You can get this FREE today at my website <http://www.forexsecretprotocol.com>



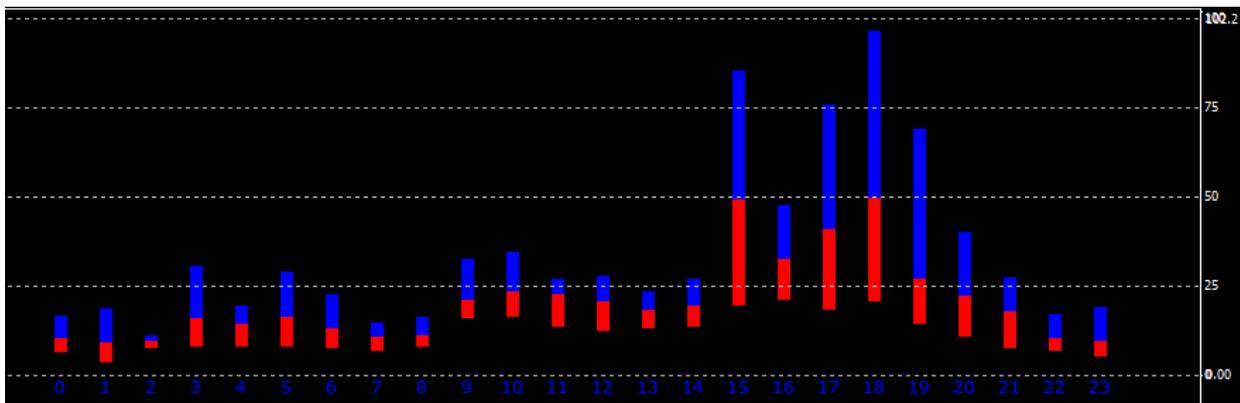
## Protocol # 2 - FREE

Protocol # 2 report will open the eyes of many traders. There is pure gold hidden in the chart that most traders just don't see.

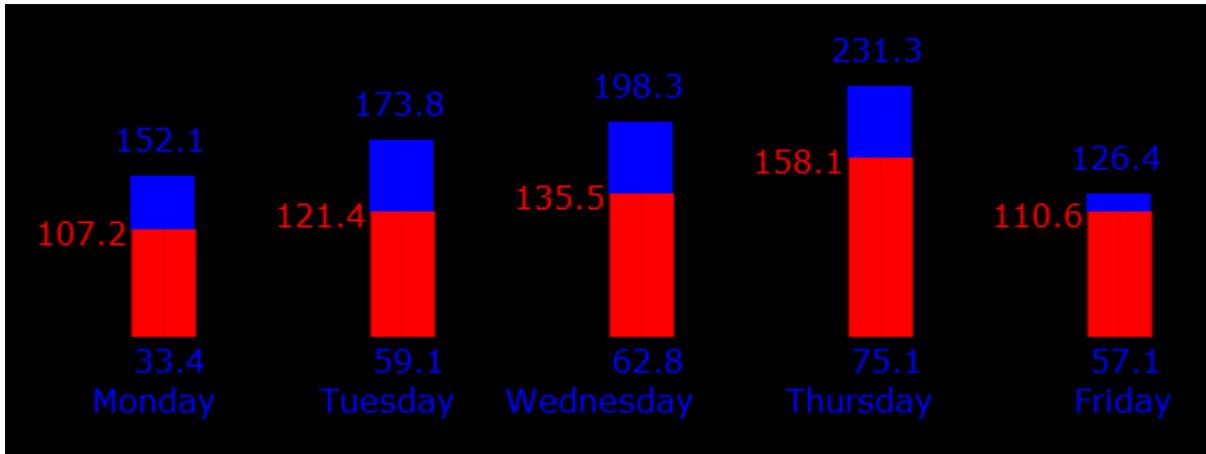
This will blow your mind. I have developed a very powerful indicator that can predict the next candle on the chart with 98% accuracy.



Do you know when the best hour to trade is? I am going to give you an indicator that can do just that.



What about the best, most profitable day of the week to trade? Not a problem. I will give you that indicator too!



How about the best currency pair to trade? Who do you think has the most advantage, the trader who just sits down to trade with no insider information, or the one who has all these trading tools?

What times were your best trades taken?

Hour	Profit \$ (%)	Pips	#Buys(+)	#Sells(+)	Lots
14	0.0 (0.0%)	0.0	0(0)	0(0)	0.00
13	867.1 (85.9%)	175.8	4(3)	2(2)	3.00
15	-359.1 (35.6%)	-70.4	0(0)	2(0)	1.00
17	114.7 (11.4%)	24.1	1(1)	1(0)	1.00
10	8.5 (0.8%)	1.7	1(0)	1(1)	1.00
16	106.7 (10.6%)	22.6	0(0)	1(1)	0.50
23	-185.0 (18.3%)	-37.0	1(0)	0(0)	0.50
8	78.8 (7.8%)	18.6	1(1)	0(0)	0.50
21	378.2 (37.4%)	73.1	0(0)	1(1)	0.50

In my next report, I will give you all these incredible indicators for FREE. Just watch your inbox for details.

## Protocol # 3 - FREE

I consider this the most important Protocol. In this report, I am going to teach you how to make your trading mechanical. You will learn how to remove all emotion from your trading. After you read this report, don't be surprised if you see a huge jump in your account balance.



So here's what I want to achieve. Over the next three reports, I am going to give you enough information to drastically improve your trading. At the very least, you will have more tools than just about any other trader out there to trade profitably.

**So let's get started...**

# WHAT DOES YOUR ELEPHANT LOOK LIKE

## I. Introduction: The market is an elephant...

Identifying the direction of the market reminds me of a famous parable that originated in India. It's about six blind men who were trying to tell what an elephant looked like.



The blind men had to feel different parts of the elephant's body to get an idea of its appearance.

The blind man who felt one of the legs said an elephant is like a pillar. The second blind man touched the tail and said it's like a rope. The third one felt the trunk and insisted it's like the branch of a tree.

The fourth man touching the elephant's ear said it's like a hand fan, while the fifth one felt its belly and said the elephant is like a wall. The last blind man felt the elephant's tusk and said the elephant is like a solid pipe.

A passerby saw the elephant and overheard their argument. He explained to them that all of them were right about the elephant. They were only describing it differently because each of them touched a different part of its body, and the elephant had all of those parts.

Much like the elephant, the market can be seen differently by individuals trading on separate timeframes... But the trader who can give the most accurate description is the one with a holistic view of the market.

## II. Importance Of Knowing The Trend

One of the main foundations of trading Forex is determining which direction to take in a trade. This should be in the same direction as the trend of the market.

To truly identify the trend of the market, you don't just look at one timeframe and draw your conclusions; otherwise, you'd be like the blind men. You need to see more than one timeframe to get a feel for where you are.

For example, on the EURUSD 5 Minute chart below, we have a series of lower lows and lower highs. This means that we have a downtrend. This might lead some traders to immediately place a sell trade.



But successful traders are like the sighted man in our story who saw the whole elephant. They would not trade yet; they would first look at other timeframes to get a holistic view of the market.

Below is an image of the EURUSD 1 hour chart, at approximately the same time that the previous image was taken.



Forming higher highs and higher lows, the market is obviously moving up on the Hourly timeframe. In other words, it's in an uptrend. This means that the strong down move found on the 5 Minute timeframe is only a short retracement.

The problem is, even if traders look at the higher timeframe, just like what you see above, many of them are confused as to which trend to follow, the one they see on the 5 Minute or the one on the Hourly timeframe.

To answer this, let's see what the market does next.

On the 5 Minute chart below, you can see that after the vertical line, the market suddenly turned around and went up.



This goes to show that even though there was a downtrend on the 5 Minute timeframe, it was only for a short period of time, and the market followed the trend on the Hourly timeframe.

If you had placed a buy trade when you saw the 5 Minute chart, you would have lost the trade. Make a few more trades like this and your investment would just go down the drain. It's like having a narrow view of the market and acting on it.

It is very important to confirm your signals on higher timeframes. Having a broader perspective will help protect your capital from unnecessary losses. In our example, since the higher timeframe was going upward, the best action is to wait for a buy signal on the 5 Minute chart, which is in agreement with the higher time frame.

I hope that my simple example above has helped you understand the importance of confirming the trend on other timeframes to ensure the odds in your favor.

### III. Tools To Identify The Trend – Forex Trend Hero

Looking through more than one timeframe may seem difficult for novice traders. But really, it should be easy if you have the right knowledge and tools to do it right. Read on and I will show you how to use certain tools to identifying the trend, along with a special indicator called the Forex Trend Hero that will allow you to see the trend on four timeframes, all in one chart.

#### A. Forex Trend Hero

I know how tedious it can be to have to shift between timeframes when you have a potential signal. It's also time consuming. This is where Forex Trend Hero comes in. When applied, this indicator will display 4 timeframes at the bottom of the chart: Daily, Hourly, 30 Minute, and 5 Minute timeframes. No more shifting back and forth.



By default, Forex Trend Hero uses exponential moving averages (EMAs) to help determine the trend. You can find a 5 EMA and 10 period EMA on the Daily, Hourly and 30 Minute timeframe, and on the 5 Minute timeframe, you have a 10 EMA and a 25 EMA. Moving averages are good indicators for determining the trend direction.

## B. Exponential Moving Average

Moving averages (MAs) calculate the average value of a set of prices to identify the direction of the market. An exponential moving average (EMA) is a type of moving average that gives more weight to the latest data, so it reacts faster to more recent price changes.

An EMA in an uptrend will slope upwards, while the EMA in a downtrend will slope downwards. Below, you can see that the price on the GBPUSD 5 Minute chart is in an uptrend where both the 10 EMA and 25 EMA are moving up.



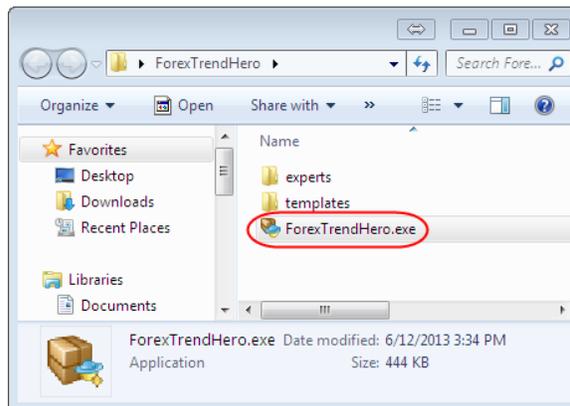
Using a combination of a short term EMA and a longer term EMA will help us identify the upward price surges. The short term EMA reacts faster to price changes, so when it crosses above the long term EMA, you have a confirmation that the more recent prices are moving up faster than it used to. This is the point where we look for some buying opportunities. Of course, the opposite would apply in a downtrend, wherein the short term EMA would cross under the long term EMA.

In the next section, let me show you how to install and apply the Protocol 1 Indicator before moving on to some trade examples...

## IV. How To Install & Apply Forex Trend Hero Indicator

It's easy to install the Forex Trend Hero. Just follow the directions below.

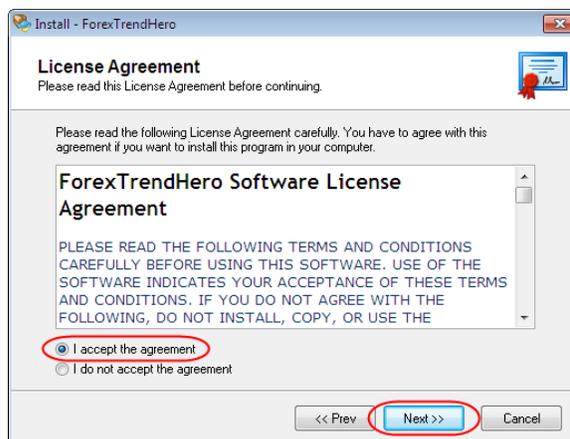
1. Download the zip file containing the installer. Unzip it and double click on "Protocol1.exe" inside the folder to run the installation wizard.



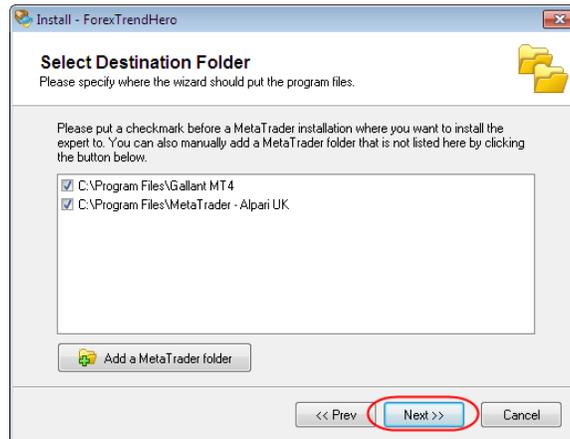
2. Click the "Next" button to start the installation.



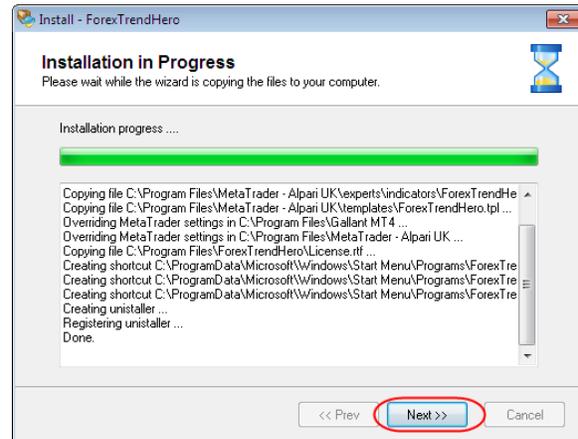
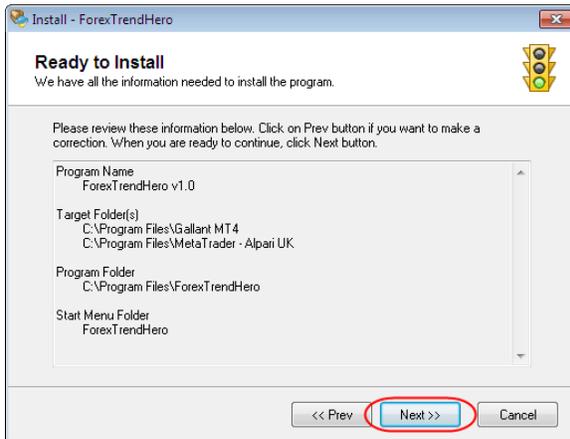
3. Tick on "I accept the agreement" and click on the "Next" button.



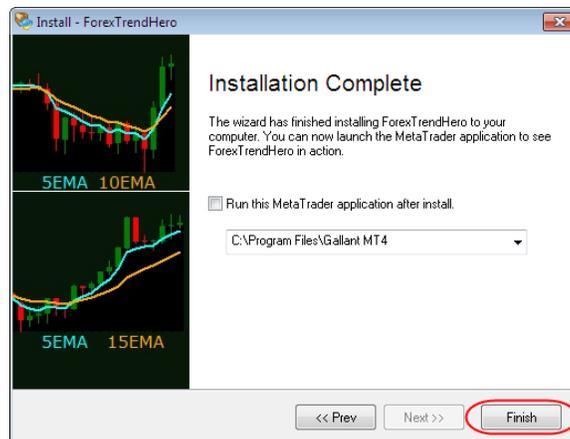
4. Select the MetaTrader4 platform to install Forex Trend Hero on and click on the “Next” button.



5. The wizard is now ready to install Protocol 1. Keep clicking on the “Next” button.

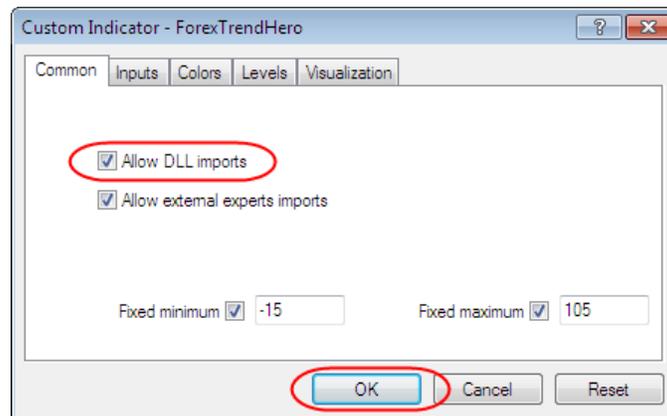


6. Once it's done, click on the “Finish” button. You can now restart your MetaTrader4 platform and apply the indicator on your chart.



Before applying the indicator on your chart, remember to restart your MetaTrader4 platform.

Next, open the Navigator window of your MetaTrader4 platform, go to the “Custom Indicators” list and double click on “Protocol1”. A popup window should appear and all you need to do is tick “Allow DLL imports” and click on the OK button. This uses the default settings on Protocol 1.



The indicator will then appear at the bottom of your chart. It has four boxes that display different timeframes.



The Forex Trend Hero is customizable. Below are the parameters found in the Inputs tab.

1. These are the periods that appear on your chart.
  - Period1 = 5 - 5 Minute
  - Period2 = 30 - 30 Minute
  - Period3 = 60 - 1 Hour
  - Period4 = 1440 - 1 Day
  
2. NumberOfBars = 14
  - The minimum number of that appear in each box.
  
3. AutoAdjustNumberOfBars = true
  - This feature allows you have a good view of the different timeframes even if you zoom in.
  
4. AutoAdjustFactor = 1.2
  - If in case the bars on the indicator appear too small for the current timeframe, you can increase the AutoAdjustFactor.
  
5. OverwriteWidth = 0
  - This is the static width of each candle. You can also set it from 1 to 5.
  
6. ShowMADetails = true
  - If set to true, it will display the type of MA used on the indicator.
  
7. TextSize = 11
  - Font size used.
  
8. Below are the different colors used:
  - clnfo = Blue - lines and timeframe
  - FirstMAColor = Aqua - first moving average
  - SecondMAColor = Orange - second moving average

9. General Settings - Here, you have the option to change the MAs used in each box. This pertains to the first box to the right, which shows the 5 Minute timeframe.

FirstMAPeriod = 25;  
SecondMAPeriod = 10;  
FirstMAType = MODE\_EMA;  
SecondMAType = MODE\_EMA;  
ApplyMAPrice = PRICE\_CLOSE;  
UseGeneralSettings = false

- If set to "false", it will only use the settings above for the 5 Minute timeframe and follow the settings below for the other timeframes. Set this to true if you want to use the same MA on each timeframe.

## 10. Detailed Settings

- a. Box 2 Settings - Settings used for the 30 Minute timeframe.

FirstMAPeriod2 = 5;  
SecondMAPeriod2 = 10;  
FirstMAType2 = 1 (EMA) or 0 (SMA)  
SecondMAType2 = 1 (EMA) or 0 (SMA)  
ApplyMAPrice2 = 0 (close price)

- b. Box 3 Settings - Settings used for the 1 Hour timeframe.

FirstMAPeriod3 = 5;  
SecondMAPeriod3 = 10;  
FirstMAType3 = 1 (EMA) or 0 (SMA)  
SecondMAType3 = 1 (EMA) or 0 (SMA)  
ApplyMAPrice3 = 0 (close price)

- c. Box 4 Settings - Settings used for the Daily timeframe.

FirstMAPeriod4 = 5;  
SecondMAPeriod4 = 10;  
FirstMAType4 = 1 (EMA) or 0 (SMA)  
SecondMAType4 = 1 (EMA) or 0 (SMA)  
ApplyMAPrice4 = 0 (close price)

## V. How To Trade With Forex Trend Hero

Forex Trend Hero is a great filter for false signals. It can help confirm your trades if you already have an existing method of trading. To illustrate how to improve your trades, let's start with a simple system and use Forex Trend Hero to confirm the signals.

Our simple system has the following **Buy Trade** rules:

1. On the 5 Minute chart, the 10 EMA must be above the 25 EMA.
2. Wait for the price to close above the 10 EMA then buy at the close of the candle.
3. Set the stop loss (SL) under the most recent swing low. The maximum SL is 15 pips.
4. Set the take profit at 1:1 risk to reward ratio with the maximum TP being at 15 pips.



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Below are the **Sell Trade** rules:

1. On the 5 Minute chart, the 10 EMA must be below the 25 EMA.
2. Wait for the price to close below the 10 EMA then sell at the close of the candle.
3. Set the stop loss (SL) above the most recent swing high. The maximum SL is 15 pips.
4. Set the take profit at 1:1 risk to reward ratio with the maximum TP being at 15 pips.



Looking at the rules above, I can see a weak system. We can improve that by using Forex Trend Hero. We will confirm the trend on at least 2 higher timeframes before placing the trade at the close of the signal candle.

For a buy trade, the 5 EMA must be above the 10 EMA on at least 2 higher timeframes. For a sell trade, the 5 EMA must be below the 10 EMA on at least 2 higher timeframes. All you have to do is look at the boxes at the bottom of the chart. I will show you exactly how in the next few pages.

**Note:**

You can find the chart template (forex\_trend\_hero.tpl) for this system in the folder containing the Protocol 1 indicator.

## Buy Trade Example

Below is a buy trade on the USDJPY 5 Minute chart. You can see that the 10 EMA had been above the 25 EMA for some time (1). This is a good sign that we'll have some nice trades coming.

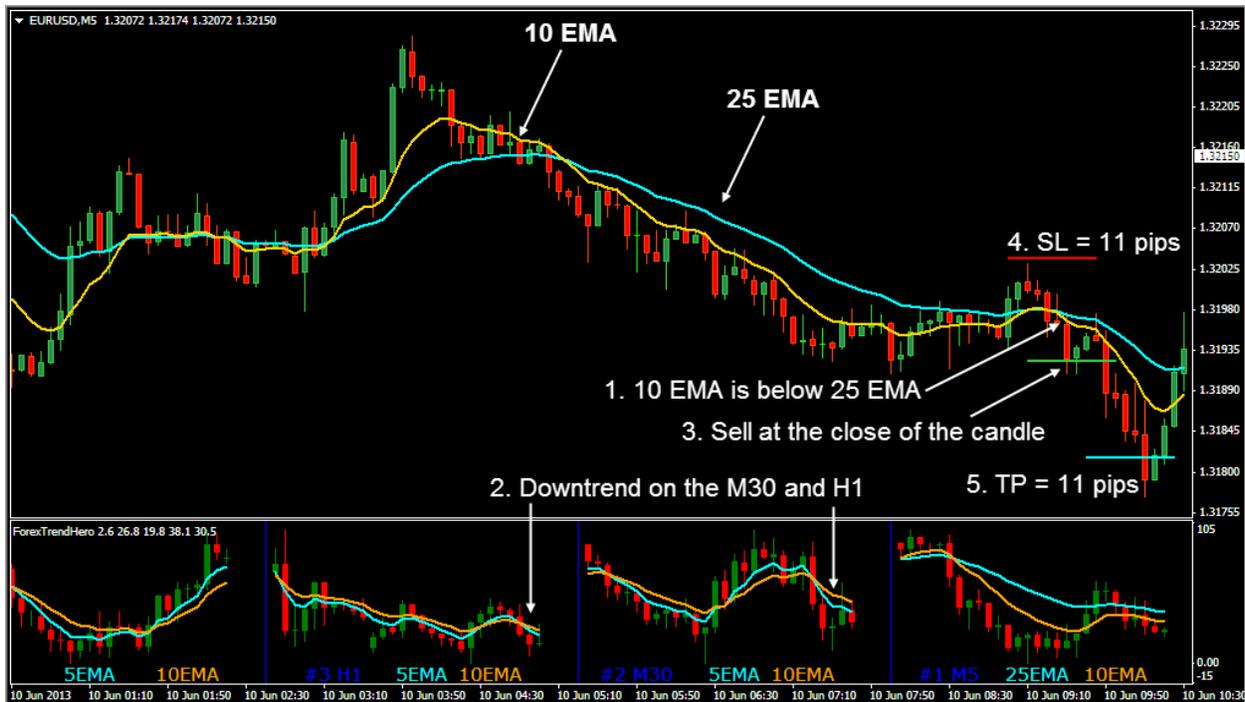
If you look at Forex Trend Hero, you can see that the 30 Minute and the 1 Hour timeframes were showing an uptrend as well (2). There was no uptrend on the Daily chart but we had a bullish candle. This means that the price had been going up during the day.



With the confirmation on at least two higher timeframes, we were able to enter a buy trade at the close of the candle above the 10 EMA (3) which was at 98.7. The stop loss was set at 98.55 (4), and the take profit was set at 98.85 (5). The price retraced before it continued to go up and hit the take profit. The trade was closed with 15 pips in profit.

## Sell Trade Example

Our sell trade was on the EURUSD 5 Minute chart. The 10 EMA crossed below the 25 EMA (1) so we had a downtrend on the M5 timeframe. Next, we can see that the trend was also going down on the M30 and the H1 timeframes (2). With this as confirmation, a sell trade was placed as soon as the candle closed under the 25 EMA (3), at 1.3192.



The stop loss was set above the most recent swing low, at 1.3203 (4). Then the take profit was set at 14 pips, which was at 1.3181 (5).

Not long after, the price hit the take profit level and we got out of the trade with 11 pips of profit. Not bad for the 5 Minute timeframe!

## VII. Summary

**The above examples were for a very simple technique. Use the Forex Trend Hero as you see fit. It can only help your trading. The point of this report is to give you a glimpse into how I think about trading. I believe the more information you have, the better the trading decision you will make and in my system, the Forex Secret Protocol, I use at least two time frames.**

### *Think about this...*

Traders don't become successful because of some psychic power or luck. They are successful because before they place their trades, they make sure they are going in the right direction.

Forex Trend Hero provides a simple but effective tool to view the trend on multiple timeframes. All you have to do once you find a signal is confirm the direction of the trend. If your signal says buy but you have a downtrend on the higher timeframes, you might want to wait for a sell signal. Then you can place a sell trade, which gives you a higher probability of success.

Trading is a business and it pays to be conscientious. So before ever placing another trade ever again, ask yourself: "What does my elephant look like?"

It's my sincere hope that Forex Trend Hero will benefit you as it has benefitted many of my students. Have a great day!

*Toshko Raychev*

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