

BMA strategy

There are no guarantees other than this strategy will not work at each and every trade. Use this strategy at your own risk. Always seek professional advice before taking any trade using real money. Never trade using money that you cannot afford to lose.

This tool is used for finding bounces in a trend. A robot has been made to help you.

Indicators:

- Exponential Moving Average 50 bars. EMA50
- Bollinger band – standard parameters.
- Stochastic Variable at 14.3.3 – Close.

Robot: BollingerMA

The strategy can be used on all instruments and all timeframes. The large timeframes are more stable though.

Long trades:

- Price within last 5 bars has closed below the lower Bollinger Band and below EMA50.
- Last bar closed above the lower Bollinger Band and above EMA50 and above SMA5.
- Stochastic is below 20.

Short trades are the opposite.

Note: It is essential for the trader to know basic Bollinger Band functions, which is not repeated in this instruction.

The BollingerMA MT4 robot

The robot is free and can be found at Forex Factory. It is not allowed to sell the robot in any case.

The robot is not trading for you. It provides signals of interesting trading possibilities. Not all signals should be traded. A signal must be analyzed in multiple ways before a decision to trade is taken. E.g. multiple time frame analyses and supporting indicators etc.

Be sure to install the robot in the Expert folder. Put the robot into each instrument that you wish to use. There are no Magic Numbers needed.

When the robot gives a trade Long signal, then:

- Price within last 5 bars has closed below the lower Bollinger Band and below EMA50 and below SMA5.
- Last bar closed above the lower Bollinger Band and above EMA50 and above SMA5.

And you might want to take the trade.

Opposite for Shortings.

The signal is given by an Alert in an Alert Window. Or by the background of the chart being coloured.

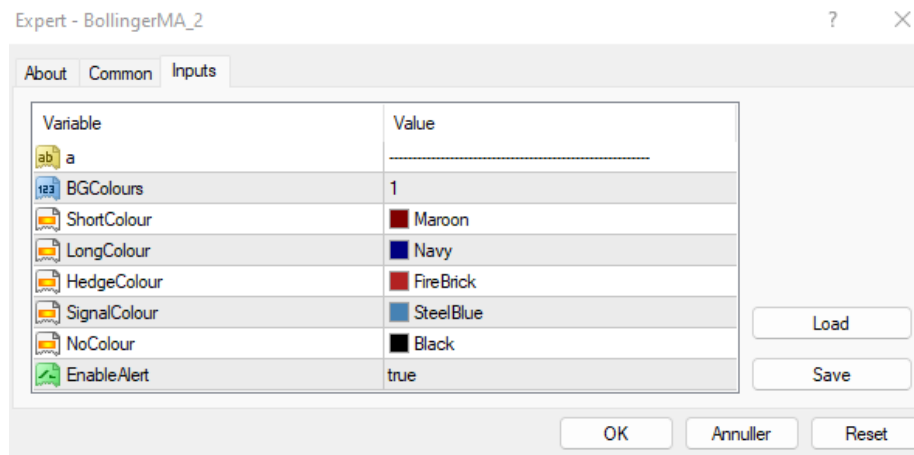
Why is it a robot, when it is only giving signals like an indicator? It is because it this way has the possibility to have real robot functions in the future. If it was built as an indicator, then this would not be possible.

The Colour functions

If you set BGColours to "1", then the function is on. It will then paint the background to the colours that you choose. The colours are:

- If you have no trades in the pair.
- If you own the pair in a Long direction.
- If you own the pair in a Short direction.
- If you own the pair in both directions (Hedging).
- If there is a BMA signal on the pair.

So using this function you can have all 28 Forex pairs on the screen and in a glance see where there are trading signals and which pairs you own and must nurse at every close of the bars. This makes it very easy to trade more than one pair at a time.



Strategies

#1. All instruments

Put all the pairs that you wish to trade on one profile as charts. Put the robot on each chart. Also put the indicators on the chart. All charts shall have the same timeframe.

At every close of bars you will receive an alert showing trade ideas to be further analyzed.

#2. Chosen instruments

Pre analyze the pairs that you are trading. Do it as a multiple timeframe analyzing. Then choose the pairs that you think will give a nice bouncing signal soon – no matter which timeframe. Put the robot on the chosen charts at the chosen timeframes. And then – just wait for the signals to be delivered as alerts. You

don't have to be stirring on the charts. Just check the alert window or the background colours at all bar closings.

#3. Percent per day (Advanced)

Want to make 20% profit a month? Or 10%. This is the recipe.

Start the day by noting the balance on the account. Make a note of the amount of money that you need to profit in order to profit 1%. Then start trading and in the moment when the 1% profit has been reached, close all trades and call it a day. You have reached your goal.

How to do it: Open as many charts as you wish and install the robot on each chart. Use a small timeframe. You will receive many signals during the day. Now the art is to choose amongst all the signals – to choose the very best. You should choose signals that seems to be able to provide a win rate of 1:2. On every trade you put a risk of 1% of the account. This means, that if your chosen signal work, then it will be easy to have a profit of 1% of the account. If it does not work, then you will lose 1%.

So the trick is to open as many trades as you need. They will work together to reach the goal of 1% profit. Like if you open 4 trades, then they need only to have an average win rate each on 1:0.25. But if one trade hit the stoploss, you need the rest of the trades to earn 2% profit.

Be aware to not open too many trades. If the market suddenly turns, then each trade might go into stop loss and that will sum up if you have too many open trades. I would say max. 4 open trades.

If you set the percent to 0.5 percent and still use the risk setting at 1 percent, then it is even easier to reach the goal of the day.

BollingerMA strategy, version 1

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