

# 45 Combo - momentum system (Page 1-9)

By  [fx-Tycoon](#)

Hello and Welcome to my trading system thread. It's all based on momentum for me picking it from cheaper spot.

I keep things simple in my trading and would be no difference to approach this thread, so I get right to it.

Signal:

- 1) ONE minute time frame.
- 2) 5EMA (HLC/3 - shift 1 – yellow line) to crossover 40EMA (Close – blue line).
- 3) PA to pullback and touch/react to 40ema, without pressing the 5ema over 40ema and MACD on to opposite.
- 4) Resume back by 1st candle cross close of the 5ema.
- 5) RR 1:2+... Stop behind the last H/L... Target +20.

That's it. This is my signal creation philosophy. Simple or at least I think so.

What I do:

- 1) I **believe** in my system and stick with it through thick and thin.
- 2) I make NO interference post trigger... stop or target; it's a do or dies thing for me in this department... The trick is, it allows me to be **patience**.
- 3) I make only one trade per hour per direction, **When** and **If** signal is given.
- 4) I look to walk away with +20 pips a day and stay very protective of it.
- 5) I risk 1% per trade.
- 6) I do not take trades with less than **2R's**. So if the stop is greater than 10 pips, it's a reject.
- 7) I trade the following 4 major pairs: E/U – G/U – E/J – U/J.
- 8) I can care or less about what's happening elsewhere. What I mean by that is that I don't look at any other time frames beside the 1M.
- 9) I do not care about any correlation factors. It's all meaningless to me.
- 10) I remove pending orders 5 min prior to red news and I resume with considering trades 15 min after.
- 11) I only trade the 1st 3 hours of the EU open. Living on the west coast, so I trade from 10:30 pm to 2 am give or take. I don't need to stare at the charts all day long and no reason to lose out on my beauty sleep. I also think the best time to trade currencies is the early part of EU session. You can trade it all day long though.

I highly recommend for you guys to do the same, but it's up to you.

Why is it called 45? Well, as you can see the main ingredients of this system are made of 5EMA crossing over 40EMA. So, 40 & 5 for 45, lol.

Cheers,

Important posts to read:

<http://www.forexfactory.com/showthre...12#post8012812> - 1

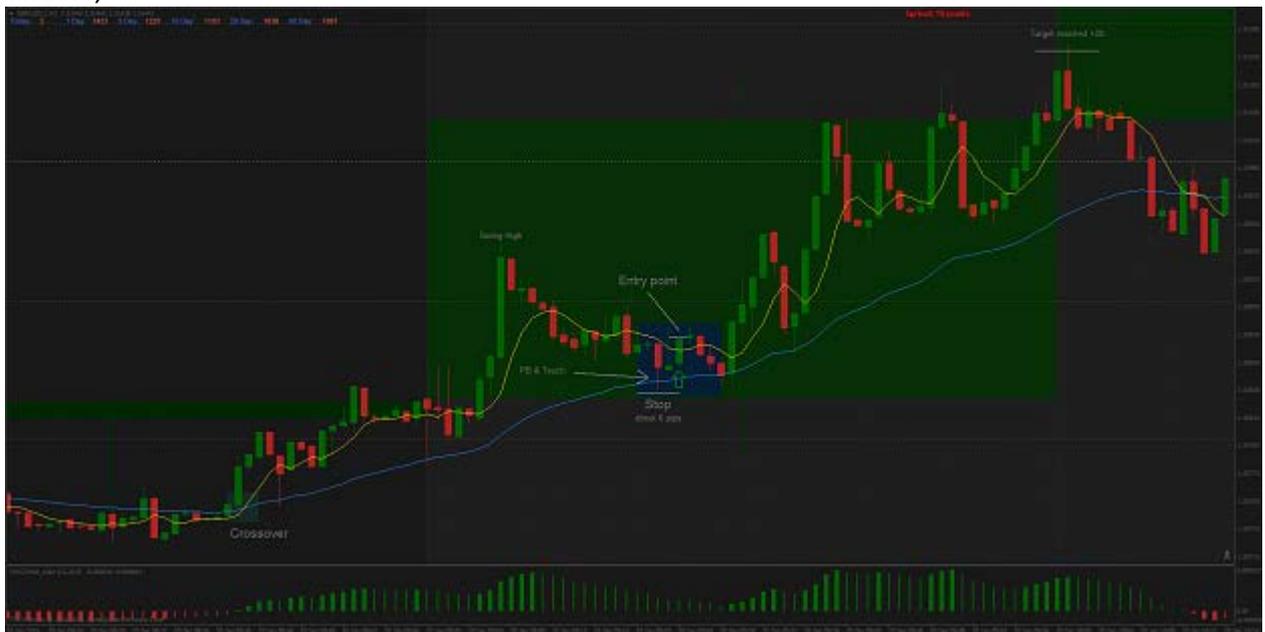
<http://www.forexfactory.com/showthre...64#post8013064> - 2

<http://www.forexfactory.com/showthread.php?p=8018101#post8018101> -3

Chart example of GU's today signal for better understanding.

I'll post live trades when I start my next trading session later on tonight.

Cheers,

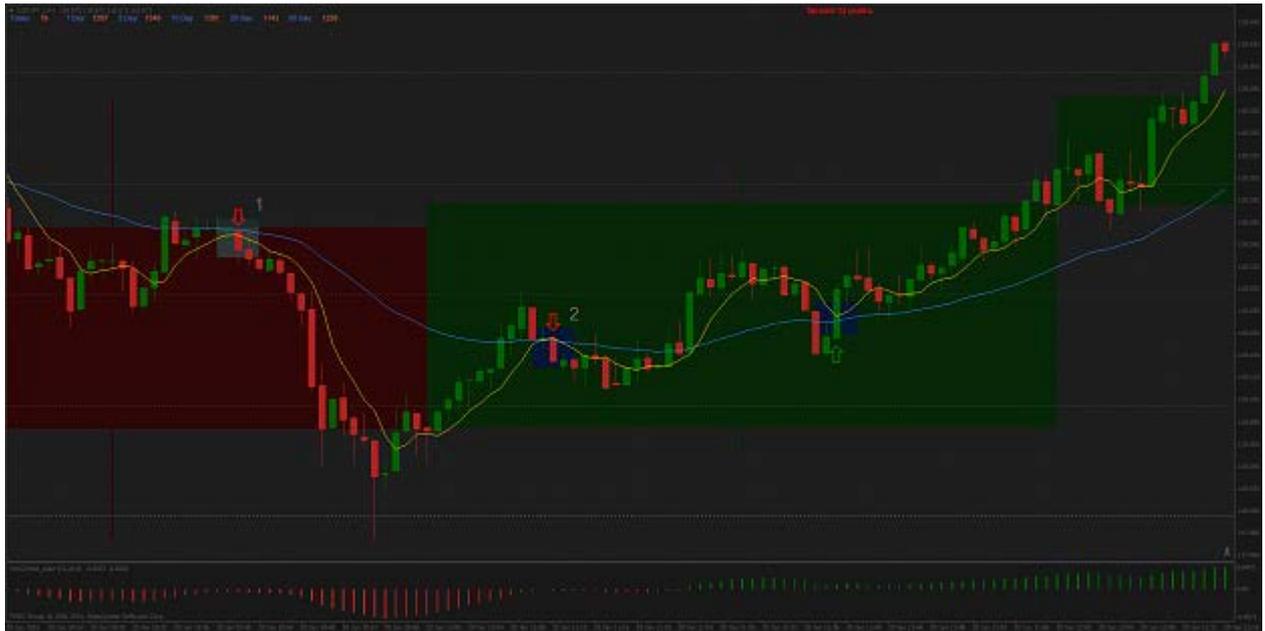


Before I leave I like to to post one more chart example.

UJ was just great today. two winners and better yet it avoided the loser... all during the 2nd and 3rd hour of EU open.

trade 2 as you see the Pullback was strong enough to press over the 5ema over 40ema... so simply it is a reject. But even if you had taken this, as you would see it's no more than a 7-8 pips loss vs your winners of +20, only if you could hang on for it, 😊

Cheers,



### [Quoting 4xplosion](#)

***Have you tried this on any other timeframes?***

NO I have not because anything higher than 1m would be too slow for me.

I trade only 3-4 hours so I need good doze of signal.

I need to be in the moves early on to take advantage even on smaller movements.

Trading 1m allows you to have smaller stop loss.

### Quoting burson

*it's interesting. could you share your tpl and indicators files because its look great?*

As you see I don't use much indies... the important one is the MA's and Macd, which both available in mt4. So please make due.

First trade of the day live example short of ej, stop is right at my highest point which I don't like it much but still within rules.



eu short... much more ideal stop wise.



results

eu tp hit +20

ej sl hit at -2... this one went although way to +18 and bounced.



gu short.. live



If ej would had gone another 2 lousy pips I would have been in bed already next to my honey with +40 in the 1st hour, dangit lol

### Quoting fx-Tycoon

gu short.. live

Stopped out on this one for -8... it could not break lose short off that 600 level otherwise it would had been a quick 20... I took it and stuck with the plan and that's that.

Up +10 for the day still, not bad.

Uj long... very good rr on this one... 1 for 3



I missed the ej trade due to making posts, it was a good one already into +15



I see a lot of followers so I would pop up a key question...  
Watch the chart, who can tell me why I would not take such signals?



### Quoting fx-Tycoon

***Uj long... very good rr on this one... 1 for 3***

UJ good for +19... I took it one short of the target here to not lose out being up nearly +30 for the day.. which is something that I do not do in the 1st hour as you witnessed live with the short ej trade, went to +18 and bounced.

A little daily management here now... I am already at last hour of my trading session and had missed the ej long one earlier so being up 10 above daily minimum approaching ending the trading session is good and wise thing.

This considers a good PA day... it fell just short of 2 pip for ej short target but a winner later and uj and eu winners so could have easily been up 50+ in just first two hours.

ok now the call for me is to **protect** in the last hour bcz I am up only 10 above daily goal... for instance if I was up 50, I would stay very aggressive still because even if I lose two in the

last hour I would still finish +30/+35 and that is great but if win I can pretty much secure +20 avg for the whole week... and you'll get the chance to do so every week and that is just nothing short of spectacular.

for now I am eying the gu as it just made a nice momo move if it give out a nice little low risk signal I go in with care... plus it owes me 8, lol be nice to get back at'em.



### Quoting smeden

***you only take the first trade after the cross?***

No necessarily my friend. As I have mentioned in the 1st post I make one trade per hour each direction... so definitely not in the same hour like to buys or sell back to back... but if the continuation falls in the next hour and looks good with RR I take, especially if I am up a good amount for the day... that is what a good positive RR will do for you.

I hope it answers your question.

obviously you all should know why I did not take the GU trade!!!

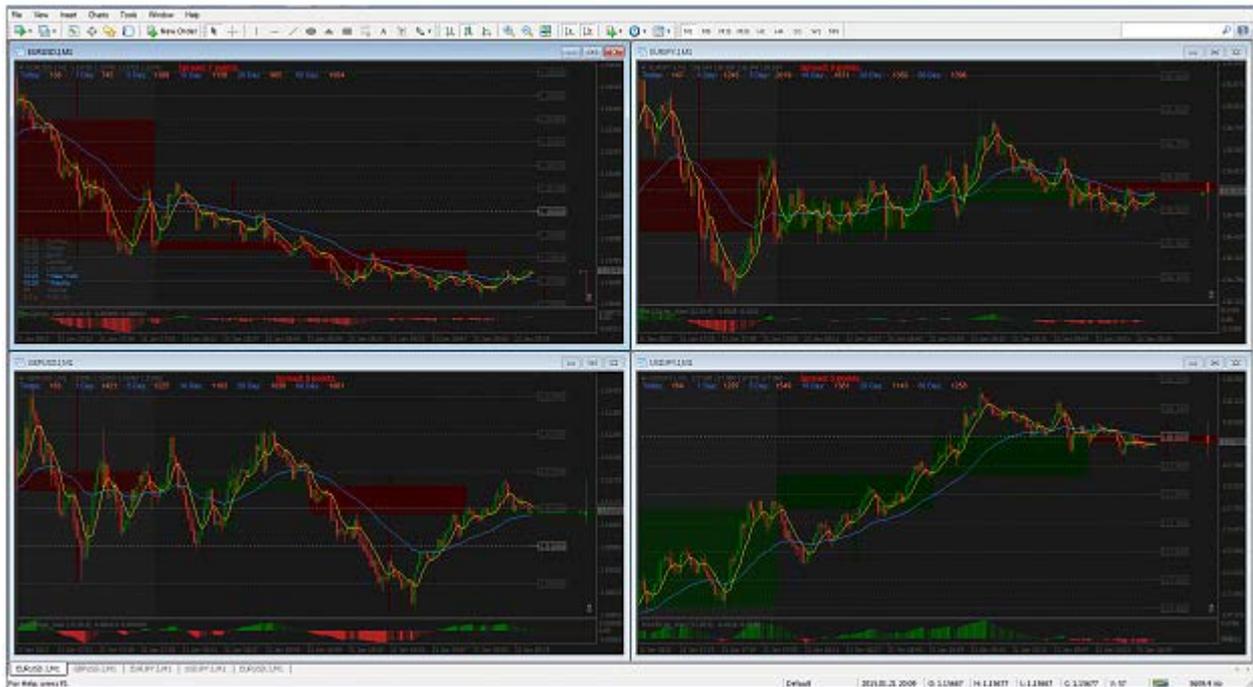
That's right RED NEWS... it went short though but perhaps without me since would have kicked me out before taking off in favore and thats the thing about not trading for some time before and after RN.

### Quoting smeden

***Ty can you post your hour candle you use in the background? Cant find it***

In the search box above type (M-Candles) and it will pop up for you.

Template and indicators... also a snap shot of my platform when screen watching the four pairs at the same time all in one screen.



#### Attached Files

- [m1 45 combo.tpl](#) 1.6 MB | 301 downloads
- [MACD ColorHist Alert \(2\).ex4](#) 14 KB | 248 downloads
- [M-Candles.ex4](#) 12 KB | 208 downloads
- [SweetSpotsGOLD TRO MODIFIED VERSION.ex4](#) 14 KB | 196 downloads
- [Spread\(1\).ex4](#) 3 KB | 191 downloads
- [Daily range.ex4](#) 7 KB | 204 downloads
- [AnyCandle.ex4](#) 21 KB | 193 downloads
- [0 - P4L Clock.ex4](#) 141 KB | 212 downloads
- [SL TP-OE PIP CALC INDY.ex4](#) 6 KB | 233 downloads

[Quoting jaycov](#)

Hi Ty,

**Any comment from you about my trade as attached? RR is 1:3 or at least 30 pips for E/A and G/A which is my favorite pairs to trade.**

Thanks



Sam2vt,

Everything looks good.

As you know I go for +20 and gauge my RR based on that hard TP. The reason for it is that, in 1m, price often intends to pullback after some move. In our setups usually there is a 10+ pips swing, then pullback, then we need at least another 20 so it is very well expected to see a pullback right around 40+50 pips on one way move, so I bank just in case before missing out. I have learned that in the long run it pays off better IMHO.

Great job on trigger execution and the bank.

## Quoting sam2vt

**Hi Ty. Would you mind explain why this trade is taken? why not the 1st and 2nd bounce of 5EMA?**



Sam2vt,

Good question... You are correct, the first one is also valid with priority. I just did not like the long wick touch and bounce. I prefer the way it touched and bounced the second time. The fact is when the touch candle closes near the 5ema you will have the closer trigger point which results in smaller stop.

Little good details that you made me to bring up, thx.

However when you pass up on one you should be ok with missing the whole move if it runs from right there without you not in it, I was prepared for that.

## Quoting BLACKFEET

**Hi fx-Tycoon, First thank you for your system and for the time you give to show and explain. But may I ask for more ? Well I'd like to know "How, concretly, you place the orders ?" Are they always Pending Order ? Do you enter at the Close ? Is there a "signal" candle ? Do you wait for a "second" candle ? Do you use a script ? Thanks In Advance. Best regards BBF**

Blackfeet,

No problem I explain further again... post 2's image should be helpful when looked closely.

I always use pending orders (Buy stop/Sell stop).

I always go off the closed candle.

I use a buffer of 0.7 pips from the close price.

The signal candle is the 1st candle cross closes the 5ema... so no second candle.

I use No script... everything I do is manual... I like being hands on and I keep it clean

#Quoting HighFivve

thanks for the simple system ,with ez money and over-trading management built in 🙌1.  
Q .. **\*\*make only one trade per hour per direction, When and If signal is given\*\* is this per pair? if so you could have only 8 trades max per hour. --good pips--**

high five.

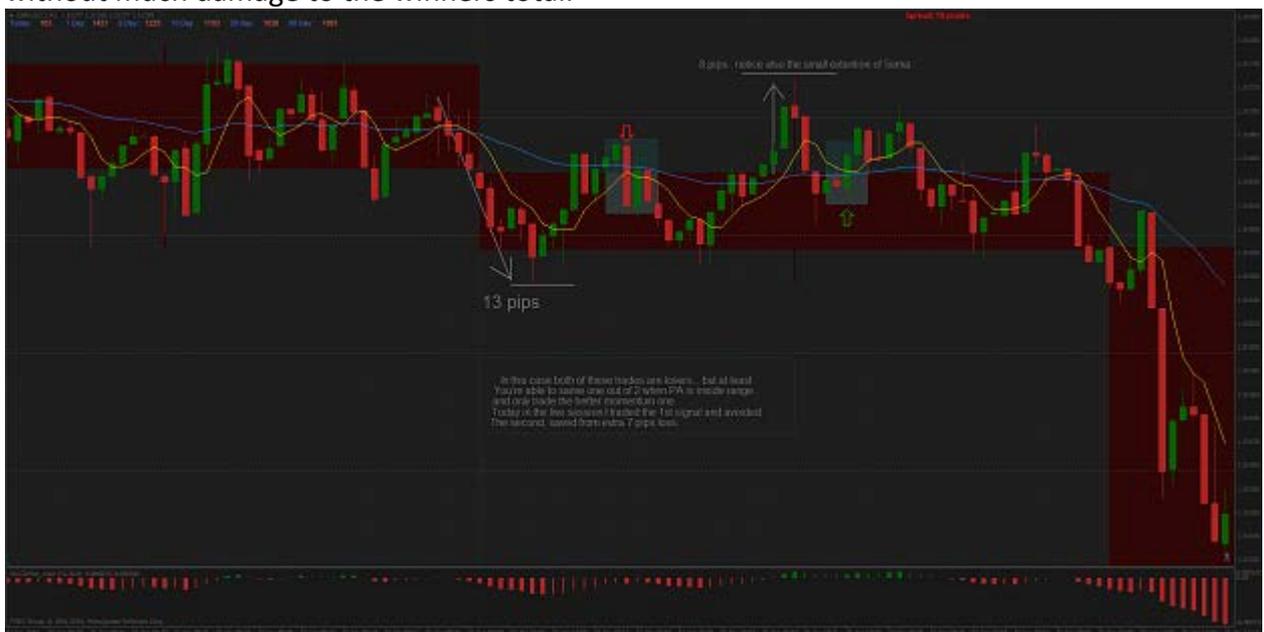
Quoting fx-Tycoon

**I see a lot of followers so I would pop up a key question... Watch the chart, who can tell me why I would not take such signals?**

Ok I asked this question earlier and a few people participated in answering it.

Here is the answer and a golden nugget one... that is why I wanted to be brought up in the get of this thread.

For better momentum build up signals... **The swing must be at least 10 pips from 5/40 crossover point to the height of the swing.** on this particular signal you see that the measurement is less than 10 and around 6 pips at most. This is where the 10 point grid comes handy with one look in the heat of the battle, speed is key in 1m trading. When you trade the small movement crossovers it will do couple of major damages in the long run... first and for most, it will get you involved in too many weak momentum based signals, at least not strong enough to get you to +20 target... 2nd, you will be involved in range conditions for unknown duration which could lead to several or back to back losses. The signal of any m1 system is already a aggressive one where not enough data is gathered... so we want to get in early but not way too early... so this would be a major filter without much damage to the winners total.



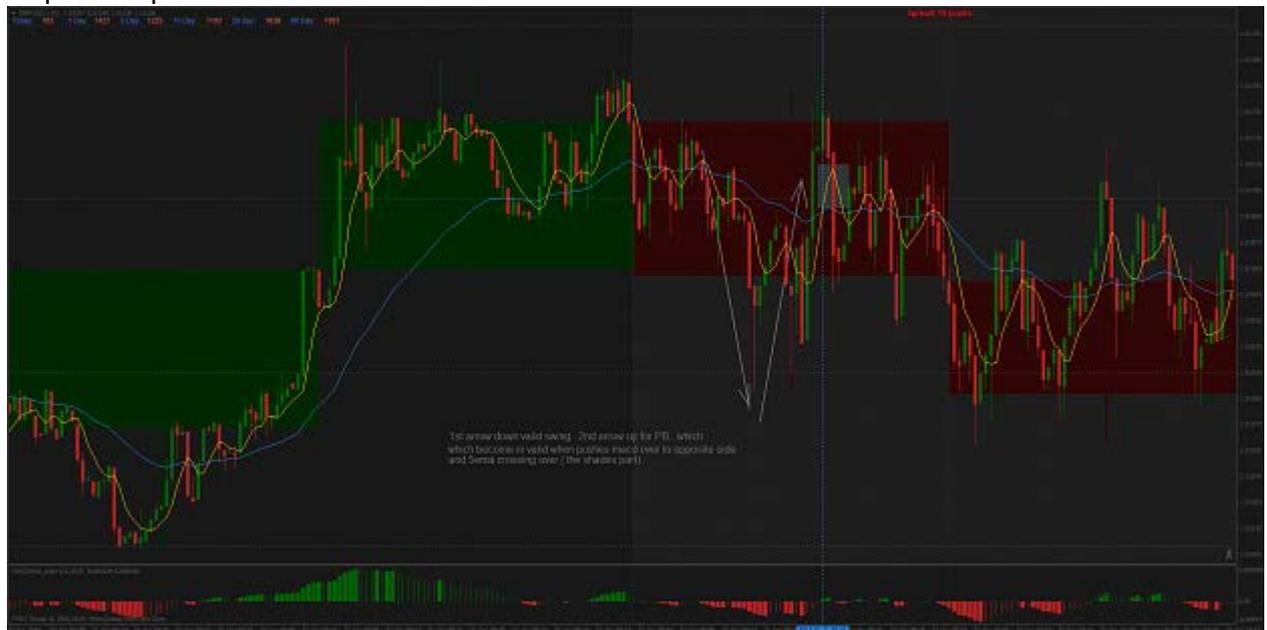


## Quoting HighFive

Q.. Could you please 🙏 show us an example when you use the MACD as a filter ..thanx

Here it is inside chart explanations.

Hope it helps.



Same here... when I start my session I prefer fresh moves over old moves... this relates to current condition of eu and gu vs ej and uj.



[Quoting fx-Tycoon](#)

*ej short...*

Quick 7 pips loss.

Moving on...

Short on uj... got a bit of negative slippage there

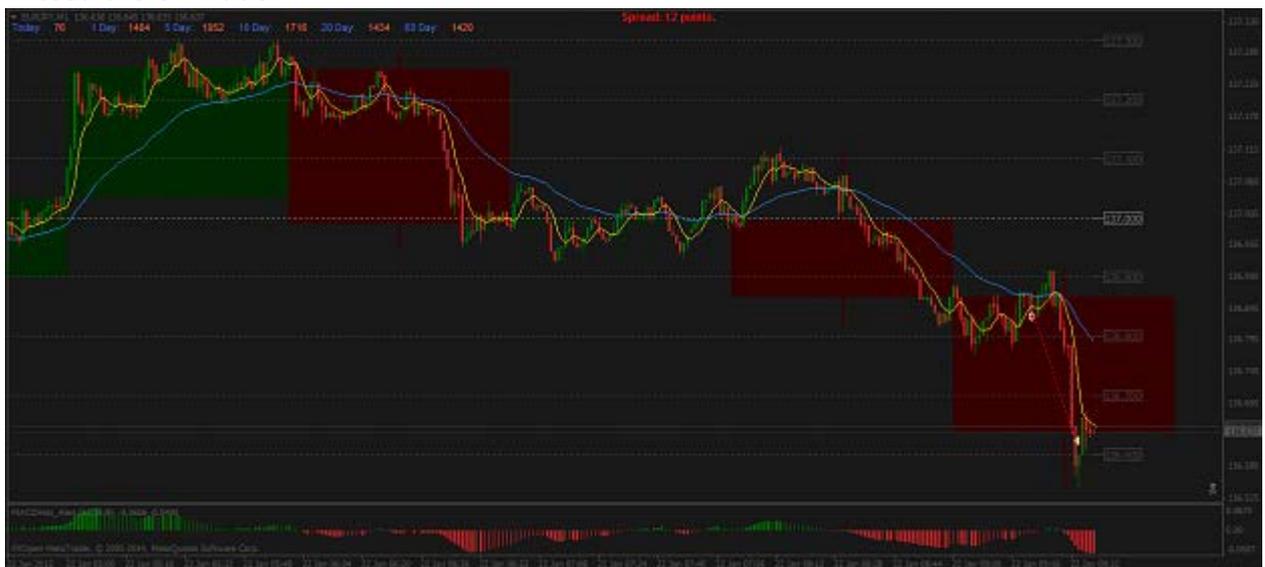
ej the bastard, lol... already hit the target  
thats ok it all part of the game... and I got it back with u looks like



[jeetvirk](#)

Took 20 pips on EJ 🎉

missed the UJ Trade.



nice.... butttt, lol

be careful with using bigger stops... the name of the game is survivability first... if you go deep into loss from the get go of the day, then your will be playing a different game. The trend strength should not interfere with your trading plan.

just a brotherly advice.

### Quoting fx-Tycoon

*Short on uj... got a bit of negative slippage there ej the bastard, lol... already hit the target thats ok it all part of the game... and I got it back with u looks like*

out at -1... had me into profit for +16 and bounced.

-8 for the day and 1st hour behind me.

Watch the chart and look at the box and tell me why should not take action on such signals??



Small hint about the question posed above...

Always before taking up on a signal for a trade, think in terms of **Risk Measurement** instead of feature outcome...

The risk measurement is reality, and feature outcome is what wished for and unknown.

uj hit target of +20

+12 for the day..



gu +19... too much jittery move at the release of orange gu news so I banked near the target.

+31 for the day... and I could be very well done, unless I see a very low risk full momentum signal within next half hour. Time to protect the +20.



Sweet eu signal for +20 target... I was a touch late on getting in on the very tiny cross candle, did not see it clearly and the following candle just took off big and made the risk large to get in at closing point of it.  
np, more focus next time.



The only reason I am still up is for this low risk uj trade that looked promising but it seems it will take me out now... I might just exited for BE when it drops a bit since it's getting late.

This is just to show you all how Patience and firm I stay with my target... believe it or not it's a key factor your success in this system or for any other system for all sake.



Took me out at -1 on that slingshot up.

Done or the night with +30.

### [Quoting smeden](#)

***So true.... Guess it is set and forget. look at another pair...***

Not exactly a set and forget because I do take into account some daily management decisions when approaching late in my trading session. But I do stay very patience and resilience for my target.

It's like weight training... you build the real muscles when you do the a last a few count of the rap.

btw... participate in the question I posed earlier in the day, I'll answer it in the morning.

### [Quoting gonso](#)

***Missed post 64, with the filter. Had two losses 🤔. So after the EMA cross, the signal is valid if there is a movement of at least 10 pips before the correction and touch of the 40EMA. Correct? gonso***

Correct gonso... the point is you want to see some real momentum and to avoid the tiny ones... otherwise you be in every little move inside ranges, like 1st hour of gu and eu today or late ej.

Sorry for your losses but live and learn and don't repeat the mistakes.

### Quoting birdland

***compliment, its a nice little and simple system! a question regarding this trade: i could not find a rule in your first post that says "breakeven stop when +xx in profit" why did you close this trade with -1? birdland***

Birdland,

Good question... the reason it does not exist in the first post it's because I am not firm on this matter.

TS does harm as it does good. I do TS sometimes to BE and sometimes I don't, it all depends on my profit position during my trading session. However the only time I ever consider TS is when price reaches near my target and fails just short of hitting it (that's what the case was on the uj trade)... so not about to let a near winner turn into a full loss, it's just common sense I think.

I never TS when price is in mid or even 2/3 of profit, I let it play out to be decided one way or other.

So, daily management plays a part and that is why it is not firmly mentioned in the 1st post. I am highly against aggressive TS or pip by pip or etc,.

Cheers

### Quoting Forex Lion

***Hi Tycoon, first many thanks for this nice clean system. One question regarding the pending orders, as we have to enter very quick after the signal candle, how you could set up a pending order and dont miss the move? or do you sometimes use a normal market order? regards, Forex Lion***

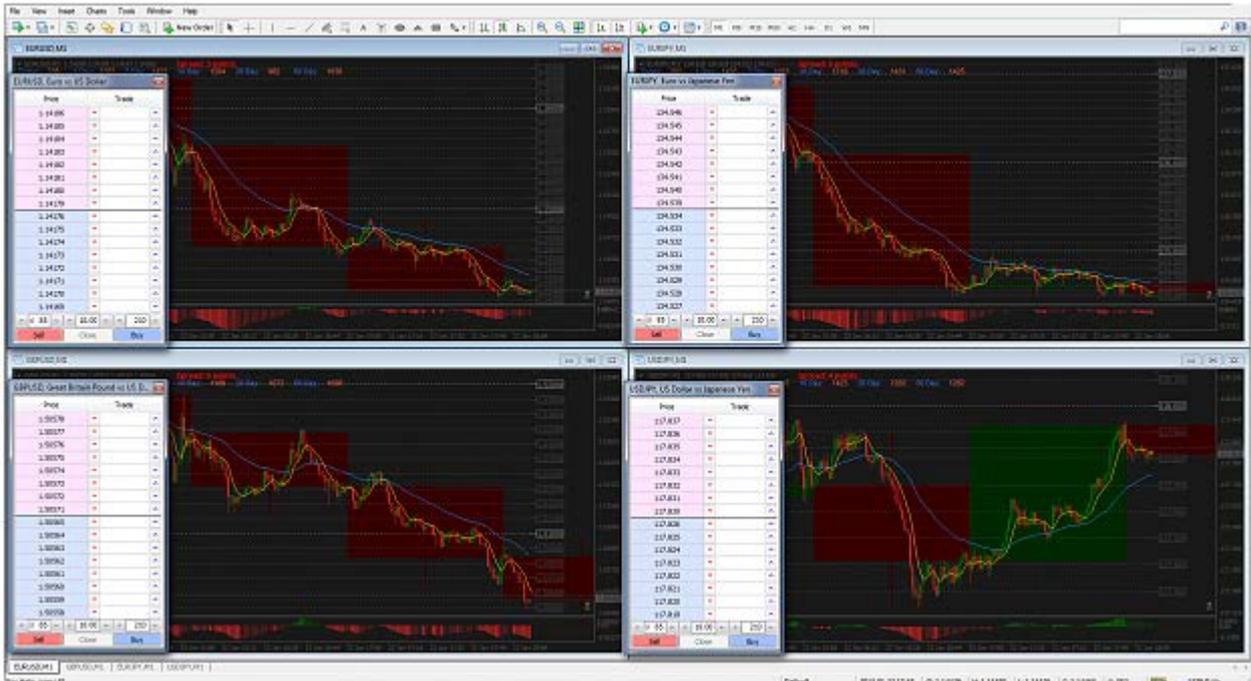
forexlion,

I never or hardly ever use a market order... if I do that it means I was not prepared well enough to reconfirm my signal etc,

but I understand your concern, therefore I use this tool called "depth of market" available in mt4 platform... the image should make it clear as I open one for each chart. this way very quickly as soon as a valid signal arrives and a candle closes I make one click on buy/sell stop 7 points away from current price. As you see you can pre-set your lot size, SL/TP size.

This is fast and solid.

I think it should be a great help.



**Quoting ChanhXanh**

***Hello, Good job on the system, it looks like a good trend following system on a pullback. You also seem to be disciplined !! Wish you success However I have some doubt on those two points: 4) I look to walk away with +20 pips a day and stay very protective of it. --> Not a good idea to have daily target, better having weekly one, it will involves feelings IMO 8) I can care or less about what's happening elsewhere. What I mean by that is that I don't look at any other time frames beside the 1M. --> hmmm, skeptikal on this one 😊 but if it works for...***

Chanhxanh

It doesn't say anything about limiting myself to +20 anywhere in that sentence. I may very well in 3-4hrs of trading session reach much higher of profit, but first and for most I will protect the 20 as a priority to secure consistency. So, daily target is the first step in reaching weekly, monthly and annual targets.

Your skepticism and many others in this regard are well expected by me.

I have been trading since college mostly as a momentum trader in the same nature more less and successful, I will be 40 soon.

Cheers,

Hello to all... late start for me tonight.. solid activity here, it's nice.

Guys try to avoid trades before start of sessions... whatever sessions that you chose, trade after openings of it, that is where liquidity rolls in therefore you see momentum.

So far there has been couple of signals... eu long and uj short...

Be aware of red eu news coming up in 10 min and the next one in 40 min... since its back to back it's better to stay out for the whole 40 min.

if you got a floating use wise management... either you risk and stay float or close the trade for whatever it is.

ps) uj just burst down to near +20 target if not hit it already... I would for example close that and close my eu trade (at +10atm) and stay on the sideline with +30 for the next 40 min.

### Quoting Mr.Ma

***Please show your chart... I don't see a valid signal there. Please correct me if lam wrong.***

***Edit: EU out at TS***

Mr Ma... this is the classic reason why I don't play aggressive TS... same deal with uj, if you look at that trade, it has dodge many bullets before hitting the target but the nature of 1m is very well as such more often than not... since our stop per trade is rather very low (uj about -6) the better play is to let the trade to play out it's course, find it's way before cutting it short without giving it a chance.

Just humble live observation.

Live observations...

If anyone is anticipating signals on gu and ej... what your witnessing is aggressive PB's... which now the 5ema cross has confirmed the strength of the PB and therefore the signal is filtered, especially gu with mac turning opposite as well.

### Quoting HighFivve

***I make one click on buy/sell stop 7 points away from current price. As you see you can pre-set your lot size, SL/TP size. This is fast and solid. I think it should be a great help.***

***a Quik Q.. so you post an order on the DOM 7 pips or .7 pips higher then 5 Ema candle close ,if your target is short ...Thanks in advance 🍷***

Your question is not clear to me...

This is how it goes... when valid signal arrives, I make one click on the buy/sell stop order 0.7 pips away from the current price and order with trigger price, SL, TP all placed simultaneously. You need to be prepared for the 10second before the close of 1m candle... 59 second goes to 00 you click, thats it.

I hope it answers your question.

### [Quoting jwpdad](#)

**Thanks fx-Tycoon for posting your method. Do you set a daily loss limit, i.e. stop trading for the day if losses total 20 pips, etc.?**

Because of my short trading session (3-4hrs) I just play the whole time, at most I can have 6-8 possible signals and if all are losses then so be it which will be no more than 40-50 pips worst case scenario. But usually by the 1st couple hours of eu action I can see the true condition and in the bad condition I try to survive it for the least damage and walk away from that day. I hardly ever have had more than -30 day.

One of the reason I don't play with hard -10 SL vs SL beyond the HL is to keep the avg loss low during bad cycles.

If anyone who trade the whole eu session or a 8hour session it's highly recommended to have daily loss limit.

### [Quoting fx-Tycoon](#)

**Watch the chart and look at the box and tell me why should not take action on such signals??**

Ok, about this little quiz I put out yesterday which end up with some more level of participation later on, I feel I should elaborate on as I think is one of key elements or at least it is to me where using it effectively.

Some of you came close with the answer so good on you, it means your brainstorming on your own.

This type of signals are high risk due to following factors...

- 1) The momentum move was barely above 10 pips... which according to the structure I gave out it's valid but not superbly strong, now mix that with...
- 2) The risk of the signal (the stop loss of -10) is almost equal to the size of the the whole momentum move...
- 3) ..therefore, most times in such scenarios you will have your trigger point on the very height of the momentum move which chances of bounce off is expected.

Now put all the above together and you end up with a rather weaker signal.

The ideal signals are the ones with nice extend momentum gauged by both in pips away from crossover and the longer extension of the 5ema from 40ema... then pulling back and resuming nicely for decent size stops risk amount and some **distance** between entry point and the height of the momentum move.

So, when you gauge that gu signal compare to ideal common signal (2nd image), it would not be too hard to reco on the flip the difference in terms of risk and potential, to choose wisely.

In summery, You want balance...

The so called formula will go something like this:

\* Mediocre momentum, max size stop, with not much distance = higher risk lower potential trade...

\* Stronger momentum, mid size stop, with some distance (or as long as is not on the very height) = lower risk higher winning potential trade.

With great focus during trading session you should be able to see this on a coin and play accordingly.

This is another important post which I will add to the first post.

Cheers



### [Quoting birdland](#)

*i suggest also to look at this website: <http://www.dailyfx.com/calendar> there was not one red news for EU or EJ trades...and also no impact at the time the news came out. personally i like to take a closer look when i am not sure about the impact of red news on [forexfactory.com](#)*

Dear birdland... no matter the color in any different site, the fact is anytime there is a European Flash Manufacturing PMI release will be whipping moves 90% of times, therefore it's better to stay put.

### [Quoting micQ-fx](#)

*Ty can we trade all day ? i know u said its up to u. but it will work with the same efficiency another time ? sorry about my english (*

Your English is fine my friend.

I think if one sticks religiously to the systems plan of trading and use of some commonsense daily management, should prevail in the end trading the whole London and NY session. Today for example would have presented massive amount of profit.. only ej was good enough for several +20 winners. Due to positive RR and low average loss nature of my system it should be profitable in the long run.

However, considering the nature of forex market, I personally believe in order to be a consistent earner one should not be in the market for too long of a time per trade and per day. Living example was the massive drop of CHF fiasco last week.

So better to be in the market for limited time, each day, and each trade to make your target and come back next time.

I hope it helps.

### [Quoting micQ-fx](#)

*thank u very much for very good explanation .i will trade EU and US session .it should be ok for me*

NP, just make sure you read and fully absorb the important posts links that I have placed in the 1st post... those filters and risk measurement pointers are even more of keys to success when trading long sessions.

Best of luck.