

Summary & Cuttings by „Forexcube“

HA-T3-1 System by „tonyb123“

H4; M30

Trading direction signals are generated on the 4 Hour Chart.

All Trades are executed on the 30 Minute Chart.

Of course you can use the Daily Chart for longer trends or even the 1 Hour Chart for shorter trends.

There are more than enough opportunities to trade in one day with the 4 Hour trend. This set to trade with e.g. 15 different currency pairs at the EUROPE, LONDON and US sessions.

Indicators:

Heiken Ashi T-3-1:

is The Primary Indicator.

Timeframes: all: It is used on all Timeframes.

H4: but on the 4Hour Chart it alerts for a possible change of the trend.

M30: On the 30 Minute Charts it is used as a possible entry signal.

Trend Lord Indicator:

is a simple Trend Filter.

It helps in identifying the strength and direction of the Trend on all Timeframes.

Awesome Oscillator

is another Trend Filter and used with the **Trend Lord** on the 4 Hour Charts helps to identify Trend reversals and good add-on positions.

W-LNX

is an Entry CCI. It is used in conjunction with the **Heiken Ashi T3-1** to identify good entry points.

Moving Averages

a pair of **MAs**. A **3, simple, close Yellow** and a **MA 5, shift 1, simple, close, Maroon**.

TRADE SETUPS

- (1) On the 4 Hour Chart HA T3-1 Alert is Triggered.
- (2) Evaluate Trend if it is a Retracement or a Reversal.
- (3) Awesome Oscillator. Is it above or below the Zero Line? Above = Uptrend and Below= Downtrend
- (4) Go to 30 Minute Chart for Entry.

Entry Rules on M30

- (5) HA T3-1 Alert is triggered.
- (6) W-LNX Zero Line Bar is same color as the color of HA T3-1Alert.
- (6) Enter Trade the Direction of the Alert with a STOPLOSS.

Exits

Option 1: Primarily, have a Trailing Stop triggered to taken out of a trade – so stay in the Trend as long as possible.

Option 2: When Price Bar closes above the 5MA in a Down Trend or below the 5 MA in a UP Trend.

Option 3: Stay in Trade until you get another HA T3-1 Alert on the 4 Hour Chart.

Trailing Stops

E.g. use the last 3 Bar HIGH + the Spread and move accordingly as momentum slows.

To use this system you need to open one account to just monitor the 4 Hour Alerts and open a second platform to monitor the 30 Minute Entry Signals (E.G. LIVE ACC).

Set the email alerts to ON for the 4 Hour Charts and wait to get emailed for a signal. If everything looks good go to your M30 other Platform and set your email alerts and wait for a good trade.

(Of course you do not have to wait for the signal on 4 Hour once you start it up, as long as the current Trend looks good, go and check out the 30 Minute Charts for Entry Signals.)

Enjoy and God Bless You All!

<http://www.forexfactory.com/showthread.php?t=218962>

Here's the link to the video.

<http://www.brilesmedia.com/factory/>

p.44, #650; p.45, 3670

USD/CHF

USD/CAD

USD/JPY

CHF/JPY

EUR/CAD

EUR/JPY

EUR/AUD

EUR/USD

(EUR/CHF)

(EUR/GBP)

GBP/USD

NZD/USD

AUD/USD

AUD/CAD

AUDJPY

NZD/JPY

GBPJPY

GBP/CAD

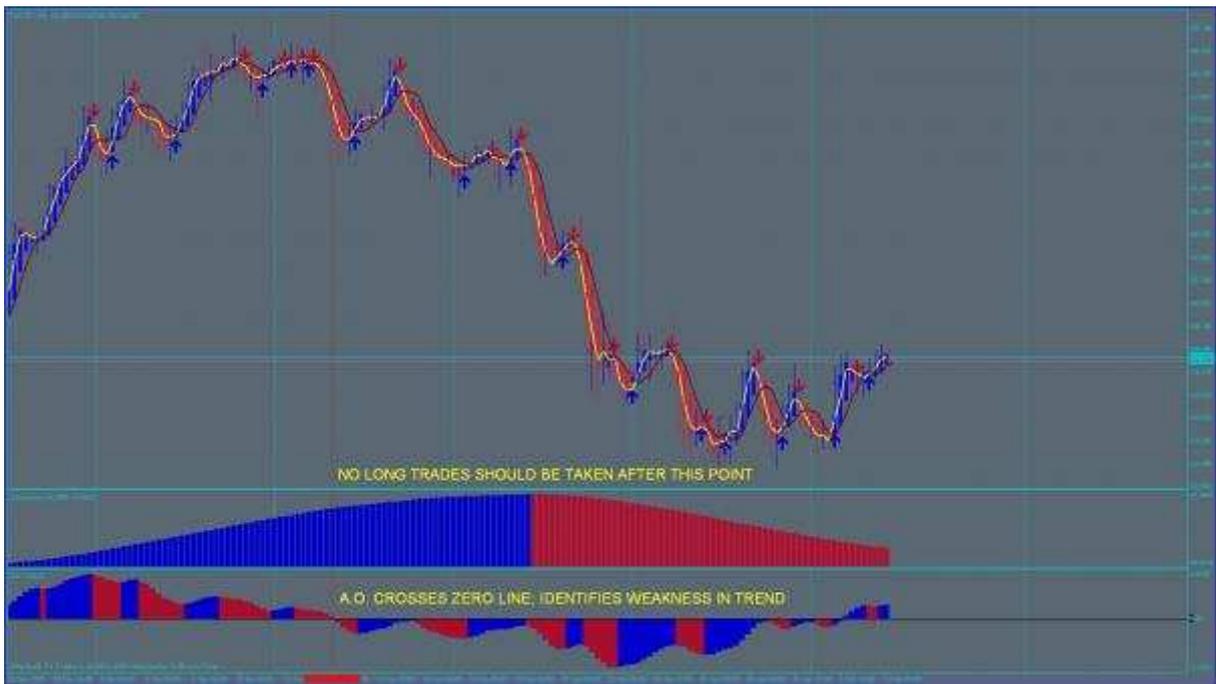
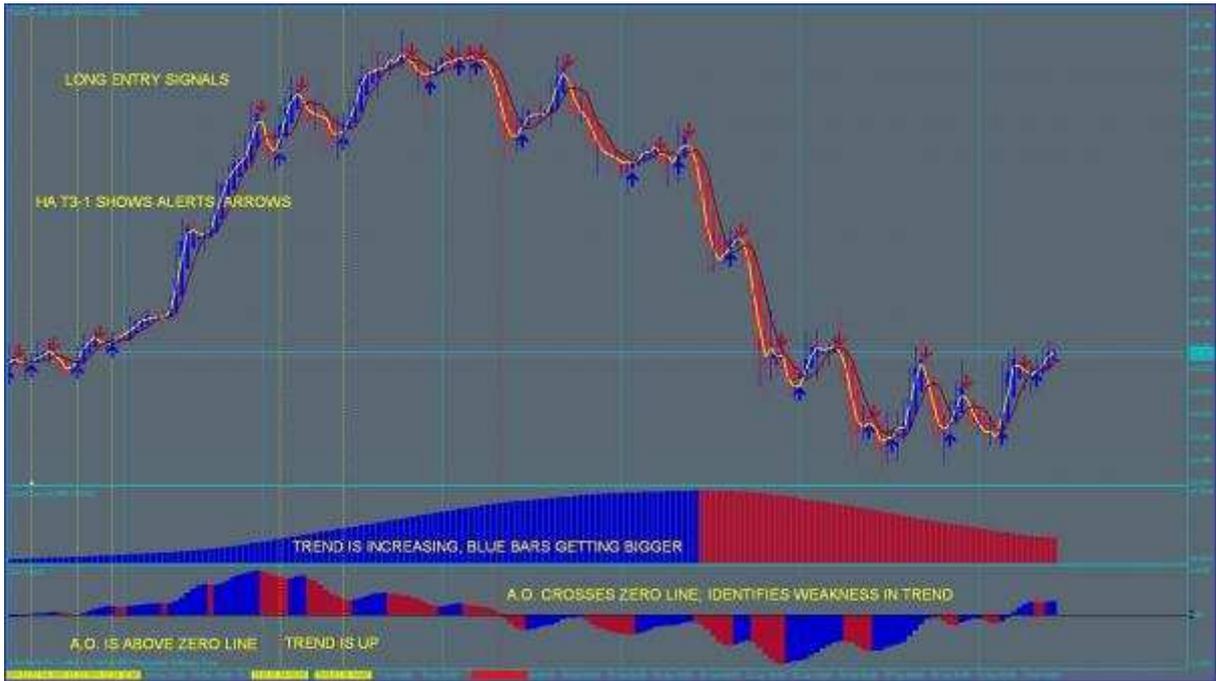
(GBP/CHF)

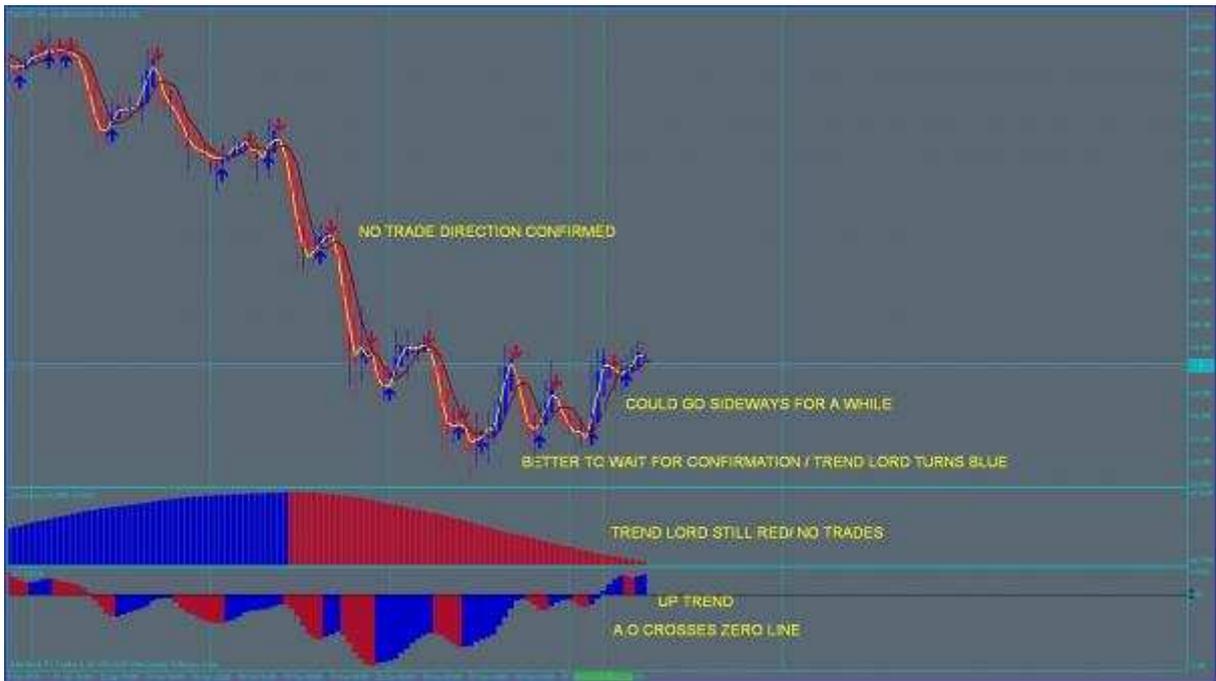
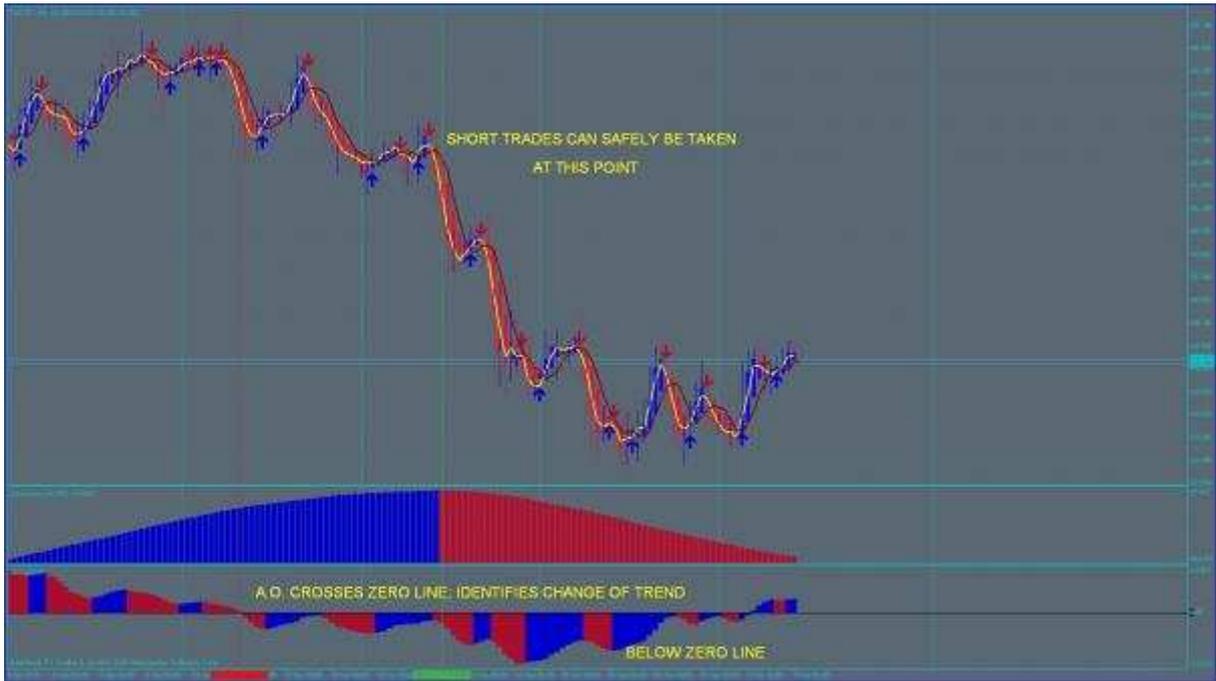
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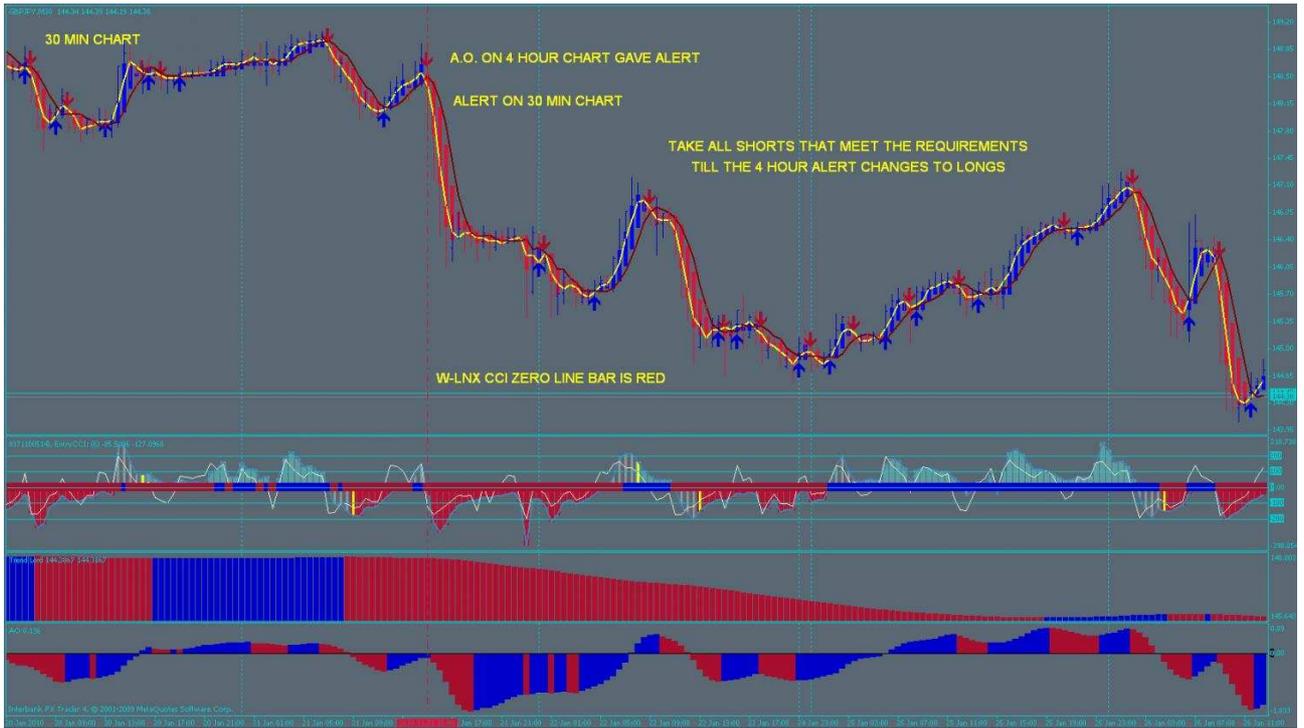
(XXX/XXX)not trending currencies and high spreads; & perhaps false signals too often.

p.45, #670

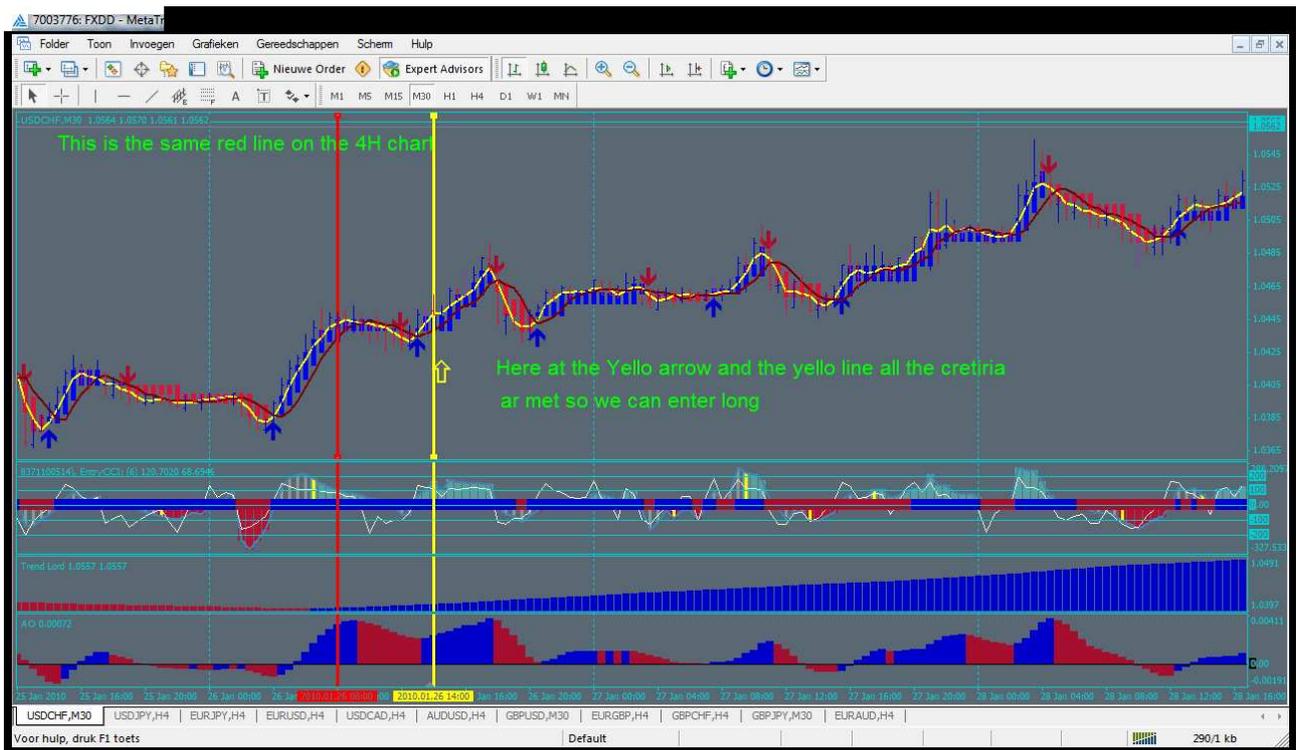
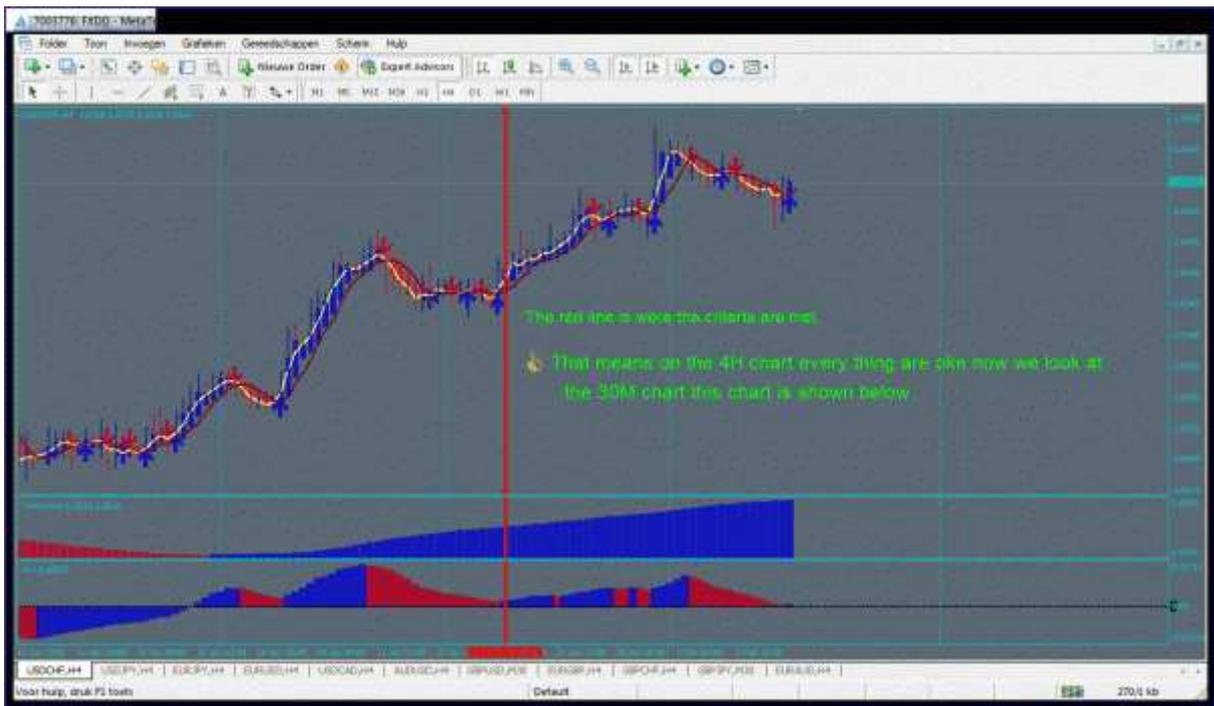
These are the pairs i am now using. Eur/jpy, gbp/jpy, eur/usd, usd/jpy, gbp/usd, usd/chf, aud/usd, usd/cad, nzd/usd, chf/jpy, aud/jpy, nzd/jpy, eur/cad. I removed: Eur/GBP, eur/chf and gbp/chf. If you know of good trending pairs offered by your broker you can use those as well. Such as gbp/cad if your broker offers it. Mine does not or i would use it too.







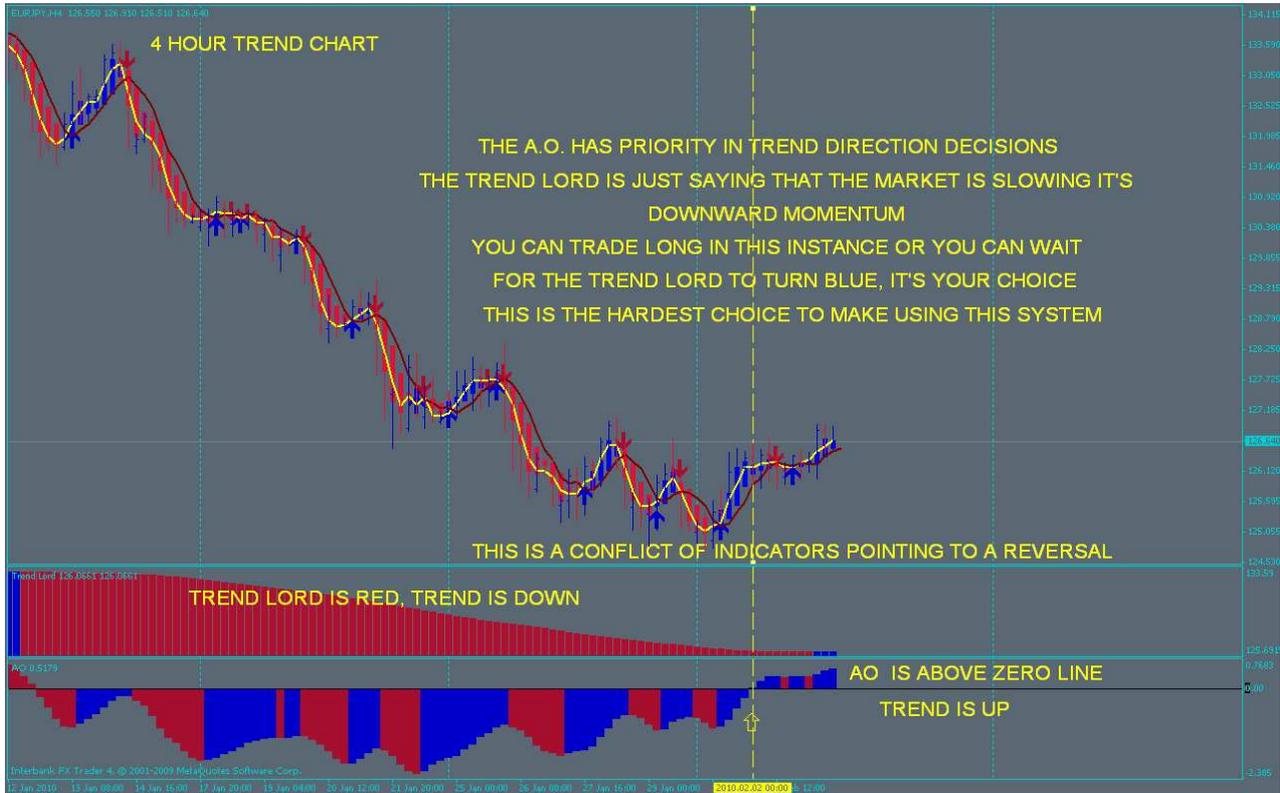
p.3, #33; p.3, #36



That is a good example to Take the trade. as soon as you get the alert on the 30 min and the W-LNX are the same color enter the trade. Good Job.

Set up and entry signals explained

The hardest choices to make are at trend reversals especially when market has been sideways for a while. A.o has trend priority then you look to see the bar length and color of the trend lord to confirm the a.o. Or not to confirm. ON THE ENTRY YOU ONLY CARE WHAT COLOR THE MIDDLE ZERO LINE BAR COLOR IS.



p.6, #83

Setting E-Mail

On your platform (mt4) go to **tools> options>and the email tab.**

you must have a pop server to get the emails to text you to your phone smtp. If you do not have one you can go to www.gmx.com and get a free email forwarding account and use that account to forward your texts from mt4 to your phone. There are in depth answers on this forum for you. Use your search box . Hope this helps.

p.6, #85

If you are looking at the current market for the GBP/USD on the 4 Hour Chart The last two bars on the A.O are almost parallel indicating that the upward movement is slowing down. But a little caution,the bars on the Trend Lord are small and close to the zero line.(Signs of a Trend reversal) This one I would not be quick to jump on. I would wait to see if this is just traders taking profits. Or an actual reversal of the Trend.



p.43, #638

Blue arrow appeared while CCI bar was blue, so I opened a LONG trade.

I opened another long trade (add-on) using AO on M30 chart (AO on M30 is used ONLY for add-on signals) when it became blue again.

p.5, #63

I've been approached through a private message whether I could help explaining the AO and the alert/mail functions in this system. Since I typed it once I thought I could also paste and share it here.

CAVEAT: I have not developed this system and am in no way trying to superimpose my personal interpretation. In no way am I evaluating other possible interpretations of the indicators, conditions that should be met etc. I only felt compelled to share below comments with the community because I have been directly asked by one member for them, and because I see a lot of potential in the approaches discussed in this thread.

The alert on MT4 is generated when the Heikin-Ashi indicator changes direction. When it turns bearish, its color turns red; when bullish, blue. The AO indicator is set for the same colors, red is bearish, blue is bullish. For a strong bearish signal on the AO it should be red and in negative territory; likewise, for a strong bullish signal AO would be blue in positive territory. Weak signals that are better ignored would be blue/negative and red/positive. They only tip you off to possible trend reversal.

So you can interpret a "sell" alert to be red and a "buy" alert to be blue.

Whether you use the e-mail function or not is entirely up to personal preference. I find it a mess to configure MT4 to enable mailing, so I stick to watching my screens. You don't have to use either template, actually, instead you could go into the Heikin-Ashi properties and toggle mail on ("true") or off ("false"). Equally, if you toggle alerts on or off, you will display or hide the arrows. Just right-click on the indicator and experiment until you have a screen setting that works for you, then save that as your template.

The templates that were attached are really just for reference. That's the way Tony likes to use his own system. If you apply it to your own trading, I suggest you evaluate every single element whether to use or not.

To sum up also for reference only how I would apply the system, I would use the long timeframe (H4) to establish trend. The condition I want to see met is that Heikin-Ashi and AO align perfectly (e.g. red H-A *and* red, negative AO for short trades, blue H-A *and* blue, positive AO for long trades). I personally do not use alerts or mails on the long timeframe, but check visually. The Trend-Lord indicator I frankly don't understand very well, so I keep it on the screen for further confirmation only; for example, if AO has just crossed the zero line and I'm not sure about the momentum of the trend yet, the Trend-Lord could help me confirm.

I would then look for entries on the short timeframe. For that I would turn on the alert function for Heikin-Ashi; when an alert in the direction of the above trend is triggered, I would then confirm that the bar color of the W-LNX CCI indicator is also showing red for short or blue for long. Alternatively, after an alert on Heikin-Ashi where the W-LNX bar is showing the opposite color, I would consider entering when the W-LNX changes into the direction of the overall trend. I find looking at AO and Trend-Lord on the fast timeframe to be too much information.

So once all four conditions are met (two each on the slow and the fast timeframe; order of the indicators turning on each timeframe doesn't matter to me, but slow timeframe must show trend first and fast timeframe align consequently), I would enter the trade. This does not generate a great many signals for each individual pair, so it makes sense to monitor a large group. Just be careful not to enter into too many trades on correlated pairs in order to keep risk under control. I would rather not be trading AUDUSD and NZDUSD at the same time in the same direction, or EURUSD and USDCHF in opposite directions; their risk profiles are similar (inverted in the latter case).

The moving averages can be used to manage the exit, but just as with position size your exit

rules really depend on your risk tolerance, so I strongly encourage you to come up with your own answers for this portion.

Hope this helped. My explanations had to be somewhat generic because I have not developed the system myself, but I've tried to answer from experience about the indicators used and the general approach to multi-timeframe trend-following systems.

Cheers, Jesper

p.5, #61

The way I would explain this, this is not only valid but actually the whole intent of the system.

As with any system that trades short-term retracements of long-term trends, you look at the higher timeframe first (H4 in this case) for a strong trend to establish. Establishing direction gives you an edge by reducing the noise.

You then utilize the noise that you observe in short-term market swings by looking for counter-trend retracements on the lower timeframe (M30) and a reversal back into direction of the trend. While you don't get to ride the full trend as seen on the higher timeframe, you take fairly secure trades for portions of it, and will often be able to profit from the trend more than once.

Naturally, a reversal in overall trend will show earlier on the lower timeframe. In other systems you might think about taking a counter-trend trade (for example, center-of-gravity approaches do that and bet on a reverse to the mean), but in the system in this thread you would wait for the new trend to be fully established on the higher timeframe and then additionally wait for the first reversal on the lower timeframe -- meaning you don't jump in when the H4 changes, but wait for the M30 to swing once.

If you feel you're missing out on a good trading opportunity, you could always drop down to M15 or M5 to get in quicker, but the edge of the (any!) system is to have tried-and-tested rules and stick to them, not to opportunistically adjust them -- that would be fully discretionary trading on price action, which is a valuable approach too, but not mechanical trading as described in the system.

One more thing that may have made you ask the question is about exits. In the thread so far, a couple of approaches have been mentioned. Use a hard stop at the recent swing high/low, trail profits, etc. Unless your stoploss is hit, I think there is no need to exit on each and every reverse signal on the M30, as this would pervert the intentions of the system and make the short-term noise work against you again. I would exit if the H4 changes direction while the trade is still on, or if both signal (Heikin-Ashi) and filter (W-LNX CCI) line up in the opposite direction on the M30.

p.5, #70

I trade similarly, often using Heikin-Ashi across timeframes to look for trends, retracements and entries. So while my style is close, I'm not fully using the system described by Tony. This being said, I believe the Heikin Ashi is a powerful trend indicator -- you will find it in many systems, one well-known one the Synergy approach, just to name one.

If I use different timeframes to establish trend on the high timeframe and entry on the lower one, I would often rely on just one identical indicator lining up across those timeframes. But for filtering/confirmation purposes, in my experience AO is very reliable for longer timeframes, and CCI (what the W-LNX is) works well with quicker settings.

What's the problem if you miss a boat? Just take the next one to come along. Here's a quote that I like: "I'd rather be out of a trade wishing I'd be in, than in a trade wishing to be out." Let the market come to you, don't chase it. With enough pairs to trade, there will be setups.

To find correlation tables (and also look for inverse correlation), I like the one posted at <http://www.dailyfx.com> . Or just google for it. More important than avoiding a trade in correlated pairs, in my opinion, is to manage the compounded risk. I, for example, like to take many small positions across pairs rather than a big one in just one pair.
Hope this answers your questions,

p.6, #85

It seems your system can filter out very well the range markets.

p-6, #90

With this system you have to be looking at your higher time frames.

p-7, #92

TREND LORD INDICATOR JUST SHOWS ME THE STRENGTH OF THE CURRENT TREND AND DIRECTION OF THE TREND. WHEN THE BARS ARE RED AND SHORT IT TELLS ME THAT THE CURRENT DOWN TREND IS SLOWING DOWN (NOT THAT IT IS OVER) LOOK AT THE CURRENT EUR/JPY 4 HOUR CHART AND YOU WILL SEE WHY. THAT IS WHY THE A.O. TAKES PRECEDENCE IN TREND DIRECTION DECISION MAKING. WE MUST ALL UNDERSTAND YOU WILL NOT BE ABLE TO GET ALL THE GOOD TRADES BUT YOU WILL STAY OUT OF A LOT OF BAD ONES. THAT QUOTE IN JESPERS POST IS PERFECT. I WILL TRY TO POST SOME SCREEN SHOTS LATER TO HELP WITH THIS. AS FAR AS THE MA'S OR ANY OTHER INDICATOR YOU SEE A NEED TO USE OR NOT, THESE ARE WHAT I USE. IF YOU ARE NOT COMFORTABLE WITH IT FOR WHATEVER REASON THEN YOU CAN DELETE THEM OFF YOUR CHARTS IF YOU DON'T USE THEM. I JUST WANTED TO SUPPLY WHAT I HAVE ON MINE. THANK YOU FOR STOPPING.

p.7, #102

Entry Signals

many are commenting on using the a.o. As a confirmation to entry, you are correct in your thinking. This would be a very conservative entry. You can use it that way but i use it as a add on signal. It is a very strong signal. Example; a.o. Is down under zero line, it is red then retraces (blue) when you get a red bar under zero line that is a very good time to get in short. The opposite is true if a.o. Is above the zero line it is blue then it begins to retrace (red) when you get your next blue bar above the zero line you go long. You can use this on the 4 hour chart as a fresh signal. Hope this helps.

p.51, #751

Sorry if the USDCHF did not work out. Although it still may turn into a nice long, for now, the thing that stands out for me is that the TLord was at or near the top of its swing. As I tried to show some posts back with some other charts, the best setups on the 4H (the ones with the most pip potential) are where the TLord is at a low point for longs (and high point for shorts) at the time AO signals (crosses the zero line). In addition, although the bar color has been noted by other posters, I think bar size in terms of height (peak) or shortness (trough) is the more significant. This is because the bar color will always change once the climax or nadir has been reached. Further, since we are looking at 4H bars, there should always be plenty of time to make a calm and rational analysis.



Here is a fairly recent example using the USDCAD. See how the TLord is peaking (within a bar or two) at the same place the AO made its flip? (at red vertical line). From here, price made a nice run. Now, go back and compare this set-up with the 4H USDCHF and you will see the difference. It is not to say the USDCHF won't eventually work as a long (it probably will if more traders bail out of the EUR today), just to say that it was not THE optimum set-up on the 4H.

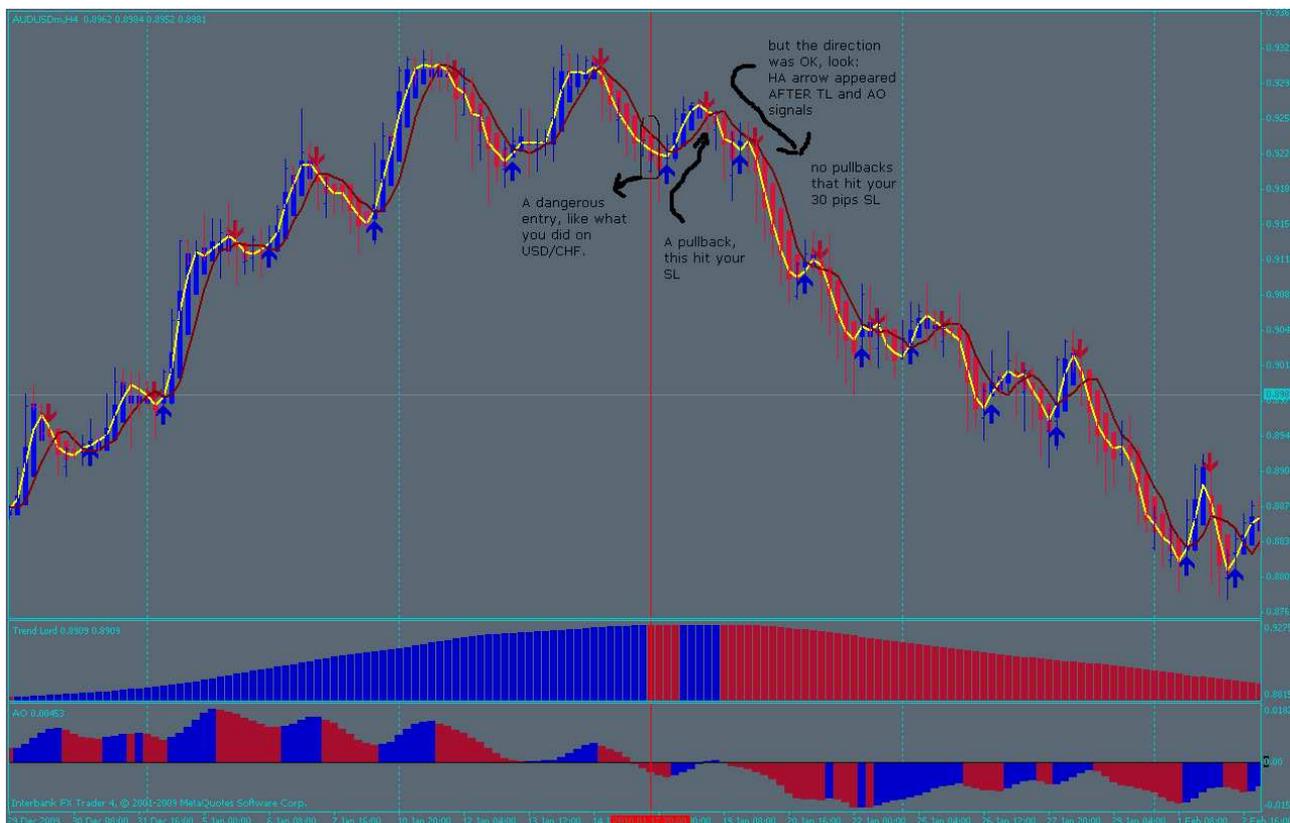
This is just my opinion of course but I think/hope it is consistent with Tony's. Since these type of set-ups on the 4H don't necessarily present themselves every day, we have to pay attention when they do. Lastly, I should add in terms of full disclosure that I have only been looking at this method for about a week. So I will be happy to be corrected by someone with months of live experience. In this way, we can all move down the road together on Tony's system.

p.51, #754

On 4H

FIRST you wait signal from Trendlord and AO
THEN you wait the HA arrow

then you go on 30M chart and wait for the HA Arrow with the CCI bar of same color.
What you did is get a trade (on 4H) where the HA Arrow appeared BEFORE the Trendlord and AO signals, you have to wait TL and AO before waiting for an HA arrow.



p.51, #760

Hi Xhandal could you please explain more? What do you mean by "signal from Trendlord and AO".

First of all Trendlord and AO on the 4H have to fulfill their rules then, on this timeframe, you wait for the HA Arrow. Example: If you have the TL increasing (blue bars) and AO above 0, AFTER these conditions are met (conditions that authorize only LONG trades), you wait for a BLUE HA arrow. After this, you go on 30M chart and wait for a BLUE HA arrow that appears when the CCI have blue bar, finally you can open your LONG trade. Read carefully the thread for these rules . Tony, in his video, explains how you can use your discretion looking at these indicators for understand what's happening and what probably will happen. **I** just use this specific way but you can use your discretion too, your choice .

p.52, #772

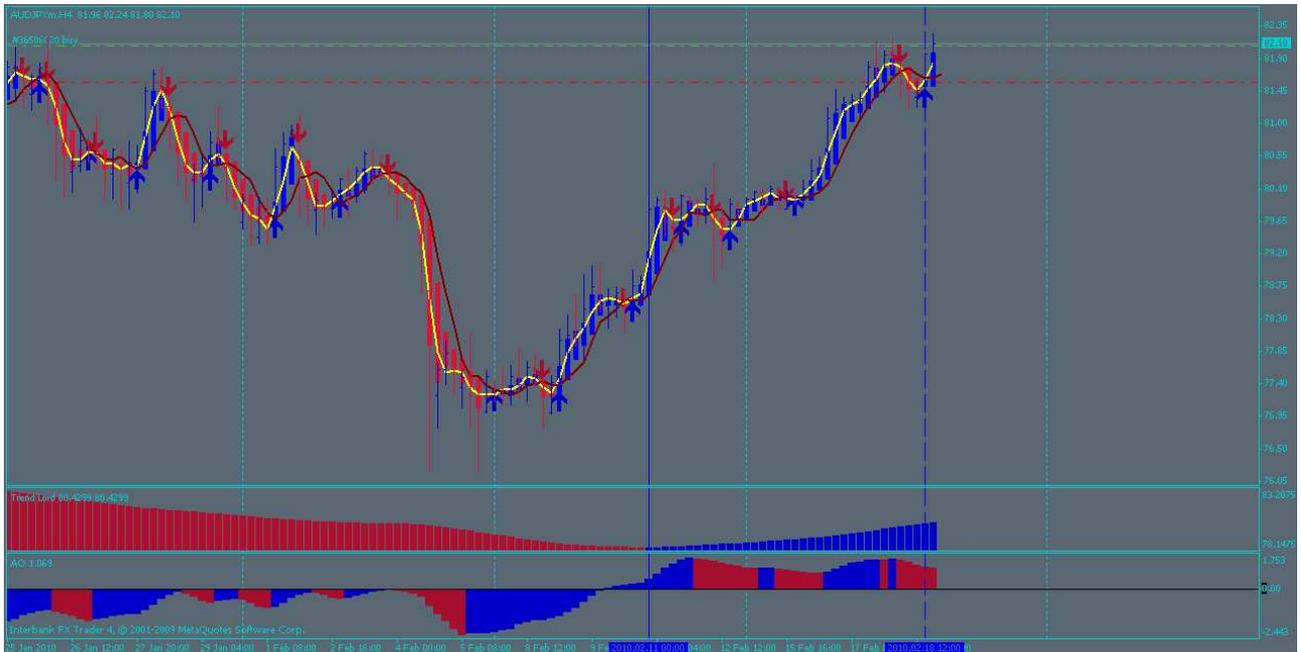
Here's the link to the video. I suggest you watch it and then watch it again later or tomorrow.

<http://www.brilesmedia.com/factory/>

p.52, #767

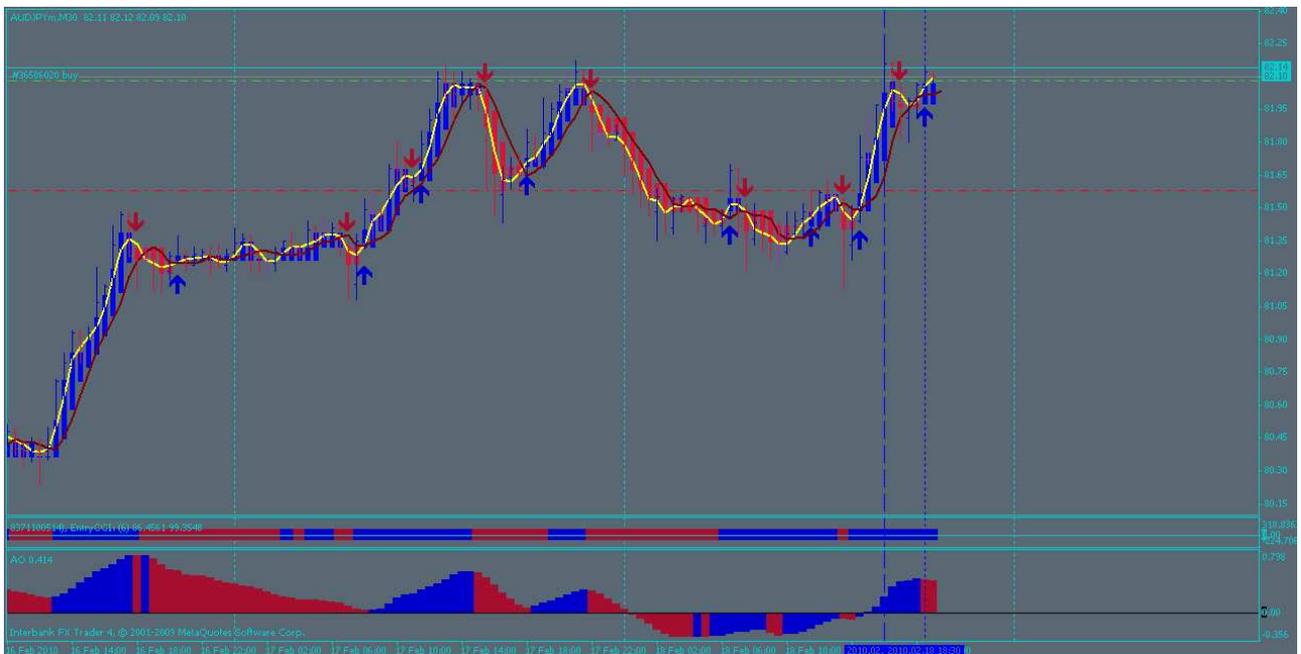
Closed my previous long trade on AUD/JPY at +150 pips after about 2 days.
Opened a new long trade now on AUD/JPY again:

4H



The first vertical line indicates conditions given by TL and AO where we are authorized to trade and take only long positions. The second vertical line indicates the blue ha arrow then I went on 30M chart.

30M



The first vertical line is where we have the blue ha arrow on 4H chart, the second vertical line indicates a valid blue ha arrow on 30M chart, because it appeared while CCI bar was blue, I opened the position at 82.08.

p.52, #779

Here is an update on the USDCHF long mentioned above.

Waiting for the long signal arrow on the 4H, then switching to the 30m for entry. As mentioned before, this was not a great entry since the TLord bars were already so long. Nonetheless, this entry has ended up working for about 75p or so, depending on entry. Courtesy of Tony (and the Fed raising the discount rate).



p.54, #819

The HA are trend indicators. they help you determine if the trend is over or continuing. that is why i use the bars instead of the candles, you can see them over the HA. Also, i set my bar up as blue and my bar down as red to signal any change between the bar and HA. If you have a red HA and a blue bar that is a signal to watch for a change of the trend. It is also a place for me to tighten up my stop loss. Believe me i have a reason for every indicator on my chart. nothing is wasted. if there is something that can be done better i welcome it. we all can learn something new. Tony

p.56, #828

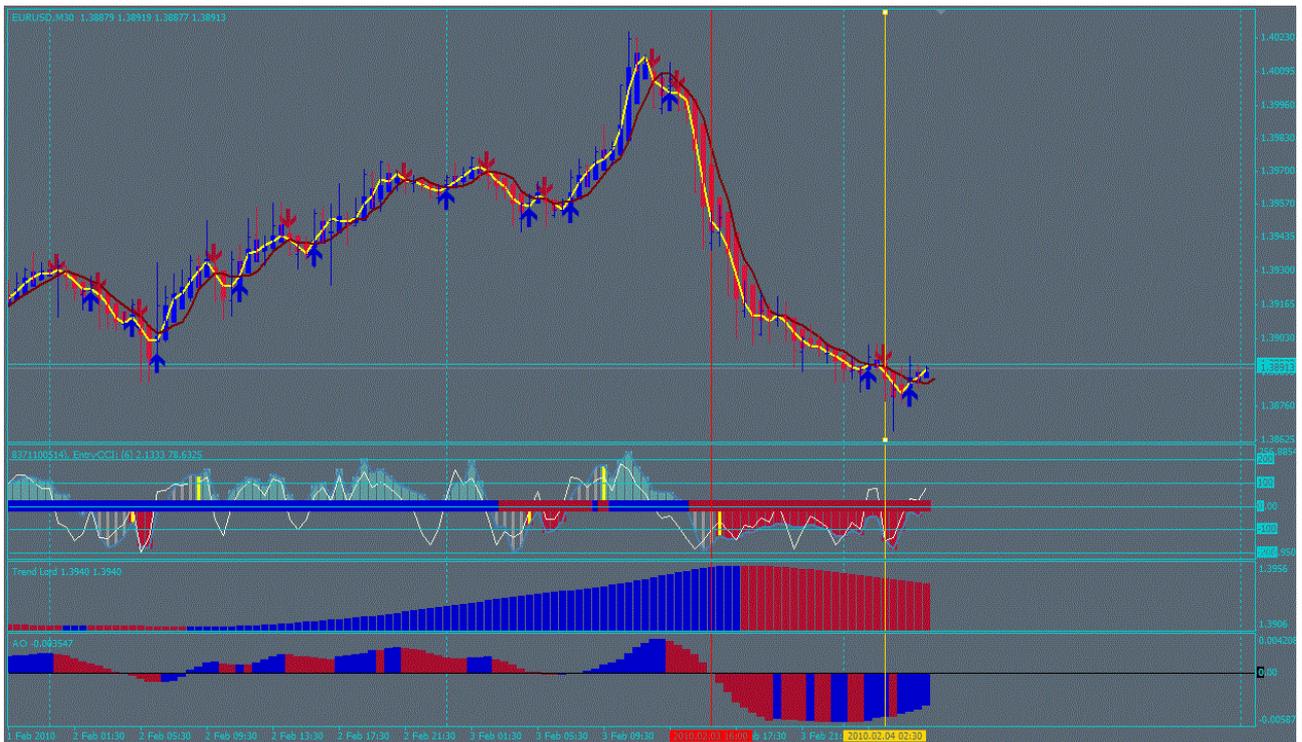
One thing I noticed about your charts is that you could, if you wanted to, move the vertical line on the 4H over to when the TLord also switches colors. This is user-optional but doing so would be safer or less risky. The idea is that an established trend on a 4H chart does not change directions easily. And when it tries, there will be a supply/demand battle that could last for awhile with an indeterminate outcome. By waiting until all 3 indicators show (the HA candles, the AO and the TLord) you can (hopefully) avoid the chop and whipsaws that occur in those interim periods before the trend actually either reverses or continues. While you will probably sacrifice the maximum possible return this way, the risk is also reduced, often substantially. And I think getting that first entry into positive territory on a new 4H trend is one of the key factors to the successful use of this method. Once price moves far enough in your favor on that initial entry, then perhaps is the better time to increase risk with the reduced size add-on positions. Or not, in the end, it's all up to you.

Details:

p.4, #59 and p.5, #61

Is this a valid sell on EU. H4 shows in down trend marked by Red vertical line in both the charts. We had a Sell trigger in M30 after some time marked by yellow line. My only concern is that it came long after the EU H4 have a signal but as per rules is this valid?





Answer p. 5, #61 to p.4, #59

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p.5, #66, p.5, #69



The AO oscillates around the zero line, with positive reading above the line indicating an uptrend and, vice versa, a negative reading below the line indicating a downtrend.

The x-axis is the timeline, so you find the current reading on the extreme right, where the candle is showing you the current price.

Where you typed "up" price was in an uptrend, then it changed to a downtrend, which you identified by typing in "down". This was confirmed by the Trend-Lord indicator changing from a bullish blue to a bearish red.

Everything looks good here.

Summary & Cuttings by Forexcube
Version 2010 February 21
p.18

Kindest regards

Forexcube