Massive Bounce Scanner

Trading Indicator

Installing the Indicator

The software (indicator) works with MT4 (a free and popular software, which works with almost any forex broker).

If you don't have it, you can get a free copy from a broker.

Here's a link:

https://www.icmarkets.com/au/en/forex-trading-platform-metatrader/metatrader-4

When clicking the download button, you'll have the option to create A demo account so you can trade with Virtual money (no risk).

It's always recommended to get started with a "Demo Account" first.

Comment: The previous link will allow you to get a MT4 copy from "IC Markets" (Broker). Please notice that we're not recommending any broker in particular, and you can get your copy from any other broker but it needs to be done from a broker.

Once you have your MT4, you can later connect it with any other broker of your choice.

Once you've installed MT4....

1) Open your MT4 platform

2) Click the "File" menu ->   "Open Data Folder". You'll see a folder called MQL4.

3) Open it. Inside you'll find a sub folder called "Indicators". Open this folder and paste the indicator right there.

4) Restart MT4.

Adding the Indicator to Your Chart

1) Click the "View" menu -> "Navigator" (CTRL + N).

Go to the indicators menu and you'll quickly see the indicator.

2) Make double click on it and you'll be adding it to your active chart.

Quick Overview

By default the scanner comes prepared to scan 10 popular forex instruments (later we'll see how you can adjust this to scan whatever you want).

Here's how the indicator looks like:

Name	Spread	RSI Exiting Overbought	RSI Exiting Oversold	General Trend
USDCHF	15	------------------------	H1	Uptrend (PERIOD_H4)
GBPUSD	18	------------------------	------------------------	Uptrend (PERIOD_H4)
EURUSD	10	------------------------	------------------------	Uptrend (PERIOD_H4)
USDJPY	13	------------------------	------------------------	Downtrend (PERIOD_H4)
USDCAD	14	------------------------	M15 M30	Uptrend (PERIOD_H4)
AUDUSD	16	------------------------	H4	Downtrend (PERIOD_H4)
EURGBP	19	------------------------	------------------------	Downtrend (PERIOD_H4)
EURAUD	25	H1 H4	------------------------	Uptrend (PERIOD_H4)
EURCHF	17	------------------------	------------------------	Uptrend (PERIOD_H4)
EURJPY	17	------------------------	------------------------	Downtrend (PERIOD_H4)
GBPCHF	36	H4	------------------------	Uptrend (PERIOD_H4)
CADJPY	19	------------------------	------------------------	Downtrend (PERIOD_H4)
GBPJPY	41	------------------------	------------------------	Uptrend (PERIOD_H4)
AUDNZD	31	------------------------	------------------------	Downtrend (PERIOD_H4)
AUDCAD	25	------------------------	M30	Downtrend (PERIOD_H4)
AUDCHF	19	------------------------	H1 H4	Downtrend (PERIOD_H4)
AUDJPY	23	------------------------	H1 H4	Downtrend (PERIOD_H4)
CHFJPY	24	------------------------	------------------------	Downtrend (PERIOD_H4)
EURNZD	41	------------------------	------------------------	Uptrend (PERIOD_H4)
EURCAD	19	------------------------	M30	Uptrend (PERIOD_H4)
CADCHF	26	------------------------	------------------------	Downtrend (PERIOD_H4)
NZDJPY	25	------------------------	------------------------	Downtrend (PERIOD_H4)
NZDUSD	12	------------------------	H4	Downtrend (PERIOD_H4)
NZDCHF	26	------------------------	H1 H4	Downtrend (PERIOD_H4)
NZDCAD	37	------------------------	H1	Downtrend (PERIOD_H4)
GBPNZD	85	------------------------	------------------------	Uptrend (PERIOD_H4)
GBPCAD	50	------------------------	------------------------	Uptrend (PERIOD_H4)
GBPAUD	45	------------------------	------------------------	Uptrend (PERIOD_H4)

What you see is what it could take your HOURS (and a lot of stress) to analyze.

Let's get into the details of the scanner.

The scanner has 5 columns:

1.Name: Here's the name of the symbol.

2. Spread: From here you can see the current spread of the symbol. The higher the spread, the higher is the commission that you'll pay to the broker to get into that trade.

3.RSI Exiting Overbought (<u>Sell Signals</u>): From here you can see "Sell" signals and on which timeframes they have been detected. *Later we'll talk about signals.*

4. RSI Exiting Oversold (<u>Buy Signals</u>): From here you can see "Buy" signals and on which timeframes they have been detected

5. General Trend: This shows you the direction of the trend for the symbol, and based on which timeframe this trend has been calculated (by default, is calculated based on the H4 timeframe).

<mark>It is recommended to take signals that go in the direction of the trend.</mark>

For example: If a symbol is in a <u>downtrend</u>, is recommended to only take "<u>Sell</u>" signals to follow the trend.

Once You Have a Signal

The signals are based on "RSI" bounces.

This is a popular indicator used by 10.000's of traders and when it's integrated into a good trend following strategy, it can produce good and consistent results.

*This indicator has 2 zones: "Overbought" (if the indicator, leaves this zone, we may be in front of a **"Sell"** opportunity) and "Oversold" (if the indicator, leaves this zone, we may be in front of a **"Buy"** opportunity), but you don't need to know the details to use it.*

Now we'll see how to apply a strategy with the signals.

Applying a Strategy.

-- Comment: This is our recommended strategy but you could use any other --

Suppose that you've got a "Buy" signal for a symbol (EURUSD for example) and that its trend is up.

Well, go to that chart and confirm two things:

1) There's an Uptrend in that Timeframe:

You can draw a simple trendline by clicking this tool (click and draw)...

Here's our trendline...

We can confirm that the trend is UP (making higher "Lows" - if you're analyzing a downtrend you should see lower "Highs").

Important: The price should have previously touched (or almost touched) the trendline, <u>at least twice</u>.

2) There's a Channel:

If you have a channel, then you have better chances to get into a profitable trade.

To conclude your channel, draw another line in the opposite side like here (black line).

The price shoud have touched this line at least twice before.

So, we're in an uptrend, conformed by a channel, we're in the lower part of it, and we get a "Buy" signal (our software detectd that the RSI inicator exited the oversold zone).

We have an alert, we need a trigger to get in!

# Trade Trigger: Waiting in the Zone.

Once that you have a perfect setup (we call this, the alert), we need a trigger.

You know what it may comes but we need an extra confirmation that things may go as we've planned. That's why we need a trigger.

A trigger adds an extra layer of protection to your trade and we recommend you to use one.

The trigger that we'll use is a "Moving Average" indicator.
You can find this indicator here...
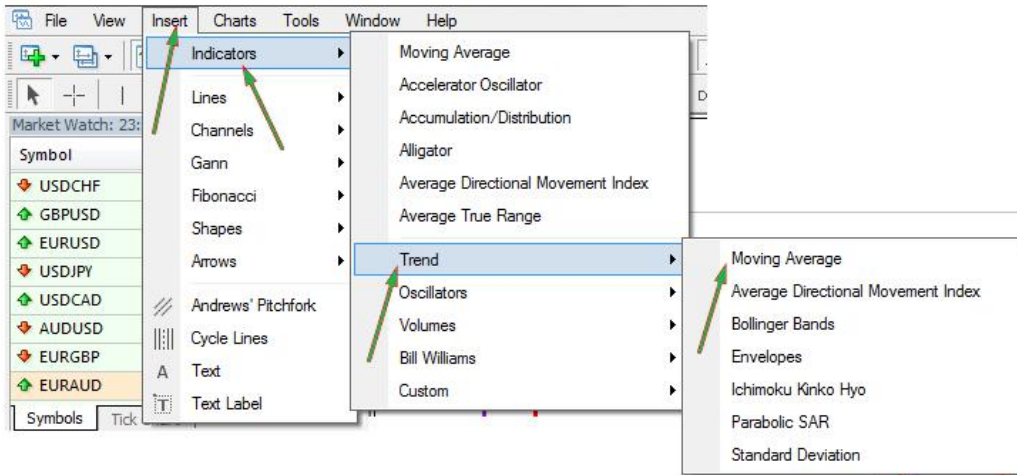
You can use it with default settings (conservative) but i prefer to add a shift value of 3.

We can get a "BUY" trigger once a bar opens aboce the moving average.

We draw a big candle so you don't confuse with other bars and understand the concept.

The opposite with a "Sell" trade. Once that you have signal in a downtrend that conforms a channel, your trigger will be a bar that opens BELOW the moving average.

Stop Loss, Take Profit...

As you're trading channels, you can have 2 TP targets:

TP1: The middle of the channel (or a zone next to it where the candles Stayed there for a while).

TP2: The bottom of the channel (for sell trades) or the top of the channel for buy trades.

Your stop could be....

- For Sell trades: The highest high of the most recent candle.
- For Buy trades: The lowest low the most recent candle.

Comment: This is a personal consideration, always do your own analysis and consider if the Take Profit or Stop Loss levels are ok with you and your risk evaluations.

To Recap...

You'll get multiple signals per day. You need to evaluate (and take) only those that conform a good setup.

Once that you have everything ready, wait for a trigger.

Important: *You can't win all the trades with this software (no tool can give 100% of positive signals) but it will surely help you to improve your trading.*

Important Things Before You Start Trading.:

1) Always Practice with a "Demo" account without risking real money.
2) Always Practice with a "Demo" account without risking real money.
3) It's a Good Practice to Not Risk More than 2% of Your Capital Per Trade.
4) Pay Attention to the Spread: Depending on the moment of the day and the selected Pair, the spread can be too high.

This free indicator can help you to see the spread for any pair:

https://www.mql5.com/es/market/product/5984

5) Avoid Trading During News! There's a lot of Volatility during news.

If you want to see the events for the day, this page will help:

https://www.dailyfx.com/calendar

6) Always use a Stop Loss to protect your capital from crazy price movements that goes against the direction of your trade.

The Stop & Take Profit Level is something that depends on you, your capital, the size of your trade, the timeframe where you operate and your risk style.

It wouldn't be wise to recommend a specific stop level or take profit level but it's recommended to make your own evaluations of this specific topic on a demo account.

General Settings

The indicator has many settings that you can adjust to your needs.

To adjust them, press "CTRL" + "L".

This will take you to the indicators list. Select the indicator and go to edit its properties.

Here's an example of them:

Variable	Valor
ab ----- SYMBOLS TO SCAN --------	
Scan All Symbols	true
ab Custom Symbols To Scan	AUDCAD,AUDCHF,AUDJPY,AUDUSD,CADCHF,CADJF
ab Exclude Pairs Containing these Currencies (Comma sep)	
ab ----- TIMEFRAMES TO SCAN ------	
Scan M1	false
Scan M5	true
Scan M15	true
Scan M30	true
Scan H1	true
Scan H4	true
Scan Daily	false
Scan Weekly	false
Scan Monthly	false
ab ----- FILTERS ------	
Hide Signals That Go Against the Major Trend	false
Hide Signals with High Spread	true
Max Spread For M1 Signals	10

Now we'll cover them:

Scan All Symbols: This will allow you to scan all the symbols that you can trade (or not).

Comment: If you enable this option and have +30 symbols, you may NOT see all of them. If this is the case, disable this option and enter in the following box the symbols that you want to scan.

Custom Symbols to Scan: If you've disabled the previous option, this will let you scan specific symbols of your choice (just make sure that they are comma separated).

Exclude Pairs that Contain the Following Currencies: If one or more currencies will have HIGH news events on a given day, you can

enter them here (example: USD,CAD) and all the pairs that contain those currencies, will be excluded from the signals (won't be scanned).

Scan M1, Scan M5, Scan M15...: f From here you decide if you want to look for signals under a specific timeframe. We recommend you to only enable signals for those timeframes that you use.

Hide Signals that Go Against the Major Trend: We recommend you to enable this. You'll get less signals per day but they'll be more powerful as they'll be following the trend.

Hide Signals with High Spread: We recommend you to enable this. If you use this option, the signals with high spread won't be displayed.

Max Spread For M1 / M5 etc: In general, when you go to a higher timeframe, you look for higher targets (more pips) and your tolerance to higher spread values may increase.

If you're filtering signals by spread, the values entered here will be used for each timeframe that is scanned (of course, you can adjust this).

Notification Options: From here you enable alerts or not for each signal that is generated by the software.

You can get alerts (these are visual and audible msgs that you get from Metatrader) and/or notifications (these are notifications that you can get on your mobile device).

If you want to get notifications on your mobile device, you need to first install "Metatrader 4" for android (you can find it on the Playstore).

Once is installed, you need to enable notifications (from your MT4 desktop to your MT4 android). This is very easy and this video can help you for that:

https://www.youtube.com/watch?v=5PsclNE5gl4

Trend Detection - Timeframe to Consider: By default, this is set to H4. This will help you if you're taking intraday signals (from M1 to

H4) but if you need to work on higher timeframes, you could also use a higher timeframe for the trend detection.

We recommend you to leave the rest of the settings as they are.

Final Considerations

- Always use STOPS. They help you to protect your capital.

- Take signals that follow the trend and where the price moves in a clear channel (channels rock!).

- Once everything is ready, wait for a trigger.

- Always make some tests with a Demo account so you don't risk real money.

That's All.