

Phoenix EA for MetaTrader 4 Manual (version 1.0)

Copyright @ 2006 Hendrick

Phoenix is using the concept of an earlier EA: Firebird that was made by *TraderSeven*.

Firebird first calculates a simple 10 bar moving average. Then it shifts that average up and down a certain percentage to form bands. (envelopes). All prices outside the envelope are considered entry points. Firebird expects that prices will return back between both bands so it is a counter-trend EA.

If a trade goes against us Firebird will buy another lot every 30 pips (PipStep). By design Firebird keeps averaging/adding lots until your account blows up.

Phoenix in short

Phoenix is not using the PipStep function.

Phoenix with the default settings is especially suitable for a ranging market. As soon as the market becomes trending Phoenix can go the wrong way. Therefore a couple of techniques are used to keep Phoenix out of a trending and volatile market:

SafeArea

SafeArea is the area where the bulls and bears are in balance. The indicator PhoenixIND makes this area visible.

SafePipDistance

This is another setting that should prevent Phoenix to place trades in a trending market. It takes the highest and the lowest price of the last two hours (is adjustable). If the value of these two is below a certain limit (is adjustable) it's safe for Phoenix to place trades.

If there is a strong movement of prices, Phoenix is not allowed to place trades. But it's nice to still make some profit during these movements. For this Phoenix is using *UseSurf*. It looks at the last completed bar of the M1 chart and when the difference between High and Low is more than a certain value it's placing trades in the right direction (so at these times it becomes a trend-follower EA instead of a counter-trend EA).

Settings with their defaults values:

MA_Length=10;

See introduction. A moving average is calculated over a number of bars. 10 seem to be a good value.

MA_Timeframe=15;

Put the number of minutes here of the chart you are using. 10 for M10 charts. 1440 for D1 charts. etc

Lots=1;

Enter the number of lots you want to trade each buy/sell. If you're using *MM=true* (MM stands for Money Management) you can leave the setting at 1 because MM will adjust Lots.

MM= true;

Use or don't use Money Management

AccountIsMicro = false;

When using *true* Phoenix is suitable for Micro-accounts

SafePipsMinutes=120;

This is another setting that should prevent Phoenix to place trades in a trending market. With the value of 120 it takes the highest and the lowest price of the last two hours (120 minutes). If the value of these two is below a certain limit (*SafePipsDistance*) it's safe for Phoenix to place trades.

SafePipsDistance=60;

See *SafePipsMinutes*

Percent=0.05

It determines the distance between the 2 bands (see introduction). Too low and Phoenix will place too many trades. Too high and it will place no trades at all. There is a strong relation with the time-setting of your chart. You can use the *Firebird indicator* to make this relation visible.

SafeArea = 50;

See the introduction. You can use the *PhoenixIND indicator* to show you what this setting is doing.

Risk= 5;

This is the percentage *MM* is using to adjust *Lots*. For example: with an account of 5K and a risk-percentage of 5, *Lots* for the first trade will be 0.25.

TakeProfit=18;

StopLoss=42;

TrailingStop=0;

You can use a TS or not. Use 0 if you don't want to use a TS.

UseCloseSignal=true;

When you have open trades and the BUY/SELL signal changed, you can use this setting to close these trades.

TradeFrom1 = 0;

TradeUntil1 = 24;

TradeFrom2 = 0;

TradeUntil2 = 0;

TradeFrom3 = 0;

TradeUntil3 = 0;

TradeFrom4 = 0;

TradeUntil4 = 0;

You can use 4 periods a day to enable/disable the working of Phoenix. If you want it to trade 24 hours use *TradeFrom1=0* and *TradeUntil1=24*. Leave the other time settings at 0. **These are Local Times and not the Server Times of your broker!**

I use the following settings (GMT+2):

TradeFrom1 = 8;

TradeUntil1 = 12;

TradeFrom2 = 13;

TradeUntil2 = 15;

TradeFrom3 = 16;

TradeUntil3 = 18;

TradeFrom4 = 19;

TradeUntil4 = 22;

WantToGamble=true;

It seems that Phoenix is doing much better during certain times of the day. For me it's from 16:00 until 17:00 (I'm at GMT+2). With *WantToGamble* is *true* you can increase your lots during these times. (go to <http://www.timezoneconverter.com/cgi-bin/tzc.tzc> if you want to convert GMT to another time-zone. Use "Europe/Amsterdam" in the "From Time Zone".)

GambleFrom=16;

GambleUntil=17;

The time-setting if *WantToGamble* is *true*.

GambleFactor=2;

The factor to multiply your *Lots* if you want to gamble.

UseSurf=true;

See introduction.

UseDivergence=false;

Fast_Period=23;

Fast_Price = PRICE_OPEN;

Slow_Period=84;

Slow_Price = PRICE_OPEN;

DVBuySell=0.0011;
DVStayOut=0.0079;

These are the settings if you want to use divergence (I think with the other settings it will not make a big difference).