

Trader101's



Basket Method Made Easy!

Retold by Icicle, with help from Nubchai, Alex84, Cliffedwards and Slade.[0]

THE PHANTOM MENACE

Set up a demo account (tutorials below [1]). This ghost account will function as an indicator. Start the account at the very beginning of your very first week and this will give you a good look at the pairs as the weeks go on. The pairs will imperfectly hedge each other. There will be no SL or TP in this account. The choice of pairs is very important and needs to be precise. The exact mix will depend upon what your broker has available. Open 14 trades as described below.

The usual suspects..

Buys

1. CADJPY
2. AUDUSD
3. USDJPY
4. EURUSD
5. EURCHF
6. GBPJPY
7. USDCAD

Sells..

8. GBPUSD
9. EURGBP
10. GBPCHF
12. CHFJPY
13. AUDJPY
14. EURJPY
15. USDCHF

But these are the IBFX pairs, because IBFX does not have CADJPY

Buys..

- 1) GBPUSD
- 2) EURGBP
- 3) GBPJPY
- 4) USDCHF

- 5) NZDUSD
- 6) AUDJPY
- 7) EURJPY

Sells..

- 8) EURUSD
- 9) USDJPY
- 10) AUDUSD
- 11) NZDJPY
- 12) GBPCHF
- 13) CHFJPY
- 14) EURCHF

ATTACK OF THE CLONES

If possible, run a suitable script for opening all the pairs at the same time. Count the pairs. If there are less than 14 pairs, open the missing pairs as soon as possible. Double-click the profit column of your terminal so as to make the positive profit pairs stay at the top and the negatives stay at the bottom. Initially the order of these pairs is a mess, but let it run for a day or two and you will notice the pairs will start to order themselves. All the buys will stay at one end and the sells the other like a bottle of dirty water settling out into layers. This is called the "Ideal Position". The highest and lowest slots are called the "anchor points". The top Anchor is in slot 1, the bottom Anchor in slot 14. **Your pairs might be in a different order**, but whatever is in slot 1 or slot 14 is an Anchor pair.

Ideal Position

Pair	Profit
Sell GBPUSD	500 <- Anchor in slot 1
Sell EURGBP	450
Sell GBPCHF	400
Sell CHFJPY	350
Sell AUDJPY	300
Sell EURJPY	250
Sell USDCHF	200
Buy CADJPY	-200
Buy AUDUSD	-250
Buy USDJPY	-300
Buy EURUSD	-350
Buy EURCHF	-400
Buy GBPJPY	-450
Buy USDCAD	-500

REVENGE OF THE SITH

Now this is what you have to watch for - if, for example, the bottom slots are occupied by negatives, the first pair in the negative that crosses the boundary between positive and negative is the pair we are interested in. If one of the negatives jumps from below up to slot 7 (counting from the top) there is also a corresponding positive that will crossover it and jump down to slot 8 This is the signal. We will trade these two pairs that jump the boundary.

On the screenshot, the sells were on top and the buys below, then you can see a breakaway pair **USDCAD**, as it appeared a few hours ago. I traded it and made some pips on it. The other pair, **GBPUSD**, also jumped 1 slot down and could also be traded Long.

Type	Size	Symbol	Price
sell	0.10	audjpy	86.46
sell	0.10	eurjpy	150.898
sell	0.10	eurgbp	0.79427
buy	0.10	usdcad	1.06290
sell	0.10	chfjpy	94.31
sell	0.10	usdchf	1.11930
sell	0.10	gbpchf	2.01332
sell	0.10	gbpusd	1.79889
buy	0.10	usdjpy	105.616
buy	0.10	gbpjpy	190.015
buy	0.10	eurusd	1.42975
buy	0.10	eurchf	1.60042
buy	0.10	cadjpy	99.42
buy	0.10	audusd	0.81905
Free margin: 99 543.99 Margin level: 28399.27%			

You should have a live account where your real trading will be executed. You will trade the two pairs that jumped out in the demo account.

Assuming you have sorted your 14 pairs with profitable pairs on top and losers on the bottom, IF the pair you are looking at is moving into profit (ie. going from bottom (-\$) to top (+\$), you do what it says - if its a BUY, then buy; if its a SELL, you sell!

If the pair is moving into negative (ie. going from top (+\$) to bottom (-\$), you do the OPPOSITE of what it says - if its a BUY, then sell; if its a SELL, you buy.[2]

**If the pair that jumped upwards is a BUY then trade both pairs LONG.
If the pair that jumped upwards is a SELL then trade both pairs SHORT.**

You may also trade the next two pairs that also cross the boundary, and you might like to limit yourself to 4 pairs being traded at one time. **The profit is up to you, but I close a pair if it retreats 2 slots.**

Leave your demo account running and it will serve as your indicator - just check it once in while for any jumping pairs and trade them. Alternatively, Orest has made an indicator you might use.

Tonight my indicator demo account showed 4 buys are taking over the top position from the sells, consequently the sells are taking over the bottom position. It started this afternoon. This is a signal that the buys will perhaps rule until tonight, so I went to my live account and traded all 14 pairs LONG - because there will be more buys than sells. We will discuss trading all 14 pairs later.

I normally check for jumpers at the beginning of every session (Asian, UK and US) however there are times I closely monitor it - for instance during the NY session when there are a lot of fundamentals being released. Those are the times when switching and slot jumping happens most. Like yesterday, the switching started right before the Asian session and I was stopped out at \$410 profit while I was asleep, then it reentered again after one hour (long) and that is the trade I have right now.

It will continue until before the close of this week. For now it is struggling, but positive. There are 5 jumpers and the account is dominated by longs. I am hoping that it will reach the Ideal

Position of 7 buys at the top and 7 sells at the bottom. When that happens we must be ready to shift our trades to sells because the Ideal Position is the signal we have reached the apex.

Also the Total profit tells you a lot. It indicates any change in trend. Right now it is struggling to move into positive profit after battling the negative spread, you could say it is now crossing the line and trying to break through.

	A	B	C	D	E	F
4						
5				FXPRO		
6				START	28-Sep	
7				THIS WEEK OPEN		
8						
9		1	GBPUSD	643.00		
10		2	EURJPY	632.20		
11		3	AUDJPY	452.00		
12		5	CHFJPY	301.00		
13		4	USDCAD	269.70		
14		6	GBPCHF	164.10		
15		7	EURGBP	15.80		
16		8	USDJPY	-33.10		
17		9	EURCHF	-165.70		
18		11	CADJPY	-292.00		
19		10	USDCHF	-306.10		
20		12	AUDUSD	-399.20		
21		13	EURUSD	-543.00		
22		14	GBPJPY	-749.00		
23						
24					-10.30	
25						

Pointers when trading Tandems on the IBFX platforms

- a) on EURUSD & USDCHF
- 1) Their direction is to come close to each other, next to each other is the ideal.
 - 2) The more gaps between them the more opportunity to trade them.
 - 3) if they are at the bottom half : Show and Long UC
if they are at the top half : Show and Long EU
Those trades will be most profitable

- b) The following pairs repel each other and are most profitable to trade them when they are close to each other.
- 1) GU & GJ
 - 2) EU & EJ
 - 3) AU & AJ
 - 4) UCad & CadJ

c) USDCHF will stick with EU and AU, best trade them when they are apart

d) USDCAD tends to stick with GBPUSD, trade them when they are apart.

The recommendation above is best only for IBFX pair and used in the Basket Trading Strategy or the T101 system

A NEW HOPE

The force is with you young trader, but you are not a Jedi yet!

Now the safest way to trade this system is by trading all 14 pairs in one direction!

The winning percentage is higher than with 4 pairs tandem. I only use the 2 pair and 4 pair tandem when I feel bored waiting for my favourite setup to occur!

THE EMPIRE STRIKES BACK

I want a pair from the one side to invade the Anchor position of the opposite side. The dislodging of the Anchor signals the safest time to trade 14 pairs straight.

If Buys are on bottom and one reaches the top anchor position - go 14 Long
If Buys are on top and one reaches the bottom anchor position - go 14 Short

If Sells are on bottom and one reaches the top anchor position - go 14 Short
If Sells are on the top and one reaches the bottom anchor position - go 14 Long

In fact, when you are trading all buys you can either wait till the last buy has left its own Anchor position or the first buy is occupying the opposite Anchor. When you are trading all sells you can either wait till the last sell has left its own Anchor position or the first sell is occupying the opposite Anchor.

Pair	Profit
Sell GBPUSD	500
Sell EURGBP	450
Sell GBPCHF	400
Sell CHFJPY	350
Sell AUDJPY	300
Sell EURJPY	250
Sell USDCHF	200
Buy CADJPY	-200
Buy AUDUSD	-250
Buy USDJPY	-300
Buy EURUSD	-350
Buy EURCHF	-400
Buy GBPJPY	-450
Buy USDCAD	-500

In this setup **GBPUSD** and **USDCAD** are the anchor pairs because they are in slots 1 and 14.

When **USDCAD** jumps up and switches places with **GBPJPY**, this is an indication that there might be a trend reversal.

When **GBPUSD** jumps below **EURGBP** this is another indication of trend reversal.

When both jump it is an even better indication of trend reversal!

Since the sells are on top and the buys are on bottom, the trend is leaning toward the LONG direction when entering all pairs.

RETURN OF THE JEDI

A safe long trade is, in this instance, only when **USDCHF** reaches the bottom Anchor or the **CADJPY** reaches the top anchor.

		START	21-Sep		START	14-Sep		START	7-Sep		START	31-Aug		START	24-Aug
		LAST WEEK OPEN			TWO WEEK'S OPEN			THREE WEEK'S OPEN			FOUR WEEK'S OPEN			FIVE WEEK'S OPEN	
9	1	USDCHF	164.40	1	USDCHF	313.61	1	USDCHF	293.35	1	AUDJPY	525.18	1	AUDJPY	824
10	2	AUDJPY	137.25	2	GBPJPY	278.75	2	EURUSD	217.31	2	EURJPY	268.88	2	EURJPY	491
11	3	EURUSD	136.22	3	EURUSD	275.92	3	AUDJPY	288.11	3	EURGBP	246.76	3	CHFJPY	302
12	4	GBPCHF	43.70	4	CADJPY	255.33	4	EURGBP	153.31	4	USDCHF	116.51	4	USDCHF	121
13	5	GBPJPY	-3.00	5	AUDUSD	201.34	5	GBPJPY	64.95	5	CHFJPY	138.85	5	GBPCHF	98
14	6	CADJPY	5.88	6	EURGBP	38.39	6	EURJPY	98.65	6	CADJPY	3.92	6	EURGBP	86
15	7	EURGBP	-14.65	7	GBPCHF	0.00	7	AUDUSD	26.18	7	EURUSD	-8.25	7	GBPUSD	-15
16	8	EURJPY	-13.54	8	EURCHF	-34.43	8	CHFJPY	21.60	8	GBPJPY	-21.91	8	EURUSD	-68
17	9	EURCHF	-27.57	9	USDJPY	-33.14	9	GBPCHF	-74.99	9	GBPCHF	-116.70	9	USDCAD	-128
18	10	AUDUSD	-24.13	10	AUDJPY	-159.94	10	EURCHF	-75.97	10	EURCHF	-123.29	10	EURCHF	-181
19	11	CHFJPY	-41.14	11	EURJPY	-237.28	11	CADJPY	-104.75	11	AUDUSD	-253.53	11	CADJPY	-278
20	12	USDJPY	-198.03	12	CHFJPY	-271.55	12	USDCAD	-204.15	12	GBPUSD	-231.11	12	AUDUSD	-372
21	13	GBPUSD	-199.49	13	USDCAD	-278.71	13	USDJPY	-308.52	13	USDJPY	-252.15	13	GBPUSD	-387
22	14	USDCAD	-124.87	14	GBPUSD	-302.82	14	GBPUSD	-359.44	14	USDCAD	-254.90	14	USDJPY	-404

The currency pairs really lined up ideally on the 31st of August. Notice the red sells are moving down, hence the direction of our trade is LONG. Go to the 7th of September and the **GBPUSD** reaches the Anchor position. We have reached the safe long trading period. As the weeks go by the red sells are slowly invading the the lower half while the green buys are leaving for the top spots. Until this week **that move is still a good long trade, until it reaches the opposite of the 24th of August position.**

However...

...forget all indicators if the fundamentals are ruling!



...MAY THE PIPS BE WITH YOU!!!

[0] You can tell which are Slade's contributions. Slade is the one who knows how to use a semicolon :)

[1] hndymann Post 360

Some Video Creations

Alright, I was bored today and decided to make a few video tutorials on how to install and setup the IA and Demo trading accounts for the system.

These videos are very basic so if you know how to do this already, there really is no need to watch them Here you can find the tutorial on installing 2 copies of MT4 platform.

http://kantorfx.com/files/trader101/instaling_mt4.zip

Here you can find the tutorial on the IA MT4 setup

http://kantorfx.com/files/trader101/ia_setup.zip

Here you can find the tutorial on the demo trading account setup

http://kantorfx.com/files/trader101/demo_setup.zip

You can download all of the files I used in the tutorials here

<http://kantorfx.com/files/trader101/...1%20Method.zip>

[2] Slade says.. *"The opposite anchors will always be the strongest pairs in whatever direction you are trading. If for example, your BUYS are on top and SELLS are on the bottom, this is because the difference between the base and quoted currency strengths/weaknesses (ie. in EUR/JPY, EUR=base, JPY=quoted) is greater than the others, which could be because the EUR is really strong, or the JPY is really weak, or a combination of the two. This will also be the case for the anchor at the bottom, which may be EURUSD which would be a SELL. The reason it is at the bottom and is losing more money than any other SELLS is because it really is the strongest "buy" of the SELL group (if that makes sense). What does that mean? If you look at whats happening, the EUR is beating the pants off of the JPY and the USD. Its really just a long play on the Euro, so what you are seeing on your indicator is that selling the EUR against the USD is about the worst possible pair you could sell, if you are trying to make money. Why? Again, because it is the strongest buy of the SELLS. Of course, we dont trade the indicator, we just use the information it give us to tell us where the best trades may be.*

Then, as you move away from the anchors toward the center, your strength differences will be smaller until you get to 0.00 where, at that moment in time...based upon your original entry point for that pair, they are even."

INDICATORS:

T101_v1.11_orest_IBFXm.mq4

This is a replacement for your phantom demo account. .