

95 PIPS Strategy

my name is Chigozi Nwofor from Nigeria,

Hi all and welcome to the 95PIPS strategy.

Before we start I urge you to paper trade any new strategy including this one before committing any of your own funds.

Also bear in mind that this system is by no means new and may look familiar to some of you. I am simply passing it on from my predecessors/mentors in the hope that it adds to your existing trading arsenal and increases your trading results.

The basis of this system is VERY simple and has proven to be profitable, though I am adjusting the money management/profit targets. So results for this revised version will be realised on this thread. I must also emphasise the well known phrase that "past performance is no guarantee of future returns".

That being said, let us proceed with the strategy.

OVERVIEW:

This is a pure "set and forget" system where trades are placed at the same time everyday. The option is also there for those inclined to monitor their positions to adjust stop levels as profit targets are reached. Please note that there is currently an Expert Advisor being developed that automates the trading of this strategy, thus keeping to the set and forget objective. Please click on the paperclip at the top right hand side of the screen to find the current versions. For those new to using Expert Advisors you will need a broker that uses an MT4 platform such as North Finance, IBFX, ODL, FXDD to name a few. For instruction on installing EA's go to: <http://www.halcyonfx.com/howtoinstall.htm>

By setting multiple profit targets we are exercising money management, while aiming for 95pips profit from a 50pip move in price.

We will simply be placing orders 5pips above the previous days HIGH and 5pips below the previous days LOW.(Actually, it's more like the previous 17hrs at 5pm EST.)

Use a 30pip stop loss for all orders.

Orders are placed on Monday, Tuesday, Wednesday, Thursday and Friday.

EXECUTION:

1.) At 5pm EST open the 1hr chart (2hrs b4 start of the Asian session) of USDJPY. (In an attempt to pre-empt questions about how this strategy works on other pairs, I will post results comparing GBPUSD, GBPJPY, EURJPY, and EURUSD. You're welcome to add to the list.) For those whose brokers spreads are still wide at 5pm EST on Sunday (which is 7am my time on a Monday here in Brisbane), in order to avoid the wide spreads you may need to wait until they reduce to normal before placing the orders for the day. I typically have to wait until around 8pm EST for Oanda's spreads to reduce back to normal.

2.) Use the high and low of the previous 17hrs. For Mondays orders go back as far as 00:00 EST on Friday for high and low.

3.) Open a total of 6 PENDING orders (for each pair) including 3 BUY STOPS and 3 SELL STOPS that expire within 24hrs (I use 18hrs) as follows:

Buy/Long Orders:

- i. #1 - Entry = HIGH+5pips, Take Profit=15pips, S/L=30pips
- ii. #2 - Entry = HIGH+5pips, Take Profit=30pips, S/L=30pips
- iii. #3 - Entry = HIGH+5pips, Take Profit=50pips, S/L=30pips

Sell/Short Orders:

- i. #1 - Entry = LOW-5pips, Take Profit=15pips, S/L=30pips
- ii. #2 - Entry = LOW-5pips, Take Profit=30pips, S/L=30pips
- iii. #3 - Entry = LOW-5pips, Take Profit=50pips, S/L=30pips

That's it.

Once you have placed your orders you are free to go and do something else with your day as this strategy does not require you to be monitoring the trades. Though, as already mentioned, to maximise results you may choose to adjust stop levels when profit targets are reached which by the way is automatically done by the EA.

There can be 4 possible outcomes after either the long or short trades are triggered:

- 1.) All 3 profit targets are reached for a total of +95pips.
- 2.) The first 2 profit targets are reached (+45pips) and the remaining lot is stopped out (-30pips) leaving a total of +15pips.
- 3.) The first profit target is reached (+15pips) and the two remaining lots are stopped out for a total of -45pips.
- 4.) All 3 lots are stopped out for a total of -90pips.

Additional to this is the variable outcomes of when both the long and short trades are triggered.

Also note that for those so inclined to monitor the trades, stop levels may be adjusted on remaining lot/s to protect already achieved profits. Trailing stops may also be used at your discretion. These features are included in the EA.

Please note that as a general rule of thumb you should not risk any more than 3% of your trading account on any one trade.

Therefore, with the DAILY95PIPS strategy the order size will need to be divided between the long and short orders. The total potential loss on the long orders (90pips) will therefore add up to 3% of your trading account.

Alternatively, you could risk 3% of your trading capital on EACH order, totalling 9% of your trading capital being risked for the long trades. The same applies to the short orders.

Happy trading everyone!