ABOUT THE AUTHOR

Ryan Leclercq and FX Trading Revolution team

Ryan Leclercq first discovered forex trading approximately 12 years ago. During that time he has gathered vast experience and has also explored a lot of behind-the-scenes information, exactly how the entire financial market works, and especially how brokers conduct their business. Thanks to that he realized how extremely important the choice of the right broker is and what is happening in the field of brokerage. This pushed him to create the FX Trading Revolution Team, which began with the main goal of testing forex brokers around the world and as a result brings necessary, undistorted and reliable information about the choices of the right brokers for traders.

However, what seemed to be just a small idea in the beginning is now growing exponentially. As forex traders from around the world appreciated Ryan's fair approach and requested that more topics regarding forex trading were added, the FX Trading Revolution website was continuously enhanced!

FX Trading Revolution is now the only place that forex traders need to visit in order to become profitable traders without paying for it. FX Trading Revolution provides exclusive daily Interbank HFT analysis, abundant education and personal know-how, the best time-tested forex indicators, trading rooms, interactive forum, real forex brokers reviews and much more! This makes it an indispensable site for anyone interested in forex.

Now, we are bringing you the most personal know-how and insights of our team regarding forex trading strategies in this eBook!
Introduction

The timing of a trade entry as well as exit is extremely important in the world of forex. One of the most crucial features that differentiate professional forex traders from amateur traders is the awareness about the precise timing of trades. A good trader knows when to enter, how long to wait and when to finally exit the trade. Better understanding in this regard can be the single most important thing in forex trading.

Another very important part of successful forex trading is money management. It is the money management that makes your trading stable and successful in the long term. Without proper money management rules and strict adherence to them, your profit potential will never be exploited to its maximum. As such, you must make sure you never forget to follow the money management rules in every trade you make.

The final important factor of long-term successful trading is psychology. Profitable results come with experience from real trading, knowledge and education, the right tools, a proper mindset, eliminating emotions, following rules and very strict discipline.

This eBook will explain various concepts, tricks and tips which can be used to improve your entering strategy, exit strategy, risk management and overall forex trading experience.

Enjoy!
1) Entry Strategy: The Best Time and Price to Trade

As a starting point towards making a profit (or loss), having a sound entry strategy is extremely important. Traders, especially amateur and beginners, often consider this part as unimportant and easy.

However, this is far from the truth as entering at the right time can make or break your future in this market. Various traders use different techniques depending upon their preferences, circumstances and trends of market. The following are some of the mostly recommended skills to master if you too want to have the perfect entry strategy.

A) Use Limit Orders:

Using the limit orders technique allows you an opportunity to buy or sell at the desired price; hence, improving your chances of earning profit. Depending upon the direction of your trade, you can place a BUY order below or a SELL order above the current price – meaning that the order will get executed for a better price in the market.

If you intend to trade long, you can set a limit below current price. As the price level drops and reaches your placed limit, you get filled long. The opposite is true in the case of trading short.
Pending limit orders are also equal to Profit-Target orders, which are nothing more than pending exit limit orders.

On the other side, pending stop orders are equal to Stop-Loss orders, which are nothing more than pending exit stop orders.

By entering and exiting trades using limit orders, you always get your trades filled for a better price, while by placing stop orders, your trades get filled for a worse price in the market. In other words, you let the market come to you instead of you going to the market by buying and selling at the current price level.

This strategy may be used along with candlestick patterns or other analytical tools.

Imagine, for example, that you would like to trade based on our unique daily HFT signals analysis. Take a look at the screenshot below. There was the light blue zone which indicated the light HFT buying pressure, and an expectation of the market to bounce up.

However, let’s suppose that we want to wait for a confirmation before opening an order. Based on the candlesticks – Price Action, it was possible to clearly see that any bearish attempt was stopped and destroyed in the light HFT buying pressure zone.

![Candlestick Chart]

So we have a nice confirmation from the Price Action – candlestick reversal, so we would like to open a buy trade. But as you now know, you will make your trades more successful by placing limit pending orders and executing...
trades for a better price, rather than opening the trade immediately or by a stop pending order for a worse price.

Based on the example above, after the two candles highlighted in the screenshot above, we might place the buy limit pending order at let's say 5 pips above the low of the two candles to ensure that our pending order will most likely get filled.

In the picture above, you can see that our long is filled for a price of 1.2446. And this makes a big difference when we would open the trade immediately after the reversal or by stop pending order for a price around 1.2470.

Are you beginning to understand the reasoning here? Where amateur traders are entering into the market, professional traders are closing their profits or their profits are very nicely growing.

It is a brilliant entry strategy and has been used by profitable traders all over the world. The only drawback of using the limit orders technique is that sometimes the price may not reach the set levels and you may not get filled. If such a situation happens, do not worry! Other better opportunities will come soon!

**TIP:** If you want to explore our unique daily Interbank HFT analysis, you can see all the latest HFT forecasts here:

[https://www.fxtradingrevolution.com/forex-analysis-signals-predictions-insights](https://www.fxtradingrevolution.com/forex-analysis-signals-predictions-insights)
Or you can check the page of the High Frequency Trading Signals Indicator here:

https://www.fxtradingrevolution.com/forex-hft-signals-indicator.html

B) Be aware of forex trading sessions - enter during the day and close your trades by the day’s end:

One of the easiest ways to improve your entries and exits is to be aware of forex trading sessions. To make your trades profitable, you always need volatility – a move of the market. Without enough volatility and liquidity of the market, and at least some market moves, you will not be able to close the trade at a nice profit.

However, we do not want to trade just a random market outburst. And that is the reason why I personally avoid the most important economic news – like NFP report, interest rates, or speeches of bank governors.

Usually, the most volatile and active periods for EUR and USD related pairs are during the London and New York session, while JPY and AUD currencies are the most active during Tokyo and Sydney sessions.

Note in the picture below how London's and New York's open and close times nicely predicted the most active period of EURUSD.
So when opening a trade in the beginning of London or when the London and New York sessions overlap, your profits would increase nicely due to the volatility. And when closing the trade when London or New York closes, you would close the profitable intraday trade very accurately.

Of course, if you prefer using higher time-frames to eradicate unwanted confusion from changing charts and noise all around, then the sessions are that not important for you. Moreover, daily charts can be more accurate than lower time charts, such as 1-minute or 5-minute charts. But still, if you hold your trades for the long term, you have to time your orders to get executed for the best prices and avoid getting stopped out too soon due to the intraday volatility.

**TIP:** You can read more about Forex Trading hours and sessions in our educational article here:

[https://www.fxtradingrevolution.com/forex-trading-hours.html](https://www.fxtradingrevolution.com/forex-trading-hours.html)

If you want to be always aware of the latest and the most important economic indicators releases and events, you can use our Forex Economic Calendar here:

[https://www.fxtradingrevolution.com/forex-economic-calendar.html](https://www.fxtradingrevolution.com/forex-economic-calendar.html)

**C) The T-L-S Principle:**

Are you aware of the T-L-S principle? If not, it's time that you start following this golden rule. Basically, this model suggests finding the right trend (or market bias), finding key levels and anticipating trade signals; hence, **T** for the main trend, **L** for key level and **S** for entry signal.

For example, a trend may be bullish in the market, the key level may be the resistance turned into support and trading signal may be in the form of a nice bullish candlestick pattern.

Such a situation can be seen in the chart below. At the time of writing this eBook, there is a nice bullish trend on AUDUSD (based on D1 time-frame) – so we have got the **T - trend**.
Then if we switch to the H1 time-frame, there is just a brilliant resistance zone that turned into a support zone. You can see for yourself how this support and resistance zone is extremely important for the market. So we have got the L – the key level / zone.

And we just wait to see the S – entry signal. You can see a couple of reversal / entry candlestick patterns in the picture below:

Bang! All the entries in the direction of the trend, near the key support / resistance zone, and after the candlestick's confirmation of the reversal, were successful.

**TIP:** You can use our Support Resistance indicator that will draw all the most important S/R zones automatically for you. You can download the indicator for free here:

https://www.fxtradingrevolution.com/supportresistance.html

You can also read more about support and resistance trading in our educational article here:

https://www.fxtradingrevolution.com/support-and-resistance.html

To explore the current market trend, you can use your enhanced CCI indicator that you can download for free here:

https://www.fxtradingrevolution.com/cci-indicator.html
And finally, to explore various candlestick patterns and tips to profit from the forex market based on the Price Action trading, we recommend that you read the following articles:

https://www.fxtradingrevolution.com/forex-blog/price-action-trading-tips-to-profit-from-the-forex-market

https://www.fxtradingrevolution.com/forex-blog/the-most-used-candlestick-patterns


D) Get yourself a checklist:

Depending upon your preference, temperament and trading strategy, find a suitable checklist and always follow it. It may be a case of trial and error, but ultimately you will find a right mixture of things to consider before making any trade. A checklist can consist of patterns and charts to form a desirable trade setup, pattern conditions, suitable trends, key levels and certain signals.

Remember that a long-term successful forex trader is always absolutely disciplined, does not trade based on emotions, does not over-analyze, and trades with time-tested tools and strategies.
2) Position Sizing and Money Management: Patience is the Key

It is common for forex traders to get carried away and lose a lot of money within a few days. Therefore, it is important to understand the fundamentals of money management in forex. A generally accepted rule is to never spend more than 2% of your funds on a single trade. The following are seven other important rules and tips in this regard which, if followed, can ensure better money management and help to increase your deposit's value stability and growth.

A) Manage your lot size: At the start, carefully follow your lot size adapted to your % risk appetite and the value of stop-loss that you need to enter to your trade to be able to survive in the current market volatility.

There is absolutely no need to increase it unnecessarily. Moreover, you should increase your lot size only if the deposit has been increased proportionally.

TIP: To always set your order volume correctly, you can use our position size calculator here:

http://www.fxtradingrevolution.com/what-is-forex-pip.html

B) Think ahead: You must be thinking about the long term if you are in FOREX to make money. Short-term results must not change your trading strategy. For example, some success in the short term should not mean that you spend excessive money on trades and vice versa. Recent success or failure should not lead you to bend or change the fundamental rules of your trading strategy.
C) “Stop” is your friend: It is essential to use stop-losses if you want to cut losses and manage risks properly. Some traders use mental stops; however, actual stops may be used if it is not possible to monitor the market at all times.

D) Have realistic expectations: An important way to manage money in forex is to manage your expectations. This is especially problematic for newcomers. No one gets rich overnight and aggressive trading is obviously not the way to do it anyway.

E) Admit mistakes: Admit your mistakes and learn from them. It is normal for beginners and amateur traders to make childish mistakes; for example, trading aggressively or bending fundamental rules. However, a mistake is not a loss as long as you are willing to learn from it.

F) Get prepared: When trading a new currency pair, it is often a good strategy to read and understand its history. Analyze some of the worst price movements and make sure you are prepared for it. Consider some of the actions you might take during an adverse movement and have various contingency plans at your disposal.

G) Use a mixture of Price Action and indicators: Generally, Price Action gives a better idea about the latest market moves if compared with indicators. However, indicators can give a better idea about the current market situation and sentiment. Both have certain positive and negative aspects.

Be sure to use a good mixture of both tools when entering or exiting from a trade. Very useful indicators are also based on the Price Action – like our support / resistance indicator.
3) Exit Strategy: It’s time to take Profits

So you bought low and now the price is increasing in the market. Virtually you have earned some floating profit. But is it the right time to close the trade and monetize that profit, or wait as the price may increase further? But what if the price starts coming down? Knowing exactly when to exit is also a very important skill which, if used properly, can help in turning ordinary profits into big gains.

The remaining lines of this eBook shall discuss this aspect of forex trading.

A) Use Supports and Resistances:

The use of support and resistance levels when exiting from a trade is very common. However, many traders still ignore the usefulness of this strategy.

There are also more ways to use supports and resistances when exiting from a trade, as this strategy is absolutely universal – it can be used with any market and with any time-frame.

Imagine that we are in a longer-term short position – we have just entered into the market and are now waiting for upcoming swings and support / resistance levels. In the picture above, imagine that we are in a short trade that was entered somewhere around the red price level. We are now waiting for upcoming corrections against our trade – resistances.

As you can see in the picture below, the market created a couple of resistances, but did not break any of them and is still moving lower. I have
also highlighted in the chart below where the first breakout of the resistance levels happened. Patience here would bring us almost 230 pips profit!

And in case of a buy trade, the strategy would look the exact opposite – we would wait for upcoming swings and a breakout of a support.

Another possible rule when exiting based on supports and resistances is to start considering the option to exit from a short position as the previous resistance is converted into new support, and to exit from a long position as the previous support is converted into new resistance.

Such a conversion of support into resistance and vice versa indicates a major change in the trend. However, this type of technique requires even more patience.

Another possible way is to close trades as soon as it approaches the first nearest resistance zones in the case of a buy trade, or the first nearest support zones in the case of a sell zone. You can even close the trade there partially, and close the rest of the trade at the second nearest support / resistance zone. You get the point – there are just so many ways you can use the support and resistance levels to make your trades well timed and more accurate.
Also, if you would like to get out of the market faster, you can use a several times lower time-frame than the one used for trading. By using the support and resistances for your trade exits, you will always take the profits that the market offers and you will always be adapted to current market volatility and structure.

**TIP:** As you started reading this last part of the eBook, did you think about how to set stop-losses correctly? If so, you are starting to think like a real professional trader.

However, the fact is that the stop-loss orders, when knowing how to set them correctly, are usually clear. And we have already got an excellent article regarding how to set the stop-loss orders correctly that you can read right here:

http://www.fxtradingrevolution.com/forex-blog/how-to-place-stop-loss-orders-correctly
B) Using Overbought / Oversold indicator, get a free trade and trail the rest of the profits

Now, if you would like to see specific rules on how to close trades, the time has come. Using our Overbought and Oversold indicator is another highly efficient way of understanding when to exit from a trade.

The whole exit strategy basically depends upon the time when the market becomes overbought or oversold – meaning a probability of correction and reversal. For every currency pair in the market, there comes a movement when price starts getting carried away rapidly. It is the duty of a trader to recognize this movement. As soon as it is recognized, a trader can then look to protect his gains by partially monetizing the profits, and let the rest of the free trade grow until the trend starts really reversing.

Let's explain the rules of this very effective exit strategy on a LONG (BUY) trade example:

1) Suppose that we open the BUY order based on the Pin Bar pattern below:

2) As described in the article how to place the stop-loss orders correctly (http://www.fxtradingrevolution.com/forex-blog/how-to-place-stop-loss-orders-correctly), we can simply set the Stop-Loss order below the low of the Pin Bar pattern.
3) Now we simply wait for the market to become overbought based on our unique indicator. The overbought situation is highlighted by the indicator right when the red color of the indicator's line starts drawing.

In that situation we close a half of a trade – if we are trading with 2 lots, we close 1 lot in a profit. For the rest of the 1 lot trade, we move the Stop-Loss to the Break / Even = the entry price level of the trade. Now we have the free trade. Of course, there is nothing like a free trade, as this trade involved initial risk as well, but now we should not risk more than closing the rest of the trade for a zero profit / loss - if the position would not get filled at worse price due to a slippage, but that is a topic for another eBook :-)

![Diagram](https://via.placeholder.com/150)
4) But of course, we will not allow the market to take back our floating profit. So in case of the second half of the trade, we will simply move Stop-Loss 1 pips below the low of each following candle (in case of a BUY trade). In the chart below, you can see the red lines representing moving the Stop-Loss. The last candles before the close of the trade had similar lows, so there is only one red line for them.

In this example, the second profit was not that much higher, but if a market is strong enough, this technique will bring you additional profits.

An inherent advantage to using this technique is that it protects traders from the dangers of emotional trading and allows aggressive trading at the right moment. Moreover, it allows for better control of the opened trade and for taking the maximum from what the current situation in the market offers.
CONCLUSION

Various strategies, techniques and tips have been discussed in this book. It is important to remember that none of these are a holy grail and free from drawbacks – the right money and risk management are always keys for stable trading.

I know that you would most probably like to read the strict and surefire rules of a single trading strategy that you could follow indefinitely and make surefire profits with. However, my goal is to always provide true information regarding forex trading and help you on your forex journey, and to not put rose-tinted glasses on your eyes like others. That’s why I have provided a collection of proven strategies and techniques. Now it’s your time to do your homework, put them together in a way that will suit you, and then make the most of them.

HAPPY TRADING!

Ryan Leclercq