

Currency Strength Meter Trading System

FORMULA FOR CALCULATION

This is an example of the currency calculation

Formula Using Forex Price Data

To calculate currency strength using forex price data you calculate the average price movement of all the currency pairs:

Currency Strength = $[(C1) + (C2) + (C3) + (C4)] \div 4 \times 100$ where,

C1, C2, C3 ... = Currency pair price change of different pairs that contain

For example to find the USD's currency strength you would consider each USD pair and observe their average price movement over a set period of time:

C1 = GBPUSD = +2.5%

C2 = AUDUSD = +5%

C3 = EURUSD = -2%

C4 = USDJPY = -1%

C5 = USDCHF = +3%

You would then Add all the values where USD is the base currency, and subtract when it's the quote currency as follows:

$-2.5 - 5 - (-2) + (-1) + 3 = -3.5$

You would then divide this by 5, as there are 5 inputs. This will give the currency strength of the USD as:

$((-3.5) \div 5) * 100 = -70\%$

Use the data below to for the calculation

USD	GBP	EUR	AUD	CAD	CHF	JPY	NZD
USD/ZAR	GBP/ZAR	EUR/AUD	AUD/CAD	AUD/CAD	CHF/CNH	AUD/JPY	AUD/NZD
USD/TRY	GBP/USD	EUR/AUD	AUD/CHF	CAD/CHF	CHF/CZK	CAD/JPY	EUR/NZD
USD/SGD	GBP/SGD	EUR/CAD	AUD/CNH	CAD/CNH	CHF/DKK	CHF/JPY	GBP/NZD
USD/SEK	GBP/SEK	EUR/CHF	AUD/CZK	CAD/CZK	CHF/HKD	EUR/JPY	NZD/CAD
USD/RUB	GBP/PLN	EUR/CNH	AUD/DKK	CAD/DKK	CHF/HUF	GBP/JPY	NZD/CHF
USD/PLN	GBP/NZD	EUR/CZK	AUD/HKD	CAD/HKD	CHF/JPY	JPY/CZK	NZD/CZK
USD/NOK	GBP/NOK	EUR/DKK	AUD/HUF	CAD/HUF	CHF/MXN	JPY/DKK	NZD/DKK
USD/MXN	GBP/MXN	EUR/GBP	AUD/JPY	CAD/JPY	CHF/NOK	JPY/HKD	NZD/HKD
USD/JPY	GBP/JPY	EUR/HKD	AUD/MXN	CAD/MXN	CHF/PLN	JPY/HUF	NZD/HUF
USD/HUF	GBP/HUF	EUR/HUF	AUD/NOK	CAD/NOK	CHF/SEK	JPY/MXN	NZD/JPY
USD/HKD	GBP/HKD	EUR/JPY	AUD/NZD	CAD/PLN	CHF/SGD	JPY/NOK	NZD/MXN
USD/DKK	GBP/DKK	EUR/MXN	AUD/PLN	CAD/SEK	CHF/TRY	JPY/PLN	NZD/NOK
USD/CZK	GBP/CZK	EUR/NOK	AUD/SEK	CAD/SGD	CHF/ZAR	JPY/SEK	NZD/PLN
USD/CNH	GBP/CNH	EUR/NZD	AUD/SGD	CAD/ZAR	EUR/CHF	JPY/SGD	NZD/SEK
USD/CHF	GBP/CHF	EUR/PLN	AUD/USD	EUR/CAD	GBP/CHF	JPY/ZAR	NZD/SGD
USD/CAD	GBP/CAD	EUR/RUB	AUD/ZAR	GBP/CAD	NZD/CHF	NZD/JPY	NZD/USD
NZD/USD	GBP/AUD	EUR/SEK	EUR/AUD	NZD/CAD	USD/CHF	USD/JPY	NZD/ZAR
GBP/USD	EUR/GBP	EUR/SGD	GBP/AUD	USD/CAD	AUD/CHF		
EUR/USD	EUR/GBP	EUR/TRY			CAD/CHF		
AUD/USD							
AUD/USD							

NB: Where the broker does not have any of the above pairs, the calculation should factor in the number of pairs available for the currency calculations

Time Frames – the currency should calculate in the timeframe below;

M1 – 1 minute

M5 – 5 minute

M15 – 15 minutes

M30 – 30 minutes

H1 – 1 HOUR

H4 - 4 HOUR

D1 - DAILY

Display Results

The system should display the percentages of the strengths with corresponding Timeframes grouping under GREEN for **strong** currency and red for **weak** currency on charts

Timeframes	USD	GBP	EUR	AUD	CAD	CHF	JPY	NZD
M1	X%	X%	X%	-X%	X%	X%	X%	X%
M5	X%	-X%	X%	-X%	X%	-X%	X%	X%
M15	X%	-X%	X%	X%	X%	-X%	X%	X%
M30	-X%	-X%	X%	X%	-X%	-X%	X%	X%
H1	-X%	X%	-X%	X%	-X%	X%	-X%	-X%
H4	-X%	X%	-X%	X%	-X%	X%	-X%	-X%
D1	X%	X%	-X%	X%	X%	X%	X%	X%
NO. OF PAIRS	21	19	19	18	18	19	17	17

NO. OF PAIRS from the table represent the number of pairs used in the calculation of the currency strength. Display number as shown above on the chart

TRADING LOGIC

BUY SIGNAL

For EA to open a BUY order, the EA will look for the **STRONG** base Currency and **WEAK** quote currency. For example; EURUSD, from the strength table, if EUR is strong and satisfies the parameters under the **STRONG PERCENTAGE** in the selected **TIMEFRAMES**, and USD as the quote currency is **WEAK** and meet the **WEAK PERCENTAGE** parameter.

SELL SIGNAL

For EA to open a SELL order, the EA will look for the **WEAK** base Currency and **STRONG** quote currency. For example; EURUSD, from the strength table, if EUR is **WEAK** and satisfies the parameters under the **WEAK PERCENTAGE** in the selected **TIMEFRAMES**, and USD as the quote currency is **STRONG** and meet the **STRONG PERCENTAGE** parameter.

EA PARAMETERS

Currency Prefix

Currency Suffix

Tradable Pairs - the pairs to be traded separated by commas, (for example; EURUSD, GBPUSD, EURCAD)

Strong Percent (%) - From the strength meter table, this specifies the percentage to trade (example: 2)

Weak Percent (%) - this is the weak percentage to which EA should make trades (example: 1.8)

Strength Time Frames: The system would check if all TimeFrames selected have strong percentages and weak percentages before trades can be made.

M1 - YES/NO

M5 - YES/NO

M15 - YES/NO

M30 - YES/NO

H1 - YES/NO

H4 - YES/NO

D1 - YES/NO

Magic Number

Lot size

Take Profits

Stop Loss

Trailing Stops

Trailing Steps

Reverse: This functionality will open opposite trades of the main trading logic

Max Daily Profit (%) – EA should stop automatically when account profits is reached to this percentage

Max Daily Drawdown (%) – EA Should stop automatically when account loss reaches this percentage daily.

TRADING TIME (based on broker Server time)

Begin Time – time for EA to start trading

End Time - After this time, EA only closes trades, no open orders

Comments – Ability to add comments to trades

Provide a locking system in the code to lock both real and demo accounts.