

SYNERGY

Basic Trading Method

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Disclaimer

Unique experiences and past performances do not guarantee future results.

Trading stocks, options and Forex spot currencies involves substantial risk; and there is always the potential for loss. Your trading results may vary.

No representation is being made that any software or training will guarantee profits or not result in losses from trading.

SYNERGY

Basic Trading Method

SYNERGY Method

EUR/USD 1-Hour



SYNERGY Method

EUR/USD 1-Hour



Why the SYNERGY Method?

Mark Douglas, author of Trading in the Zone, states:

*“The best traders have developed an edge
and more importantly, they trust their edge.”*

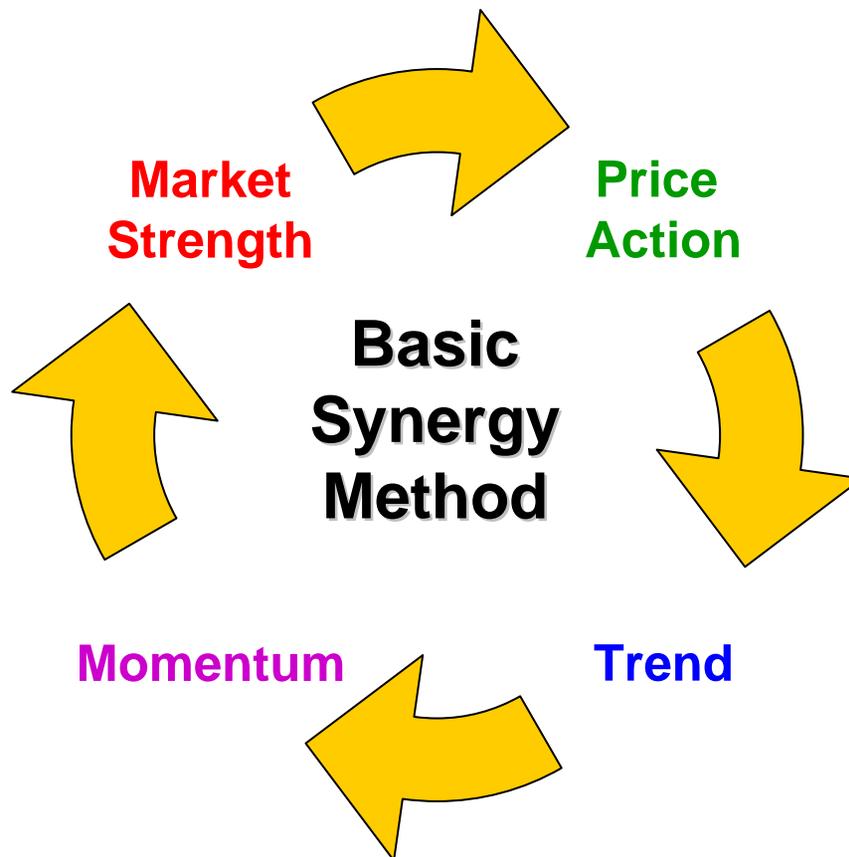
Why the SYNERGY Method?

The “*trading edge*” of Synergy:

1. A high degree of probability.
2. Enter and exit trades with less emotions.
3. Trade decisions dictated by price action, not by preconceived beliefs and opinions.

What is SYNERGY?

“Mutually advantageous collaboration of forces to create an enhanced combined result.”



SYNERGY Method

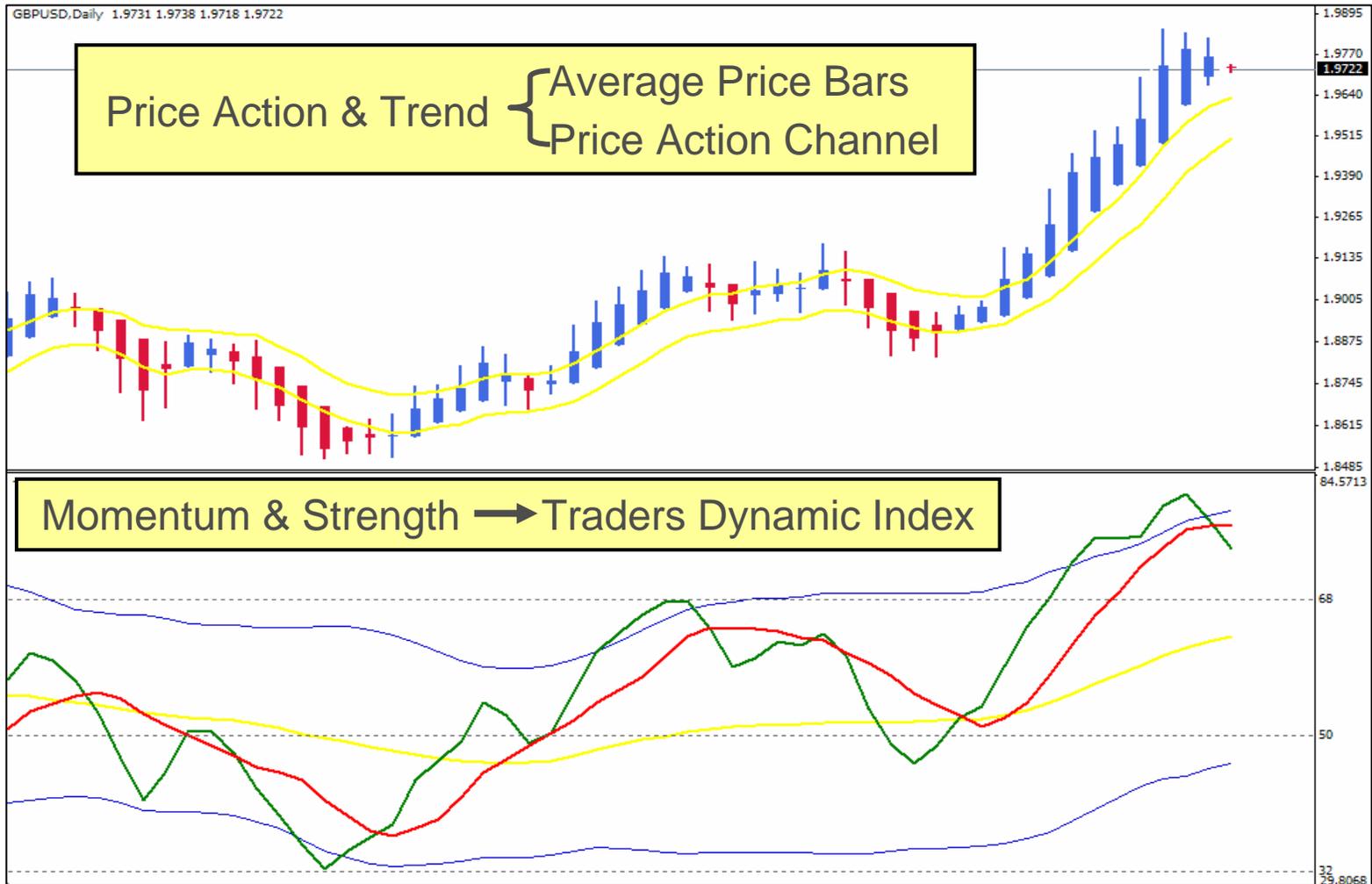
There are 4 primary market conditions
in a potential trade:

1. Price action
2. Trend
3. Momentum
4. Strength

SYNERGY Chart Setup

- Average Price Bars
- Price Action Channel
- Traders Dynamic Index

SYNERGY Method



Average Price Bars

Average Price Bars

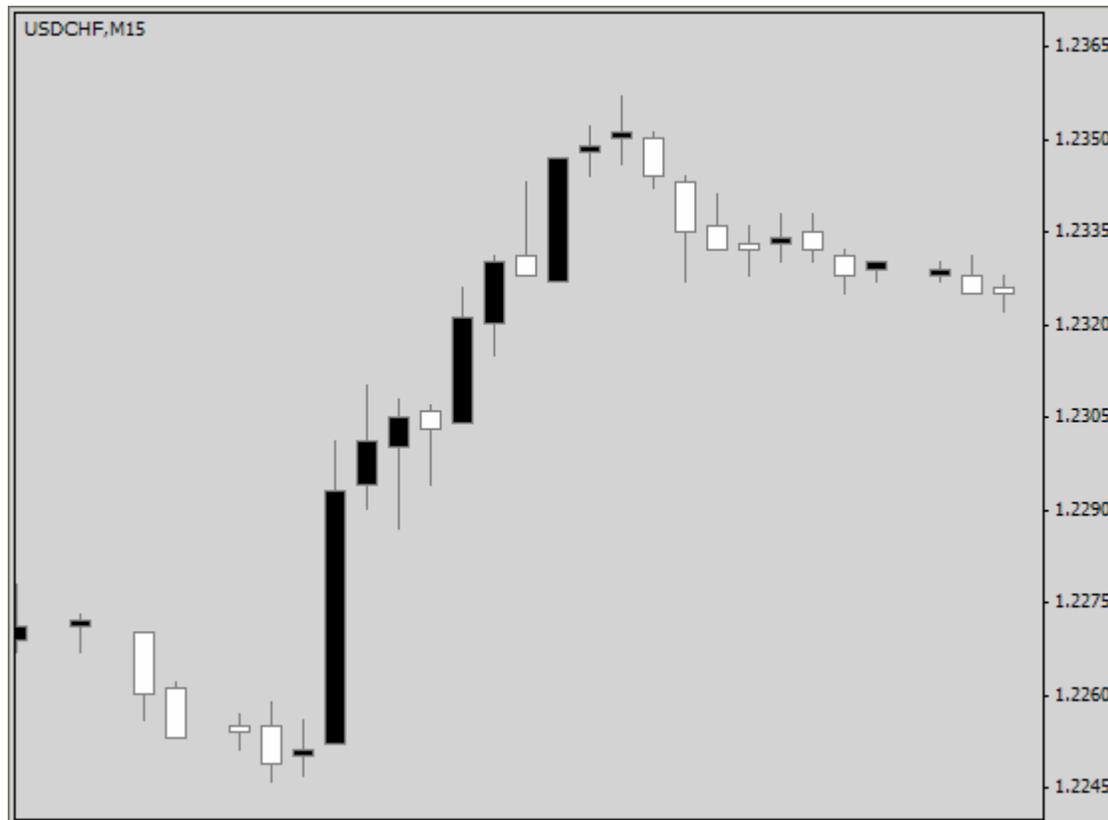
- Provide a better depiction of current market.
- Reveal market strength & consolidation.
- Eliminate fluctuations of nominal price action.
- Remove the noise of price distortion of the underlying trend.

Average Price Bars

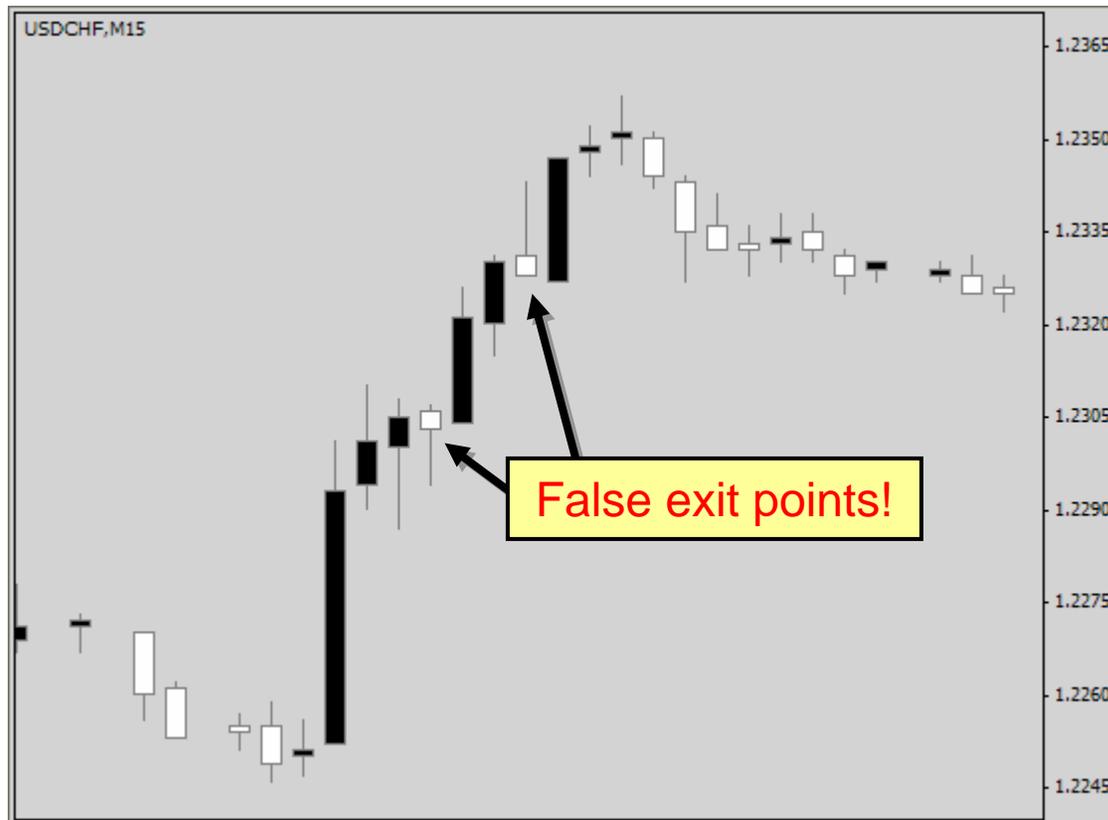
- Use the Heiken Ashi method.
- Heiken = “Average”
- Ashi = “Bar”
- Heiken Ashi averaging technique:
 - ➔ $HA_Close = (Open + High + Low + Close) / 4$
 - $haOpen = (haOpen(previous\ bar) + haClose(previous\ bar)) / 2$
 - $haHigh = Maximum(High, haOpen)$
 - $haLow = Minimum(Low, haOpen)$

The HA_Close is most important for the SYNERGY Method.

Typical Candlesticks



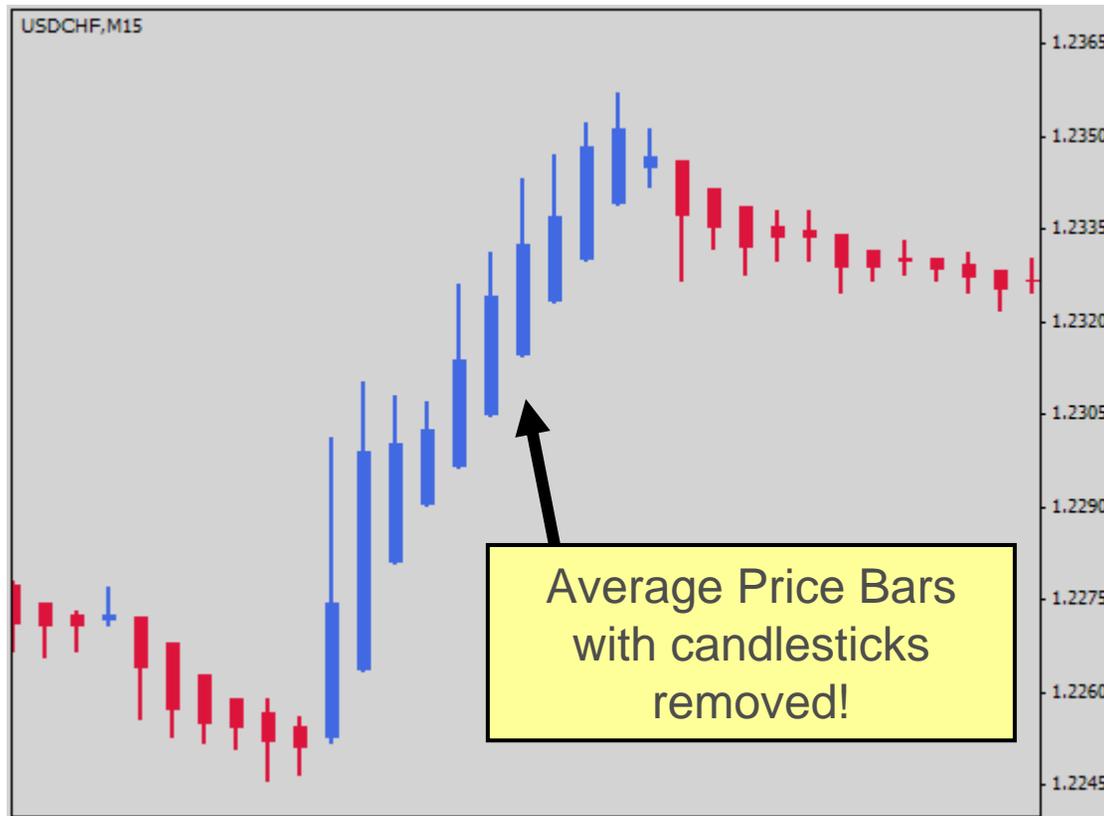
Typical Candlesticks



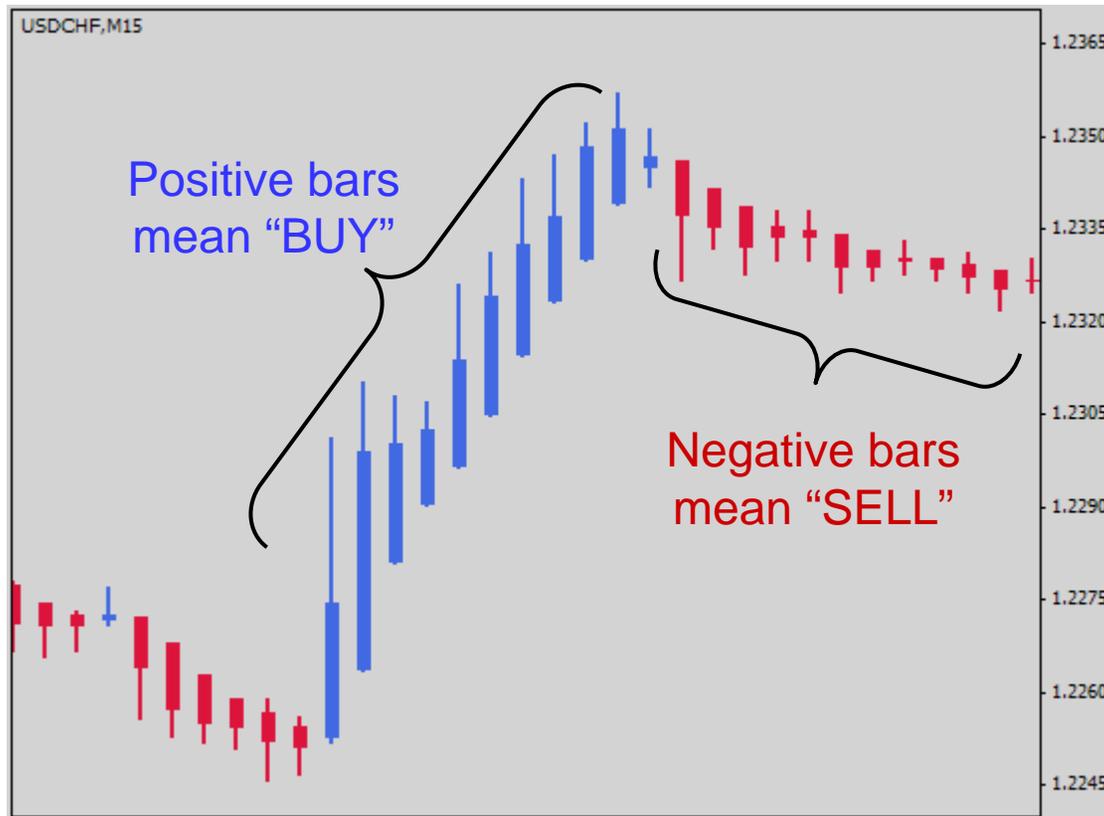
Average Price Bars



Average Price Bars



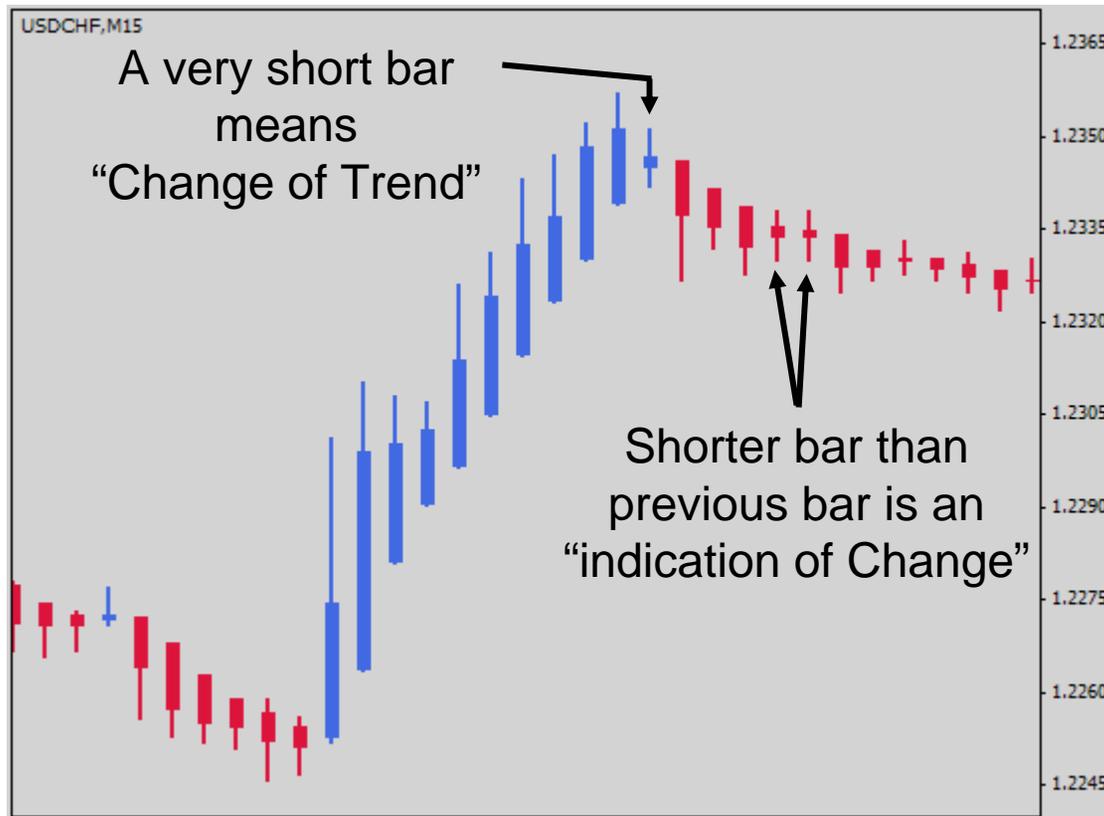
Average Price Bars



Average Price Bars



Average Price Bars



Price Action Channel

Traditional Price Channel

Traditional Price Channel has two formats:

1. A pair of trend lines above and below price like the Linear Regression Channel.
2. An envelope of bands around price with set deviation limits such as Keltner Channel.

Traditional Price Channel

Used to determine upper and lower boundaries and signal potential reversals or breakouts.

Traditional price channels can cause “reactive” trading!

Price Action Channel

Sets inside of price movement...instead of outside of price waiting for the market.

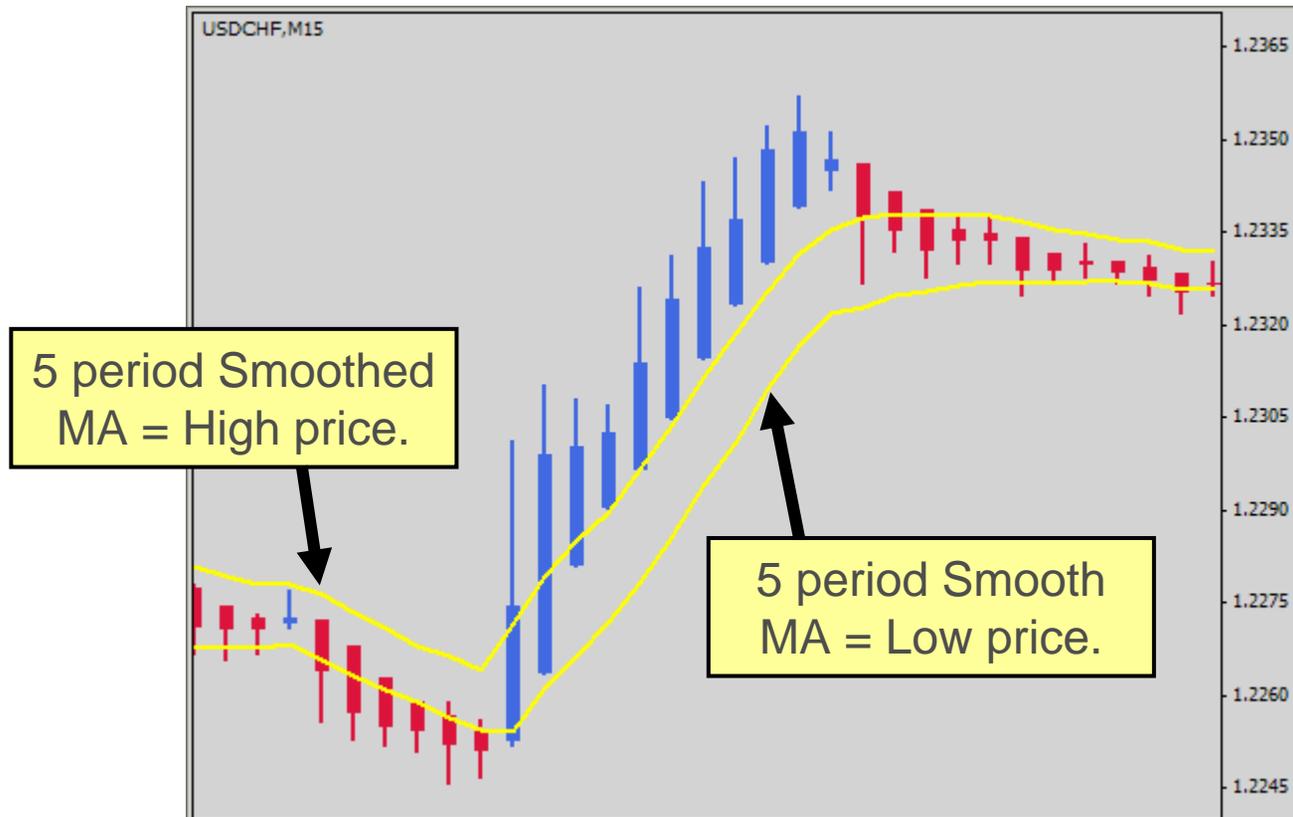
Used by institutional traders and sophisticated trading programs.

Promotes “responsive” trading!

Price Action Channel

- Use Smoothed Moving Average
- Top of Channel = 5 period, High
- Bottom of Channel = 5 period, Low

Price Action Channel

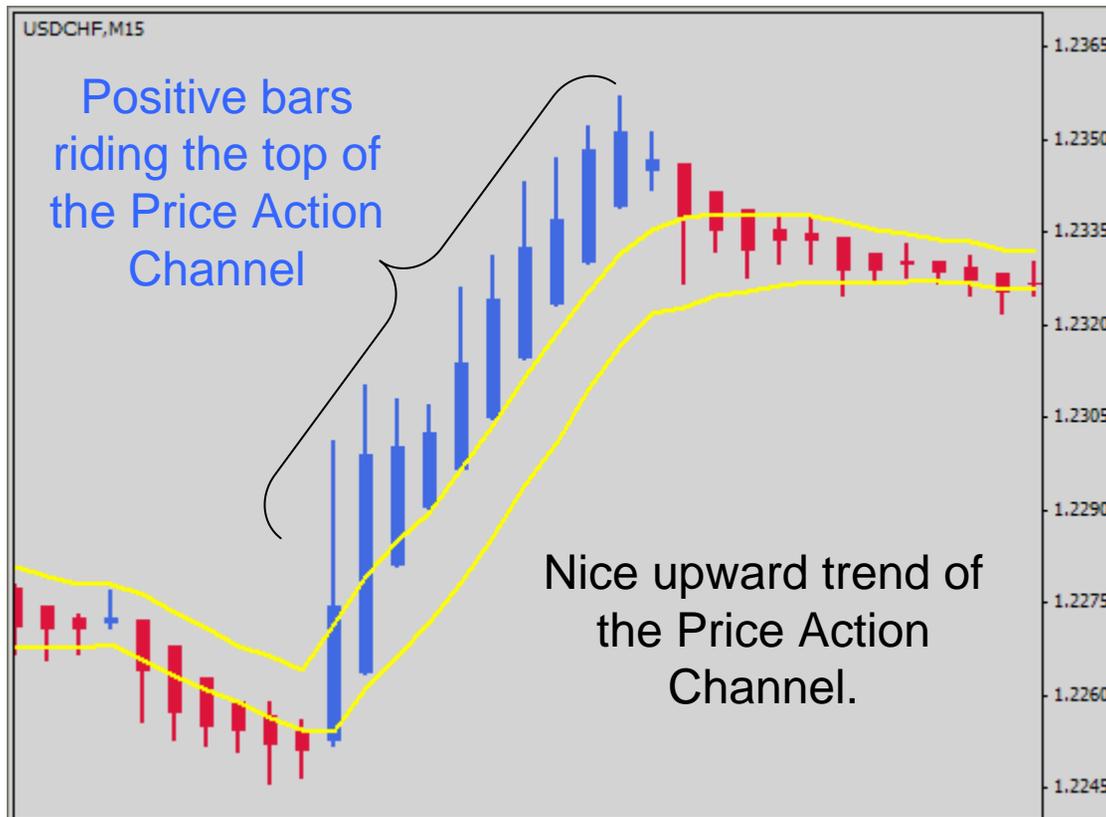


Price Action Channel

- Provides overall trend direction.
- Reveals periods of consolidation.
- Used primarily as an Entry target.
- **BUY Trend** – Average Price Bars tend to run on top of channel.
- **SELL Trend** – Average Price Bars tend to run on bottom of channel.

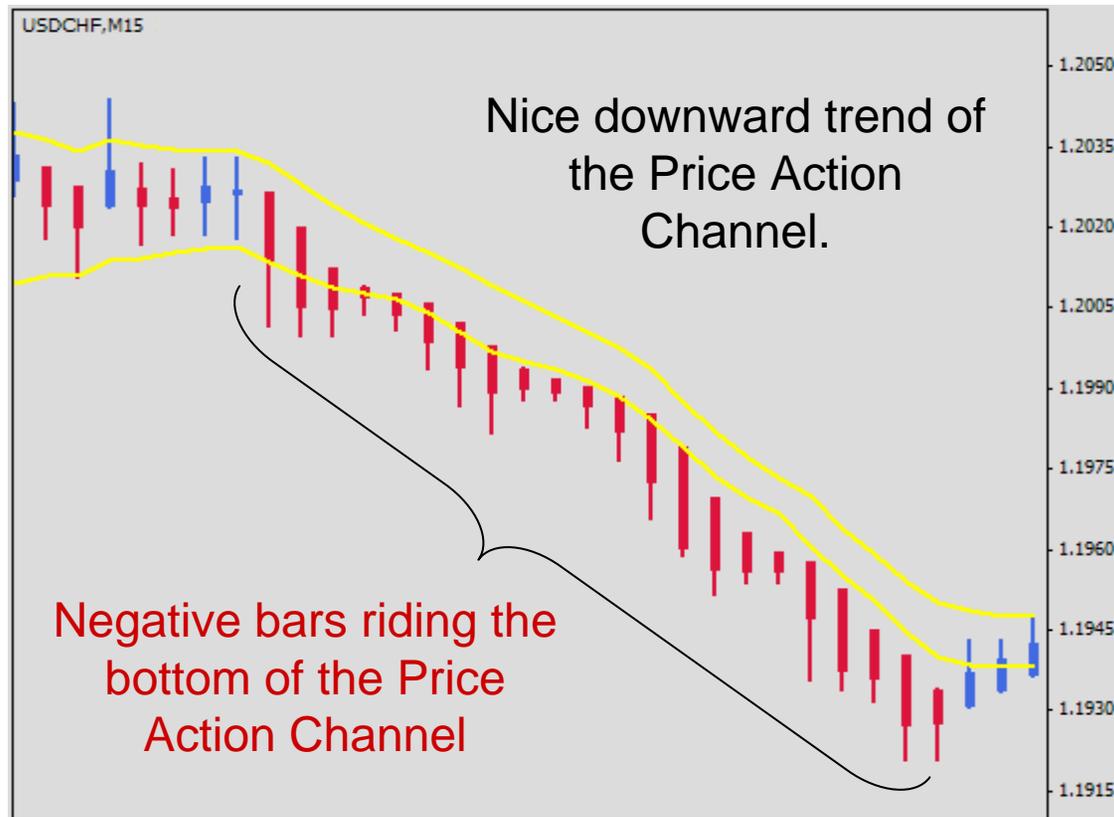
Price Action Channel

“Good BUY (Long) Trend”



Price Action Channel

“Good SELL (Short) Trend”



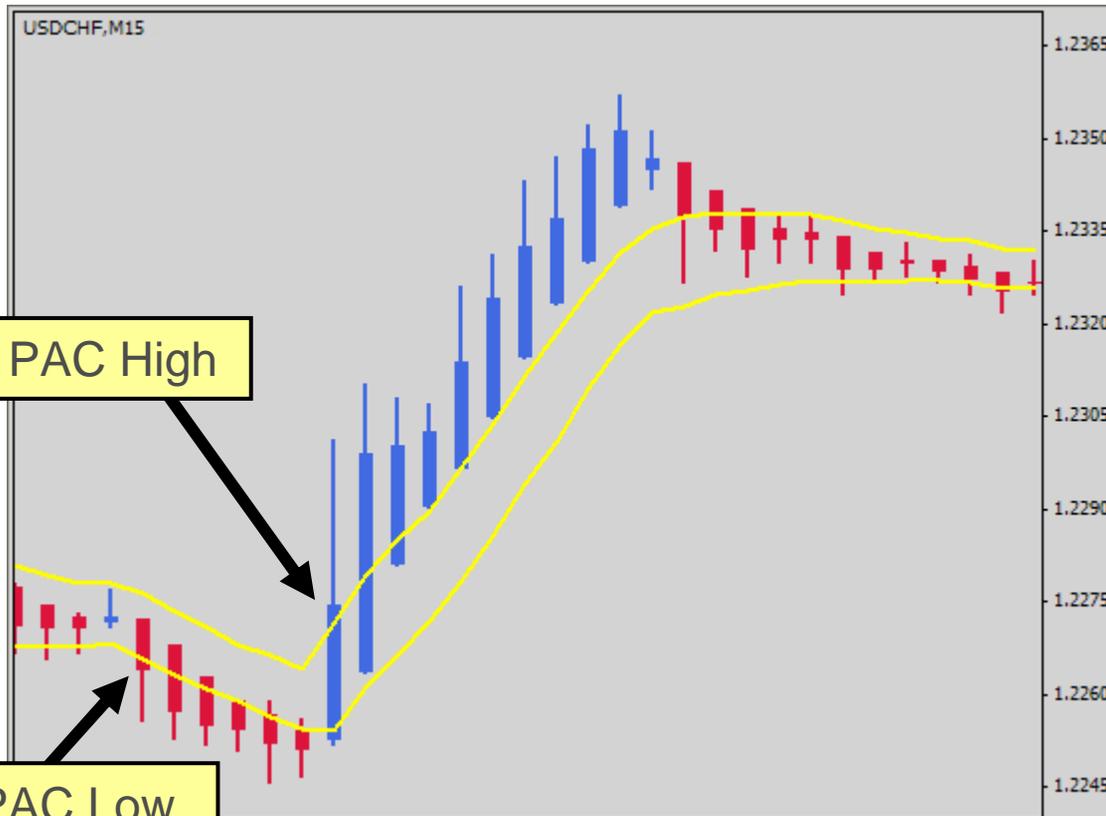
Price Action Channel

“Range-Bound, No Trend”



Price Action Channel

“Entry Condition using PAC”



HA_Close > PAC High

HA_Close < PAC Low

Price Action Channel

“Entry Condition: HA_Close & PAC”

Use the Data Window to compare the value of the HA_Close to the PAC.

To open the Data Window:
At the top menu bar, click View → Data Window.

The 1st MA(5) is PAC High.

The 2nd MA(5) is PAC Low.

Long entry condition:
HA_Close > 1st MA(5)

Short entry condition:
HA_Close < 2nd MA(5)

Data Window	
GBPUSD,M30	
Date	2007.04.10
Time	03:30
Open	1.9622
High	1.9648
Low	1.9622
Close	1.9648
HA_0	1.9617
HA_1	1.9648
HA_Open	1.9617
HA_Close	1.9635
MA(5)	1.9626
MA(5)	1.9615

Indicator window 1	
VB High	57.8694
Market Base Line	41.7212
VB Low	25.5730
RSI Price Line	60.7416
Trade Signal Line	52.3863



Traders Dynamic Index

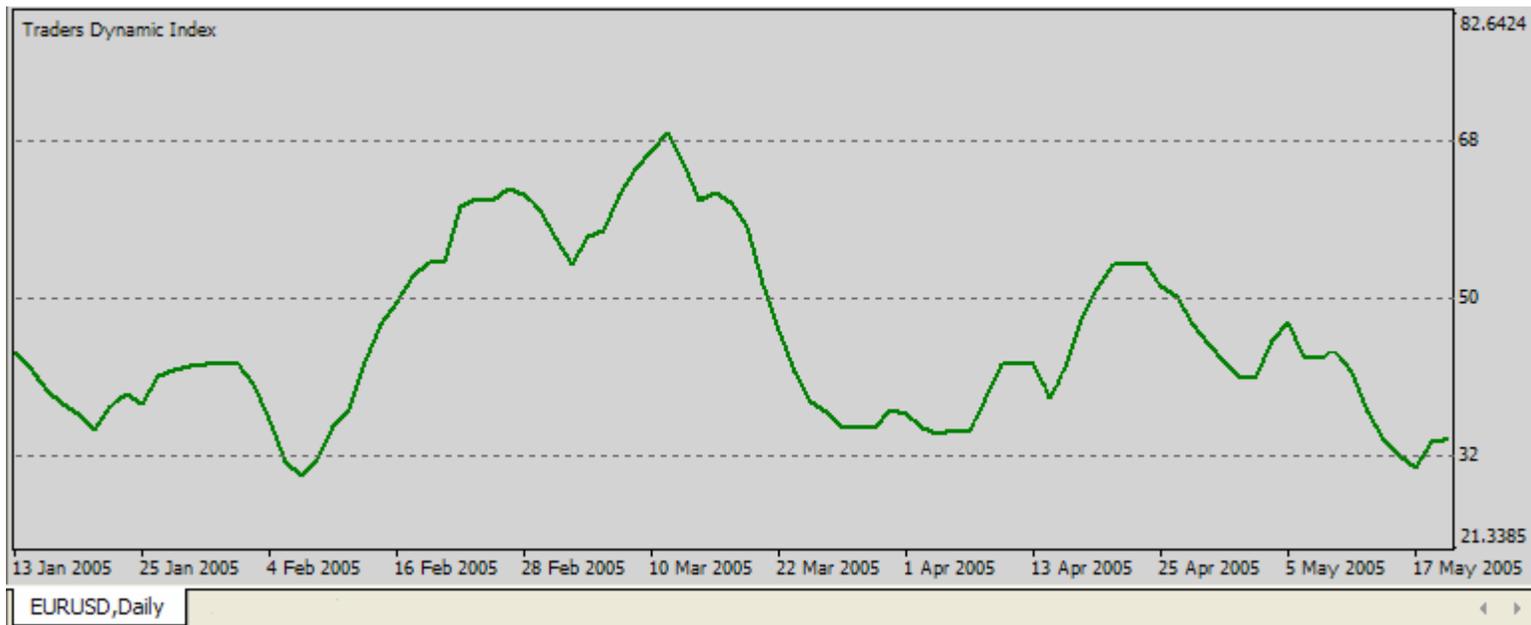
Traders Dynamic Index

A hybrid indicator developed to indicate market conditions related to *trend direction*, *momentum*, and *market volatility*.

An “all-in-one” indicator!

Traders Dynamic Index

Step 1: RSI Price (Green) Line



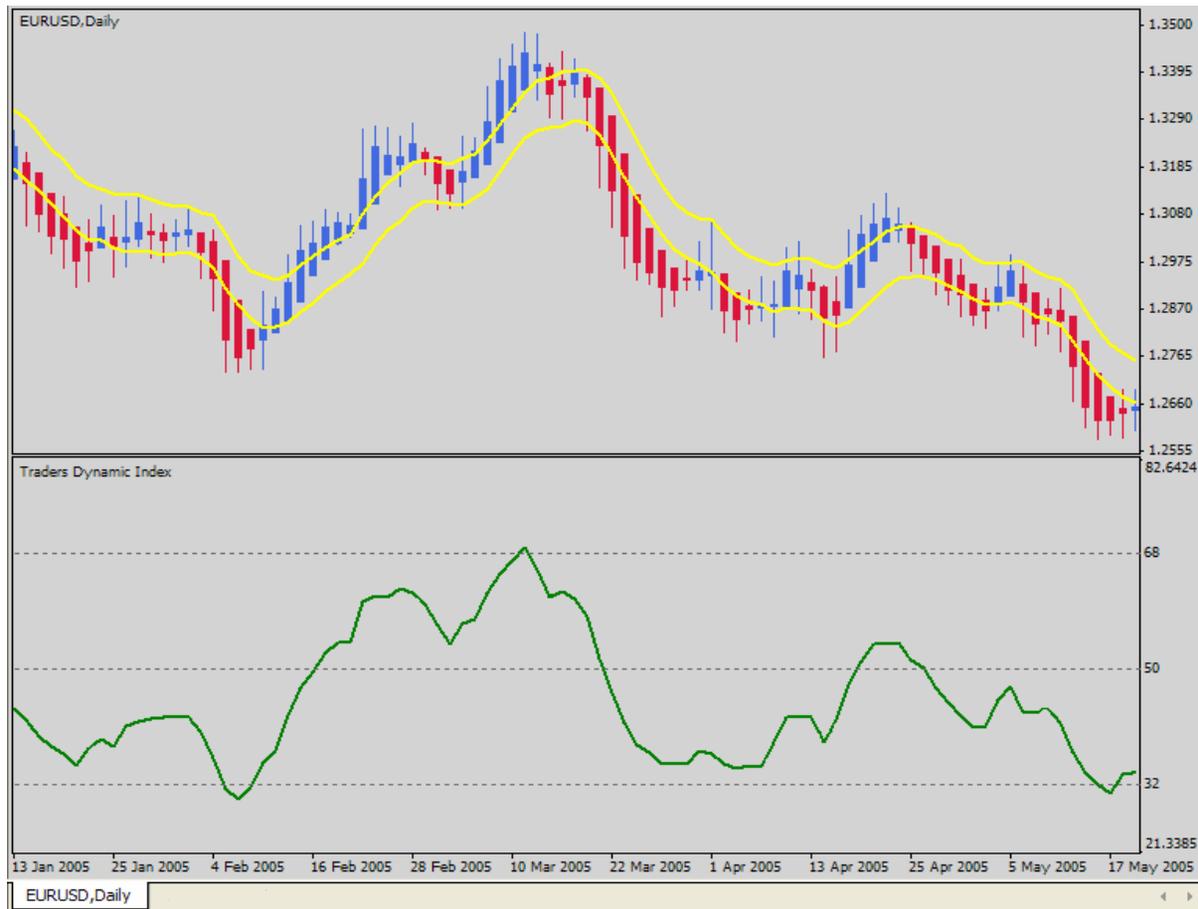
Rules: Trade **Long** when **Green line** > 50 .

Trade **Short** when **Green line** < 50 .

Consider exit when **Green line** is > 68 or < 32 .

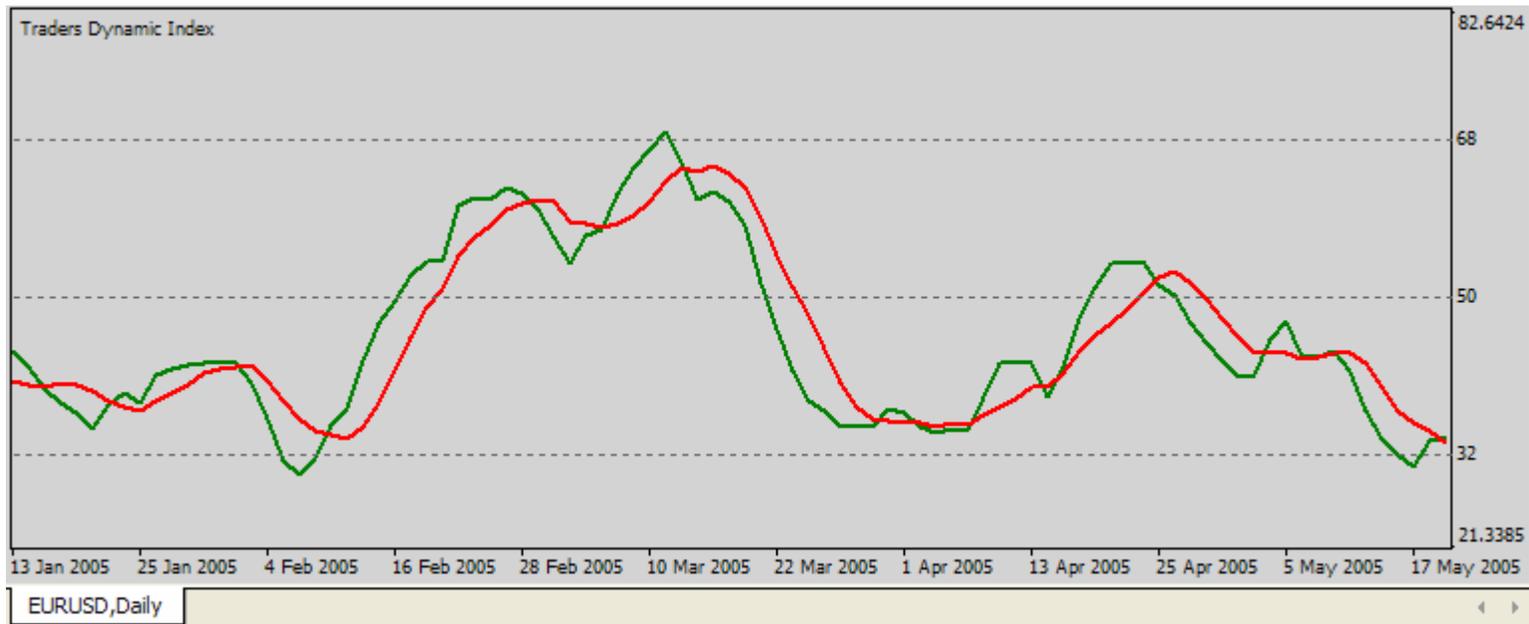
Traders Dynamic Index

RSI Price Line compared to Price Action



Traders Dynamic Index

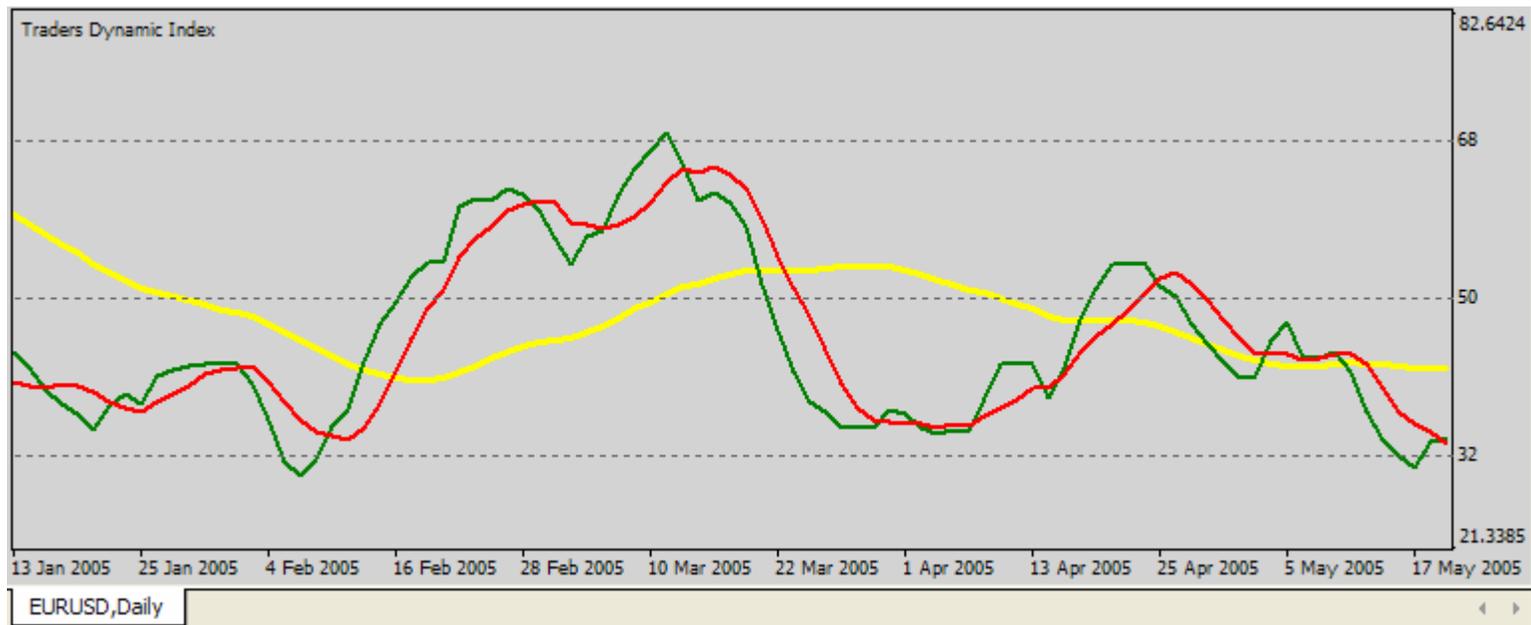
Step 2: Trade Signal (Red) Line



Rules: Trade **Long** when **Green** > **Red**.
Trade **Short** when **Green** < **Red**.
Exit trade when **Green** & **Red** crossover.

Traders Dynamic Index

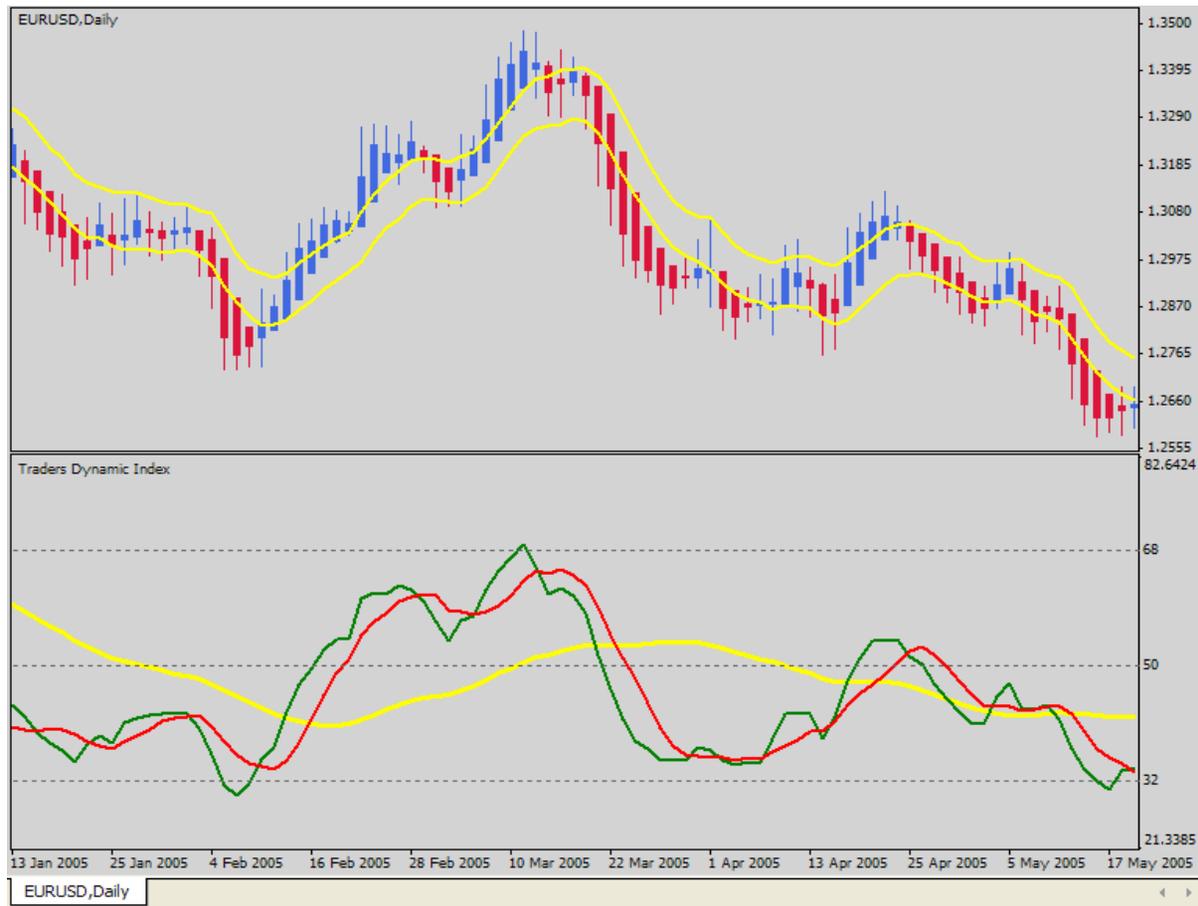
Step 3: Market Base (Yellow) Line



Rules: *Market Base Line (MBL) is the Overall Trend.*
Trade **Long** when **Green** is $>$ **Yellow** line.
Trade **Short** when **Green** is $<$ **Yellow** line.

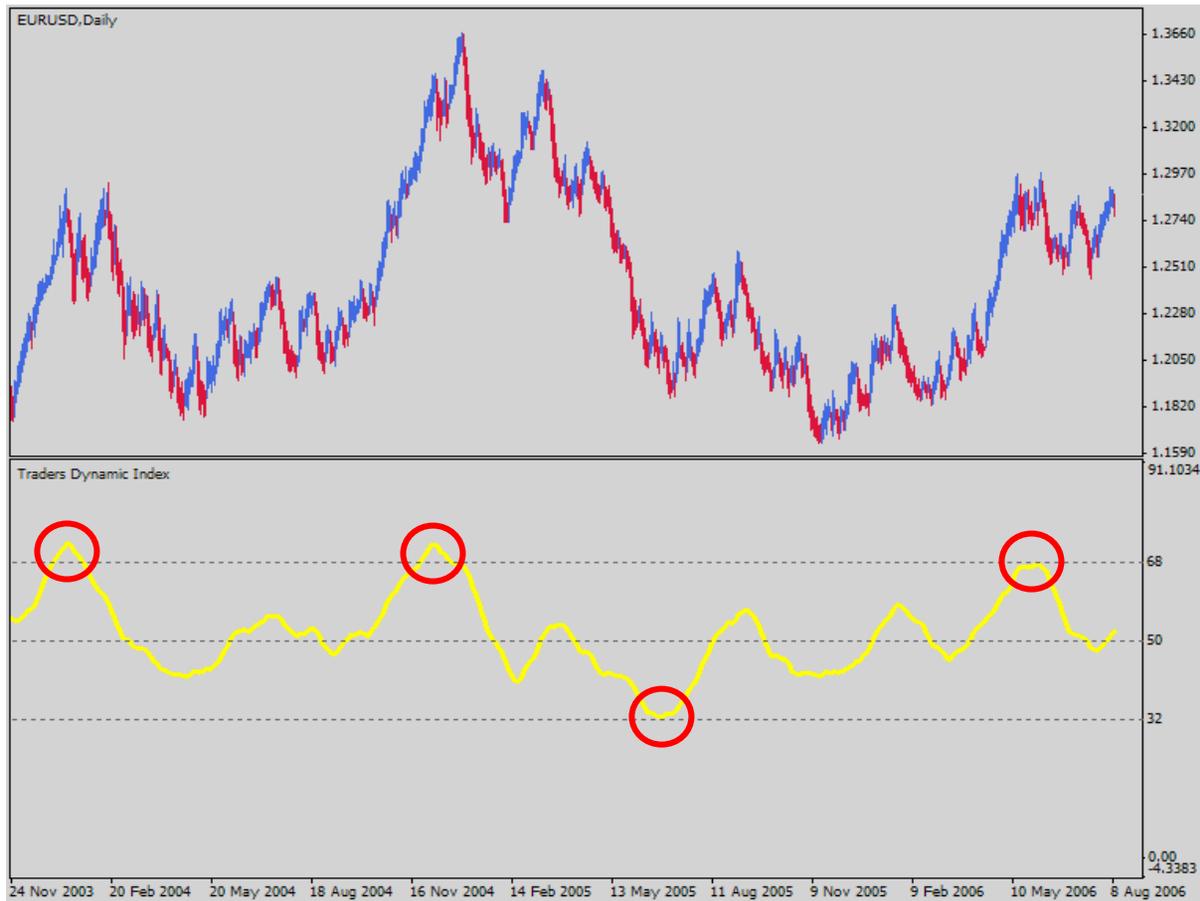
Traders Dynamic Index

Market Base Line compared to Price Action



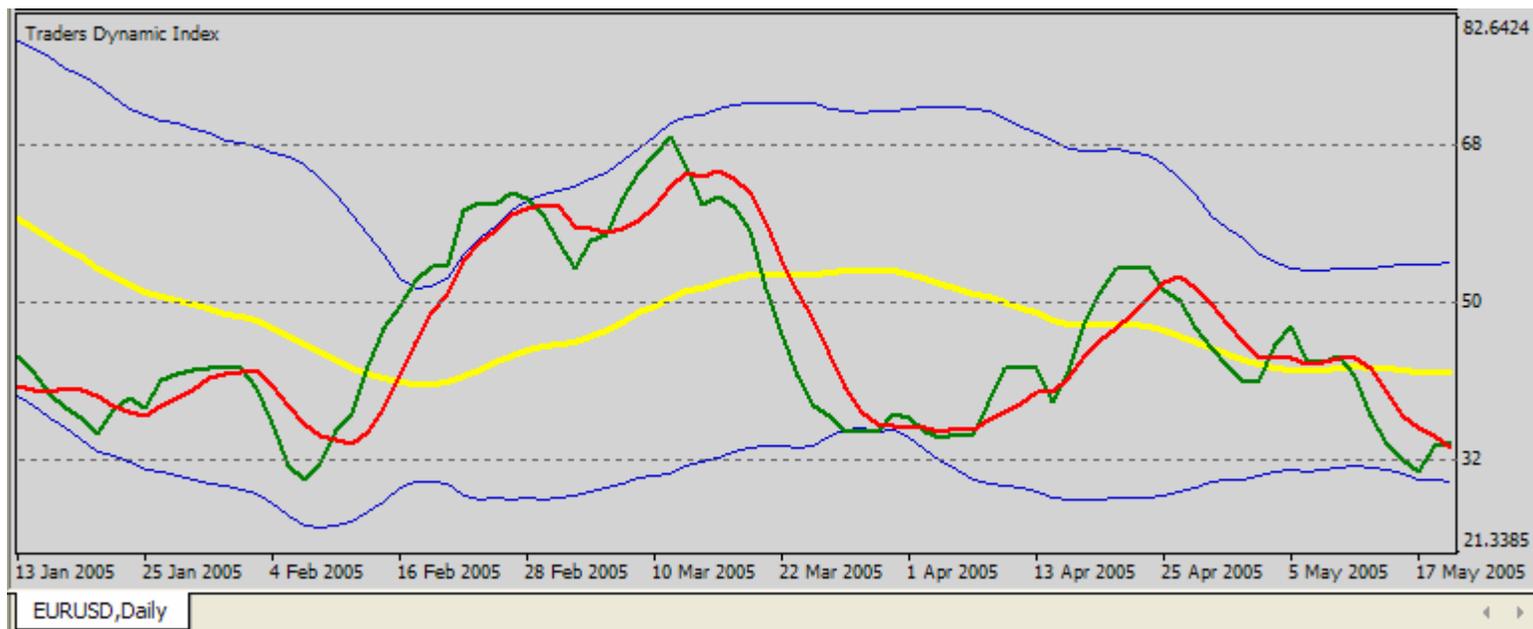
Traders Dynamic Index

Market Base Line forecasts Market Reversals



Traders Dynamic Index

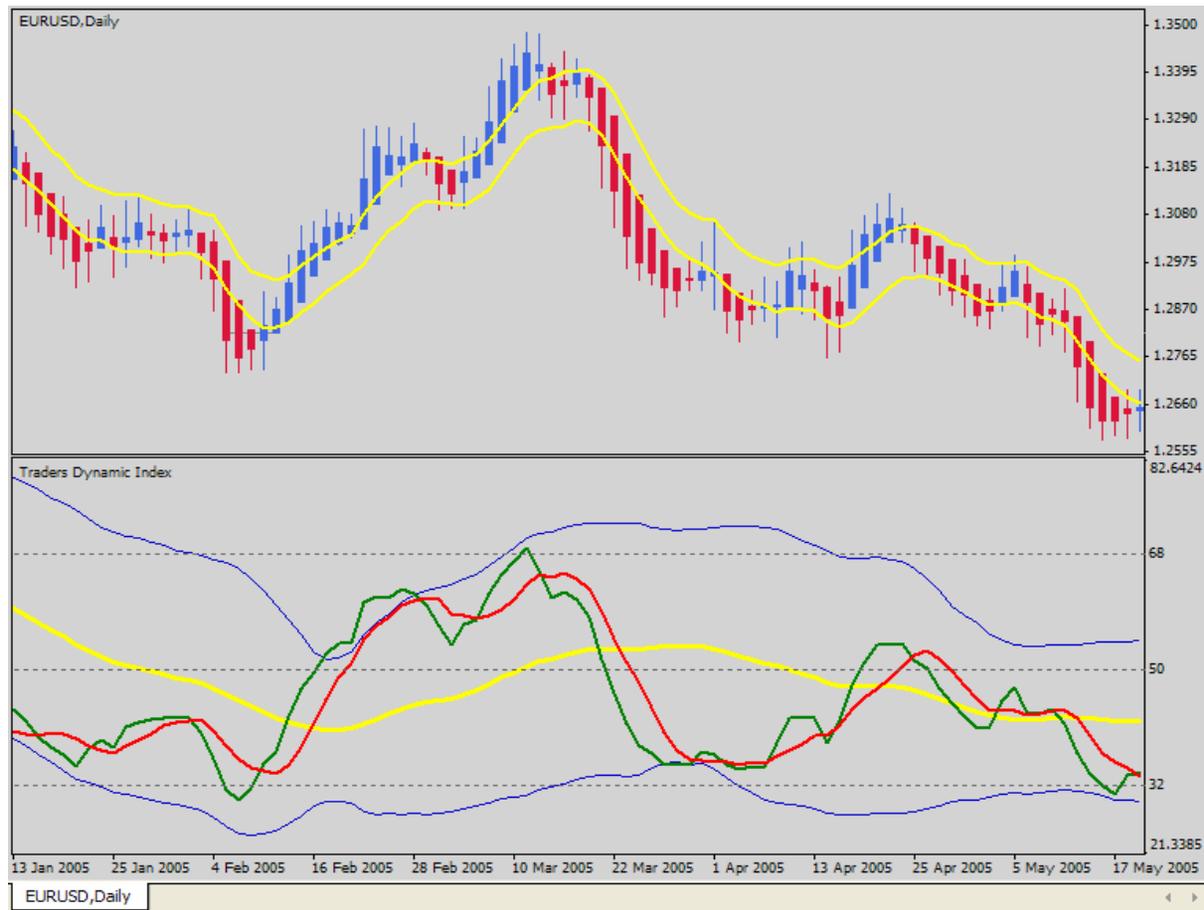
Step 4: Volatility Band (Blue) Lines



*Rules: Possible to add to a **Long** when **Green** is $>$ **VB**.
Possible to add to a **Short** when **Green** is $<$ **VB**.
Consider exit when **Green** crosses back over **VB**.*

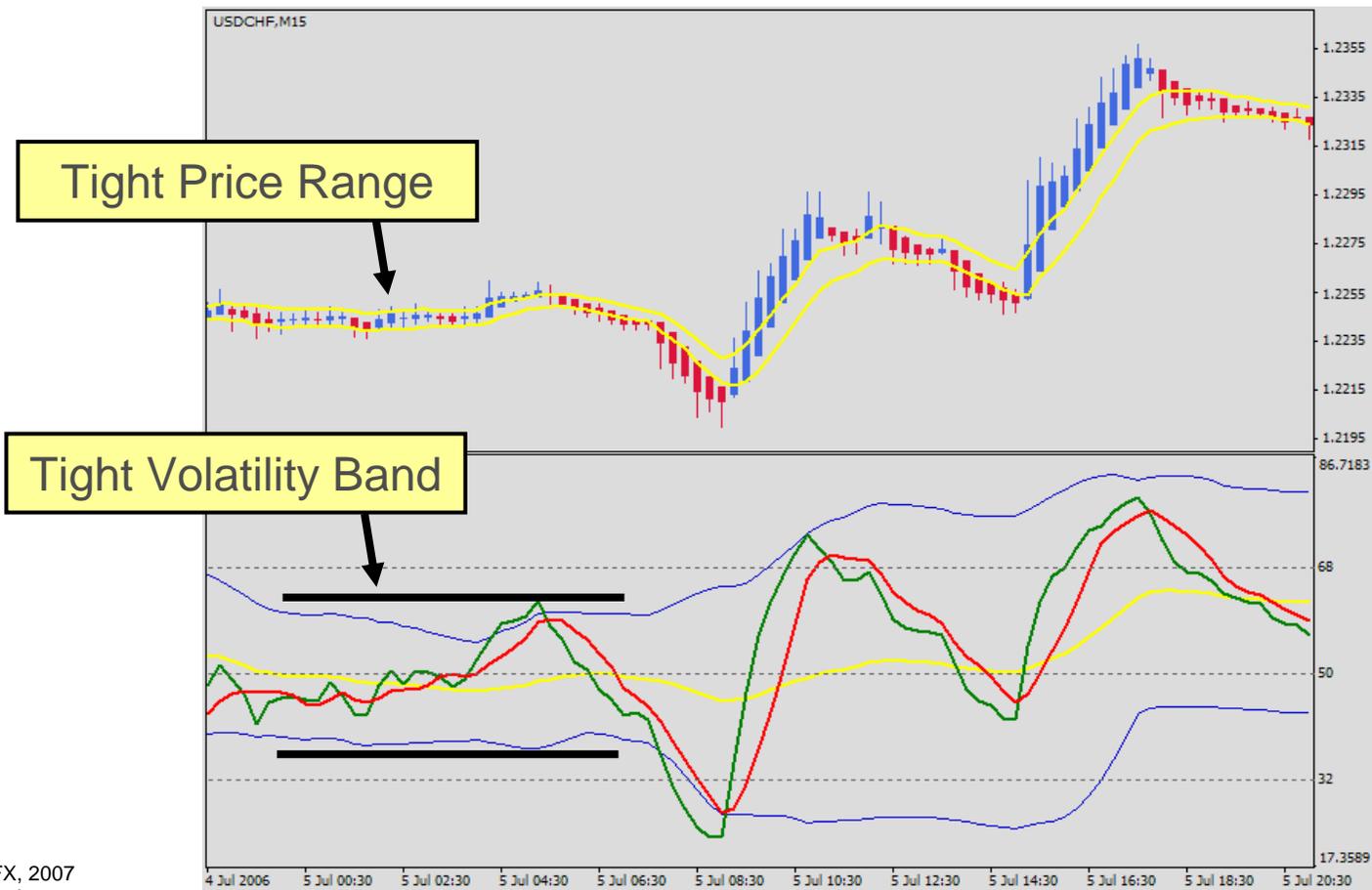
Traders Dynamic Index

Volatility Bands compared to Daily Price Action



Traders Dynamic Index

Volatility Bands compared to Intraday Price Action



SYNERGY Method

Entry Rules

SYNERGY Method

All systems GO!

Average Price Bars (APB)

- Look for **Positive** or **Negative** bars trending.
- Monitor the current **haClose**.
- **Long** entry = $\text{haClose} > \text{PAC High Moving Average}$
- **Short** entry = $\text{haClose} < \text{PAC Low Moving Average}$

SYNERGY Method

All systems GO!

Price Action Channel (PAC)

- Monitor the direction of the Channel.
- Monitor the High & Low Channel values in relation to the current haClose.
- **Long** entry = haClose > PAC High & PAC uptrend
- **Short** entry = haClose < PAC Low & PAC downtrend

SYNERGY Method

All systems GO!

Traders Dynamic Index (TDI)

- Long entry = RSI PL > 50, TSL, and MBL.
(**Long** entry = **Green** line > 50, **Red** line, & **Yellow** line)
- Consider adding to Long if RSI PL > the upper Volatility Band and > 50, but < 68.
- Avoid entering a Long when RSI PL > the upper Volatility Band, > 50, and > 68.

SYNERGY Method

All systems GO!

Traders Dynamic Index (TDI)

- Short entry = RSI PL < 50, TSL, and MBL.
(**Short** entry = **Green** line < 50, **Red** line, & **Yellow** line)
- Consider adding to Short if RSI PL < the lower Volatility Band and < 50, but > 32.
- Avoid entering a Short when RSI PL < the lower Volatility Band, < 50, and < 32.

SYNERGY Method Entry Setups

Long Entry: (*All conditions are satisfied.*)

1. APB haClose > PAC High Moving Average.
2. PAC trending up.
3. TDI = RSI PL > 50, TSL, and MBL.

Short Entry: (*All conditions are satisfied.*)

1. APB haClose < PAC Low Moving Average.
2. PAC trending down.
3. TDI = RSI PL < 50, TSL, and MBL.

SYNERGY Method

Exit Rules

SYNERGY Method

Exit Rules

- APB **Long** exit
Positive bar is much shorter than the previous bar or changes to a negative bar at close.

- PAC **Long** exit
APB closes inside the channel.

- TDI **Long** exit =
 1. **Green** crosses back below **Red** to the downside.
 2. **Green** > 68
 3. **Green** crosses back below the upper Volatility Band to the upside.

SYNERGY Method

Exit Rules

- APB **Short** exit
Negative bar is much shorter than the previous bar or changes to a positive bar at close.

- PAC **Short** exit
APB closes inside the channel.

- TDI **Short** exit
 1. **Green** crosses back over the **Red** to the upside.
 2. **Green** < 32.
 3. **Green** crosses back up over the lower Volatility Band.

SYNERGY Trades

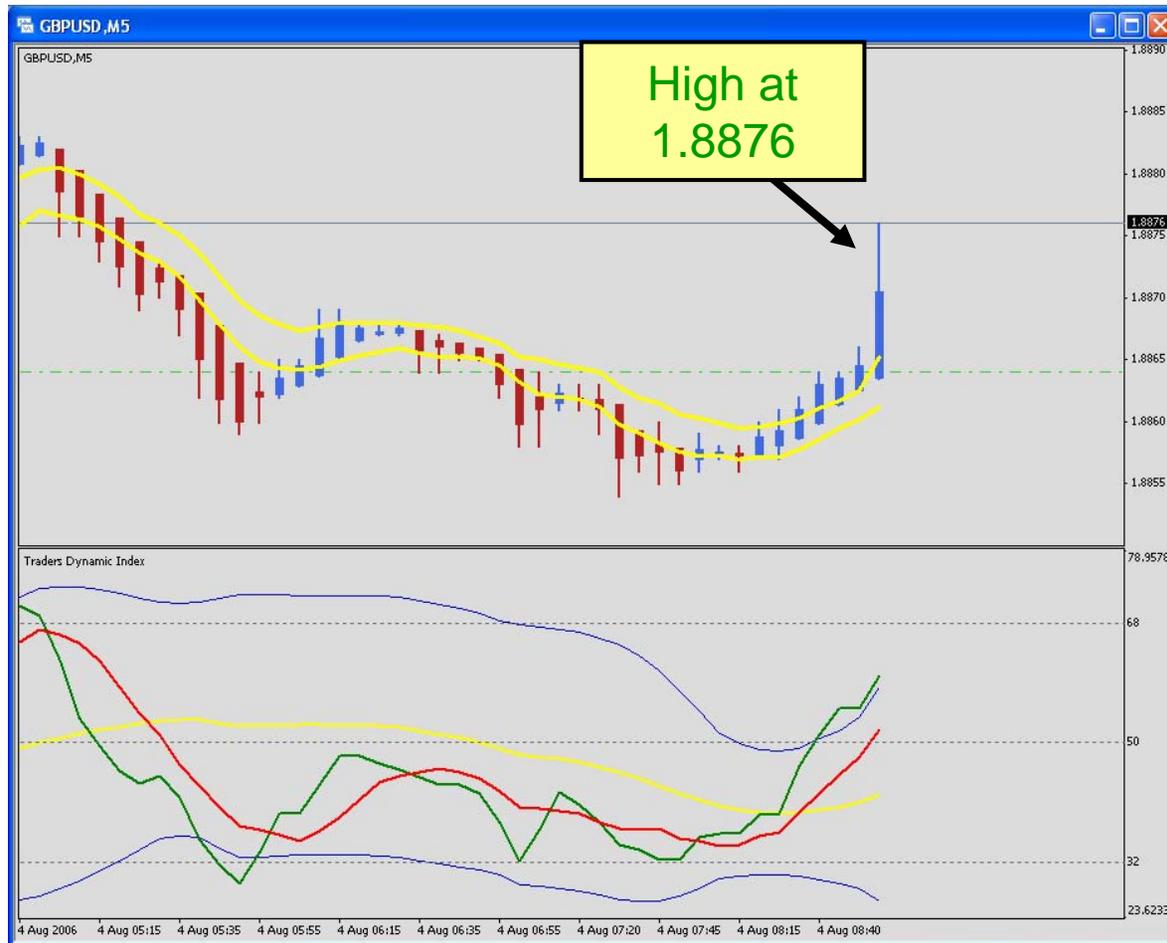
SYNERGY Method

GBP/USD 5-minute



SYNERGY Method

GBP/USD 5-minute



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GBP/USD 5-minute



SYNERGY Method

GBP/USD 5-minute



SYNERGY Method

GBP/USD Daily



SYNERGY Method

GBP/USD Daily



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GBP/USD Daily



SYNERGY Method

GBP/USD Daily



SYNERGY Method

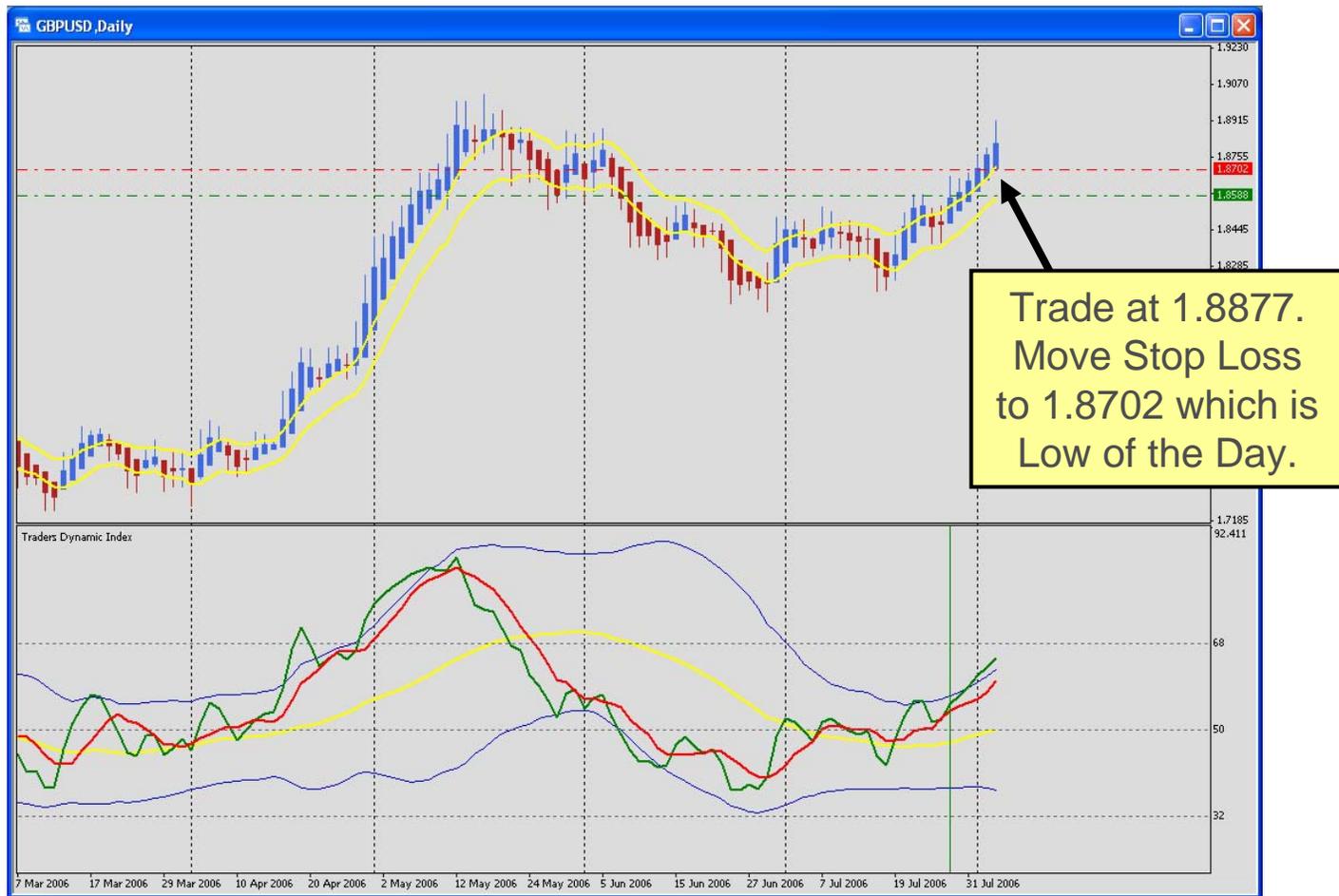
GBP/USD Daily



Trade at 1.8767.
Move Stop Loss
to 1.8659 which is
Low of the Day.

SYNERGY Method

GBP/USD Daily



SYNERGY Method

GBP/USD Daily



SYNERGY Method

GBP/USD Daily



Trade at 1.9066.
Move Stop Loss
to 1.8874 which is
Low of the Day.

SYNERGY Method

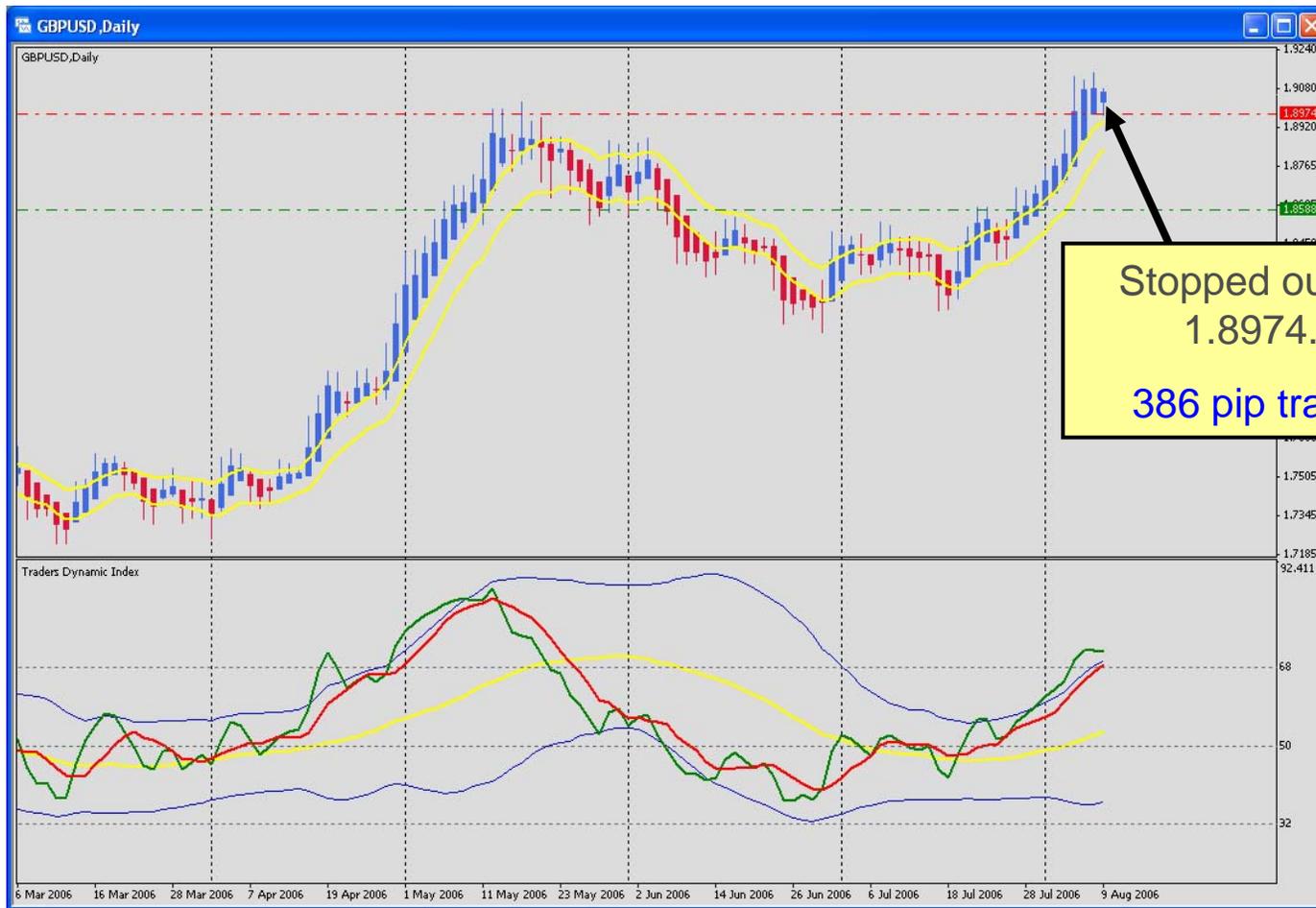
GBP/USD Daily



Trade at 1.9048.
Move Stop Loss
to 1.8974 which is
Low of the Day.

SYNERGY Method

GBP/USD Daily



Stopped out at
1.8974.
386 pip trade

Advanced SYNERGY Trading Seminar

- Real-Time Trade Signals
- Audible Alerts
- Multiple Trade Strategies
- Trade Targets to maximize trades
- **LIVE** in the market trading!

Advanced SYNERGY Trading Seminar

The methodology you shared over two days was everything you stated and more. The indicators and the method you created I believe may be the best methodology I've been exposed to since I started trading Forex over 3 ½ years ago.” ~ G., Phoenix

“I made 44 trades, 43 of which were positive with an average of 34 pips per trade. And yes, that was in a live account!”
~ C., Raleigh

“It's incredible...18 winners and only 4 losers using a 1-Hour chart only.”
~ M., Dallas



COMPASSFXTM
we know what traders want



COMPASSFX™
we know what traders want

History of CompassFX

- 1991 – Compass Financial, NFA registered futures firm, started.
- 2003 – Compass Foreign Exchange LLC (CompassFX) founded.
- 2004 – CompassFX establishes IB relationship with IFX Markets and offers the ActForex platform with one-click multiple account trading designed for traders and fund managers.
- 2005 – CompassFX offers access to Forex Trade Oracle managed account program.
- 2006 – CompassFX establishes IB relationship with FXDD and offers the MetaTrader 4.0 platform to clients.



COMPASSFX™
we know what traders want

Forex broker with a trader's perspective

- Access to ActForex & MetaTrader 4.0 trading platforms
- Trade over 20 Currency Pairs
- 2 pip spread - EUR/USD & USD/JPY
- 3 pip spread - GBP/USD & USD/CHF
- Leverage - 100:1 & 200:1
- Mini Lot Accounts
- One-click trading for multiple accounts
- Trailing Stops, Hedging and Scaling-out
- \$500 minimum deposit



COMPASSFX™
we know what traders want

Forex broker with a trader's perspective

Free access to proprietary trading tools

- FXTradeTrend™ forecast (*Week, Day, Intraday*)
- Daily Support/Resistance
- Daily Pivot Points
- Trading Ratios
- Weekly Analysis
- Average Daily & Weekly Ranges
- Trend Continuation / Reversal Analysis
- Leverage & Stop-Loss Principles



COMPASSFX™
we know what traders want

Forex broker with a trader's perspective

- Online educational videos
- Basic & Advance trading strategies
- Forex pivot point calculator
- MetaTrader 4.0 Custom indicators



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we know what traders want

Inside the Forex

➤ Money Management

- Margin

“Margin is only how much it costs you to place the trade.”

- Leverage

“Leverage is the equity in your account divided by the volume of the positions traded.”

- Consistency

“Stay in the game with Consistency, Discipline and Low Leverage.”



Forex Managed Account



Forex Trade Oracle

www.forextradeoracle.com

A Forex Managed Account program.

Provides investors who seek above average returns the ability to participate in the largest financial market in the world and increase portfolio diversification.



Forex Trade Oracle

www.forextradeoracle.com

Managed account program:

- Uses low leverage.
- Trades market cycles.
- Follows a proprietary formula.
- No management fees.
- Only an incentive fee on new profits!

Thank you...
and trade well!

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