FOREXACT

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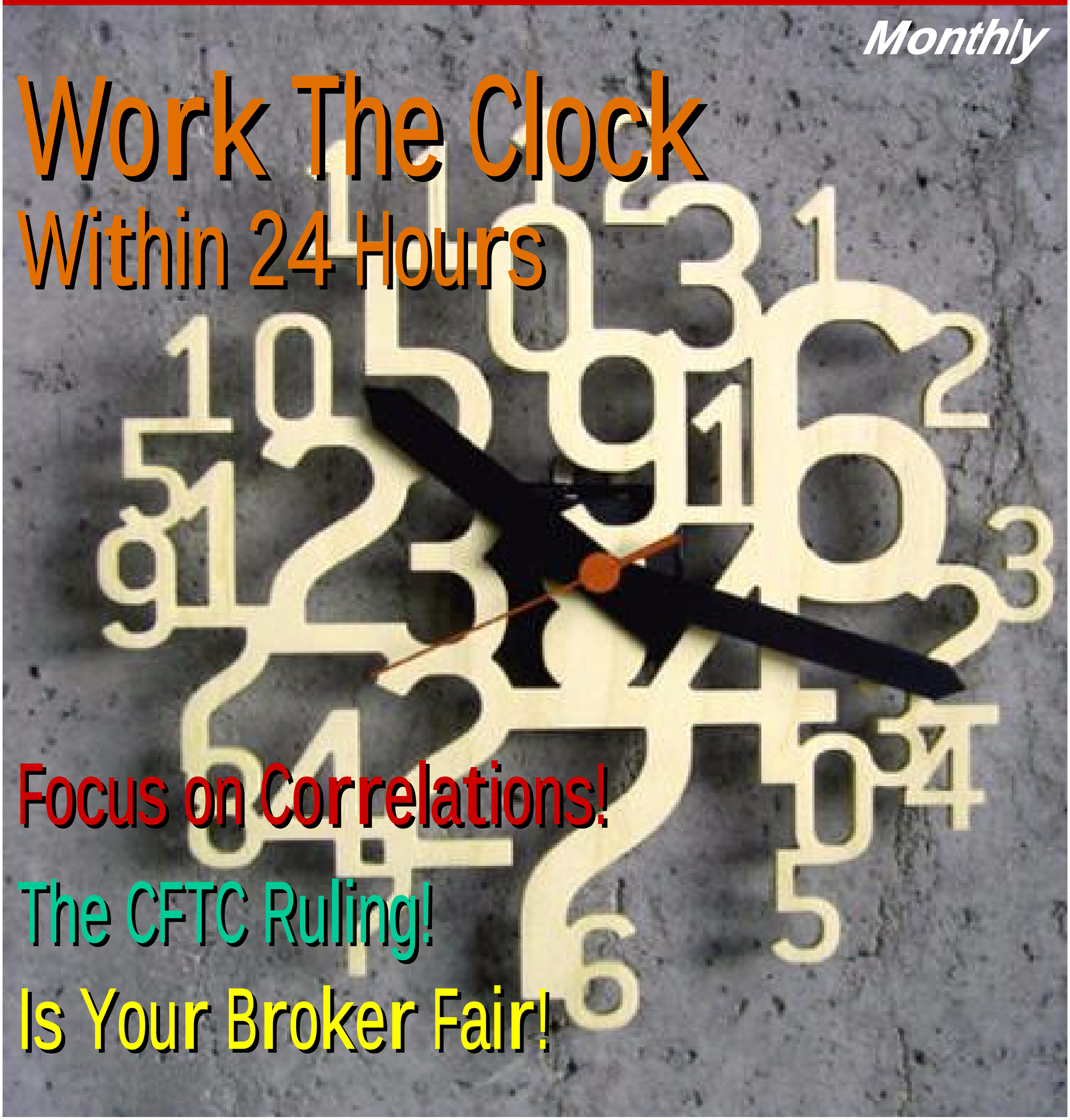

Work The Clock Within 24 Hours

Focus on Correlations!

The CFTC Ruling!

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C O N T E N T S

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It's been said so many times that only 5% of forex traders are in the money, the vast majority lose their money within a short time after entering this market and the 5% that actually makes some money have had to endure their share of loses before becoming profitable. Many who failed in the attempt have always pointed the finger at brokers and the ability these have to manipulate the market, not allowing entries when the trader has a visible advantage, hitting stops when the market never reached the level where the trader had placed their stop and the list goes on. Brokers have always pointed the finger at technicalities and imperfections the Internet can deliver, slow connection, down servers, etc. In fact I have never met anyone trading this market who has not had a bad experience with a broker one time or another and when its time to make a claim, there is really not much one can do, so the process is to try your best to convince your broker you are right and hope he feels good that day and accepts there was a tech problem and he will refund you, otherwise he doesn't care if you walk away and take what's left in your account. He knows there will be another person willing to try his or her luck at becoming a millionaire with a one thousand dollar deposit, and of course the story will most likely repeat itself all over again. So, is there a clean broker who is honest and doesn't manipulate the market to its advantage? Difficult to say for sure, however there is now a way traders can actually increase the odds in their favor, according to the newly adapted regulations governing brokers, they have to make public the number of active accounts they have and how each account is doing based on the win and loss columns. The first report is already out and apparently there was a big surprise, the most popular of the brokers were in fact not the biggest, the biggest part they have is the percentage of clients in the loss column. The one broker that stands out and it is probably the least popular one is Oanda with an average of 50% of their clients actually making money in comparison with the rest of the broker where the average of clients making money is 25%, except with the most popular broker FXCM and Forex.com where the clients making money is lower at 23%, look at the list below:

US RETAIL FOREX BROKERS ACCOUNT PROFITABILITY

Broker	Profitable	Unprofitable	Traders
Interbank FX	28%	72%	18,579
FXCM	23%	77%	15,023
Alpari US	25%	75%	1,563
Forex.com	23%	77%	11,345
FX Solutions	24%	76%	5,692
IG Markets	20%	80%	470
Oanda	51%	49%	49,687

Monthly

Work The Clock

WITHIN 24 HOURS

It is customary for marketers to push on to their possible clients the fact that the forex market is available 24 hours a day, it makes it a nice pitch, after all it would be nice to come to your computer at any time of the day and take some money into your pocket. However, although this is almost impossible, knowing how to use the clock could improve your odds at being able to visit your computer at the time the market could deliver a profitable entry, in order to do this traders normally look at the opening of the different markets, especially the European and US. markets where activity is very high, and the probability of finding a profitable trade is very high as well.

However, using the clock in a more systematic way could lead to better trading and overall better results. First you have to know what, the pair you are looking to trade, is doing. If it is trending or oscillating. If oscillating you will be measuring the cycle in the largest chart you normally like to use in your trading as foundation, if considering a 4 hour chart, you know that every four hours the possibility of the pair taking another step towards the level you have previously set for entry will be available, and as a new candle appears the old one would have closed in the area that fits your entry plan, if it doesn't you then know you have another four hour wait until a new candle opens an the old one has again either establish a new high or low and it could have made it's closing at the level where you are looking to enter. Of course, there is always the possibility of using other charts, where the frequency of a new candle appearing is higher, however when measuring oscillations do not risk timing for the sake of achieving just a few pips, by changing your plan to a smaller foundation chart, this could be risky and costly, because when a pair has failed to establish a new high it is either telling you that it is going sideways, if it is, the opportunity for your entry could be coming and all you need to do is be patience, on the other hand it could very discreetly be telling you that it is planning on a very strong cycle to the opposite direction of where you were intending to go. In a trending market your foundation chart is normally a larger chart therefore the time measurement is normally done by timing the retracement cycles in smaller charts for entry, but for managing your trade it is always, in either market condition your foundation chart.

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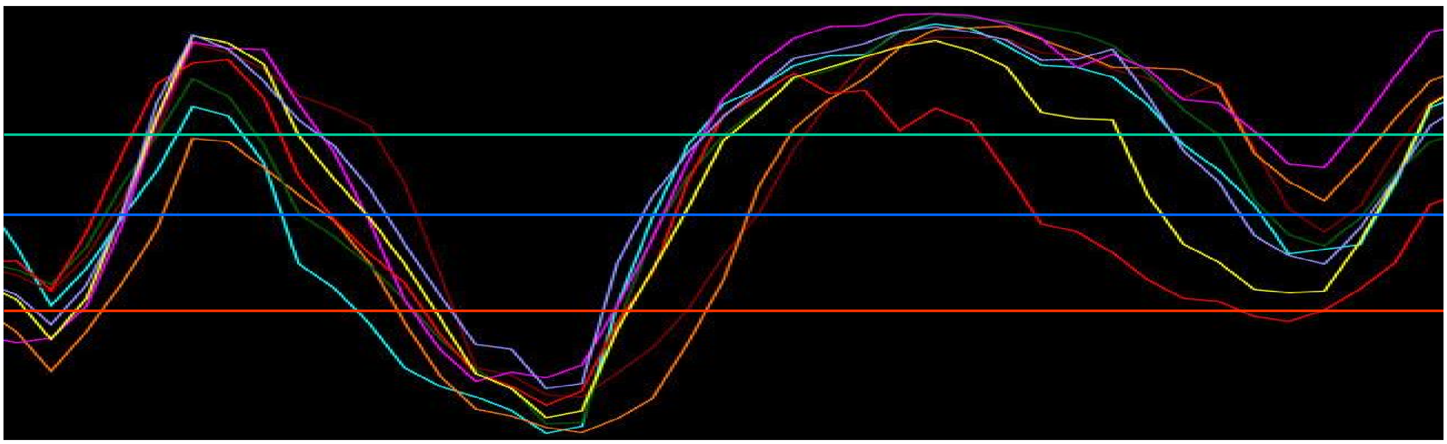
Focusing On Correlations Support & Resistance



As currency pairs run in and out of the range of Correlations, one basic indicator can help you measure the strength or weakness of the correlations, the old but ever so strong, Support and Resistance levels.

It is very important when trading, to be aware of the location of the pair you are thinking of trading, in regards to its correlated pairs, for example when thinking of trading the EUR/USD one should study the position of the GBP/USD as well as the USD/CHF, in order to cover both the negative and positive relation the EUR/USD has in the market place, in doing this the areas of support and/or resistance could be telling you if the correlations has a chance of increasing or decreasing.

For example: in an oscillating market if the GBP/USD is at the high end of an oscillation and facing a strong level of resistance, it is wise to wait for the GBP to break that level of resistance in order for you to enter the EUR trade, because eventhough the EUR has no resistance near it could be held back from further movement because the GBP will have difficulties crossing the resistance. But once the GBP crosses. it sends a signal to the EUR that the market is ready to buy at the offered price and you can then follow your plan to enter your trade. If at the same time the USD/CHF pair is facing a support level, the more often scenario is that the CHF will break the support as the signal from the GBP it is also reaching the CHF, but it is wise to monitor the breakage of CHF before entering your trade.

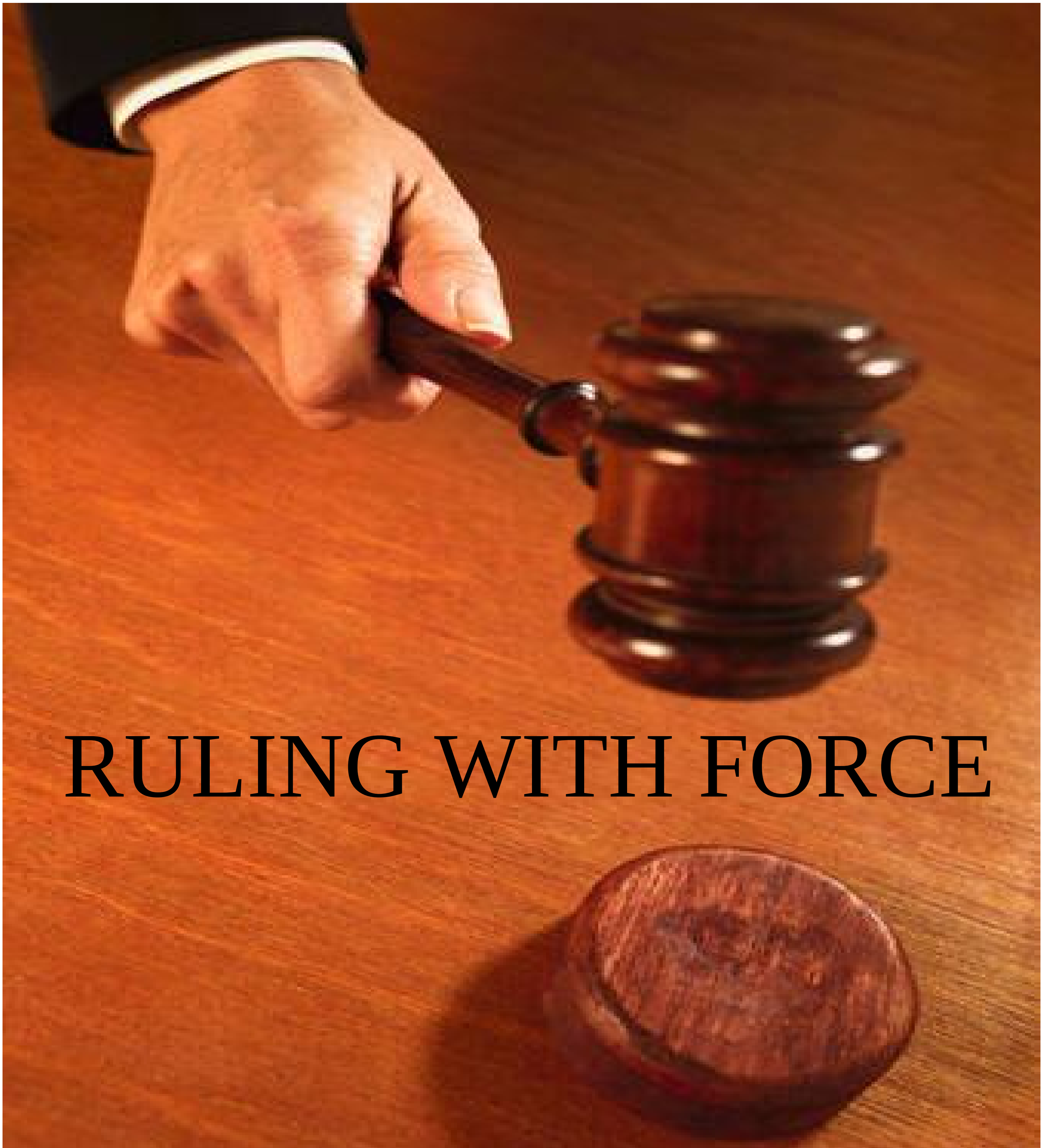
Another important factor that many traders overlook when performing technical studies of any pair is identifying the leader of the group.

Again by measuring the level of correlation and the location of each pair within its own cycle allows you to pinpoint the overall leader. If all pairs are in a cycle with a range of 100 pips and the GBP/USD is at the level of 80 pips; and the EUR is at 60 pips it is simple to say the GBP is leading the way. But when the EUR is the one at 80 and the GBP is at 60 it is wise to look for the GBP to catch up and pass the EUR in its overall daily run and of course the level of support and resistance will provide you a signal as to the possibility each pair has to accomplish its daily cycle. If the GBP does not catch up to the EUR it is a sign that a change in the direction of the group could be working itself in to the market. Support and Resistance will always have a saying in the correlation of the pairs and wether the pairs will stay in or out of the enormal range. Note that a change in range could be indicating a change in direction or simply no collective direction at all.

Monthly

WORLD FOREX EVENTS

NY Commodities Conf.	**November 4th, New York**
Profit & Loss Conference	**November 10th CANADA**
Traders Expo Las Vegas	**Nov 17 - 20 Las Vegas**
Moscow Forex Expo 2010	**Nov 19 - 20 Moscow**
Risk Management Conf.	**Feb 27 - March 1 California**


RULING WITH FORCE

THE CFTC RULING

PROTECTING US FROM OURSELVES! THE NEW WAY OF TAKING AWAY FREEDOM

The CFTC released its final ruling on August 30th after a long time of mimiquin involvement with different entities gathering information and learning of market to deliver its much questioned verdict and after all said was done the CFTC took away the freedom forex traders had to leverage their account the way they felt. In fact their original proposal was to take it to 10:1 and at the end they say they “gave” us 50:1 on Major pairs and 20:1 on some Exotics. Gave us? I don’t think they gave us anything, rather they took away 350 from the 400:1 leverage we had. Of course with the release came a very humane note where it said this was a very elaborate decision and it fits the best interest of investors as we have come to understand the many reasons there is a large number of traders losing money in the market. let me remind you this is the same people who licensed, Bernie Madoff the biggest crook known in the markets, and the reason we know this is because Madoff made it public otherwise these so called authorities in the industry would have never found out, and these are the people who are protecting us and from whom ourselves? So much for Land of The Free!

These are the leading software programs that people use to trade the Forex Market!

ABLESYS Ninja Trader AccuCharts MT4

VantagePoint FibonacciCharts GannSysT

Forex Killer Metatrader5 eSignal

Do you wonder why only 20% of the traders are winners?

account@4rexacto.com