

Cornflower Trading System

Written by BStar

DRAFT document – comments to be added later by Felicia (Lever70)

This is a collection of posts, detailing rules and hints for the Cornflower Trading System by lever70. I gathered information on Cornflower from this thread:

<http://www.forexfactory.com/showthread.php?s=aa0fe6101054ff73c7a786aa41da35ea&t=26205>

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0 - Overview by lever70

Construct a template according to the following settings:

8 EMA (yellow, dotted)

12 EMA (violet)

24 EMA (cornflower blue, hence the name)

72 EMA (khaki)

Apply to H1 (conservative) or M30 (aggressive) chart only and remove the grid for clarity.

System principles

Cornflower is based on the principle that trades should be taken when the same trend presents itself on multiple timeframes. On an hourly chart, the 24 EMA obviously defines the daily trend. The 8 EMA, which is one-third the length, shows the intraday velocity of “fast” money. A 12 EMA shows the trend of the last half-day. Its value is a place at which price will typically find support when there is a dominant trend. To a lesser extent, this also applies to the 24 EMA. A long-term trend will sometimes catch a breather around this area, with big money accumulating on the opportunity to buy or sell at a substantial discount. Finally, the 72 EMA defines the dominant trend in the market. This trend will reassert itself as cumulative memory persuades traders to resume trading in its direction. If the three shorter-term averages are above the 72 EMA, we are in an uptrend and should not go short. The same applies in reverse for a downtrend.

Cornflower can be used in a number of ways by all kinds of traders. When price pulls back to the area between the 12 and 24 EMAs, the opportunity for a short- to medium-term bounce presents itself. We can enter and set a profit target based on a number of criteria, be they support and resistance areas, pivot points, or a set pip amount. Or we can enter a longer-term trade, perhaps exiting when the 12 EMA crosses down below the 24 EMA. The longer-term setups in this system are powerful and can yield hundreds of pips on a single trade that will last for up to two weeks. Cornflower will catch every major move in the market, providing multiple opportunities to take advantage of a big trend and pretend that one is a bank trader.

Basic System Rules

There are two kinds of entries using this system: pullback (conservative) and initial (aggressive). The pullback entry, which is the heart of this system, enters the market when conditions are quiet and after price has settled into the area between the 8 and 24 EMAs. The timing of this entry can either be mechanical (using either the 12 or 24 EMA) or discretionary in accordance with the trader’s judgment on whether price is moving back in the direction of the trend.

The initial entry aims to capitalize on the first movement of a new trend, defined by a thrust beyond the 72 EMA that is confirmed by a turnaround in the shorter EMAs. It is more risky because there is always the possibility of a reversal. For this reason, it is probably better to use the M30 chart for this type of entry. Moved up by 30 minutes, one has the opportunity to take a small profit or scratch a trade at or near break-even if a reversal presents itself.

Only the H1 and M30 charts should be used with the Cornflower template. Shorter time periods will lead to whipsaws, whereas longer time periods lag behind the market too much.

The following rules are valid no matter the time of day. The quiet of the Asian session actually provides some excellent opportunities for entry, which is a boon for the trader whose day job makes watching the market during London or New York an impossibility.

Pullback (conservative) entry – use hourly chart

- 8, 12, and 24 EMAs are all above (long) or below (short) the 72 EMA
- Price has pulled back to the 12 or 24 EMA (the more aggressive the trend, the more shallow the pullback.
- Enter for 20 pips, or hold depending on trader’s judgment of the strength of the trend.

Initial (aggressive) entry – use M30 chart with identical indicators

- Price has moved with authority above or below the 72 EMA. By “moved with authority,” I mean a candle that has closed near the top of its range.
- 8, 12, 24 EMAs are all pointed in the direction of price, and preferably already stacked in a perfect order (8 over 12 over 24 for long, 24 over 12 over 8 for short).
- Enter for 20 pips and hold if the thrust develops into a real trend.

Using hourly and half-hourly charts, 20 pips is a realistic initial profit target, especially if one is trading GBPUSD, GBPJPY, or EURJPY. Even the other major pairs should yield this much on a properly gauged signal. By “major,” I mean EURUSD, USDCHF, AUDUSD, USDJPY, NZDUSD, and USDCAD. With the possible exception of EURGBP, any pair that involves two of the seven major currencies should be tradable with this system. Cornflower is particularly well-suited for entering long positions on the yen crosses (carry trades).

<http://www.forexfactory.com/showthread.php?t=26205>

1 - Pullback-Approach

Entry examples (lever70):

In the beginning of this thread I posted regarding different kinds of entries. Somehow that post got deleted. So here we go again:



#1: On December 5th, price thrusts down below the 72 EMA and a new downtrend begins. Price pulls back all the way to the 24 EMA, providing an opportunity for a short entry. Price then declines 60 pips, providing ample opportunities for profit-taking. Then on December 6th and 7th, price pulls back to the 12, 24, and 72 EMAs in turn. A new trend is sometimes risky to trade because traders are still deciding whether a new trend exists. So long as this indecisiveness is apparent, the previous trend will try to reassert itself. However, if one were to trade the first 12 EMA pullback, there is still a 30 pip decline before price ascends to touch the 72 EMA.

Notice how the shorter EMAs don't unravel, even though price retraces all the way up to the 72 EMA. You can assume that a trend is still intact until the shorter EMAs turn around in the other direction. When that does happen, you should switch to a 30M timeframe and wait for an initial signal in the direction of the shorter EMAs. If they had turned around here, you would not want to have entered short. As it happened, price bounced off the 72 EMA and started moving down again. Once the 8 and 12 EMAs dip below the 24 EMA, we know that it is safe to enter short.

#2: December 7th gives up an example of a 12 EMA bounce. There are two opportunities for short entries for at least 20 pips.

#3 December 8th gives an example of why one should be out of the market before non-farm payroll. GBPUSD shoots up over 100 pips on the NFP announcement. Once the announcement hits, however, we have a clear entry to go long and an opportunity for at least a 20 pip profit before a violent retracement takes cable lower again.

#4 December 10th gives a nice example of a 24 EMA entry. But it also gives us an example of volatility. If you had placed an entry order at the 24 EMA, you would have been dismayed to see price going nearly 30 pips against you before turning around. This demonstrates the importance of risk control and money management. Cornflower is not a system that allows you to trade at 200:1 margin on every trade. You must allow your positions time and space to work. This is true of any system that takes its signals from longer term charts. We will discuss entry timing techniques later in this document.

#5 and #6 are examples of a slow uptrend. When price is slowly moving in one direction it pays to wait for a 24 EMA pullback. There are three such pullbacks here.

#7 shows price finding support after a steep selloff. The 72 EMA represents the average of three days of price activity, and price very often finds support here.

(<http://www.forexfactory.com/showthread.php?t=26205&page=15>)

Chart-example:



Comment by lever70: "That hourly setup was perfect. Glad you were out before the news. I took 20 off that."

(<http://www.forexfactory.com/showthread.php?t=26205&page=7>)

Chart-example by lever70:

Today we had multiple opportunities for entry on cable.



Every pullback to the 12 EMA was tradable. If you were using the 5 min you could have timed these nicely. I suspect we will get a deeper pullback in the next 24+ hours as traders position themselves for NFP; how far is anyone's guess. There are also two news events that pose event risk, so be on your toes.

(<http://www.forexfactory.com/showthread.php?t=26205&page=8>)

Entry Examples by yen44x:

Here's the GBP-USD 60-min chart from this week that might help.

There's a definite trend established that offers several opportunities to enter at a pullback to between the 12 & 24 EMA, all of which appear to be winnable trades.



(<http://www.forexfactory.com/showthread.php?t=26205&page=30>)



(<http://www.forexfactory.com/showthread.php?t=26205&page=31>)

I opened a Long trade at 104.22 with 2 lots. The first lot reached its target of 104.47 for a 25-pip gain. The stop loss on the 2nd lot is now at breakeven, with a TP of 104.62.



(<http://www.forexfactory.com/showthread.php?t=26205&page=33>)

I tend to look at possible trades twice a day: around 10 a.m. EST, when prices seem to have a tendency to retrace and offer some entry points before resuming the trend, and then again around 4 to 7 pm EST, as Felicia suggested, when trading slows down.

I've attached a chart to show you one of this week's trades. My Long entry is highlighted. It's nothing fancy . . . just following the rules as I understand them.

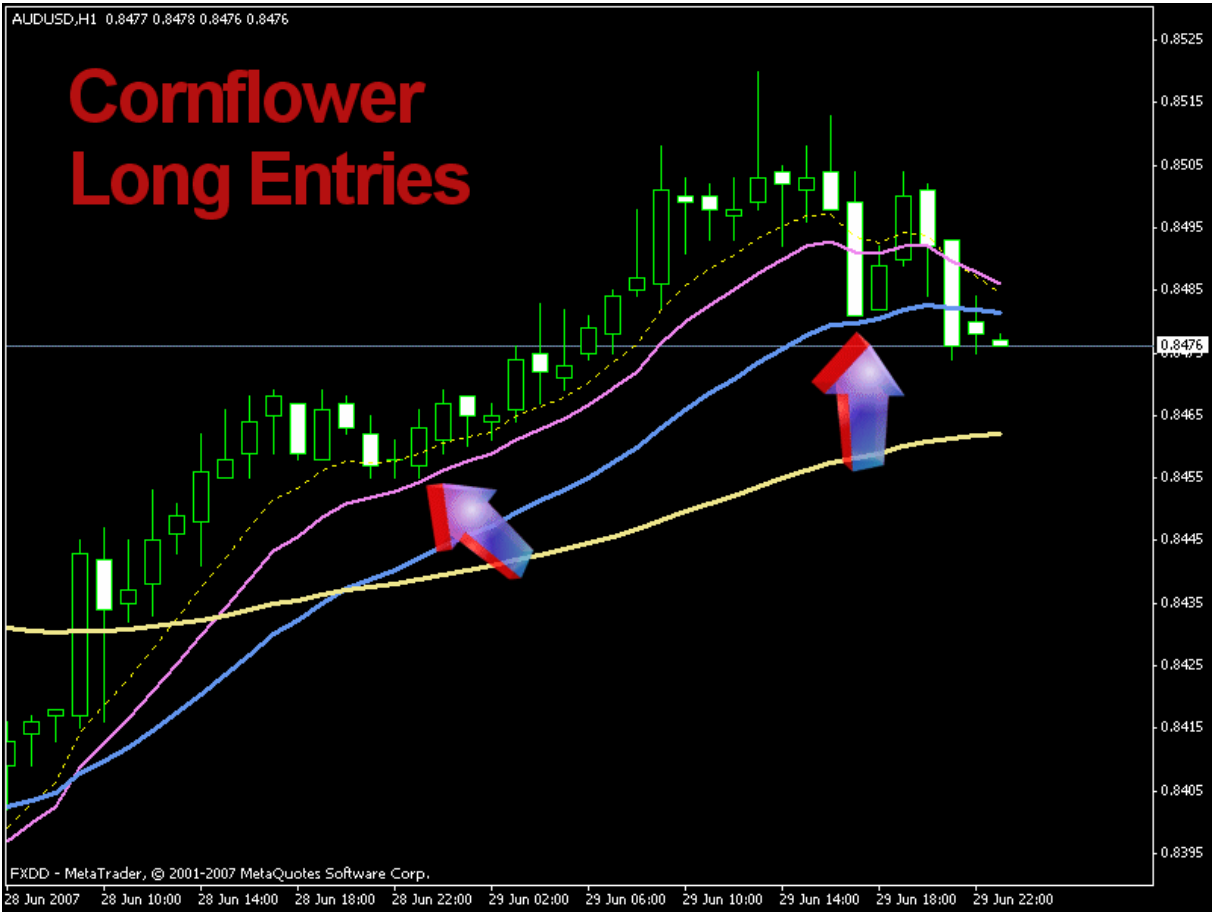


(<http://www.forexfactory.com/showthread.php?t=26205&page=25>)

Entries explained by Pipskateer:

These charts are on the H1 timeframe and represent Cornflower setups as described in Lever70's first post in this thread where price has pulled back against the prevailing trend and has touched or entered the area between the 12 and 24 EMA's.

I think the text of Lever70's first post actually says that price should pullback BETWEEN the 12/24 EMA's. So, someone please correct me if I'm wrong, but I think it was said later in the thread that a "touch" of the 12 EMA was also acceptable. Either way, the signals I've shown here were good trades.



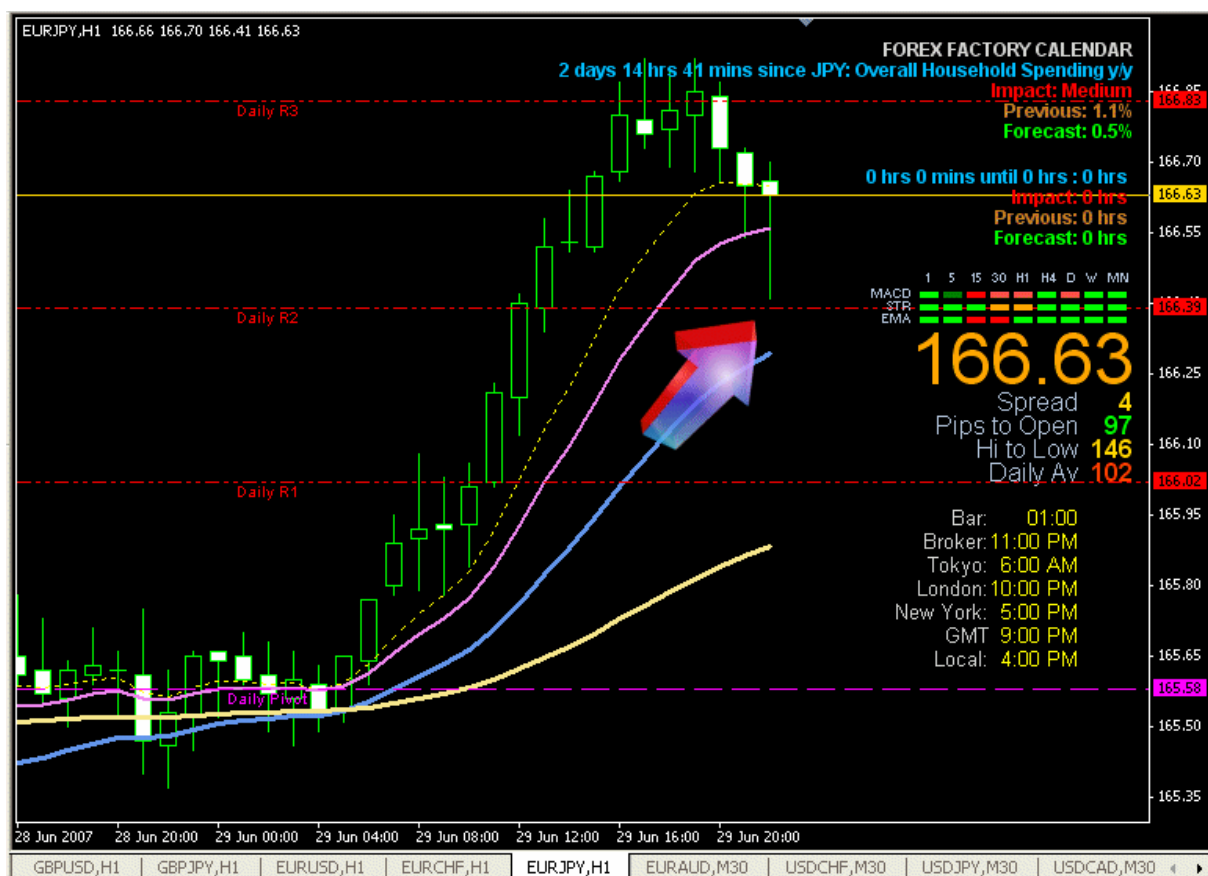
Once a Cornflower trade signal is identified, I think the difference between a good setup and a poor one has more to do with whether the trade you see forming IS or IS NOT confirmed by the higher and lower timeframes immediately surrounding H1. I also prefer taking H1 trades that are in the direction of the prevailing longer term trend from at least on the Day chart. It also helps if the M30 and M15 charts are headed the same way. If you are working with a nice, steady trend on the H1, then the surrounding timeframes should provide a confluence correlation with the H1. I don't like working with trends that are too steep or too shallow, somewhere between a 60 degree to 30 degree slope works best for me.

I also rely a lot on candle formations around the Cornflower signal points. I notice a lot of hammers, dojis, and spinning tops that seem to form where these signals occur. Just more confluence of indicators to point the way...

(<http://www.forexfactory.com/showthread.php?t=26205&page=34>)

Entry thoughts by Pipskateer:

I was going over the charts earlier and found this setup in progress, left over from the close of trading on Friday... I don't trade Fridays after about noon or so EST, so I didn't see it until today. Considering the weekend break, I'd wait for more confirmation that price was going to move UP before taking a position, but this signal meets the CF criteria. Note the final hammer candle with the very long wick. Also, you can see that price had deflected off the Daily R2 resistance level pivot point, came back down to the Daily R1 and then bounced back up, making the previous R1 a SUPPORT level now. These are good indications of where price might be headed when trading reopens, but I would have preferred an entry closer to the 166.50 area. Also, the higher TF charts support a long entry and several of the lower TF's do too. We'll see where it goes...



(<http://www.forexfactory.com/showthread.php?t=26205&page=35>)

Wait for candle-close?

Originally Posted by **aktaurus**

Don't you wait for candle close? Do you use a moment of price pulling into area, not candle-close?

Lever70: If you are trading ONLY on the hourly chart, it is not necessary to wait for the candle close, and doing so will prevent you from entering at a discount. You can put an entry order at the 12 or 24 EMA, depending on the angles of the shorter EMAs. If the angle is steep, go for the 12 EMA. If it's shallow, go for the space between the 12 and 24 EMAs, or just the 24 EMA.

<http://www.forexfactory.com/showthread.php?t=26205&page=9>

Entry at 12 or 24 EMA?:

Lever70: A slow trend will pull back to the 24, a faster trend will go only as far as the 12 plus or minus a few pips.

<http://www.forexfactory.com/showthread.php?t=26205&page=2>

More on Entry and Exit by level70:

How do you judge whether the uptrend or downtrend is still on-going prior your entry at the retracement at 12ema or 24ema??? when the ema 12 turns flat???

I can't bring myself for entry cos I don't know when to get out the trade....

The trend is still in tact when the EMAs are still in a perfect order. When the 8 crosses the 12, the trend has paused. When the 12 has crossed the 24, the trend may be ending. It is OK to enter on a pullback so long as these conditions don't exist.

As far as exits go, the 12/24 cross is a firm exit. Otherwise, it's up to the trader. You can use classical support and resistance. You can measure the average daily range of the pair to determine where the move might run out of steam. You might perhaps have a daily pip quota you shoot for, exiting when you have reached it. Others use fibonacci and pivot points. It is up to you to find exit criteria that make sense.

<http://www.forexfactory.com/showthread.php?t=26205&page=17>

Originally Posted by **geoffrod**

I have been lurking on this thread for a little while reading and learning, wanted to ask a question about euro/usd right now at 3:26am gmt, the euro seemed to bounce off the 24ema on the 1hr chart at the 01:00gmt candle, does this constitute an entry as all ema are pointing in the right direction, and looking at price we had a bullish engulfing candle. Just asking as to clarify whether i am seeing things how they should be.

Yes. And you don't actually have to wait for the bounce, especially in a strong trend like this. You could have simply placed an entry order at the 24 EMA.

<http://www.forexfactory.com/showthread.php?t=26205&page=17>

Originally Posted by **simonr**

- 1 How do you know when the price makes an "innocent pullback" or it reverse against you?*
- 2. I noticed that when the price pullback to one of the levels (8,12,24) it stays there for neno second and it can make all the 20 pips in minutes how do you catch it?*

It has to do with the strength of the trend, which you can gauge by the slope of the EMAs and the speed with which price pulls away from them. a good, healthy trend will not reverse against you by more than 25-30 pips after you enter (if that). I am working on a MTF addition to Cornflower that addresses this very problem, so stay tuned. I will be posting the info w/ pics later.

<http://www.forexfactory.com/showthread.php?t=26205&page=22>

Lever70 clarifying more Entry questions:

Originally Posted by **kamsurin**

- 1. If a pullback causes the 12 EMA to cross below the 24 EMA is it advisable to wait for them to cross back before taking a Long trade.*
- 2. In the above situation but with price showing no signs of returning back to the uptrend and the shorter EMAs all having reversed, is it necessary to wait for price to break below the 72EMA before considering a Short trade.*
- 3. Again, using 60 min chart and presuming an uptrend, what is the trigger for a Long trade. Do I have to wait for price to break back above the 12 EMA and if so, do I wait for the candle to close or is it just discretionary ie. guessing and hoping if there is no additional signal such as price hitting strong support or a reversal candle signal.*

1) Yes - the EMAs must be all aligned in the same direction. If not, it's a no trade.

2) Yes - the 72 EMA is what determines the trend. Above = long, below = short.

3) You can enter at the 12 EMA. You do not need to wait for a break. If you have a job, for instance, you can simply put an entry order there. Traders who can actively watch the market should use the MTF cornflower (60m, 30m, 15m, and 5m). Remember money manegement. Do not over-leverage yourself if you can't actively watch what is going on. Trade smaller, but aim bigger.

<http://www.forexfactory.com/showthread.php?t=26205&page=38>

On Entry by Pipskateer:

Originally Posted by **generalz**

great chart/explanation, ...When is the exact entry?? At the close of the candle that the arrow is pointing to?? Or is there a wait and see on the very next candle?? Can you clarify?

This is just my non-professional opinion, but for me, a "touch" of the 12 EMA line is enough for an entry signal (although it's a less conservative approach) PROVIDED THAT.....

#1. The CF signal points to the direction of the prevailing overall trend on the H1 and higher charts.

#2. The lower charts (at least M30) also support the direction of the H1 move, which I find they usually do if the H1 chart already has a nice steady ongoing trend at the time of the signal.

I think the more conservative approach would be to wait for the candle which made the signal to close. This will also give you the opportunity to see if that particular candle turns out to be an exhaustion or reversal candle, such as a doji, hammer, or spinning top which would give you even more confidence that price was going to move ahead in the direction you want it to go.

(<http://www.forexfactory.com/showthread.php?t=26205&page=35>)

Daily trend as filter (by MizZu_X7):

No, i'm not using any false filter yet ... because i'm still newbie here, i don't know how to filter bad trades with indicator, so i stick with original cornflower method. My only filter is follow the Daily Trend, so if there any chance to go against the Daily Trend, i won't take it.

(<http://www.forexfactory.com/showthread.php?t=26205&page=37>)

Multiple time frame Cornflower (lever70):



I am using FXSniper's EMAs, which change color as the price rises above or falls below the EMA. I have included his indicator and the template to use with it.

(<http://www.forexfactory.com/showthread.php?t=26205&page=22>)

Originally Posted by **babypip**

One question, I notice above your use of the 5mTF-what are your settings-is it cornflower 5-10 or just the cornflower.tp. Thanks so much!!

You're very welcome. The 5M pictured is using the standard CF EMAs of 8-12-24-72. We're looking for alignment across all 4 charts. I will post more about this new way of using Cornflower this weekend.

(<http://www.forexfactory.com/showthread.php?t=26205&page=23>)

Originally Posted by **babypip**

Hoping to see more of this change in use- I gather we stay in the trade until all colors change to opposite color or our predetermined tp?

That might be too long, depending on where you entered and how far the countertrend move has gone. You can use the profit bands, the 12-24 cross on the hourly, support and resistance, and the completion of the pair's average daily range (which would mean you would be in and out several times in a strong trend). Flattening EMAs on the hourlies are also a good exit signal. You want to try the anticipate the trend has likely exhausted itself.

(<http://www.forexfactory.com/showthread.php?t=26205&page=24>)

Here is what you don't want:



5M is not aligned with the other charts. EMAs on 15m and 30m are flattening out. This is a no trade. If the 5M were to turn green with some authority, we might have an entry.

Better:



We would want the 5M to turn green here. This is a solid trend that is simply pulling back at the moment. You will see when it's clear cut. The candles start moving above the EMAs with authority and you can enter. Again, I think it's pretty intuitive.

<http://www.forexfactory.com/showthread.php?t=26205&page=25>

Still catching up on all of your posts. In the meantime, this is an ideal setup:



<http://www.forexfactory.com/showthread.php?t=26205&page=38>

2 - Initial-Approach

I don't trade pullbacks on the 30M. The 30M is for a short-term trade of between 10 and 50 pips. That's not to say that you can't trade pullbacks on the 30M. It's just riskier.

(<http://www.forexfactory.com/showthread.php?t=26205&page=4>)

If you are taking the M30 entry, you want the shorter EMAs to already be in a perfect order (8 over 12 over 24). When this is true, it means that price has been building toward a breakout.

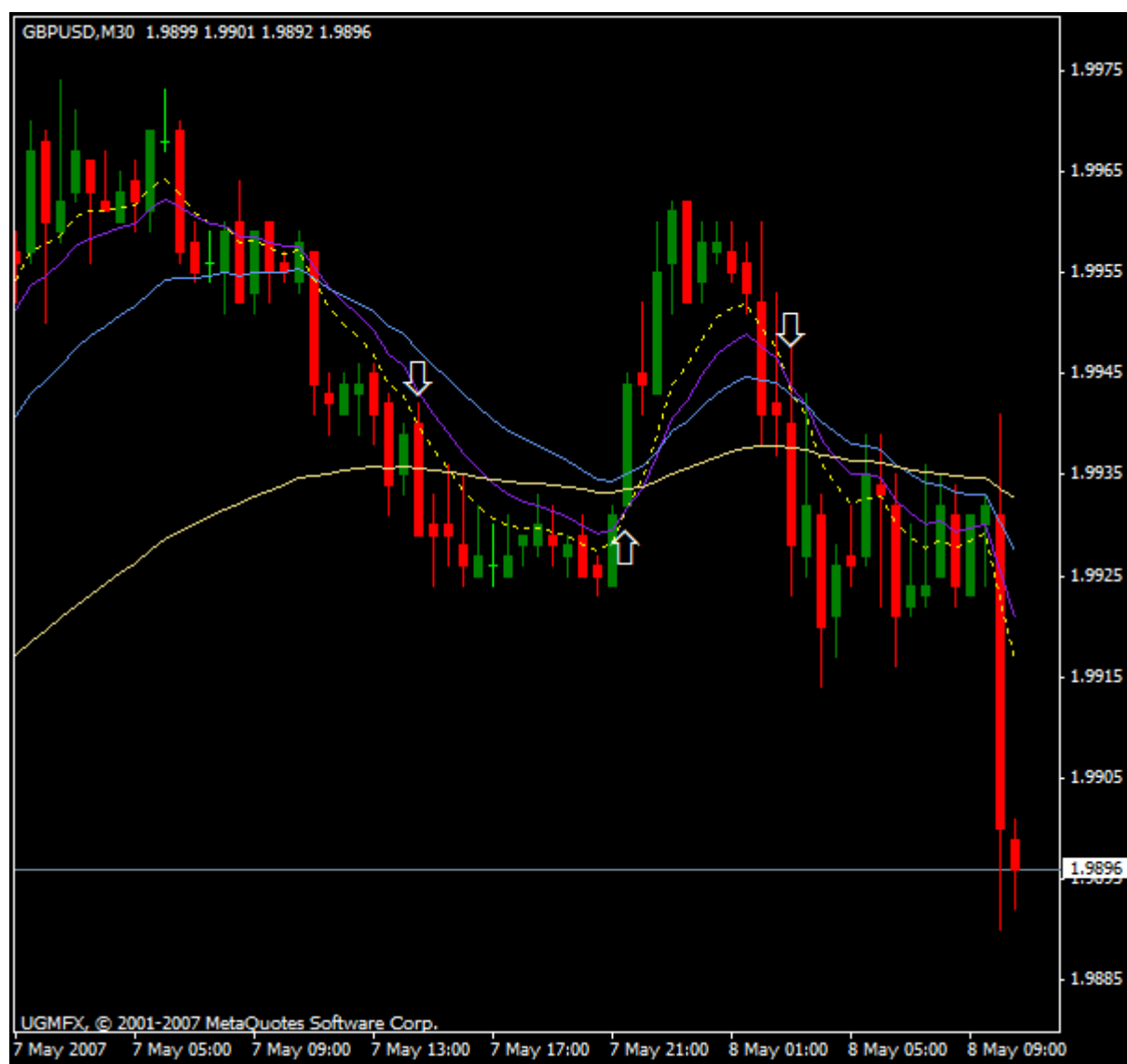
(<http://www.forexfactory.com/showthread.php?t=26205&page=4>)

Chart-example (by lever70):

Originally Posted by **BurgerKing**

How did you get that short signal?

We're looking for a candle that closes with authority over or under the 72 EMA on the 30M chart:



The one I was referring to is indicated by the first arrow. This would not have been a good one to take because it came late in the NY session. These "initial" signals are riskier and are not meant to be long-term trades. They are generally good for 20 pips, but will sometimes develop into full-blown trends.

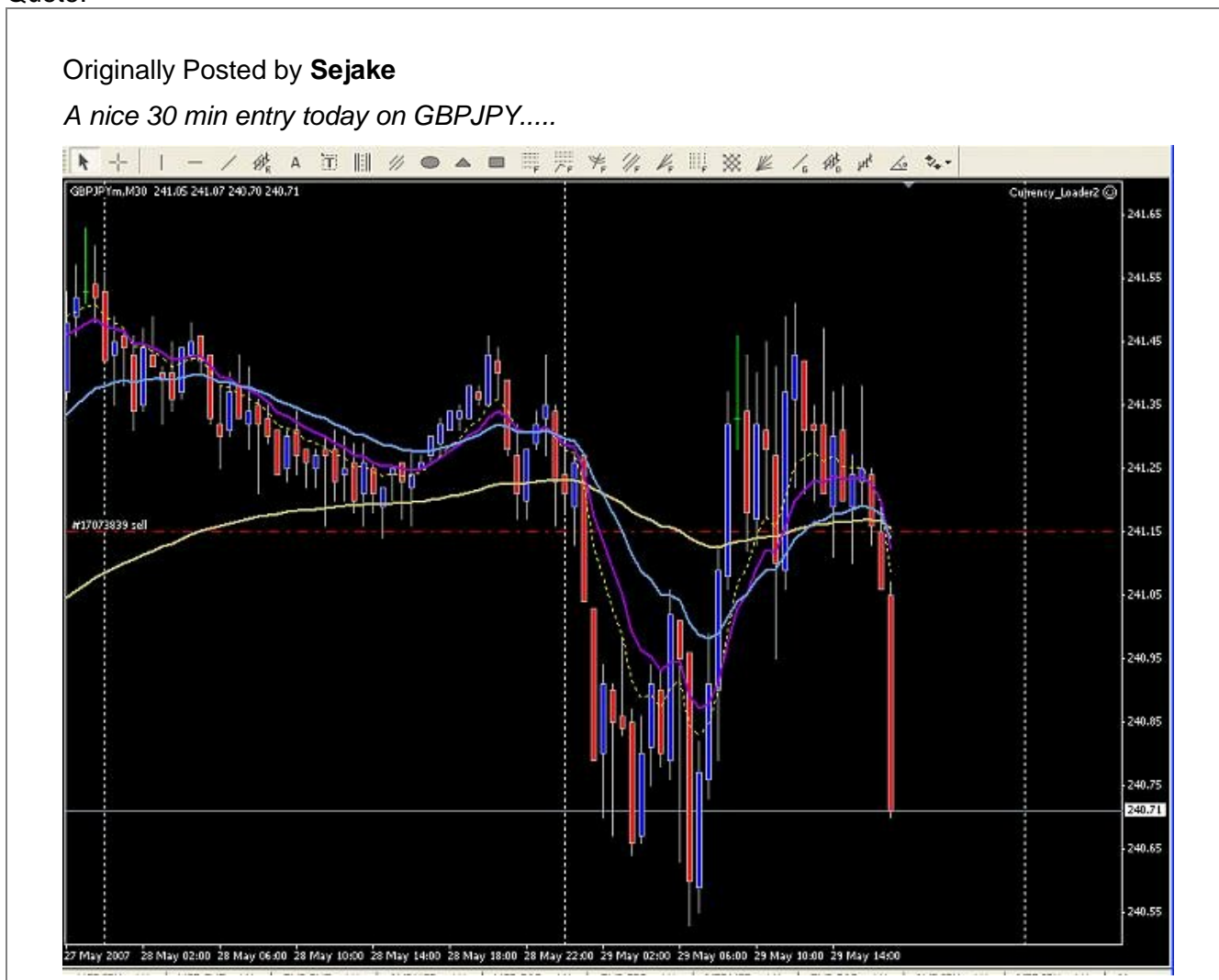
(<http://www.forexfactory.com/showthread.php?t=26205&page=9>)

Another chart example:

Quote:

Originally Posted by **Sejake**

A nice 30 min entry today on GBPJPY.....



Lever70: Indeed! Rock on.

(<http://www.forexfactory.com/showthread.php?t=26205&page=15>)

Entry example by Pipskateer:

I just realized that I had described and posted charts for only ONE type of Cornflower entry....the conservative PULLBACK entry. There is also a more aggressive entry called the INITIAL entry. This involves a signal from the M30 chart where price action moves across the 72 EMA and a candle closes "with authority" (meaning the close was near the top or bottom of its range). Also, the 8/12/24 lines should already be stacked in correct order prior to crossing the 72 EMA following price action.

Here is a chart with an example.



(<http://www.forexfactory.com/showthread.php?t=26205&page=34>)

3 - Microtiming w 5M

Lever70:

There is really not a lot to it. You wait until price has pulled back on the hourly, then look for a resumption of trend on your M5 chart when the market is active. A break of a lazy range or channel is one simple way to do it, perhaps with a stop on the opposite side of the channel. Igor Toschchakov's *Beat the Odds in Forex Trading* details many setups of this type. Like me, he is adverse to excessive indicators. He posts here as Igrok.

Another method is detailed by Phillip Nel:

<http://forexfactory.com/showthread.php?t=11854>

The system I use is remarkably similar to Phillip's and I recommend you read up on his method.

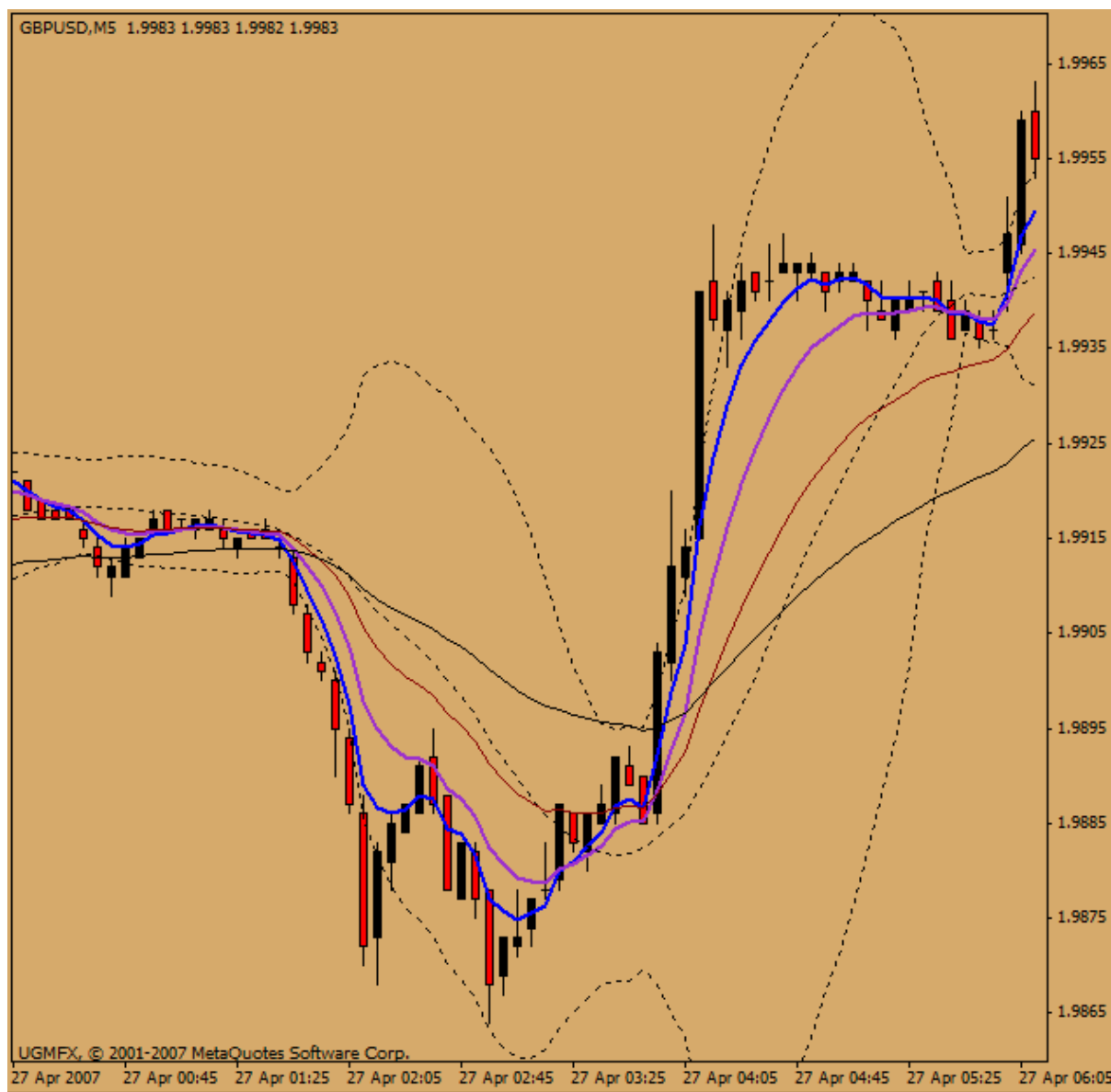
Aggressive trends pull back to the area between the 5 and 10 EMAs. Philip's is an 10/21 pullback system. Same principle. Gauge the speed of the trend and trade accordingly. Bollinger bands (20,2) are good for this. They widen when velocity speeds up, and contract when price slows down. When price begins to travel on the outer band like a monorail, you have an aggressive trend and should expect few pullbacks. Otherwise, wait for a good price.

Finally, one must always be aware of the previous day's high and low, and areas of support and resistance. S&R is the founding principle of technical analysis. Ignore at your peril.

<http://www.forexfactory.com/showthread.php?t=26205&page=5>

I am so pleased that forum members are having success trading Cornflower. Thank you all for taking the time to read and learn about my efforts.

Cornflower can be traded purely off the 1H chart. But here is my 5 min chart, which I use to time entries:



The settings are:

5 EMA (blue, thicker)
 10 EMA (dark orchid, thicker)
 21 EMA (maroon)
 50 EMA (black)
 Bollinger Bands (20, 2 in black dotted)
 Background color: 214,168,105

Before I discovered Philip Nel's system I just had the 5 and 10 EMAs. The 21 does a nice job of showing the way price is going. On the the hourly chart, you would wait for the usual pullback to the 12/24 EMA area, then switch to the M5 and wait for trend resumption as indicated by the 5/10 EMA combo and price movement.

The active trader can trade the pullback to the 10 EMA, so long as it is supported by the 21 EMA, and in the direction indicated by the hourly chart. Your stop would be a close below the 21 EMA. You can scalp using this chart, but if it's moving nicely you can certainly get 10-20 pips, if not more.

An aggressive trend will pull back only to the 5 EMA, and will sometimes just ride up the outer BB (as we see here with the reversal on Friday). You have to know when to trade the pullback and when to ride the rail, which is something that you can gauge only through experience. I also watch

1 minute candles, but more on that another time.

Again, this 5M method is not at all necessary to trade Cornflower. Think of it as another tool. I have attachment capability now, so here's the template for both this and Cornflower hourly.

Attached Files

[5-10.tpl](#) (1.3 KB, 441 views)

[cornflower.tpl](#) (1.7 KB, 439 views)

(<http://www.forexfactory.com/showthread.php?t=26205&page=6>)

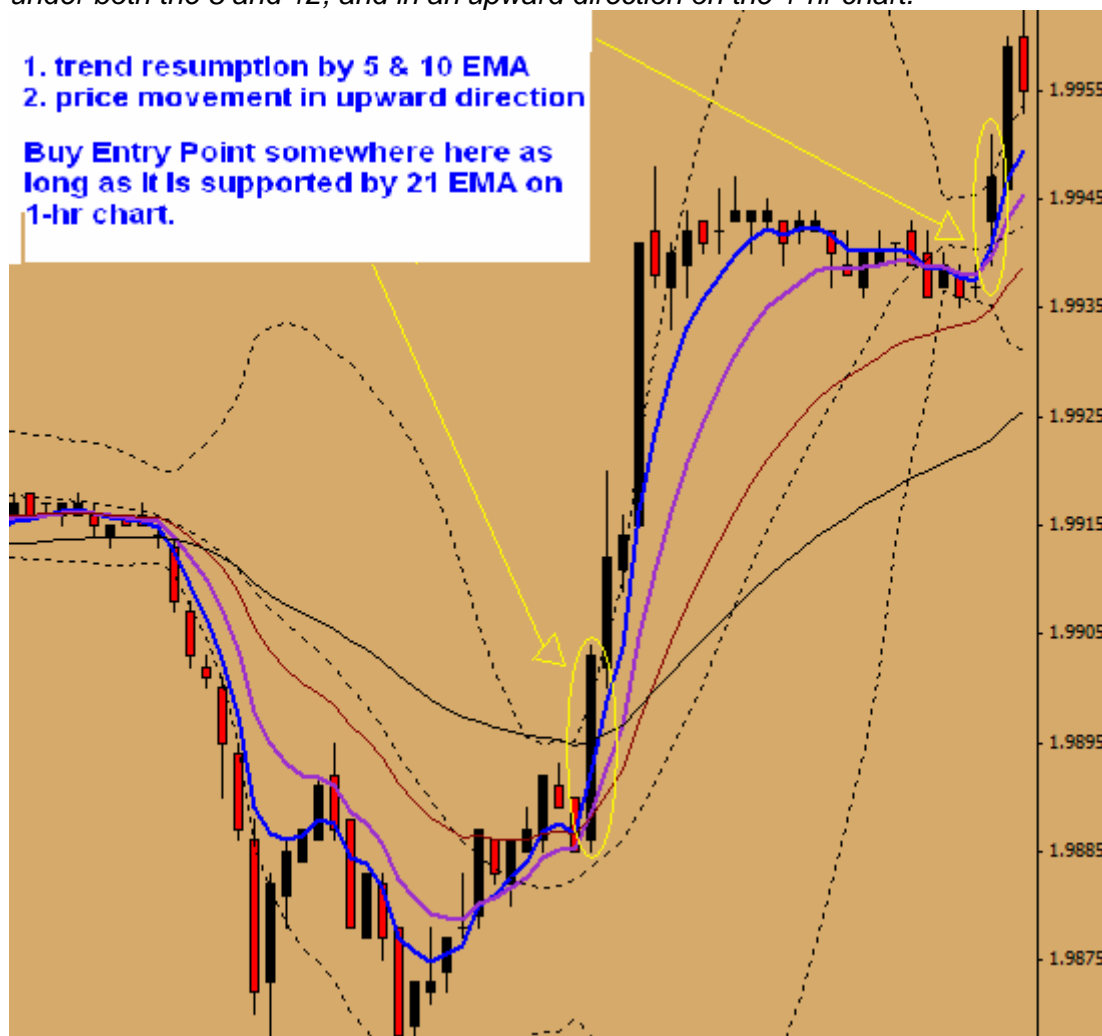
Entry close-up:

Originally Posted by **stickers**

Please look at the diagram and check to see if you think I'm understanding it correctly. I copied your 5m from post#89 and placed comments on it. And by "supported" by 21, you mean it is under both the 8 and 12, and in an upward direction on the 1-hr chart.

1. trend resumption by 5 & 10 EMA
2. price movement in upward direction

Buy Entry Point somewhere here as long as it is supported by 21 EMA on 1-hr chart.



Beautifully done, James. In fact, those are the exact places I would enter. There's also the final short entry before the trend reverses. One thing, you mean to say the 24 EMA supports the 8 and the 12 on the hourly. The 21 EMA is on the 5-min chart only, but it serves the same function for the 5 and 10 EMAs.

(<http://www.forexfactory.com/showthread.php?t=26205&page=12>)

Chart-examples (lever70):



(<http://www.forexfactory.com/showthread.php?t=26205&page=7>)

Lever70:

Again, I want to emphasize that this aspect of my system is completely optional, especially if you are trading longer term. However, short-term traders can benefit by combining the hourly Cornflower with a shorter timeframe.

The idea in using the 5-min chart is simply to time the entry more precisely. It is in keeping with the concept of multiple timeframe trading. When price reaches a key EMA on the H1, we can look to the 5-min to see whether price is resuming the trend. This eliminates some of the guesswork involved as far as whether to enter on the pullback to the 8, 12, 24, or even 72 EMA.

The 5-min chart has different settings than the hourly, which I detailed in post #89 (I also attached a template). On the 5-min, we want the 5 EMA to have crossed over the 10 EMA (and preferably over the 21) to verify a long bias. We obviously want the opposite order for a short bias. If the 5-min bias is counter to trend shown on the H1 chart, *we do not trade*. Only when the ducks are lined up *on both charts* do we have a trade possibility. Quack.

The rules for entering on the 5m chart as follows:

1. The 5 ema will have crossed over or under the 10 ema. Price velocity is increasing, and the pair has perhaps broken out of a sleepy trading range. In other words, *it is clear from the movement of the price that the hourly trend has resumed*.

AND

2. Price pulls back to the area around the 10 ema. We wait until price resumes trend direction a second time, and then we enter. This resumption can be indicated by either a strong close in the direction of the trend, or *clear and distinct movement in the direction of the trend*. Sometimes price will only pull back to the 5 ema. Whether to enter on the 5 or 10 EMA is up to the trader. Again, experience counts here.

OR

3. We simply hop on the train if price is moving too fast to wait for a pullback. This is the case if nearly the entire body of the 5m candle is coextensive with the outer bollinger band line.

Exit at your discretion. Possible exit signals are a short doji that is floating entirely outside the outer BB, or a 5m candle with a nasty wick pointing opposite to the direction of your trade. Or you can get out at 15-20 pips. Or, hold in accordance with the hourly rules and exit when the 12 crosses the 24 on the hourly chart. Do not exit at a loss if you have 20 pips. Some would quibble with me on this (give the trade a chance, let your winners run, don't stop believing, etc.), but I am not one to let a profit turn into a loss. The best trades never do anyway.

Some might be tempted to take the countertrend trade on a doji or wick. Don't get cute. We are trend traders. Leave the scrounging to others.

A reasonable stop is below the 21 ema. You can always try again. OR, if you are trading longer term, 50 pips for cable, 70 for EURJPY and USDJPY, 100 for GBPJPY and GBPCHF, and perhaps 40 pips for the other pairs. When trading longer term, *your lot sizes must be smaller to account for the wider stops*. The small trade size is compensated by larger pip gains. Preserve your capital.

The 5-min addition is for active market times only. Forget about using this for the Asian session, which is active only every once in a while. Without volatility, the 5-min chart is useless.

(Edit: As you can see from my EURJPY chart, Asia was moving last night. When it's active, you obviously can use the 5-min. Sundays appear to be more active than other days. Traders need their crack.)

<http://www.forexfactory.com/showthread.php?t=26205&page=7>

One problem I always have is when trading a bounce off of the 24 how do I know when its going to bounce and when its reversing?

As far as knowing when it's going to bounce, a 5M chart comes in very handy and I've given some pointers on how to use it. Basically, you want to see that the trend is resuming. A short-term chart allows you to see this much sooner than the hourly.

<http://www.forexfactory.com/showthread.php?t=26205&page=9>

Enter with 5m after price stopped around the 72 EMA (lever70):

This is another example of a countertrend move stopping around the 72 EMA:



This is when it would be good to use the 5M chart to look for a short setup. You can wait for a pullback on the H1, but as you might not get one. The 5M can help you get in on the trend if you are too late to enter on the hourly. See posts 71, 89, and 97.

(<http://www.forexfactory.com/showthread.php?t=26205&page=18>)

More on 5m and an alternative Entry method (lever70):

Originally Posted by **southernmind**

From what I've seen, this Cornflower system has great potential to earn consistent profits on a daily basis. What makes it really good is that it is so simple.

If you don't mind my asking you Felicia, what is your highest record of profitable trades using this system before encountering a loss?

I have only been trading the system for the last couple of months, so I don't have that kind of track record. Properly gauged entries have usually been profitable for me. It helps if you use the 5m template in conjunction with Cornflower proper. That way you are not going short when the pair looks like it's going up.

I recently discovered something. If the 5m is too much to deal with, but you want to time your entries better, pull up a 15m chart and put just the 8 and 24 EMAs on it. When they cross, and the cross is in line with the hourly, enter. The 15 minute crosses look very promising.

<http://www.forexfactory.com/showthread.php?t=26205&page=13>

The 8-24 cross on the 15m is an entry that I still consider experimental. I think it needs a filter, but I have not had a chance to do testing. I think the result would be a different system altogether.

<http://www.forexfactory.com/showthread.php?t=26205&page=19>

4 - Other hints

How to judge the strength of the trend? (lever70):

The strength of trend can be judged by the angles of the EMAs, particularly the 8 and 12.

<http://www.forexfactory.com/showthread.php?t=26205&page=3>

About Trailing Stops:

Trailing stops can certainly be used with this system. If you take the long-term approach, once you are in profit by a certain number of pips you can place a trailing stop at a price level that would cause the 12 to cross the 24 in the direction opposite to your trade. (That is the long-term exit.)

<http://www.forexfactory.com/showthread.php?t=26205&page=2>

Another Stop idea (by yen44s and MizZu_X7):

MizZu and I seem to have adopted similar strategies on the stop loss. I've been placing the stop 10 to 20 pips below the 72EMA on the 30-min chart.

<http://www.forexfactory.com/showthread.php?t=26205&page=29>

Alternative Entry – Breakout from consolidation area:

Quite often price will consolidate around the 72 EMA. So long as price does not break down below the 72, the trend is still in place, and when price breaks out from the consolidation area around the 72, we have trend resumption and can trade that break. Anticipating the break, I put in an entry order at 43 (40 + spread) about 2 hours prior to the move. I took profit using the M5 chart.

<http://www.forexfactory.com/showthread.php?t=26205&page=2>

About Entry and Exits in general:

When to exit depends on how you are using Cornflower. If you are trading longer-term, use trailing stops. One possible method: when you are up 30 pips, move the stop to break even. When you are up 50 pips, move the stop to 20 pips. Keep trailing up and make the trail tighter the more pips you have. And there is the 12-24 hourly cross, as well as the 30M entry, which can be used to exit the hourly trade taken in the opposite direction.

If you're using Cornflower primarily to set up short-term trades, your entry has to be precise and your exit should be gauged by an estimation of how far the move will go. This differs for each pair and you should study each pair's past behavior and "personality." You should be aware of the pip value of the average daily range, for instance. Currency pairs have a strong tendency to, in the words of Igrok, "complete" their ADR in a given trading day. Thus you can exit when the ADR has been reached.

You should always be aware of support and resistance levels. These can be used to exit.

You can also simply exit when you have acquired a set number of pips for the day. The problem with this method is that it does not compensate for losing days. When the move is strong, you will want to stay in past your quota so as to compensate for days where a pip is as rare as a white pigeon.

Finally, you can exit when you get a 5M wick so nasty, it could impale you like an ice pick. This indicates exhaustion.

Also, pay attention to correlations between pairs. When a correlated pair starts moving aggressively in the opposite direction to your trade, you might take this as an exit signal.

<http://www.forexfactory.com/showthread.php?t=26205&page=18>

More on Entries (lever70):

Originally Posted by **droesparky**

So where was a entry point on cable today using cornflour system. It never really gave a pullback to the 12 even?



But it did pull back to the 8, albeit barely. There was also a clear entry signal on the 30M, and you could have waited for a PB there too if you were nervous about entering. And remember what I have said about using 5M charts.

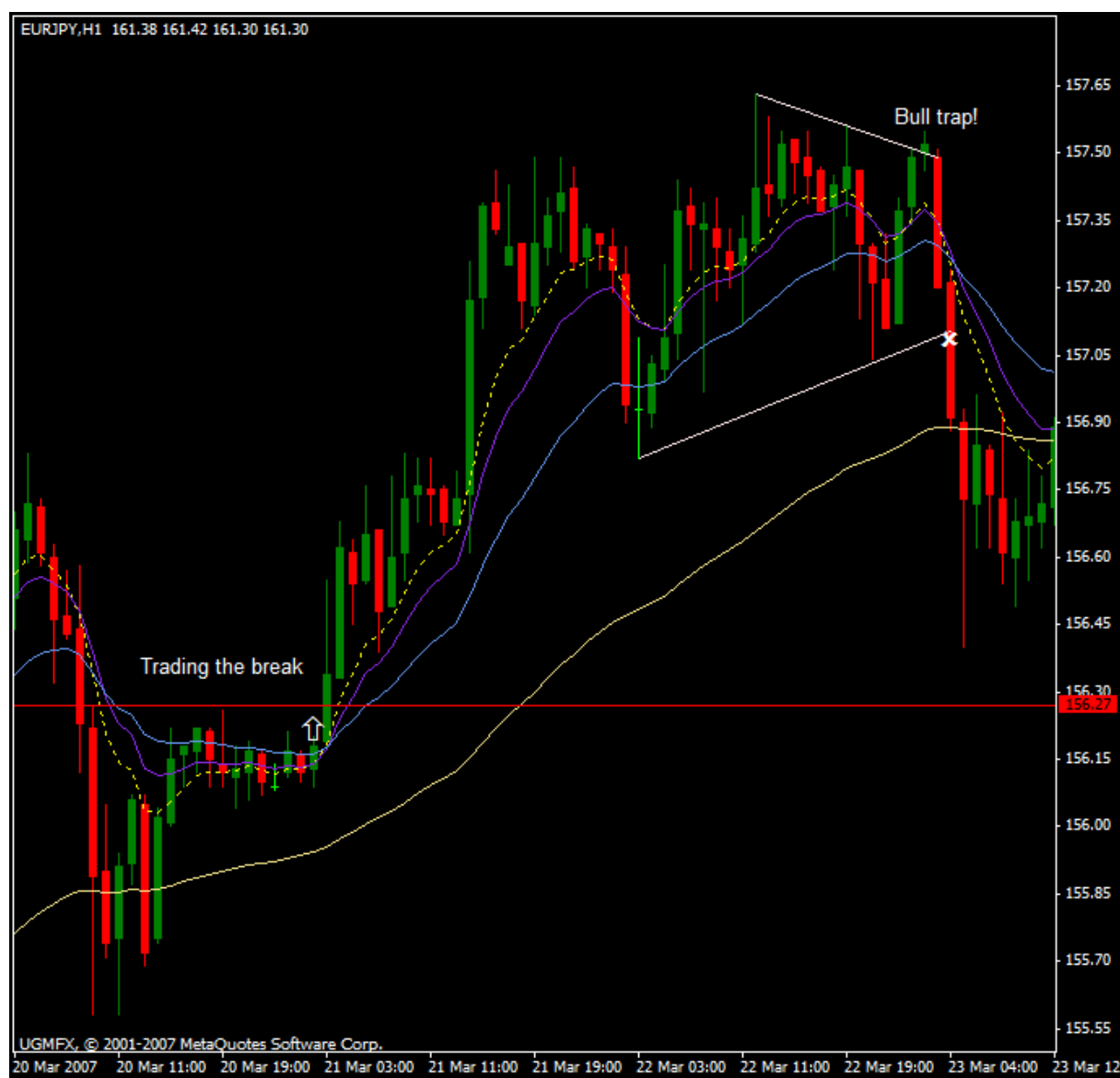
This was a fundamental move (which I unfortunately slept through). You have to be aware of news, even if you do not trade announcements. Look at today's news and you'll see what I am talking about. It could have given you confidence to enter.

<http://www.forexfactory.com/showthread.php?t=26205&page=20>

Breakout-Entry and Exit on EMA cross (lever70):

In addition to the two entries I described previously, there is another way to enter trades. Price will decline to the level of the 72 EMA, causing the shorter EMAs to turn around. It then finds support at the 72 EMA, consolidating for the better part of a day (if not more), and establishes a trading range. We can anticipate a break of that range back in the direction of the trend, placing an entry order at the top of that range, plus 1 pip, plus the spread. This was how I entered my trade on Friday.

When we are in a swing trade, and we see price starting to stall, we need to anticipate the price level that would cause the 12 EMA to cross back under or over the 24 EMA. We can either calculate this algebraically (a pain without an MT expert indicator--hint hint), or simply draw a trendline once we see the shorter EMAs begin to flatten out. I am a fan of Tom Demark's "TD" trendlines. We draw the trendline from the most recently established significant low or high *back* in time to the previous significant low or high, and place a stop loss order (NOT a take profit) at that price. Sometimes the EMAs will cross without breaching the trendline, and we simply exit. But violent reversals do present themselves, and we have to be ready:



Notice how I also drew a trendline on the highs. Declining highs are a warning sign. When price fails to break out from a trendline drawn on them, a reversal may be at hand. Indeed, you could have exited before the lower trendline break when you saw the bull trap and subsequent sell off. But it takes experience to properly judge these conditions.

(<http://www.forexfactory.com/showthread.php?t=26205&page=3>)

Entry-Timing idea (by TEB63):

1. if you are trading on the 1 hour chart
.. when you get the set up you want
drop down to the 15 min chart
put a sars on it & let the sars be the enter sign
you will get a better price
& miss about 30% of the bad trades.

<http://www.forexfactory.com/showthread.php?t=26205&page=3>

About sizes of Stop-Loss (lever70):

The crosses are volatile. GBPJPY requires a **100** pip stop if you are trading longer term. That thing can move 50 pips in the blink of an eye and it's not for the faint of heart. EURJPY is good for a carry play with a stop of around **70** pips.

<http://www.forexfactory.com/showthread.php?t=26205&page=3>

The placement of stops all depends on how long you plan to hold the trade. If you are going for a sustained move in the direction of the trend, I recommend the following:

GBPUSD, EURUSD, USDCHF: 50 pips

USDJPY, EURJPY: 70 pips

GBPJPY, GBPCHF: 100 pips

AUDUSD, NZDUSD, USDCAD, and most other pairs that exhibit lower volatility: 40 pips.

If you are going for a short term trade, use the 5M to time entries precisely such that the trade won't go against you more than 10 pips. You should try to make 20 pips, but get out sooner if it seems as if the trend might be reversing. Don't let a profit turn into a loss, ever.

<http://www.forexfactory.com/showthread.php?t=26205&page=9>

About trading before news (lever70):

As for EURUSD, I would not enter a position the day before NFP after the peak of the NY session. In fact, let's make that a rule:

No new positions are to be entered after 10am NY Time on the day before non-farm payroll. Holding positions is at the trader's discretion, but an exit is recommended if you are in profit.

Expect a lot of choppiness until NFP and perhaps a pullback to the 72 EMA.

<http://www.forexfactory.com/showthread.php?t=26205&page=8>

More on news (lever70):

News plays a big role in my trading. I do not take a new position right before a red-colored announcement. Even the orange-colored ones can move the market on a substantial deviation from consensus. News is only a factor for GBP, USD, AUD, CAD, and occasionally NZD. JPY news doesn't really impact the market much, and EUR news doesn't impact it at all. GBP and USD are the two currencies most affected by news.

<http://www.forexfactory.com/showthread.php?t=26205&page=13>

Clarifying multiple time frame trading (lever70):

Originally Posted by **jcarrier**

1. You talk about multiple time frame trading all showing the same trend...you are verifying this thru the 4 EMA's right on the one hour chart? The dominant 3 day trend being the 72 hour Khaki colored line? This is how you trade with the dominant trend or are you looking at daily weekly and monthly trends?

Yes, that's all correct. Sometimes I'll look at the 4H and daily charts because it's good to be aware of the longer term trend. But the hourly is sufficient to trade on its own.

<http://www.forexfactory.com/showthread.php?t=26205&page=10>

Backtest results from jcarrier:

Hi all, I just wanted to share my backtest results with you on this system. I did this on the 1 hour only with pullbacks to at least the 12EMA as an entry. For an exit I waited until the 12EMA actually touched the 24EMA. Once in I stayed in until the exit and didn't reenter at pullbacks which may give you better results. Many times getting out using your own discretion would have given you more pips. I tested this from April 2nd until May 7th. YThere were 8 trades, 4 wins and 4 losses for a total pip profit of 399. All 4 losers could have taken a 50 pip profit as well. Looks like this is a very good system. I believe with trader discretion this could have easily been 550 - 600 pips. Thank you Felicia...you go!!

PS I forgot to mention that this is only on the Cable as this is the only pair I trade and that this is only the second time I have ever backtested anything.

<http://www.forexfactory.com/showthread.php?t=26205&page=10>

Unfavorable chart conditions (lever70):

Originally Posted by **Porkpie**

Great thread. I was wondering if you could list the generic conditions of price action that gives the higher potential for trades to backfire? I want to be clear in my thought processes on trade entry and want to have every possible scenario covered.

Good question. I would say the following:

- 1) Flattening EMAs are never a good sign. It means price action is stalling. You want a well-oiled Jaguar, not a Dodge Dart.
- 2) A chart whose EMAs fit the criteria, yet whose pattern is sloppy and ill-defined. You want nice, steady movement.
- 3) Long wicks all over the place. Wicks pointing against the direction of your trade is a good thing; it indicates that price successfully repelled an area of potential supply, with ample buyers stepping in. Long wicks in both directions means that the market is undecided as to what the price should be, so you have traders buying and selling and scalping and generally passing the crack pipe. Crack is wack.
- 4) A strong candle close that causes the 8 and 12 EMAs to point opposite the direction of your trade. Stay out.
- 5) Short EMAs stacked opposite to the direction of the 72 EMA. Stay out.

<http://www.forexfactory.com/showthread.php?t=26205&page=13>

How many pairs to watch? (lever70):

Originally Posted by **bundubill**

If I am to follow the path of the small daily gain is the best tactic to monitor as many pairs as possible or to focus on one or two pairs and gain a better understanding of their movement.

Definitely focus on only one or two pairs. This way you will learn their "personality." I like GBPUSD, but EURUSD and USDCHF are good too. If you are going to follow two pairs, I suggest that one be a non-dollar pair that does not involve the Yen. This way you will have trading opportunities in non-correlated markets. EURCHF, EURCAD, EURAUD, and GBPCHF (volatile) are all good choices. I do not recommend EURGBP (moves too little).

(<http://www.forexfactory.com/showthread.php?t=26205&page=14>)

Another example (lever70):

Originally Posted by **buangcla**



the above setup earned 20 pips.. thanks for this wonderful system Felicia. You rock..

That setup was perfect. It does not get much better.

(<http://www.forexfactory.com/showthread.php?t=26205&page=16>)

Profit Bands (lever70):

Many of you have been asking about exits. Felicia never stops working.

I am unveiling, on a TEST basis, revised Cornflower templates that include profit bands. These bands are drawn at set distances from the 72 EMA and vary for each currency pair. They are based on my knowledge of 8 pairs and can serve as *approximate* profit targets. Mind you, they are unscientific. But what is in technical analysis?

For each pair, there is a P1 and a P2. P1 is the likely limit of an average move, defined by a trend that tends to pull back to the area shy of the 24 EMA before continuing its trend. P2 is the target for an aggressive move that pulls back only to the 8/12 EMA area. P2 moves are not as common.

The 72 EMA excursion values for each pair are as follows:

Template CF50

EURUSD, USDCHF, USDJPY, AND USDCAD: P1 = 50; P2 = 75 (edit: correction)

Template CF70

GBPUSD, EURJPY, and EURAUD: P1 = 70; P2 = 100

Template CF100

GBPJPY: P1 = 100; P2 = 150

Surely bands could be devised for other pairs.

(<http://www.forexfactory.com/showthread.php?t=26205&page=19>)

Relevance of the large trend (lever70):

Originally Posted by **jsmanuse**

We're thinking along the same lines... ! I set up the charts the same way, except they were 30m, 1h, 4h, and daily. You can see important s/r as well as larger trend strength with those time frames. How much weight are you inclined to give to the larger trend? It seems that it's not always relevant to the objectives of this system.

We're trading swings, so yes, we do not necessarily need the 4H and daily to be in alignment. It takes a while for a move to manifest itself on the 4H and especially the daily. But of course, if the swing is aligned with the long-term trend, we can expect bigger gains.

(<http://www.forexfactory.com/showthread.php?t=26205&page=23>)

Using Fractal Tools for better Entries (by jsmanuse):

I have been following this thread very closely and would like to say how enjoyable it is to see support coming from so many traders for each other's benefit. I am familiar with the use of multiple time frames to take the Cf trades that occur during trending markets but in spite of looking at multiple time frames, I've always felt like these entries still carry more risk than I'd like. I have also studied Jacko's thread extensively and very much agree with all of his points, as well as many of Trader888's points. The one minor contradiction I see with the objectives of those 2 trader's approaches and the Cf system is simply the profit objective. Keeping that in mind but employing the most significant guide of the long term trend as the major filter, I have been using fractals (also known as swing points or TD points).

Before anyone goes crazy thinking this is another indicator... it's not. All it does is identify key market events - when a higher high and higher close is followed by a lower high and lower close or vice versa - These prices, while seemingly obvious, are not so easy to notice at a glance. This indicator will alert a trader to these key prices. On the chart I have attached, I show a classic (or so I believe) Cf trade that I took this morning. It shows the swing point and the entry point.

I welcome your feedback. I'm only offering this because I think it supports this system in a very unintrusive way and suggests better places to be entering the moves. I employ other criteria for the actual trade but I believe that this can be very helpful. In addition, if you set the indicator for the time frame (1h) you can switch it to a shorter time frame and it will give the swing point for the given time frame.

[I neglect the chart picture here, because I think resolution is too bad to be useful]

Attached Files

[#MTF_Fractal.mq4](#) (3.5 KB, 32 views)

[#MTF_Fractal.ex4](#) (2.7 KB, 16 views)

(<http://www.forexfactory.com/attachment.php?attachmentid=39377&d=1184797769>)

5 - Guppy for scalping

Lever70 mentions Guppy in the Cornflower thread:

I have mentioned previously that sometimes I use a 1M chart. I am a scalper at heart, and the Guppy multiple moving average system is one of the best entry systems out there for short-term trading. I have developed my own way of using it:

<http://www.forexfactory.com/showpost...34&postcount=3>

Guppy can be used with or without Cornflower, but I always prefer to trade with the dominant trend. This is purely optional, for the ADHD-afflicted like myself.

<http://www.forexfactory.com/showthread.php?t=26205&page=11>

Lever70 explains her Guppy approach:

I have been using GMMA on a 1-min chart for some time now, though I have altered the system. My template has the following settings:

Short-term

3 (green)
5 (green)
8 (green)
10 (green)
12 (green)
15 (yellow)

Long-term

30 (aqua)
35 (red)
40 (red)
45 (red)
50 (red)
55 (aqua)

Trend

200 (brown, dashed)

When the two groups of MMAs part, you have an entry signal. You can tell when this has occurred by watching for a gap between the yellow and aqua EMAs.

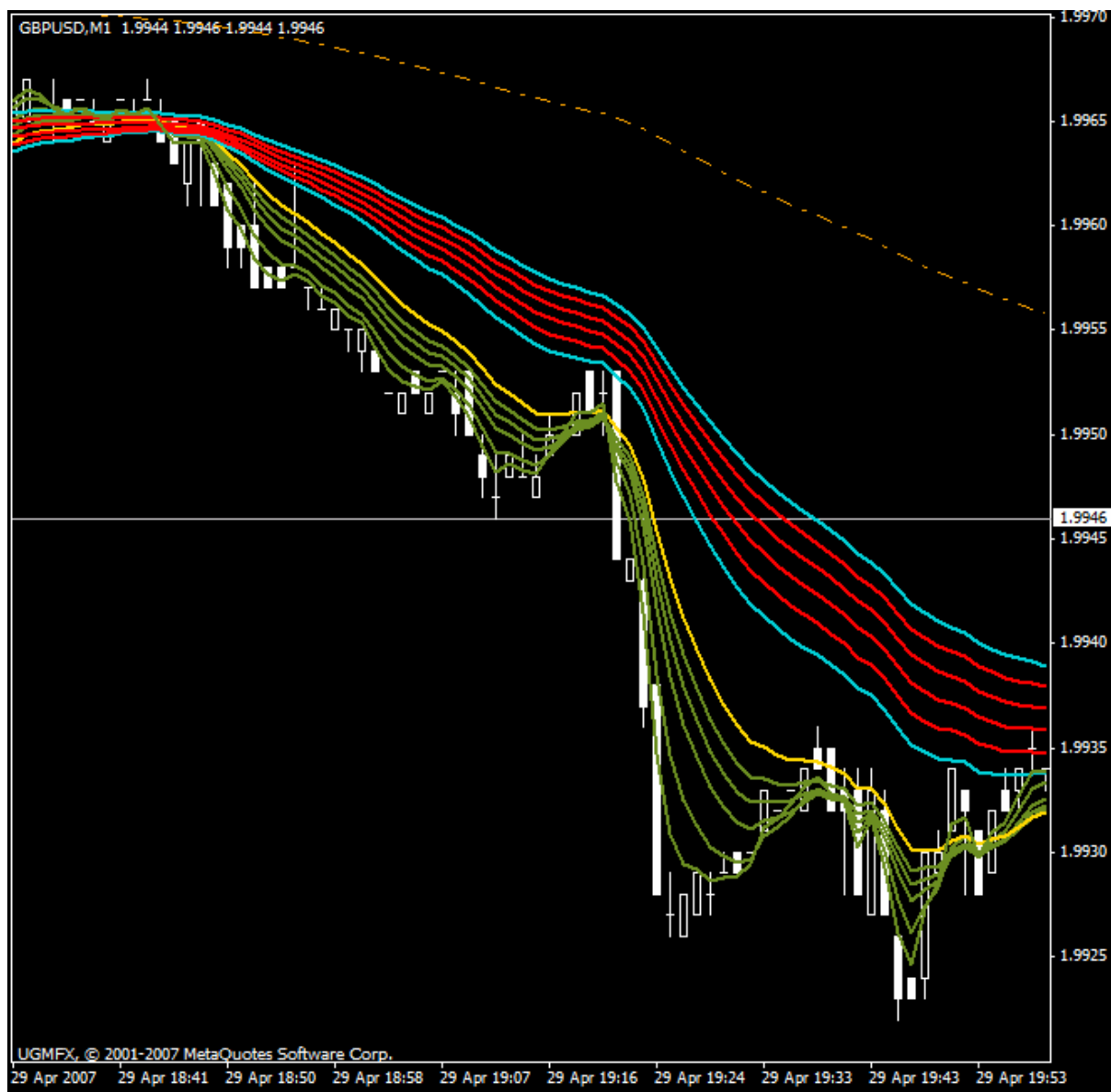
The best entries are given when the long-term (red) group is already aligned in a perfect order behind the trend indicated by the short-term (green) group. Sloppy crosses result in sloppy trades.

There are a few of things you need to pay attention to with this implementation of guppy:

1. Avoid trading against the 200 EMA. (I don't like trading against the multi-day trend, either.)
2. Don't take shaky crosses. You want the candle to be moving above or below the greens with authority.
3. The best crosses occur at a sharp angle against the reds.
4. Do not take a cross if the reds are still pointing the other way. When the reds tighten and start to flip over, you're ok.
5. Sometimes it is better to wait for a pullback to confirm the validity of the move. When you get a

candle closing at its high or low in the direction of the move, you can enter.

Here is a pictorial example. I have also attached my template.



(<http://www.forexfactory.com/showthread.php?p=1428434#post1428434>)

More on Guppy by Stan and lever70:

Originally Posted by **Stan**

Originally Posted by **aelimian**

Please can you answer a few questions?

1. What is your favorable pair? *The one that is lined up properly.*
2. What stop loss and TP do you apply? *It depends on the currency*
3. Do you trade during any specific time period? *When the market is moving sufficiently.*

GBP/USD is a good one to trade with this system.

Question #2 What stop loss and TP do you apply?

Answer: Depends on the time frame you are trading. I like the 1 min. You can do shorter or longer, and the TP would adjust accordingly. Take your time, and do not get in a hurry and study different time frames and see which one is to your liking.

For the 1 min. I can usually expect 3 - 10 pips (multiple lots)

Question #3 Do you trade during any specific time period?

The best time period I have found is usually the European and the London open through to the US open.

I have done my best trading the first 3-4 hours after the London open.

Study the movements.

Great advice, I am of similar mind when trading this system. Proper "jaw" openings, supported by the reds and without the 200 EMA in the way, can yield 20+ pips on GBPUSD. That is my preferred pair to trade.

<http://www.forexfactory.com/showthread.php?p=1428434#post1428434>

More from lever70 on Entry and Exit:

In my original post, I think I was pretty clear on the conditions that warrant an entry. I look for a gap between the two groups. No twisty averages, no 200 EMA in the way. Just a clean parting of the two groups and I am in. I also like it when the movement is in the direction of the hourly trend (see my Cornflower thread).

As far as exits go, I use S/R and daily pip targets in accordance with my own MM system. A doji or wicked candle completely floating above or below the 3 EMA is a good place to take profit if you are trading short-term.

<http://www.forexfactory.com/showthread.php?t=27574&page=2>

More answers by lever70:

Originally Posted by **jcarrier**

Thank you Felicia, just to confirm these MA's are all Exponential at the close, and what have you seen as a good pip goal per trade? I can delete this post after your reply if you would like in case it doesn't belong here. Thank you again...

PS Are you self taught or did you have someone mentor you on all these techniques...you seem like a very knowledgeable trader...are you full time?

Yes, they're all EMAs on the close. Pip goal depends on time of day and market velocity. I am content with only a few pips if the market is slow. If it's really chugging along I can get 20+ on the guppy. Average is 10-15.

I am kinda sorta full time. I am a part-time college prof, which gives me the luxury of being able to watch the market almost whenever I want. Hopefully I can quit that gig by this time next year, if not sooner. I am essentially self-taught, much like all of us here. I did belong to a live trading room for a time, where I learned a great deal from some very kind, intelligent traders.

Guppy was originated by Australian trader Daryl Guppy and taught to me by a trader who has 55 years of experience in the markets. That's longer than most of our EMAs. 🇺🇸 The stories he has are fascinating. In short, he thought it was the best entry system he had ever seen. I modified it with different colors to create the crocodile jaw opening and added the 200 EMA as a trend filter. Now he is using my version. Cornflower and the "5/10" (my 5-min) are of my own devising, though they are really nothing original from a conceptual standpoint.

<http://www.forexfactory.com/showthread.php?t=26205&page=11>

Originally Posted by **eagle**

*hello, for the method to 1M SCALPING, what to use in order to exit?
best regards*

I don't want to discuss scalping in this particular thread. Let's please stay on topic. The guppy, when used in conjunction with Cornflower, is intended as an alternative timing system to the 5M template (see posts 71 and 89). Although it can be used to scalp, that isn't what this system is about. If you want to use it that way, you'll have to determine your own exit criteria. But scalpers are only looking for a few pips. When you have them, you exit. That's it. And that's the last I will say about scalping here.

<http://www.forexfactory.com/showthread.php?t=26205&page=11>

Advice on trading Cornflower by RJF:

Here's what I recommend for every Cornflower trader, especially novices:

1. Go back and read every one of lever70s posts.
2. Never even look for a trade before a major news release or speaker, or on Fridays after 11am (NY Eastern time).
3. When you find a suitable trade on the H1 chart:
 1. Initiate your trade when the price retraces to the 8EMA (if the price is moving up/down quickly) or between the 12-24EMA (which covers most cases).
 2. Set your Stop Loss at exactly 10 pips.
 3. Set your profit Limit at 20 pips (10-15 pips if the pair historically does not move very far).
4. Walk away from your computer and let Cornflower do the rest.

Exception: If proper money management enables you to trade more than one lot, take your profit on half of your lots, move your Stop Loss to break-even on the other half. Then go for the ride, trailing your Stop(s) as you go.

The benefits of sticking to this practice religiously:

1. You'll become one of the most disciplined traders in the industry.
 2. You'll eliminate all of the emotions that cause most traders to lose money.
 3. You don't have to worry if your stop loss gets hit and then the price moves again in your favor for what might have been a profitable trade.
- Cornflower will give you many more profitable trades than losses.**
4. By setting a 10-pip Stop Loss, you will eliminate the possibility of watching the price go against you and holding on hoping for it to reverse in your favor. This is probably the major cause of major losses in trading.
 5. By setting a 10-pip Stop Loss, you'll never have to worry about spikes.
 6. You don't have to worry that you 'only' gained 10-20 pips whereas the price eventually moved up/down for a 100 pip gain. Remember the story of the Turtle and the Hare - the Turtle wins the race - not the rabbit.
 7. You will avoid the temptation of trying to make as much money or as many pips as you can. The idea is to gradually increase your account balance like the pros do. Not adhering to #4 and #6 will eventually cost you dearly due to fear and greed.
 8. You'll discover that trading can be a relaxing, enjoyable and rewarding experience without taking too much time away from your other important activities (like family).

<http://www.forexfactory.com/showthread.php?s=73f691a63a93bdec1a6f8dd72729f835&t=26205&page=44>

Advice on trading Cornflower by Happy:

There was a great trade at 7pm US time for 60 pips. I follow felicia's system faithfully and have learned the hard way never to try and predict what the market is or isn't going to do. At 7pm the trend was angled perfectly, between 30 and 60 degrees, and the market pulled back to between the 12 and the 24 Ema's. Have also found that there is almost always a good trade at some point during the Asian market especially Monday trading.

I place a breakeven at 15 pips, take 80% off the table when I reach 20 pips and then let the 20% run on until the cross over of the 8 and the 12 Ema's in the opposite direction. This info was shared by a good member almost at the beginning of this thread.

If another trade appears I trade again with the same system even though I may still have a trade of 20% in the system. Should mention that I almost always wait for the market to reach the 24 Ema unless the angle of the trend is steep. This was another little gem that was shared earlier by a generous member. I also never risk more than 2% of my capital. It's a very relaxing system. Thanks again Felicia, it's an amazing little/big pip winner.

<http://www.forexfactory.com/showthread.php?s=73f691a63a93bdec1a6f8dd72729f835&t=26205&page=44>

Again sorry for the delay. I live on the other side of the world and only watch the UK and Asian markets. Mostly I set the alarms and enter using a market order because I can then decide exactly where I want to enter and make any necessary stop loss/breakeven/profit adjustments. I always place a 10 pip stop plus spread from the 24 Ema. My spread is only 1 pip for all major currencies. If I get stopped out then I have only lost 10 + spread pips and can then decide if I should re-enter where I was stopped out if the market is still looking good. If the market moves too fast and I miss the entry point by a pip or two then I still enter because I then place a breakeven at 15 pips profit from where I should have entered - at the 24 Ema. Almost always the 20+ pip profit is reached and if not then I have lost nothing or only 11 pips max. I still take 80% off the table at 20 pips and let the remaining 20% run on especially if it's a new trend. My computer is on all the time with alarms set for where I expect the market to return to for a good entry. I don't watch it all the time only when the bells ring. A quick check of the charts will tell me if I have a few spare hours to wander away for a while. Hope that helps.

(<http://www.forexfactory.com/showthread.php?t=26205&page=47>)

Space-saving overview of MTFs by metto:

I create an indicator just for showing the ema's position on TF 5, 15, 30 minute and 1 hour
I don't know if it good, but it helped me when I had 10 pair two watch

here it is:

gray line = price close

Yellow line = ema 8

MediumOrchid line = ema 12

SlateBlue line = ema 24

Khaki line = ema 72



Attached Files

[OSC-MTF CF SYS.mq4](#) (4.9 KB, 87 views)

(<http://www.forexfactory.com/showthread.php?s=c2b762ac01b036076bf6faddbce41a1b&t=26205&page=45>)

Lever70:

I know that many of you would like me to produce a PDF detailing the system. I hope to produce such a document by this time next week. Due to time constraints, it will not be as detailed as I would like. But it will have the rules, some pictures, and remarks on the nuances of trading Cornflower. As others have remarked, there is no substitute for reading this thread. The collaborative effort of many posters has even helped me in the trading of my own system.

Cornflower has not really changed all that much in three months. Post #1 is still valid. There are my posts about how to use the 5/10 impulse entry, and also the 1-minute Guppy Multiple Moving Average. These could both stand alone apart from Cornflower as feasible entry systems; I simply don't take trades counter to what the H1 or 30M CF charts tell me. There is also the multi-timeframe 60/30/15/5 setup, which gives you the luxury of waiting for the most high-probability opportunity. Some go even further and do not take trades that are counter to the prevailing daily trend. But everything follows from that first post. I have always tried to discourage posters from using any indicators other than the EMAs, sometimes rather sternly. Indicators look good on paper, but lag the market and they will cause you to lose money or miss profitable opportunities. The EMAs are closely correlated to the actual price action.

Money management is important. If you are going for larger pip gains that correspond to the profit bands and/or support and resistance levels, you should not leverage yourself more than 10:1. It's also perfectly valid to use CF for short-term pip bagging. If you are going for 20 pip gains, 50:1 with a 10 pip stop is the most you can risk. But you can't walk away from the screen. You must be *vigilant* about taking small losses when the trade does not work out. Once you are up 10 pips, make sure you exit that trade with at least 2 pips of profit. By contrast, when going for larger gains you have to be prepared to let the trade go against you before it goes your way. GBPJPY, for example, can easily go against you 50 pips before you see 150 pips of profit. On the whole, do not over-leverage yourself, wait for the right opportunity, and make some pips.

<http://www.forexfactory.com/showthread.php?s=35811fe8c9749fd6e450732df483b403&t=26205&page=48>