10 SIMPLE STEPS
to Forex Robot
TRADING SUCCESS

THE DEFINITIVE 10-STEP SYSTEM

to find robust, reliable and profitable "Holy Grail Settings" through the MT4 Strategy Tester tool (suited for every EA)
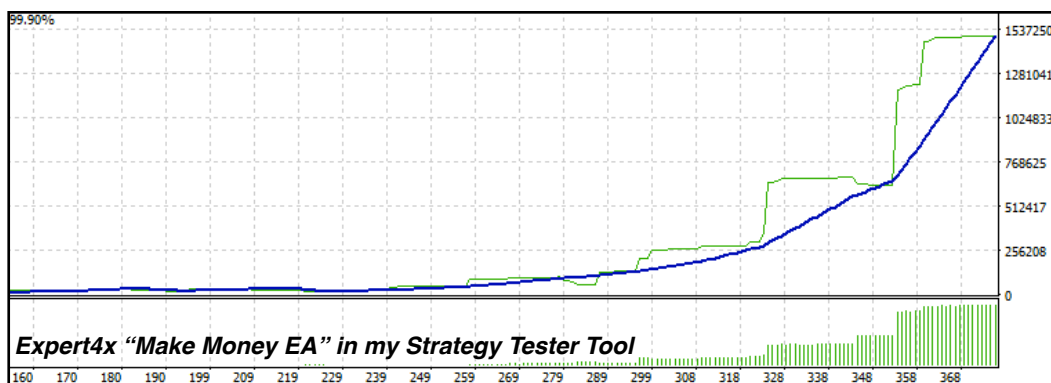
By FRANCESCO NANO from Italy

Special thanks to Alex du Plooy
that introduced me to the Expert Advisor world. In his
website you will find **really impressive EAs** that are likely to
meet your Forex trading needs (even if you are a beginner):

VISIT *Expert4x.com* NOW

EA SPECIAL OFFER:

Expert4x "Make Money EA" in my Strategy Tester Tool

If you purchase any *Expert4x* product after reading this page, let me know at expert4xdiscount@gmail.com by supplying your purchase details, and I will arrange a...

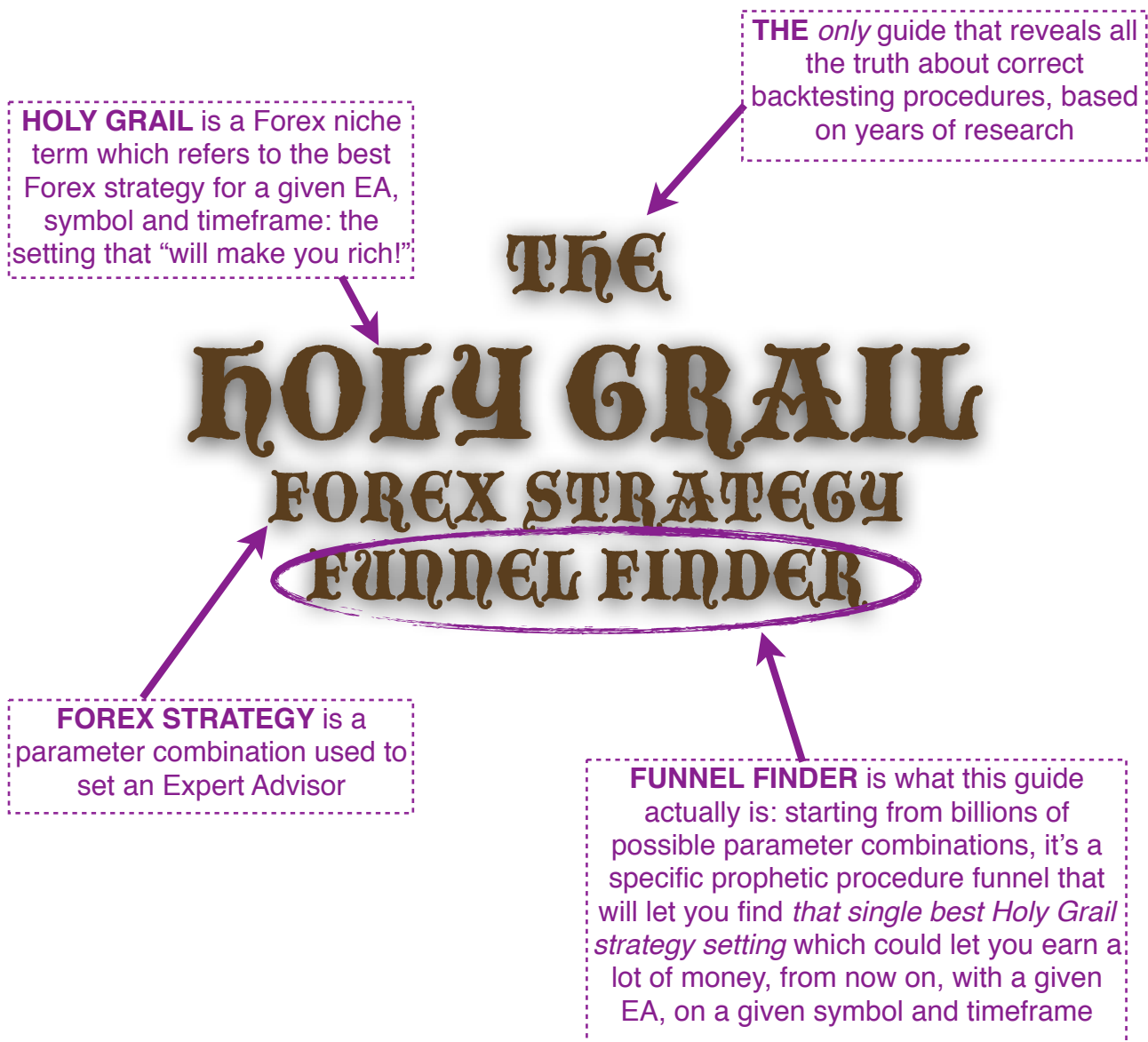**10% refund of your purchase price for you!**

INDEX OF CONTENT:

Risk Warning and Disclaimer

Forex involves a risk of loss. Please consider carefully if such trading is appropriate for you. Past performance is not indicative of future results. This content is for entertainment purposes only and do not constitute investment recommendations or advice. Trading foreign exchange carries a high level of risk and may not be suitable for all individuals. The high degree of leverage can work against you as well as for you. Before deciding to invest in foreign exchange or other markets you should carefully consider your investment objectives, level of experience and risk appetite. The possibility exists that you could sustain a loss of some, or all, of your initial investment. Therefore you should not invest money that you cannot afford to lose. In some cases, it is possible to lose more than your initial investment as it is not always possible to exit a market at the price you intend upon doing so. There are also risks associated with utilizing an Internet-based trade execution software application including, but not limited to, the failure of hardware and software. You should be aware of all the risks associated with investing in foreign exchange and seek advice from an independent financial advisor if you have any doubt. The information made available by this guide is for your general information and use and is not intended to address your particular requirements. In particular, the information does not constitute any form of advice or recommendation and is not intended to be relied upon by users in making, or refraining from making, any investment decisions. The author will not accept liability for any loss or damage, including but without limitation to, any financial loss, which may arise directly or indirectly from use of or reliance on such information either provided by him or others that participate in the services provided. Please use your own good judgment and seek advice from a qualified consultant, before accepting any of the information you are given. Past performance is not necessarily a guide to future performance.

PREFACE (OR PROPHECY?)

This brief manual is intended to help you in backtesting in finding out highly profitable and robust Forex Expert Advisor strategies through a solid and proven methodology. It was developed by assembling many backtesting gurus courses' concepts and years of personal testing and discoveries. Before we start, let's have a look at the previous (less explicit but more "prophetic") title of this book, used in its first release:

> **THE** *only* guide that reveals all the truth about correct backtesting procedures, based on years of research

> **HOLY GRAIL** is a Forex niche term which refers to the best Forex strategy for a given EA, symbol and timeframe: the setting that "will make you rich!"

THE HOLY GRAIL FOREX STRATEGY FUNNEL FINDER

> **FOREX STRATEGY** is a parameter combination used to set an Expert Advisor

> **FUNNEL FINDER** is what this guide actually is: starting from billions of possible parameter combinations, it's a specific prophetic procedure funnel that will let you find *that single best Holy Grail strategy setting* which could let you earn a lot of money, from now on, with a given EA, on a given symbol and timeframe

Comparing this system to a "funnel" is the best and more intuitive way to understand the big picture of this method. To better explain the idea I'm going to use a metaphor.

How many people from all over the world practice running? Millions? Billions? Ok, now let's imagine a new "Olympic Running Games", a worldwide competition which is going to determine who is the best World Champion Runner. The task is to compare billions of runners through a "race steps competition funnel" in which steps could be pre-selections, selections, qualifications, set competitions and so on...

This is exactly what you're going to do thanks to this method: starting from billions of potential parameter combinations, you are going to find the best World Champion Strategy (for a given EA running on a given symbol and timeframe).
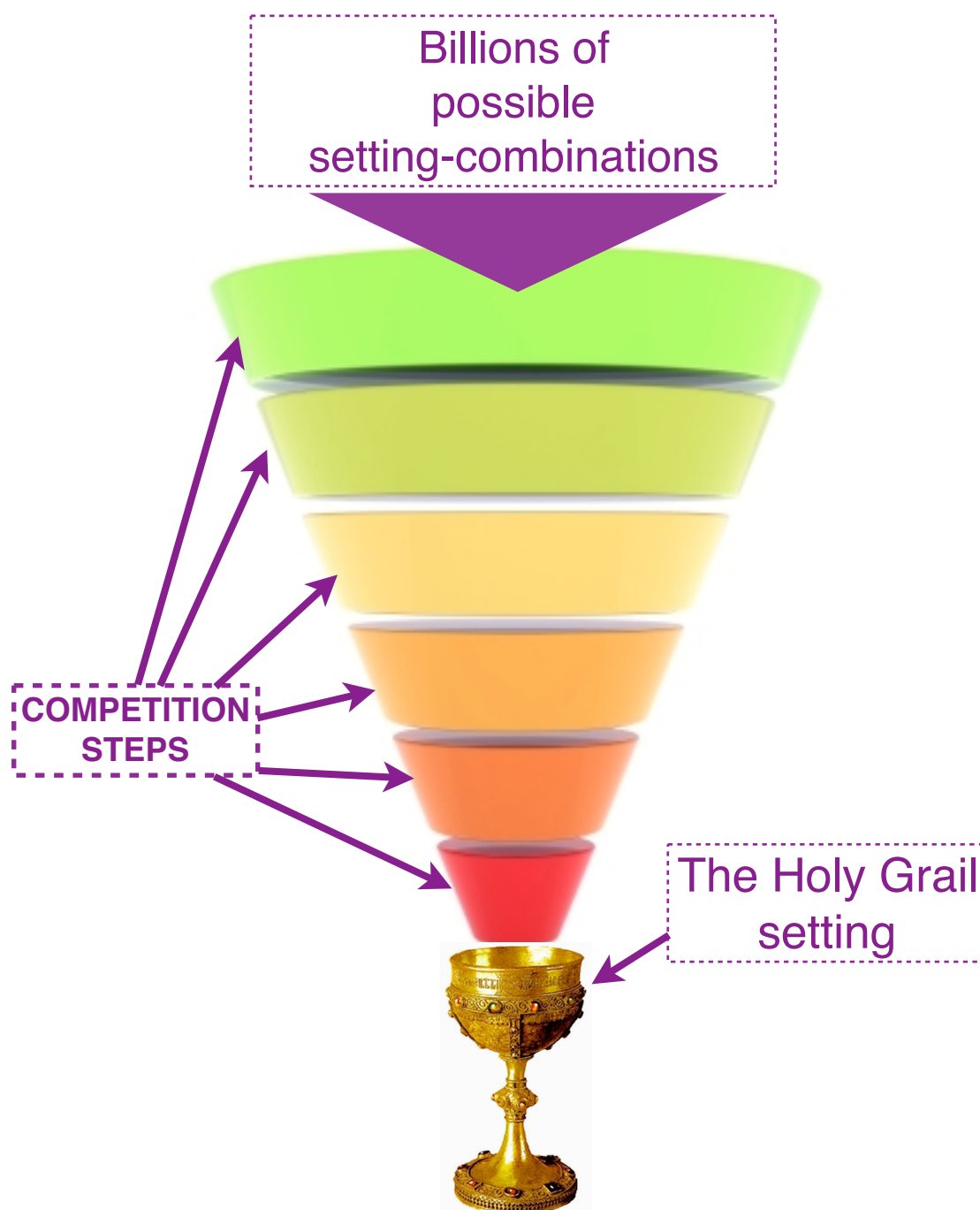
THE HOLY GRAIL FOREX STRATEGY FUNNEL FINDER method evolves through 10 primary steps.

Many and many more steps could be added while researching the Holy Grail setup. However, these 10 are enough to start your "holy search" being sure you're going in the right direction.

Anyway, my advice is to go through all these 10 steps at least a couple of times; after that, I encourage you to optimize this step-by-step strategy with your own devices and share with our FREE FOREX BACKTEST COMMUNITY @ http://tiny.cc/ForexBacktest your updated procedure and the results you're achieving with it.

Just a prayer: please spread this ebook to the world by sharing it with all your forex trader friends and in every forum or community you go to; this will let everyone find better, more robust and even more profitable free forex strategies to share in the group, so that everyone can benefit from them!

Have a good backtesting and Forex money making!

With Love!

Francesco Nano from Italy

WHO IS THIS MANUAL FOR

Although the backtesting topic is approached in this manual from a newbie perspective, and not leaving anything to the reader's interpretation by providing all details to move from a blank Strategy Tester to the Holy Grail setup, these pages are not destinated for a total Forex newbie.

Please, use the strategies provided only if you're familiar with:

- What is the Foreign Exchange Market (FOREX)
- What are JAPANESE CANDLES and how to read them out of chart
- What is a CROSS, PAIR OR SYMBOL
- What is a TIMEFRAME
- What is a PIP
- What is SPREAD
- What is a BROKER
- What is MT4 (and how to install and run)
- What is an EA (and how to install and make it work on a chart)
- What is a VPS (and how to use it for trading purposes)

You have to be extremely confident with these topics. If you are not VERY familiar with any of these points, I recommend you to step back and have a little "updating-journey" on Google.

THE 2 BACKTESTING GOLDEN RULES

1.

EVERY EA STRATEGY MUST ALWAYS BE BACKTESTED AND CALIBRATED IN YOUR OWN "BROKER LOGGED-IN MT4 INSTANCE" RUNNING ON YOUR OWN PC OR VPS.

I repeat: Every EA strategy MUST always be backtested and calibrated in your own "broker logged-in MT4 instance" running on your own PC or VPS.

Indeed, if you plan to profitably run any EA, consider that NO HOLY GRAIL FOREX STRATEGY SETTING could be provided to you from any other trader or from the EA producer himself: this is because every minimal and insignificant change in a single link in a trading chain (software, hardware, broker settings, account type, and so on) affects heavily the strategies' performance.

2.

NO HOLY GRAIL FOREX STRATEGY IS FOREVER! ALL OF THEM HAVE THEIR OWN LIFE CYCLE AND, ALTHOUGH UNPREDICTABLE, THEIR OWN EXPIRATION DATE.

I repeat: no Holy Grail Forex Strategy is forever! All of them have their own life cycle and, although unpredictable, their own expiration date.

It is known that, for its nature, market changes constantly. If you're going to trade an automatic Forex strategy you should keep in mind that it doesn't matter how well it was backtested and how great it has performed in real account in the last weeks: it MUST be updated occasionally!

DEFINITIONS

METATRADER 4

"**METATRADER 4**, also known as **MT4**, is an electronic trading platform widely used by online retail foreign exchange speculative traders. It was developed by MetaQuotes Software and released in 2005. The software is licensed to foreign exchange brokers who provide the software to their clients. The software consists of both a client and server component. The server component is run by the broker and the client software is provided to the broker's customers, who use it to see live streaming prices and charts, to place orders, and to manage their accounts. The client is a Microsoft Windows-based application that became popular mainly due to the ability for end users to write their own trading scripts and robots that could automate trading." Wikipedia,org

EXPERT ADVISOR

"The forex **EXPERT ADVISOR**, also known as **EA,** trading scripts or robot**,** is a program capable of performing in the terminal any action following the instructions of a trader, without his direct involvement. All tasks are performed automatically or mechanically, which is why the advisors are called experts or mechanical trading systems (MTS). Simply put, this is a program sending applications to a broker without any intervention on the part of the trader. You install a profit forex expert advisor to the existing forex online trading platform, which is connected to the server broker, adjust all the settings, and the advisor will begin trading according to a preset strategy." RoboForex.com

BACKTESTING

"**BACKTESTING** is the process of testing a trading EA strategy on relevant historical data to ensure its viability before the trader risks any actual capital. A trader can simulate the trading of a strategy over an appropriate period of time and analyze the results for the levels of profitability and risk." Investopedia.com

DRAWDOWN

"A **DRAWDOWN** is the peak-to-trough decline during a specific recorded period of a Forex investment. A drawdown is usually quoted as the percentage between the peak and the subsequent trough. Those tracking the entity measure from the time a retrenchment begins to when it reaches a new high." Investopedia.com

BinaryOptionsu.com
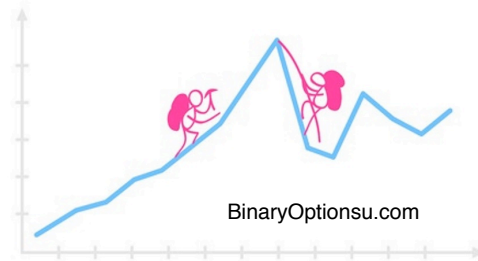
GENETIC ALGORITHM

"**GENETIC ALGORITHM** (GA) refers to the heuristic algorithm (EA), which gives an acceptable solution to the problem in the majority of practically significant cases, but the correctness of the decisions has not been proven mathematically, and is used most often for problems, the analytical solution of which is very difficult or even impossible.

A classic example of a problem of this class (class NP) is a "traveling salesman problem" (is one of the most famous combinatorial optimization problems). The main challenge is finding the most advantageous route, which passes through the given cities at least one time, and then returns to the initial city). But nothing prevents to use them for tasks, which yield to formalization.

EA are widely used for solving problems of high computational complexity, instead of going through all of the options, which takes up a significant amount of time. They are used in the fields of artificial intelligence, such as pattern recognition, in antivirus software, engineering, computer games, and other areas.

It should be mentioned that MetaQuotes Software Corp. uses GA in their software products of MetaTrader4 / 5. We all know about the strategy tester and about how much time and effort can be saved by using a built-in strategy optimizer, in which, just like with the direct enumeration, it is possible to optimize with the use of GA." mql5.com

HISTORICAL
INTERPOLATED AND TICK DATAS

"In Forex, **HISTORICAL DATAS** are past information on the market performance of a currency pair. Historical data often include the opening, high, low and closing values over a specific period of time. Historical datas are often used to forecast future forex rate movements." InvestorGuide.com
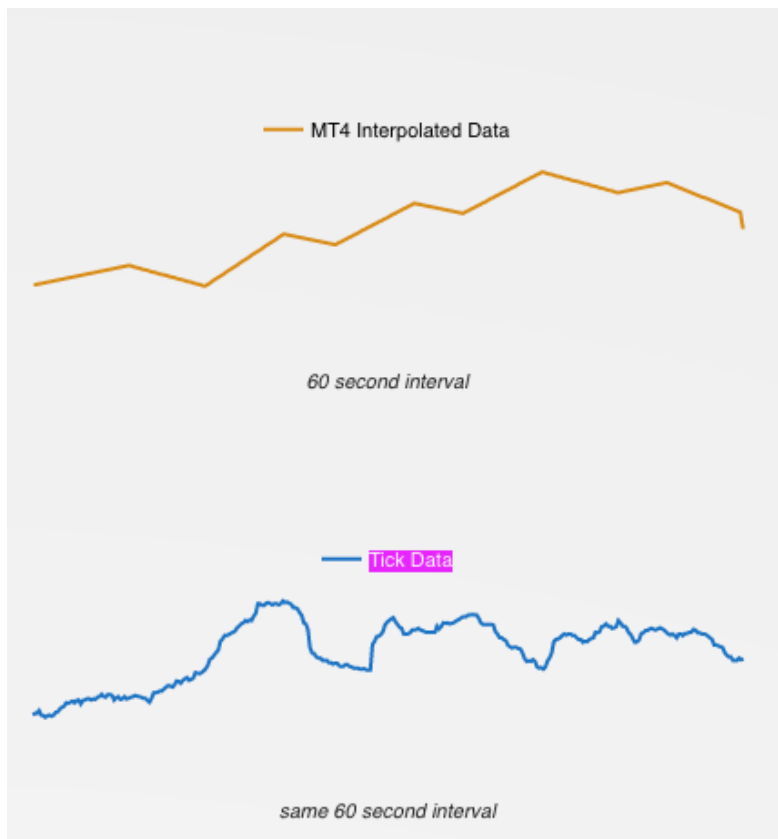
"Metatrader 4 backtesting uses prices that are randomly generated from bar data. By a process of interpolation, it uses the bar price data together with the tick count to generate the prices for each bar so that they start at the bar open price, touch the bar high and low, ending at the close price. If a position has both its SL and its TP within a bar's price range, it's a coin toss whether it will hit stop/loss or take profit."**EAreview.net**

"A **TICK** is a measure of the minimum upward or downward movement in the price of a security. A tick can also refer to the change in the price of a security from trade to trade." Investopedia.com

Although using tick datas for backtesting purposes is not mandatory, they will, of course, improve your backtests' reliability and will let you create more profitable strategies. The easiest and safest way to inject tick datas within the MT4 Strategy Tester is to use a third part application. I personally use **Tick Data Suite** and I suggest you to do the same. You can contribute to this ebook by signing up to this amazing

service through my affiliate link http://tiny.cc/tickdatas (which would be much appreciated).

"With the **Tick Data Suite**, actual price ticks are used. Nothing is left to chance - your backtests will use the prices that were historically traded and recorded tick by tick, oftentimes more than once per second."
EAreview.net

THE STRATEGY TESTER TOOL

In FOREX TRADING, backtesting can generally be done through the MT4 STRATEGY TESTER tool (also known as Backtesting Tool or Backtester). This is exactly the tool we'll use all along these paragraphs so you need to understand it (at least at a basic level).

In the following scheme you can find the most important Backtester setting's controls. When you learn how to use them, you can start practicing with MT4 Backtester Tool. Read it and compare it with the Strategy Tester tool you'll find on your own MetaTrader4 application running on your PC or VPS...
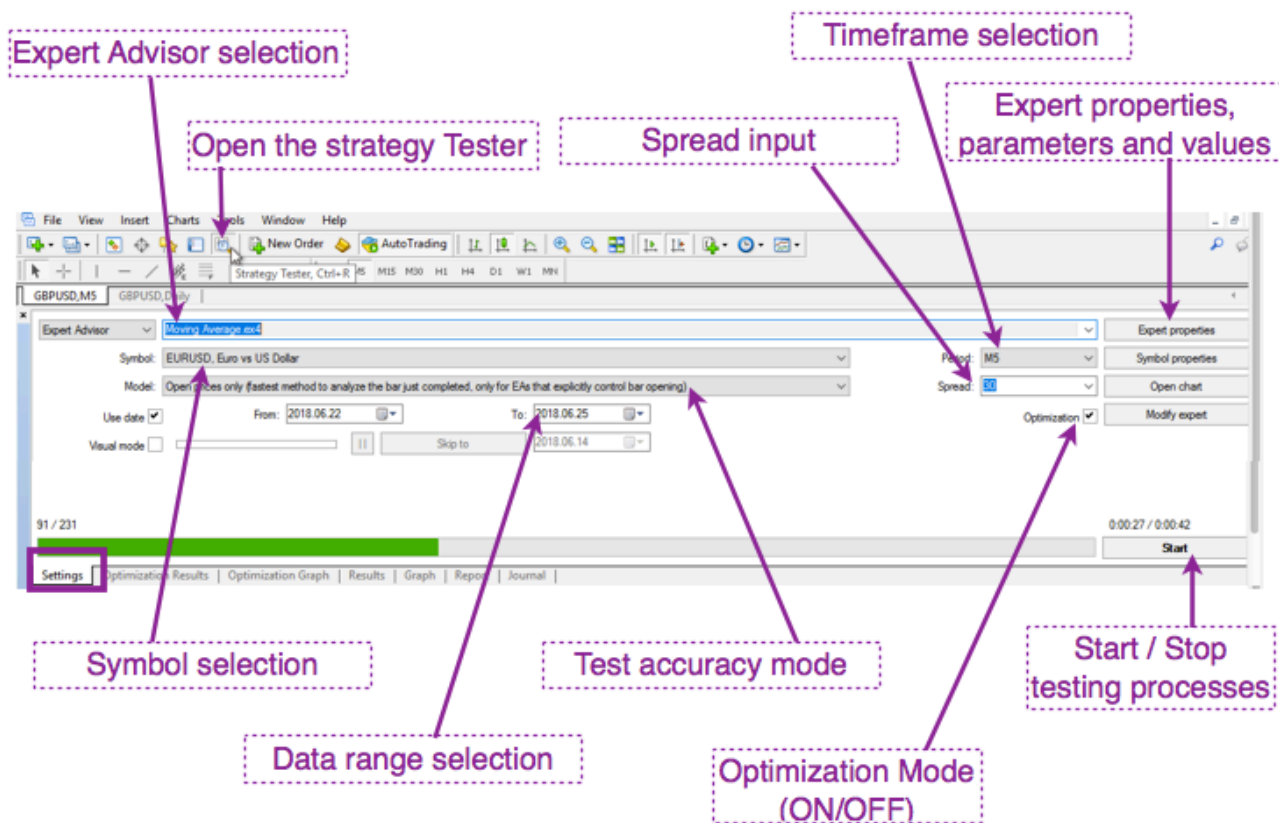
... And when you're ready... LET'S START THE HOLY SEARCH!

THE 10 STEPS

STEP 1:
CREATE THE CALIBRATION .SET FILE FOR YOU EA

A calibration .set file is an input setting .set file that you can load in the Backtester Inputs tab. Saved parameter values are used to run a preliminary step of Genetic Algorithm Optimization through the Backtester Tool with the only purpose to determine:

1. whether that EA could be profitable when used in any combination of a symbol and a timeframe

2. the "starting point setting values" from where you can start looking for robust and profitable settings through all the next optimization steps

If no calibration file is provided by the EA producer, then you have to create it by yourself. In this chapter you'll see how to do that.

Every Expert Advisor has its own settings' parameters. Before you start with any type of optimization on an EA setting, you have to decide if all parameters have to be tested during the optimization steps (it will produce more inaccurate results) or if the optimization should be limited to a given number of parameters. I suggest you that you keep some parameters fixed while you optimize the others.

Basically, in the EA world there are only 2 kinds of parameters: numerical values and options.

Usually, options are a part of the main fixed strategy and numerical values are tested through all the optimization steps that follow. The parameters you're going to optimize through the Backtester Tool in the next optimization steps, have to be checked.

In the following example, the EA parameter *First MA Period [>=1]* is checked because I decided to optimize it, so the Strategy Tester will test it using values I arbitrarily provide: in this example, the values are from 100 to 200 at steps of 10 (100, 110, 120... 200). Note that, if only this parameter is checked, the Backtester will create 11 testing passes; all non-checked parameters will be kept fixed (*Value* column) during the optimization process while only *First MA Period [>=1]* will be changed at steps of 10.

All Input tab informations are saved in a calibration .set file, including all fixed values (*Value* column) used for fixed parameters, the parameters to be optimized (we will call them "*to-optimize parameters*") that have to

be tuned (checked parameters) and their testing range (start, stop and their relative optimization steps).

Usually, as you can see in the following example, a calibration file *Inputs* includes some *fixed strategy parameters* (non-checked), some *to-optimize parameters* (checked), very wide values range for *to-optimize parameters* (for example from 10 to 200) and large net steps (for example 10).

Variable	Value	Start	Step	Stop
☐ ==== Indicator And Trading ...	===			
☑ First MA Period [>=1]	170	10	10	200
☑ Second MA Period [>=1]	20	10	10	200
☐ First MA Method	Simple	Simple		Exponential
☐ Second MA Method	Simple	Simple		Exponential
☑ ADX Period [>=1]	22	1	10	200
☑ ADX Trigger Level [>=0]	35	10	10	90
☐ Position Action At Trend Cha...	Keep All Positi...	Keep All Positi...		Keep All Positi...

To produce a useful calibration file by determining which parameters have to be optimized and their range (and steps), you have to proceed by using common sense and by knowing the EA behavior and logic.

After parameters and values are decided, you can create the calibration .set file by clicking on the *Save* button:
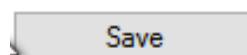
It's important to rename the file in an appropriate way, like "MyEAcalibration01.set", in order to be able to find it again when and if needed.
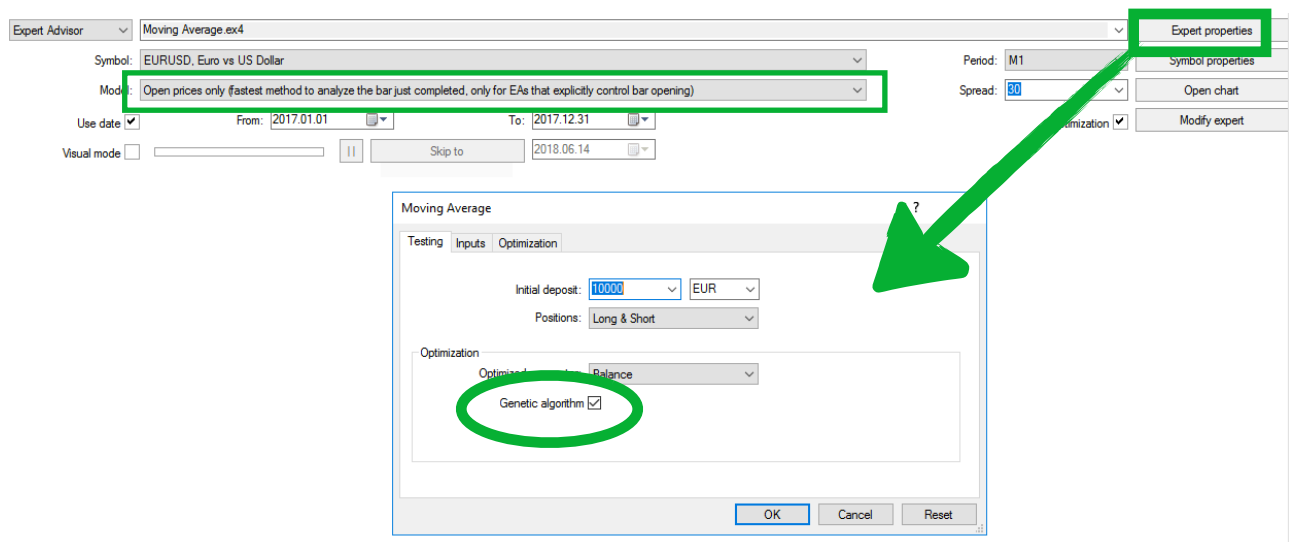
STEP 2:
FIND THE BEST "CROSS SETUP" TO RUN YOUR EA

In order to move through all next optimization steps, the first question you need to answer is:

"Which symbol and timeframe my EA will work better with?"

If the EA's producer doesn't provide this information, you'll have to answer the question by yourself.

To correctly answer this first question by using the Backtester Tool, you have to:

1. Create your own symbol list (list of symbols that you want to run the EA with), a timeframe list and an historic data range to run tests. *For example: from 2017-01-01 to 2017-31-01; EURUSD, EURJPG and EURGBP; M1, M5, M15, H1 and H4 (3 symbols x 5 timeframe = 15 Genetic Algorithm Optimizations to run from 2017-01-01 to 2017-31-01)*

2. Load the calibration .set file you produced in the STEP 1 into the **Inputs** tab in order to run all Genetic Algorithm optimizations needed

(in our example: 7 optimizations) in that given data range with the **Open prices only** method

3. Select the first symbol + timeframe combination within the Backtester Tool settings. *For example EURUSD + M1 from 2017-01-01 to 2017-31-01*

4. Click on **Start** to run the first Genetic Algorithm optimization and wait until the process ends

You'll have to run a Genetic Algorithm Optimization for every single CROSS SETUP (symbol + timeframe) in your list.

For every tested CROSS SETUP, select the **Optimization Result** tab, sort the Passes by **Profit** and take note of the best profit result (pass number and settings).

Pass	Profit	Total trades	Profit fact
◉ 69	838.15	89	
◎ 34	849.12	84	
◎ 71	686.93	61	
◎ 70	555.15	70	
◎ 47	570.51	127	
◎ 68	475.84	121	
◎ 63	447.09	100	
◎ 64	410.30	80	
◎ 52	346.67	112	
◎ 54	238.94	96	

Compare the best results from every Genetic Algorithm CROSS SETUP optimization and you'll be able to find where (symbol + timeframe) the given EA is performing better: this is the "winner" CROSS SETUP. From the step 3, you'll actually work on finding the best parameters' values to use in your EA on that single CROSS SETUP.
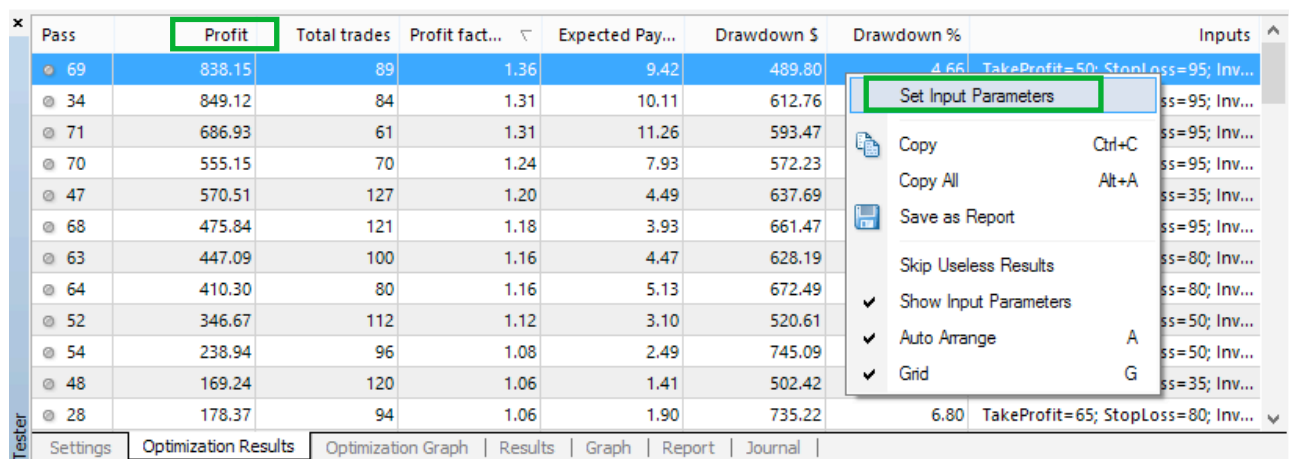
STEP 3:
FIND THE "LARVA" SETTING

Select the winning CROSS SETUP (symbol + timeframe) again, reduce the testing data range of 1/4 (in this example from 2017-1-1 to 2017-30-9) and run the Genetic Algorithm optimization again to get the updated results. You'll find them listed in the *Optimization Results* tab. To each pass number corresponds a different parameter set related to the profit it would have generated if it was used on that particular EA, on that symbol and timeframe, considering a given historical data period.

Sort the *Optimization Results* by profit and find the most profitable result; now you're going to re-test the setting that has performed so well.

The expectation is that a new and more accurate *Every Tick* model backtest, based upon the updated settings applied at the same symbol, timeframe and date range, will bring a very similar profit.

In order to re-test the most profitable result, right-click on it > *Set Input Parameters*. This is the fastest way to replace the original calibration setting values (Value column) with the new so-well-performing setting ready to be retested with the *Every Tick* model.

Pass	Profit	Total trades	Profit fact... ▽	Expected Pay...	Drawdown $	Drawdown %	Inputs
◉ 69	838.15	89	1.36	9.42	489.80	4.66	TakeProfit=50; StopLoss=95; Inv...
◎ 34	849.12	84	1.31	10.11	612.76		Set Input Parameters ss=95; Inv...
◎ 71	686.93	61	1.31	11.26	593.47		Copy Ctrl+C ss=95; Inv...
◎ 70	555.15	70	1.24	7.93	572.23		ss=95; Inv...
◎ 47	570.51	127	1.20	4.49	637.69		Copy All Alt+A ss=35; Inv...
◎ 68	475.84	121	1.18	3.93	661.47		Save as Report ss=95; Inv...
◎ 63	447.09	100	1.16	4.47	628.19		ss=80; Inv...
◎ 64	410.30	80	1.16	5.13	672.49		Skip Useless Results ss=80; Inv...
◎ 52	346.67	112	1.12	3.10	520.61		✓ Show Input Parameters ss=50; Inv...
◎ 54	238.94	96	1.08	2.49	745.09		✓ Auto Arrange A ss=50; Inv...
◎ 48	169.24	120	1.06	1.41	502.42		✓ Grid G ss=35; Inv...
◎ 28	178.37	94	1.06	1.90	735.22	6.80	TakeProfit=65; StopLoss=80; Inv...

Settings | Optimization Results | Optimization Graph | Results | Graph | Report | Journal |

Now, click on the *Optimization* button to uncheck it (this is to avoid a new optimization process); then, select *Every tick* from the *Model*

menu. After this, just click on **Start** to launch the test and wait until it concludes.

At the end of the Every Tick test, the results should be:

- a nice upward equity curve without extreme drawdown and

- a very similar profit, really close (it could vary by -15% max) to the profit achieved during the Genetic Algorithm optimization test by the most profitable result in the **Optimization Results** tab
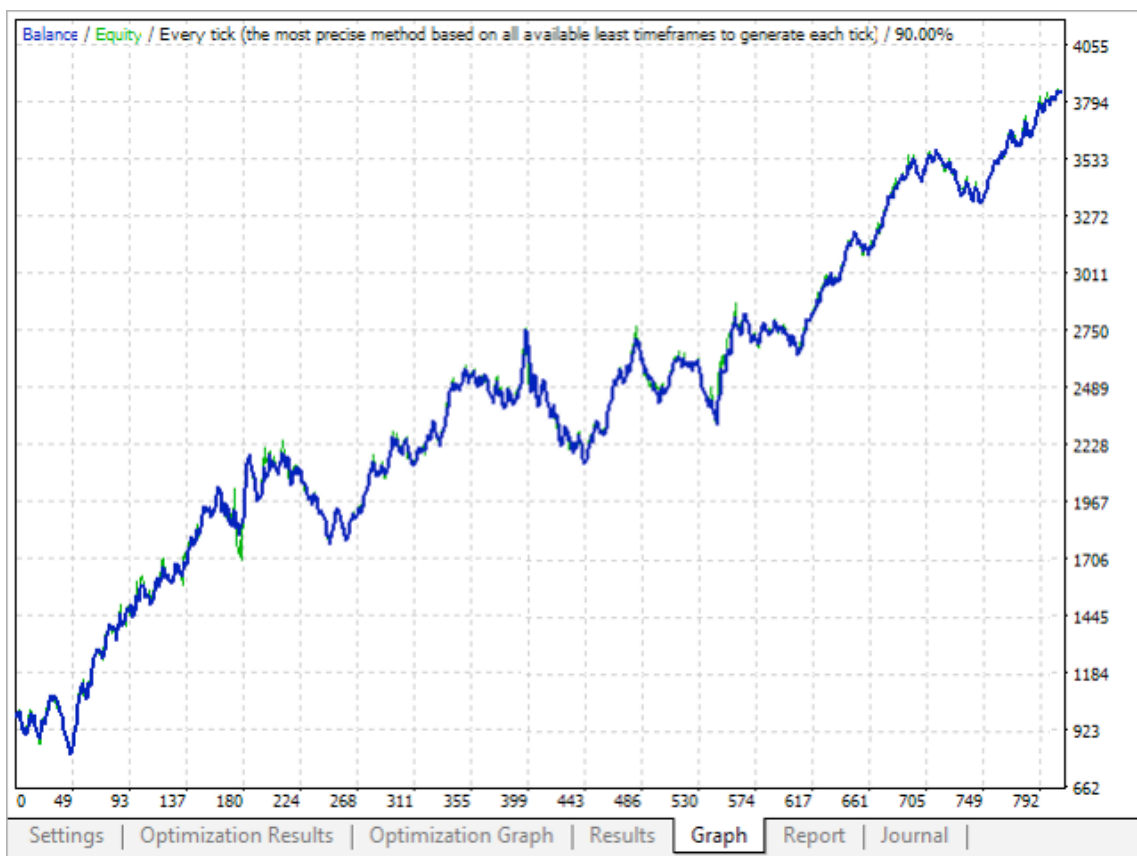
If any of these 2 conditions is not respected, come back to the **Optimization Results** tab, select the next best-profit pass from the list and repeat the Every Tick test. If needed, repeat the process again using other top results until both conditions are respected and you'll get the definitive LARVA setting (the **Value** column settings are those that should be taken into consideration). Save this setting, including the "LARVA" term, in the file's name and move on!

STEP 4:
GET YOUR "BAIT" .SET FILE

BAIT .set file is your real starting point to move towards the discovering of the Holy Grail setup file. Basically, it's just like *Calibration* .set file but characterized by highly reduced ranges for *to-optimize parameters* (the "checked" parameters). The purpose is to use a new tighter range of BAIT values to run a second, more accurate, Genetic Algorithm optimization.

The way you're going to reduce the *to-optimize parameters* values range is typically based on common sense, but it could be calculated in the way that follows.

Let's assume that, in your LARVA setting file, the **First MA Period [>=1]** parameter in the Value column is 170: what you have to do, is to tune **Start**, **Stop** and **Step** values on it.

Start and **Stop** should differ about 15% / 30% from the original value, while the **Step** value has to divide the "Start-to-Stop range" in about 15 / 30 segments.

In this example, for a 170 value with a deviation of 20% (20% of 170 = 34, which is close to 30) and 20 steps:

- **Start** should be something like 170 - 30 = 140
- **Stop** should be something like 170 + 30 = 200
- **Step** is (200-140):20 steps = 60:20 = 3 steps

Variable	Value	Start	Step	Stop
☐ ==== Indicator And Trading ...	======================================			
☑ First MA Period [>=1]	170	140	3	200

Apply the same approach to all *to-optimize parameters* to reduce the "Start-to-Stop range". This is a very mechanical step, but it's crucial to move towards the finding of the Holy Grail setup file.

When all ranges will be reduced, save this setting including the "BAIT" term in the file's name.

STEP 5:
GET YOUR "YEPPA!" .SET FILE

YEPPA! .set file is a new version of the previous BAIT file. The only difference is that you'll remove combination of values that would anyway decrease profit performances in the second and more accurate Genetic Algorithm optimization process.

To do that, you'll put in competition couples of parameters through intermediate <u>NON Genetic Algorithm optimization</u> passes. It's harder said than done.

First of all, uncheck the Genetic Algorithm option in the **Expert properties > Testing** tab and select the **Open Prices only** mode.
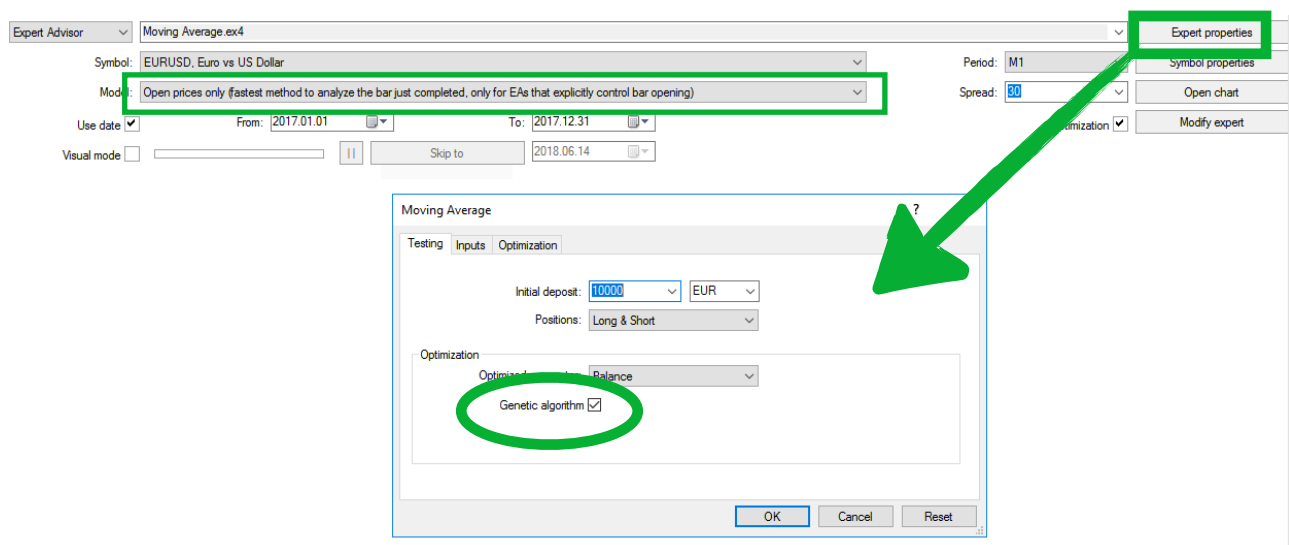
Then, in the **Input** tab, leave checked only the first 2 *to-optimize parameters* (and uncheck all the others).

Be sure you're able to see every single optimization result: in the *Optimization Result* tab, right click to be sure that *Skip Useless Results* is unchecked. Please, keep in mind that sometimes you will have to launch the optimization by clicking on the *Start* button before, in order to be able to access the *Optimization Result* tab and uncheck that parameter: in this case, simply stop the optimization process, uncheck it and restart.
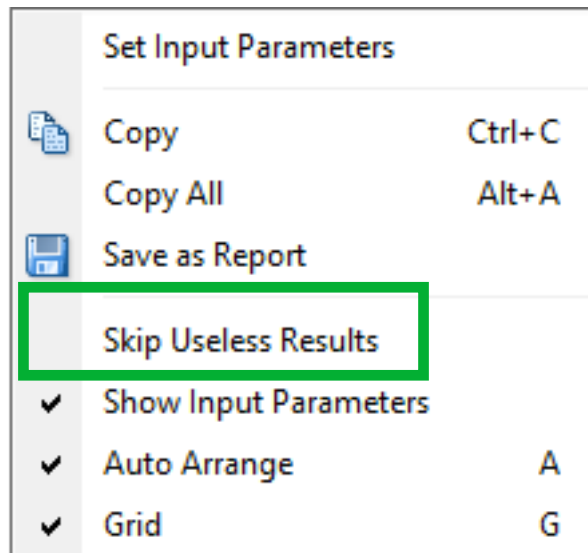
Launch the optimization through the *Start* button.

After the process ends, go to the *Optimization Graph* tab, right click and select *2D Surface*: you'll get a graphic like this:
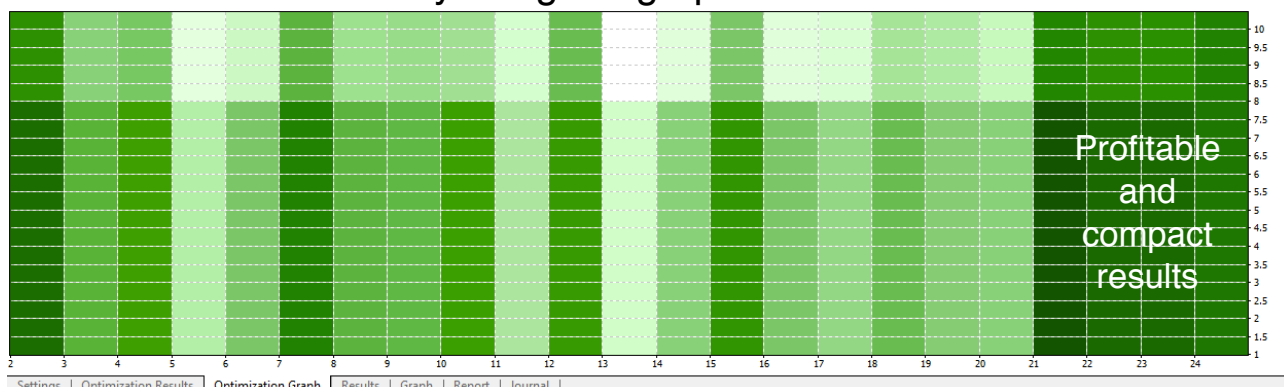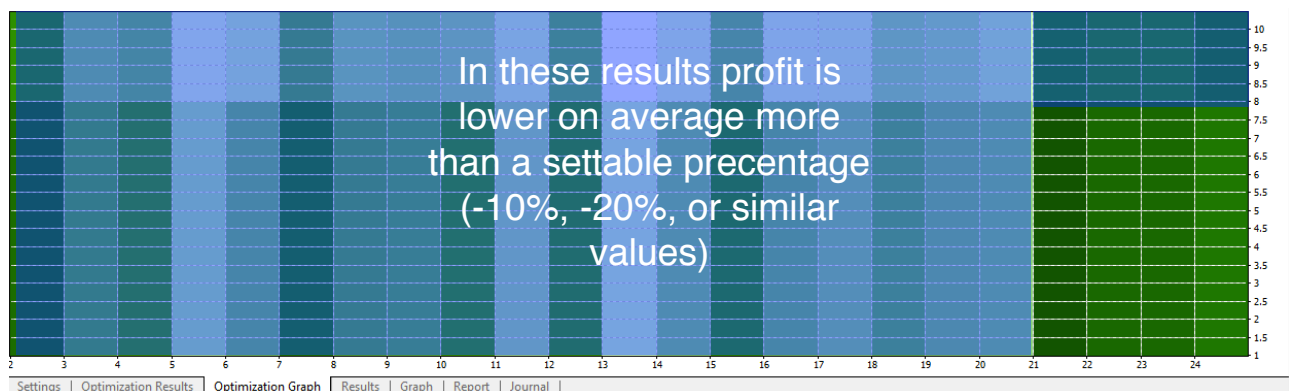

This picture represents a Cartesian graph. On X axis you can find the 1st *to-optimize parameter* and on Y axis you can find the 2nd *to-optimize parameter*. Darker rectangles are where the 2 parameters gave better profit performances while lighter are where the 2 parameters gave

worse profit performances (you can access the profit records simply by stilling the mouse arrow over any rectangle).

Looking at the 2D surface, you'll be able to find the "best-performance-rectangles" zone: it is where you can see the highest concentration of darker rectangles. Sometimes you could find more than 1 single "best-performance-rectangles" zone; in this case, simply select the wider one and continue with the optimization process.

Take note of the X or Y parameters that produce <u>entire lines or entire columns with worse profit</u> (let's say -10% or -20%); then simply come back to the *Input* tab in the Expert properties and remove the values starting from them from "Start-Stop ranges". Please, note that a single profitable result close to the "best-performance-rectangles" zone makes the entire line or column as a valid one; on the contrary, one or more profitable results away from that zone will invalidate it.
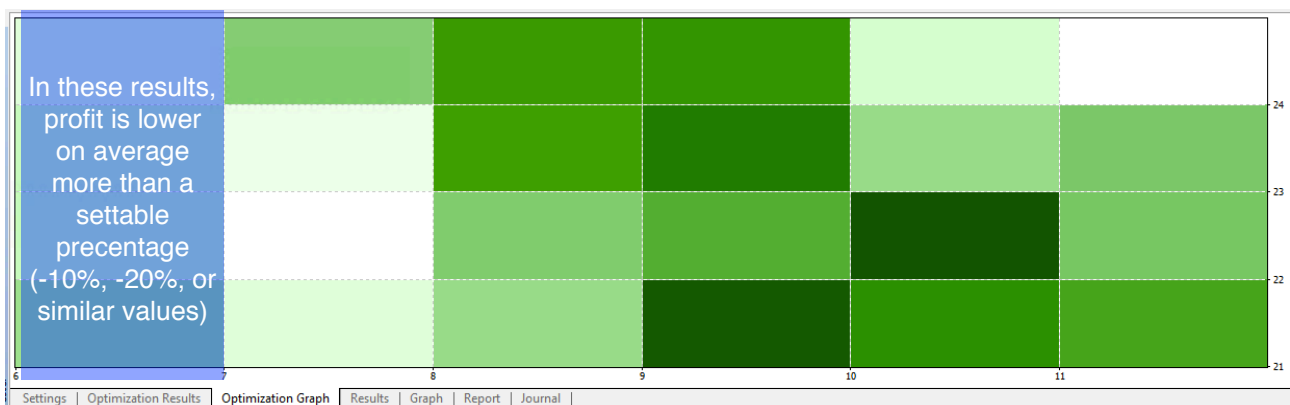

In these results profit is lower on average more than a settable precentage (-10%, -20%, or similar values)

Going back to our numeric example (in truth, not very much related with the picture example), if the 2D Surface lets you know that *First MA Period [>=1]* = 140,150 and 160 gave worse profit performances (lighter rectangles on entire lines or columns), just reduce the 140-200 range to a new 170-200 range by simply changing the *Start* value from 140 to 170.

Repeat the process for every couple of parameters and reduce related value ranges to avoid couples of parameters which in this case gave you worse profit performances.

Another visual example could help for sure.

In these results, profit is lower on average more than a settable precentage (-10%, -20%, or similar values)
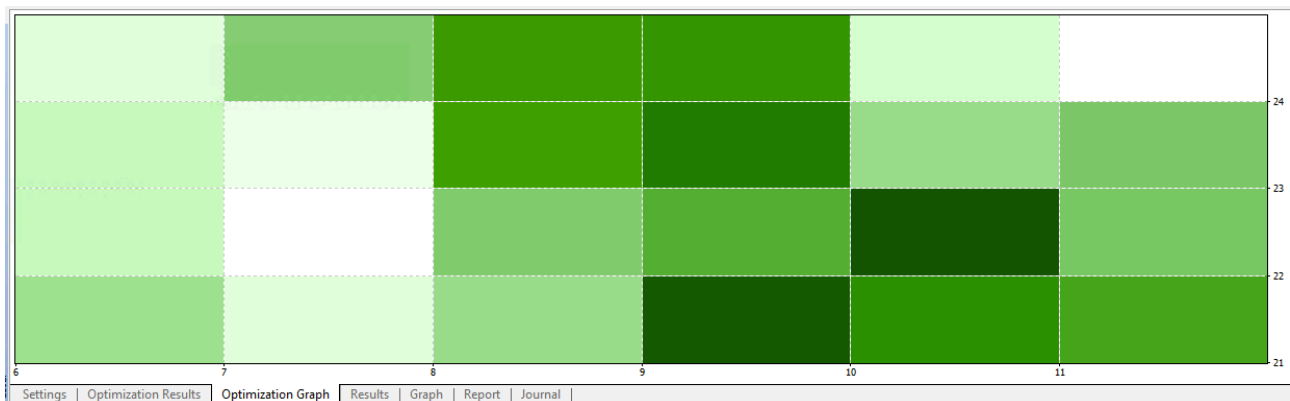
BEFORE

☑ MovingPeriod	12	21	1	24
☑ MovingShift	6	6	1	11

AFTER

☑ MovingPeriod	12	21	1	24
☑ MovingShift	6	7	1	11

When all the couples of parameters will be checked and the worst values will be removed, save this setting including the "YEPPA" term in the file's name. Now you're ready to launch more accurate Genetic Algorithm optimization and move on!

Need robust earning? JOIN OUR **FREE FOREX BACKTEST COMMUNITY** @ http://tiny.cc/ForexBacktest   25

STEP 6:
FIND THE ROBUST-CLOVERS FIELDS

It's time to launch the new Genetic Algorithm with the new YEPPA! setting. Check again the Gen. Alg. option in the *Expert properties > Testing* tab and click *Start* to launch it (*Open prices only* mode; *Skip Useless Results* unchecked; the usual 3/4 of the original data range - the same you used in the STEP 3 -)
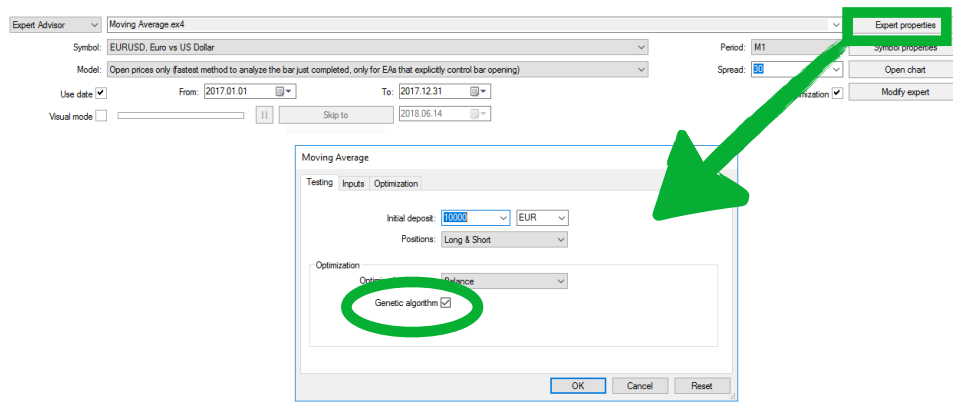
At the end of this Genetic Algorithm optimization, you'll find the usual results list. Every pass ID corresponds to the setting parameters responsible for its specific Profit and Drawdown backtest result.

Pass	Profit	Total trades	Profit factor	Expected Payoff	Drawdown $	Drawdown %
⊙ 4561	4658.89	289	1.50	16.12	596.32	44.95
⊙ 4731	4631.49	287	1.49	16.14	615.32	45.62
⊙ 5102	4590.49	289	1.49	15.88	620.32	45.65
⊙ 4296	4565.21	293	1.48	15.58	610.32	43.90
⊙ 4572	4563.09	287	1.49	15.90	639.32	46.33
⊙ 4815	4545.89	289	1.48	15.73	608.32	45.30
⊙ 5069	4528.09	296	1.48	15.30	678.92	41.81
⊙ 5451	4523.67	298	1.47	15.18	596.41	42.28
⊙ 5516	4518.49	287	1.48	15.74	627.32	45.97
⊙ 4933	4507.07	304	1.47	14.83	559.01	39.69
⊙ 5233	4494.81	293	1.47	15.34	634.32	44.78
⊙ 4145	4481.10	303	1.47	14.79	650.90	39.17
⊙ 4643	4476.29	295	1.47	15.17	531.12	42.26
⊙ 5278	4474.30	296	1.47	15.12	578.12	39.73
⊙ 4972	4451.21	293	1.46	15.19	622.32	44.34
⊙ 3490	4448.21	291	1.46	15.29	629.32	44.62
⊙ 5255	4410.42	292	1.46	15.10	681.72	44.02
⊙ 4909	4409.89	295	1.47	14.95	540.85	42.94

A good idea could be to export all these data to an Excel file before moving on: just right click on the *Option Results* tab > *Copy All* and paste in an Excel file.

<u>Sort them by profit</u> and sharpen your sight to detect the RANGE GROUPS of settings, that have contiguous Pass IDs (**Pass** column) and are composed by at least 2 very, very similar profit results (differing by 0% to 2% from each other) with acceptable drawdown - based on your own criteria- . Scroll down and try to find at least 10 RANGE GROUPS.

The following tables could help you understand:

Pass	**Profit $**	Drawdown %
4773	12215.36	10.10%
4819	12215.35	10.10%
4801	12214.82	10.10%
4758	12214.80	10.10%
4792	12214.80	10.10%
4826	12214.78	10.10%
4903	12214.54	10.10%
5072	12213.42	10.10%
5045	12213.12	10.10%
4650	12209.76	9.88%
4668	12209.76	9.88%
4639	12209.63	9.88%
4615	12209.25	9.88%
4691	12209.06	9.88%
4017	12208.97	9.88%
4711	12208.83	9.88%
4502	12208.59	9.88%
4784	12208.44	9.88%
4798	12208.10	9.88%

Take note of the Pass IDs. Please note that, in order to get an optimal result, it's crucial that different groups' pass ID numbers (and also settings values) differ as much as possible from each other.

- RANGE GROUP 1: from 4819 to 4826
- RANGE GROUP 2: from 4784 to 4801
- RANGE GROUP 3: from 4639 to 4668
- .... RANGE GROUP 10: from .... to ....

Now, you have to sort the Optimization Results by **Pass** ID and locate that 5 (or more) <u>contiguous</u> passes, near these group ID ranges, that still provide similar strong profit and drawdown results (differing from 0% to at least 5% or 10% from each other).

Pass	Profit $	Drawdown %
4810	1926.64	13.95%
4811	12190.28	10.10%
4812	1865.08	35.09%
4813	12037.69	10.07%
4814	1830.66	14.67%
4815	11765.54	10.18%
4816	12154.95	9.91%
4817	12112.61	9.99%
4818	11484.92	10.25%
4819	12215.35	10.10%
4820	11221.45	10.04%
4821	12072.69	10.20%
4822	7222.97	28.09%
4823	11770.72	10.51%
4824	12074.32	10.15%
4825	12076.02	10.18%
4826	12214.78	10.10%
4827	11497.05	11.09%
4828	6402.52	26.87%
4829	9219.68	22.13%
4830	9377.62	20.72%

ROBUST-CLOVERS FIELD #1

ROBUST-CLOVERS FIELD #2

Let's have a look at the ■ RANGE GROUP 1 (passes from 4819 to 4826 - of course, you will also see adjacent Pass IDs-) trying to detect as many ROBUST-CLOVERS FIELDS as possible, composed by 5 (or more) contiguous passes that provide similar strong profit and drawdown results. Apply the same procedure to all other RANGE GROUPS and find out as many ROBUST-CLOVERS FIELDS as you can. Take note of them.

STEP 7:
COLLECT A BOUNCE OF FOUR-LEAF CLOVERS

Pass	Profit $	Drawdown %
4810	1926.64	13.95%
4811	12190.28	10.10%
4812	1865.08	35.09%
4813	12037.69	10.07%
4814	1830.66	14.67%
4815	11765.54	10.18%
4816	12154.95	9.91%
4817	12112.61	9.99%
4818	11484.92	10.25%
4819	12215.35	10.10%
4820	11221.45	10.04%
4821	12072.69	10.20%
4822	7222.97	28.09%
4823	11770.72	10.51%
4824	12074.32	10.15%
4825	12076.02	10.18%
4826	12214.78	10.10%
4827	11497.05	11.09%
4828	6402.52	26.87%
4829	9219.68	22.13%
4830	9377.62	20.72%

In every ROBUST-CLOVERS AREA you'll be able to find 1FOUR-LEAF CLOVER.

The FOUR-LEAF CLOVER is the Pass record that stays exactly in the middle of a ROBUST-CLOVERS FIELD: its relative position tells us that this is a very robust setting that will probably work well also in slightly different market condition than in the testing data range.

Consider that you'll find at least 1, 2 or 3 FOUR-LEAF CLOVERS for every RANGE GROUP you detected in the STEP 6.

The good thing is that, among these 10-30 settings, you will shortly discover the HOLY GRAIL setup you're hardly looking for.

STEP 8:
FIND THE TOP 1 TO 3
FOUR-LEAF CLOVERS

Now you have to re-test every single FOUR-LEAF CLOVERS setting you found in the previous step. To speed up the copy/paste setting operation, you can use the **Set Input Parameters** right-click option in the **Optimization Results** tab.

Please pay attention at the following points:

- Click on the **Optimization** button to uncheck it, in order to avoid a new optimization process

- Use the last 1/4 data range (in our example, from 2017-1-10 to 2017-31-12)

- From the **Model** menu, switch back to the **Every tick** model to increase the accuracy of testing

The expectation is to get very profitable results, with a very good graph showing constant earning and a low drawdown, running the strategy by using the historical data (on a different data range) we haven't used to perform the optimization.
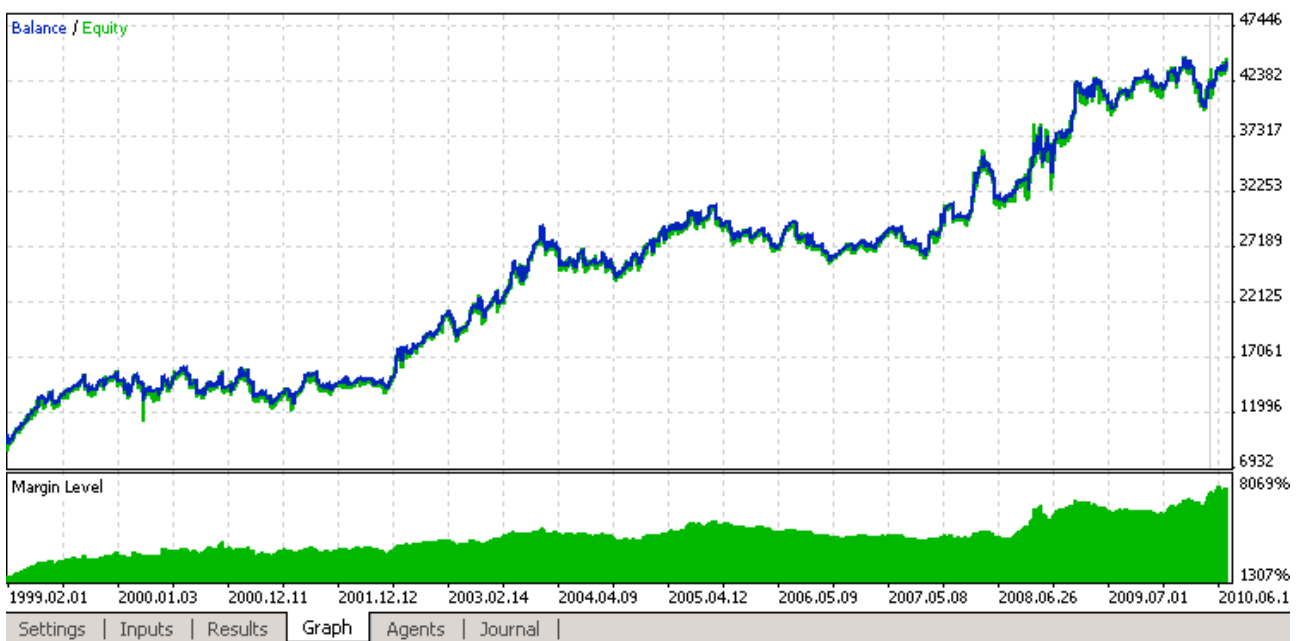
Please, note that drawdowns are important parts of a winning strategy: get away from over-hyper-optimized parameters that are typically unable to keep performing well in the future; at the same time try to keep your drawdown under 15% value, if possible.
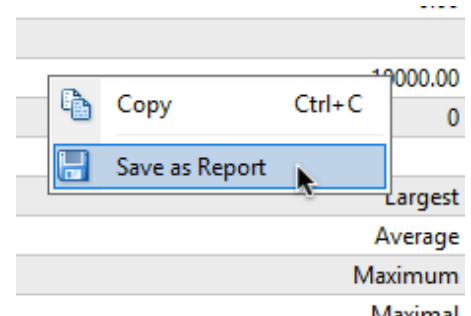
Typical backtest graph to escape from:
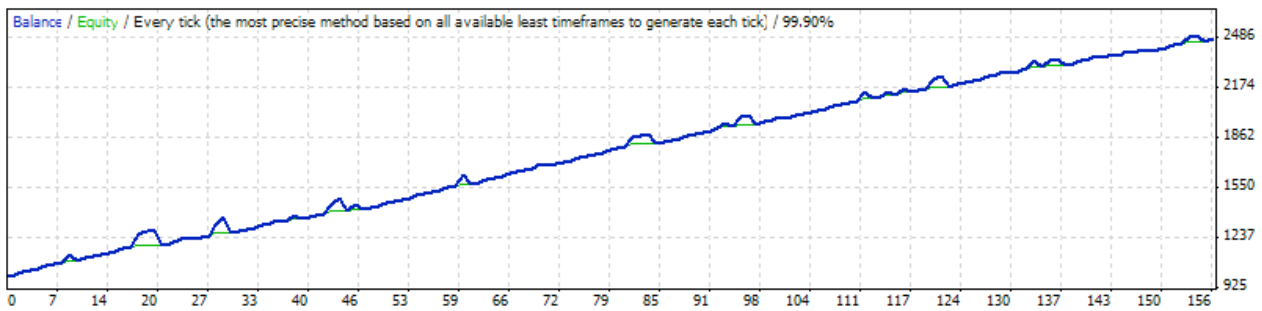
Typical backtest graph that you should aim to achieve:

At the end of every pass, right click on the **Report** tab to save the current report and the graph. It's also recommended to save the related .set file in the directory where you saved the report before.

Now, by comparing the saved reports, based upon your profit and drawdown expectations, you'll be able to select the TOP 1 to 3 FOUR-LEAF CLOVERS settings that you will run in live DEMO test account.

STEP 9:
DISCOVER THE
TRUE HOLY GRAIL SETUP

Now, TOP 1 to 3 FOUR-LEAF CLOVERS settings have to be run in live accounts: the suggestion is to use 1 account per every FOUR-LEAF CLOVER setting because it will be much easier to analyze the performances of each tested setting. Be sure that the testing is parallel, and, at the same time, in DEMO accounts for the next 4 "quarantine" weeks and find among them the best performing one:

THE TRUE HOLY GRAIL SETUP

STEP 10:
THE TEST OF FIRE

After the 4 "quarantine" weeks period, <u>test it for the last time in a REAL account for 2 more weeks</u> using minimal lot sizes (as small as possible) to be sure it is performing as expected before, to entrust to it your real, big money.

IF the strategy keeps performing as during the "quarantine" period, then you have the green light to start investing your real, big money in this strategy.

Note that it's not a good idea to put all your eggs in a single basket. The best practice could be to create your own EA strategies portfolio. When you're sure all is working fine with the Holy Grail, I advise you invest in it just a portion of your money, in a dedicated trading account.

Meanwhile, just simply pick a new EA and run it through all these 10 steps in order to find a new HOLY GRAIL - CROSS SETUP - EA and, in the end, add it to your portfolio.

EPILOGUE (REPETITA IUVANT)

Many and many more steps could be added while researching the Holy Grail setup. However, these 10 are enough to start your "holy search" being sure you're going in the right direction.

Anyway, my advice is to go through all these 10 steps at least a couple of times; after that, I encourage you to optimize this step-by-step strategy with your own devices and share with our FREE FOREX BACKTEST COMMUNITY @ http://tiny.cc/ForexBacktest your updated procedure and the results you're achieving with it.

Just a prayer: please spread this ebook to the world by sharing it with all your forex trader friends and in every forum or community you go to; this will let everyone find better, more robust and even more profitable free forex strategies to share in the group, so that everyone can benefit from them!

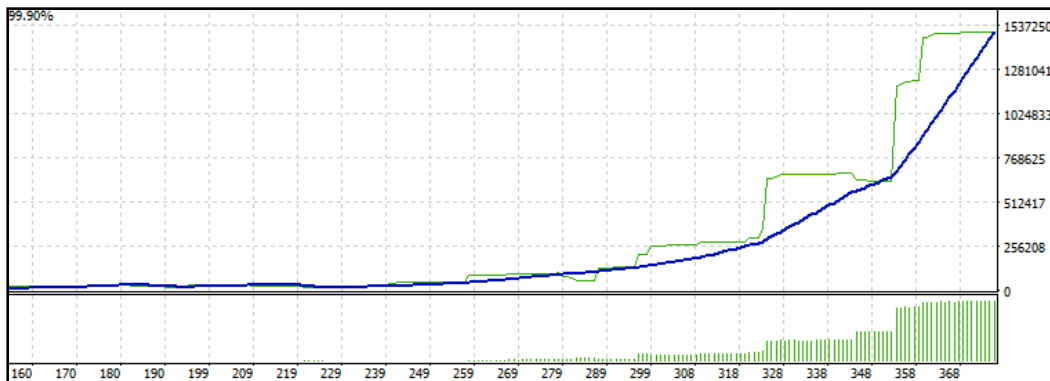*Have a good backtesting and Forex money making!*

With Love!

Francesco Nano from Italy

Special thanks to Alex du Plooy
that introduced me to the Expert Advisor world. In his
website you will find **really impressive EAs** that are likely to
meet your Forex trading needs (even if you are a beginner):

VISIT *Expert4x.com* NOW

EA SPECIAL OFFER:

**If you purchase any *Expert4x* product after reading
this page, let me know at
expert4xdiscount@gmail.com by supplying your
purchase details, and I will arrange a...**

10% refund of your purchase price for you!