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## TRADING MANUAL

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

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## I. INTRODUCTION

Hi, my name is Wesley Govender. I've been trading Forex since February 2006, about seven years now and am also currently the Tournament Director of the highly regarded Surefire Trading Challenge.

As a Forex trader myself and as Tournament Director, I've experienced firsthand the ups and downs of trading Forex and have had the privilege and honor of seeing countless systems and speaking with hundreds of traders that have taken part in the many tournaments held over the years.

I understand that trading can be very emotional, especially for beginners – there's a mix of pleasure, enjoyment, confusion, depression, frustration, greed and fear. Forex can be joyful when you have achieved your target profit, but it can also make you sad and furious when you've been losing your hard earned money. I know how that feels, that's why I'm here for you.

Forex trading offers boundless different ways you can use to view the charts and interpret information. To help you with this dilemma, you now have within your reach a special system – the Forex Profit Matrix (FPM). I am here to teach you this very successful system and to help you see how rewarding and worthwhile Forex trading can be.

Regardless of whether you are an experienced or a beginner trader, you can use this system. FPM is a one of a kind system which is very easy to understand and achieve a very high success rate with. If you're looking for the best Forex system, you're definitely in the right place because FPM, in my opinion, is the best solution. I believe this is the only Forex trading system you'll ever need to consistently succeed in Forex!

Along with a few standard indicators, this system uses three custom indicators namely; Heiken Matrix, Forexometry, and Trend Booster. You will have to install them on your MetaTrader4 platform to trade the system. Once these indicators are already set up on your charts, you are ready to go. Please allow me to tell you this; these indicators are different from the other indicators you may have used out there. These have exceptional calculations for their values. I reveal all the details further in this manual.

My system is user-friendly, practical and simple. There are only TWO types of entry rules - the buy and sell entry. There are instances where you may want to be conservative on both of these entries, so I have included that in this manual.

The system works on all time frames from the 1 Minute (M1) to Daily (D1). Unlike other systems, you will have the power to choose your preferred timeframe which you think works best for you. I recommend for beginners to use the 1 Hour (H1) timeframe during volatile sessions and the 15 Minute (M15) timeframe during quieter sessions. This system is profitable for different types of trading strategies. You can be a scalper, a day trader or a swing trader when using the system – you can decide!

Don't forget to read this manual together with watching the training materials available on the DVDs and accessing the exclusive online members' area. Learn all the rules by heart. Follow the step-by-step instructions, and I'm sure you'll be able to attain what you've been aiming to achieve for yourself with Forex trading.

Don't worry, I'll be with you every step of the way. I'll be your mentor, your coach, your guide. I will help you to become a more successful Forex trader. I believe in you, and together with this system, we can definitely make this happen.

Wesley Govender

[www.ForexProfitMatrix.com](http://www.ForexProfitMatrix.com)

## II. GETTING STARTED & HOW TO USE THE DVDS

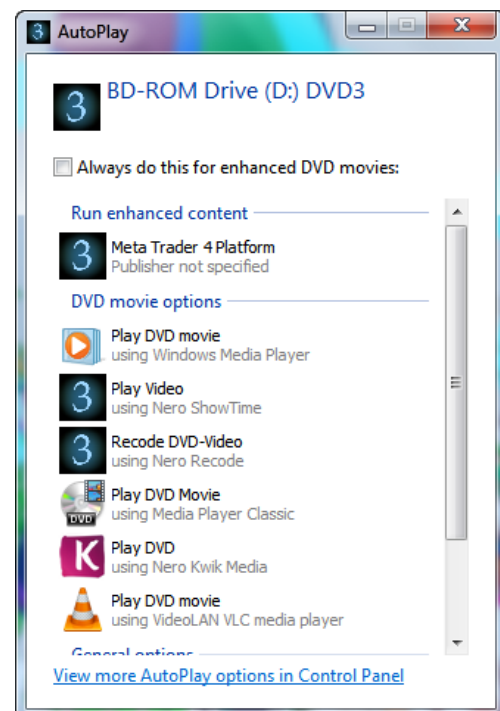
The Forex Profit Matrix consists of two physical components– the manual and the DVDs.

The manual will serve as your Forex Profit Matrix textbook while the DVD videos will serve as your lessons. The manual and the DVDs are everything you need because I will be using these two to teach you about my system, the Forex Profit Matrix. I recommend that as you read the manual, pair it with the DVD videos for best results. Of course the private member's area is also an important component in that you get to ask questions, attend webinars and a whole lot more.

For new Forex traders, I suggest that you first watch DVDs 1 & 2. These two DVDs contain preparatory lessons about the Forex market and the MetaTrader4 platform. If you're not a beginner with Forex trading, these DVDs will serve as a refresher course for you.

You can use your computer or a DVD player to view the videos.

Upon loading the DVD on your computer, an Autoplay window will appear which will give you options on how you want to play the videos. There won't be any difference in the videos irrespective of which option you choose. You can click on the title of the DVD under "Run enhanced content" or any of the DVD movie options you'll see on the window.

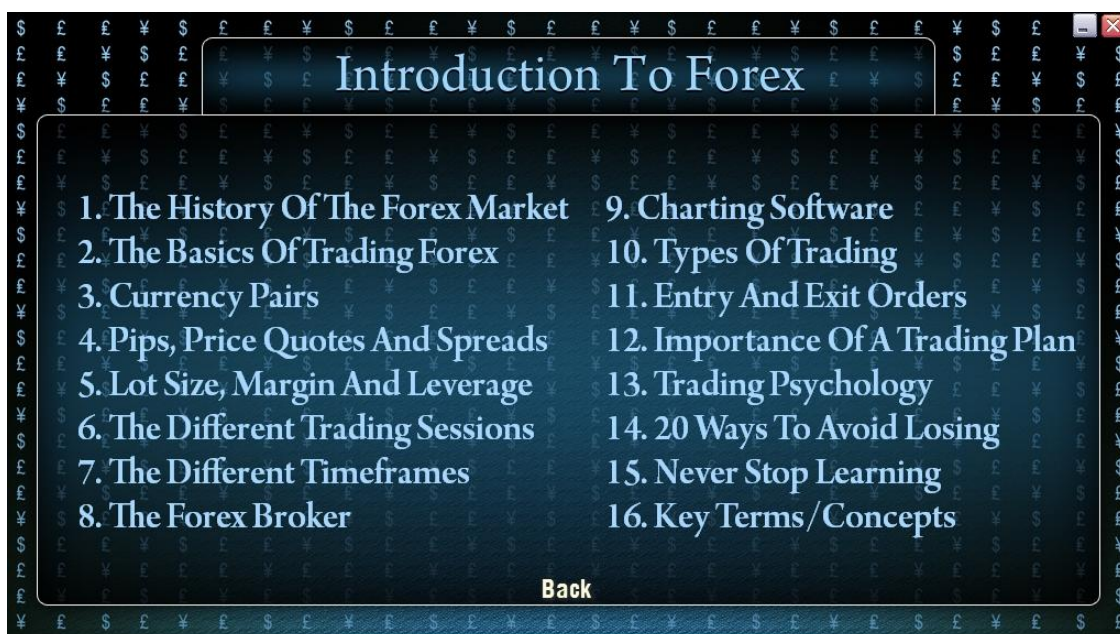




DVD 3 for example contains videos related to the lessons in this manual. After selecting an option to play the videos, the DVD menu should appear. The main menu gives you the choice to use your media player or your web browser when watching the videos.



Click on the “Play In Media Player” or “Play In Web Browser” option and you will see the titles of the videos to play. By clicking on a title you will be able to watch the video.



### III. SYSTEM COMPONENTS

In this section, we will talk about the different components that make the Forex Profit Matrix system work.

#### A. Indicators

Let's begin with the indicators. We will be using five indicators in this system, three of which are custom indicators namely: Heiken Matrix, Forexometry, and Trend Booster. They are designed to be used with the MetaTrader4 (MT4) platform. I have recorded tutorial videos found in DVD 2, in the event that you're not yet familiar with MT4 or need a refresher course. The other two indicators are considered supplementary, which are the Moving Average and Bollinger Bands.

Once you have installed the indicators, below is how they will appear on your chart.





# 1. Trend Booster

The Trend Booster indicates when a trade is most likely to take place. This indicator also changes in color. We have three colors to watch out for with the Trend Booster namely: blue, red, and light grey.

The indicator will turn **Blue** when the market is bullish and indicates that there's a possible long trade, **Red** when the market is bearish and there's a possible short trade, and **Grey** when the market trend is neutral – unlikely to go up or go down.



## 2. Heiken Matrix

The Heiken Matrix is a smoothed and customized version of the Heiken Ashi indicator and is the 2nd step to confirm the entries.

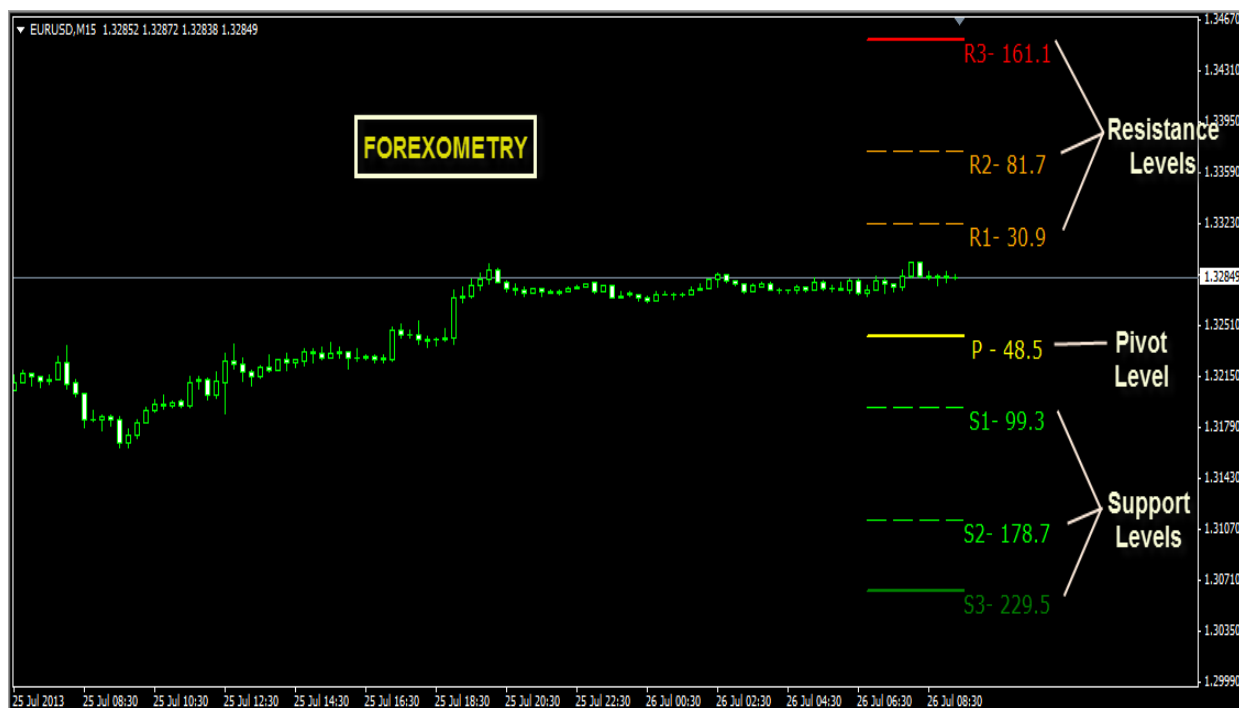
This indicator also changes in color – it can turn from blue to red or vice versa. The Heiken bars will appear **Blue** when the trend is moving up. It will turn **Red** when the trend is moving down. **Blue** Heiken Matrix bars will give you a signal for a buy entry while **Red** Heiken Matrix bars give a signal for a sell entry.



### 3. Forexometry

The Forexometry indicator will show the points at which price could breakout or reverse. This will show you the Daily Pivot and Support & Resistance points that can be used as potential targets and support/resistance levels.

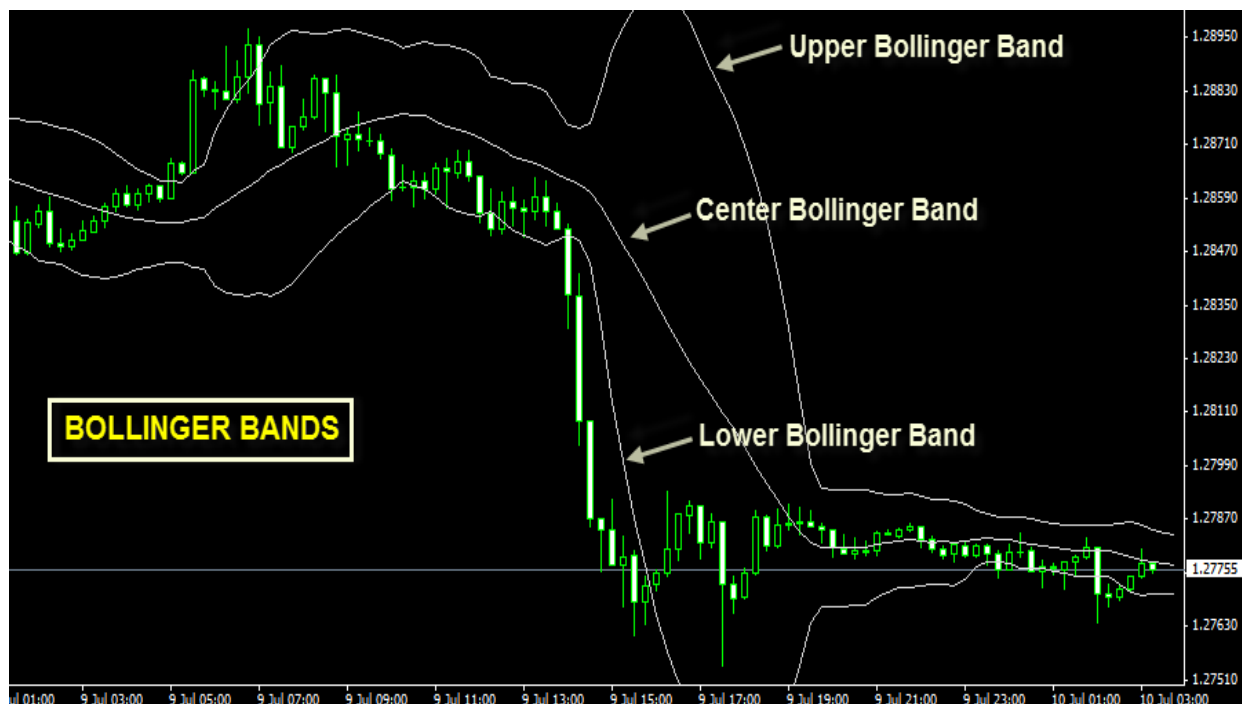
The indicator will illustrate seven (7) levels. There are three (3) resistance levels, one (1) pivot level, and three (3) support levels. It will supply you the various levels to exit from a trade when using the system.



## 4. Bollinger Bands

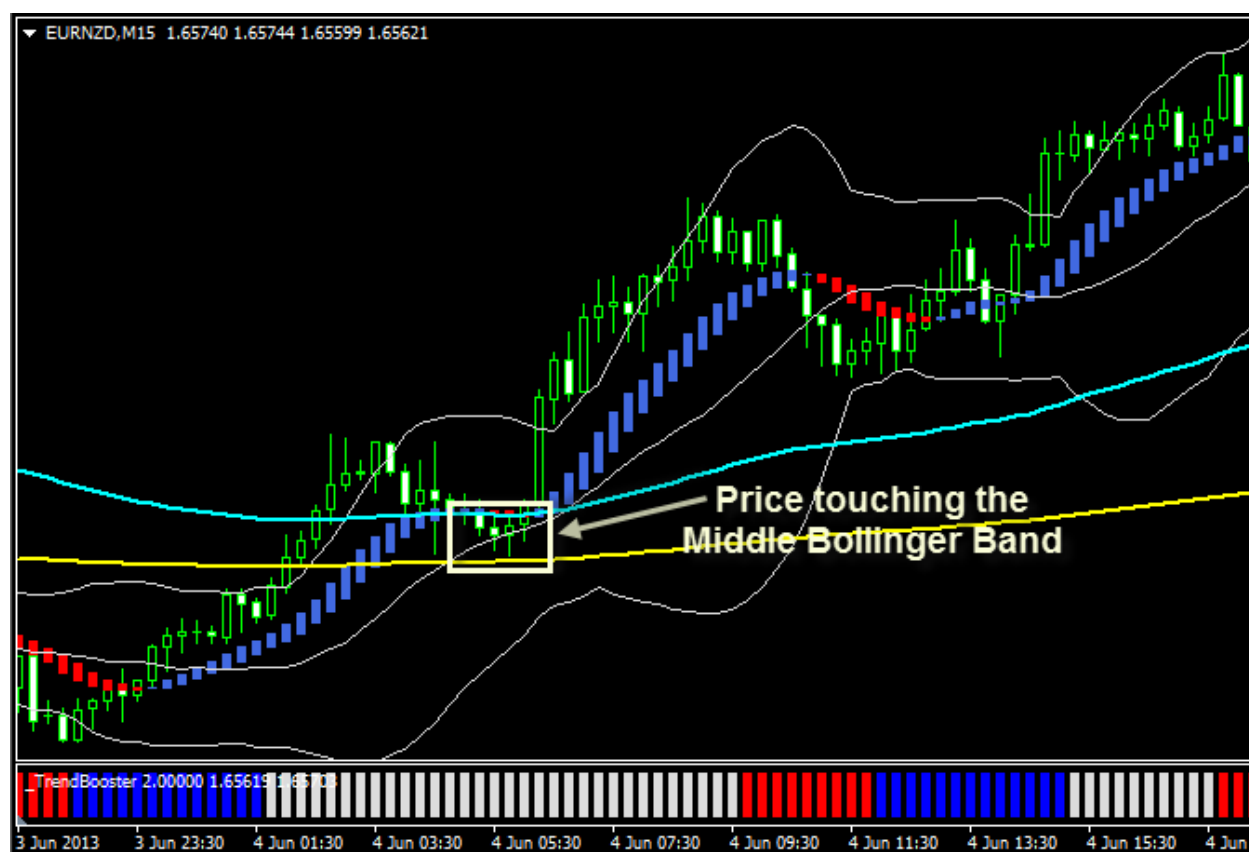
The Bollinger Bands is a technical volatility indicator developed by John Bollinger. These bands are plotted two standard deviations away from a simple moving average. Bollinger Bands consist of three lines: a center line and two price channels above and below the center line (upper and lower bands). The center line is the simple moving average and the price channels are the standard deviations of the currency.

Since the Bollinger Bands auto-adjust themselves to the market conditions, it is considered as one of the most popular technical analysis indicators. When the markets become more volatile, the price bands expand or move further away from the center line, and during less volatile periods, the price bands contract or move closer to the center line. The rule of thumb is: the closer the price moves to the upper band, the more overbought the currency pair is, and the closer the prices move to the lower band, the more oversold the currency pair is.



For Forex Profit Matrix, we will be using the Bollinger Bands in a slightly different way.

When the price action is in an uptrend, at a certain point, the price may fall down towards the Middle Bollinger Band, find support at this Middle Bollinger Band, and eventually the price will rise up once again.

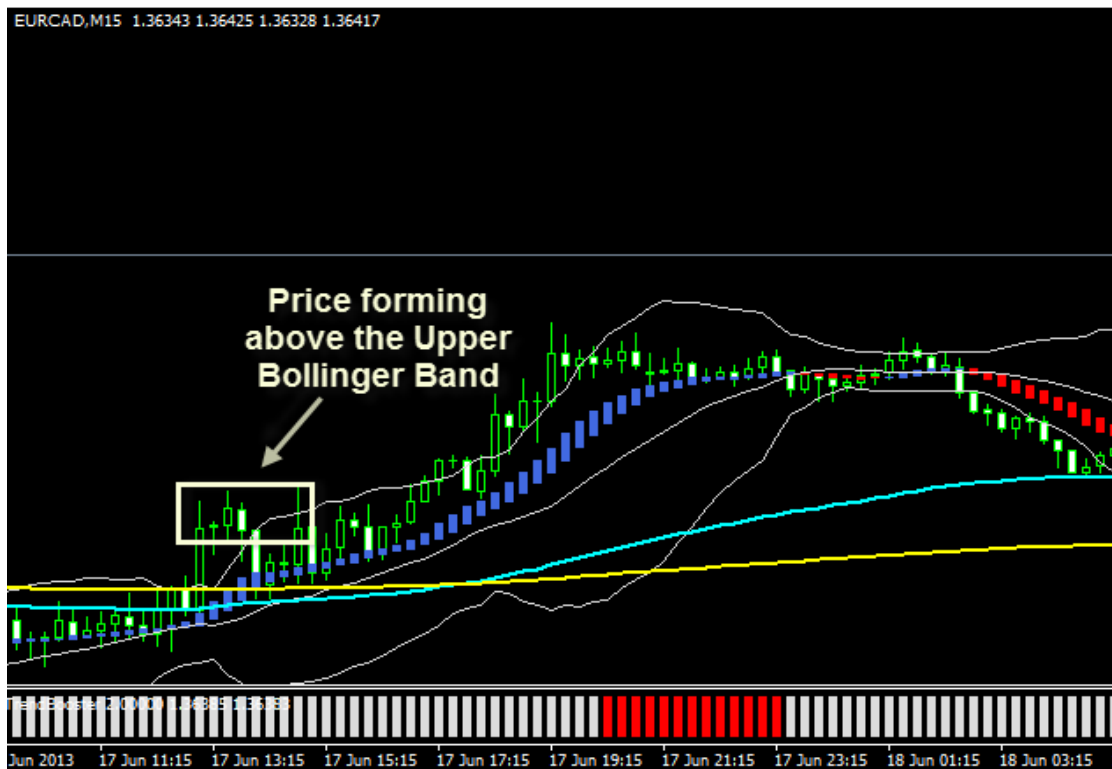


On the other hand, when the price action is in a downtrend, at a certain point, price may rise towards the Middle Bollinger Band, find resistance at this Middle Bollinger Band, and eventually fall down once again.



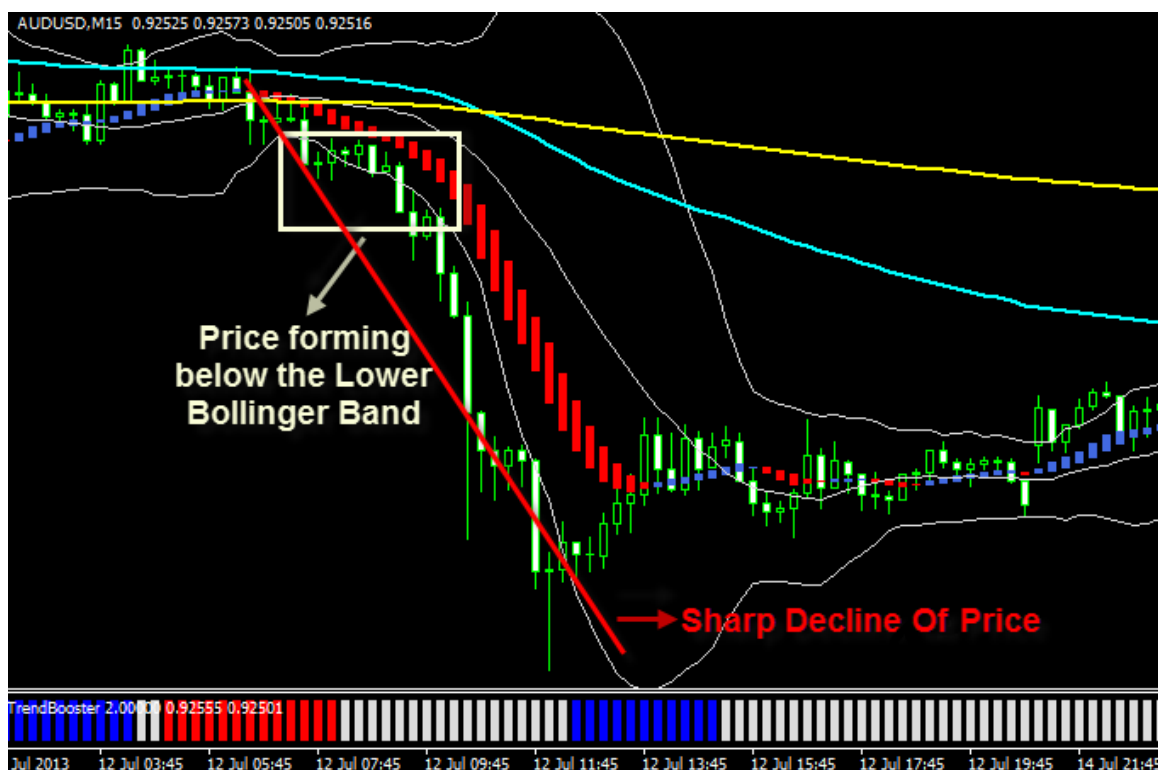
Also, there's another way that we can get an idea about what price is doing based on how it is interacting with the Upper or Lower Bollinger Bands.

When the price candles are forming above the Upper Bollinger Band, it shows that the market is in a good uptrend. You will notice that when price makes big moves upwards, the candles are usually being formed above the Upper Bollinger Band.





In contrast, when the price candles are forming below the Lower Bollinger Band, it shows that the market is in a good downtrend. You will notice that when price makes big moves downwards, the candles are usually being formed below the Lower Bollinger Band.



## 5. Moving Average

The moving average is a common indicator used by Forex traders for determining the trend of the market. There are four different types of moving averages: Simple, Exponential, Smoothed and Linear Weighted.

For my system, we will be using the Smoothed Moving Average (SMMA).

The Smoothed Moving Average gives equal weight to recent and past prices. It is a mixture of a Simple Moving Average and an Exponential Moving Average.



The price is considered bullish when it is above the SMMA while it is considered bearish when it is below the SMMA.

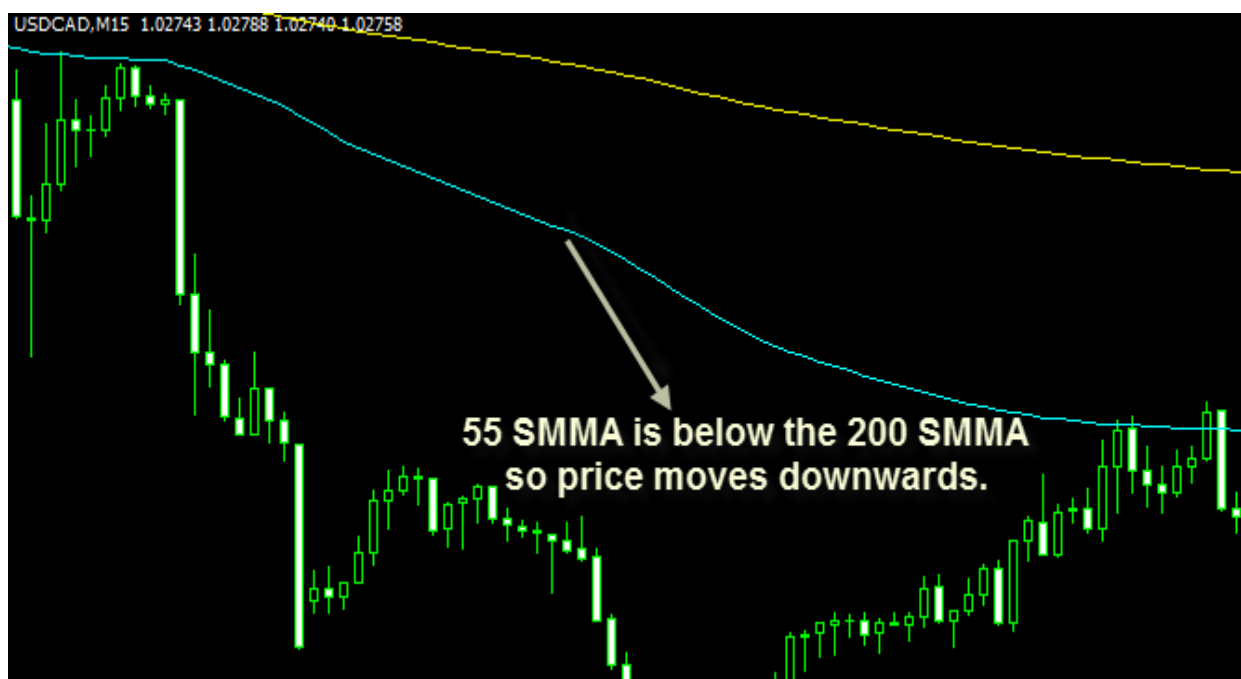
The yellow line in the images represents the 200 SMMA. If you're planning to buy, the trend should be bullish, thus the entry level should be above 200 SMMA. For a sell trade, the trend should be bearish, so before entering a sell trade the entry level should be below the 200 SMMA.



The aqua line represents the 55 SMMA. If you're planning to enter a buy trade, the trend should be bullish, thus the entry level should be above 55 SMMA. If you're planning to enter a sell trade, the trend should be bearish so the entry level should fall under 55 SMA.



We can also use the SMMA's relationship to each other to give us an idea of the overall market direction. When the 55 SMMA is above the 200 SMMA the trend is considered bullish. On the other hand, when the 55 SMMA is below the 200 SMMA the trend may be considered bearish. You can see an example of this on the image below:



## **B. Trends**

A Forex trend is broadly defined as the overall direction in which currency prices are moving. The prices for the next period typically trail or continue the current trend.

There are three types of trends – uptrend, downtrend, and sideways. I will be discussing those in detail in this section.

One of the oldest sayings in trading is “the trend is your friend”. In other words, you must always trade with the trend. Of course, there will be reversals and ranging movement within the trend but it is a lot easier to trade with a known trend, than to predict when it will change.

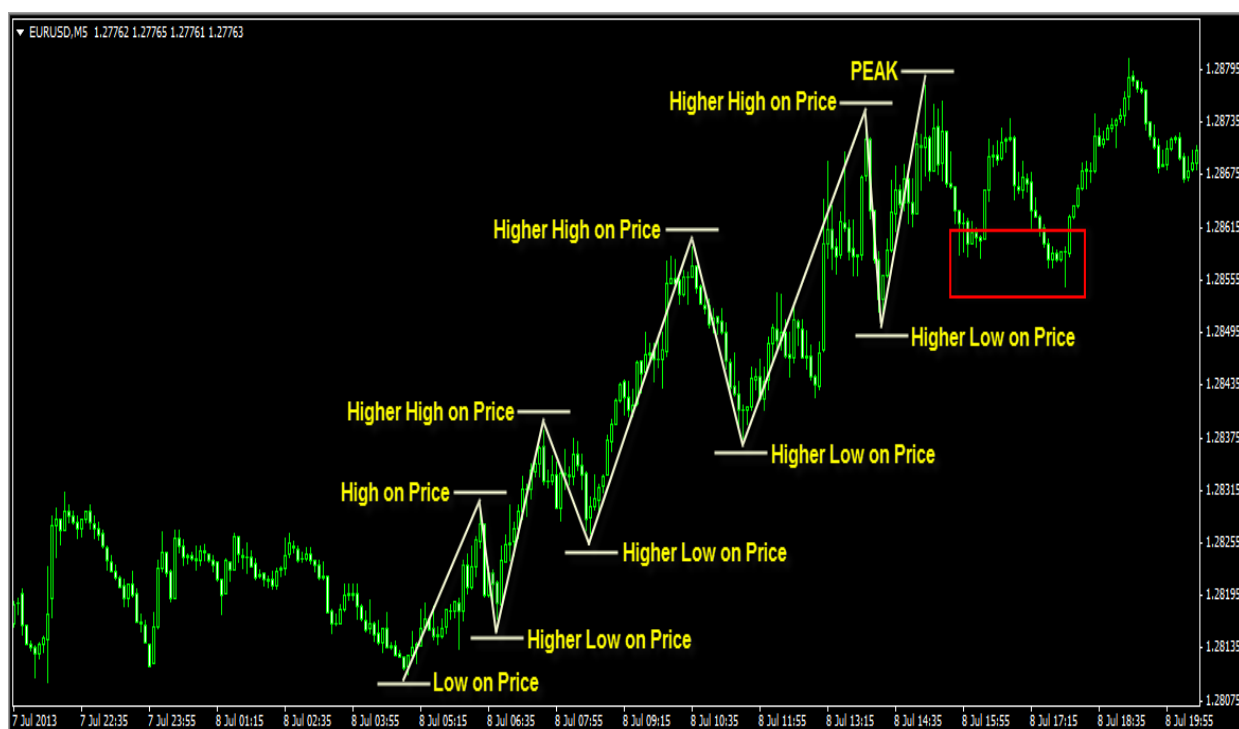
You must be able to identify trends if you are going to trade the Forex market. Knowing the trend is crucial to success as a Forex trader.

If a trader can find the direction of the trend, it can definitely increase the odds for a successful trade.

# 1. Uptrends

Upward trend or simply “uptrend” means that the currency pair is progressing in an upward direction. The price movement is distinguished by a series of higher highs and higher lows.

Notice below that price is making a series of higher highs and higher lows. Each swing high is higher than the previous swing high. Each swing low is positioned higher than the previous one.



The uptrend will be considered broken though, if the next swing low on the chart falls below the previous swing low.



## 2. Downtrends

Opposite to the uptrend is the downward trend or as is it is often simply called “the downtrend”. For this type of trend, the overall direction of the price movement is declining or headed downward. This is marked by a series of lower highs and lower lows.

You will see on the next image that the price began making lower highs and lower lows. Each succeeding swing low is positioned lower than the previous swing low. Each succeeding swing high is also lower than the previous ones.



The downtrend will be considered broken once the next swing high on the chart appears above the previous swing high.



### 3. Sideways Market

The last type of trend that we will be discussing is called the sideways market. We can also refer to it as horizontal, range bound, trendless, or flat market. Given the other names, it already gives you an idea of what this type of trend is.

The sideways market shows no major changes in the price values between the beginning and the end of a specific time period. This trend indicates that prices are just moving back and forth between the support and resistance levels. Basically, the price does not make enough upward or downward movement to constitute a real trend like the uptrend or downtrend.

Unlike the uptrend and downtrend, the sideways market cannot make higher highs and lower lows. We can actually draw two horizontal lines across the tops and the bottoms where the price is “trapped.” In the image below you’ll notice two such red lines. These horizontal lines represent the support and resistance levels.



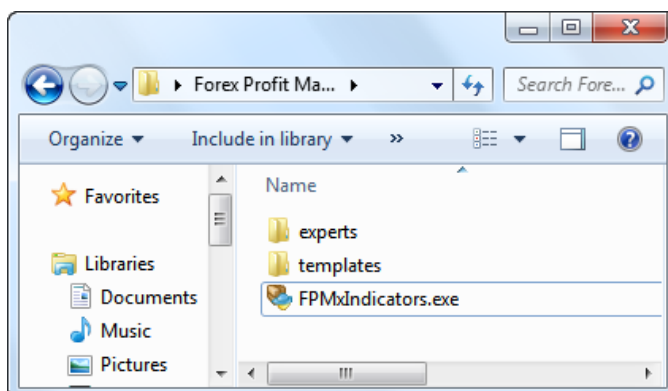
## IV. SETTING UP YOUR CHARTS

Now that you know the components that we will be using with the system, next thing you need to do is to install the indicators on your Metatrader4 (MT4) platform and set them up on your charts. If the MT4 platform is currently running on your desktop, you should quit the program before installing the indicators. The indicators will not show on your charts until you restart the platform.

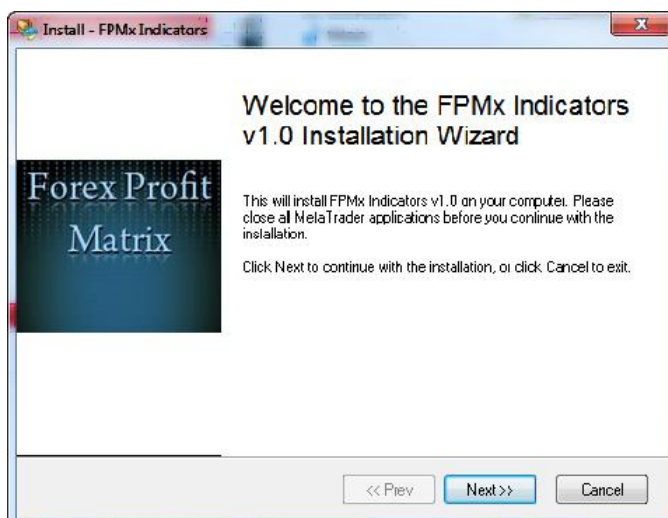
### A. Installing The Indicators

It's simple and easy to install the Forex Profit Matrix indicators. Just follow the steps as given below.

1. Download the zip file containing the Forex Profit Matrix indicators installer from the member's area. Unzip it with any zip utility software. Double click on FPMxIndicators.exe file inside the unzipped folder to run the installation wizard.



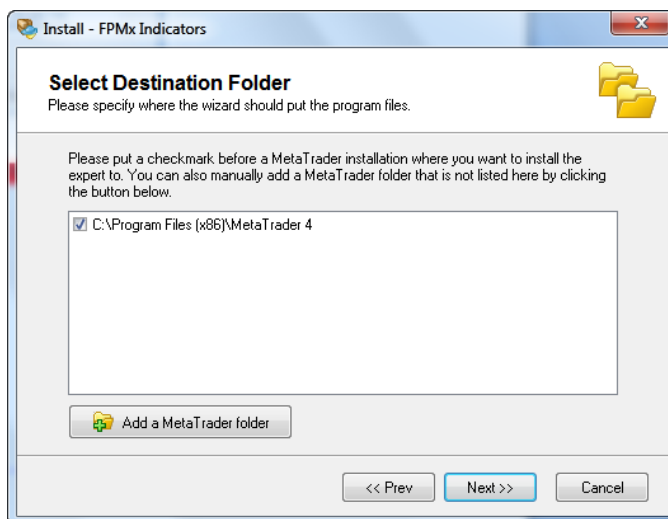
2. To start the installation, click the “Next” button.



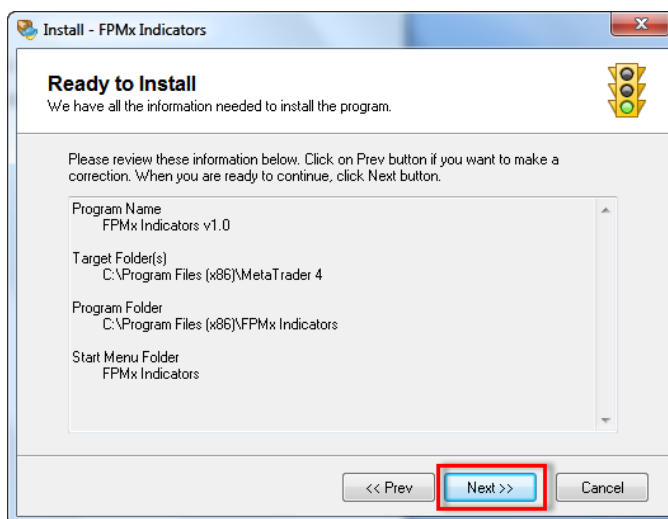
3. Click on “I accept the agreement” and click the “Next” button.



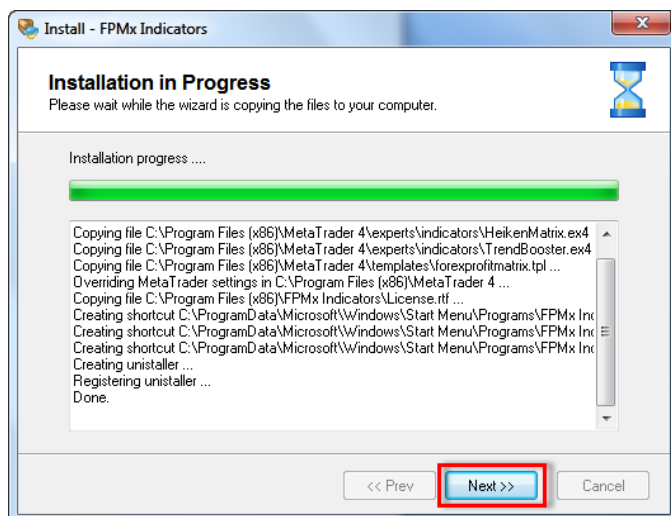
4. Select the MetaTrader4 platform to install Forex Profit Matrix installer on and click the “Next” button.



5. Now the installation wizard is ready to install the indicators. Keep clicking the “Next” button.



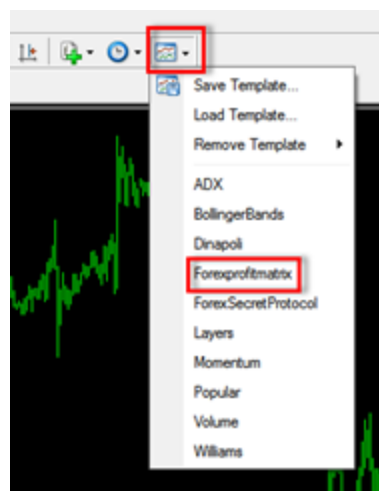
6. Once it's done, click on the "Finish" button. If you have the MetaTrader4 platform currently open, you have to restart the platform.



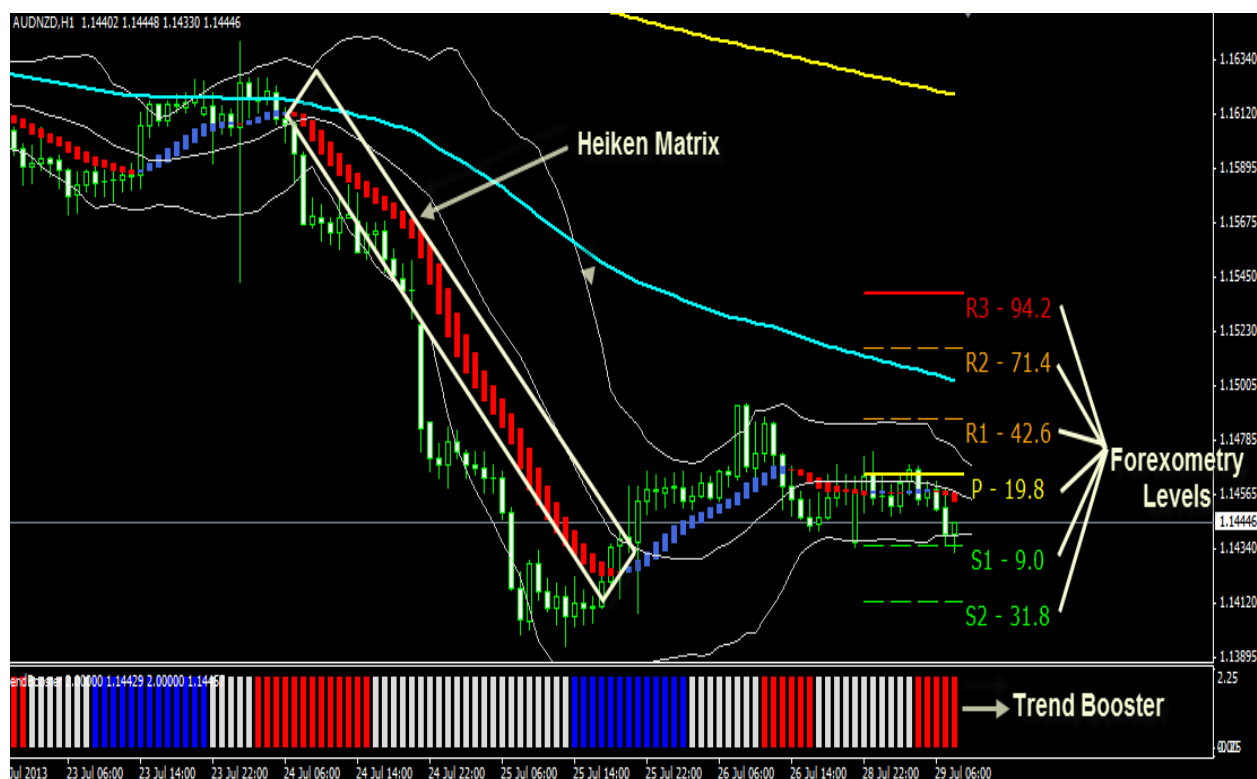
## B. Setting Up The Indicators On Your Charts

The indicators are now installed on your MT4 application. The next thing to do is to set up the indicators on your charts.

There are several ways to do this and they are discussed in detail in DVD 3. Just follow the steps in DVD3. The easiest way to set up all the indicators at once is to click on the Template button at the top right corner of your platform and select “Forexprofitmatrix”.



The indicators will then appear on your chart right away.

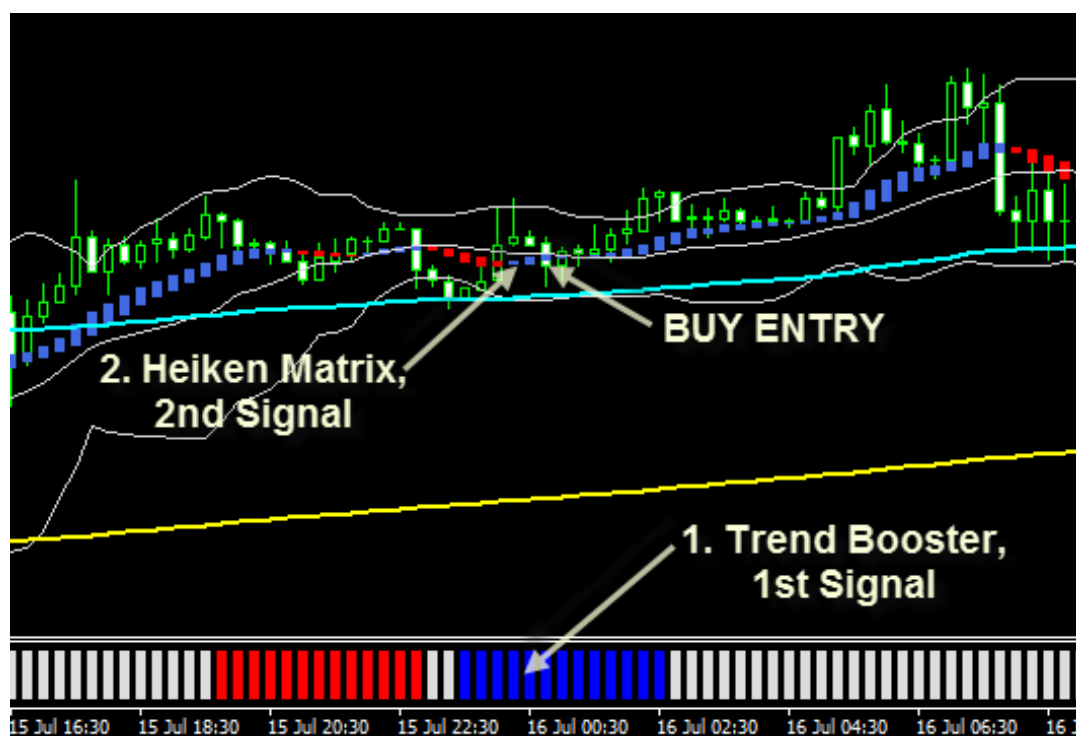


## V. BUY TRADE RULES

A great advantage of the Forex Profit Matrix system is that it works on all timeframes. The choice of timeframe depends on your own personal preference. However, I would suggest that while you are still new to the system, you use the 1 hour (H1) timeframe during volatile sessions like the London/NY session and, as you gain more experience, the 15 minute (M15) timeframe during quieter sessions like the Asian session.

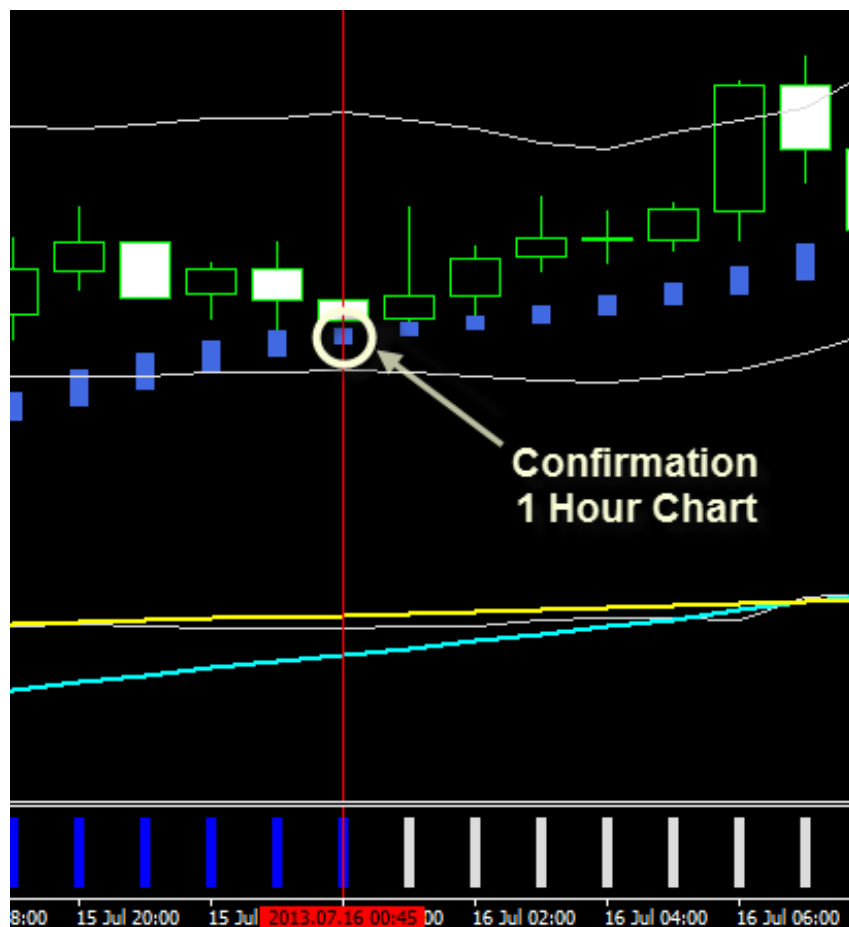
When describing the rules below, I will be using the **15 minute (M15)** timeframe. The rules apply to all timeframes and you are welcome to use any other timeframes you prefer to trade.

1. Wait for the **Trend Booster** indicator to turn **Blue** in color.
2. Wait for the **Heiken Matrix bars** to turn **Blue** in color.
3. As soon as the 2nd **Blue** Heiken Matrix bar closes, place a Buy trade order at the open of the new candle.





4. As additional confirmation, you may confirm that the current **Heiken Matrix bar** on a **higher timeframe** is also **Blue** before placing the Buy trade.



FOREXWINNER\$

5. We can also confirm the Buy trade entry by looking at the position of the Smoothed Moving Averages (SMMA) on the 15 minute chart. Since we are planning to buy, the **trend should be bullish**, thus the entry level should be above the 55 SMMA and the 55 SMMA should be above the 200 SMMA. This step is optional.

In the example below, the entry level is above the 200 SMMA and the 55 SMMA is above the 200 SMMA.



6. Set the Stop Loss below the most recent swing low or at most 40 pips away from the entry level.

For the example below, the recent swing low is less than 10 pips from the entry level.



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7. Set your Take Profit at the closest **Forexometry** level or exit the trade manually between 20-30 pips in profit. The recommended Take Profit (TP) for each trade is 100% or at least 75% of the Stop Loss (SL). For example, if your SL is 30 pips, and your closest **Forexometry** level is only 10 pips, you should consider setting your TP at 20-30 pips from your entry level instead. On the other hand, if your SL is 30 pips and the nearest **Forexometry** level is more than 30 pips away, you should again consider setting your TP at 20-30 pips from your entry level instead.



## VI. SELL TRADE RULES

As we have discussed under the Buy Trade Rules, the Forex Profit Matrix works on all timeframes. I would suggest, though, that you use the 1 hour (H1) timeframe during volatile sessions like the London/NY session and, as you gain more experience, the 15 minute (M15) timeframe during quieter sessions like the Asian session.

The rules apply to all timeframes and you are welcome to use any other timeframes you prefer to trade. I will be using the **15 minute (M15) timeframe** when describing the rules below.

1. Wait for the **Trend Booster** indicator to turn **Red** in color.
2. Wait for the **Heiken Matrix bars** to turn **Red** in color.
3. As soon as the 2nd **Red** Heiken Matrix bar closes, place a Sell trade order at the open of the new candle.



4. As additional confirmation, you may confirm that the current Heiken Matrix bar on a higher timeframe is also **Red** before placing the Sell trade.



5. We can also confirm the Sell trade entry by looking at the position of the Smoothed Moving Averages.

Since we are planning to sell, the trend should be bearish, thus the entry level should fall under the 55 SMMA and the 55 SMMA should be below the 200 SMMA. This step is optional.

In our example below, the entry occurs when price is below the SMMA's and the 55 SMMA is below the 200 SMMA.





- Set the Stop Loss above the most recent swing high or at most 40 pips away from the entry level.



7. Set your Take Profit at the closest **Forexometry** level or exit the trade manually between 20-30 pips in profit. The recommended Take Profit (TP) for each trade is 100% or at least 75% of the Stop Loss (SL). For example, if your SL is 30 pips, and your closest **Forexometry** level is only 10 pips, you should consider setting your TP at 20-30 pips from your entry level instead. On the other hand, if your SL is 30 pips and the nearest **Forexometry** level is more than 30 pips away, you should again consider setting your TP at 20-30 pips from your entry level instead.



We've just gone through the buy and sell trade rules and I know that it's much easier for you to grasp them fully by looking at different trade examples. You can also find examples in DVD 4.

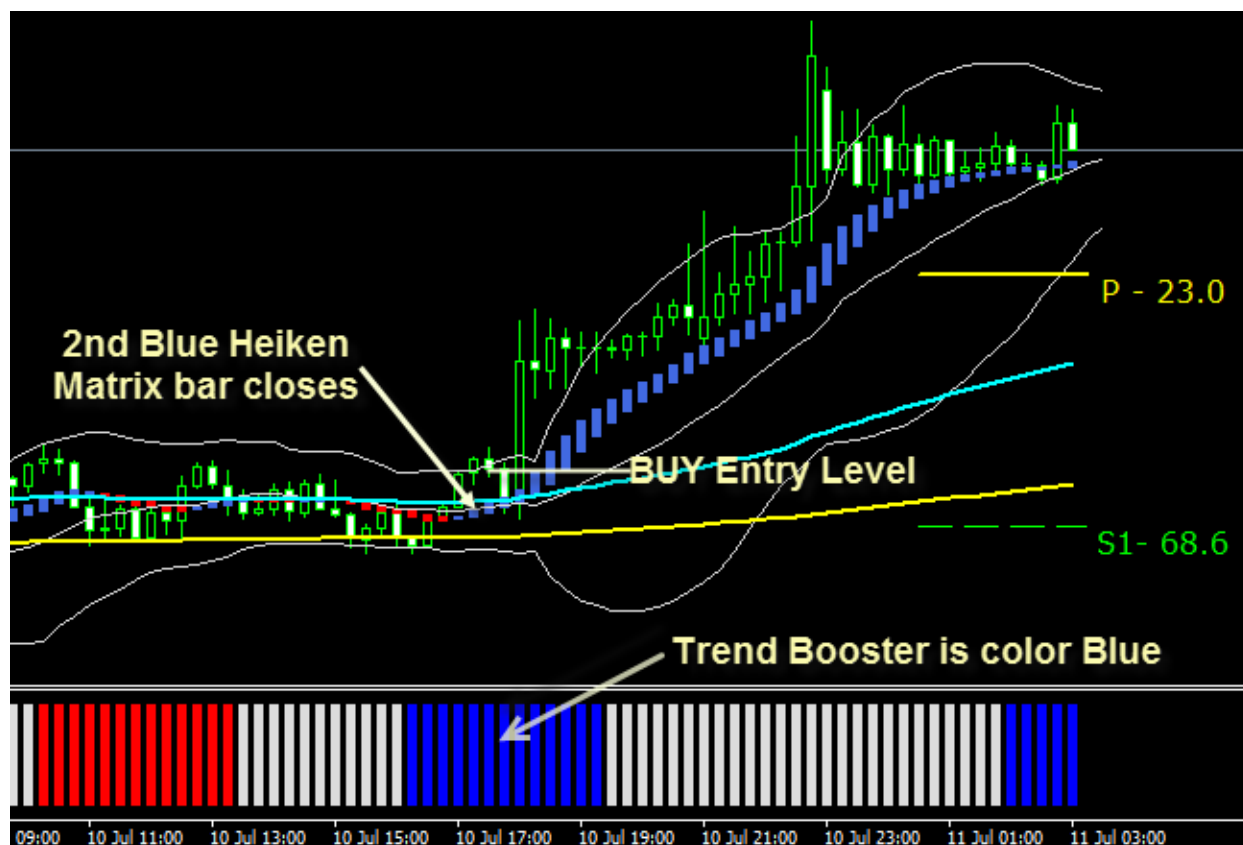
We will first take a closer look at buy trades and then the sell trades. I am going to provide you plenty of examples to help you fully comprehend and understand my system. We'll look at how we will approach different types of trades when we encounter them on our charts.

## VII. BUY EXAMPLE TRADES

### 1. Buy Entry on the EURGBP 15 Minute chart

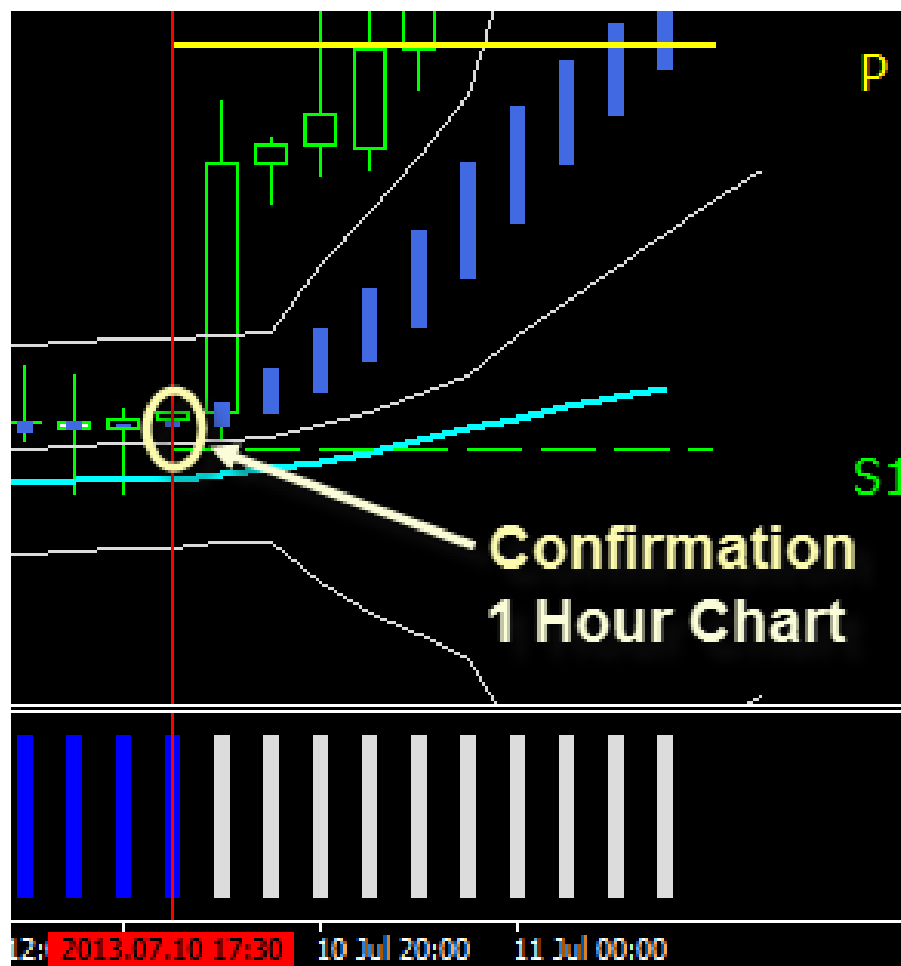
For our first buy entry example, we will be using the EURGBP 15 Minute chart.

The first indicator to look at is the **Trend Booster** indicator. The first buy signal occurs when the Trend Booster turns **Blue** in color. The second signal is when the **Heiken Matrix bars** also turn **Blue**. After the 2nd blue Heiken Matrix bar closes, we need to check that the Trend Booster remains blue and if these conditions are met, we can place a buy trade order at the open of the new candle.



Now that we have the buy entry level, the next thing we can do is to confirm it with a higher timeframe. Since we used the 15 minute timeframe, we should look at the 30 minute or 1 hour timeframe for confirmation of the trend.

On the image below, you will see that on the 1 hour timeframe, the current **Heiken Matrix bar** at the time we considered entering the Buy trade is colored **Blue**.



This is a positive confirmation for a buy entry.

Let us go back to the 15 minute chart to enter a buy trade. Place a buy trade market order at the open of the new candle.



We will set our Stop Loss level a few pips below the recent swing low or at a maximum of 40 pips away from our entry level.



The Take Profit level, on the other hand, should be placed at the closest **Forexometry** level or between 20 to 30 pips away from the entry level.



As you can see on the image above, after two (2) candles, the price hits our 20 pip target level. However, if we used the closest **Forexometry** Level as our Take Profit level, you will find that the target was hit after few more candles and the trade would still have resulted in a profit.

## 2. Buy Entry on the EURAUD 15 Minute chart

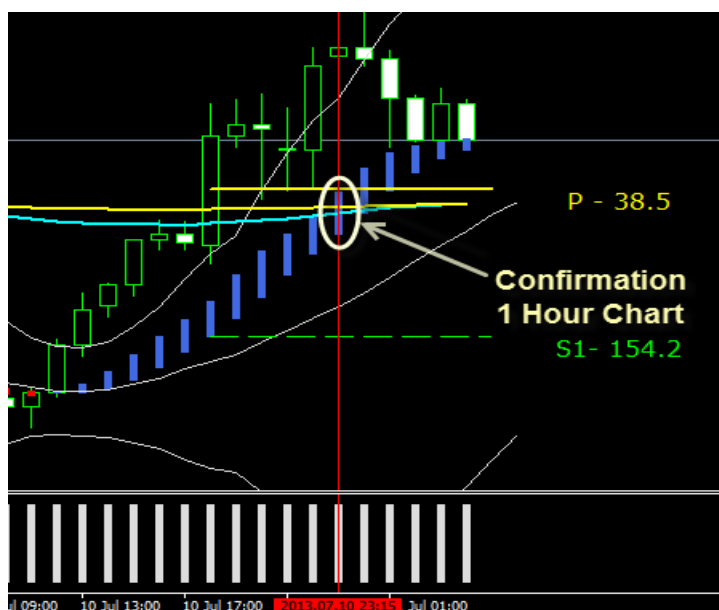
Here we have another example of a buy trade. The key difference between this example and our previous example is that we will set our stop loss level 40 pips away and our take profit level 20 pips above the buy entry level.

Below is the EURAUD 15 Minute chart. You can see that the **Trend Booster** indicator and the **Heiken Matrix bars** are **Blue** in color. So, when the 2nd blue **Heiken Matrix bar** closes, we may look to enter the market with a buy trade order.





Let's take a look at the 1 Hour chart. The **Heiken Matrix bar** at the time the first two signals appeared is also **Blue** in color. This is a great confirmation of our Buy entry signal.



Going back to the 15 minute chart, we should place the buy trade at the open of the new candle after the two **Blue Heiken Matrix bars** as on the image below.



We will then place the Stop Loss level 40 pips away from the entry level since the recent swing low is too far away.



For our Take Profit Level, we will place it 20 pips above the entry level since the next closest **Forexometry** level is too far above the entry. After three (3) candles, we were able hit the Take Profit and the trade was closed with 20 pips in the bag.



### 3. Buy Entry on the EURAUD 15 Minute chart

On the image below, we can see the **Trend Booster** indicator and the **Heiken Matrix bars** are colored **Blue** on the EURAUD 15 minute chart. This means that we may consider placing a buy order at the open of the next candle which follows two **Blue** **Heiken Matrix bars** that have closed.



For additional confirmation, we can check that the trend is up on the 1 Hour chart, which you can see on the next image. Here, the **Heiken Matrix bar** was also colored **Blue**.



Another additional confirmation of the trade signal is the checking of the trend using the Smoothed Moving Average (**SMMA**) indicators. If we switch back to the 15 minute chart, we can firstly see that the 55 SMMA is above the 200 SMMA, signaling an uptrend.

Secondly, we can see that the Buy Entry level is located above both the 55 SMMA and the 200 SMMA. This shows that price action is taking place above the SMMA, which is a good indication that the market is in a strong uptrend.



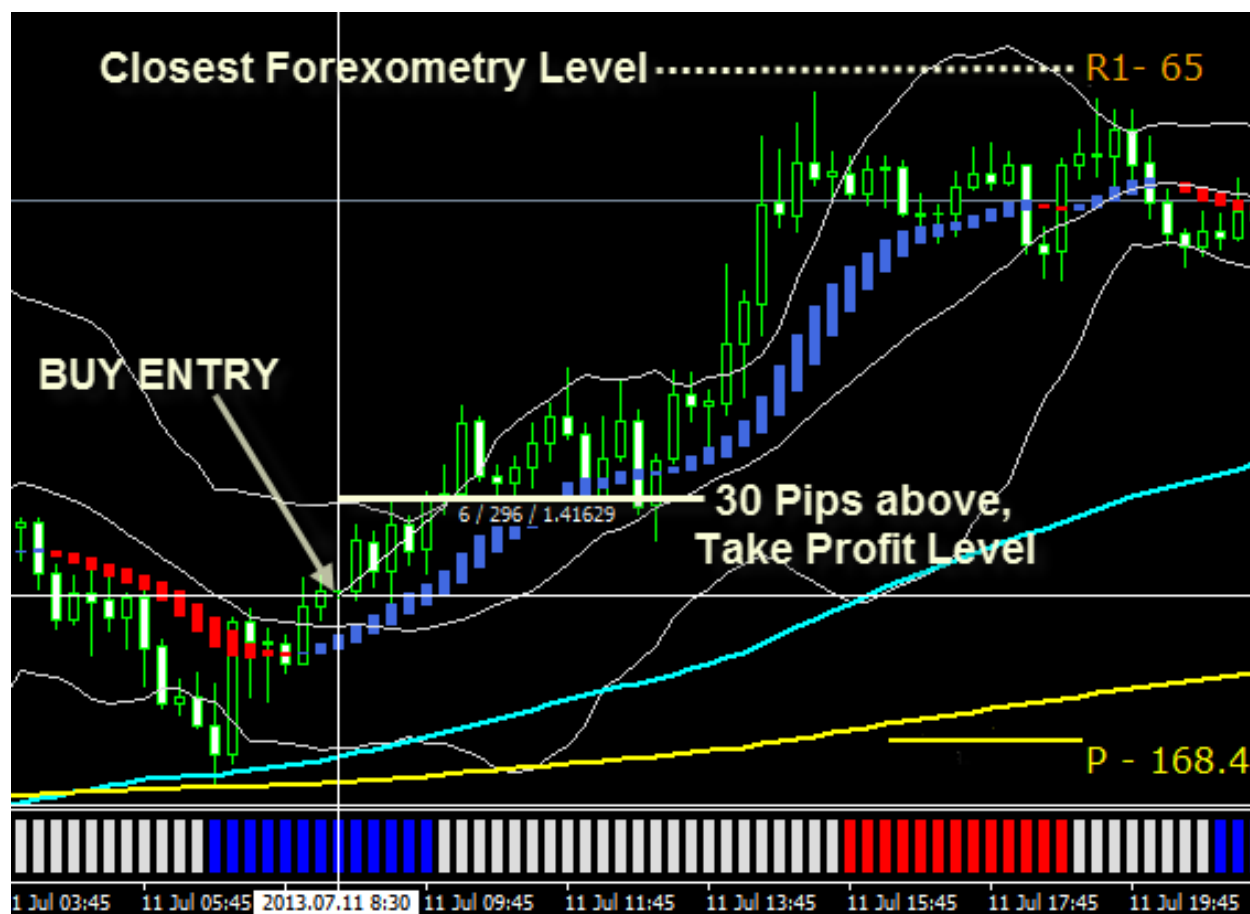
With such strong confirmation from our indicators we may now proceed to place the buy trade at the open of the next candle.



We will place our Stop Loss level 40 pips away from our Buy entry level since the closest recent swing low is too far.



Next, we can place our Take Profit level 30 pips above the entry level since the closest **Forexometry** Level is too far away from our Buy Entry level.



As you can see on the image above, after just five (5) candles, our Take Profit level was hit and we managed to exit this trade with a healthy profit.

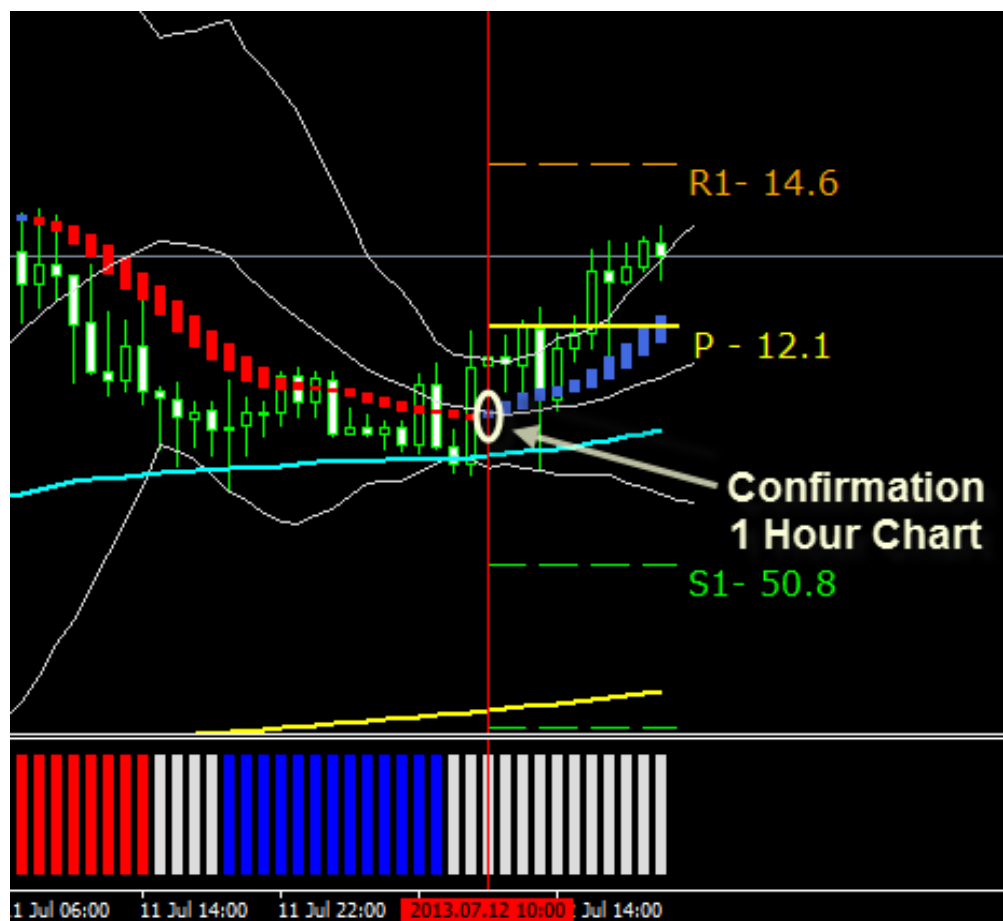
#### 4. Buy Entry on the EURGBP 15 Minute chart

Here's another example on the EURGBP 15 minute chart. Similar to the previous buy trade examples, the first indicator to look at is the **Trend Booster** indicator. The first buy signal occurs when the **Trend Booster** turns **Blue** in color. If the **Heiken Matrix bars** also turn **Blue**, it will be our second signal. After the 2nd blue **Heiken Matrix bar** closes, we can place a buy trade order at the open of the new candle.





We can use the 1 hour chart to confirm if the trend is moving upward. On the image below, you will see that on the 1 hour chart, the **Heiken Matrix bar** at the level where we targeted to enter the Buy trade, is also **Blue** in color.



We should go back to the 15 minute chart to check for additional confirmation of the trend.

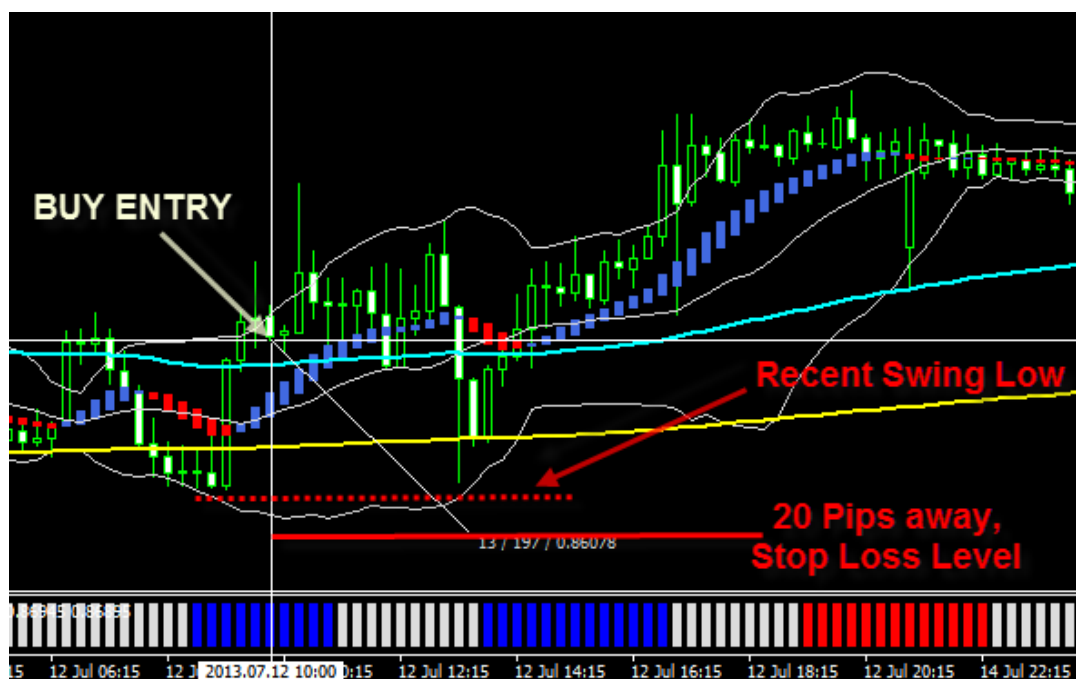
On the next image, we can see that the entry price is above the 55 SMMA, and the 55 SMMA is above the 200 SMMA on the 15 minute chart. This means we have an uptrend and the market is more likely to move upward than downward.



Since we are getting the confirmations we need from our indicators, we may now go on with placing the buy trade at the open of the new candle.



Since the recent swing low is too close, we will place our Stop Loss level 20 pips away from our Buy entry.



Our Take Profit level is set 20 pips above the Buy entry because the closest **Forexometry** level will only give us less than 20 pips. After a good rally, we got out of the trade in profit.



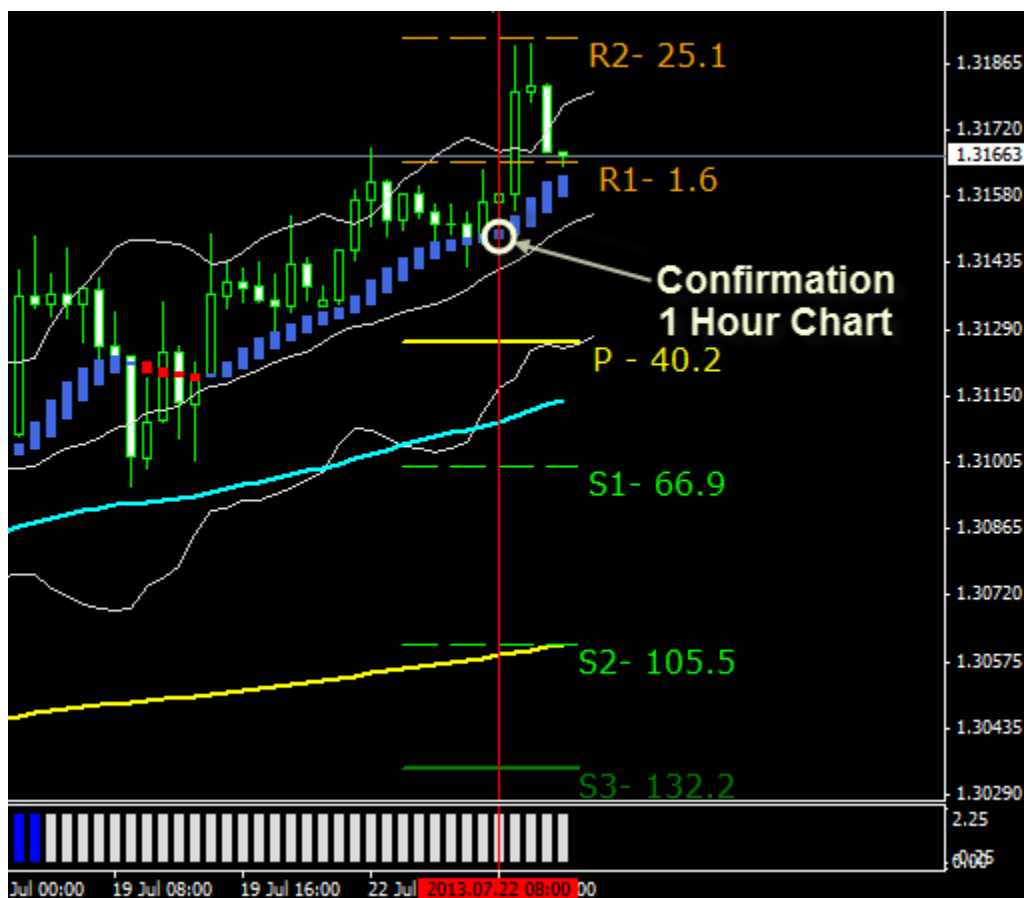
## 5. Buy Entry on the EURUSD 15 Minute chart

For our last buy entry example, we will take a look at the EURUSD 15 minute chart.

As usual, we will first look at the **Trend Booster** indicator. The first buy signal occurs when the **Trend Booster** turned **Blue**. Then, we should look to the **Heiken Matrix** bars. We can see that as the **Trend Booster** turned **Blue**, the **Heiken Matrix** was still **Red**, so we should wait for a while. As it turned out after just a few candles, the **Heiken Matrix bars** turned **Blue** as well. This is our second signal for a buy trade. After the 2<sup>nd</sup> blue **Heiken Matrix bar** closes, we can place a buy order.



We can go to a higher timeframe for additional confirmation. On the image below, you will see that on the 1 hour chart, the **Heiken Matrix** bar at the current level where we placed the Buy trade order is also **Blue** in color.



For further confirmation of the trend, we can also check the SMMA's and Bollinger Bands on the 15 Minute chart.



First, let's look at the SMMA. On the image below, the 55 SMMA is above the 200 SMMA. We can also see that the Buy Entry Level is above both the 55 SMMA and the 200 SMMA. This gives us the confirmation we needed that the market will be moving upwards.



With these confirmations, we may place our buy trade at the open of the next candle.



For our Stop Loss, we set it at the maximum of 40 pips below the entry price because the recent swing low is too close.

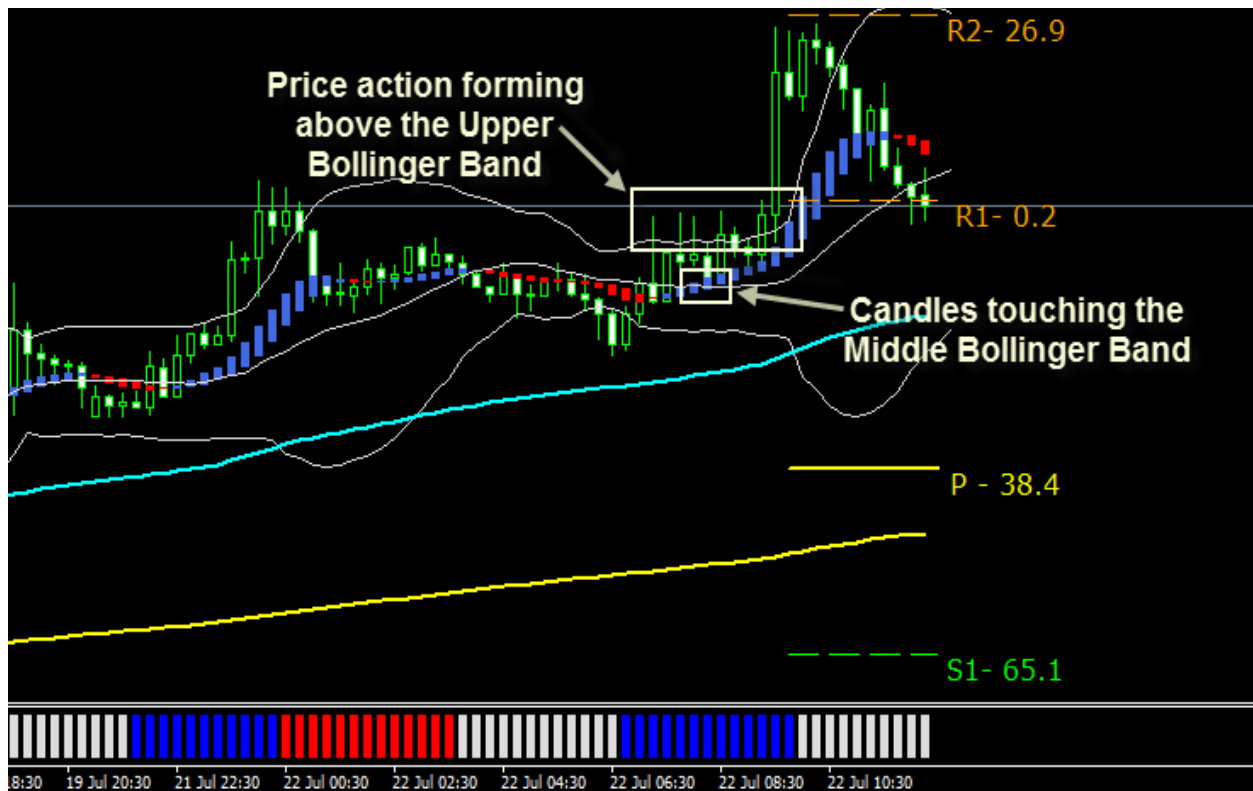


For our Take Profit Level, we can set it at 30 pips above the entry price, because the nearest **Forexometry** Level, which is the R1 Level, is too close to our entry.



For additional confirmation of this particular Buy Trade, we can see that the price action moved upwards after we placed the Buy order then it fell towards the middle Bollinger band after few candles. We notice that the price found support at the middle Bollinger band, since price moved upwards again after the pullback.

Also, another good signal is that the price candles are beginning to form above the upper Bollinger band. This tells us that the market is in a good uptrend. You will also notice that when the price makes big moves upwards, the candles are usually being formed above the upper Bollinger band.



Our Take Profit Level was hit after just a few candles and we were able to get out of the Buy Trade with a healthy profit.

This is an excellent example of a Buy Trade since the main indicators confirmed that the market was going to move upwards and we also got the additional confirmations from the higher timeframe, the SMMAs, and the Bollinger Bands.



## VIII. SELL EXAMPLE TRADES

### 1. Sell Entry on the GBPCHF 15 Minute chart

Our first sell trade example is on the GBPCHF 15 Minute chart. Just like the buy trades, we will first be looking at two indicators: the **Trend Booster** indicator and the **Heiken Matrix bars**. However, the **Trend Booster** and the **Heiken Matrix** should be **Red** in color. After the 2nd Red **Heiken Matrix bar** closes, we may look to enter the market with a sell trade order.



We'll check the 1 hour timeframe for confirmation of the sell signal. On the image below, we can see that on the 1 hour chart, the **Heiken Matrix** bar is **Red** in color at the level where we wanted to enter the Sell trade.



We have to switch back to the 15 minute chart to place the buy trade at the open of the new candle that forms after the two **Red Heiken Matrix** bars have closed.



For this trade, we'll place our Stop Loss level above the recent swing high.



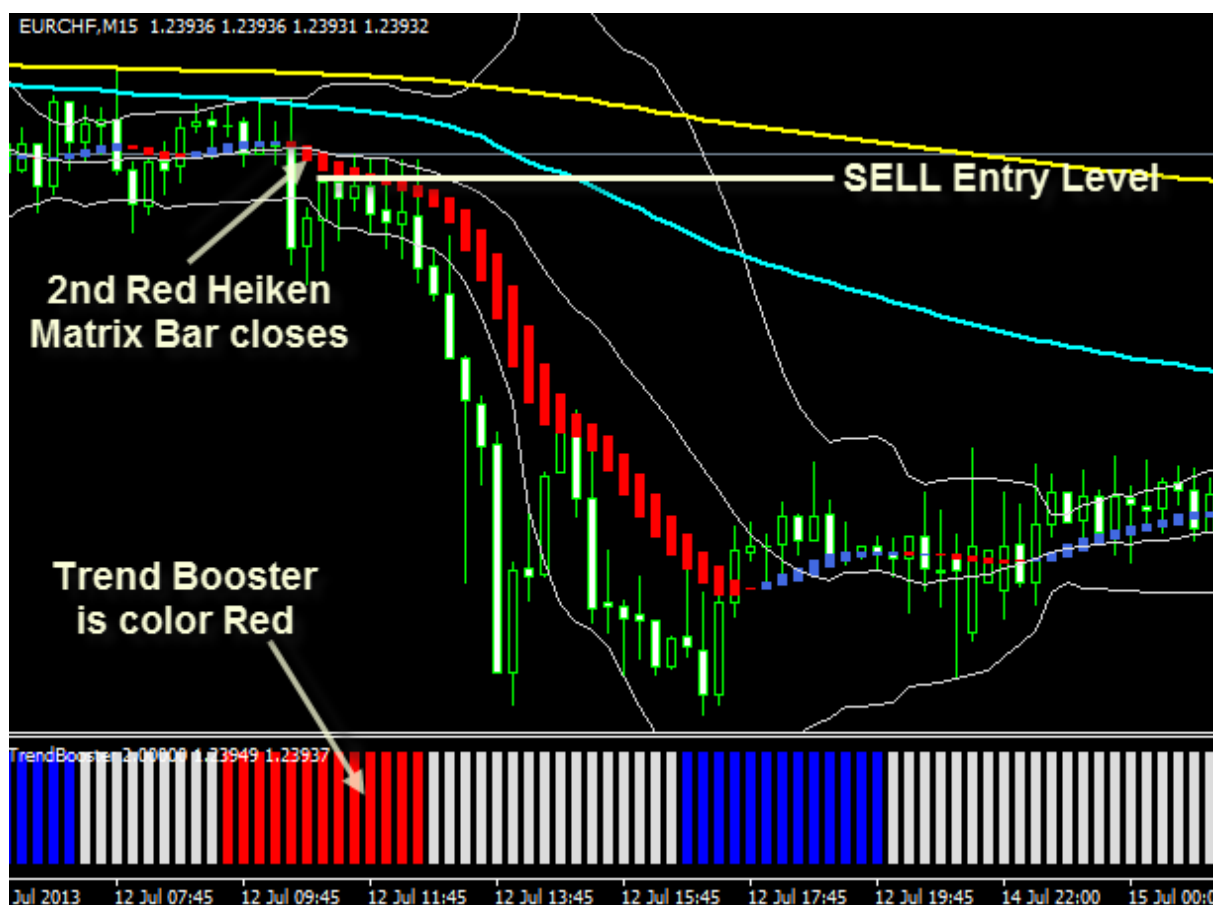
Next, we will place our Take Profit level 30 Pips below our Sell entry because the closest **Forexometry** level is too close.



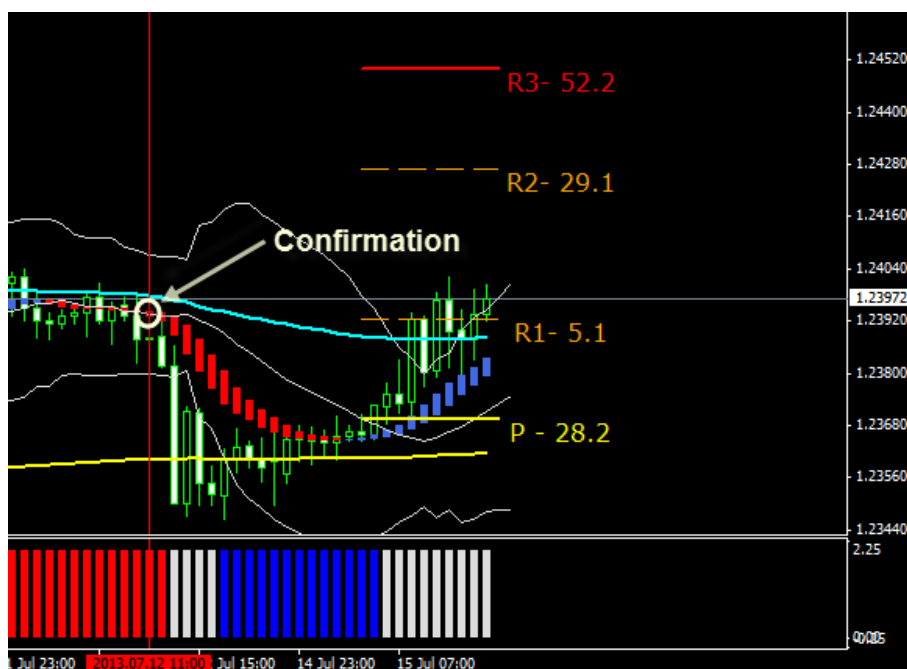
Price dropped over the next few candles and hit our Take Profit level of 30 pips.

## 2. Sell Entry on the EURCHF 15 Minute chart

Below is a trade on the EURCHF 15 Minute chart. Again, we will first look at the **Trend Booster** indicator and the **Heiken Matrix** bars. The **Trend Booster** together and the **Heiken Matrix** bars should both be **Red** in color. When the 2nd Red **Heiken Matrix** bar closes, we can place a sell trade order at the open of the next candle.



Then we should confirm the trend on the 1 hour chart, the Heiken Matrix bar at the time we wanted to enter the sell trade was also **Red** in color.



With the confirmation on the higher timeframe, we will now go back to the 15 minute time chart to place our sell trade order.



For the Stop Loss Level, we will set the order 30 pips away from our sell entry level. As for our Take Profit Level, we will set that at the closest **Forexometry** Level which happened to be 30 pips below the entry price.



The price continued to move in our favor after we placed the sell trade order and went on to hit our Take Profit Level.

### 3. Sell Entry on the USDCHF 15 Minute chart

As you can see on the USDCHF 15 Minute chart below, the **Trend Booster** indicator and the **Heiken Matrix** bars are **Red** in color. So, we may consider placing a sell market order at the open of the next candle after two **Red** Heiken Matrix bars have closed.



Let's check the 1 hour chart to confirm that the trend is moving downwards. On the image below, you will see that the **Heiken Matrix** bar is colored **Red** at the level where we wanted to enter the Sell trade.

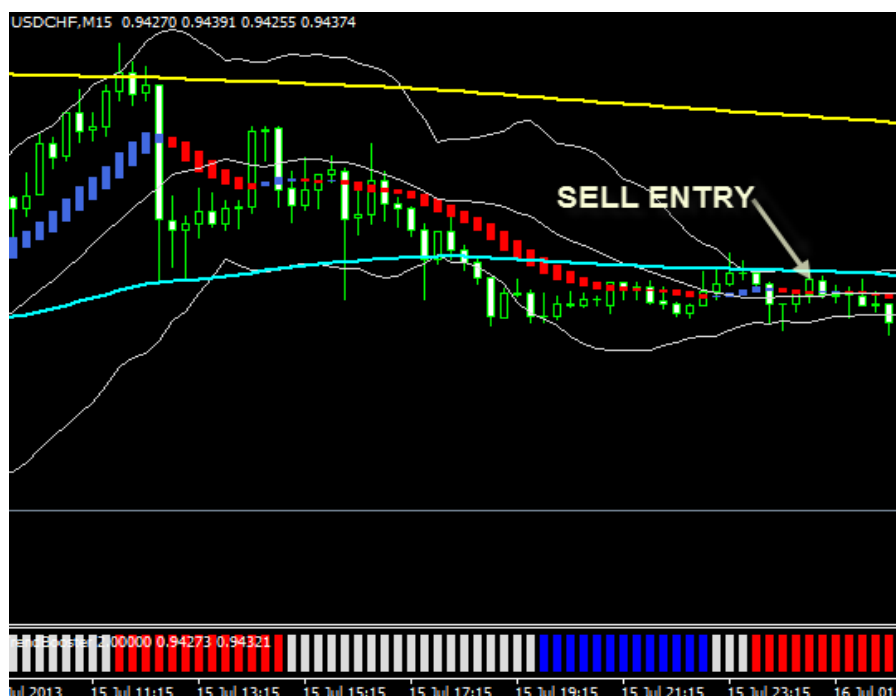




For additional trend confirmation, we may look at the Smoothed Moving Average (SMMA) indicators. If we go back to the 15 minute chart, we can see that the 55 SMMA is below the 200 SMMA signaling a downtrend. We can also see that the Sell Entry level occurs below both the 55 SMMA and the 200 SMMA. This shows that the price action is taking place below the SMMA, which is a good indication that the market is bearish and in a strong downtrend.



With such strong confirmation from our indicators, we may now proceed to place the sell trade at the open of the next candle.



The closest recent swing high is too close to our current Sell entry level, so we will place our Stop Loss level at 20 pips instead.



Subsequently, we can place our Take Profit level at 30 pips below the entry level, since the closest **Forexometry** Level is a bit too far away from our Sell Entry level.



As you can see, the Take Profit level was hit and we managed to exit the sell trade with a healthy profit.

#### 4. Sell Entry on the CADCHF 15 Minute chart

On the CADCHF 15 minute chart below, our first sell signal occurred when the **Trend Booster** turned **Red**. Then, our second signal was when the **Heiken Matrix** bars also turned **Red**. After the 2nd Red **Heiken Matrix** bar closed, we can place a sell trade order at the open of a new candle.



To confirm if the trend is moving in a downward direction, we should use the 1 hour chart. On the next image, you will see that on the 1 hour chart, the **Heiken Matrix** bar at the level where we wanted to enter the Sell trade is also colored **Red**.



For additional confirmation of the market trend, let us switch back to the 15 minute chart.

On the image below, we can see that the 55 SMMA is below the 200 SMMA. This means that the market is moving down. Also, we can see that the Sell Entry level is below the 55 SMMA and the 200 SMMA. This serves as additional confirmation of a downtrend.



With the confirmations we have had from our indicators, we may now go on to place a sell trade at the open of the next candle.



Below, you will see that we set our Stop Loss level at 20 pips away from our Sell entry level since the recent swing high is too near. Next, our Take Profit is set at 20 pips away from our entry price which is equivalent to our Stop Loss and we have a 1:1 Risk/Reward ratio on this trade.



Our Take Profit level was hit after a few candles and we managed to exit this sell trade with a profit, as you can see on the image above.

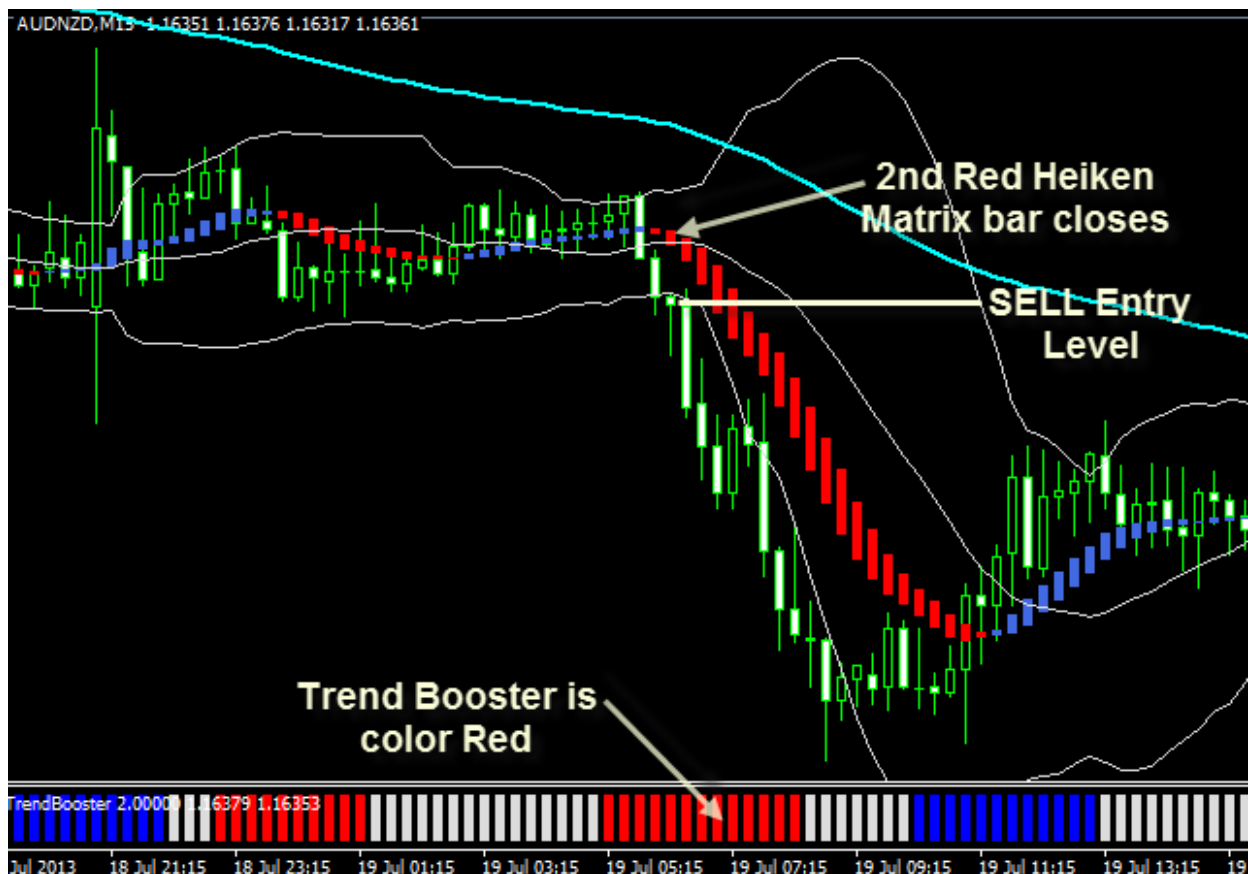


## 5. Sell Entry on the AUDNZD 15 Minute chart

For our last sell entry example, we will look at the AUDNZD 15 minute chart.

Again, we should first look at the **Trend Booster** and the **Heiken Matrix** indicators. For this particular example, we can see that the **Trend Booster** is the first to give us a signal that the market is going to move downwards. The **Trend Booster** turned **Red** first, as we can see on the image below.

Next, we should look at the **Heiken Matrix** bar to determine if it is **Red** in color as well. However, it took a while to turn **Red** so we should wait for it. Eventually, it finally turned **Red** and we had our second signal for a sell trade. With this, we got the two most important indicators for this system in agreement, so after the 2nd Red **Heiken Matrix** bar closes, we can place a Sell trade order at the open of the new candle.



For further confirmation, we can switch to the 1 Hour chart, a higher timeframe, to confirm if the trend is moving downwards. On the 1 Hour chart, we got the confirmation we wanted since the Heiken Matrix bar, at the current level where we placed the Sell trade order, is also **Red** in color.



For additional confirmation of the trend, we can look closely at the SMMA. We can see that the 55 SMMA is below the 200 SMMA. We can also see that the Sell Entry Level is below both the 55 SMMA & 200 SMMA. This tells us that the market is in a downtrend.



Since we got the signal from the **Trend Booster** and the **Heiken Matrix**, and we got supporting evidences from the higher timeframe and Bollinger Bands. We are now ready to enter the market with a Sell trade at the open of the next new candle.



Next thing that we should look at is to set the Stop Loss and Take Profit Level.

For our Stop Loss, we set it at the maximum of 40 pips above the Sell Entry since the recent swing high is too near.



For our Take Profit Level, we set it at 30 pips below the Sell entry level because the closest Forexometry level is more than 30 pips away from our entry level.



Further confirmation we got for this particular trade came from the Bollinger Bands. We can see that the price action is forming below the Lower Bollinger Band. We know for a fact that this means that the market is in an excellent downtrend. Price usually makes big or sharp moves downwards when the candles are being formed below the lower Bollinger Band.

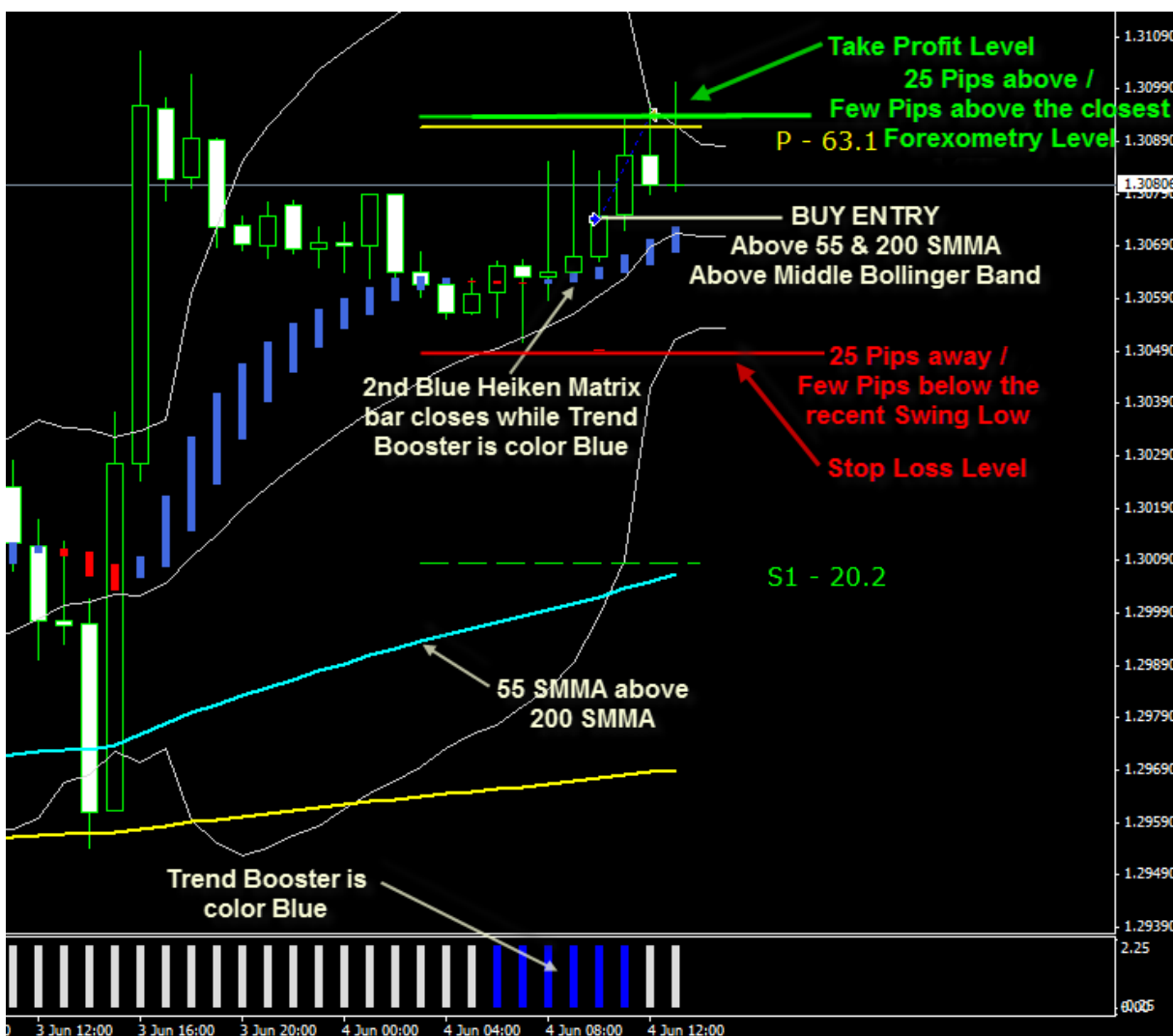


Just five price candles after we placed the Sell Trade order, our Take Profit Level was hit and resulted in a profitable trade.

## IX. ADDITIONAL EXAMPLE TRADES

### 1. Buy Entry on the EURUSD 1 Hour chart

We will be using the EURUSD 1 Hour chart for our first example.



The first thing to do is to wait for the **Trend Booster** indicator to turn **Blue** in color.

Second, we must wait for two **Blue Heiken Matrix** bars to form on the price chart while the **Trend Booster** indicator remains to be **Blue** in color. We need to make sure that

when the 2<sup>nd</sup> **Blue Heiken Matrix** bars occurs on our chart; it is in agreement with the **Trend Booster** indicator.

Now that we have the two indicators in agreement, we have the confirmation to place the buy trade order.

We can also look for another confirmation using the SMMA's. As you can see on the image above, the 55 SMMA is above the 200 SMMA. This gives us confirmation that the market is moving upwards.

Another confirmation that we can use is the Bollinger Bands. On this particular example, price action was above the middle Bollinger band for some time and on the recent swing low, price didn't reverse when it touched the middle Bollinger band. Instead price bounced upwards off the middle Bollinger Band.

With all the evidence shown on this example, we may place the buy trade order at the open of the next candle as soon as the two **Blue Heiken Matrix** bars have closed.

The next thing to do is to set the Stop Loss Level.

We targeted the Stop Loss level a few pips away from the recent swing low or approximately 25 pips away from our entry point.

Since we have the Stop Loss Level, we now have to determine our Take Profit Level.

The Take Profit Level for this example is a few pips above the closest **Forexometry** level or approximately 25 pips above the buy entry level.

As you will see on the above image, it only takes us 2 candles to hit our Take Profit level. This is a good example of a profitable buy trade using my system.



## 2. Buy Entry on the EURUSD 1 Hour chart

Again, we will be using the EURUSD 1 Hour chart for our second buy trade example.



The first indicator to look at is the **Trend Booster** indicator. Since the **Trend Booster** indicator turns to **Blue** in color, it gives us a signal for a buy trade. In this particular example, it was the **Trend Booster** indicator which first turns **Blue** in color. It doesn't matter which of the two, the **Trend Booster** or the **Heiken Matrix**, first turns into the

color **Blue**. What matters is that both indicators should be in agreement and be colored **Blue** at the same instance.

At the point where the **Trend Booster** indicator turned **Blue**, we now have to look at the **Heiken Matrix** bars and wait for them to appear **Blue** as well. As soon as the 2<sup>nd</sup> **Blue Heiken Matrix** bar closes, we may enter the buy trade at the open of the next candle.

There is also good confirmation from the SMMA's. The 55 SMMA, as you can see on the image, is above the 200 SMMA. Also, the point where we wanted to place our buy trade order is above the 55 SMMA and 200 SMMA. This is great confirmation that the price is in an uptrend.

Now that we have determined the Buy Entry Level, we have to set the Stop Loss Level.

Since the recent swing low is near the maximum of 40 pips loss, we may set the Stop Loss level at 40 pips below the buy entry level.

Next to establish is the Take Profit Level. For this example, we have set our Take Profit Level 30 pips above the Buy Entry point.

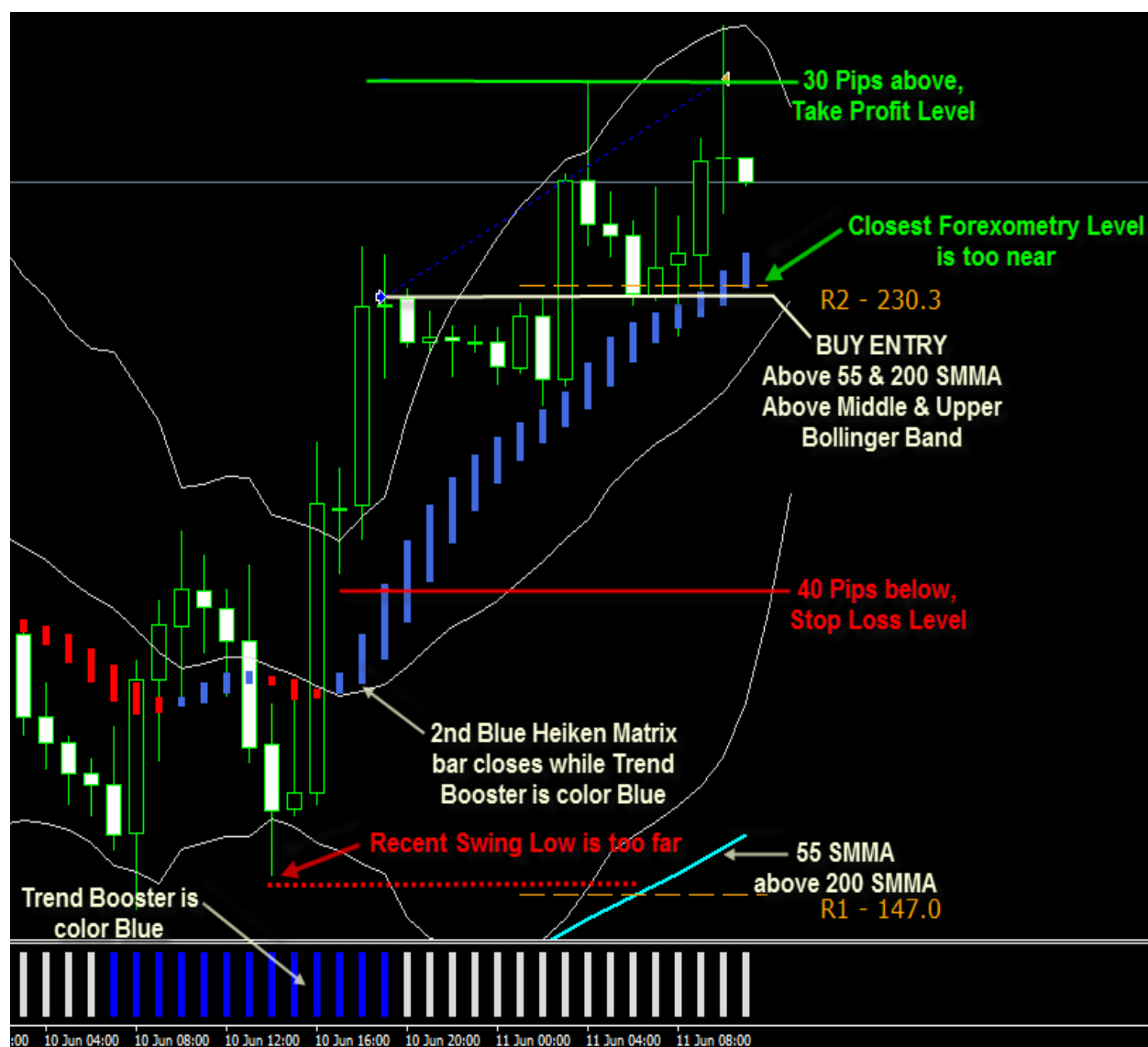
As it turned out, the price is ranging a bit; where the price does not make enough upward or downward movement and bounces only in between a specific high price and low price. After the ranging movement with few candles, the price touched the middle Bollinger band, and then continued to move in an upward direction.

Then few more candles after touching the middle Bollinger band, we hit our Take Profit Level resulting in a healthy profit.

This is another good example of a buy trade taken using the Forex Profit Matrix.

### 3. Buy Entry on the EURUSD 1 Hour chart

Let's look at another example, once again we will be using the EURUSD 1 hour chart.



Once again, we will notice that the **Trend Booster** was the first indicator to give us a signal that the market is moving upwards as it appears **Blue**.

The next thing that we will be doing after this is to wait for the **Heiken Matrix bars** to turn **Blue** in color to give us a confirmation.

As you can see on the image above, there's one **Blue Heiken Matrix** bar followed by a second.

When the 2<sup>nd</sup> **Blue Heiken Matrix** bar closes, we also have a **Blue Trend Booster**. This is a confirmation of a buy trade. As soon as the 2<sup>nd</sup> candle closes, we placed the buy trade at the open of a new candle.

We can also see that there's the 55 SMMA representing by the aqua line. Even if we can't see the 200 SMMA, we know for a fact that the 55 SMMA is above the 200 SMMA. This means that the market is in an uptrend.

We can also notice that the candles had started to form above the middle Bollinger band and that's a good indication that the market is heading upwards.

Also, we can see that the candles have started to form above the upper Bollinger band. What we know about this is that this normally signifies a strong upward move is coming. With the confirmation from the SMMA's and Bollinger bands, we have confirmed that the buy trade order is a good position.

Next thing to do is set the Stop Loss and Take Profit Levels.

We have targeted our Stop Loss Level at 40 pips away since the previous swing low is too far away.

On the other hand, we set our Take Profit Level at 30 pips above the Buy Entry Level. From what you can see, this is another good buy trade which we took using the Forex Profit Matrix system.

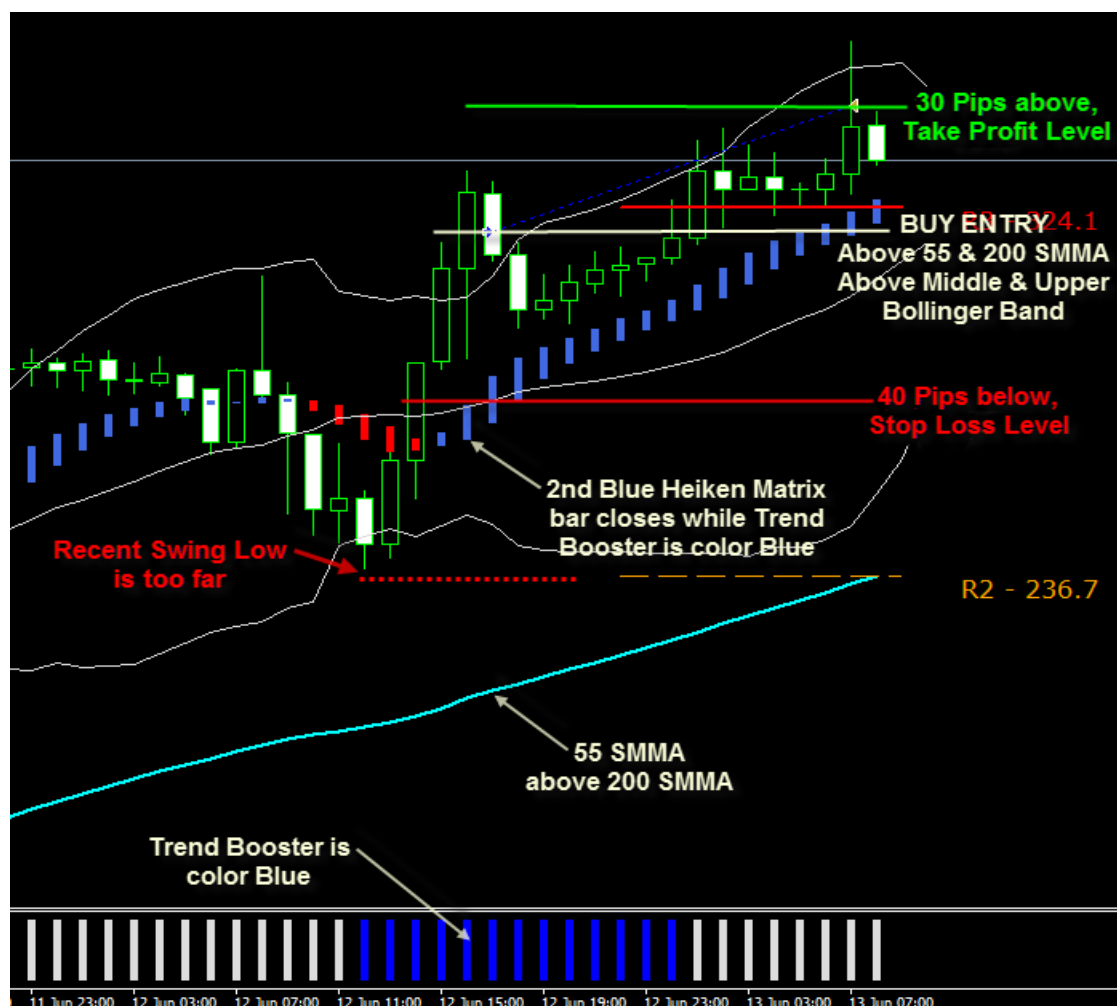
#### 4. Buy Entry on the EURUSD 1 Hour chart

Here's another example of a buy trade on the EURUSD 1 Hour chart. As you will notice, the EURUSD is one of my favorite currency pairs and it is also one of the currency pairs that works best with this system.

You will also notice that I've been using the 1 Hour chart for the examples. This is a timeframe that has proven to give the best results.

If you're just starting out with the system, I strongly recommend that you start with the 1 Hour chart especially during volatile sessions like the London/NY session.

Let's go ahead and take a look at this particular example.



As you can see on the image above, again, the first indicator that gave us a signal that the market is going to go upwards was the **Trend Booster**. The **Trend Booster** bars have started turning **Blue**.

When the **Trend Booster** first turned **Blue**, you will notice that the **Heiken Matrix** bar was **Red**. At this point we're not interested in taking any trades.

Eventually we started to see **Blue Heiken Matrix** bars forming as the **Trend Booster** continued to remain **Blue** as it moved along.

When the 2<sup>nd</sup> **Blue Heiken Matrix** bar closes, down on the chart, the **Trend Booster** is also **Blue**. These are the main two criteria that we need to enter the market with a buy trade.

And as you can see, they're present. So as per the rules of this system, we needed to wait for the two **Blue Heiken Matrix** candles to close before we can enter the buy trade order.

Next, for additional confirmation, we could switch to a higher timeframe like the 4 Hour chart to see if the current **Heiken Matrix** bar was **Blue**. And if it was **Blue**, that would have given us a confirmation to enter the buy trade.

You will also notice that present on the chart is the 55 SMMA. We can't see the 200 SMMA because its way down on the chart. Since the 55 SMMA is at its position, above the 200 SMMA, it gives us adequate confirmation that the market is going upwards.

You will also notice that price action was starting to take place above the Upper Bollinger band. The Bollinger bands were also starting to expand. These are good signs that the market is heading upwards.

You will also see that price was currently above the middle Bollinger band. This is a good signal that if the price would come against us, it may run into support at the middle Bollinger band. This makes us pretty confident in entering the trade at that point.

As soon as the 3<sup>rd</sup> **Heiken Matrix** bar had opened, we decided to go ahead and place the order to buy this currency pair.

Sometimes, price moves a bit quickly so it takes a while before you actually get the order filled like what happened in this example. But in this particular case, we weren't too concerned with that since all the indications we received gives us confirmation that the price will continue to move upwards. So there won't be a problem in accepting the buy trade order at its current level.

The next thing we would do is to set the Take Profit and Stop Loss Level.

You will notice on this example that the recent swing low is too far away, in fact it's roughly around 80-90 pips away. So we capped our Stop Loss at 40 pips and it just happened to coincide with the middle Bollinger band. This gives us assurance that as price move upwards, we won't be in danger with the Stop Loss Level. And as it turned out, it worked out in our favor.

We placed the Take Profit Level 30 pips away and we were able to exit the position as soon as price hit the 30 pip level.

As you can see, there's nothing complicated about trading with this system. The rules are simple. All you just have to do is follow the rules. Look for the confirmations and if they are there, go for it.

## 5. Buy Entry on the GBPUSD 1 Hour chart

For our last example of a buy trade, we will be using a different currency pair. We will use the GBPUSD 1 Hour chart.



As you can see on the above image, the first indicator to give us a signal that the market is about to head upwards was the **Trend Booster**. Again, it doesn't matter which of the indicators first appear **Blue** on our chart, what matters is when the 2<sup>nd</sup> **Blue Heiken Matrix** candle closes; we should have a **Blue Trend Booster** as well.



When the **Trend Booster** first turned **Blue**, the **Heiken Matrix** candle unfortunately was still **Red**. So at this point, there's actually no need for us to be interested in the buy trade just yet.

As it turned out, the market ranged a little bit and finally we got the two **Blue Heiken Matrix** bars that coincided with a **Blue Trend Booster** indicator.

As soon as the 2<sup>nd</sup> **Heiken Matrix** candle closes, we have to look down and check if the **Trend Booster** is still **Blue** which it was.

With the confirmation from the two indicators, we may now proceed in entering the market with a buy trade at the open of the next candle.

It was interesting to note that in this particular example, there were lots of confirmations from other indicators.

One of these confirmations is the SMMA's. For this example, the 55 SMMA was above the 200 SMMA which lurks out of frame in the image. Also, the level where we wanted to place the buy trade is above both, the 55 and 200 SMMA's which we know is a good thing.

We can also see that the upper Bollinger Band was contracted but started to expand right where we wanted to place the buy trade order. Also, as you can see on the image above, the price candles were both above the middle and upper Bollinger Band at the point where we entered the position.

When we switched up to a higher timeframe, the 4 Hour chart, there was a nice **Blue Heiken Matrix** bar at that current level as well which gives us another good confirmation.

All these signs and indications were all there and meant that this trade was going to go the distance.

So we shouldn't have any hesitations at all in placing the buy trade order. Next, we must determine the Stop Loss Level.

The previous swing low is a bit further away than 40 pips, in fact it's around 60-70 pips away from the entry price. Since the maximum Stop Loss as we have discussed in the rules is 40 pips, we have to cap the Stop Loss at the 40 pip level. The fact that the 40 pip level was below the middle Bollinger band was a good sign for us too.

After the Stop Loss Level has been set, we must next target our Take Profit Level. For this particular example, we set our Take Profit level at 30 pips above the Buy Entry level.

As you can see, price went up a bit and almost got up to our Take Profit on the first candle, but unfortunately it started to pull back.

You'll also notice that even though the price didn't get too close or near to the middle Bollinger band, in a sense it did act as support. Price came down near the middle Bollinger band, or it pulled back towards the middle Bollinger band, and then bounced back upwards.

It was on that bounce that we managed to hit the Take Profit, and we managed to exit this trade with 30 pips profit.

So, by now I think you have a pretty good idea on how the Buy trade works. You've seen plenty of examples that will show you how to apply the system rules when you're trading it.

These examples should do for now, the next examples that we will be discussing is for the Sell Trade.

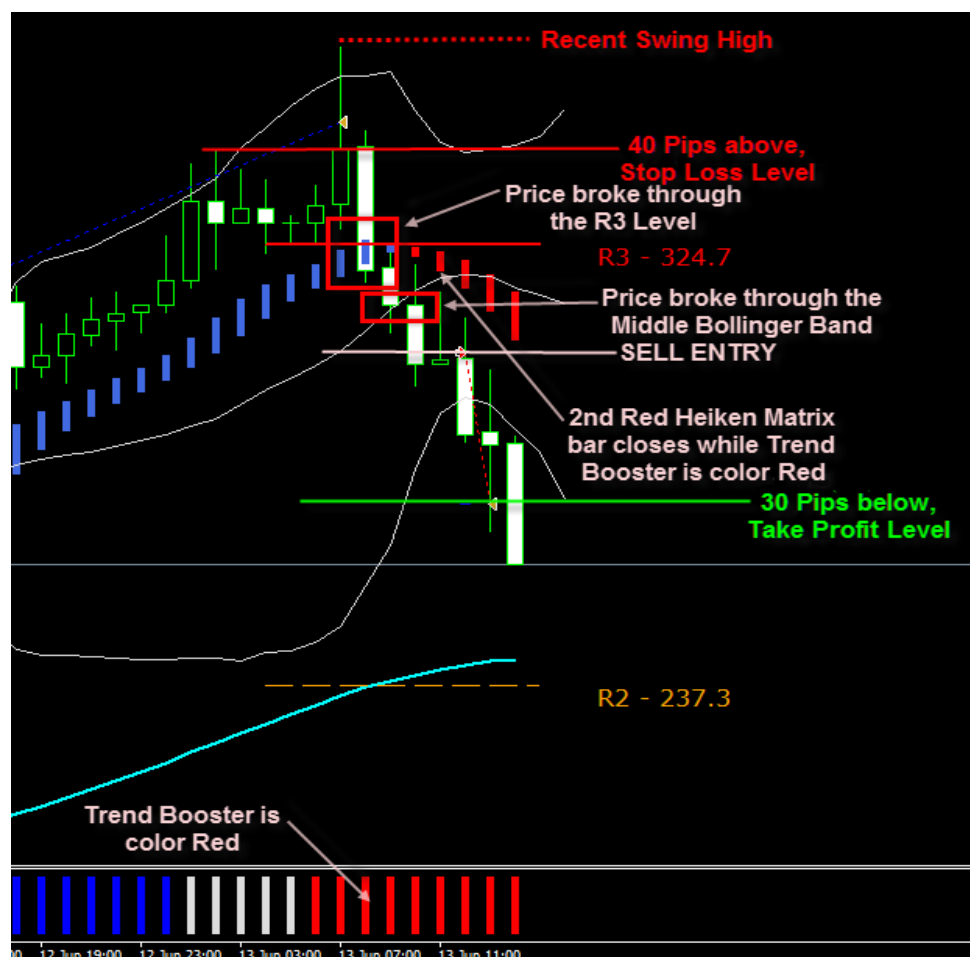
## 6. Sell Entry on the EURUSD 1 Hour chart

It's time for us to take a closer look at few sell trade examples. For the examples, I have chosen some trades that I have placed over the course of the last few weeks. This will help to illustrate exactly how to apply the rules when you're trading the system on your own.

**Let's get started by looking at our first sell trade example.**

On the image below, you can see an example of a trade on a EURUSD 1 hour chart.

You may notice that this chart is the same chart I've used as an example of a buy trade that I took previously. However for this case, we're not interested anymore with the buy trade, but will focus on the sell trade that came after it.



As you can see the market was moving upwards and we managed to take a Buy trade and eventually we were taken out of the trade with a profit.

It was followed quickly by a sharp decline. And as you can see, one of the reasons why I got really interested with this trade is that price has broken through one of our **Forexometry** levels. It broke through the R3 level and started to move downwards. Next you'll notice that price has broken through the middle Bollinger band too. That is a good sign that the uptrend is over and that price is starting to move downwards.

But before we got to that point, you'll see that the **Trend Booster** had already turned **Red** a couple of candles earlier. This will now give us a clue that the market is about to head downwards.

With the rest of the information gathered around that point, it was becoming pretty clear to us that we'll be having a sell trade in no time.

As you can see, the first **Red Heiken Matrix** bar had formed and closed, and soon after we got the second one.

At the point where the 2<sup>nd</sup> **Red Heiken Matrix** bar had closed, the **Trend Booster** remained **Red** as you can see on the chart. This was the confirmation we've been waiting to give us the signal that the market is headed downwards. At the open of the next candle, we may enter the market with a sell trade.

We should set the Stop Loss Level next. The first thing to look at when setting our Stop Loss is the most recent swing high. Unfortunately the most recent swing high was beyond the 40 pip limit that we have set. So, we set the Stop Loss at 40 pips away, which as you can see is just right above the upper Bollinger band. This gives us the assurance, which we need, that the point where we placed our Stop Loss was a good position.

Next is the Take Profit Level. For the Take Profit Level, we may set it at 30 pips away from the entry level.

As you can see at the close of the first candle after the sell entry, you'll notice that the price had started to form below the lower Bollinger band. At that point, we are pretty confident since we know that when the price forms outside the upper or lower Bollinger band, this normally means that the price will continue to go with the current direction.

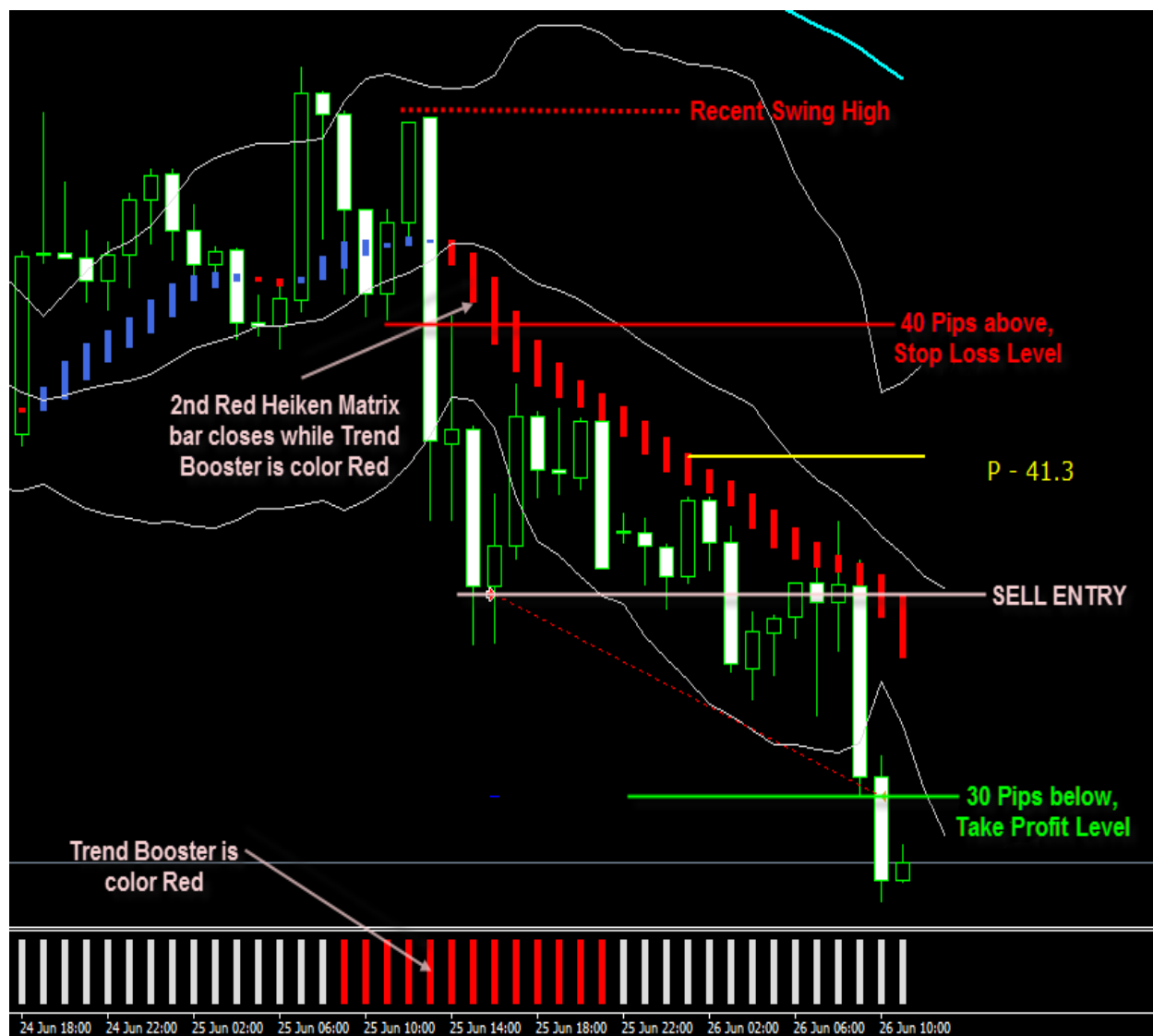
As soon as price formed outside the lower Bollinger band, price suddenly fell. And even after we got out of the sell trade upon hitting the Take Profit Level, we can see that the price still keeps on falling down making its way towards the 55 SMMA and the **Forexometry** R2 level.

This was definitely a good sell trade.

To sum it up, as soon as the uptrend had ended, we got a very clear signal and good confirmation from our indicators that the market is about to trend towards the short side and we took the sell entry without hesitation. And as you can see, it only took a matter of two bars after the point where we placed our sell trade order for the price to go into our favor and take us out in the trade with a profit.

## 7. Sell Entry on the EURUSD 1 Hour chart

Once again, we are going to use EURUSD 1 Hour chart.



In this particular example, you will notice that the first signal we obtained to enter the market with a sell trade was when the Trend Booster bars have started to turn **Red** in color.



Unfortunately, the **Heiken Matrix** bar was still **Blue** when the **Trend Booster** turned **Red** in color. So, we had to wait for a number of candles before the **Heiken Matrix** finally fell into position.

Now, we have to wait for the 2<sup>nd</sup> **Red Heiken Matrix** bar to close. And as soon as we were able to see that, we have to check the **Trend Booster** to ensure that we have a **Red** bar at the same point. Since we can verify that the **Trend Booster** was **Red**, as soon as the 2<sup>nd</sup> **Red Heiken Matrix** bar closes, at the open of the third candle, we entered the market with a sell trade.

We can look for extra confirmation as well; firstly we can look at the SMMA's. The 55 SMMA is below the 200 SMMA. We can't see the 200 SMMA because it is much higher up on the chart out of this frame but as you can see, the SMMA's were in position, telling us that the market was about to head downwards.

You can also see that price had stalled a little bit after we placed the sell trade order as it was moving upwards. Then, at last, it bounced off the middle Bollinger band which gave us a signal that the market was finally heading downwards.

Also the candles were starting to close below the lower Bollinger band as you can see on the image above. We know from experience that when this starts to happen it means that the price is going to move rather quickly in the current direction the price is heading in.

With the confirmations we were able to gather, there was no hesitation in placing the sell trade at the open of the 3<sup>rd</sup> **Red Heiken Matrix** bar.

Next thing that we should be looking forward to is to set the Stop Loss.

Unfortunately, the previous swing high is way above the 40 pip limit. So, we capped the Stop Loss at 40 pips away. We were a bit concerned though about the Stop Loss level

because unfortunately it wasn't above the middle Bollinger band or the upper Bollinger band.

But with all the confirmation we have from all the indicators in this chart, it looks like a great signal and we went ahead and opened a sell order.

After placing the sell trade, as you can see, the price moved against us for a short while. But afterwards it bounced off the middle Bollinger Band and headed downwards.

Though price did take a while before it eventually moved downward, the downtrend was too good for price to resist. Price eventually dropped sharply hitting our Take Profit Level at 30 pips below the entry price.

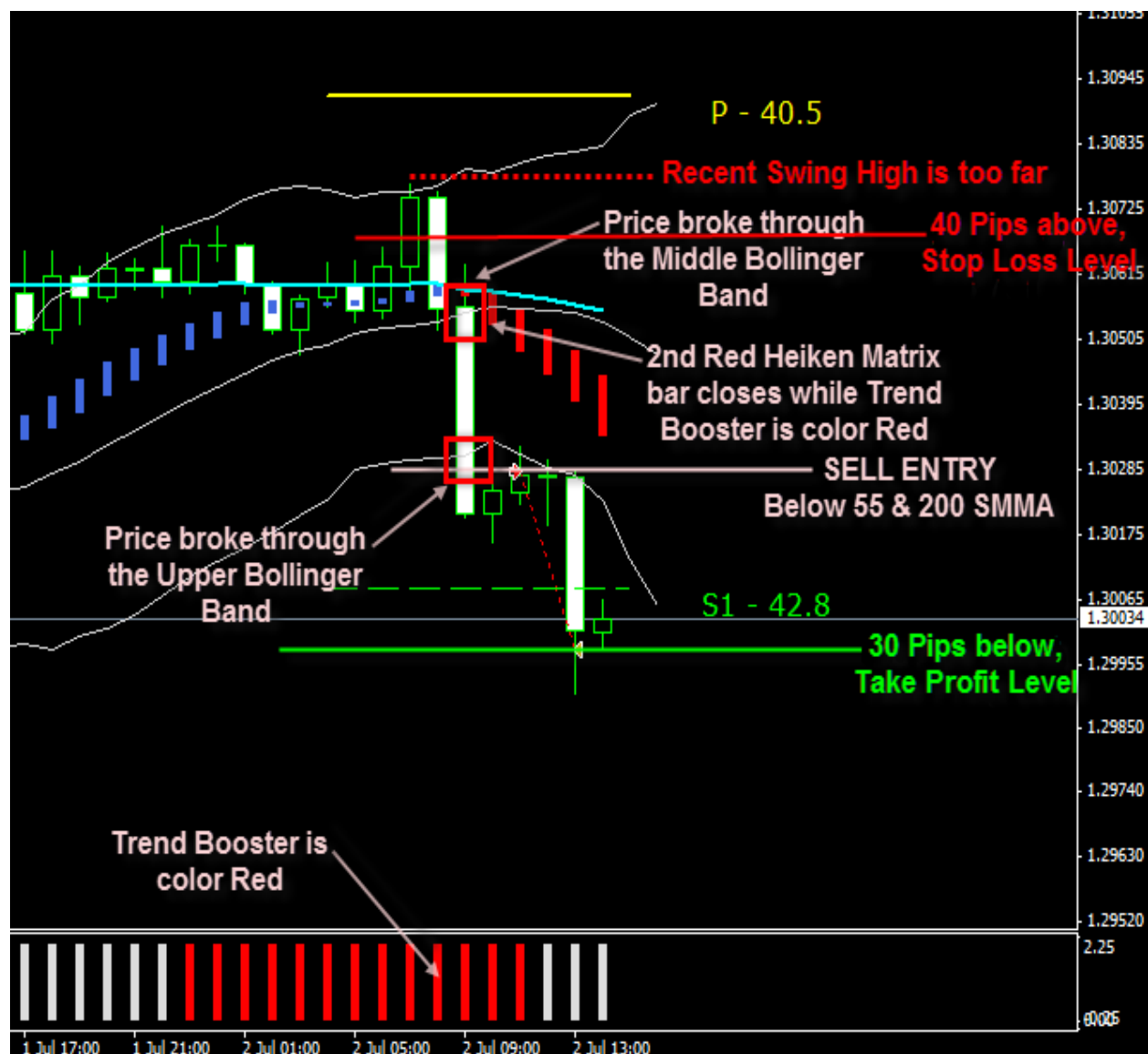
So as you will notice, the Forex Profit Matrix is pretty straightforward and easy to use. It is really quite simple to apply the rules once you know what you're looking for; and it's just a matter of looking for additional confirmation to ensure that you remain on the right side of the trend.

Remember though that the two most important components when trading this system are the **Trend Booster** and the **Heiken Matrix** indicator. As long as both these two indicators are in agreement, and we have some supporting evidence from either the Bollinger band or the SMMA's or the higher timeframe, we can go ahead and we enter the market.



## 8. Sell Entry on the EURUSD 1 Hour chart

We're going to take another sell trade example. Here's another sell trade that I took on the EURUSD 1 Hour chart.



Again, the first thing we were looking for was for the **Trend Booster** and the **Heiken Matrix** bars to start turning **Red**.

As you can notice, in this particular example, the first to turn **Red** in color was the **Trend Booster**. However, when the **Trend Booster** turned **Red**, we can see that the **Heiken Matrix** wasn't ready to go south just yet.

We had to wait for quite a while though, since it took some time before the **Heiken Matrix** finally changed. After few candles, eventually, we got our first **Red Heiken Matrix** bar. We waited and caught sight of the second **Red Heiken Matrix** bar. When the second **Red Heiken Matrix** bar closed, we immediately looked down on the **Trend Booster** and as you can see **Trend Booster** was also **Red**.

So we have the signal to enter the market with a sell trade.

For additional confirmation, we looked at a higher timeframe too. What we did was we switched to a higher timeframe which was the 4 Hour chart. And what we were looking for was for the current **Heiken Matrix** candle to also be **Red**, which it was. This was excellent confirmation that the market was going to go south.

Next we look at the SMMA's, both the 200 SMMA and the 55 SMMA, for further confirmation. And as you can see on the image above, the SMMA's are currently in a position for a sell. We've got the 55 SMMA below the 200 SMMA; though we can't quite see the 200 SMMA as it is way above the chart. We all know that when the 55 SMMA is below the 200 SMMA, the market is bound to go downwards.

Further confirmation came from the Bollinger bands. You'll notice that the Bollinger bands had been contracted or in a contracted state. Soon the candle broke through the middle Bollinger band, this told us that the market is going to move downwards. You will also see that on that same candle, it also broke through the lower Bollinger band as well, and that's a great sign that the market is going to start moving quickly in that direction. With this, we knew that the market is going to have a quick downtrend movement.

So we actually have no hesitations in entering the market with a sell trade at that point. All the criteria that we were looking for have been met.

After the sell entry had taken place, the next thing we need to do is to set the Stop Loss and Take Profit Level. First, we looked to set the Stop Loss on the recent swing high, but since that was well above the 40 pip limit, we just decided to put the Stop Loss Level at the maximum of 40 pips away from the entry price.

For the Take Profit Level, on the other hand, we set it at 30 pips away from the entry price.

As you can see, price had dropped towards one of our **Forexometry** Levels, the S1 Level, and as soon as price had gone well beyond it, it finally hit our Take Profit Level.

This is another good sell trade example taken using the system.

Note that once you have a firm grasp of the rules and you have a good understanding of what you're looking for, identifying and making these trades is really quite simple.

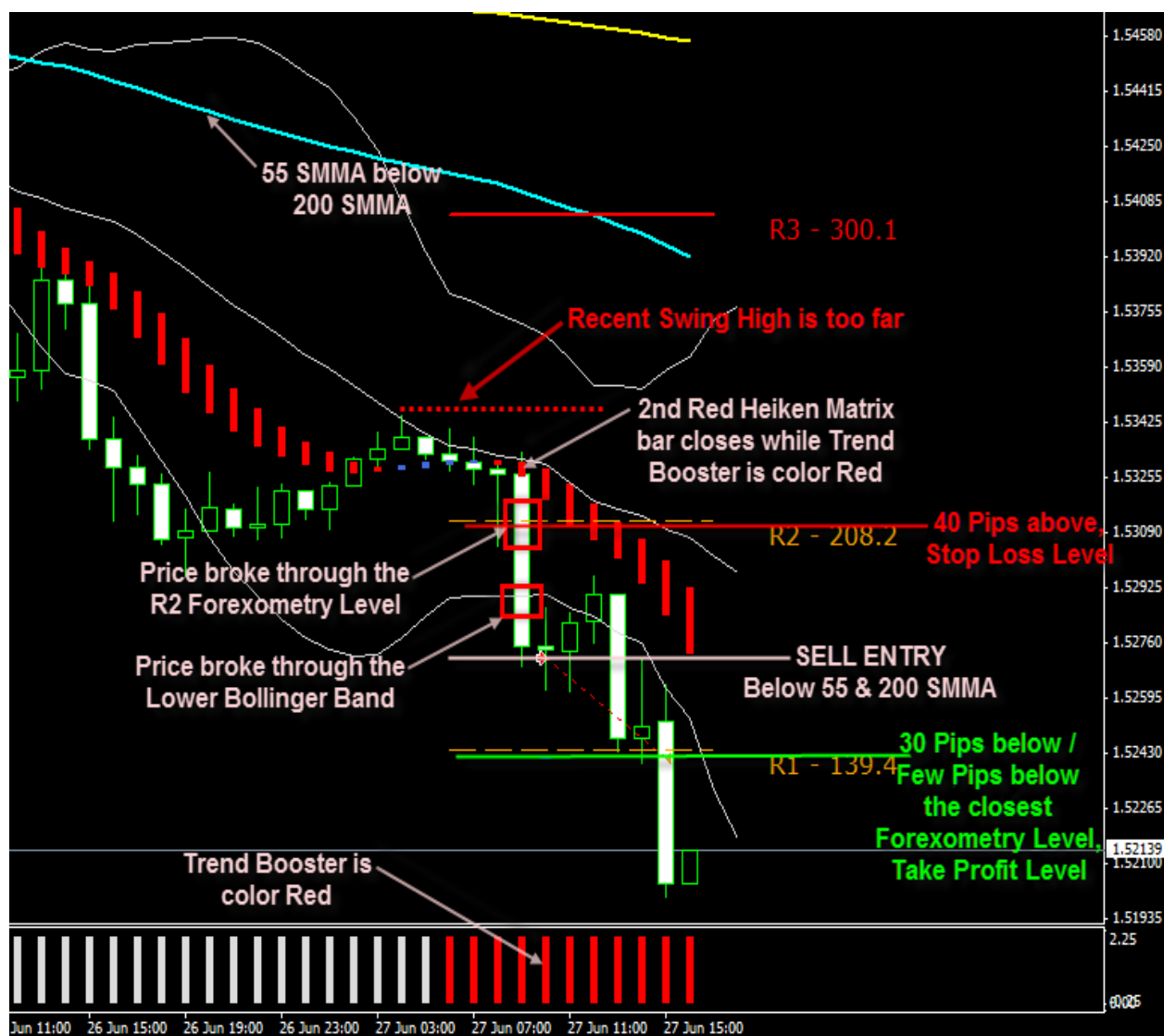
All you need to remember is the two key factors on this system. Knowing and understanding these will make your Forex trading life so much easier. Again, these two are the **Heiken Matrix** bars and the **Trend Booster**. You just have to be really particular and focus on both of these indicators. As long as both of these are **Red** and you've got the second **Red Heiken Matrix** bar that closes when the **Trend Booster** is **Red**, you're good to go in placing a Sell Trade order at the open of the new candle.

For confirming the signals, you can also use the signals from the SMMAs, the Bollinger bands, and the higher timeframes. Having additional confirmation usually results in more winning trades and that makes the entire trading experience so much better.

## 9. Sell Entry on the GBPUSD 1 Hour chart

Let's take a look at another example.

Here is an example of a sell trade that I took on the GBPUSD 1 Hour chart.



This was truly a nice trade. Everything was actually in our favor when we got the signal to enter.

So let us check what really happened on this particular trade. The first thing you'll notice is that our **Trend Booster** had turned **Red** first. It had actually been in the neutral territory for a very long time before eventually turning color.

At the time when the **Trend Booster** turned **Red** in color, we were still waiting for the **Heiken Matrix** candles to change to **Red**.

Eventually, we got our first and second **Red** Heiken Matrix candles. As soon as the second **Red Heiken Matrix** candle closed, the first thing we did was to look down and check on the **Trend Booster** and as you can see, the **Trend Booster** was **Red**.

After that, we decided to enter the market with a sell trade.

Of course we looked for additional confirmation as well.

We first looked at the higher timeframe, the 4 hour chart, and the **Heiken Matrix** bar at that point was **Red**.

Secondly, we looked at the SMMA's. You'll notice that the 55 SMMA is below the 200 SMMA. That is an excellent confirmation that the market is going downwards. Also, the point where we placed our Sell Trade order was below the 55 & 200 SMMA so we're in a good position.

You'll also see that the price had just broken out below one of the **Forexometry** Levels, the R2 Level. Again, that was another good indication that the price is going to move downwards.

As we refer to the image above, we can also notice that the price had come up for a certain period and run into resistance at the middle Bollinger band. After that, the price had just fallen downwards with a sharp decline and it closed below the lower Bollinger

band. Again, this is a great sign that price was going to start moving quickly in that direction.

Next thing we needed to do is set the Stop Loss and Take Profit Level.

As you can see, the previous swing high is way too far away from our liking since we have the 40 pip limit for our Stop Loss. So we decided to set the Stop Loss at 40 pips. And as you can see it almost coincided with the R2 **Forexometry** level, and since price had broken out of that level on the previous candle, we were pretty confident that price won't go back into that direction just yet.

For our Take Profit Level, we set it at 30 pips away from the entry price.

As it turned out, price pulled back a little bit when it got above the lower Bollinger band, and then just dropped like a rock.

Then finally, price had shot well below the R1 **Forexometry** level where the Take Profit had been set and it just continued on its way.

Now, this trade ticks all the boxes because all the confirmation that we needed was there.

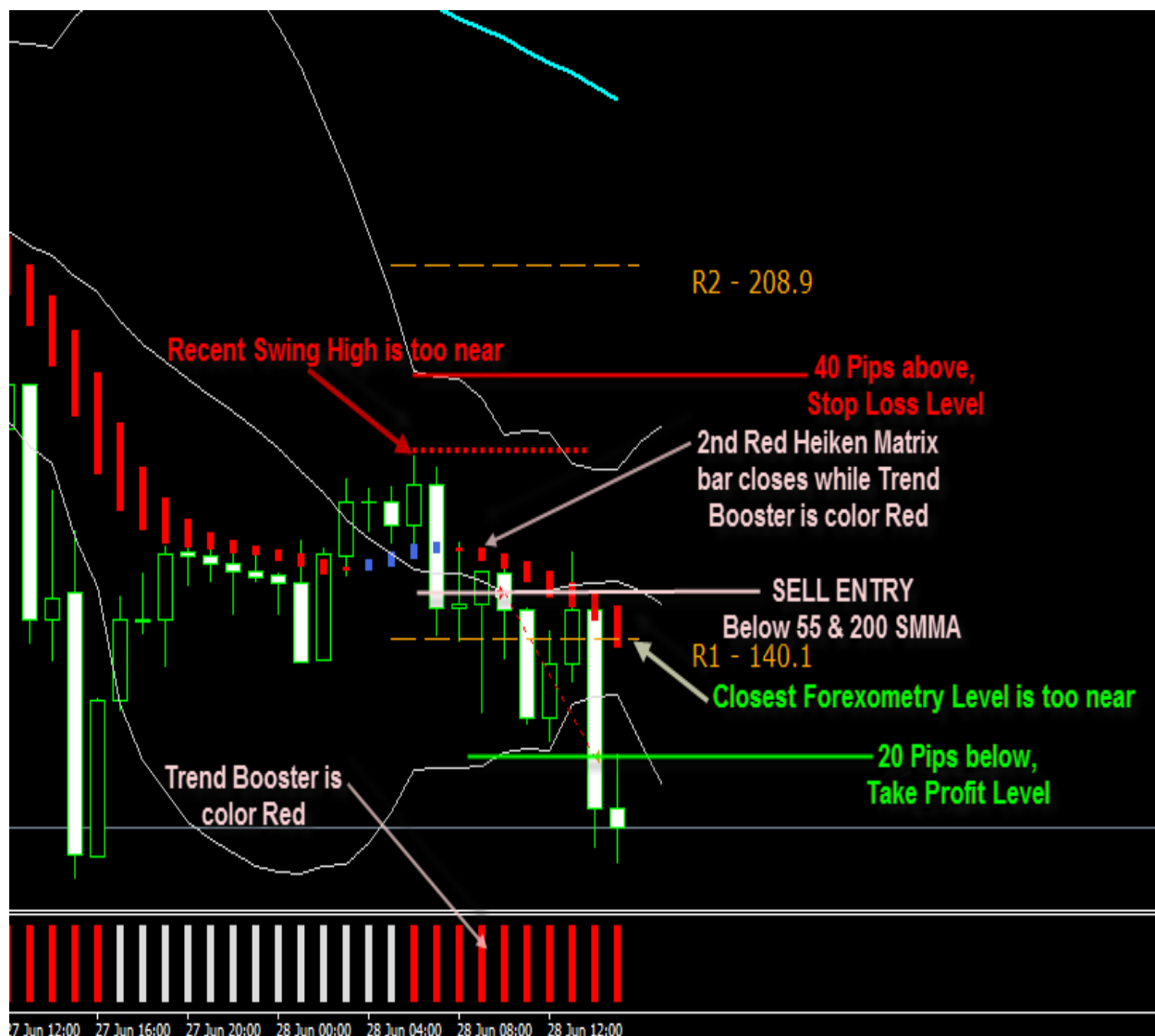
You'll notice that when you have the confirmation from the two key indicators – the **Trend Booster** and **Heiken Matrix** bars, and from the rest of the supporting indicators, the trade is definitely one with a higher probability of success.

So, this trade is another great example to show you how to use the Forex Profit Matrix system.

## 10. Sell Entry on the GBPUSD 1 Hour chart

Let's take a look at one last example.

For our final sell trade example, we're going to look at the trade that I made with the GBPUSD 1 Hour chart.



As you can see, the first indication we got that the price was going to go downwards was when the **Trend Booster** had turned **Red**. The **Trend Booster** came out of neutral territory but later on gave us the signal for a Sell Trade.

When the Trend Booster first turned, we're just waiting for the **Heiken Matrix** bars to turn **Red** as well. What we were really looking for was that when the 2<sup>nd</sup> **Red Heiken Matrix** bar closed, the **Trend Booster** should remain **Red**. It didn't take too long for that to happen because as you can see within a few bars, the **Heiken Matrix** bar had started to turn **Red**. We have confirmed that as the 2<sup>nd</sup> **Red Heiken Matrix** candle closed, the **Trend Booster** was also **Red**.

So at this point we were aiming to enter the market with a sell trade at the open of the next candle.

For additional confirmation, we can see that we got the 55 SMMA forming way below the 200 SMMA, which is much higher up on the chart. So another confirmation for a sell trade was found.

You will also notice that the price had been in a good downtrend. So when I also looked at the 4 Hour chart for further confirmation, it was there to be found that the **Heiken Matrix** candle at that current time was **Red** too.

So, that was all the information we needed to see to convince us to enter the market with a Sell Trade.

Next, we decided to set our Stop Loss Level.

We looked to set the Stop Loss roughly above the recent swing high but it was too close to the current price action so we decided to set it at the maximum of 40 pips. By doing that, you will notice that the Stop Loss had been placed above the upper Bollinger band and as you can see there's no need to worry too much about the Stop Loss, because price had dropped pretty quickly.

Next, we looked for our Take Profit Level.



We set our Take Profit Level 20 pips away from the sell trade entry price. As you can see on the image above, the price dropped down, almost took us out of the sell trade at the 2<sup>nd</sup> candle after we placed the sell trade order but reversed a little bit. Here's another good example of where the middle Bollinger band comes into play. You'll notice that as the price pulled back from that down move, it hit the middle Bollinger band, ran into resistance at that point, and then continued on its way down. As it continued on its way down, it managed to take us out of the trade when our Take Profit was hit and we got out of the Sell Trade with a healthy profit.

So, as you can see, this is another good example of a sell trade using the Forex Profit Matrix system.

You'll also notice that I've taken the screenshots of actual trades that I've made and I encourage you to do the same. It's a great way for you to keep track of the trades that you make and it will also teach you a way of identifying what a good trade set-up looks like. It's also useful to keep these images and review them at the end of every trading day or at the end of every week.

## X. MONEY MANAGEMENT

(Never risk money you cannot afford to lose, see disclaimer.)

For this system, the recommended risk per trade is 2-5% of the account balance. That means for every trade you place, you only expose 2-5% of your account in each trade. For example, if you have a \$1,000 account and you want to risk 2% of this amount, then you're risking \$20 for each trade. That means if you lose the trade, you will only lose \$20 of your account.

According to the rules, the take profit (TP) should be set at the closest **Forexometry** level or exit the trade manually as soon as you achieve a profit of between 20-30 pips. The recommended TP for each trade is 100% or at least 75% of the stop loss (SL). That's because it's much easier for each trade to reach a closer TP than if you are aiming for 2 or 3 times the amount of SL. Basically, this technique increases the win rate.

Normally, I consider 40 pips as the maximum SL. However, the SL must always be based on the most recent swing high/low. Because of this, different trades will have different SL and TP levels, and in order to risk the right amount per trade, you need to use the correct lot size.

**The easiest way to compute the lot size to use for your trade is using a lot size calculator which you find an example of in the member's area.**

For example, if you use 40 pips as your SL then your TP can be from 30-40 pips. If you decide to risk only 2% of your \$1,000 account and want to find out what lot size to use when you place the trade then enter this information into the calculator:

SL: 40 pips

Risk in percent: 2%

Account size: \$1000

The answer should be: 0.05 lots or 5 microlots

Here's another example. Supposing your account is \$5,000, you want to risk 2%, and your SL is 30 pips, then your take profit should be from 22.5-30 pips and your lot size should be 0.33 lots.

SL: 30 pips

Risk in percent: 2%

Account size: \$5000

Lot size: 0.33 lots

Some traders, although they have a big account, prefer to use only a portion of it to trade. In our scenario with a \$5,000 account, you may only want to use \$2,000 to trade. If you want to risk 2% of this amount per trade, then you should consider \$2,000 as your account size and you will have 0.13 lots to use per trade.

SL: 30 pips

Risk in percent: 2%

Account size: \$2000

Lot size: 0.13 lots

The stop loss and take profit will differ depending on the timeframe you are trading. For lower timeframes, they definitely should be smaller because it's more difficult to hit a high take profit.

When trading on the lower timeframes like the 15 minute chart, set your stop loss 2 or 3 pips beyond the recent swing high or swing low. For example, if the swing high is 20 pips from the entry price on the 15 minute chart, then your SL should be 22 or 23 pips. Your take profit can then be set from 17-22 pips. If you want to risk 2% of your \$2,000 account then your lot size to use for the trade is 0.18 lots.

SL: 22 pips

Risk in percent: 2%

Account size: \$2000

Lot size: 0.18 lots



## **XI. TRADING PSYCHOLOGY**

When you embark on the journey to trade successfully, it's good to study how others become successful. There's something that successful people across the globe have in common that have helped them achieve a high level of success.

It's not in the genes, nor is it in the race, age, gender, intelligence, and not even financial status... It's in the mind.

The old saying, "Mind over matter" is true and it also applies in trading. Your attitude plays a vital role in achieving any goal you set in life, and in trading.

Successful traders think and behave differently. They have gained certain characteristics that facilitate success, and these are:

### **1. Determination**

No successful trader started out as a great trader. They have made losses and they kept going until they found something that works.

A lot of traders suffer a loss and quit. They are not willing to work on improving their trading. This is what happens to 90% of traders and that's why around 90% of traders lose. Those who really stick to it are the ones who will be there when the good trades come along.

### **2. Objective and rational thinking**

They are structured in their approach to trading. They stick to the rules. Before placing a trade, they calculate the risk appropriately and they know the risks involved. When the trade is placed, the stops and take profits are in place, they have

no reason to panic when the trade goes wrong because they are aware of the possible outcomes. After placing the trade, they leave it alone to run its course and detach themselves from it.

People who watch their trades too closely tend to get carried away in the ups and downs of each trade and cause them a lot of unnecessary stress and can lead to irrational and impulsive decisions.

### **3. Goal oriented**

They set goals and work towards them in a continuous journey where they strive to be better at trading.

### **4. Focused**

They are focused on trading when they are trading. Their mind is not preoccupied by other things such as family matters, financial situation, and others. When they sit down to trade, they are looking at the charts and reading the market to find a trade signal.

### **5. Accept constructive criticism**

They are happy to let other traders look at their trades, whether good or bad trades, to gain some more knowledge. They are open-minded to ideas that will help them improve.

### **6. Look at the big picture**

They are aware of the Forex market in terms of news and the major players.

While it may not impact heavily on their trades, they are aware of what's going on with the currency pairs they trade. They do their research and form an idea of which currency pairs are strong or weak.

## **7. Learn from their own and other people's mistakes**

They analyze their losses and find out what went wrong. They always look to improve the next time they are faced with the same situation. They are also happy to learn from other traders and believe that they don't necessarily have to suffer to learn. They are interested in other traders, finding out what they did wrong and how they dealt with it.

## **8. Know when to stop**

Successful traders know when to call it quits on a bad day. It is better to cut your losses at an early state and walk away instead of trying to recoup your losses and end up with a bigger loss.

## **9. Optimistic**

They believe that they can achieve their goals. They are not largely affected by losses and accept them as part and parcel of trading. When they encounter losses, they are keen to learn any lessons from these losses, put them behind and look ahead to the next trade.

## **10. Don't stop learning**

They are hungry for knowledge. They do everything they can to get as much information about trading as possible.

## XII. TRADING TIPS

In this section of the manual, I would like to share some trading nuggets I've learned from past experiences and from other traders that I think would help to better equip you for your journey.

Below is a list of trading tips that you will definitely find useful.

1. Learn the basics of Forex trading. If you want to truly succeed in this business, then you must be educated about what it's all about. A good trading education will equip you with knowledge to gain a deeper understanding about trading. I would suggest for novices, and even advanced traders, to go through the videos in DVD 2. There, I have explained the basics with plenty of illustrations. I'm sure you will discover a lot about Forex.
2. Read the market and trade with the trend. Don't sell in an uptrend nor buy in a downtrend.
3. Don't try to trade tops and bottoms. Instead, wait for a confirmation that the trend has actually changed before placing a trade.
4. If there's no signal, don't trade.
5. Don't be greedy, take what the market gives you and move on to the next trade.
6. Always place a stop loss to limit losses. Place it at the right level based on the rules and where possible, look to reduce the size of your stop loss to limit potential losses.

Avoid placing your stop loss along round numbers; try to place it beyond the round number instead.



7. Analyze your losses and learn from mistakes.
8. Don't place any trades aiming to recover from losses; all trading should be based on the rules only.
9. Invest time to practice how to trade the right way. Following your impulses only means you are practicing how to do it wrong.
10. When you start trading, trade a small account until you are comfortable and confident in your trading. Once you reach that stage, you can increase your account but do so in little increments.
11. Leave your emotions at the door before you trade.
12. Follow the money management guidelines; they will help you survive in the long run.
13. Don't trade impulsively, follow the trading plan. Let the trade run its course.
14. Set specific goals and objectives.
15. You won't win every trade and you don't have to. Instead, aim to have more wins than losses.
16. Avoid additional stress and emotional pressure. Don't let your financial situation dictate how you trade and don't rely on your trades to supply for your needs especially in the early days.
17. Keep learning. It's the only way to improve your technical analysis skills. Even if you start earning on a live account, have a demo account and keep testing.
18. Keep your trading plan simple.

19. Timing is crucial in Forex trading. If you are late in a trade, skip it and wait for the next opportunity.
20. Patience will take you there.
21. The longer term timeframes provide a better picture of the long term conditions of the market. Checking a higher timeframe can provide a good perspective before deciding to enter a trade.
22. Know why you are trading.

## **XIII. CONCLUSION**

Many beginner traders are getting into the Forex market without the right tools and information which they should have. This results in unhealthy trading and losses..

We all know that traders shouldn't be left in dark when it comes to learning Forex. That's why I have packaged the system, the manual and the DVDs. This manual together with the DVDs give you all the information you need for you to be a successful Forex trader.

I understand that you may find yourself overwhelmed with all the information, but as I have said a couple of times, just follow the trade rules and you'll do great. I recommend that you spend as much time as you can in the member's area. Re-read the manual and re-watch the DVD videos when needed. Ask any questions that you have. I will be here for you.

Rest assured that we will be working together, every step of the way. If you have questions, comments, doubts, or something to share, you can tell me. My team and I will help you the best way we can.

I am looking forward working with you, hand in hand, to reach your ultimate goal to become a successful Forex trader!

*Wesley Govender*

[www.ForexProfitMatrix.com](http://www.ForexProfitMatrix.com)

# PERSONAL ASSESSMENT SHEET

## I. Trading Experience

1. Are you new to trading? \_\_\_\_\_
2. How long have you been trading? \_\_\_\_\_
3. Have you been trading a demo or live account? \_\_\_\_\_
4. If you have been trading a live account, how long have you been trading live?  
\_\_\_\_\_
5. What is your percentage of monthly profit in your live account?  
\_\_\_\_\_
6. Are you currently working with a system or method?  
\_\_\_\_\_

## II. Trading Goals

1. What is your goal in trading? \_\_\_\_\_
2. Do you have plans to become a full time trader? \_\_\_\_\_

## III. Problem Areas

1. Which areas in trading do you find most difficult? - entry, exits, emotions, time management, etc  
\_\_\_\_\_
2. How often do you find yourself hesitating to enter when you see the entry signals?  
\_\_\_\_\_
3. How often do you hold on to a trade often even if you are supposed to cut your loss on the trade?  
\_\_\_\_\_