Kevin_E 03-26-07 8:13pm

NFP System - Backtest data provided

1 Attachment(s)
Whats up fellas? I have something that I would like to share with you all. Rob Booker www.robbooker.com recently held a contest to see who could come up with the best system to trade the NFP report. Here is the system (backtest data in Excel format), as I've agreed to make it freely available shortly after I won the contest. A couple of notes about it:

This system relies heavily on an indicator called the Sentinal Index. Origionally created by Joe Knight, I adopted the concept and gave it a use in my system. What it is is a "dollar index" created by taking the movement of the 7 major USD based pairs (GBP/USD, EUR/USD, AUD/USD, NZD/USD, USD/JPY, USD/CAD, USD/CHF) and averaging their daily moves together to come up with a meld of them all, and an overall direction of the dollar. I plot this in Excel, and lay my 7 day SMA indicator overtop, which I use for entry into the system. I don't have an automated means of charting and distributing the Sentinal Index yet (which I intend to distribute freely), but I do still update it by hand, and do offer services such as custom system development based on the index, my signals based on the Sentinal Index and a short description of each trade daily, and so forth. If you are interested in any of these, PM or email me, and we can make a system like this one together :)

Success rate: aprox. 80% over 4 years
Equity: $5,000 to $460,526.50 USD in 4 years
Pips: 10,467 in 4 years (or an average of 215 a month)

Kev

aparsai 03-26-07 8:23pm

This is really cool. Thanks for sharing the info. I'll try it in the near future and will get back to you ASAP. Thanks again.

Al

Mina 03-26-07 8:36pm

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seems neat .. waiting for the indicator dude

Someone 03-26-07 8:38pm

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great stuff

Hi,

This looks great, I know rob well and I can see he has showed you how to backtest...

I will backtest this myself tonight

Thanks for sharing

-S-

Kevin_E 03-26-07 8:44pm

Well, the Sentinal index isn't widely distributed as of yet. Joe Knight is the origional creator, and he let me borrow his idea, computerize and backtest it according to my NFP system. I am in the process of making a webpage that has real time java based charts that will provide the indicator (free of charge). I am on holiday in Canada, and will be returning this Wednesday, so expect something by this coming weekend. I don't have a completely automatic system for producing the indicator, though I am working on a program to do so, so I can't exactly re-do my work here :) It would take entirely too long. So I hope you can bare with me in the next few days.

-Kev

Mina 03-26-07 8:53pm

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take your time kevin :)

Miguel 03-26-07 8:56pm

Thank you Kevin for bringing this to us. Definatly worth the test. Enjoy the holiday :wave:

mrmikal 03-26-07 8:58pm

Will the sentinal rules be published so we can incorporate them into our API? It sounds like it will end up being for sale. Freely available from the website, but how can we automate the trades our selves without the rules for the sentinal? We can't back-test your results...and we can't verify the signals.

Are you planning on making the rules freely available? or will the indicator be for sale?

> Quote:

Originally Posted by **Kevin_E** (Post 254458)
Well, the Sentinal index isn't widely distributed as of yet. Joe Knight is the origional creator, and he let me borrow his idea, computerize and backtest it according to my NFP system. I am in the process of making a webpage that has real time java based charts that will provide the indicator (free of charge). I am also starting a signal service based on this indicator where I will offer updated sentinal numbers, how to trade based on the indicator, signals based on the indicator, one on one help in trading with it, etc. Also, all the data that I have on the indicator is back home. I am on holiday in Canada, and will be returning this Wednesday, so expect something by this coming weekend. I don't have a completely automatic system for producing the indicator, though I am working on a program to do so, so I can't exactly re-do my work here :) It would take entirely too long. So I hope you can bare with me in the next few days.

-Kev

Kevin_E 03-26-07 9:42pm

mrmikal,

I'm not withholding the Sentinal index from anybody. I'm going to make it freely available, but none of my work is here. If you want the rules to create the Sentinal index, something I worked hours a day for weeks to come up with in a useable format, then here you go :) Any time frame (30 minutes used in the system), take the close of the current candle and subtract the close from the previous candle from it. That gives you a number that shows which direction (up if the number is positive, down if the number is negative) the pair has moved in the last two 30 minute candles. Now, do that for all 7 USD based pairs for the same candle (if you subtract the close on candle 8:30 from the close on candle 8:00 for Jan 8th, 2006 GBP, then you must subtract the close on candle 8:30 from the close on candle 8:00 for Jan 8th, 2006 for the other 6 pairs). Add all the numbers together, divide by 7 (to come up with an average USD move) and that gives you a number....logistically the total average amount all the USD based pairs have moved.

Now chart it. Take a base number, doesn't matter what it is...I use 1000. For each 30 minute candle you do the above rules for (and come up with your sentinal number for every 30 minutes), add this to your base number. If your first calculation gives you +8.24 (the number you get after you add all the movements together and divide by 7), add it to your base number 1000 to get 1008.24. Plot that on your graph. The second calculation (next 30 minute candle) gives you a movement of -3.12...then add that to your previous sentinal number which becomes 1005.12. You see? Thats a sentinal number. If you'd like to wait a few days, I can definately get you my hand generated numbers. Until then, if somebody comes up with an automated way of producing this on a chart, then I'd love to see it. It would save me much work :)

-Kev
Savage Pip Fiend

smjones 03-27-07 5:03pm

Hi Kevin_E,

Thanks for posting this intriguing idea...

I have been playing with the math for this sentinal index... I have a few questions;

1. In your rules you say you overlay the sma on top of it... How are you normalizing the index to match the scale of the SMA? Or are you referring a 7day sma of the sentinal index and not a 7 day sma of the close? If that is the case, how are you determining a 7 day SMA of a 30min index? Are you using 336 periods of the 30 minute timeframe index? Or are you choosing some particular time of day for the index to denote a end of day.?

2. I see from your backtest, that you have performed the test on GBPUSD.
Have you tried anyother pairs or is this strategy for GBPUSD?

It is an interesting idea... I would like to look into it further... thanks in advance, Scott

mrmikal 03-27-07 7:04pm

Kevin,

Thanks for the info...question, though...

The USD/JPY cross...obviously that number will be considerably higher than the others...won't that screw with your average? For example:

The USD/JPY moves 7 pips but the the GBP moves 60 pips...if you don't normalize and just take the subtracted value, you will get (0.07 + 0.006) / 2 = 0.038, which obviously will be skewed...if you were to do the pip values, you would get (60 + 7) / 2 = 33.5 pips...so what is it?

Do you have to normalize the pip value or something?

Also, you say chart the 7 USD base pairs.

What pairs are those? If you're charting the majors, that should be 4 pairs. After that, we have the NZD, AUD and CAD, I would guess...but what about the HKD, the SKK, the Rand, etc...I'm taking it as you're not including those...just the 7 crosses I mentioned. Right?

> Quote:
>
> ---
>
> Originally Posted by **Kevin_E** (Post 254497)

mrmikal,

I'm not withholding the Sentinal index from anybody. I'm going to make it freely available, but none of my work is here. If you want the rules to create the Sentinal index, something I worked hours a day for weeks to come up with in a useable format, then here you go :) Any time frame (30 minutes used in the system), take the close of the current candle and subtract the close from the previous candle from it. That gives you a number that shows which direction (up if the number is positive, down if the number is negative) the pair has moved in the last two 30 minute candles. Now, do that for all 7 USD based pairs for the same candle (if you subtract the close on candle 8:30 from the close on candle 8:00 for Jan 8th, 2006 GBP, then you must subtract the close on candle 8:30 from the close on candle 8:00 for Jan 8th, 2006 for the other 6 pairs). Add all the numbers together, divide by 7 (to come up with an average USD move) and that gives you a number....logistically the total average amount all the USD based pairs have moved.

Now chart it. Take a base number, doesn't matter what it is...I use 1000. For each 30 minute candle you do the above rules for (and come up with your sentinal number for every 30 minutes), add this to your base number. If your first calculation gives you +8.24 (the number you get after you add all the movements together and divide by 7), add it to your base number 1000 to get 1008.24. Plot that on your graph. The second calculation (next 30 minute candle) gives you a movement of -3.12...then add that to your previous sentinal number which becomes 1005.12. You see? Thats a sentinal number. If you'd like to wait a few days, I can definately get you my hand generated numbers. Until then, if somebody comes up with an automated way of producing this on a chart, then I'd love to see it. It would save me much work :)

-Kev
Savage Pip Fiend

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smjones 03-27-07 7:07pm

I think he mentioned the 7 pairs in his first post

This system relies heavily on an indicator called the Sentinal Index. Origionally created by Joe Knight, I adopted the concept and gave it a use in my system. What it is is a "dollar index" created by taking the movement of the 7 major USD based pairs (GBP/USD, EUR/USD, AUD/USD, NZD/USD, USD/JPY, USD/CAD, USD/CHF)

I just ignore the decimal when I built my index. That way it normalizes itself... It would be good to here Kevin's take on this...

mrmikal 03-27-07 7:21pm

Wow, I must have totally been blind...the details were in the first post...I just couldn't get the gist of what was going on. OK...Now I totally get it. I assume it wouldn't be too difficult to create an indicator on this for MT. I've been looking at doing something similar but for another purpose.

On a side note, I would think a "real" dollar index would have to possibly weight each of these currencies based on average daily volume. Obviously trades in less liquid pairs (like the GBP/USD) can move the index disproportionately just because of the higher volatility (due to lack of liquidity). Again, I'm not saying that the Sentinal index should be modified, but I was thinking along the same lines.

Anyways...interesting stuff.

Quote:

Originally Posted by **smjones** (Post 255341)
I think he mentioned the 7 pairs in his first post

This system relies heavily on an indicator called the Sentinal Index. Origionally created by Joe Knight, I adopted the concept and gave it a use in my system. What it is is a "dollar index" created by taking the movement of the 7 major USD based pairs (GBP/USD, EUR/USD, AUD/USD, NZD/USD, USD/JPY, USD/CAD, USD/CHF)

I just ignore the decimal when I built my index. That way it normalizes itself... It would be good to here Kevin's take on this...

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smjones 03-27-07 7:23pm

Quote:

Originally Posted by **mrmikal** (Post 255349)

On a side note, I would think a "real" dollar index would have to possibly weight each of these currencies based on average daily volume. Obviously trades in less liquid pairs (like the GBP/USD) can move the index disproportionately just because of the higher volatility (due to lack of liquidity). Again, I'm not saying that the Sentinal index should be modified, but I was thinking along the same lines.

Anyways...interesting stuff.

This is a good point.. I had not even thought of it... something else to play with... Thanks...

Kevin_E 03-27-07 9:05pm

Yeah usually I just ignore the decimal to normalize. My first attempts at a sentinal index were to create a base day (Jan 3rd of 2000) and take the first close of that day as a base number (insead of 1000). Then, for each day, subtract the sentinal numbers from the base day like normal, totally taking the decimal out of the equation, giving me a normalized rounded number of the total pips moved. The number doesn't really matter, just the movements.

I have also taken into account the strength of each pair in relation to the USD, and its effect on the Sentinal index. Ideally, if you make the sentinal index without factoring this in, it would react differently to different pairs (seeing as how some pairs are more effected by the USD than others), instead of attempting to normalize to make it behave the same on each pair. I sort of counted on this, as I would test all the pairs versus the Sentinal index, and see which one it would work best on during different days and times (and months/years). I kind of stopped at GBP/USD because I entered into a contest, and the time constraints forced me to stick to one pair as opposed to manually backtesting on all the other ones. I'm working on putting this into an expert advisor in MQL4, which will let me backtest this against other pairs much more quickly, and let me share it more openly.

A "corrected" index would be me creating proportions on how far a pair has gained or slid against the USD (its weight on the USD currently versus the other pairs) and factoring that into the Sentinal number, giving me a different indicator for each pair. I'll probably work on that later on, but I think theres alot more for me to milk out of this as of now, so I'll put that idea on the back burner ;)

Also, I've already thrown around a few ideas and charts about only charting the number in specific time frames. If you're only able to trade between the hours of 5pm and midnight, for example, make your number only deal with the times between 5pm and midnight. I've done one between 9am and midnight (completely ignoring the times of midnight to 9am), and the results are pretty nice, and still reflect a good indicator. When I get home in a couple of days, I'll definately share more on it. Until then.

-Kev
Savage Pip Fiend

smjones 03-27-07 9:12pm

Kevin, when you get a minute, could you answer my first question about the 7 days sma in this post ?
http://www.forexfactory.com/showpost...1&postcount=10

thanks

Kevin_E 03-27-07 9:44pm

I simply factor.
30 minutes = 336 SMA

You could use one time of day, but you would only come up with one point per day, and a straight line between them...also meaning you could only take a trade at that one point during the day, because only then would you know if your sentinal number is above or below the SMA.

:) sorry about missing the question.

-Kev
Savage Pip Fiend

smjones 03-27-07 10:05pm

Quote:

Originally Posted by **Kevin_E** (Post 255477)
I simply factor.
30 minutes = 336 SMA

You could use one time of day, but you would only come up with one point per day, and a straight line between them...also meaning you could only take a trade at that one point during the day, because only then would you know if your sentinal number is above or below the SMA.

:) sorry about missing the question.

-Kev
Savage Pip Fiend

Thanks, the 336 is what I figured it would be.

smjones 03-28-07 12:17am

Another question. Where and how are you placing stops, so you can determine your risk % I see you haveused 5%, but what is that 5% based on? thanks

Kevin_E 03-28-07 12:52am

Well, I leverage 5% of my account.

Meaning if I have an account worth 50,000, I'll be leveraging 2,500 per position (or 2.5 lots for both positions that I have open, 5 lots total..which is 10% total leverage). Then I just put the stops 100 pips in the opposite direction, which mean a drawdown of aprox. 10% of my account if I lose, but has in the past gained back decently :)

-Kev
Savage Pip Fiend

waltini1 03-28-07 10:35am

How about this indicator

1 Attachment(s)
Hi Kevin,

thanks for sharing. Have you seen this Metatrader indicator which compares moving averages. Perhaps it would be possible to set the moving average to 2?

Its not my indicator, I believe the credits are still at the top of the code.

iya 03-28-07 11:18am

Currency basket indicator

3 Attachment(s)
Hi,
i have another indicator, that calculates the value of a currency against a weighted average of several other currencies. It could easily be modified for the Sentinal index, but maybe it's already good enough as it is.
A currency basket is what central banks use to monitor an exchange rate, with weights based on trade volume.
The indicator can also be used to calculate exotic crosses, or simple inverses of standard pairs.

From a mathematical point of view it's impossible to calculate the "absolute strength" of a commodity, from any number of prices. (I suppose that was the aim of the Sentinal index.) Practically one further condition can often be made, like assuming that one price or the value of some basket is fixed.

One hint for the use: numerator, denominator and weights input is made by strings and the parsing is not very sophisticated: use three character symbols, four digit weights (percent) plus seperators.

Kevin_E 03-28-07 2:41pm

I'm very impressed with people's ideas and strategies based on the indicator! I didn't know discussion

would be this high in the Sentinal's reguard, but I'm really glad it is. I'm headed home today (very sad about that), and I'll be home later on tonight. Depending on how I feel after the flight, I may post all of my data when I get home on the Sentinal index thus far, but if I'm too tired or jet lagged, then I'll post it tomorrow first thing. Thanks for keeping interest fellas.

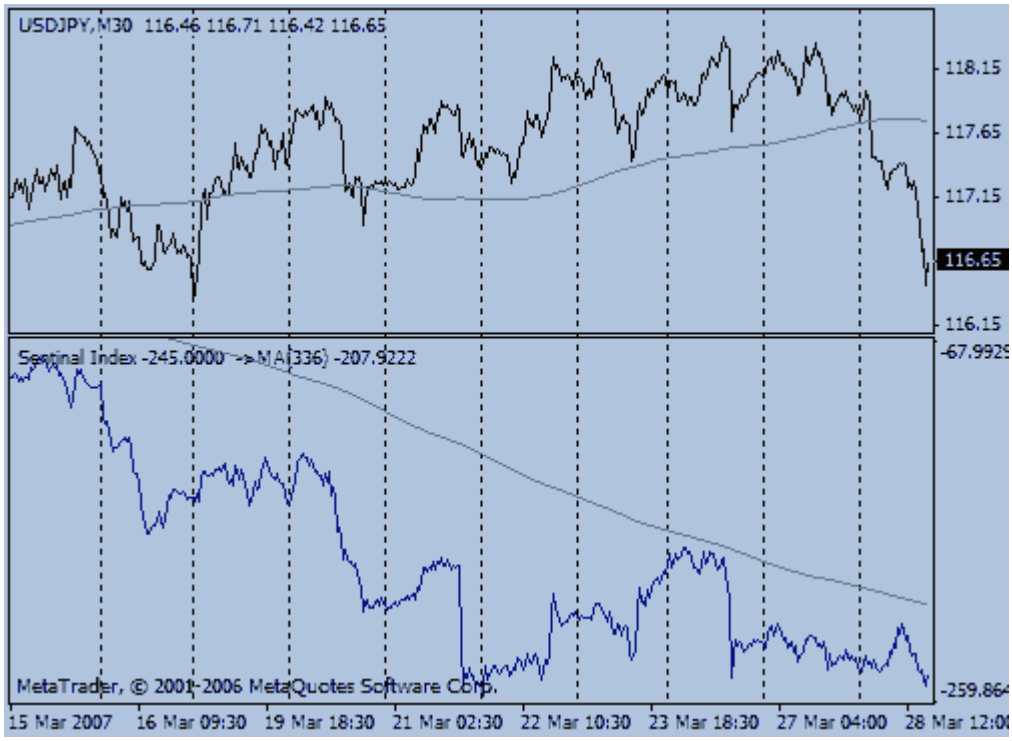
-Kev

iya 03-28-07 5:14pm

Sentinal indicator

1 Attachment(s)
Here is the first version of a Sentinal index indicator. It should be a lot easier to read and modify (the code) than the currency basket indicator.
I took the liberty to include the choice of measering moves in percent, pips or dollars. Percent is the easiest to calculate and the most meaningfull, imo - but the results are pretty similar (apart from scaling), since all three are almost independent of the second currency.

If we want to come as close to a pure dollar index as possible, here is a suggestion: How about using the median of all relative moves of the last 30 minutes instead of an average. This would filter out currencies that moved a lot independently of the dollar, and I think you could actually get rid of all the weighting.



bubo 03-28-07 5:50pm

hello kevin,

thank you for sharing your ideas. for programming the indicator, i still have a couple of questions for clarification:

(1) when you average the currency pairs, i understand you did not weight them:

(a) but did you take into account that USDJPY moves at a different decimal and if you directly compare with other currencies, each 'pip' will count as 10 pips in other currencies? or did you calculate in pips for each currency and they all are the same? (in that case USDJPY/10 should be used for calculations).

(b) and did you take into account that some currency pairs move in different directions and the direction will have to be adjusted? (e.g. EURUSD and USDCHF are opposite).

(2) SMA(336): this is the SMA on the sentinal indicator, correct? not on price.

first we should do whatever you did, because your system made money in the backtest.

have a safe trip home, and thank you for your answers

:)

smjones 03-28-07 5:55pm

Quote:

Originally Posted by **bubo** (Post 256496)
hello kevin,

thank you for sharing your ideas. for programming the indicator, i still have a couple of questions for clarification:

(1) when you average the currency pairs, i understand you did not weight them:

(a) but did you take into account that USDJPY moves at a different decimal and if you directly compare with other currencies, each 'pip' will count as 10 pips in other currencies? or did you calculate in pips for each currency and they all are the same? (in that case USDJPY/10 should be used for calculations).

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first we should do whatever you did, because your system made money in the backtest.

have a safe trip home, and thank you for your answers

:)

This has been covered in previous posts

http://www.forexfactory.com/showpost...1&postcount=15

http://www.forexfactory.com/showpost...7&postcount=17

smjones 03-28-07 5:57pm

Quote:

Originally Posted by **iya** (Post 256463)
Here is the first version of a Sentinal index indicator. It should be a lot easier to read and modify (the code) than the currency basket indicator.
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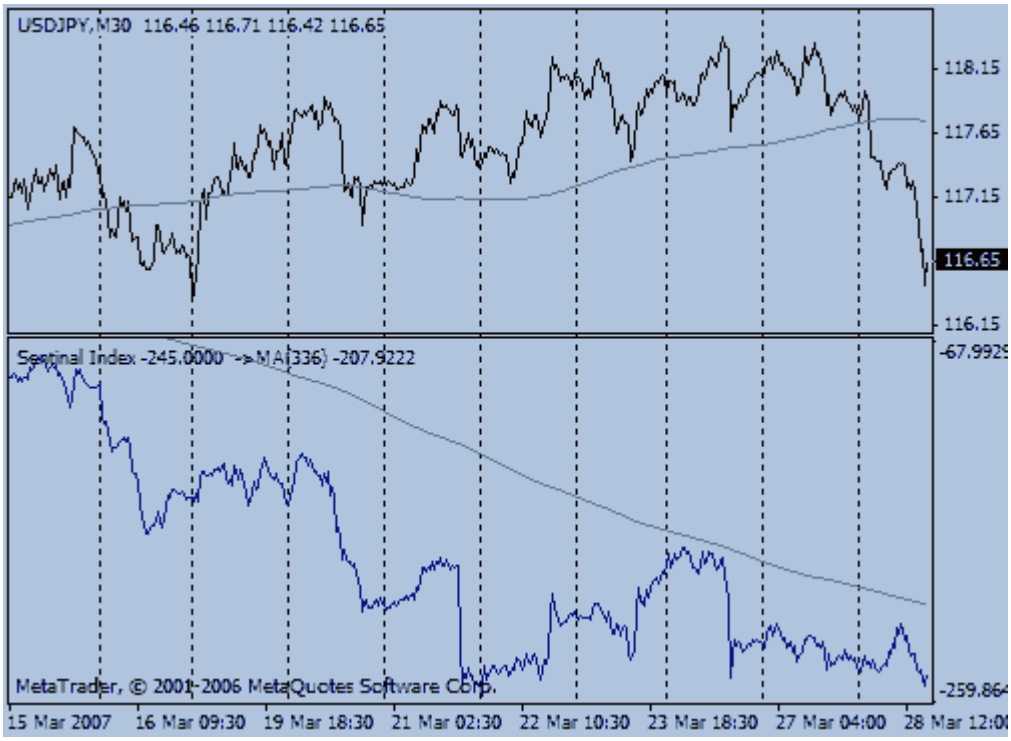
If we want to come as close to a pure dollar index as possible, here is a suggestion: How about using the median of all relative moves of the last 30 minutes instead of an average. This would filter out currencies that moved a lot independently of the dollar, and I think you could actually get rid of all the weighting.



Thanks for writing this index for MT4.. It looks like it is just the ticket...

mrmikal 03-28-07 6:46pm

Just FYI,

You may have issues getting this to run IF your currency pairs aren't standard...for example...interbank FX names their MINI currency pairs EURUSDm (with the "m" at the end)...this causes a non-calculation of the index. BUT you can change it in the script...which is very very clean...LOVE IT!

Quote:

Originally Posted by **iya** (Post 256463)
Here is the first version of a Sentinal index indicator. It should be a lot easier to read and modify (the code) than the currency basket indicator.
I took the liberty to include the choice of measering moves in percent, pips or dollars. Percent is the easiest to calculate and the most meaningfull, imo - but the results are pretty similar (apart from scaling), since all three are almost independent of the second currency.

If we want to come as close to a pure dollar index as possible, here is a suggestion: How about using the median of all relative moves of the last 30 minutes instead of an average. This would filter out currencies that moved a lot independently of the dollar, and I think you

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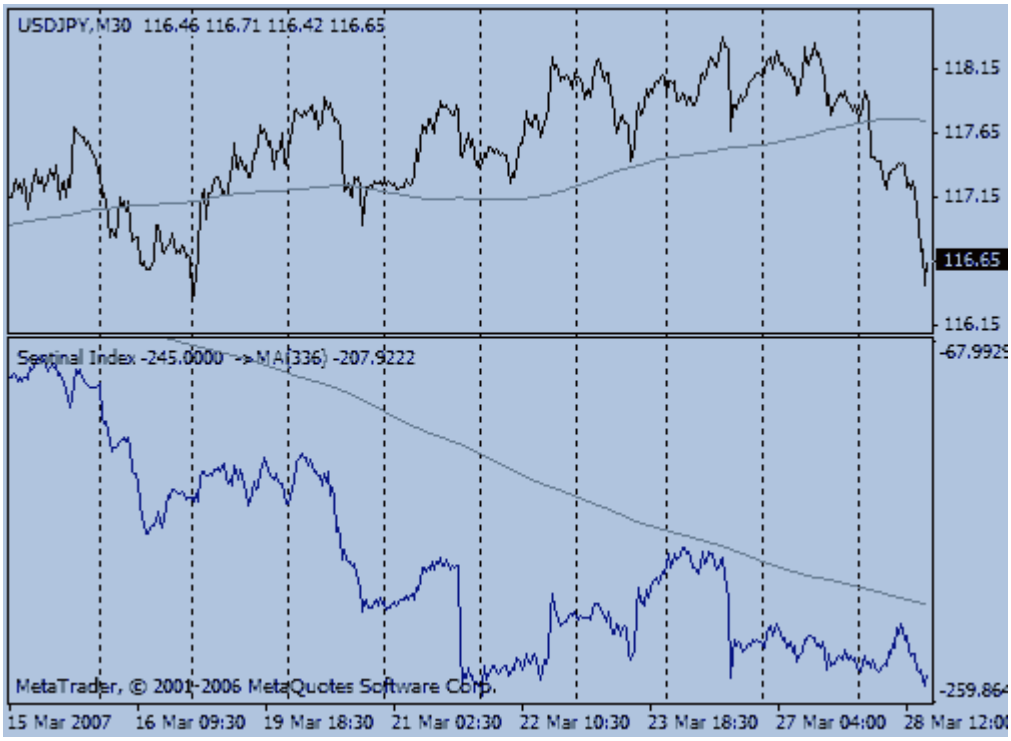

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bubo 03-28-07 6:48pm

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1 Attachment(s)
excellent work, iya !!

this answered my questions, and i took the liberty to do 2 modifications:

(1) SMA added
(2) direction reversed, so it reflects the direction of GBPUSD on which Kevin worked

sparky777 03-28-07 7:30pm

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what time dose this work on I am +3 in Latvia

need to know what time to use for this box on the 30min chart

thanks for the good work

hksweeper 03-28-07 8:35pm

Details on Box, Time, and Re-entries.

Hi Kevin,

Thanks for sharing this interesting trading system.

Regarding to the rule, "Draw box (horizontal line on high and low) between 8:30 on NFP Friday and midnight the following Monday."

Do you mean the box is drew from 08:30 Friday to 00:00 Monday? or 00:00 Tuesday?

Is the time based on EST?

Please kindly clarify. Once again, thanks for sharing!

Best Regards,

hksweeper

climax 03-28-07 9:40pm

Problem

1 Attachment(s)
Hi all,

Verry intresting System

Just got one problem with the Sentinal Index_SMA indicator.

It only draws till jan 25 (see pic)

Anny sugestions ?

Thanks

Matiasfx 03-28-07 10:35pm

Quote:

Originally Posted by **hksweeper** (Post 256666)
Hi Kevin,

Is the time based on EST?

hksweeper

Yes, i would say that its EST time (8:30 est, the time when NPF its released)

Please Kevin correct me if i am wrong, and Thank u very much for your work

Matty

Matiasfx 03-28-07 10:52pm

Quote:

Originally Posted by **climax** (Post 256737)
Hi all,

Verry intresting System

Just got one problem with the Sentinal Index_SMA indicator.

It only draws till jan 25 (see pic)

Anny sugestions ?

Thanks

Me too... when i added it to the chart was looking good and then i tried to check the indicator properties and now it only draws to jan 25, and i cant fix it... maybe a bug??

Thanks fellas
matty

bubo 03-28-07 11:42pm

Sentinal Index_SMA

i don't have that problem with drawing only to jan 25.

have you tried to scroll back? i don't know if all 7 currencies need to be opened at M30 or whatever you use and need to be scrolled back to ensure your computer has the actual data downloaded on your hard drive.

also, it is possible that your memory is limited in MT4. go into 'Tools', then 'Options', then open 'Charts', and fill the 'Max bars in history' and 'Max bars in chart' with as many 9999999 as will fit in. the program will then reset to the max allowable number of data stored.

climax - i also don't see your SMA line on the chart. no idea why not - it is showing on my computer without a problem.

hksweeper 03-29-07 12:29am

Quote:

Originally Posted by **Matiasfx** (Post 256773)
Yes, i would say that its EST time (8:30 est, the time when NPF its released)

Please Kevin correct me if i am wrong, and Thank u very much for your work

Matty

Hi Matty,

Thanks for clarifying. Do you know if we draw the box from 08:30 Friday to 00:00 Monday? or 00:00 Tuesday?

Regards,

hksweeper

Matiasfx 03-29-07 1:19am

Quote:

Originally Posted by **hksweeper** (Post 256882)
Hi Matty,

Thanks for clarifying. Do you know if we draw the box from 08:30 Friday to 00:00 Monday? or 00:00 Tuesday?

Regards,

hksweeper

Actually im not sure, i guess its sunday nigth/monday 00.00Est and that would be like all friday and sunday data that in some plataforms its one day, but just guessing here mate... i would like Kevin to clarify that to be sure..

Bubo thanks for the suggestion.. will try and see

Matty

fx4_ever 03-29-07 1:12pm

Quote:

Originally Posted by **bubo** (Post 256550)
excellent work, iya !!

this answered my questions, and i took the liberty to do 2 modifications:

(1) SMA added
(2) direction reversed, so it reflects the direction of GBPUSD on which Kevin worked

---

Hi:
This is excellent!
First, I missed the reverse part and got confused. Duh.. LOL
Is it possible to add Boll Band, 5EMA and 13EMA to this?
If you can't redo, could you post the code, so I can add it?
I am just start to learn how to code, so it's not easy for me to modify the stuff yet.
Thanks,

bubo 03-29-07 4:20pm

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fx4_ever:

thank you, and yes - great idea and it is certainly possible to add other indicators on the Sentinal Index. i was thinking along the same lines, particularly for exit strategies.

however, i would suggest that we consolidate our progress, or we will race into outer space and have

a lot of ideas but nothing solid.

Kevin's results are solid and he won a prize for them. i suggest that we

(1) verify whether our Sentinal Index is correct and measures the same as Kevin's Sentinal Index;

(2) backtest whether Kevin's positive results can be repeated with our Sentinal Index and an EA;

(3) try to increase the efficiency of the system by whatever means we can think of.

i suggest we follow some discipline in supporting Kevin and rely on his help to achieve these goals. i have seen many threads start with great ideas and then go into a thousand directions and all remain largely untested possibilities.

p.s. you can see and modify the code anytime, right-click the name of the indicator on the left hand panel and choose 'Modify'.

Kevin_E 03-29-07 5:19pm

Hello~!

Hello to everybody :) I just got back from vacation from Canada, my legs are killing me, long flights and all. I'm just touching base, I'll be back a little bit later on today to answer all of your questions, and start putting up Sentinal data for you to compare your own calculations with. Thank you all for your support

-Kev
Savage Pip Fiend

Kevin_E 03-29-07 5:38pm

Bubo,

I think that is a great idea.

1. As to verifying weather or not the indicator is correct, I'll take a look at iya's code and determine how his is calculated, and let you know something definate on if the same calculations were used in mine (though I have a pretty good feeling it is). If it is any different, or some changes need to be made, I'll make the changes and post commented code that shows what I changed and why (if Iya doesn't mind me messing with his code a bit ;)). I'll also be posting data on my index, so we can all compare.

2. Backtesting is self explanitory...once you get the Sentinal indicator down solid (major props on getting it automated so fast by the way...I was having more than a hard time updating it by hand), then the backtesting should be easy to do, and the variables (such as the SMAs you are using, entry

methods, etc) can be easily changed and tweaked until we come up with something better.

---snip--

As for my box drawing, I do it midnight the following Monday (not Tuesday). 8:30 am on Friday to 00:00 on Monday.

-Kev
Savage Pip Fiend

bubo 03-29-07 6:10pm

Perfect! I suggest you use the modified 'Sentinal Index_SMA' - it is iya's code but has the same direction as GBPUSD and the SMA built in.

http://www.forexfactory.com/showpost...0&postcount=29

Kevin_E 03-29-07 6:36pm

Nice!

1 Attachment(s)
Excellent job all!

I did some eye tests with Sentinal Index_SMA, and everything seems to be perfect. I've attached some sentinal data done by hand, 30 minute chart with the NZD removed (because thats what I calculated it with this last time I re-made my sentinal index...the feed I was using didn't have the NZD. You'll see my sans-NZD results in the attached xml file). I removed the NZD on the Sentinal Index_SMA and charted it, pretty much a perfect match. This code is what you should use to do your backtesting.

I'll put some stuff together today, and see what kind of backtesting data I can come up with. I'll post my results.

If this works out right, I have a few other high success Sentinal systems I'd like to test out with this coded indicator. Then I'll run those by you guys too, see how it feels to you.

-Kev
Savage Pip Fiend

camisa 03-29-07 7:20pm

---

hi, i added sentinel_SMA to cable 30m chart but it only plots the indicator when I change TF to daily, why doesn't it work with 30m TF?

smjones 03-29-07 8:03pm

1 Attachment(s)
Quote:

> Originally Posted by **camisa** (Post 257849)
> *hi, i added sentinel_SMA to cable 30m chart but it only plots the indicator when I change TF to daily, why doesn't it work with 30m TF?*

It seems to be working on my charts.

hksweeper 03-29-07 9:36pm

Blank indicator window :(

1 Attachment(s)
Hi all,

Thanks for sharing the system and the indicator.

However, after I loaded the indicator, all I got is a blank indicator window, please see attached image. Is there anyone with the same problem? And anyone know the solution? Please kindly advise. :(

Regards,

hksweeper

smjones 03-29-07 9:42pm

1 Attachment(s)
Quote:

> Originally Posted by **hksweeper** (Post 257945)
> *Hi all,*
>
> *Thanks for sharing the system and the indicator.*
>
> *However, after I loaded the indicator, all I got is a blank indicator window, please see attached image. Is there anyone with the same problem? And anyone know the solution?*

Please kindly advise. :(

Regards,

hksweeper

The reason is because you are using a mini account and the names do not match.

I can change the indicator so it will work on ibfx mini... be right back

Try this

camisa 03-29-07 9:56pm

Quote:

Originally Posted by **smjones** (Post 257952)
The reason is because you are using a mini account and the names do not match.

I can change the indicator so it will work on ibfx mini... be right back

Try this

---

could you do the favor to adapt it to north finance as none of this works on me?

smjones 03-29-07 9:57pm

Quote:

Originally Posted by **camisa** (Post 257961)
could you do the favor to adapt it to north finance as none of this works on me?

Could you post a chart, so i can see thanks scott

bubo 03-29-07 10:11pm

Thank you for the data, Kevin!

Looks like we calculated the same way. There is a slight discrepancy, you divided by 7 but had only used 6 currencies. This should not affect the pattern much.

I was actually surprised to see that leaving out of the NZD had still similar pattern but crossed the SMA at different points. So yes, we better leave NZD out for recreating your success story, at least for now. Easy to do, just set weight for NZD=0.

Or has anyone else different results?

Quote:

Originally Posted by **Kevin_E** (Post 257811)
Excellent job all!

I did some eye tests with Sentinal Index_SMA, and everything seems to be perfect. I've attached some sentinal data done by hand, 30 minute chart with the NZD removed (because thats what I calculated it with this last time I re-made my sentinal index...the feed I was using didn't have the NZD. You'll see my sans-NZD results in the attached xml file). I removed the NZD on the Sentinal Index_SMA and charted it, pretty much a perfect match. This code is what you should use to do your backtesting.

I'll put some stuff together today, and see what kind of backtesting data I can come up with. I'll post my results.

If this works out right, I have a few other high success Sentinal systems I'd like to test out with this coded indicator. Then I'll run those by you guys too, see how it feels to you.

-Kev
Savage Pip Fiend

---

jlowder 03-29-07 11:03pm

Questions about the rules

1 Attachment(s)
Quote:

Originally Posted by **Kevin_E** (Post 254425)
Whats up fellas? I have something that I would like to share with you all. Rob Booker

www.robbooker.com recently held a contest to see who could come up with the best system to trade the NFP report. Here is the system (backtest data in Excel format), as I've agreed to make it freely available shortly after I won the contest. A couple of notes about it:

This system relies heavily on an indicator called the Sentinal Index. Origionally created by Joe Knight, I adopted the concept and gave it a use in my system. What it is is a "dollar index" created by taking the movement of the 7 major USD based pairs (GBP/USD, EUR/USD, AUD/USD, NZD/USD, USD/JPY, USD/CAD, USD/CHF) and averaging their daily moves together to come up with a meld of them all, and an overall direction of the dollar. I plot this in Excel, and lay my 7 day SMA indicator overtop, which I use for entry into the system. I don't have an automated means of charting and distributing the Sentinal Index yet (which I intend to distribute freely), but I do still update it by hand, and do offer services such as custom system development based on the index, my signals based on the Sentinal Index and a short description of each trade daily, and so forth. If you are interested in any of these, PM or email me, and we can make a system like this one together :)

Success rate: aprox. 80% over 4 years
Equity: $5,000 to $460,526.50 USD in 4 years
Pips: 10,467 in 4 years (or an average of 215 a month)

Kev

Hi Kevin,

I think I'm not clearly understanding some things.

1) Should the sentinal index always be above the SMA, regardless of which way you are trading? Or if going long it should be above and if going short it should be below?

2) Once the two horizontal lines are drawn, are those positions good until the next NFP or only for some other length of time?

On the attached chart I believe I have everything plotted correctly. The up arrow would be 8:30 EST and the down arrow would be midnight EST (I think FXDD is 0GMT). My lines are drawn accordingly.. Does this look correct?

Thanks,

Jason

Kevin_E 03-30-07 12:57am

Well, if one arrow is 8:30 and the other midnight on Monday, then your high line isn't in the right place. Draw with the absolute high and absolute low between those time frames.

In reguards to the Sentinal question -- Long trades taken above, short taken below. And in reguards to how long the lines are good for, I've never had a problem with them running all until the next NFP, so I just take it as it comes :) If it ran into the next NFP date, I would just not have taken the trade that month.

-Kev
Savage Pip Fiend

jlowder 03-30-07 2:40am

Lines

> Quote:
>
> ---
>
> Originally Posted by **Kevin_E** (Post 258082)
> *Well, if one arrow is 8:30 and the other midnight on Monday, then your high line isn't in the right place. Draw with the absolute high and absolute low between those time frames.*
>
> *In reguards to the Sentinal question -- Long trades taken above, short taken below. And in reguards to how long the lines are good for, I've never had a problem with them running all until the next NFP, so I just take it as it comes :) If it ran into the next NFP date, I would just not have taken the trade that month.*
>
> *-Kev*
> *Savage Pip Fiend*
>
> ---

Kev,

Ok, I see my mistake with the upper line (I was just looking at the specific bar). But based on your comments in your notes you mention taking several trades per month (4-5) which makes me believe this box scale is good until the next NFP date. So are you saying that if you could still see the lines when the next NFP came about, you wouldn't re-draw them?

Lastly, the exit is only when the price crosses the sma, or also when the sentinal crosses back over it's sma?

Thanks,

Jason

camisa 03-30-07 8:22am

Quote:

Originally Posted by **smjones** (Post 257962)
Could you post a chart, so i can see thanks scott

---

i think it worked in build 202 of MT4 for I upgraded to build 203 and now it doesn't work?

hksweeper 03-30-07 9:36am

Quote:

Originally Posted by **smjones** (Post 257952)
The reason is because you are using a mini account and the names do not match.

I can change the indicator so it will work on ibfx mini... be right back

Try this

Hi smjones,

My problem is solved! Thank you very much!

Best Regards,

hksweeper

rockrat 03-30-07 5:51pm

---

hi all

i seem to have a differnet problem with the indicator. i cant seem to get it to work with any time frame.
i have increased the max number of bars already suggested, i am not on a mini account (have tryd the amended version anyway just in case), i am on a normal demo from IBFX.

any advice, i so wanna be able to look at this as it looks pretty interesting

dormdweller 03-31-07 2:45am

Indicator doesn't seem to work with backtesting in MT

I use North Financial which uses MT4, however, anytime I try to call the indicatior in my EA, the indicator only returns the number 2147483647. No matter what I change and do, the indicator only returns this number. This only occurs in the backtesting. It works just fine when you add the indicator to the chart. Can't figure this one out. Anyone have any clue? The EA right now only calls the indicator and then prints the result so I could see if it working. Argh!!!

Any help is appreciated.

Thanks,

smjones 03-31-07 3:02am

Quote:

Originally Posted by **rockrat** (Post 258793)
hi all

i seem to have a differnet problem with the indicator. i cant seem to get it to work with any time frame.
i have increased the max number of bars already suggested, i am not on a mini account (have tryd the amended version anyway just in case), i am on a normal demo from IBFX.

any advice, i so wanna be able to look at this as it looks pretty interesting

---

Please post a chart, so we can see what it looks like...

smjones 03-31-07 3:05am

Quote:

Originally Posted by **dormdweller** (Post 259068)
I use North Financial which uses MT4, however, anytime I try to call the indicatior in my EA, the indicator only returns the number 2147483647. No matter what I change and do, the indicator only returns this number. This only occurs in the backtesting. It works just fine when you add the indicator to the chart. Can't figure this one out. Anyone have any clue? The EA right now only calls the indicator and then prints the result so I could see if it working. Argh!!!

Any help is appreciated.

Thanks,

It is a very small indicator with well designed logic. Why not just cut and paste the logic of the indicator directly into your EA?

btfl 03-31-07 8:00am

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indicator

hi all

i have a question:
the Sentinal indicator is calculate the average of 7 currency (the most merchantable).
i think the calculate should be with weight for each currancy. (for example
the eur/usd have a bigger weight from the aus/usd) that will give more accurate result.

what do you think fellow?

bubo 03-31-07 4:27pm

Problems viewing Sentinal Index on chart

Quote:

Originally Posted by **rockrat** (Post 258793)
hi all

i seem to have a differnet problem with the indicator. i cant seem to get it to work with any time frame.
i have increased the max number of bars already suggested, i am not on a mini account (have tryd the amended version anyway just in case), i am on a normal demo from IBFX.

any advice, i so wanna be able to look at this as it looks pretty interesting

---

It appears essential that you open windows for all of the 7 currency pairs that the indicator uses. If you don't do that, it may only draw part of the chart (where you have data) or none at all.

MT4 uses currency data stored in *.st files in the /history subdirectory (e.g. AUDUSD30.hst). I am not sure if you simply need to have a file for each currency and MT4 will load the needed data when

you are online, or if you need to scroll back and ensure that all data of your time period of interest on the chart is actually downloaded into these files on your computer.

Does anyone know?

bubo 03-31-07 4:37pm

EA / Indicator problems

Quote:

Originally Posted by **dormdweller** (Post 259068)
I use North Financial which uses MT4, however, anytime I try to call the indicatior in my EA, the indicator only returns the number 2147483647. No matter what I change and do, the indicator only returns this number. This only occurs in the backtesting. It works just fine when you add the indicator to the chart. Can't figure this one out. Anyone have any clue? The EA right now only calls the indicator and then prints the result so I could see if it working. Argh!!!

Any help is appreciated.

Thanks,

---

dormdweller,

i have exactly the same problem - indicator works fine on chart but gives me this number in EA. i tried to initialize the array but also did not help.

have you found a solution? maybe 2147483647 is the universal answer to all of our problems on this planet...

:)