

Trade Alert User Manual

POTENTIAL TRADE ALERTS

User Guide

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The purpose of this document

Potential Trade Alerts is an educational tool, generated by TradeGuider © Software giving the Customers the opportunity to el the main principles of Volume Spread Analysis Methodology in a practical way. Potential Trade Alerts are delivered via a WEB interface as a separate subscription.

This document provides the necessary information about Potential Trade Alerts, the ways and rules of use as well as a detailed description of the parameters.

Important information and limitations

Traders usually spend a lot of time identifying trading opportunities - especially if they are working with several different Market Instruments. In this regard, the Trader either does not pay enough attention to manage ongoing trades, or misses good trade opportunities.

Potential Trade Alerts (hereafter called Alerts) help the Trader to concentrate on Market Instruments and Price Charts which have specific trade preconditions. This significantly minimizes an need to find trades.

Alerts are generated by TradeGuider © Scanning Software (hereafter called Scanner) that constantly monitors hundreds of Price Charts simultaneously. Using Volume Spread Analysis Methodology (hereafter VSA), the Scanners are looking for an imbalance of Supply and Demand in specific price areas while Market Instruments are in Trend. Alerts are triggered when corresponding conditions are found and price correction to the Trend is expected. The Price Level of entry (Open Price) points to the potential end of the expected correction. This gives the trader enough time to analyze the Price Charts and to make the decision about whether to trade or to discard the Alert.

DO NOT TRADE THESE ALERTS ON A LIVE ACCOUNT UNTIL YOU HAVE PROPERLY UNDERSTOOD AND EXTENSIVELY TESTED THE METHODOLOGY ON A DEMO ACCOUNT.

Currently, TradeGuider provides Alerts for the following Markets:

- Futures (quotes are based on the **Infinity AT** broker Data Feed)
- Forex Currencies (quotes are based on the **ActiveTrades** broker Data Feed)

If you are using another broker, price levels may vary from the ones shown in an Alert.

Note 1: Price references in Alerts (Open Price, Take Profit Price and Stop Loss Price) ARE NOT TAKING INSTRUMENT VOLATILITY (for Futures) AND SPREAD (for Forex Currencies) INTO CONSIDERATION.

Note 2: It is not recommended to set a resting order immediately after an Alert is triggered. It is very important to watch the Price Action around the Open Price Level. This is due to the fact that a correction to the Trend may continue.

Note 3: Take Profit Level is provided for reference purpose only and, in fact, is the minimal expected level. It is up to the Trader to decide whether to close the trade on that level or to keep it running further.

Note 4: It is not recommended to open a trade if there is Major news due to be announced.

Alert Interface

Alerts are delivered via WEB interface and are subject of separate subscription. The Web page is automatically updated every time a new Alert is triggered, placing the new Alert at the very top. Example of the page can be seeing on the Picture 1.

When the alerts are accessed from a desktop (rather than a mobile or tablet device) an audible alert will sound each time a new alert appears.

+	FOREX	EURAUD	Risk / Reward ratio 1.68	Potential Short Alert	10/11/2017 8:06:03 AM US EST																		
+	FOREX	CADCHF	Risk / Reward ratio 2.692308	Potential Long Alert	10/11/2017 7:47:02 AM US EST																		
+	FOREX	GBPCHF	Risk / Reward ratio 1.653846	Potential Long Alert	10/11/2017 7:15:02 AM US EST																		
<table border="0"> <tr> <td>Instrument name</td> <td>Great Britain Pound vs Swiss Franc</td> <td>Time Frame</td> <td>5 minute</td> <td>Alert type</td> <td>1</td> </tr> <tr> <td>Open Price</td> <td>1.28561</td> <td>Stop Loss</td> <td>1.28691</td> <td>Take Profit</td> <td>1.28346</td> </tr> <tr> <td colspan="6" style="text-align: center;">Expected profit in ticks: 215</td> </tr> </table>						Instrument name	Great Britain Pound vs Swiss Franc	Time Frame	5 minute	Alert type	1	Open Price	1.28561	Stop Loss	1.28691	Take Profit	1.28346	Expected profit in ticks: 215					
Instrument name	Great Britain Pound vs Swiss Franc	Time Frame	5 minute	Alert type	1																		
Open Price	1.28561	Stop Loss	1.28691	Take Profit	1.28346																		
Expected profit in ticks: 215																							
+	FOREX	EURCAD	Risk / Reward ratio 1.4286	Potential Short Alert	10/11/2017 7:05:02 AM US EST																		
+	FOREX	GBPCHF	Risk / Reward ratio 1.106796	Potential Long Alert	10/11/2017 5:49:02 AM US EST																		
+	FOREX	EURCHF	Risk / Reward ratio 1.2794	Potential Short Alert	10/11/2017 4:45:03 AM US EST																		
+	FOREX	GBPCHF	Risk / Reward ratio 1.172414	Potential Long Alert	10/11/2017 3:24:04 AM US EST																		
+	FOREX	GBPCHF	Risk / Reward ratio 1.02381	Potential Long Alert	10/11/2017 2:32:02 AM US EST																		
+	FOREX	NZDCHF	Risk / Reward ratio 1.25	Potential Long Alert	10/11/2017 2:30:04 AM US EST																		
+	FOREX	USDCAD	Risk / Reward ratio 1.3	Potential Long Alert	10/11/2017 2:28:03 AM US EST																		
+	FOREX	EURCAD	Risk / Reward ratio 1.1034	Potential Short Alert	10/11/2017 2:22:02 AM US EST																		
+	FOREX	EURAUD	Risk / Reward ratio 1.1071	Potential Short Alert	10/11/2017 1:01:03 AM US EST																		

Picture 1.

Each colored row represents one Alert and contains sufficient information for the primary evaluation of Trader's interest to this Alert. Any row can be expanded to reveal more details information about the alert. The detailed information can be viewed below in Picture 2.



+	FOREX	CADCHF	Risk / Reward ratio 1.5556	Potential Short Alert	10/12/2017 3:24:03 AM US EST																		
<table border="0"> <tr> <td>Instrument name</td> <td>Canadian Dollar vs Swiss Franc</td> <td>Time Frame</td> <td>1 minute</td> <td>Alert type</td> <td>1</td> </tr> <tr> <td>Open Price</td> <td>0.78182</td> <td>Stop Loss</td> <td>0.78164</td> <td>Take Profit</td> <td>0.7821</td> </tr> <tr> <td colspan="6" style="text-align: center;">Expected profit in ticks: 28</td> </tr> </table>						Instrument name	Canadian Dollar vs Swiss Franc	Time Frame	1 minute	Alert type	1	Open Price	0.78182	Stop Loss	0.78164	Take Profit	0.7821	Expected profit in ticks: 28					
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Open Price	0.78182	Stop Loss	0.78164	Take Profit	0.7821																		
Expected profit in ticks: 28																							

Picture 2.

Expand / Collapse button – opens or closes Alert details part.

Market Type – represents the type of the Market an Alert is triggered for. The following Markets are supported:

- FOREX
- FUTURES
- STOCKS

Short Name of Instrument – Instrument (Symbol) abbreviation used by the broker.

Expected Risk/Reward ratio – Mathematically calculated ratio, comparing the expected return of investment with amount of risk undertaken to capture this return. The formula to calculate Risk Reward is the following:

$$RR = \text{ABS} \left(\frac{\text{Take Profit} - \text{Open Price}}{\text{Open Price} - \text{Stop Loss}} \right)$$

Potential Trade Type – Informs the Trader about the direction of the Alert.

- Potential Long Alert (row is painted by GREEN color) indicates possible buying of the Instrument
- Potential Short Alert (row is painted by RED color) indicates possible selling of the Instrument

Time of Alert Arrival – indicates US EST time when Alert was triggered.

When expanded, the following Alert details are available:

Instrument Name – Full name of the Market Instrument

Time Frame – Indicates Market Instrument Time Frame where Alert has been triggered

Alert Type – Indicates the Type of Alert. There are two types are available now:

- Type 0. Represents an Alert with low probability of success, but higher Risk/Reward ratio
- Type 1. Represents an Alert with high probability of success, but lower Risk/Reward ratio

Open Price – represents an expected Price Level (area), where the Trader can potentially open the trade

Stop Loss – represents an expected Price Level (area), where the Trader can close running position (fully or partially), if the Market will go against trade direction to minimize his losses

Take Profit – represents an expected Price Level (area), where the Trader can close running position, if the Market will go in favor of trade direction to fix (fully or partially) his profit

Expected profit in ticks – indicates the number of Price ticks from Open Price Level to the Take Profit Price Level

Trading Rules to the Long side

Upon receiving a Long Alert the Trader needs to perform the following checks and actions:

- Wait until the Market **Ask** Price goes down to the Open Price Level and will either touch or break it.
- Wait until the bar, breaking the Open Price Level, closes.
- Check the Alert cancellation rules (see section “**General Alert cancellation rules**”). If an Alert is not cancelled, check the new Risk/Reward ratio and, if it is still satisfactory for you, set a resting order to the long side a few ticks above current Market Price Level.
- If the Market Price continues to go down on the bars with **decreasing** volume, after each bar is closes, move the resting order lower, but not less than 3 ticks from the current Market Price. **Always check the Alert Cancellation rules** before moving the resting order down.

Note 5: It is not recommended to open the trade if the Market Price does not get down to the Open Price Level

Trading Rules to the Short side

Upon receiving Short Alert the Trader needs to perform the following checks and actions:

- Wait until the Market Bid Price goes up to the Open Level and will either touch or break it.
- Wait until the bar breaking the Open Price Level closes.
- Check the Alert cancellation rules (see section “**General Alert cancellation rules**”). If an Alert is not cancelled, check the new Risk/Reward ratio and, if it is still satisfactory for you, set a resting order to the short side few ticks below current Market Price Level.
- If the Market Price continues to go up on the bars with **decreasing** volume, after each bar closes, move the resting order higher, but not higher than 3 ticks from the current Market Price. **Always check the Alert Cancellation rules** before moving the resting order down.

Note 6: It is not recommended to open the trade if the Market Price will not get up to the Open Price Level

General Alert cancellation rules

After an Alert has arrived, mark (or keep in mind) the bar on the Time Frame where it has been triggered. Alert validity is for the next **25 bars**. If the Market Price did not come back to the Open Price Level within that interval, an Alert is considered as CANCELLED. The Following rules also need to be taken into consideration:

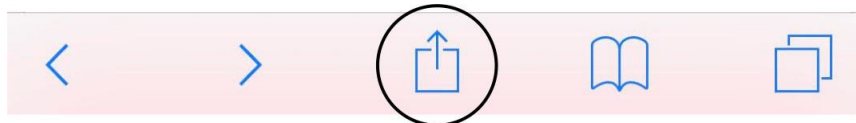
- Breaking the Open Level by the wide spread bar with an increasing volume (volume on that bar is bigger than volume on previous bar) CANCELS an Alert.
- Any bar inside the Alert validity interval with Very High or Ultra High volume CANCELS the alert.
- Breaking the Stop Loss Level CANCELS an Alert.
- Breaking the Take Profit Level before the Market Price comes up to the Open Price Level CANCELS an Alert.
- Any Alert in the opposite direction on the same Market Instrument CANCELS an Alert.

Note 7: If an Alert is cancelled, but a resting order has previously been set, delete the order.

Adding the service as an icon on your iPhone

If you decide to access using iPad or iPhone then you can set access by creating an icon on the Home Screen. To do this

1. In the iPhone browser log in to the Customer Center and then access the homepage of the Trading and Learning Center / Getting Started package
2. Click the following icon at the bottom of the iPhone / iPad screen:



3. Click the “Add to Home Screen” button
4. Add a label for your icon and click the “Add” button

You will see the following icon appear in the Home Screen



Document revision history

<i>Date</i>	<i>Revision</i>	<i>Edited by</i>	<i>Status</i>
25.09.2015	0.1	Grigory Margolin	Draft
30.01.2016	Beta_Testers_1.0	Grigory Margolin	Updated
01.02.2016	Beta_Testers_1.1	Arthur Robinson	Updated
01.02.2016	Beta_Testers_1.2	Richard Bednall	Updated
03.07.2016	2.0	Grigory Margolin	Updated
10.10.2017	3.0	Grigory Margolin	Updated