

Here are some basic (maybe useless) statistics :

	2004M5	2005M5	2006M5	2007M5	2008M5	2009M5	2010M5	2011M5
PR	32	32	32	32	33	33	33	36
PG	32	31	31	31	33	35	34	36
PS	36	36	37	38	34	32	34	27
PGG	43	42	42	40	44	45	45	47
PGR	45	47	46	47	47	47	47	52
PGS	11	12	12	13	9	8	9	2
PRR	44	43	42	41	45	44	43	47
PRG	45	45	45	45	47	49	49	51
PRS	11	12	12	14	8	7	8	2

PR is the probability of red candles (for example in 2004, 32% of the candles were red).

PG is the probability of green candles.

PS is the probability of spin candles (open = close).

PGG is the probability of having a green candle after a green candle. (for example in 2004, if you have a green candle, the following candle will be green too 43% of the time)

PGR is the probability of having a red candle after a green candle.

PGS is the probability of having a spin candle after a green candle.

PRR is the probability of having a red candle after a red candle.

PRG is the probability of having a green candle after a red candle.

PRS is the probability of having a spin candle after a red candle.

You can see more statistics (from 2004 to 2013 in different timeframes) in the attached Excel file (*Stats.ods*) but I'm not sure it's helping more.

In conclusion, these statistics give an overview of what's going on over a year but don't help much. What we can notice is that the probability of the next candle to be in the opposite color is always higher than having the same candle color (it means that if you have a red candle, the probability of the next candle to be green is always higher than being red).

Something important to know is that database includes week-ends meaning that 28% minimum (2 days over 7 days is 28%) of the time, candles are spins because the market is closed. It influences the results, the same statistics should be done from market opening to market closing (8 hours per day).

In the following strategies, we subtract one pip to each trade because the spread in MT4 equals to one but in reality, sometimes it might be 2 or 3 pips depending on the time you're trading in, I didn't consider that in the algorithm.

Also in the DataBase, we have 6 significant digits (5 numbers after the coma) whereas in MT4, when we trade, there are only 5 significant digits (4 numbers after the coma).

Let's talk now about some studies on non-stop trading strategies, meaning we are always in a trade (and only one), either sell or buy, we never stand-by and no stop-loss nor take profit are used.

The following strategy was based on the idea to work only with price action meaning without using any indicator. I was wondering what would happen if I'd buy at red candle, exit and sell at the next green candle (see example below, white lines are winning trades whereas red lines are losing trades) so I coded it.

Actually, I was thinking about a sentence (i think the second of thermodynamics) my chemistry teacher used to say : « systems always evolve towards an equilibrium ».



Here are the results, it's divided into 3 tabs :

- *IdealRedGreenAndSoOn* : this one is ideal meaning impossible, let's say we have a red candle (we have to buy), in the algorithm I took the minimum value of this candle for entry (in reality, we can't enter at this value if there's no pullback) and I took maximum of the next green candle for exit.
- *RedGreenAndSoOnPullBackClose* : for entry, we wait for a pullback to the minimum value of the red candle for buy (to the maximum value of the green candle for sell) and exit at the close of the exit candle (so this strategy can be done in reality)
- *RedGreenAndSoOnCloseToClose* : it's similar to the first one except that we buy/sell at close price (not at max and min like in *IdealRedGreenAndSoOn*)

IdealRedGreenAndSoOn	Profit	SuccessRate	NberOfTrades	PipsPerDay
2004M5	207342	88	34185	568
2005M5	158415	84	34203	434
2006M5	78327	73	34121	215
2007M5	175841	88	34522	482
2008M5	256616	85	35610	703
2009M5	224004	82	36992	614
2010M5	245960	86	35859	674
2011M5	129801	76	39706	356
2012M5	64330	71	39600	176
2013M5	54875	70	38489	150
RedGreenAndSoOnPullBackClose	Profit	SuccessRate	NberOfTrades	PipsPerDay
2004M5	42746	71	26792	117
2005M5	23498	65	26866	64
2006M5	-5965	53	27387	-16
2007M5	42257	70	27703	116
2008M5	24104	67	27151	66
2009M5	16047	64	27775	44
2010M5	39943	68	27717	109
2011M5	-24071	53	27869	-66
2012M5	-29214	46	27964	-80
2013M5	-26510	44	27305	-73
RedGreenAndSoOnCloseToClose	Profit	SuccessRate	NberOfTrades	PipsPerDay
2004M5	-5866	52	34185	-16
2005M5	-14565	49	34203	-40
2006M5	-26047	42	34121	-71
2007M5	-9942	46	34522	-27
2008M5	-26478	52	35610	-73
2009M5	-19798	54	36992	-54
2010M5	-20434	51	35859	-56
2011M5	-26411	52	39706	-72
2012M5	-33392	44	39600	-91
2013M5	-31291	42	38489	-86

I could talk about other strategies (most of them related to CCI indicator) I've coded but it gives the same kind of results, you can see them in the second page of *Stats.ods*.