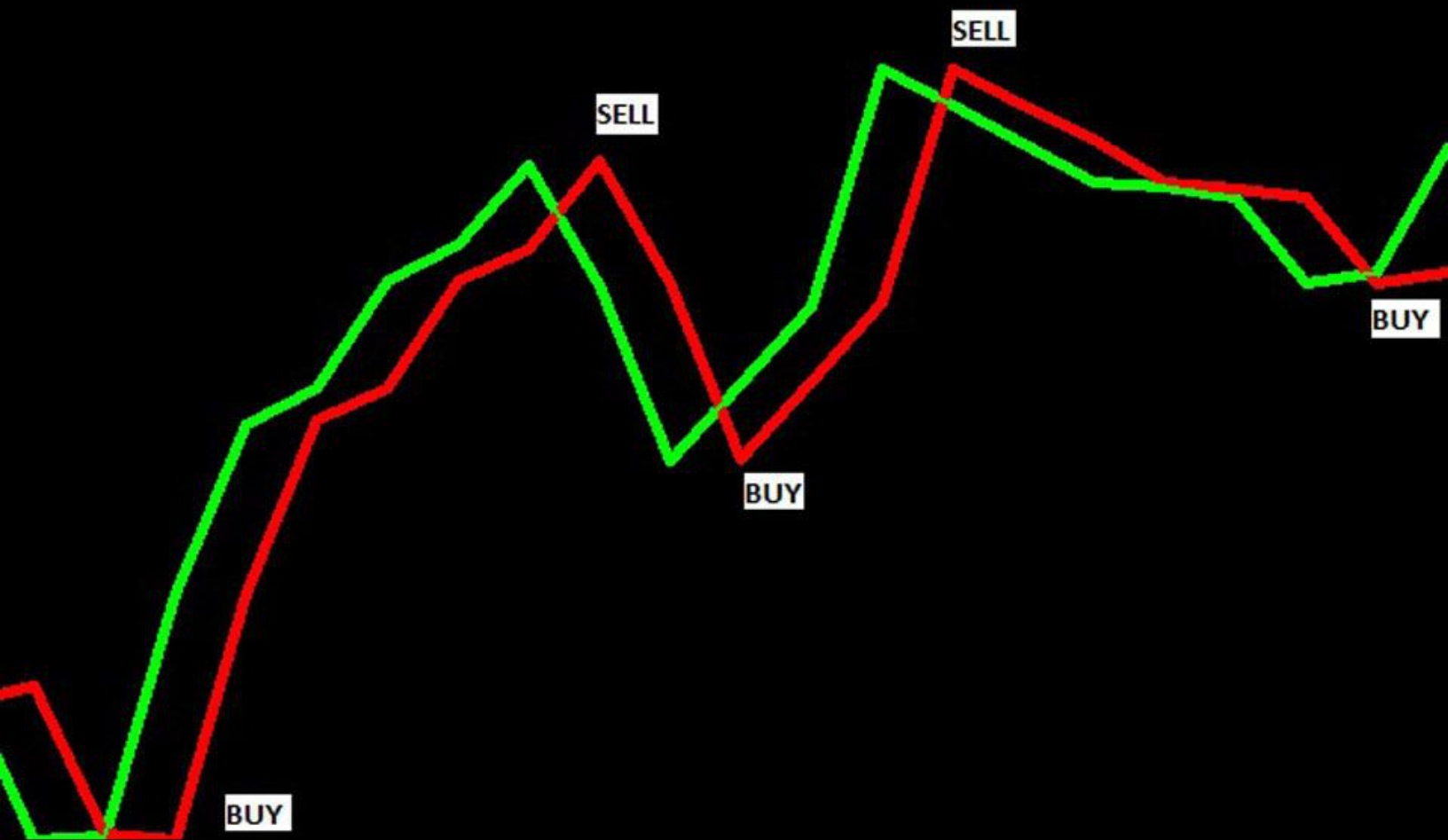


Forex Made Simple

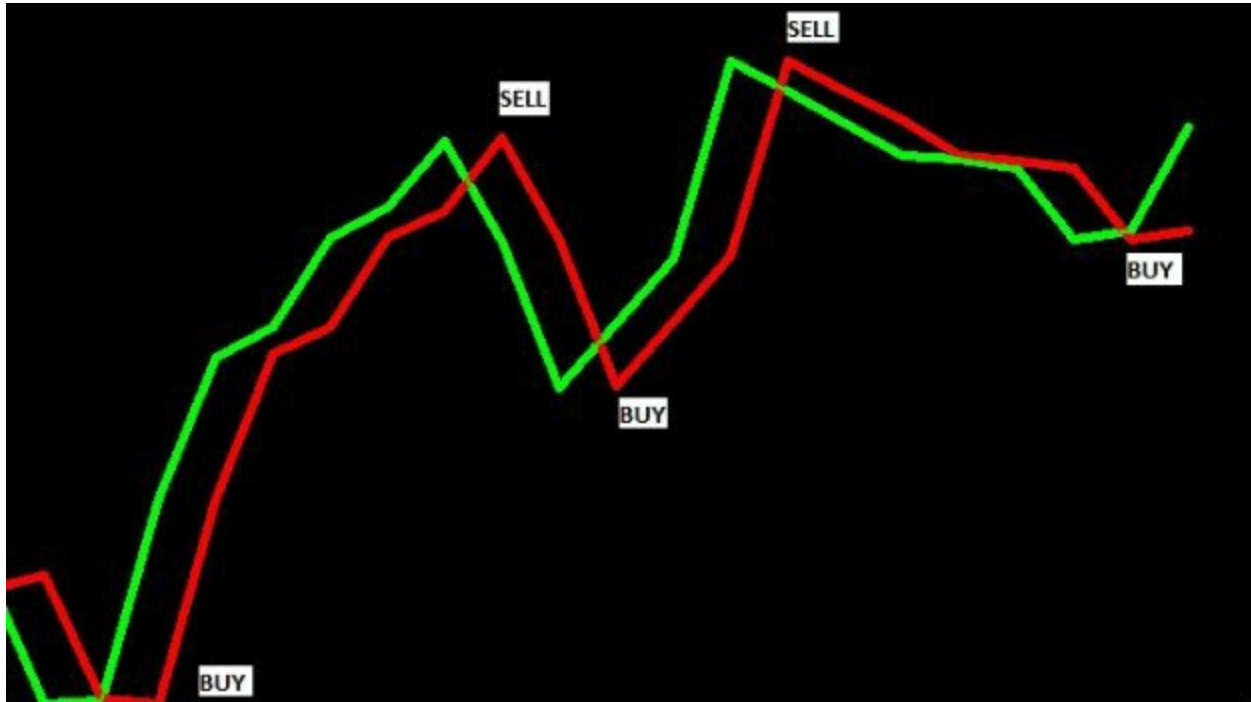
A simple Step-by-Step Day Trading Strategy for Making \$100-\$200 per Day



Alpha Balde

Forex-Made-Simple

Intra-Day Trading system



A Step-by-Step Guide to Forex Day Trading Riches

By Alpha Balde

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RISK DISCLOSURE:

Trading foreign exchange on margin carries high level of risk, and may not be suitable for all investors. The high degree of leverage can work against you as well as for you.

Before deciding to invest in foreign exchange 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 and therefore you should not invest money that you cannot afford to lose. You should be aware of all the

risks associated with foreign exchange trading, and seek advice from an independent financial advisor if you any doubts.

Table of Contents

Introduction

My trading Results

PART 1: Getting Ready

PART 2: Picking the Right Time to Trade

PART 3: Chart Set Up

PART 4: Trading Strategy

CONCLUSION

INTRODUCTION

Dear Trader

Thank you for purchasing my ebook.

You are about to learn a very simple but extremely profitable forex day trading strategy that will revolutionize the way you will approach the forex market forever. Though the system is simple, it is not for brand new forex traders. This system is for traders who understand the basics of forex trading and have either traded a live account or a demo account and who are somewhat familiar with the Mt4 platform.

This is a practical Step-by-Step guide that focuses on the essentials. There are lots of forex books in the market filled with unpractical theories and philosophies; this is not one of them.

The system is based on Momentum trading. If you are somewhat of a swing trader ie you are interested in longer time frames trading and/or Trend Trading, then take a look at [Forex Made Simple: the Ultimate Trend Trading Sy\\$tem \(Click Here\)](#).

So without wasting time let's get started.

My Personal Results

The following is a sample of my personal results.

Some months are better than others. But overall it is consistent.

I do not in any way guarantee that you will get the exact same results. You can get the same results or better results or even worst results. Demo trade first until you get consistent results before you go live.



3PAUDFXF,H1 | GBPCADFXF,H1 | GBPJPYFXF,H1 | GBPU\$DFXF,H1 | GBPCHFFXF,H1

Price	S / L	T / P	Time	Price	Swap	Profit
1.3245	0.0000	1.3230	2010.12.30 02:38	1.3229	0.00	160.00
1.3247	0.0000	1.3257	2010.12.30 10:35	1.3257	0.00	100.00
1.4549	0.0000	1.4539	2010.12.30 09:21	1.4538	0.00	117.24
1.5562	0.0000	1.5572	2011.01.04 09:10	1.5572	1.00	100.00
1.3314	0.0000	1.3324	2011.01.03 10:35	1.3324	0.00	100.00
107.86	0.00	107.76	2011.01.07 15:59	107.76	-27.84	120.50
1.5194	0.0000	1.5180	2011.01.03 09:46	1.5180	0.00	142.77
1.5425	0.0000	1.5435	2011.01.04 08:24	1.5435	0.00	100.62
1.5537	0.0000	1.5557	2011.01.04 09:00	1.5558	0.00	210.00
109.05	0.00	108.95	2011.01.05 00:35	108.94	0.00	134.18
109.02	0.00	108.92	2011.01.05 04:35	108.92	0.00	121.85
82.43	0.00	82.33	2011.01.05 01:49	82.33	0.00	121.70
1.5572	0.0000	1.5566	2011.01.05 01:38	1.5566	0.00	60.00
86.09	0.00	85.99	2011.01.05 15:15	85.99	0.00	120.30
86.09	0.00	0.00	2011.01.11 01:53	85.78	0.00	373.27
82.09	0.00	81.99	2011.01.05 08:43	81.99	0.00	121.88
1.2643	0.0000	1.2635	2011.01.06 14:05	1.2634	0.00	93.38
0.9637	0.0000	0.9627	2011.01.13 14:28	0.9627	-33.03	207.75
107.30	0.00	107.40	2011.01.10 08:15	107.40	0.00	240.58
0.9827	0.0000	0.9817	2011.01.11 01:27	0.9816	0.00	110.58
1.2988	0.0000	1.2983	2011.01.11 01:24	1.2983	0.00	38.09
129.26	0.00	129.46	2011.01.11 06:48	129.46	0.00	481.06
129.35	0.00	0.00	2011.01.11 20:48	129.97	0.00	745.19
83.64	0.00	83.74	2011.01.11 08:07	83.74	0.00	120.32
0.9715	0.0000	0.9725	2011.01.11 14:39	0.9725	0.00	102.83
130.02	0.00	130.19	2011.01.12 13:20	130.14	1.20	143.90

JPYFXF,H1	GBPU\$DFXF,H1	GBPCHFFXF,H1	NZDJPYFXF,H1	USDCADFXF,H1		
Price	S / L	T / P	Time	Price	Swap	Profit
82.51	0.00	82.41	2011.01.28 15:35	82.41	-6.03	121.55
112.50	0.00	112.40	2011.01.28 15:14	112.40	-6.03	121.54
112.50	0.00	112.40	2011.01.28 15:14	112.40	-6.03	121.54
112.49	0.00	112.39	2011.01.28 15:15	112.39	-6.03	121.52
112.50	0.00	112.40	2011.01.28 15:14	112.40	-6.03	121.54
112.49	0.00	112.39	2011.01.28 15:15	112.39	-6.03	121.52
131.76	0.00	131.67	2011.01.28 00:57	131.67	0.00	108.71
131.76	0.00	131.66	2011.01.28 00:57	131.66	0.00	120.80
131.77	0.00	131.67	2011.01.28 00:57	131.67	0.00	120.78
131.77	0.00	131.67	2011.01.28 00:57	131.67	0.00	120.78
0.9335	0.0000	0.9330	2011.02.02 05:53	0.9330	0.00	53.59
0.9335	0.0000	0.9330	2011.02.02 05:53	0.9330	0.00	53.59
0.9403	0.0000	0.9413	2011.02.03 07:22	0.9413	0.00	106.24
0.9403	0.0000	0.9413	2011.02.03 07:22	0.9413	0.00	106.24
0.9403	0.0000	0.9416	2011.02.03 07:24	0.9416	0.00	138.06
0.9403	0.0000	0.9408	2011.02.03 06:53	0.9408	0.00	53.15
0.9404	0.0000	0.9424	2011.02.03 07:35	0.9424	0.00	212.22
0.9473	0.0000	0.9463	2011.02.04 09:15	0.9463	0.00	105.67
1.6147	0.0000	1.6137	2011.02.08 08:10	1.6137	0.00	100.00
1.6147	0.0000	1.6127	2011.02.08 08:14	1.6127	0.00	200.00
1.6147	0.0000	1.6140	2011.02.08 08:09	1.6140	0.00	70.00
1.6149	0.0000	1.6127	2011.02.08 08:14	1.6127	0.00	220.00
1.6148	0.0000	1.6117	2011.02.08 08:51	1.6117	0.00	310.00
1.6148	0.0000	1.6138	2011.02.08 08:10	1.6138	0.00	100.00
1.3630	0.0000	1.3620	2011.02.08 06:09	1.3620	0.00	100.00
1.3630	0.0000	1.3615	2011.02.08 09:03	1.3615	0.00	150.00
1.3630	0.0000	1.3610	2011.02.08 09:04	1.3610	0.00	200.00
1.3631	0.0000	1.3625	2011.02.08 05:59	1.3625	0.00	60.00
1.3631	0.0000	1.3605	2011.02.08 09:05	1.3605	0.00	260.00

JPYFXF,H1	GBPU\$DFXF,H1	GBPCHFFXF,H1	NZDJPYFXF,H1	USDCADFXF,H1		
Price	S / L	T / P	Time	Price	Swap	Profit
82.51	0.00	82.41	2011.01.28 15:35	82.41	-6.03	121.55
112.50	0.00	112.40	2011.01.28 15:14	112.40	-6.03	121.54
112.50	0.00	112.40	2011.01.28 15:14	112.40	-6.03	121.54
112.49	0.00	112.39	2011.01.28 15:15	112.39	-6.03	121.52
112.50	0.00	112.40	2011.01.28 15:14	112.40	-6.03	121.54
112.49	0.00	112.39	2011.01.28 15:15	112.39	-6.03	121.52
131.76	0.00	131.67	2011.01.28 00:57	131.67	0.00	108.71
131.76	0.00	131.66	2011.01.28 00:57	131.66	0.00	120.80
131.77	0.00	131.67	2011.01.28 00:57	131.67	0.00	120.78
131.77	0.00	131.67	2011.01.28 00:57	131.67	0.00	120.78
0.9335	0.0000	0.9330	2011.02.02 05:53	0.9330	0.00	53.59
0.9335	0.0000	0.9330	2011.02.02 05:53	0.9330	0.00	53.59
0.9403	0.0000	0.9413	2011.02.03 07:22	0.9413	0.00	106.24
0.9403	0.0000	0.9413	2011.02.03 07:22	0.9413	0.00	106.24
0.9403	0.0000	0.9416	2011.02.03 07:24	0.9416	0.00	138.06
0.9403	0.0000	0.9408	2011.02.03 06:53	0.9408	0.00	53.15
0.9404	0.0000	0.9424	2011.02.03 07:35	0.9424	0.00	212.22
0.9473	0.0000	0.9463	2011.02.04 09:15	0.9463	0.00	105.67
1.6147	0.0000	1.6137	2011.02.08 08:10	1.6137	0.00	100.00
1.6147	0.0000	1.6127	2011.02.08 08:14	1.6127	0.00	200.00
1.6147	0.0000	1.6140	2011.02.08 08:09	1.6140	0.00	70.00
1.6149	0.0000	1.6127	2011.02.08 08:14	1.6127	0.00	220.00
1.6148	0.0000	1.6117	2011.02.08 08:51	1.6117	0.00	310.00
1.6148	0.0000	1.6138	2011.02.08 08:10	1.6138	0.00	100.00
1.3630	0.0000	1.3620	2011.02.08 06:09	1.3620	0.00	100.00
1.3630	0.0000	1.3615	2011.02.08 09:03	1.3615	0.00	150.00
1.3630	0.0000	1.3610	2011.02.08 09:04	1.3610	0.00	200.00
1.3631	0.0000	1.3625	2011.02.08 05:59	1.3625	0.00	60.00
1.3631	0.0000	1.3605	2011.02.08 09:05	1.3605	0.00	260.00

STEP1

Getting Ready

- 1) On the weekends visit www.dailyfx.com to read the fundamental weekly outlook of every single pair to make sure you are aware of the fundamental forces driving each currency.
- 2) Every day @ 5 pm EST, visit <http://www.fxstreet.com/fundamental/economic-calendar/> or www.forexfactory.com to check the economic calendar for upcoming news events that can impact the forex market. I only check RED news events (high impact news releases that are represented by a RED flag). You want to avoid trading 30 minutes before and after news releases.

I will suggest you create a journal where you keep track of the fundamental realities of the major currencies.

STEP 2

Picking the Right time to Trade

Forex is a 24/7 market – but is the market action the same at all times? Of course not! But not many traders stop to consider the impact of this fact on their trades.

One of the best ways to validate a technical indicator is volume. When volume is strong indicators tend to be more accurate. Unfortunately, there is no volume data available for the forex markets. Using trading ranges is the next best thing.

Having this data in hand, the trader can more carefully evaluate when to trade. Not only will Technical indicators generally have more accuracy at different points of the day, but there is both more profit potential and less loss potential at other times of the day.

Consider a trade in EURUSD at 10 AM EST vs. one at 10 PM EST (see table below). The first has an average trading range of 30 pips, the second, 10 pips. Entering the market during the morning trade creates some interesting possibilities – the market may go against you or with you, but you should be prepared for a ride in either case. On the other hand, if the market goes against you 10 pips at 10 PM, how concerned should you be? Probably not as much as if it was 4 AM.

EST	EURUSD	USDJPY	GBPUSD	USDCHF
12 PM - 1 PM	20 PIPS	19 PIPS	25 PIPS	31 PIPS
1 PM - 2 PM	16 PIPS	15 PIPS	19 PIPS	25 PIPS
2 PM - 3 PM	16 PIPS	15 PIPS	18 PIPS	24 PIPS
3 PM - 4 PM	12 PIPS	12 PIPS	15 PIPS	19 PIPS
4 PM - 5 PM	9 PIPS	10 PIPS	11 PIPS	14 PIPS
5 PM - 6 PM	9 PIPS	9 PIPS	9 PIPS	12 PIPS
6 PM - 7 PM	8 PIPS	11 PIPS	9 PIPS	12 PIPS
7 PM - 8 PM	10 PIPS	15 PIPS	11 PIPS	15 PIPS
8 PM - 9 PM	11 PIPS	17 PIPS	11 PIPS	16 PIPS
9 PM - 10 PM	10 PIPS	15 PIPS	10 PIPS	14 PIPS
10 PM - 11 PM	10 PIPS	13 PIPS	12 PIPS	16 PIPS
11 PM - 12 AM	8 PIPS	11 PIPS	9 PIPS	11 PIPS

Give yourself a chance and only trade when the market is most likely to help you!

I have created an indicator (see image below for USD/JPY currency pair) that will automatically calculate the Average Trading Range of every trading Hour of every trading Day for the past 30 days. This way you will know at a glance what the power hours are and when to Trade.

The beautiful part about this indicator is that that it updates itself every hour.

RANGER HUD								
Last Updated: 2012.07.31 10:13								
HOUR	SUN	MON	TUE	WED	THU	FRI	[30]	24-HR
12:00AM-01:00AM	0	126	54	74	58	71	77	58
01:00AM-02:00AM	0	90	72	65	64	65	71	48
02:00AM-03:00AM	0	117	60	74	65	95	82	60
03:00AM-04:00AM	0	94	87	97	88	110	95	72
04:00AM-05:00AM	0	78	102	116	104	59	92	44
05:00AM-06:00AM	0	112	71	76	121	75	91	93
06:00AM-07:00AM	0	59	72	69	194	49	89	54
07:00AM-08:00AM	0	46	55	55	158	49	73	66
08:00AM-09:00AM	0	119	66	69	95	53	80	75
09:00AM-10:00AM	0	119	101	61	125	102	102	60
10:00AM-11:00AM	0	89	152	87	82	85	99	57
11:00AM-12:00AM	0	96	110	70	79	85	88	171
12:00AM-01:00PM	0	141	87	48	75	49	80	91
01:00PM-02:00PM	0	97	83	87	111	95	95	81
02:00PM-03:00PM	0	86	65	55	111	75	78	67
03:00PM-04:00PM	0	131	122	70	257	218	160	108
04:00PM-05:00PM	0	103	106	160	80	132	116	111
05:00PM-06:00PM	0	189	106	130	119	145	138	138
06:00PM-07:00PM	0	106	103	96	63	97	93	102
07:00PM-08:00PM	0	58	96	58	76	53	68	51
08:00PM-09:00PM	0	43	60	62	45	90	60	48
09:00PM-10:00PM	0	67	47	75	59	72	64	67
10:00PM-11:00PM	0	51	67	45	49	77	58	64
11:00PM-12:00PM	138	83	69	85	83	0	92	39

If you want a Free copy of my Ranger indicator, just email me at forexmadesimple19@gmail.com and I will send you one.

Another simple method of identifying the best times to trade is to trade when sessions overlap.

Here are the best times to look for day trading opportunities based on Sessions-Overlap:

8PM EST-11PM EST

2AM EST-6AM EST

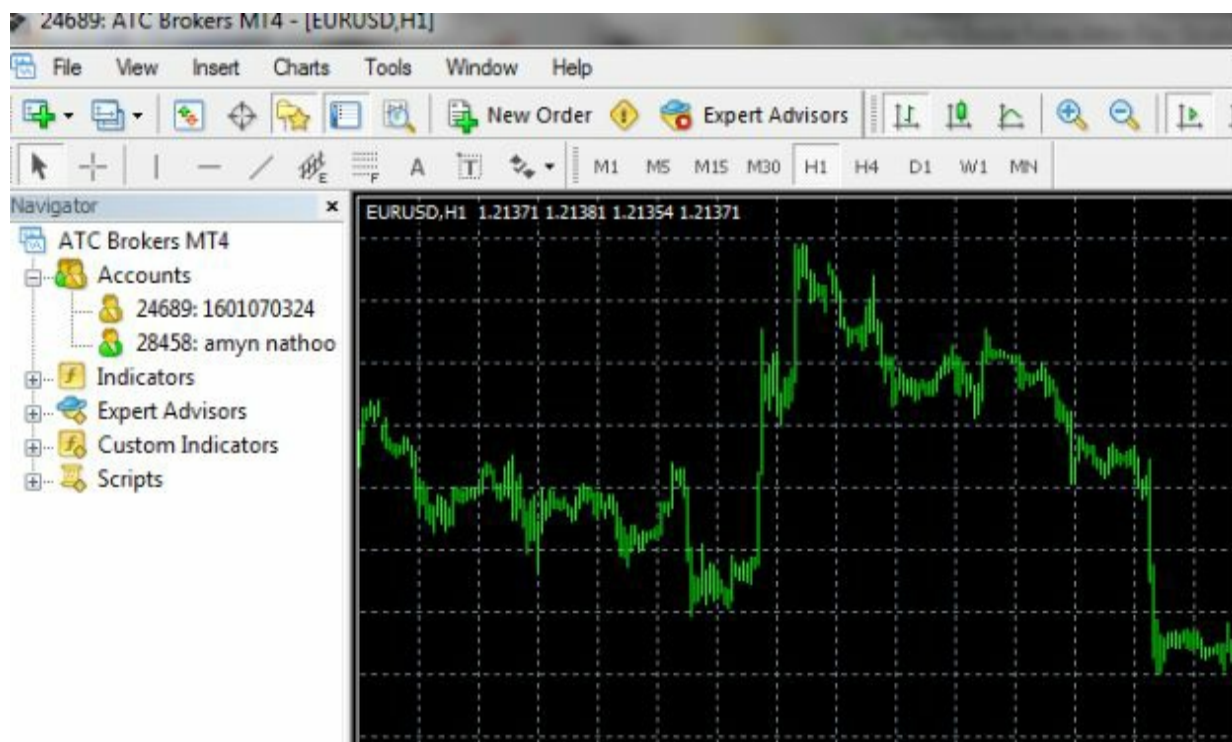
8AM EST-10AM EST

12PM EST-2PM EST

STEP 3

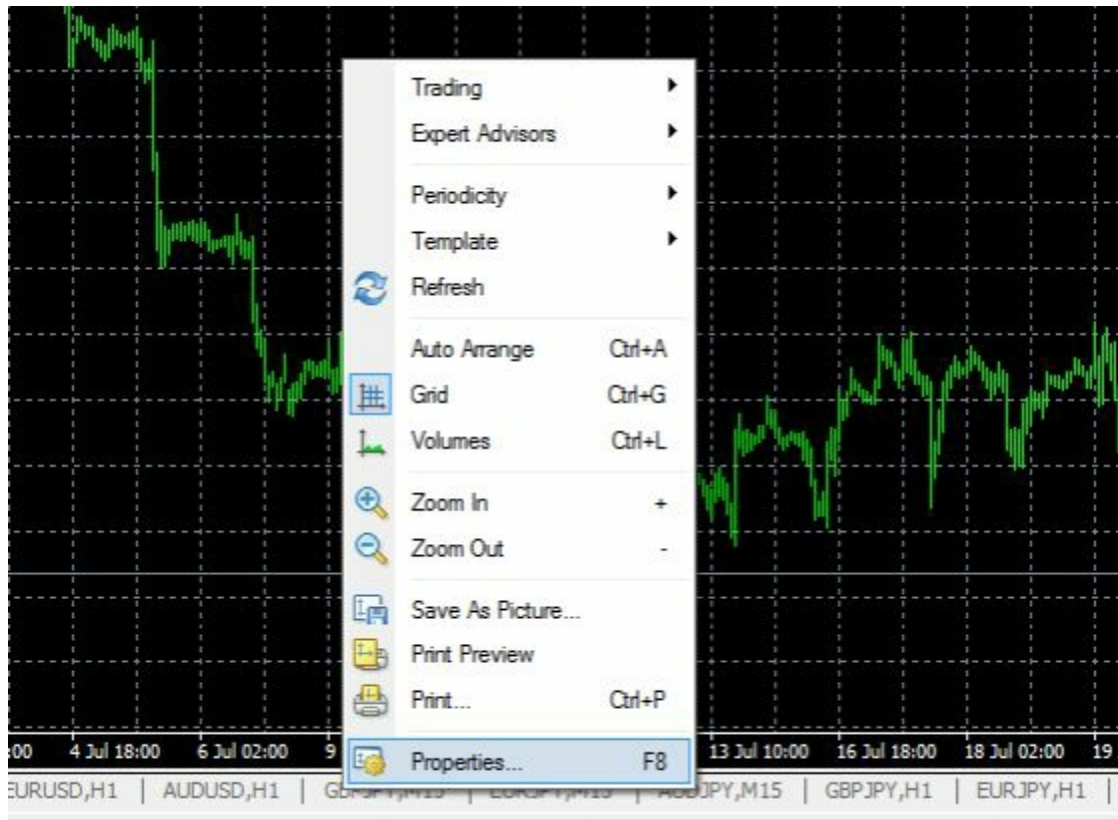
Setting up your charts

When you open your MT4 trading platform, it will look like the picture below:



Now that you have your MT4 platform opened, right click on your chart and select

Chart properties at the bottom:



Once you click on “Properties” the following window pops up:



Here we are going to customize the settings:

Background== ☐ Black

Foreground== ☐ White

Grid===== ☐ Black

Bar Up===== ☐ Gray

Bar Down===== ☐ Gray

Bull Candle ===== ☐ Gray

Bear Candle===== ☐ Gray

Line Graph===== ☐ Gray

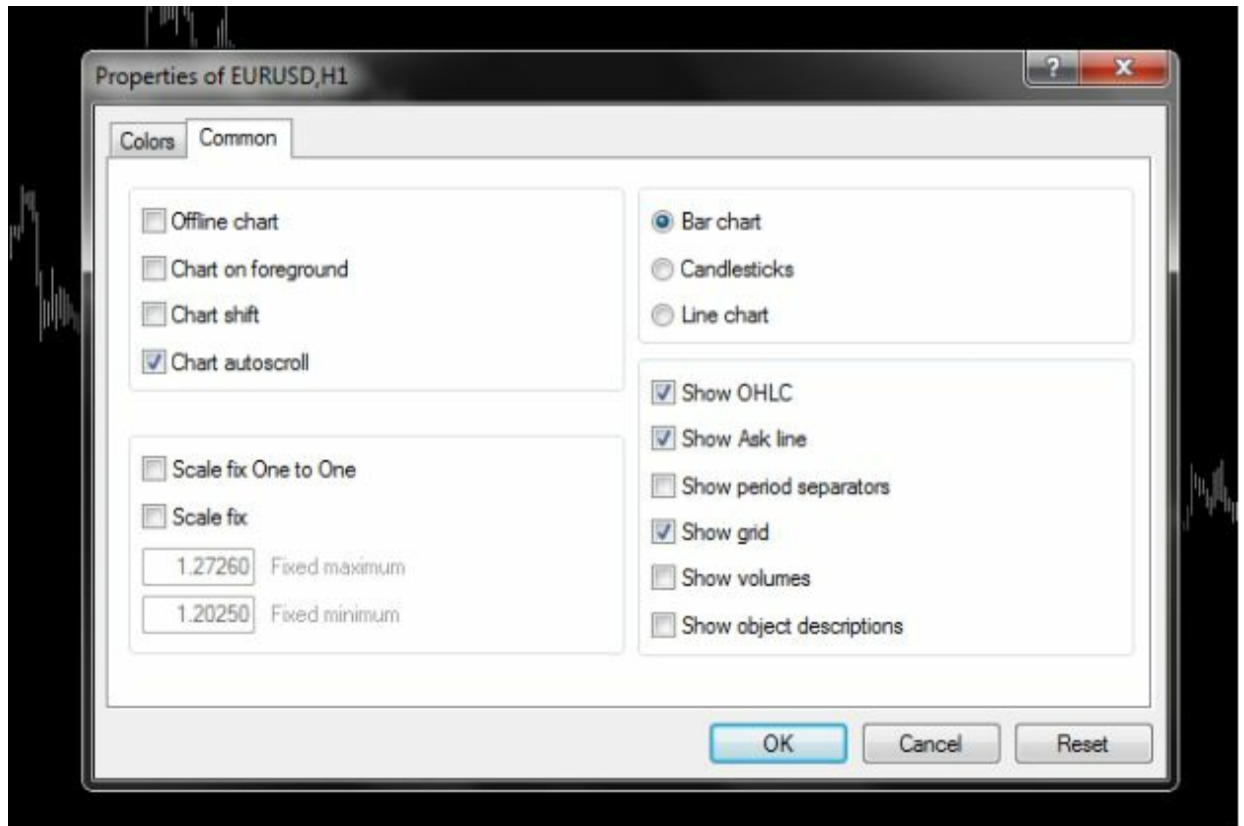
Volumes===== ☐ Black

Ask Line===== ☐ Red

Stop Levels===== ☐ Red

Once you finish customizing the colors, you click on “**Common**” located at

the top left corner of the box.



Here....all you do is to make sure that “bar” is selected. We want a “bar” chart, not a “candlestick” chart, not a “line” chart.

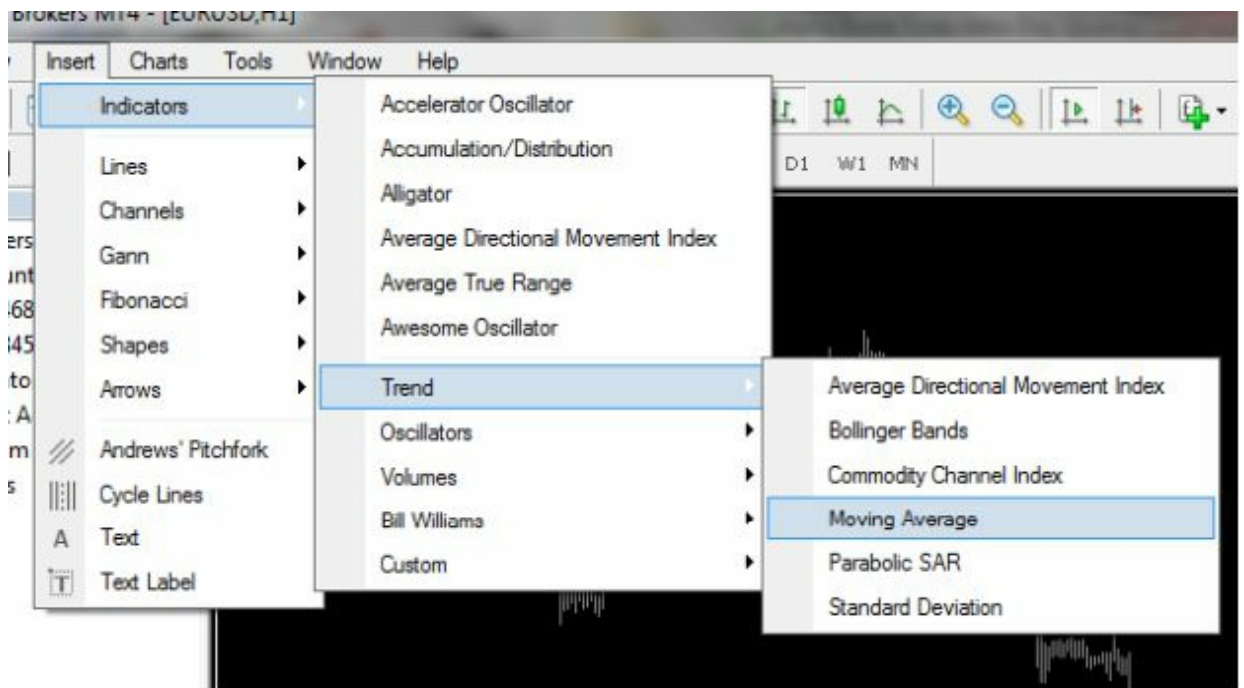
Then you click “ok”. You will see the following:



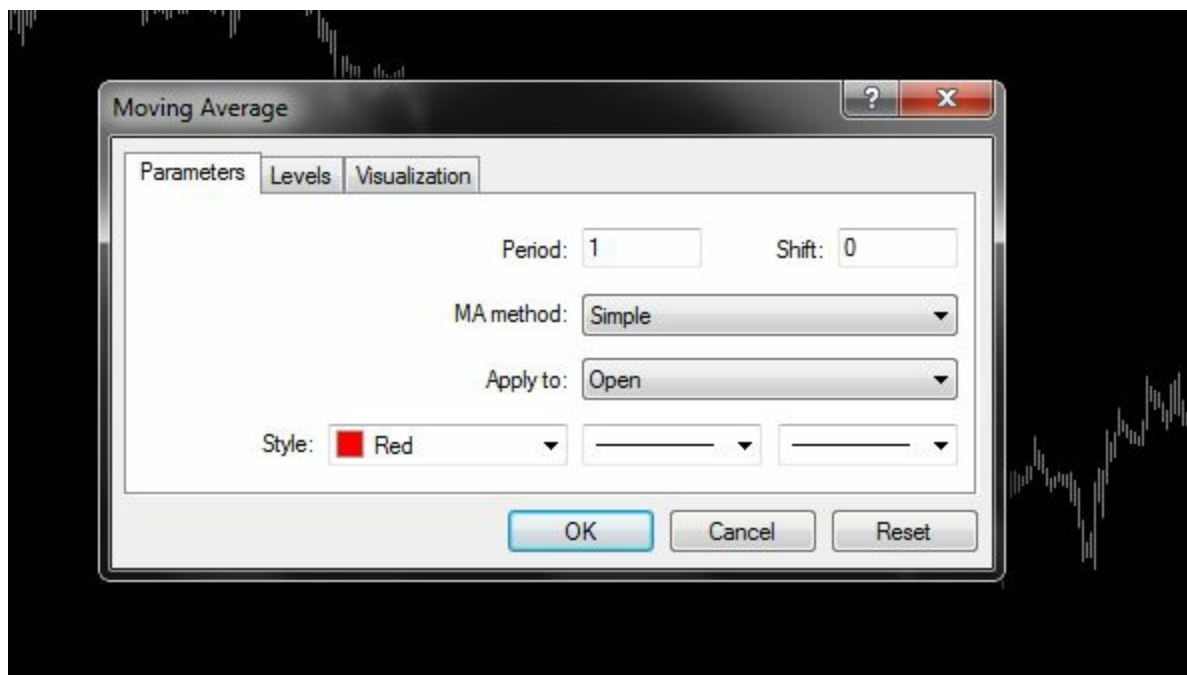
Next, you load the 2 Buy-Sell Pressure lines.

Please note that we will use the “Moving Average Indicator” with a twist to draw our BUY-SELL lines. Though we will be using Moving Averages, this is NOT a Moving Average System and I will tell why at the end of this section.

Click “insert” then select “Indicators” then “Trend” then “Moving Average”.



Once you click on “Moving Averages” the following window will pop up:



For “Period “ you type “1”

Leave “Shift” @ “0”

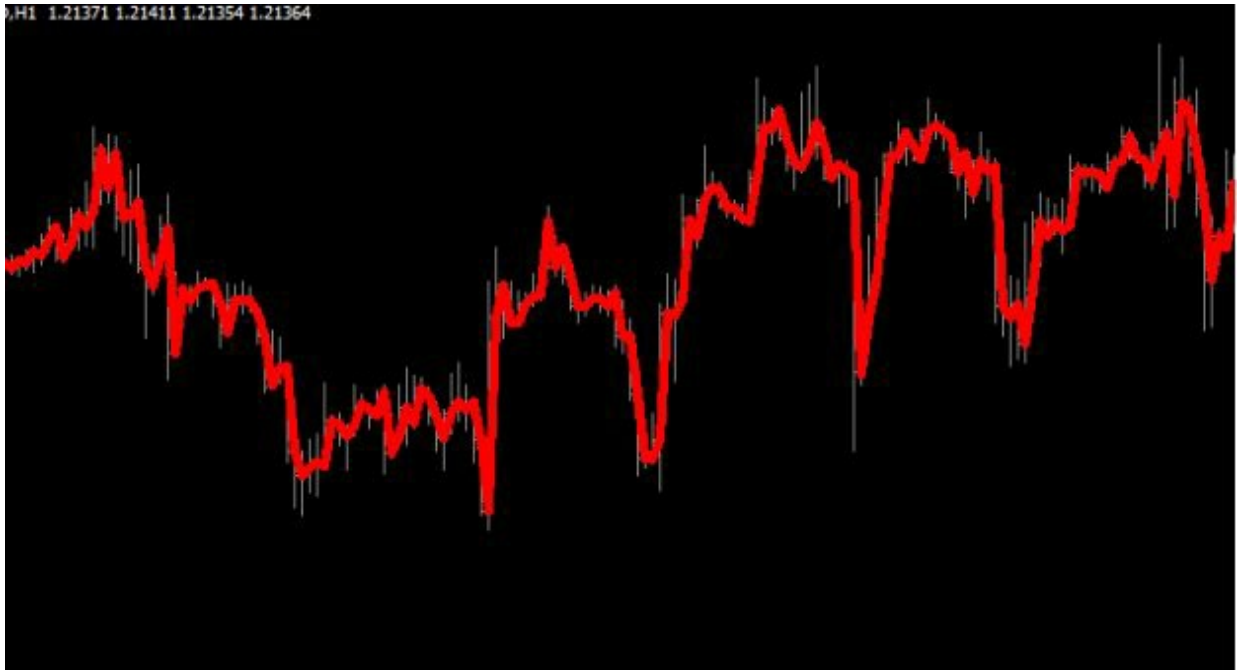
“MA Method” is “Simple”

“Apply to” “Open”

Chose color “Red”.

Make the line “THICK”

You will get the following:



Repeat the same process and add another “Moving Average” with the following settings:

For “ Period “ you type “1”

Leave “Shift” @ “0”

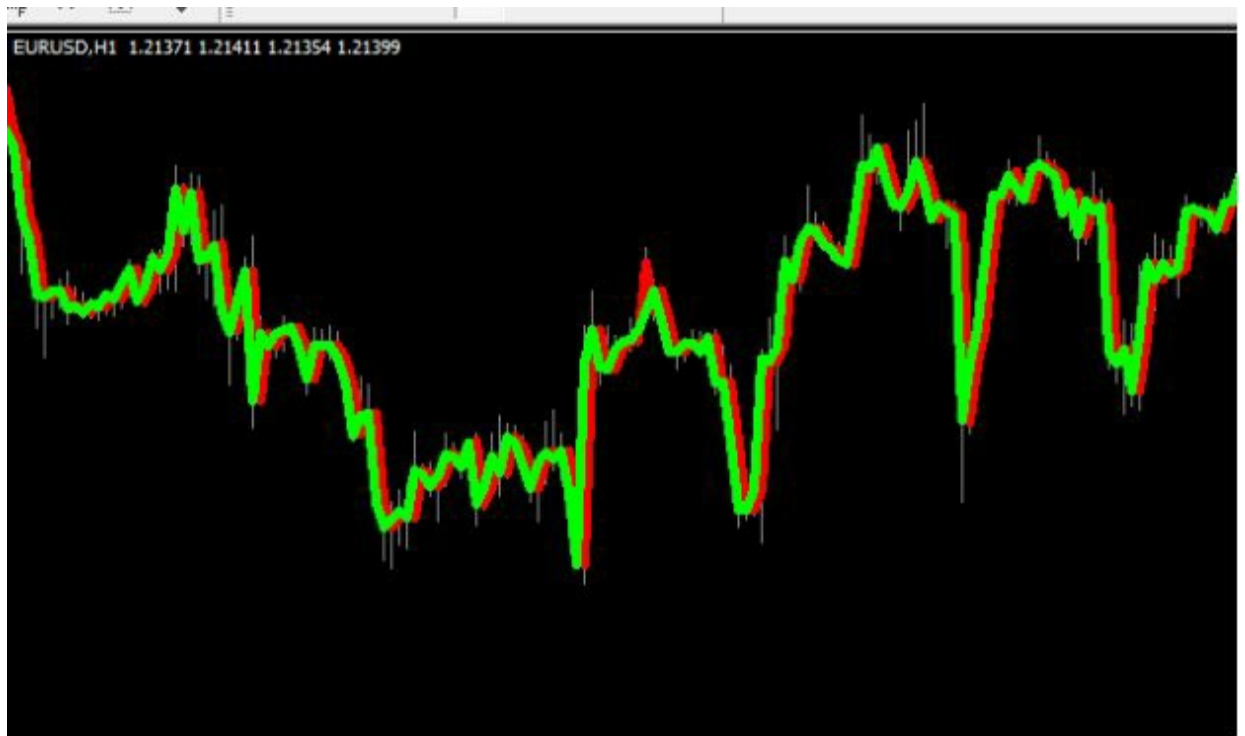
“MA Method” is “Simple”

“Apply to” “Close”

Chose color “Lime”.

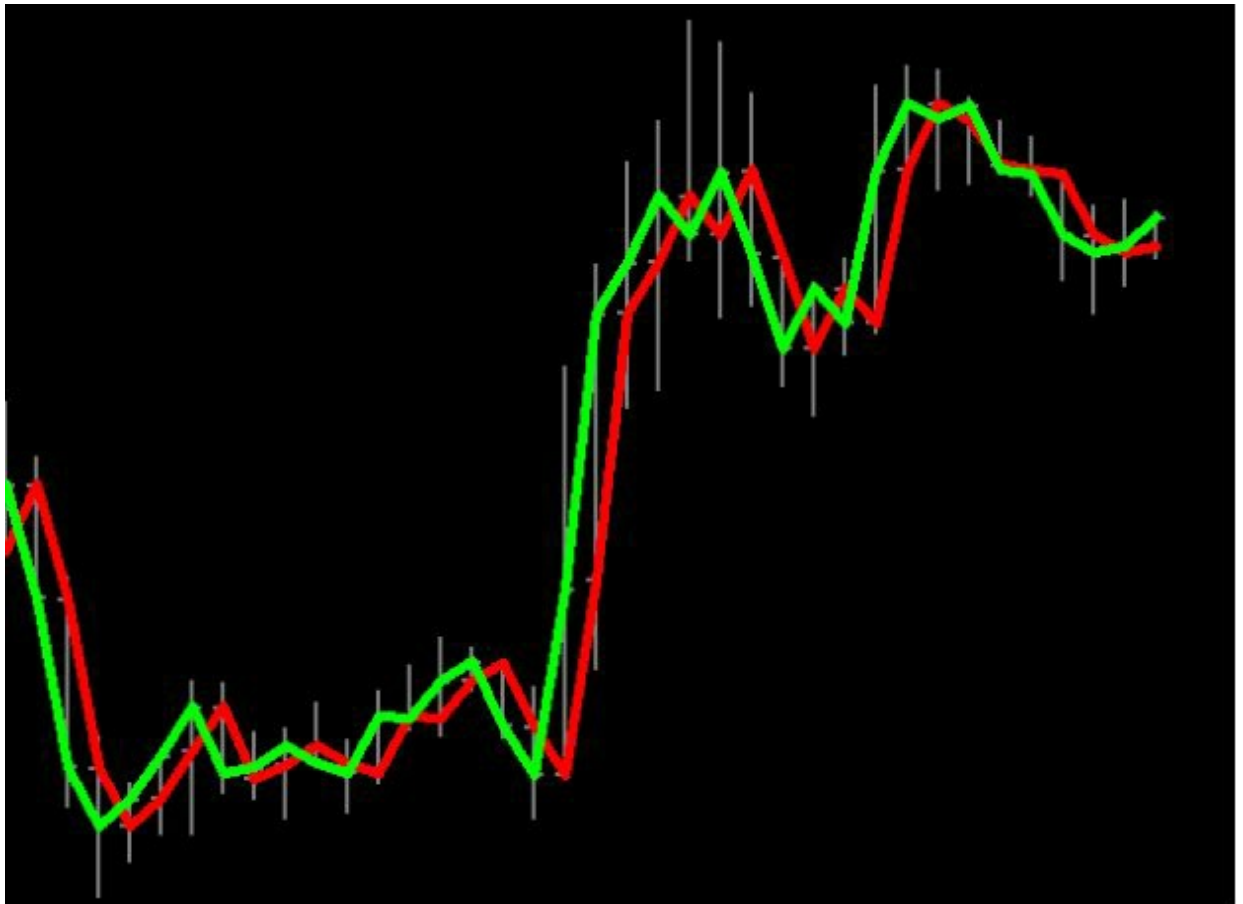
Make the line “THICK”

You should get the Following:



Now what you do is zoom out the chart.

You should get something like this:



As you can see we have drawn 2 lines (Green and Red) using Moving Averages.

Earlier I said that even though we are using the Moving Average indicator to draw the lines for lack of another tool, this is NOT a Moving Average system technically speaking. **Wikipedia** defines a Moving Average as such:

“a **moving average**, also called **rolling average**, **rolling mean** or **running average**, is a type of finite impulse response filter used to analyze a set of datum points by creating a series of averages of different subsets of the full data set.” The important thing to remember here is the word **Average**. For a Moving Average to be a Moving average the minimum setting of the period value has to be 2. You need a least **2 points to average it out**. In this system we are only using 1 Period, so there is nothing to average and as a result it **IS NOT A Moving Average**. It is a Moving Line. Therefore it does not have the lagging characteristic that Moving Averages and all other technical indicators have.

Now we are now ready to talk about the trading system.

STEP 4

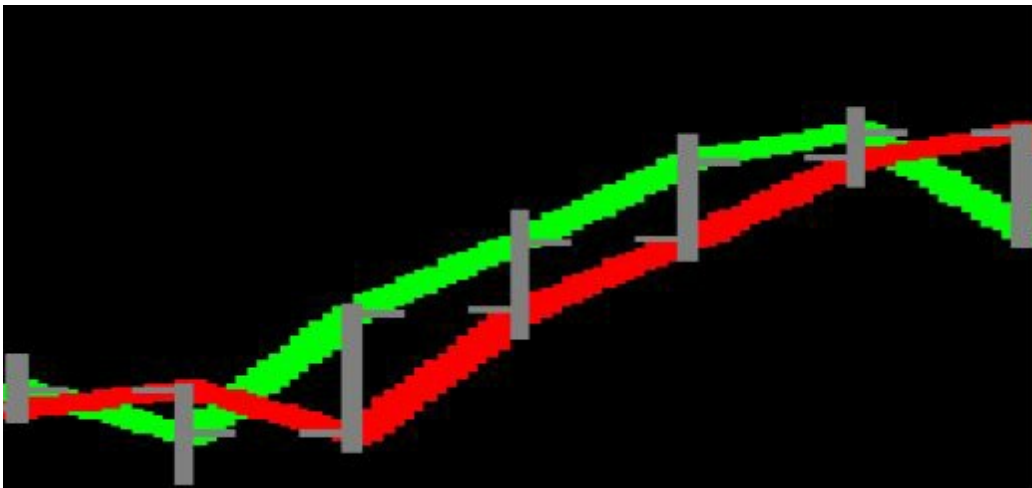
Trading System

For this system you can use any time frame of your choice.

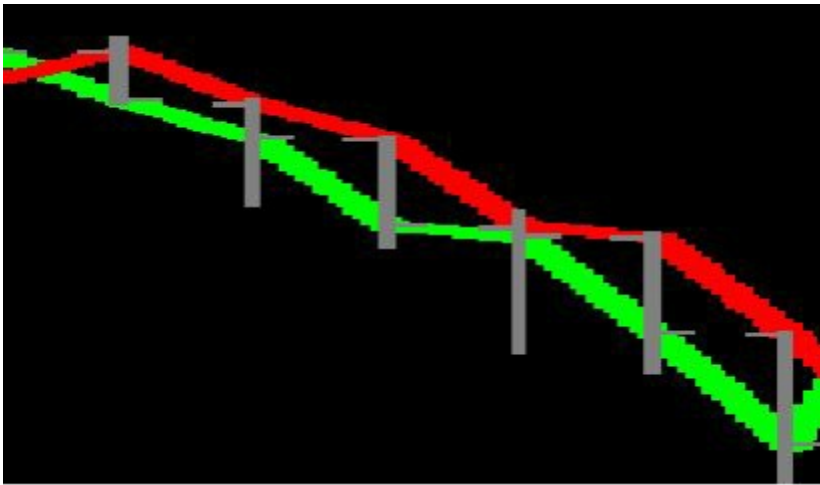
But I will recommend that you use the 1 HOUR timeframe for intraday trading. Lower timeframes are sometimes too choppy and higher time frames are not ideal for intraday trading. You can use higher timeframes for swing trading or position trading.

To trade this system, there are three (3) things you need to know

- 1) What is an UPTREND: I define an UPTREND as a series of Higher LOWS. (GREEN OVER RED)



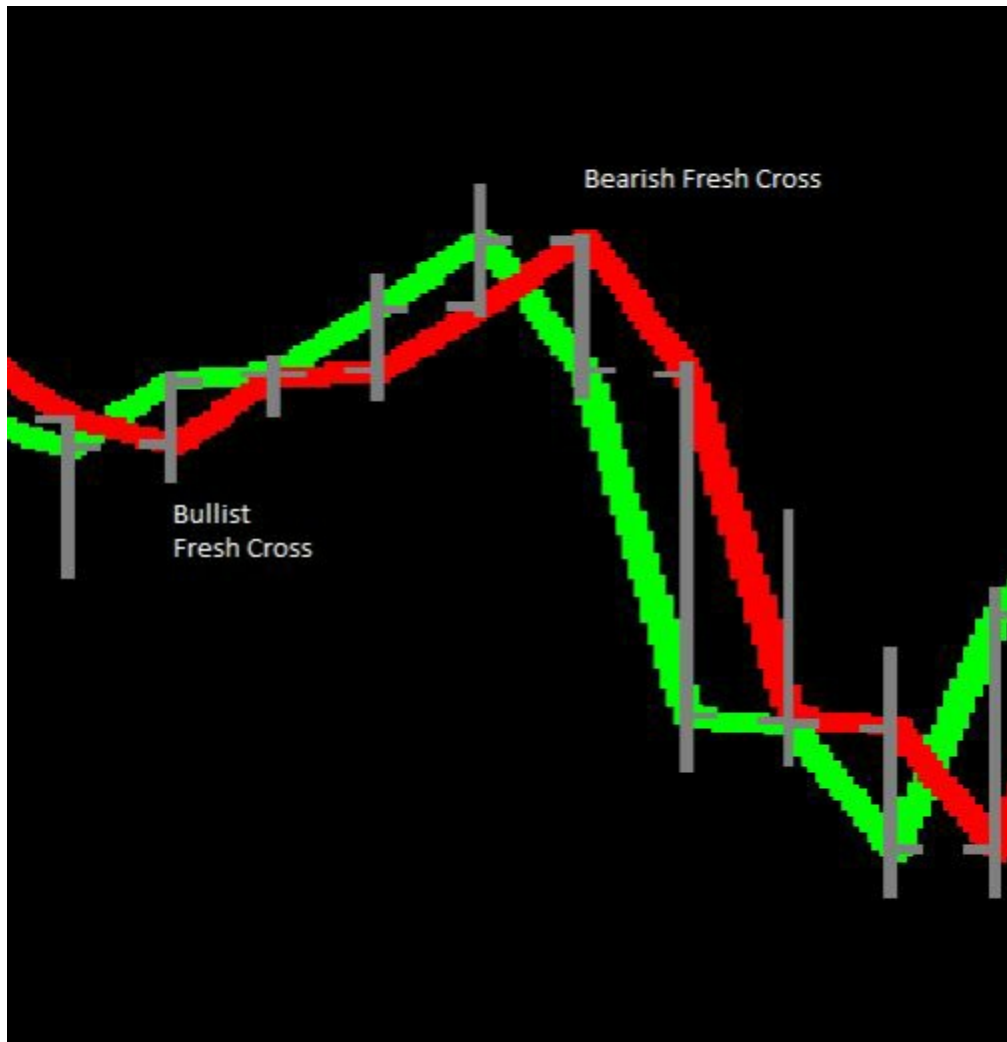
- 2) What is a DOWNTREND: I define a DOWNTREND as a series of LOWER HIGHS. (RED OVER GREEN)



3) **TREND CHANGE:** When in an UPTREND, a trend change occurs when the current Bar closes in bearish mode (meaning close price of Bar is lower than open price of Bar) and the market establishes a lower LOW. When in a DOWNTREND, a trend change occurs when the current Bar closes in bullish mode (meaning close price of bar is higher than open price of bar) and the market establishes a Higher High.

4) **FRESH CROSS:** Every TREND CHANGE starts with a FRESH CROSS. When the market is in an UPTREND, GREEN LINE will always be on top of the RED line at the close of the bars. When the market is in a DOWNTREND, RED line will always be on top of the GREEN line at the close of the bars. **A cross of the lines at the close of the Bar is defined as FRESH CROSS.**

Here are some illustrations to help clarify the statements made above.



ENTRY and EXIT Rules

BUY: You look for a BULLISH FRESH CROSS and then you BUY at the close of the current Bar.

Initial Stop is set one pip below the Low of the Bar.

Target: 20 pips

SELL: You look for a BEARISH FRESH CROSS and then you SELL at the close of the current Bar.

Initial Stop is set one pip above the High (Plus spread) of the Bar.

Target: 20 pips

When you BUY and a new Bar closes without hitting your profit target, you move your stop one PIP below the most recent LOW and so on until your target is hit or you get stopped out.

When you SELL and a new Bar closes without hitting your profit target, you move your stop one PIP above the most recent HIGH and so on until your target is hit or you get stopped out.

Under certain market conditions you can just go for 10 pips.

Remember, all it takes is for you to be able to consistently capture 10 pips, and you will be on your way to great forex riches. The system is designed to help you capture 10 to 20 pips multiple times a day. I have a student in my mentorship program who is just looking for 10 pips a day. If the first trade results in a 10 pips gain, he is done for the day. He only keeps trading if the first trade does not work. The important thing to remember is that by adjusting your lot size, a 10 pips gain is either \$10 if you are trading 1 mini lot or \$100 if you are trading 1 Standard lot or \$1000 if you are trading 10 standard lots. The point is to focus on being consistent and then you can just increase your lot size to make however much you want.

Another thing to remember is that I will always make sure that I do not risk more than 25 pips per trade. If the stop loss is more than 25 pips away which sometimes happen when there is a sudden market reaction, I will not take the trade. Most of my trades hit their target within 30 minutes to 1 hour or at most 2 hours from entry. If that does not happen, I will just take whatever the market has given me and exit the trade.

When the market is exceptionally “dead” (no price action at all...things are barely moving), I will not trade even if I get a set up. With practice and experience you will develop the ability to know which set up makes sense and which does not. It is beyond the scope of this ebook for me to cover all the nuances involved. Once you start using the system you will develop a “**feel**” for things.

I will also encourage you to create a trading journal to keep track of your trades and decisions. It is one of the best things you can ever do. It will help you see patterns in your trading and once you are aware of what you are doing right, you can focus on doing more of it and avoid the things that are costing you.

CONCLUSION

Fellow trader,

We have come to the end of this ebook and I would like to leave you with what I consider to be the KEYS to trading success. Being a successful trader has a lot more to do than just having a good trading Method. The method is one of the 3 essentials of trading success. I call them the 3M

- 1) Mind
- 2) Money
- 3) Method

A good strategy alone will not make you a winner, you have to understand and master the psychological skills involved as well as the money management aspect. In this book we have only covered the Method. I will encourage you to develop the remaining Mind and Money Management skills to ensure your success.

Numerous books have been written on those subjects. I have recently published a book that deals with that. In it I boil down the deadly mistakes 95% of traders make and how to avoid them. You can get it from amazon.com Here is the link:

[Forex Made Simple: the Ultimate Key to Trading Success\(Click HERE\)](http://www.amazon.com/Forex-Made-Simple-Ultimate-ebook/dp/B00927LCIG/ref=sr_1_5?ie=UTF8&qid=1346005482&sr=8-5&keywords=forex+made+simple)

http://www.amazon.com/Forex-Made-Simple-Ultimate-ebook/dp/B00927LCIG/ref=sr_1_5?ie=UTF8&qid=1346005482&sr=8-5&keywords=forex+made+simple

I wish you the best luck in your trading.

Let me know if you have any questions.

To Your Trading Success!

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