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BullPips

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Recommended Brokers

[Click this link to get cash-back on all of the trades you place - win or lose - with leading brokers such as FXPro, FXCM, Dukascopy, Alpari, IBFX, IronFX, FXCC and many more.](#)

There are many brokers that offer this however they do not advertise cash-back freely on their websites! You will need to sign up through Cashback Forex using the link above to qualify.

Most of these brokers offer Metatrader 4 as a platform but it may be worth double-checking before you sign up in case the situation has changed.

FXCM, Alpari and Dukascopy are our first choice brokers.

[Recommended brokers here...](#)

Setting Up BullPips with Metatrader 4

Below is a quick start-up and a detailed step-by-step guide on getting set up to start trading with BullPips.

Quick Start Guide

If you are familiar with Metatrader already then below is a quick list of what you need. Detailed information follows:

1. Retracement_Finder.mq4 Indicator – Set 'A_period' to 4.0
2. BullPips_CCI.mq4 indicator – Set CCI to 13, 34, 55 and 89
3. 55 EMA – Period = 55. Shift = 0. Apply to 'Median Price (HL/2)
4. 34 EMA – Period = 34. Shift = 0. Apply to 'Median Price (HL/2)
5. Apply this to all M15 charts you wish to trade.

For convenience we have included a couple of templates to get you set up if you prefer.

Step-by-Step Setup

1) Locate your Metatrader program indicator file directory on your hard drive. This is usually under the following location or similar:

C:\Program Files\MetaTrader 4\experts\indicators

You need to copy and paste the two indicators into this file - BullPips_CCI.mq4 and Retracement_Finder.mq4

To add the templates place the bullpips1.tpl and bullpips2.tpl files into the template directory under the following location or similar:

C:\Program Files\MetaTrader 4\templates

Please make sure not to place the template files in the second template directory within "experts".

2) If Metatrader was already open, then close it down and re-open it. If not simply launch the application from wherever you installed it. If you have not used the software before you will need to also login by going to File > Login and adding your details given to you by your broker.

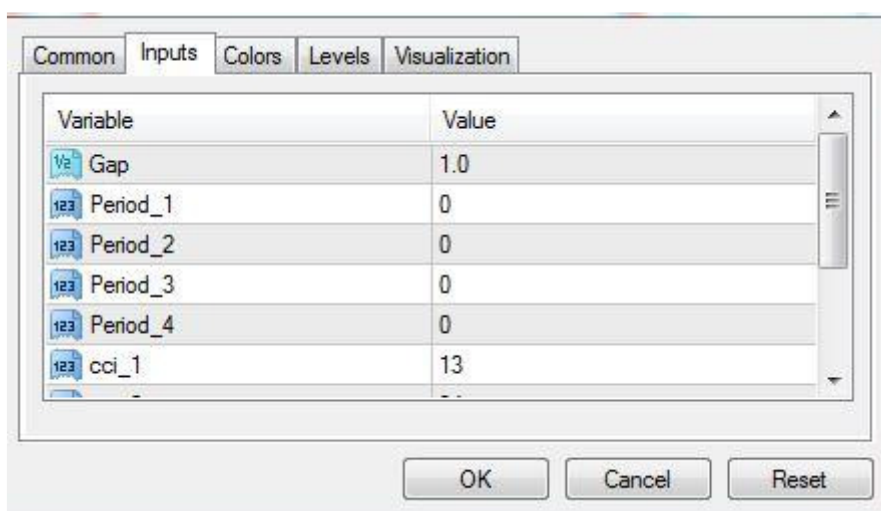
3) On the left hand side of Metatrader look for the "Navigator" window. If you cannot find it use one of the icons on the top row to add it.

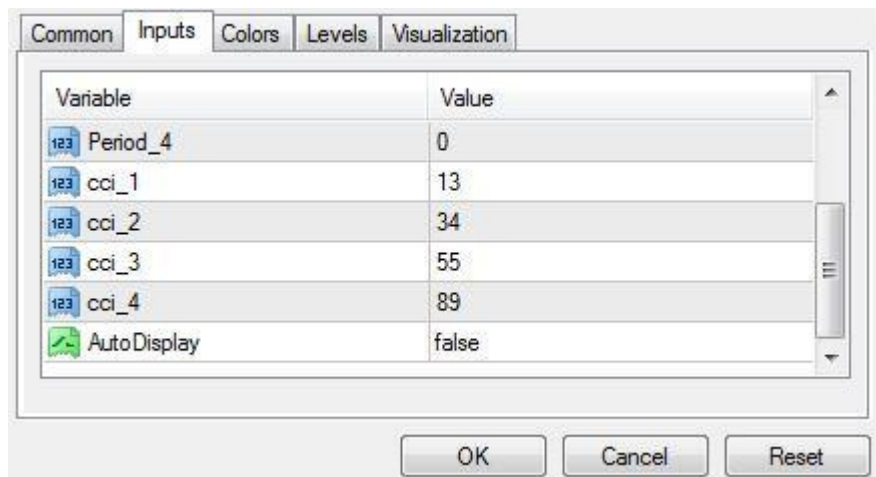
4) Under the "Common" tab, look into the "Custom Indicators" directory.

5) Locate the BullPips indicators and simply drag them onto your price chart on the right. The settings for each should already be correct but you should double check first. Right click your chart and select Indicator List. Click the correct indicator and select Edit. Check the settings below are the same for each indicator, if not double click each one to change it.

BullPips_CCI.mq4 Settings

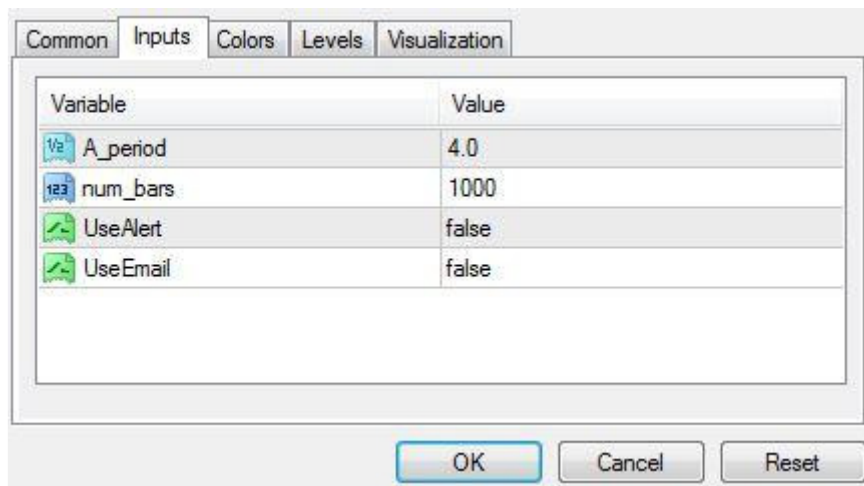
Period_1	0
Period_2	0
Period_3	0
Period_4	0
Cci_1	13
Cci_2	34
Cci_3	55
Cci_4	89





Retracement Finder.mq4 Settings

A_period 4.0



Note – You can use one of our pre-saved trading templates if you prefer with everything already set up. On your chart simply right click your mouse and select Template. Load the templates that you added in the earlier step.

6) Find the icon on the top row of Metatrader called Indicators, click that for the drop-down menu. Select Trend > Moving Average. Here you will need to repeat this process twice to add two moving averages to your chart. The settings for each are as follows:

55 EMA – Period = 55. Shift = 0. Apply to 'Median Price (HL/2)

34 EMA – Period = 34. Shift = 0. Apply to 'Median Price (HL/2)

You are now all set up and ready to trade. Let the fun begin!

Basic Trading Terminology

If you are new to trading then you'll need to start thinking and talking like one. Below are some basic terms used in the industry.

Quote

An indicative market price, when used in Forex, refers to the prevailing exchange rate of the quoted currency at that moment. A quote will always be for a currency pair; for example EUR/USD, AUD/JPY or USD/JPY. The first currency in the pair is the quoted currency, while the second currency is referred to as the counterpart.

A currency pair is usually quoted to a 1/10,000 degree of precision (i.e. until the 4th digit right of the decimal point); except for Japanese yen pairs, where quotes are usually made to 1/100 degree of precision (i.e. to the second digit right of the decimal point).

A quote will always be provided in a form of two figures. The first figure is always the Bid or selling price, while the second is the Ask or buying price.

Bid/Ask

The Bid or the selling price is the exchange rate at which a currency is offered for sale. The Ask or buying price is the exchange rate at which a currency can be bought.

In the example above the EUR/USD pair (Euro vs. US dollar) is quoted at 1.5034/1.5037. In other words, the quote for the EUR/USD pair is 1.5034/1.5037, where 1.5034 is the Bid price and 1.5037 is the Ask price. Meaning if you wish to sell the quoted currency – in this case the Euro – then you would receive 1.5034 US Dollars per 1 Euro. On the other hand, if you were buying the quoted currency, then the quote tells you that to buy Euros for US dollars, you would need to pay 1.5037 dollars per 1 euro.

Lot

A lot is the standard unit size of a transaction. It represents the minimum quantity which can be traded in any given instrument.

For Forex Trading, Markets.com standard lot size is 1,000 units of the quoted currency.

For CFD Trading, the standard lot size varies from 1 to 500 units of the quoted CFD.

Pip

This is the smallest value in a currency quote and can be different for different currencies. For most currency pairs a pip is the 1/10,000 (0.0001) fraction of the quoted currency. However, in Japanese yen pairs, a pip refers to a 1/100 (0.01) fraction of the quoted currency.

Profits on a trade can be expressed in pips, for example: Suppose you bought the EUR/USD at an exchange rate of 1.5016 and sold it at an exchange rate of 1.5037. $37-16=21$. You made a 21 pip profit.

Pip Value

The pip value can be either variable or fixed, depending on the currency pair it refers to and the base currency (i.e. measuring currency) of your account. The pip value is also a function of the amount traded.

The simplest way to calculate the pip value is to divide 1 pip by the exchange rate and multiply it by the lot size. This gives you the pip value in terms of the quoted currency. If the base currency of your account is other than the quoted currency, then simply multiply this by the applicable exchange rate.

For example: What is the pip value of a trade in GBP/JPY with a price of 128.92? The pip value of 1 standard lot (5,000) of GBP/JPY which is traded at 128.92 is:

$$0.01/128.92 = 0.00007756 \text{ GBP}$$

$$0.00007756 \times 5,000 = 0.387 \text{ GBP}$$

The base currency of your account is USD. If the exchange rate for GBP/USD is 2.0612, then the pip value for 1 standard lot in terms of the account's base currency is: $0.387 \times 2.0612 = \$0.80$.

Spread

This is the difference between the bid price and the ask price. For example: If the quote for the EUR/USD pair is 1.5034/1.5037 (in other words the bid price is 1.5034 and the ask price is 1.5037), then the spread for the EUR/USD in this case is 3 pips. Low spreads ensure that traders can get in and out of their trades at very low slippage.

Margin

The amount of funds required to open or maintain a position. It is usually expressed as a percentage of the open position. You may have a margin requirement of 0.5%, which would mean that in order to hold a position of 100,000 EUR/USD, an equity level of 500 euros or more must be maintained.

Leverage

This is the use of borrowed capital to increase potential return. Trading on leveraged capital means that you can trade amounts significantly higher than the balance of your funds, which only serves as the margin. High leverage can significantly increase the potential return, but it can also significantly increase potential losses. The leverage is specified as a

ratio, such as 200:1. This means that the trader can trade amounts 200 times higher than the sum in his or her margin account. If the trader has \$1,000 in his account, it means that he can now open trades worth \$200,000.

Interest

In a sense, interest is the price of money. It is the amount paid on loans and received on deposits.

Long

A trader going long expects the price to go up when buying a currency pair or a CFD.

Short

A trader going short expects the price to go down when selling a currency pair or a CFD.

Value date

The date on which counterparts to a financial transaction agree to settle their respective obligations, i.e., exchanging payments.

Rollover

Process where the settlement of a deal is rolled forward to another value date and a charge is levied based on the difference in rates of interest of the two currencies. Every day, at 21:00GMT, open positions are rolled over to the next day and the positions gain or lose interest based on the interest differential between the bought and sold currencies.

If you buy overnight a currency pair where the base currency has a higher interest rate than the terms currency, then you'll receive interest and vice versa.

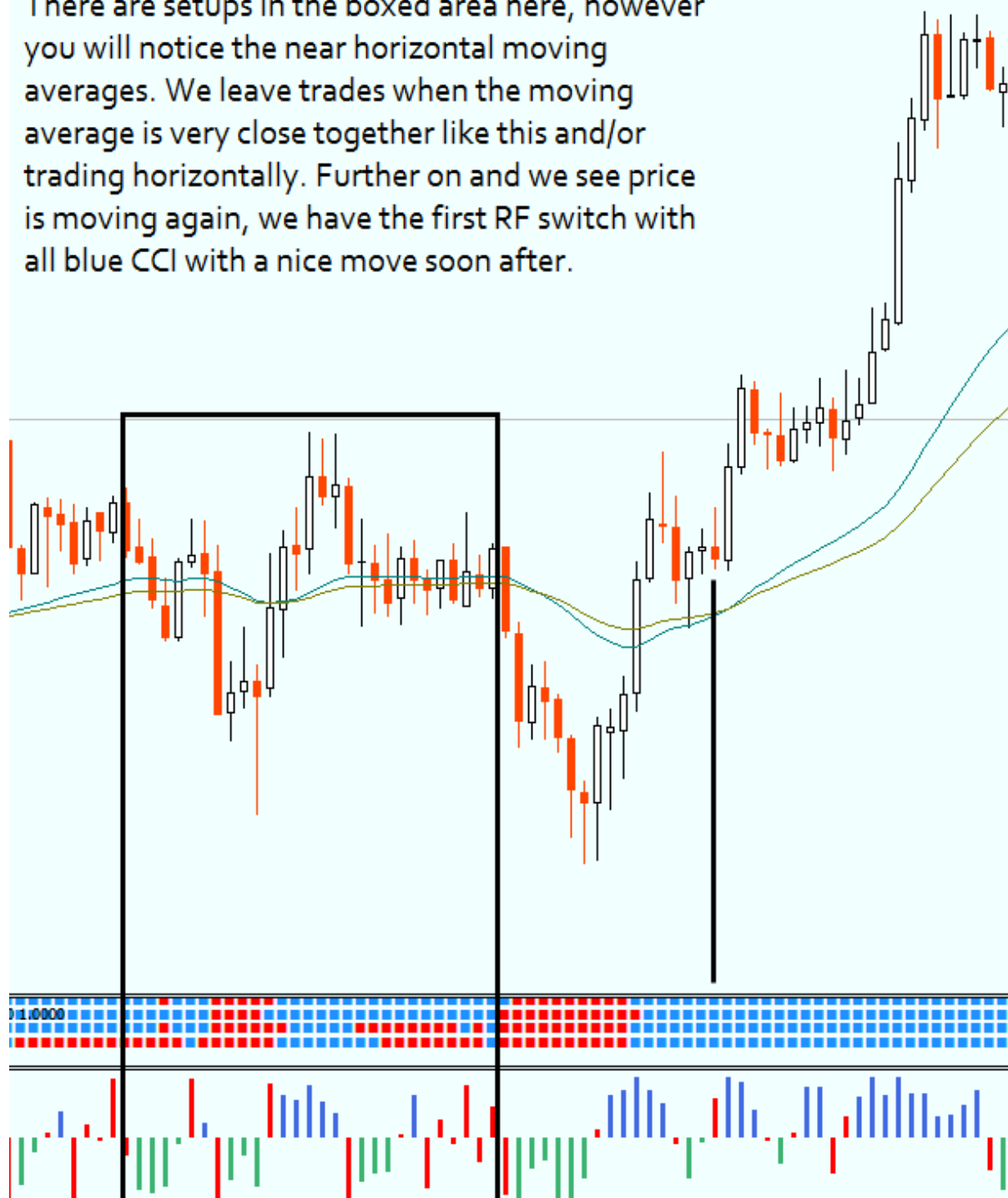
Courtesy of Markets.com

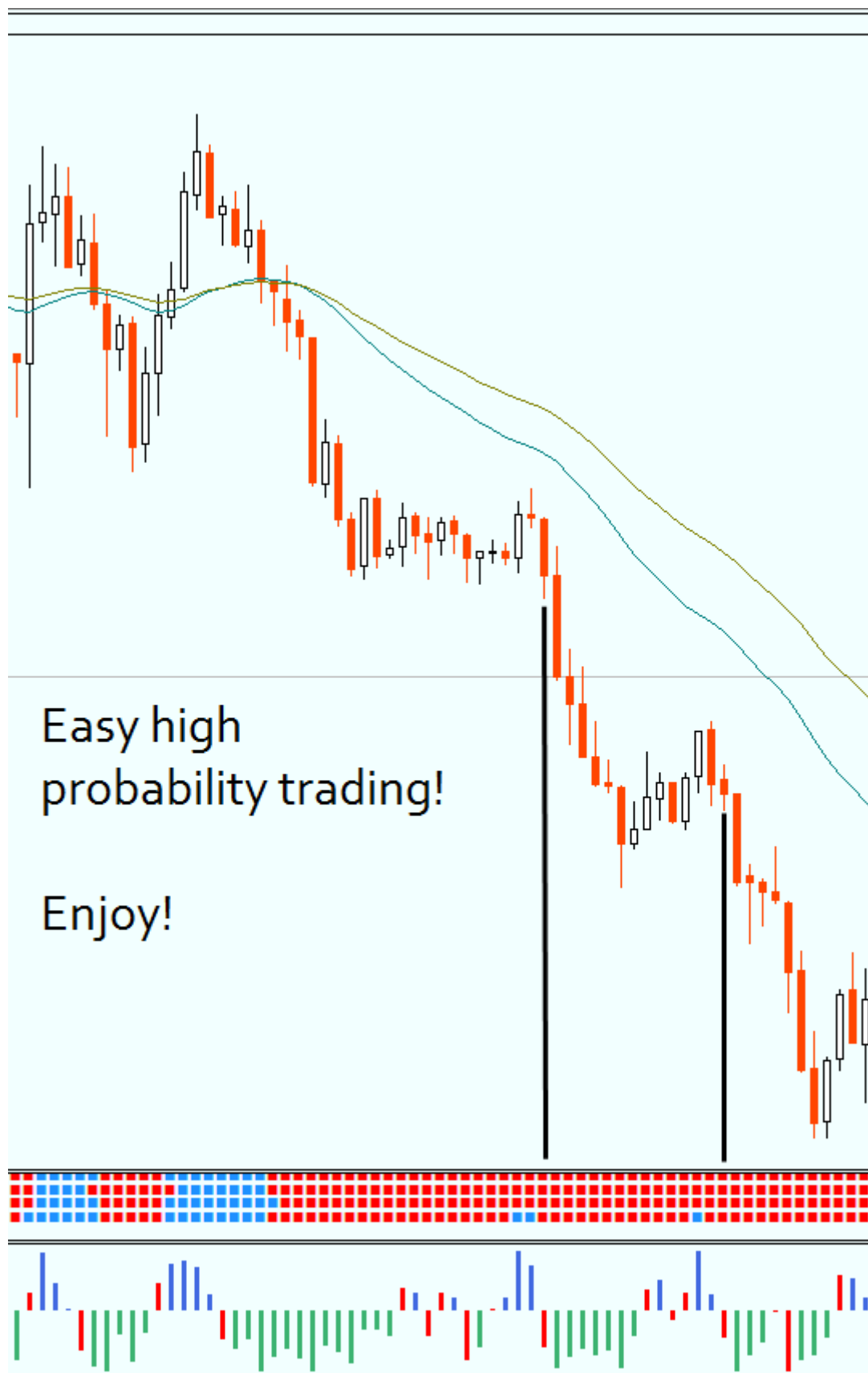
Further Trade Examples

Below are more trade examples showing ranging market, entries and re-entries. If you are still stuck then please get in touch with us to ask questions! This will become second nature to you in no time and as we said before it is worth getting used to on a demo account whether you are new to trading or not.



There are setups in the boxed area here, however you will notice the near horizontal moving averages. We leave trades when the moving average is very close together like this and/or trading horizontally. Further on and we see price is moving again, we have the first RF switch with all blue CCI with a nice move soon after.





Useful Trading Resources

Fibonacci Numbers - [Wikipedia](#)

Technical Analysis School – [babypips.com](#)

Market News – [bloomberg.com](#)

Forex News Calendar – [forexfactory.com](#)

Mind Over Market - Video Interview with Mark Douglas (Master of Trading Psychology) :

- <http://www.youtube.com/watch?v=loBofCNcgtA>
- <http://www.youtube.com/watch?v=-ScGHeynhYs>
- <http://www.youtube.com/watch?v=ZvexBB5TXZA>
- <http://www.youtube.com/watch?v=yglPz2Mmnfc>
- <http://www.youtube.com/watch?v=soWwCjZ0iRo>
- <http://www.youtube.com/watch?v=xJoib30DGOM>

Lot Size Calculator - <http://global.fxdd.com/en/forex-trading-tools/calculators.html>

Mark Douglas – Learning Flawless Trade Execution pdf -
http://bullpips.com/MarkDouglas_Learning_Flawless_Execution.pdf

Trading Psychology Books by Mark Douglas on Amazon:

Trading in the Zone - <http://goo.gl/Sdij3>

The Disciplined Trader - <http://goo.gl/OYqRE>

Disclaimer

Trading foreign exchange on margin carries a 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 have any doubts.