

What this is:

1. A 1H breakout strategy is a Price Action/Fibonacci based trading strategy.
2. A simple, repeatable mechanical trading system
3. A template that can be applied via the trader to achieve a specific and defined profit

What this is NOT:

1. The Holy Grail
2. An indicator laden, user intensive trading system
3. A scalping system with specific Pip targets (exit at +5, or +10 Pips)

Why I am doing this:

I want to improve my trade execution sequence (see below) via a better method to exiting a trade once the 161.8 level has been hit. (Trailing stop experimentation)

What you will get out of doing this:

You will gain confidence from practicing, mastering a mechanical thought process and trade execution sequence. You will gain an understanding of how Fibonacci affects all trades, furthermore, you will learn to control greed and master patience.

The easiest thing about my system:

It can be applied using a simple checklist, which allows for ZERO user input... just execute the process steps in order.

The most difficult thing about my system:

You will enter trades for short/medium/long durations, all of which are completely out of your control... you MUST wait for the target to be reached.

Oh yeah, and the Stop Loss is at least 150 pips from your entry. 😊

The most important thing to remember:

Trust the trade, and stay in until the target is reached.

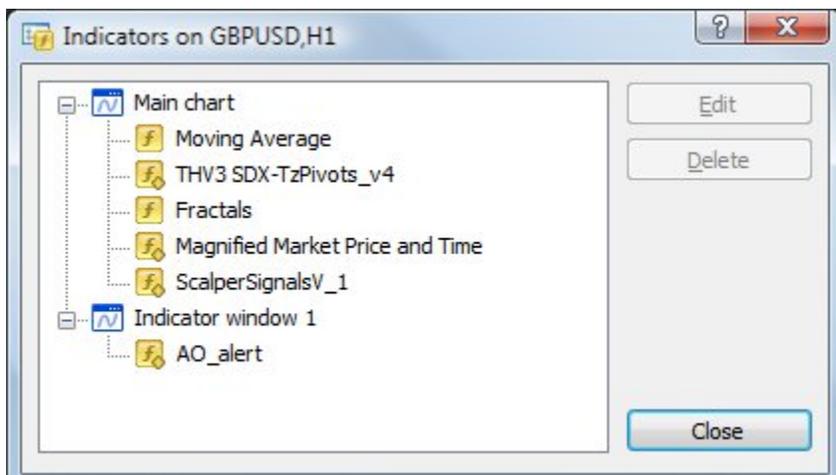
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Concept:

By utilizing the ScalperSignal alerts which are based on PA and MA correlation, the 1H Cubicle Breakout Strategy triggers trades which once the entry criteria is met will take the trade to a profit level of 161.8, 80% of the time on GBP/USD. (More pairs in testing)

Specifics:

All indys are in this image, the ones that require specific settings are detailed below.



- Scalper Signal Settings: Settings are: 14, 3, 55.0, default, 1, 1, 1, default, 0 blank, 3, 6, default, true, false, 25000:  
(The reason the wait time is set to 55.0 minutes is that I don't want to be alerted to a signal until the candle is nearly closed... as often occurs an alert is triggered in the first few minutes of a 60 min candle but that signal can fluctuate on/off for the duration until it closes.)

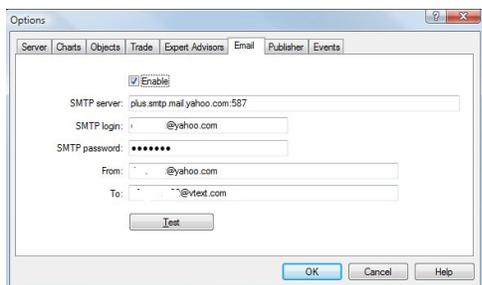
- THV3 Pivots: Set your time distance from the server... you can figure it out.

- Moving Average: I use a 12 period LWMA for fun.

1. Set up email alerts on MT4 by doing the following (just a recommendation, but this is what I have done/use and it's all I know.

A. Get a yahoo plus account (Yes it costs money)

B. Go to TOOLS>OPTIONS>EMAIL>... Check the enable box and make it look like



Click on it once and drag to enlarge

- C. If you cannot get email on your cell phone (which kills 2 birds with 1 stone) and do NOT want text alerts... then change the To: Box to the same email address that you have in the From Box for plain email alerts to your account.
- D. After setting this, click TEST... open your Journal... Ctrl+T... Journal... and see if it was successful

Misc:

After loading up the attached indicators and setting them to the correct parameters, enabling email/text alerts the user will be able to receive trade signals 24hrs a day during the market week. For those people who “sleep” I suggest purchasing a cheap baby monitor setup that can relay the audible alerts from their PC to the bedroom.

I also created a custom .wav file for my audible alert, it is 15 seconds of my personal alarm clock... it’s annoying and effective. Simply drag and drop it into your MT4 Sound file... and YES you want to replace the old “Alert” with this Alert... now every alert that is triggered will have this sound. (attached)

Execution:

Honestly what I have below is easy to understand, just think about it before PM’ing me with questions.

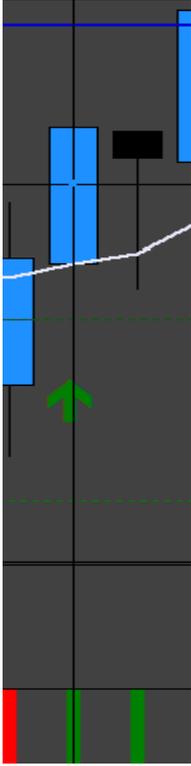
Cubicle		ALERT RECEIVED
1	>	Wait for Close of 60 Min Signal Candle
2	>	Draw a line at the High/Low Wick of the Signal Candle
3	>	Set Audible Price alert for that line
4	>	Click on the crosshair, hold it over the Signal Candle
5	>	Awesome O Bar color and Signal ARROW (not candle) Match?
ENTRY		
5	>	Enter on breakthrough of alert line
6	>	If no breakthrough... NO Entry
EXIT		
7	>	Fibonacci Plot (details on how to do this in the briefing)
8	>	Set Hard TP Limit order @ 161.8 price level, minus the spread
9	>	WAIT

What follow is a graphical display of the checklist above:

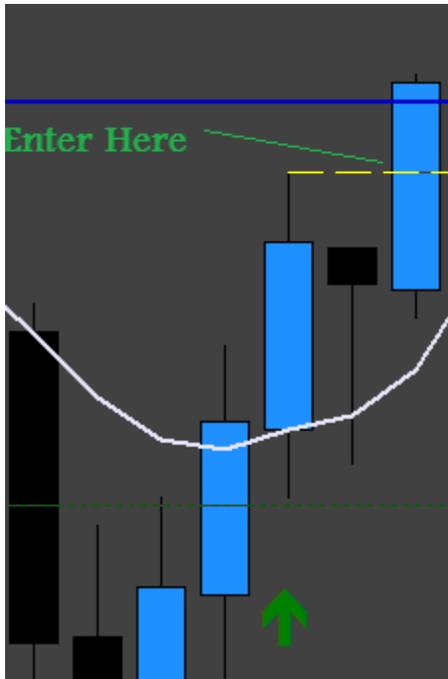
1. After alert is received wait for 60 M Candle to Close
2. Draw the break line at the wick high/low (yellow line)
3. Set audible alert (no example, you can figure it out)



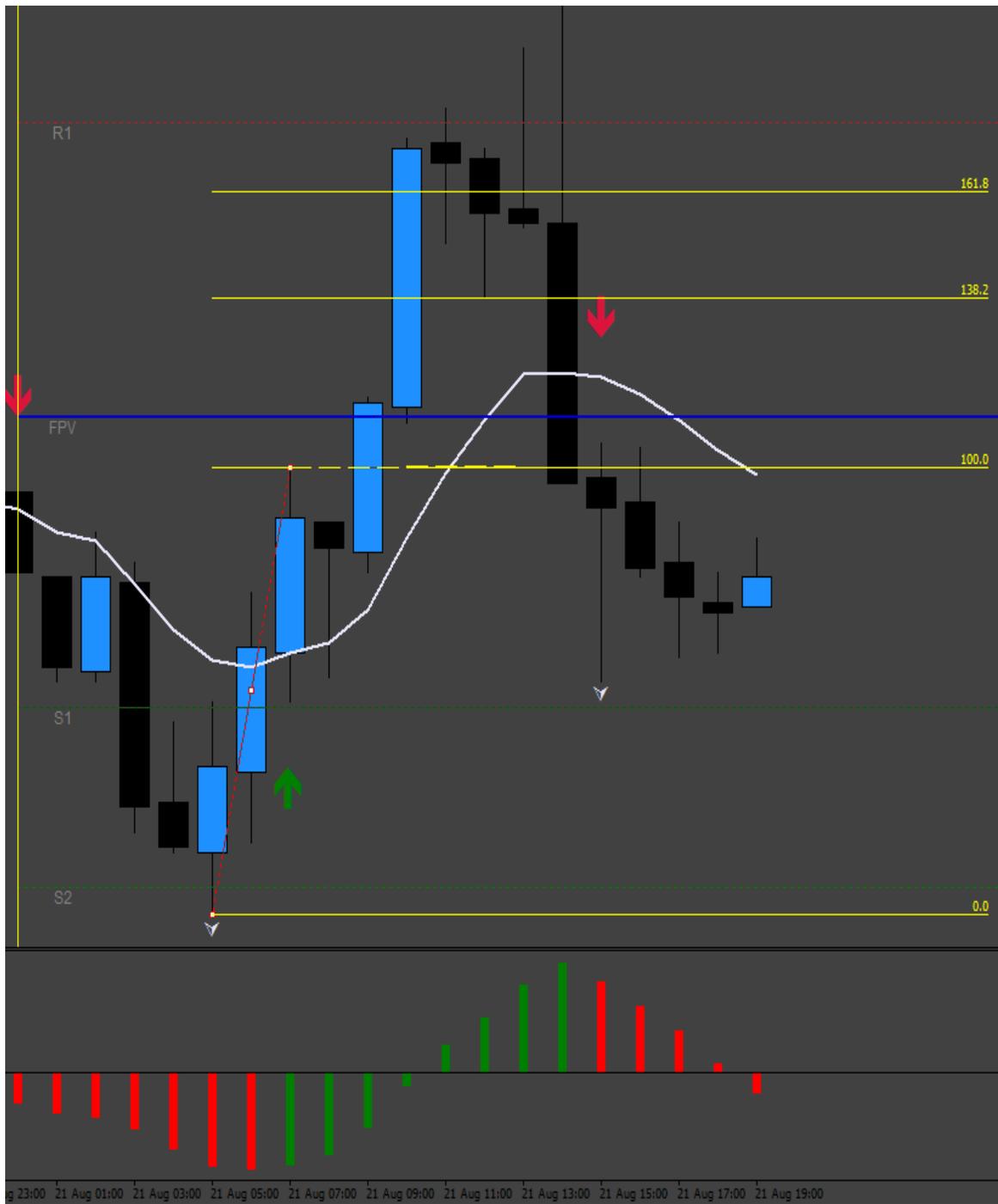
4. & 5. Compare AO/Signal Arrow Color



6. ENTER On breakthrough of alert line



7. Fib Plot:



8. Set hard TP Limit order at 161.8 minus the spread

9. Wait... in this case... +55 pips

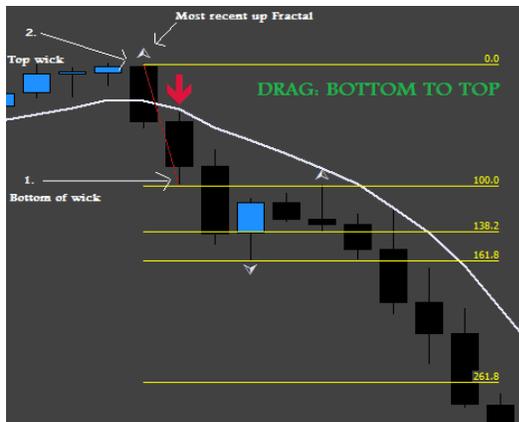


Now for the BIG secret: How to do the Fib Plot:

First, in words...then pictures.

SHORT SIGNAL:

1. Get out your Fib Retracement tool
2. Click on the BOTTOM (wick) of the Signal Candle, after it has closed
3. Drag up to the TOP (wick) of the MOST RECENT up Fractal



### LONG SIGNAL:

1. Get out your Fib Retracement tool
2. Click on the TOP (wick) of the Signal Candle, after it has closed
3. Drag up to the BOTTOM (wick) of the MOST RECENT Down Fractal



ALL IMAGES CAN BE SELECTED BY CLICKING ON THEM ONCE...AND EXPANDING

THAT'S IT:

Just set your limit order at the 161.8 level minus the spread on the currency

Example:

161.8 price level is: 1.4155

Spread is 3.0

TP Limit order placed at:  $1.4155 - 3.0 \implies 1.4152$

Where I need you're help:

Since we know that PA will take us to 161.8, 80% of the time and 261.8, 40% of the time...how can we develop a specific trailing stop level and amount to capture the pips after 161.8 but before 261.8?

That's what I want to find out.