# Traders Pro Elite

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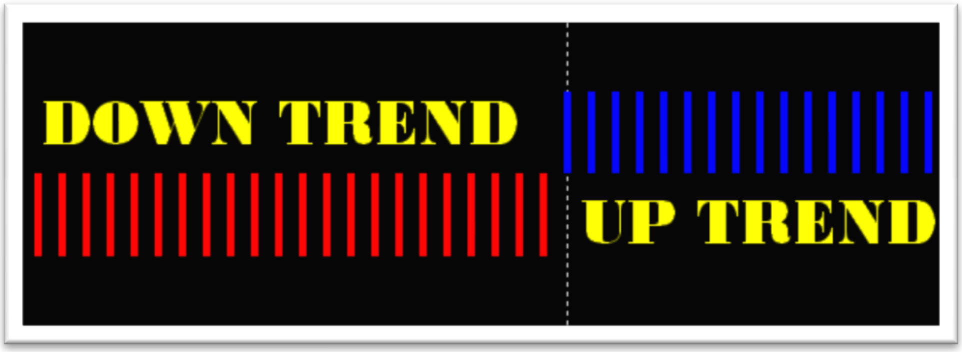
# About the system

This system is mainly based on support/resistance trading, in the direction of the major trend.

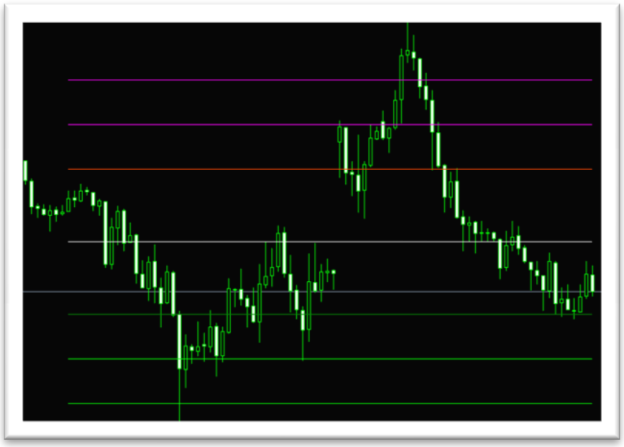
The indicators we are going to use are :

Trend indicator : WPR Slow




Support and Resistance  indicator :  4H Fractals/Dots


Targets and Stop loss: Support and resistance lines



# SYSTEM RULES

SELL SIGNAL_

1 Hour chart , any currency pair.

4 Red dots ( Resistance ) + Down Trend ( Red Bar )


Entry point is the next candle after the red bar and red arrow. Open the trade AFTER the current candle is formed and closed.

BUY SIGNAL_

1 Hour chart, any currency pair.

4 blue dots ( Support ) + Up Trend ( Blue Bar )


Again, entry point is the next candle after the blue bar and blue arrow formation. Open the trade AFTER the current candle is closed.

Targets and stop loss:

For targets we are going to use support and resistance lines.


Red / pink lines = Targets for sell trades

Green lines = Targets for buy trades

White line = Pivot point

For Stop loss, use the last support and resistance levels. Or the last opposite dots.

For example, when you enter a long trade – buy trade – use the last entry dots as your stop loss.

And when you enter a short trade – sell – then use the last entry dots as your stop loss.


Support/Resistance breakout Entry:

Sometimes, price would break the last support or resistance but the fractals indicator would not produce any new dots.

In this case you can enter the trade after the breakout even if you didn't get a new arrow in the direction of the breakout.

Remember, the idea here is to trade support and resistance levels. Not to follow the dots!

Example:


SELL TRADE EXAMPLE


BUY TRADE EXAMPLE


1 - Remember not to risk more than 5% of your account at anytime for any reason.

2 – Always keep your take profit more than your stop loss.

3 – Always cut your losses short and let your profits run.

## Calculating Profit and Loss

Pretty much any online forex broker you choose will have a trading platform that automatically calculates your profits and losses for you. But I think it's important to understand the basic math behind it. It's a good way to make sure your broker is honest, plus it's just good to know.

Besides, calculating profit and loss is really simple. There's only two simple formulas to remember.

When USD is the quote currency (the second currency in a pair), the formula is:

Profit = Price Change in Pips X Units Traded

When USD is the base currency (the first currency in a pair), the formula is:

Profit = Price Change in Pips X Units Traded / Exit Price

Let's look at some real-life examples to help you understand.

First we'll look at an example when USD is the quote currency. To keep things simple we'll assume the broker requires 1% margin, which means you can trade $100,000 in currency for only $1,000.

So let's say you are looking at EUR/USD which is currently trading at 1.2518/9. You predict the euro will rise in value against the euro so you execute a trade to buy euros, which means you also simultaneously sell USD.

You buy $100,000 units at 1.2519. Remember since you are buying you have to take the ask price, which is the second number in the quote.

Your calculations are correct and the price rises to 1.2532/3. You initiate a trade to sell EUR and buy USD. This time you use the bid price, which is 1.2532.

Since you bought at 1.2519 and sold at 1.2532 your profit was 17 pips, or 0.0017. Now we need to convert that into real money. So take your formula above:

Profit = Price Change in Pips X Units Traded

Or,

Profit = 0.0017 X 100,000 = $170.00

An easy rule to remember is that when trading a standard sized lot (100,000) of a currency pair in which USD is the quote currency, a pip is always equal to $10. 17 pips equals $170.

Now, let's look at an example where USD is the base currency. We'll execute a buy of 100,000 units of USD/JPY at 117.22. The price rises and we sell at 117.35. We just made 13 pips.

To calculate our profit we use the second formula:

Profit = Price Change in Pips X Units Traded / Exit Price

Or, Profit = .13 X 100,000 / 117.35 = $110.78.

Nice and simple.

## Understanding Margin and Leverage

Being able to trade on margin is one of the greatest advantages of forex trading. You can purchase large quantities of currency while only putting up a small fraction of the full value.

You may hear some people refer to "leverage trading" and other to "trading on margin". In forex trading, they refer to the same thing, just in different terms.

Leverage is usually quoted as a ratio such as 100:1.

This simply means that you can trade 100 units of currency while only putting up 1 unit. In other words you would only need to put up $1,000 in order to trade $100,000.

Margin is the same thing, just from a different point of view.
Margin is generally quoted as a percentage such as 10%.
In this example you would be able to trade $10,000 of currency while only putting $1,000 down.

Successful forex traders use margin to explode their profits.
Since the value of a single pip is quite low, you have to trade large lots of currency to make a profit.
Being able to make leveraged trades enables small investors without

a lot of capital to make big profits. However, margin cuts both ways and you must use it wisely or you'll find yourself broke in no time.

When you first open an account with a forex broker you will be required a minimum amount of funds into the account before you can trade. The minimum account value varies from one broker to the next.

When you make a trade, part of your account balance is earmarked as the initial margin requirement for that trade. Let's look at an example.

You open an account and deposit $10,000 into it. You then make a trade at 100:1 leverage. You buy $100,000 of currency, but are only required to put up $1,000. So you now have $1,000 in used margin and another $9,000 in available margin.

It's important to keep track of how much margin you have available. If prices move against you, some of the $9,000 you have as usable margin will be used to compensate for your losses. If your balance falls too low, the broker will liquidate your positions and you will be hit with a big loss. This does however prevent you from losing more than you could if they left your position open and prices continued to go against you.

No one wants to receive the dreaded margin call. But you can effectively eliminate it by using stop-loss orders to cut your losses before they near the point of liquidation.

To Your Success

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