

Renko Retracement EA

This EA MUST work on regular, as well as on Renko charts. (For my examples I use Renko charts.)

This EA MUST work on any MT4 instruments, including all forex pairs, metals, cryptos, equities, stocks, etc.

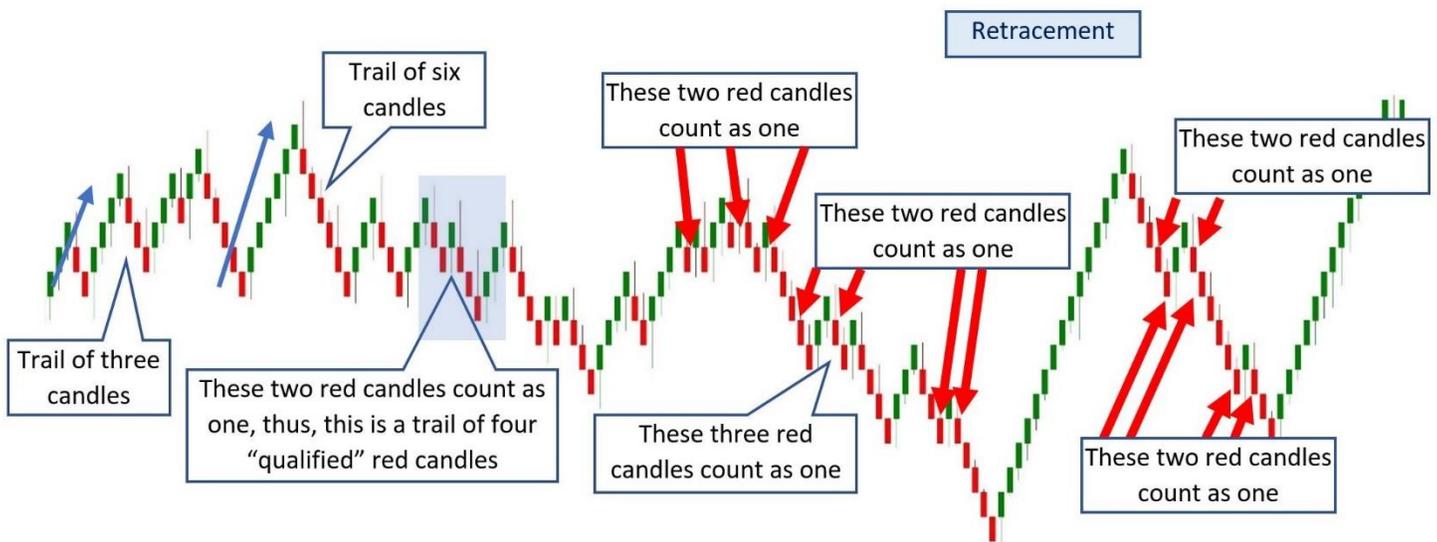
Strategy:

Based on my manual analysis I determine the current trend and set the EA to either “Buy Only” or “Sell Only” (see Settings). The EA will open positions as a result of price retracement under one of several scenarios.

Definition of “Retracement”:

a) trail of reverse candles following each other,

b) continued trail of retracement candles that is broken by a “trend” candle(-s). Subsequent retracement candle(-s) will appear at the same price as previous candle(-s). In this case, the new retracement candle(-s) is/are omitted. Such a candle cluster generates a sort of consolidation. In my strategy, consolidation is NOT a “friend” since I do not want to open multiple positions with the same price, except as set by variable “Max Opened at the Same Price”.



Long Trend

Say, I have determined that the trend is LONG. The EA will place only BUY positions in different circumstances – I call it Types of retracements.

Type 1: Simple Retracement

While UP trend is printing green candles, retracement occurs and red candles appear. Minimum number of red candles must be printed. (In my example “Min Retracement Candles” = 3, see the Settings) When the retracement reverses and first green candle closes, the EA will open a BUY position. Opening of a position happens ONLY at the CLOSE of the first candle (= at the opening of the second candle) – not during her formation.



Type 2: Extended Simple Retracement

Extended Simple Retracement is a retracement where “Min Retracement Candles” is extended.

If “Min Retracement Candles” is reached and the retracement continues adding more red candles, the EA waits until retracement stops and the first green candle is closed.

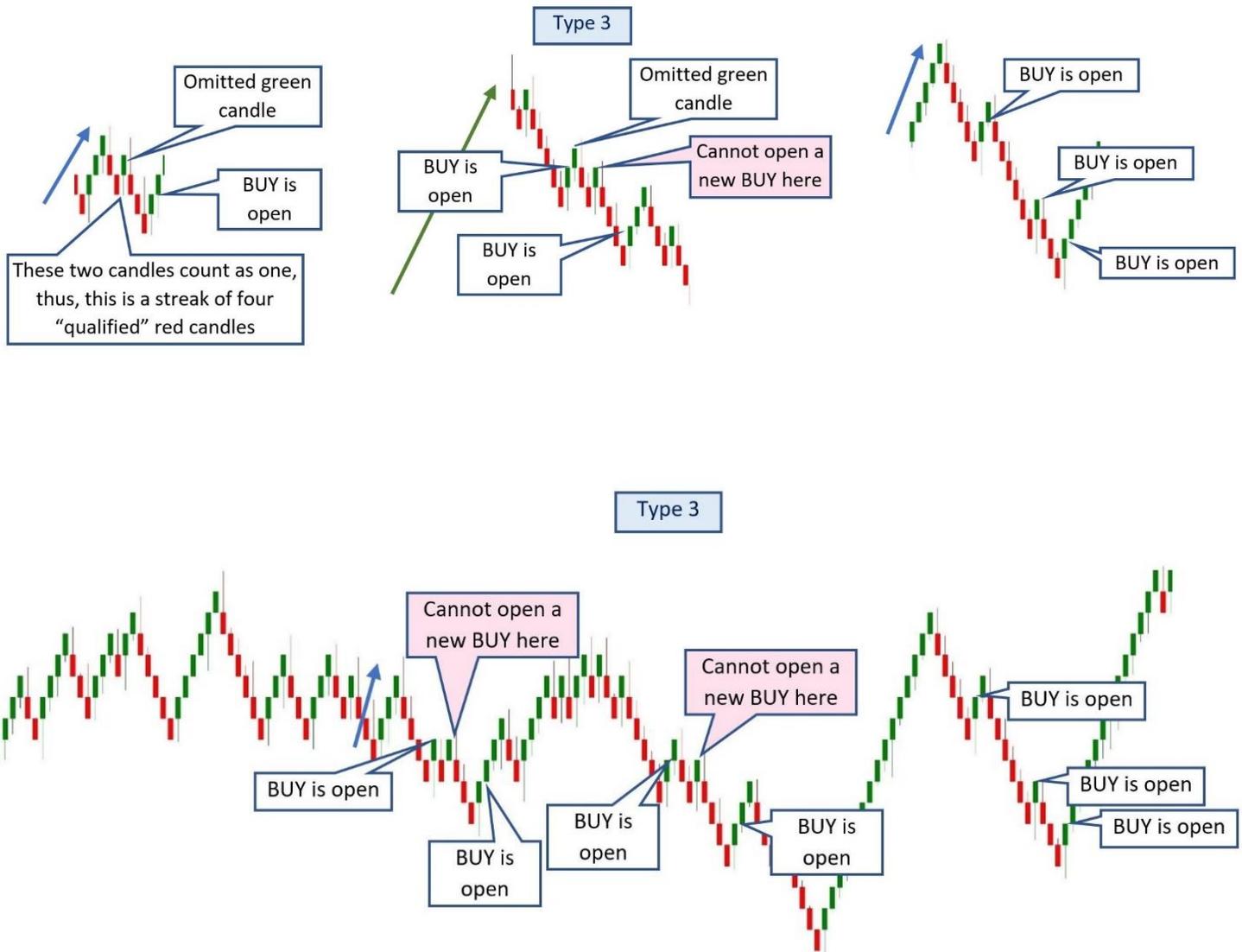


Type 3: Continued Retracement.

Continued Retracement is a retracement that is “broken” by one or two “trending” candles.

Retracement begins with one or more red candles, followed by one or two green candles that “reverses” the ongoing retracement. Next, retracement returns and prints additional red candles. In this scenario, green candles will be omitted because one or two green candles do not establish returning back to the trend.

Say, the EA opens (though, it does not have to) one or more positions based on Type 1 or Type 2 retracement scenarios. However, the price moves in long direction for only one or two candles and goes back to retracing again. In this case, the continued retracement must produce enough red candles plus one green that the opening price of a new BUY will be at least one candle away from previously opened Buy position – of course, if there is previously opened Buy position.



Type 4: Multiple Retracements

Multiple Retracements occur when a deep pull back is divided by three or more “in trend” candles. More than one positions at the same price may be opened, subject to variable “Max open positions at the same price”.

Say, the EA opens one or more positions. If the price moves three or more candles in the trend direction and new retracement occur, it might produce new position at the price of the previously opened position(-s). However, variable “Max open positions at the same price” must be observed. In my example, “Max open positions at the same price” = 2.



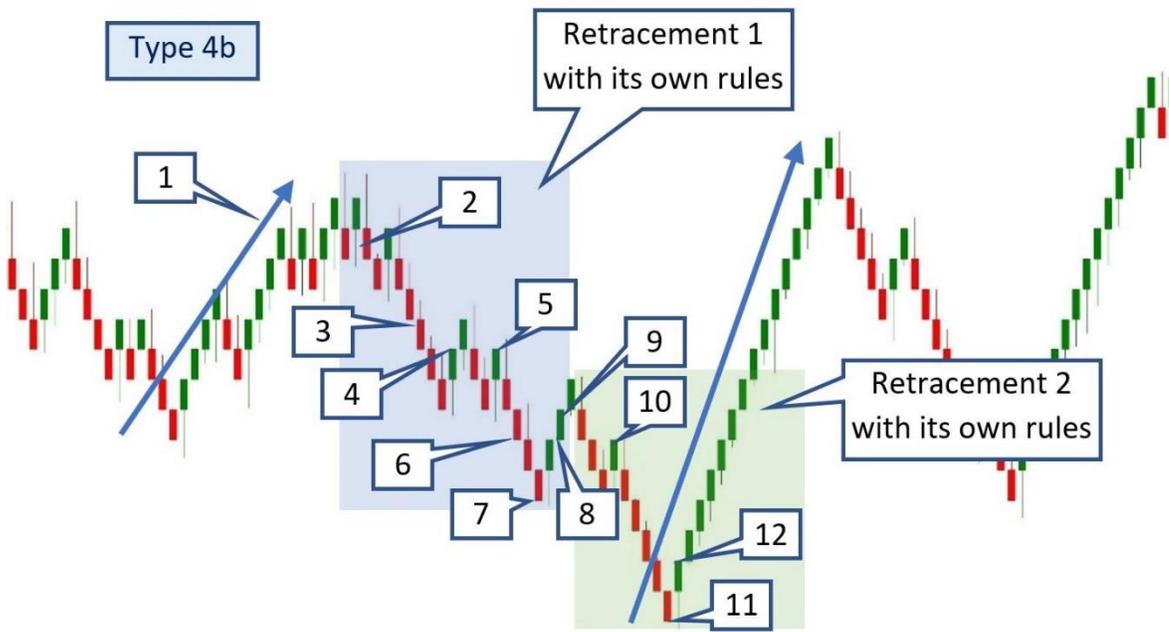
Basic difference between Type 3 and Type 4 is:

Type 3:

- a) after retracement begins, only one or two green “trend” candles appear
- b) price of a new position CANNOT be the same as previously opened position

Type 4:

- a) after retracement stops, three or more green “trend” candles appear. (If a new retracement starts, it will be an independent retracement from the previous one – see Type 4b)
- b) price of a new position CAN be the same as previously opened position, subject to variable “Max open positions at the same price”.



Explanation of Type 4b:

1 – Trend is UP (long)

2 – Retracement 1 begins

3 – Type 2 retracement (five candles)

4 – LONG position is open

5 – Another Long position CANNOT be opened

6 – Extended retracement (with four additional candles)

7 – Retracement 1 ends

8 – New LONG position opened

Retracement 1 (blue) became Type 3

9 – three “in trend” candles appear. If new retracement appears, it will be governed by its new rules – see Type 4.

10 – LONG position is open

11 – Retracement 2 ends

12 – Additional Long position is open

Short Trend

Say, I have determined that the trend is SHORT. The EA will place only SELL position.

Type 1s: Simple Retracement

While DOWN trend is printing red candles, retracement occurs and green candles appear. Minimum number of green candles must be printed. (In my example "Min Retracement Candles" = 3, see the Settings) When the retracement reverses and first red candle closes, the EA will open a SELL position. Opening of a position happens ONLY at the CLOSE of the first candle (= at the opening of the second candle) – not during her formation.



Type 2s: Extended Simple Retracement

If "Min Retracement Candles" is reached and the retracement continues adding more green candles, the EA waits until retracement stops and the first red candle is closed.



Type 3s: Continued Retracement.

Continued Retracement is a retracement that is “broken” by one or two “trending” candles.

Retracement begins with one or more green candles, followed by one or two red candles that “reverses” the ongoing retracement. Next, retracement returns and prints additional green candles. In this scenario, red candles will be omitted because one or two red candles do not establish returning back to the trend.

Say, the EA opens (though, it does not have to) one or more positions based on Type 1 or Type 2 retracement scenarios. However, the price moves in short direction for only one or two candles and goes back to retracing again. In this case, the continued retracement must produce enough green candles plus one red that the opening price of a new SELL will be at least one candle away from previously opened Sell position – of course, if there is previously opened Sell position.



Type 4s: Multiple Retracements

Multiple Retracements occur when a deep pull back is divided by three or more “in trend” candles. More than one positions at the same price may be opened, subject to variable “Max open positions at the same price”.

Say, the EA opens one or more positions. If the price moves three or more candles in the trend direction and new retracement occur, it might produce new position at the price of the previously opened position(-s). However, variable “Max open positions at the same price” must be observed. In my example, “Max open positions at the same price” = 2.



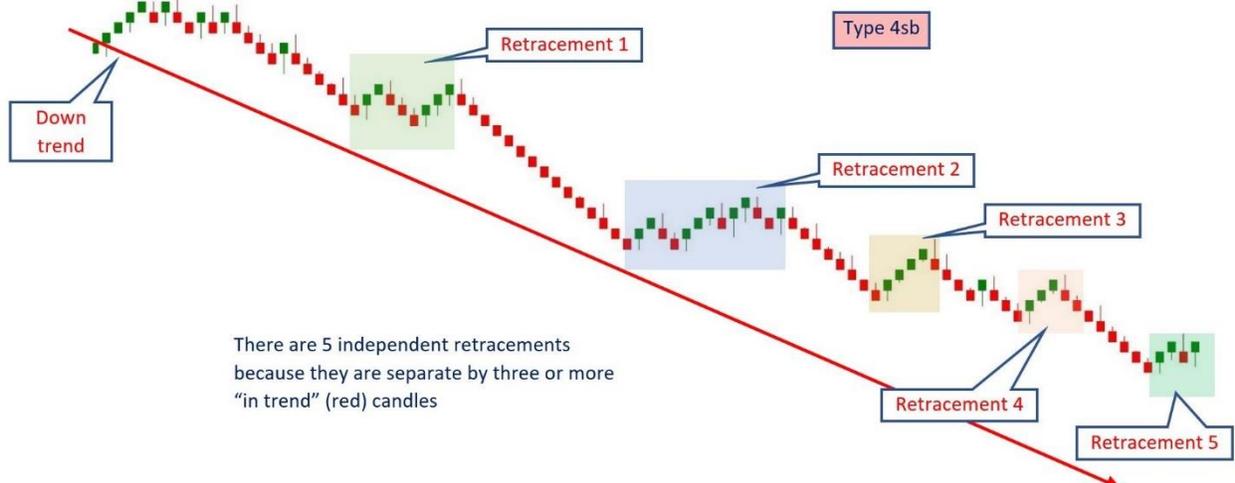
Basic difference between Type 3 and Type 4 is:

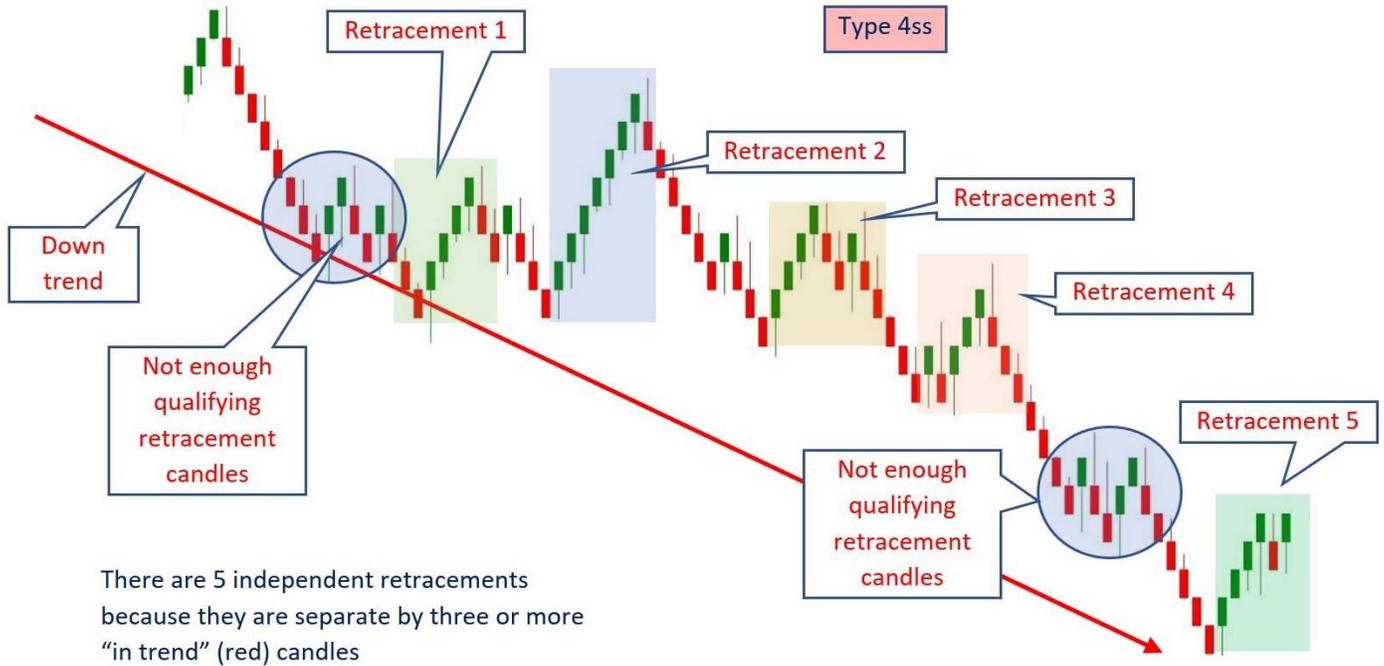
Type 3:

- a) after retracement begins, only one or two red “trend” candles appear
- b) price of a new position CANNOT be the same as previously opened position

Type 4:

- a) after retracement stops, three or more red “trend” candles appear. (If a new retracement starts, it will be an independent retracement from the previous one – see Type 4sb)
- b) price of a new position CAN be the same as previously opened position, subject to variable “Max open positions at the same price”.





Settings:

Variable	Value
Comments	Candle retracement EA
FIFO Account	T/F
Magic Number	
Trading	Buy Only, Sell Only, Both
Lot Size	
TP (0-no TP)	
SL (0-no SL)	
Basket TP in \$ (0-no Basket TP)	
Display Current Basket P/L (Font Size)	
Display Current Basket P/L (Color)	
Display Current Basket P/L (H-Position)	
Display Current Basket P/L (V-Position)	
Min Retracement Candles	
Max Opened at the Same Price	
Delta for the Same Price	
Max Opened Long Trades	
Max Opened Short Trades	
Stop Opening if Free Margin Below (in \$)	
E-mail if Free Margin Below	T/F
Send Notification if Free Margin Below	T/F

Variable: TP, SL - In pips

Variable: Basket TP in \$ (0 – no Basket TP)

Basket means the sum of currently opened trades (profits and losses) of the same Magic Number in account's currency. If any trade is closed manually, or by EA that profit/loss is not a part of the basket anymore. This "basket" variable refers only to the chart or "Magic Number" that the EA is attached to. Other charts have their own "Basket TP" values. For FIFO rules, close the older positions first. Due to inherent trading issues (eg. slow internet, broker's actions, computer speed...) the EA must NOT stop closing the basket until ALL positions are closed.

Variable: Display Basket P/L (Color, Font Size, V-Position, H-Position)

Display Current Profit/Loss on the chart

Variable: Min Retracement Candles

Is a number of candles the price retraces to establish a qualified "Retracement".

Variable: Max Opened at the Same Price

Is a number of positions opened at the same price at any given time. Say, there are two trades at the same price and one is closed by any means, the EA is allowed to open a new trade.

Variable: Delta for the Same Price

Due to inherent price range, there must be a certain deviation from market price to be still considered “the Same Price” in respect to the price of existing position.

Variable: Max Opened Long Trades

Variable: Max Opened Short Trades

These values refer to opened positions at any given time. In another words, if the max is reached, and say, three positions are closed by any means, the EA may open (3) new positions to reach the value given in the settings.

Variable: E-mail if Free Margin Below

If “True”, and variable “Stop Opening if Free Margin Below (in \$)” is met, send e-mail – Subject Message text: “‘AccountNumber’ Margin Below” and Body text: “‘AccountNumber’ FREE Margin Below \$ ‘000,000.00’”.

‘000,000.00’ means the value of Free Margin at the time of sending the e-mail.

There will be only one (1) message sent per occurrence. This way I want to stop sending countless e-mails while Free Margin fluctuates around the given value. In order to resume sending e-mails again, value “True” must be changed manually to “False”. If later desired, it can be changed to “True” again and sending will resume.

Variable: Send Notification if Free Margin Below

If “True”, there will be only one (1) notification sent per occurrence. This way I want to stop sending countless notifications while Free Margin fluctuates around the given value. In order to resume sending notifications again, value “True” must be changed manually to “False”. If later desired, it can be changed to “True” again and sending will resume.

PS:

The Coder will provide an open Source Code. Coder will also provide, for period of two years, a free of charge an update/upgrade of his/her current EA code if future MT4 platform updates/upgrades/versions would not work properly with current EA’s version.

I request 5 full trading days for prototype testing. In any event that error(-s) would occur I require additional 3 full trading days for corrected prototype to be tested.