

Nexus FX

System Manual

Risk warning.

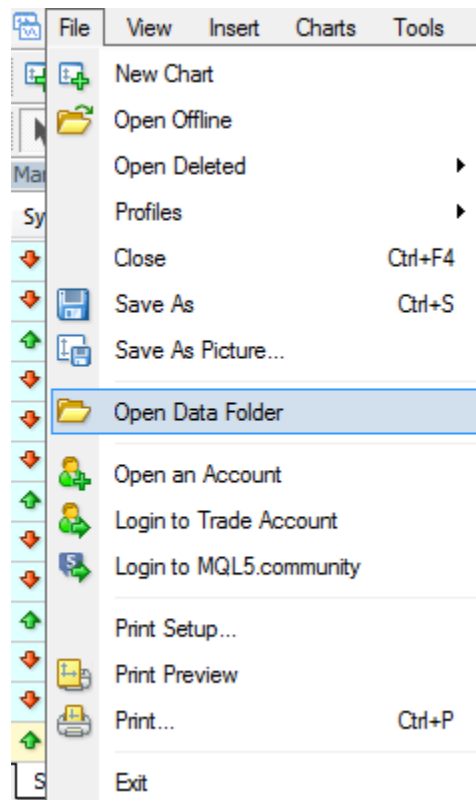
Before you begin trading on Real account please carefully consider your investment goals, risk and experience you have. It should be noted that Forex is a leverage based market. It should be remembered that leverage can work both in your advantage and disadvantage as well. Therefore there is high risk of losing a part or all of your financial input placed on your account and because of that you should remember to trade with the amount of money which you can lose without taking any influential financial damage.

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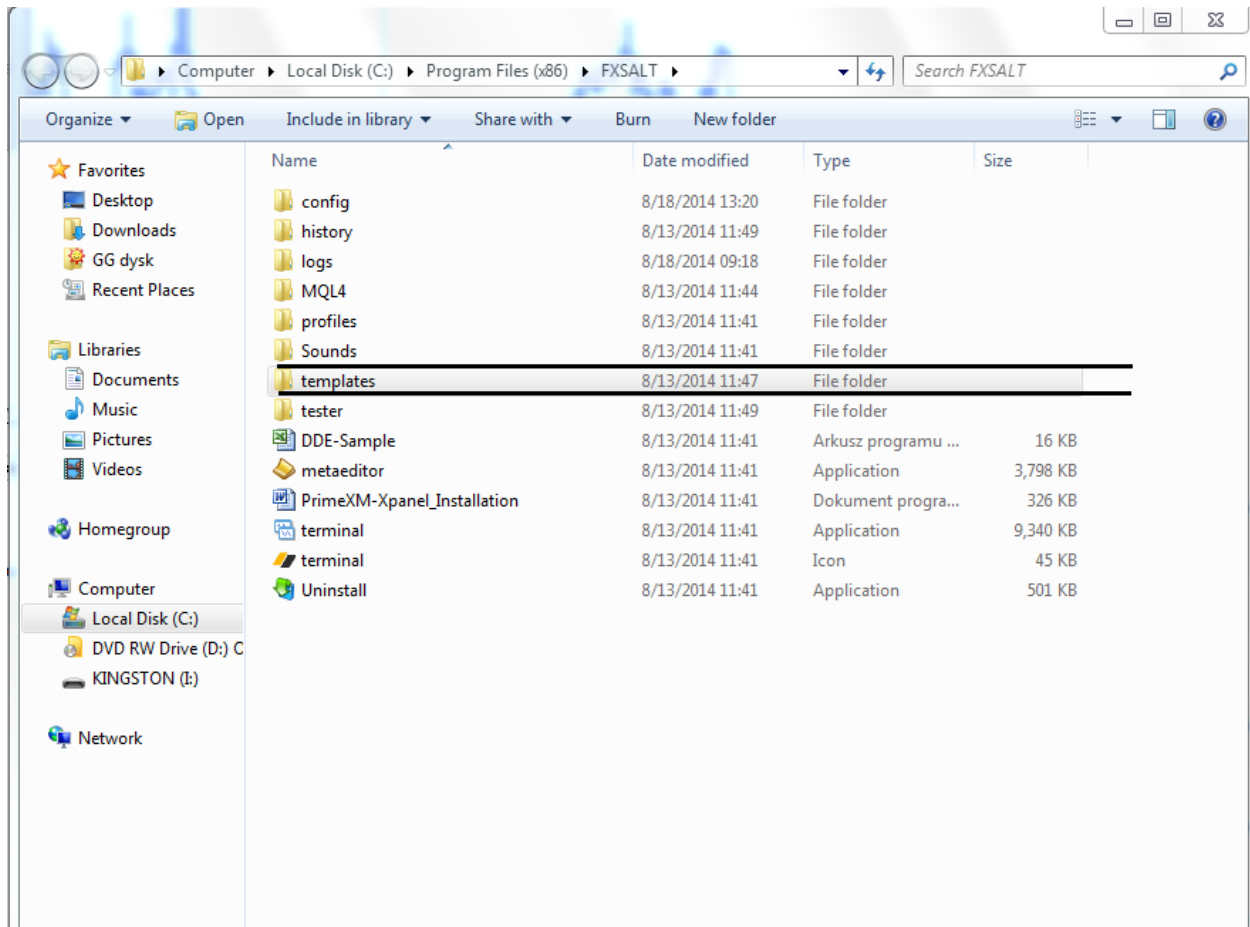
1. Setting up MT4.

Open your MT4 platform.

Go to 'File' → 'Open data folder'

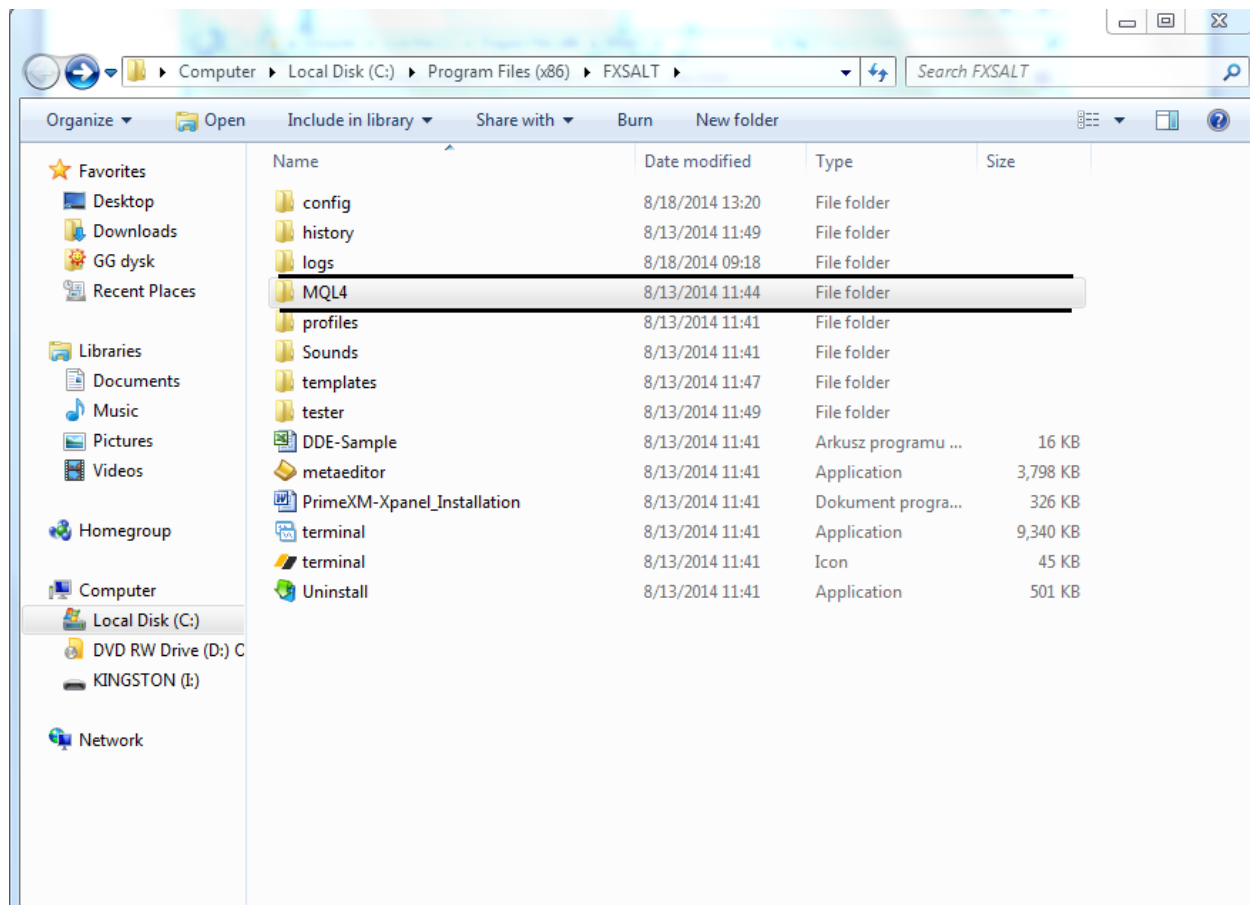


Go to 'templates' folder and copy 'NexusFX.tpl' file there.



Go back to main folder and choose 'MQL4' → 'Indicators' folder.

Copy → paste rest of the system files.

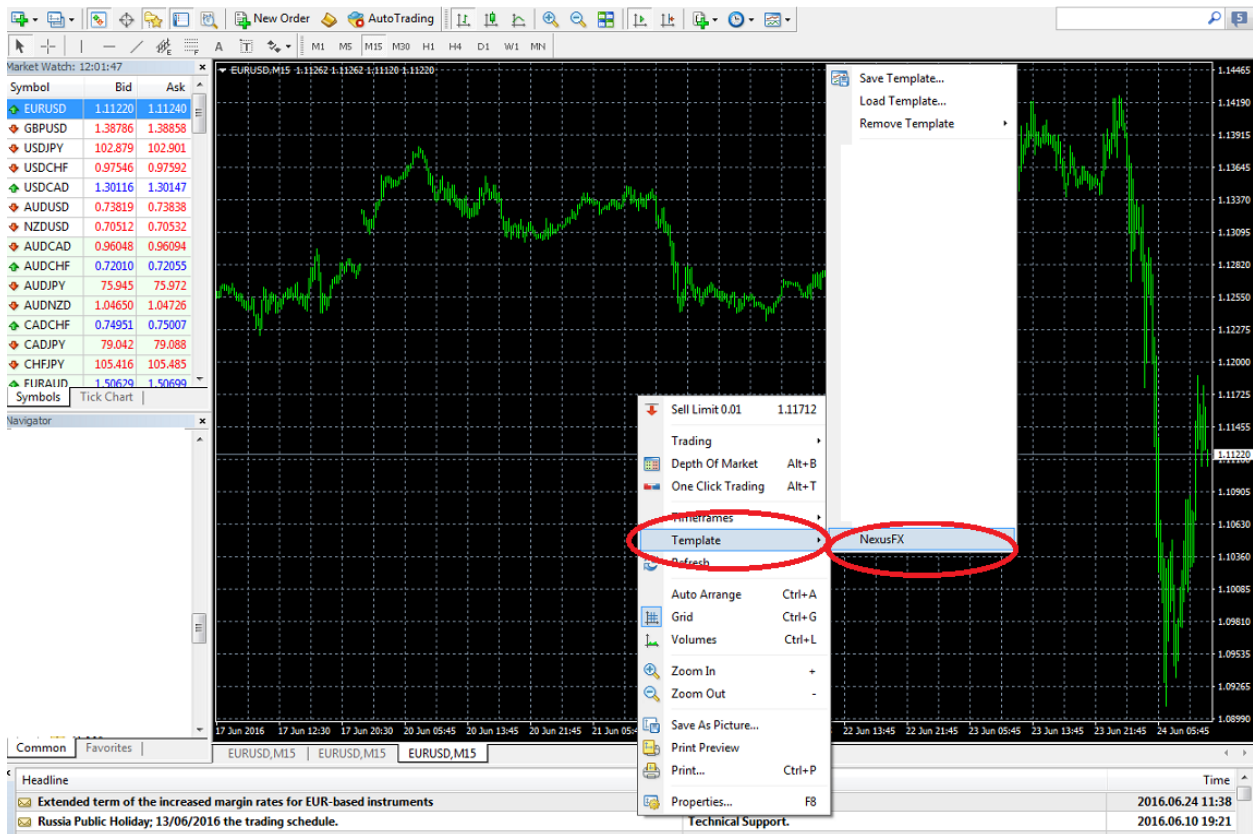


Restart MT4 platform.

Choose your trading pair and timeframe.

Right click on the chart.

Select 'NexusFX' from templates.



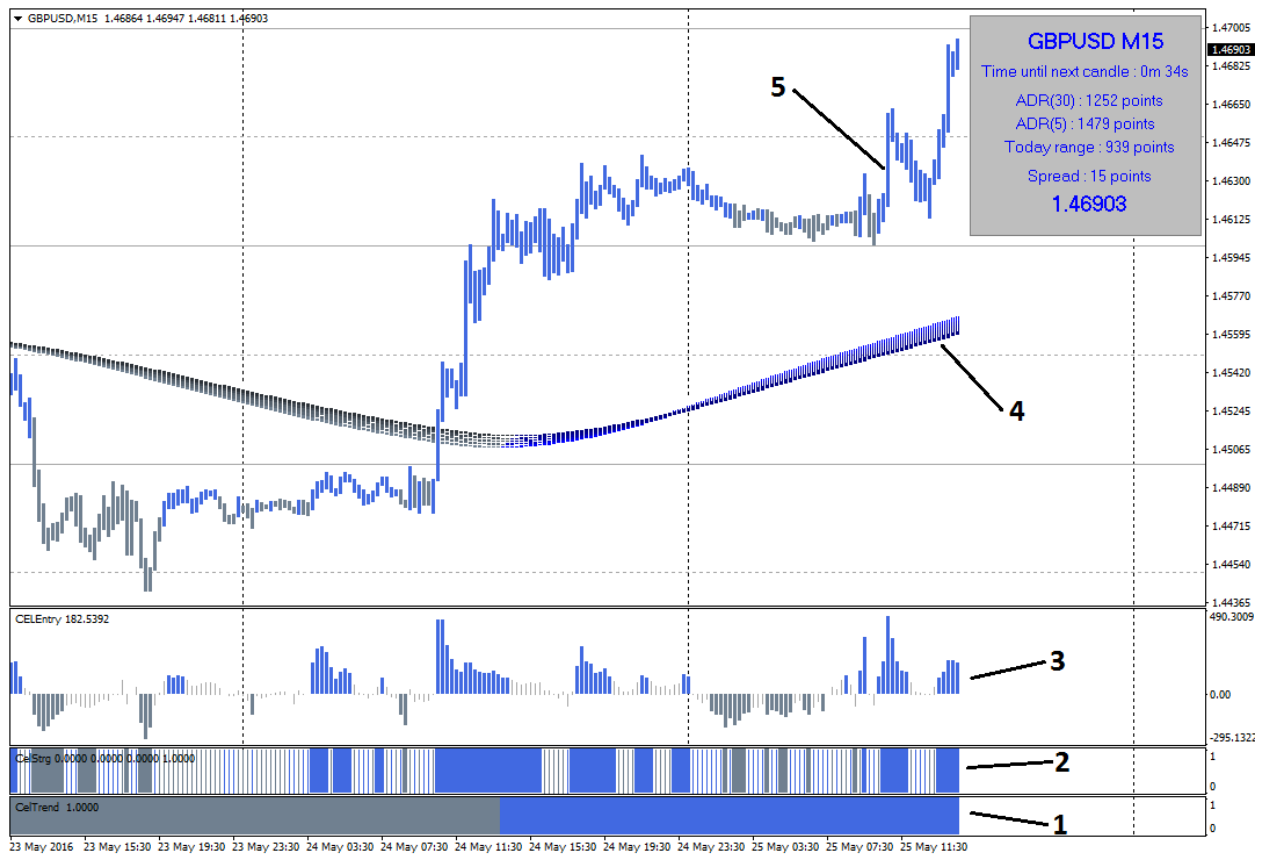
System is ready.



System Rules.

NexusFX is trend follower system. Indicators will show you in a very easy way when the market is ready for trade. Simply follow the colors.

For valid entry you need five indicators in agreement.



1. Long term trend.
2. Short term trend.
3. Market momentum.
4. and 5. Entry confirmation.

Example of LONG trade (BUY).



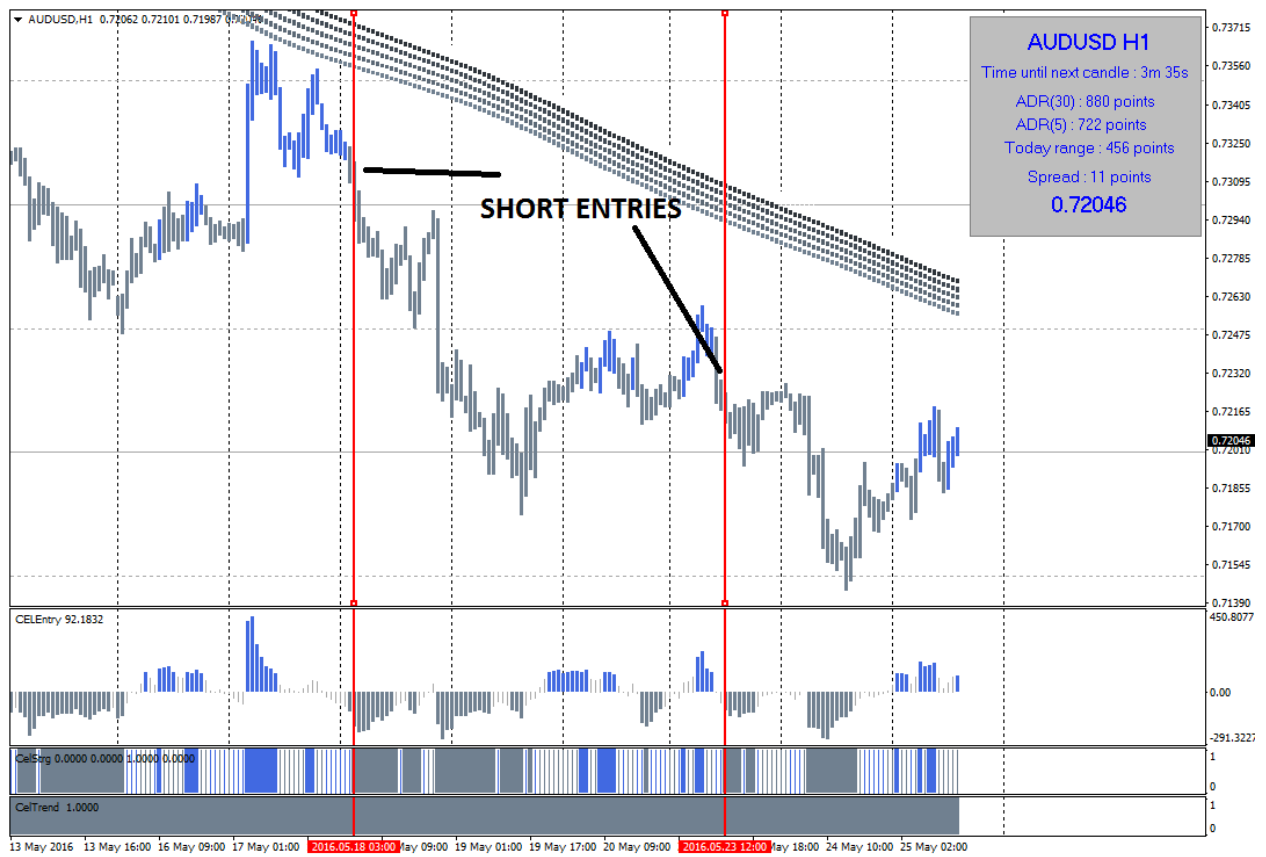
Example of LONG trade (BUY).



Example of SHORT trade (SELL).



Example of SHORT trade (SELL).



It may happen that you are late for the first entry, or you trade conservatively and wait for further confirmation from the market. In this case, you can always look for re-entry at a later stage of the movement. The condition is: the confirmation of the system to continue moving in that direction.



When to exit a trade.

There are several methods for closing the transaction.

- At the first sign of decline in the strength of movement



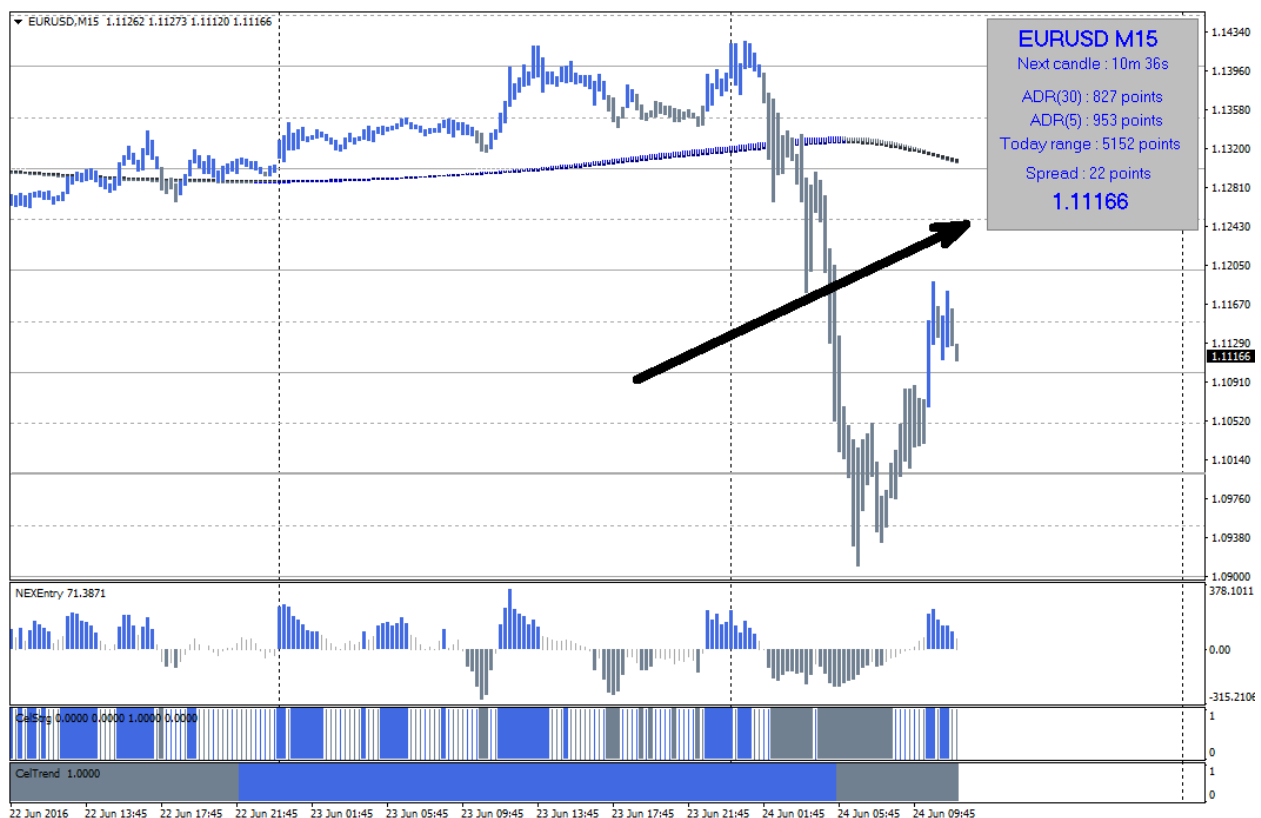
- With major support and resistance levels, especially those confirmed at high intervals.
- Round numbers like 1.1000, 0.8000



Dashboard

DB is a small indicator located in the upper right corner. It provides basic information about the market, like:

- currency pair
- time interval
- time until another candlestick is open
- spread value
- current price
- ADR (average daily range) indices



ADR indices show us two periods of time and the current (today's) price range. The first one (ADR 30) indicates a medium price range over the last month (last 30 days). The second one (ADR 5) shows us the price range throughout the last five days.

How to put this information to practical use?

Firstly, 'Today Range' indications tell us how much "space" left there is on a given instrument until the maximum is reached for the day. If, for example, TR shows 50pips, and ADR (5) and ADR (30) indicate 100pips, it's very likely the instrument you're observing will get closer to these values, providing additional 50pips of movement.

Another very important piece of information from the indications of ADR is the change of the market's sentiment and dynamics, which can be derived from the mutual relation of ADR 30 and ADR 5.

If ADR 5 is lower than ADR 30, it means the volatility prevalent on the market is currently decreasing, and a smaller price range for each day can be expected.

If ADR 5 is higher than ADR 30, it means dynamics on the market are growing by the day, so you can count on greater movement range.

MTF ANALYSIS

MTF analysis is one of the best ways to make sure that our transaction has a big chance of success. Traders often forget about it or simply ignore it, because looking only at one TF is much simpler. As a serious trader in the FX, you need to be aware that a thorough analysis of each transaction is the basis of trading and a very important element of your job. How does the MTF work and how it should be used? First of all, we have to consider our trading timeframe. For example if this is a typical intraday on the M15 chart, we need to check how other (higher) TFs are arranged with respect to our M15. Use the same indicators on H1 and H4 charts to make sure that the market is set towards your transactions..

Looking at just one TF gives you a comparable image to this seen through a keyhole. We see only a part of the picture, while the rest may be completely different than what we imagine. Analysis of several TFs will allow us to find currency pairs, which have several time intervals pointing in the same direction and we should look for opportunities on such charts. When you look only at one TF (especially in terms of a low TF), it may find out that a potentially good transaction is only a pullback of a higher trend. When concluding such transactions, you trade against banks and large financial institutions exposing yourself to huge risk

MTF analysis example

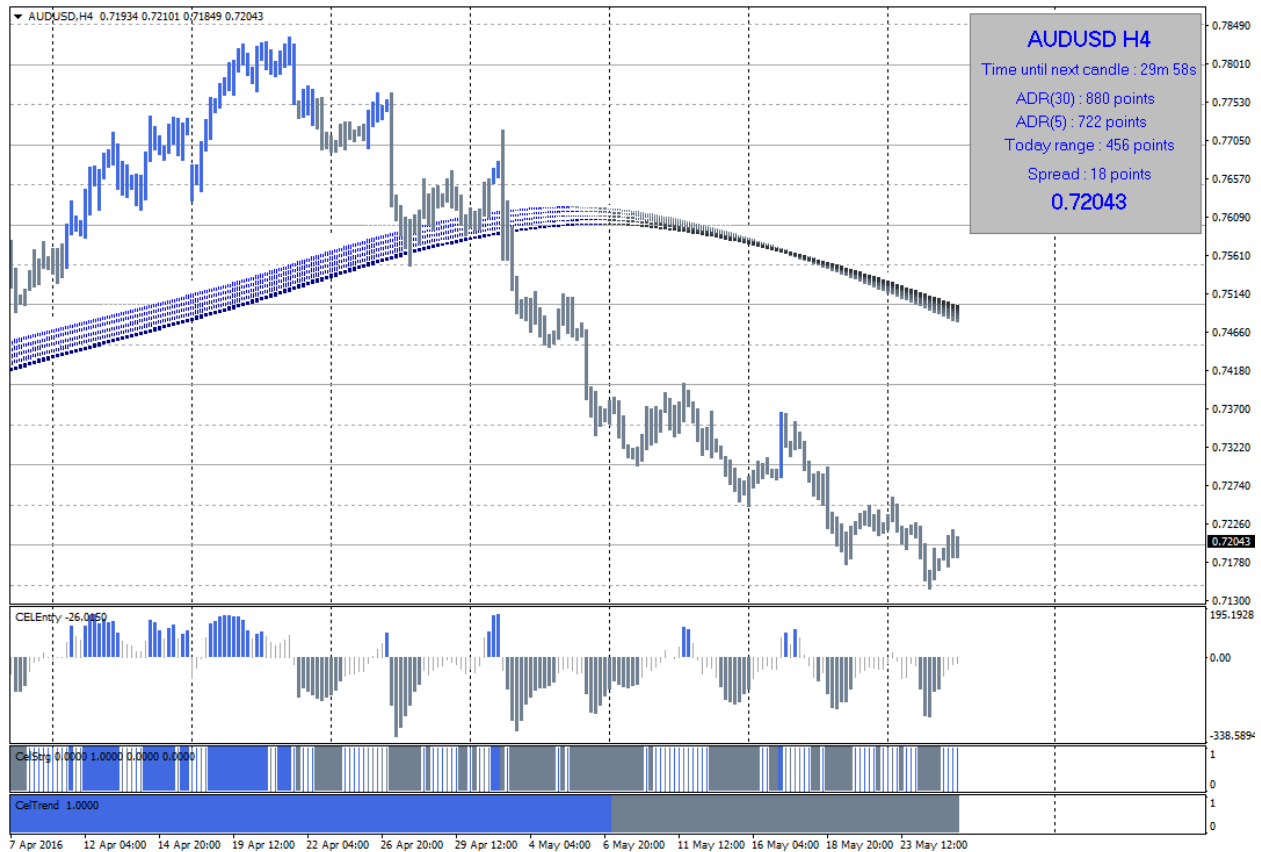
NexusFX system

Pair: AUD/USD

Entry TF: M15

Analysis: H4, H1, M15

H4 TF. The market is interested in selling only.



H1 TF. We are in obvious down trend. Market do not accept higher price.



M15 TF. We will look for trades in agreement with H4 and H1.



M15 TF. We will look for trades in agreement with H4 and H1.



We can clearly see on this example how MTF analysis allowed us to efficiently determine the main trend and join to this trend on lower time intervals. Thanks to this not only our risk (Stop Lose level) is low, but also (and the most importantly) our transaction is supported by big money from the business. Trading against the higher trend may be temporarily profitable, but in the long term – trading against the biggest sharks will always generate losses. It looks like the roulette and characterizes the novice. It is much easier to go with the flow than against it.

For the proper MTF analysis you should use at least three time intervals. If you trade on H1, analyze the trend on intervals D1, H4 and H1.

If you trade on M15, check out how the trend on H4, H1 and M15 looks like.

If you scalp on M1, make sure that M15 and M5 intervals are compatible with your trade.

The most important Trading Rules when trading Forex

1. Stop Lose

Always use Stop Lose (SL) orders. Never put yourself in a position, where you have to count on the fact that the market finally will turn back according to your intention. If you have made a sound analysis and entered in the transaction, you need to stick to the predetermined rules. Determine where you will set the SL order, where you are going to realize your profit (TP) or maybe it is better to close them partially at important levels, and leave the rest for further movement. Always take advantage of SL orders when you use any methods for the position management and never change your mind. Loss will appear sooner or later and the sooner you will adjust to it, the quicker you will understand that it is inevitable. The moment, in which you will treat losses on cool, will be an important step towards becoming a professional in the market.

2. Money Management

Money management is besides the trading system and appropriate mental approach the third most important element. The method how you manage your funds will decide whether you will appear on the market on the next day and how good this trading will be – whether calm and compatible with rules or maybe you will try to win back your previous losses aggressively. Depending on what level of risk you prefer in your trading, use only a certain percentage value of your account in transactions. The majority of traders do not exceed 1-2% of their deposit per transaction.

Traders who operate a huge capital usually use only 0.25-0.5% of their funds on each trade. Control of the risk is one of the most important issues in trading. If losses appear – and sooner or later it will happen, even if you incur a few percent of loss, in next transactions you will be able to continue your trading peacefully. If you do not stick to the rules of money management, at some point you may encounter a loss so large that it will be very difficult or even not possible to recover. Additionally, you will face with a psychological pressure, and that is a very quick way to margin call.

3.Trend

Always respect the trend on the market. Not only a short-term one, but also medium-term and long-term trends. Money on the market “move” in a specific purpose and this movement is not accidental. If you can identify the trend and follow it, you give yourself a much better chance of success. Trading against the trend, catching tops and bottoms can bring you momentary good results, but ultimately it will bring you only losses and increasing frustration. Trends are created mainly by banks and huge financial institutions. If they engage their vast resources, you can be sure that they do not do this to earn only a few pips. Use it! Trend is your friend.

4. Risk to Reward Ratio

Relation – Risk to Reward. This is the ratio of the amount of risk in a particular transaction in order to gain other amounts (reward). Before you place any order on the market, check two elements of the potential transaction: where you need to place the SL order and where you want to realize your profit – (TP). Let's say that you are interested in the BUY position in GBP/USD. You place your SL order in technically the best place, and its value is 15 pips. You want to realize your profit on a resistance, which is placed 30 pips from your order. You risk 15 pips to get 30 pips. Therefore, your risk-reward ratio is 1:2.

A common mistake of beginners is that they quickly close profitable transactions, simultaneously holding losses open as long as possible (until they do not wipe the account). If a trader does not follow certain rules in the Risk-Reward relation and try to catch few pips while risking 100 or 200 pips, the final result will always be the same and it will not be any good. The greater is the potential reward of any transaction that you conclude, the better. Each TP, which will be credited to your account, will allow you to even a few losses in a row on the market without the big effect on your deposit, and it will also give you peace of mind, which is very important in trading on Forex.

5.Avoid Overtrading

One of the biggest nightmares of traders is a phenomenon known as overtrading - excessive frequency of transaction. It usually result from the desire to open a large number of trades as soon as possible and the related belief that we have everything under control and we are able to respond to each positive for us situation of the market. Unfortunately, the beginner of this type quickly begins to bear losses – traders, who do not take into account that a large number of transactions generate high levels of stress, which in turn adversely affects the level of concentration. Moreover, it reduces the ability for accurate analysis of the situation and ordinary sobriety of judgment.

Primarily, refrain from wanting the fastest possible profits. Start trading from the minimum lot, which of course won't guarantee you high profits, but also do not cause severe losses in the event of failure of your trading. If you are not able to function normally in everyday life with an open position, you cannot sleep or read a newspaper in peace, it means that the size of your position is too large.

6. Transaction record

Make a habit of saving all your transactions, both profitable and unprofitable. Make notes after each trade, save the screenshot with a short information about the reason for the conclusion of this transaction, where you set the SL order and where you wanted to realize your profit. Such a record is a fantastic method of learning, because after returning to the history of your transactions after some time, you will be able to eliminate mistakes and learn how to enter into transactions with a potentially high probability of the success.

You need to remember that the market has an advantage over us from the very beginning of the opening an order to its closure. For example, if you open a transaction, which is intended to achieve 10 pips of the profit (simultaneously risking 10 pips as Stop Lose), after deduction of commission / spread / slippage it turns out that you need to get at least 12-13 pips, but at the same time you are able to risk only 7-8 pips. Your transaction with a potential relation "risk-reward" equal to 1:1, from the start has a ratio of 1,5:1.