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Presents

CoensioRecovery EA V01 (Beta)

+++ FREE DEMO VERSION +++

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1. Introduction

Hello fellow traders!

In this short manual I'll describe my newest trading system, which is based on a smart back-and-forth hedging strategy. When used in a proper way, this strategy can be extremely profitable and give you a huge advantage, because of its ability to turn every losing position into a winning one. Of course, this type of trading is not for everyone, there is some risk involved, but from my own experience it is very difficult to lose money with this system, but for sure, it can happen to anyone! My personal recommendations are:

1. Make sure you fully understand the system and all risk involved.
2. Use it in combination with your favorite entry strategy.
3. Avoid ranging markets! Quit as quickly as you can, even if it means to take some "acceptable" losses.
4. Practice on your demo account!

I wish you the best!
Chris
(from Coensio.com)

2. Disclaimer

Trading financial instruments, always involves a possible risk of losing the initial deposit. The hypothetical performance trading results, that are presented on, or published by the www.coensio.com website and all of the provided tools are generally prepared with a benefit of hindsight. Furthermore, this EA version is still in beta phase and is meant for educational purposes only. By using this Expert Advisor you agree and understand the risks involved. You also understand and acknowledge, that there is a very high degree of risk involved in FOREX trading. The author and the publisher are not responsible for any actions that you undertake and will not be held accountable for any loss or injuries.

"CFTC RULE 4.41 - HYPOTHETICAL OR SIMULATED
PERFORMANCE RESULTS HAVE CERTAIN LIMITATIONS. UNLIKE
AN ACTUAL PERFORMANCE RECORD, SIMULATED RESULTS DO
NOT REPRESENT ACTUAL TRADING. ALSO, SINCE THE TRADES
HAVE NOT BEEN EXECUTED, THE RESULTS MAY HAVE UNDEROR-
OVER COMPENSATED FOR THE IMPACT, IF ANY, OF
CERTAIN MARKET FACTORS, SUCH AS LACK OF LIQUIDITY.
SIMULATED TRADING PROGRAMS IN GENERAL ARE ALSO
SUBJECT TO THE FACT THAT THEY ARE DESIGNED WITH THE
BENEFIT OF HINDSIGHT. NO REPRESENTATION IS BEING
MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE
PROFIT OR LOSSES SIMILAR TO THOSE SHOWN."

Copyright:

3. EA installation

1. To properly install the provided EA just copy the ex4 file to your MT4 experts directory,
   e.g.: *C:\Program Files (x86)\MetaTrader - Alpari UK\MQL4\Experts*
2. Do not forget to restart your MT4 terminal
3. Check the MT4 terminal settings:
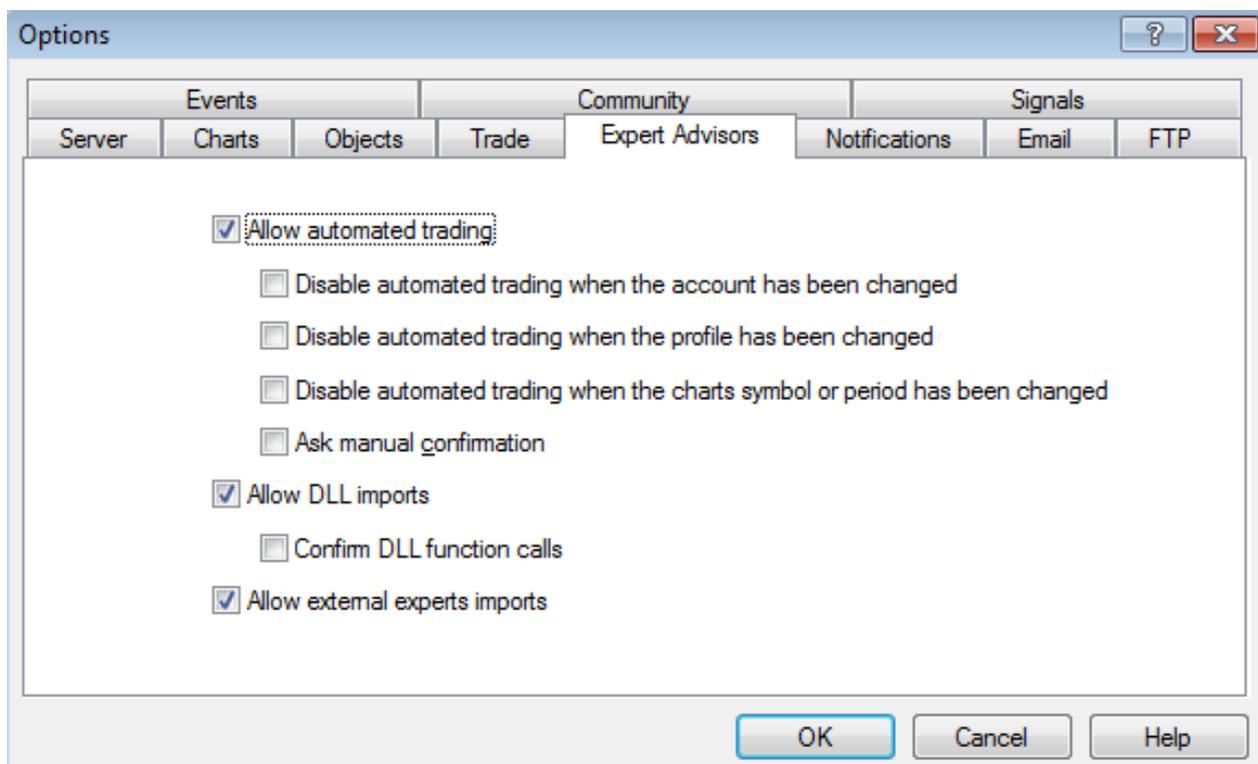
Illustration 1: MT4 settings

4. Load the EA on chart and insert your personal license key in EA parameter window,
   which you have acquired during EA download
5. Check the EA setting, under "Common" tab:
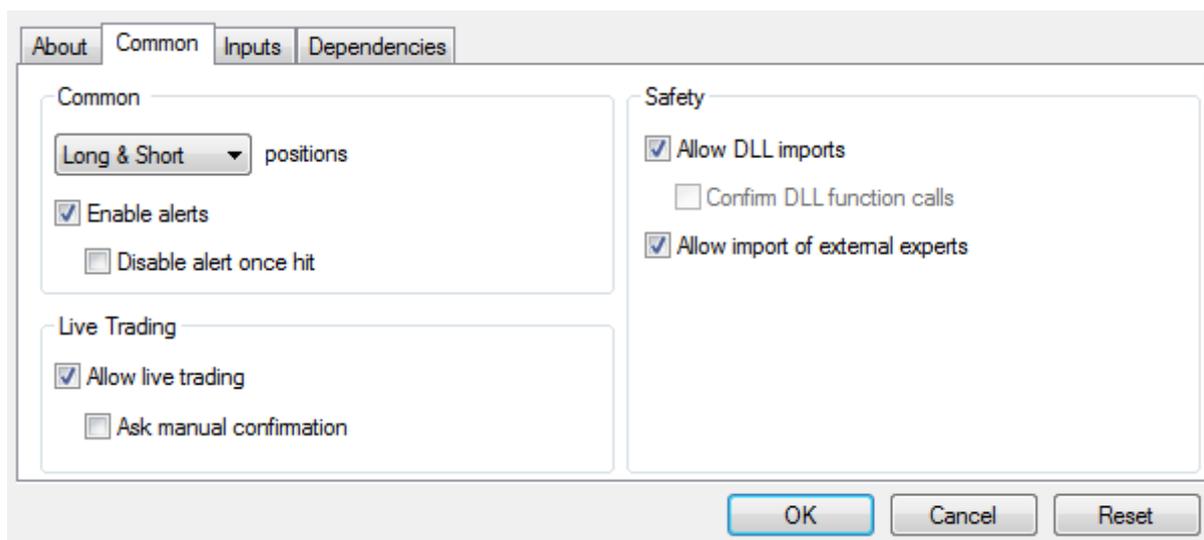
Illustration 2: EA settings

4. EA operation

This trading system uses a smart back-and-forth hedging mechanism, that is continuously opening new positions according to the recent market movements. Each time a new position is opened, system tries to estimate a new Lot size, which is required to breakeven or to profit at the original TakeProfit, but ALSO at the original StopLoss level. This results in a group of open positions that eventually will always turn into a profit, when the market will go in either direction up or down. All trades are automatically closed when the overall profit reaches the pre-defined ForceTakeProfit level or pre-defined TakeProfit or StopLoss level. PipProfitOffset setting ensures that all new recovery trades are targeting slightly lower TakeProfit levels (w.r.t. the first open position). This results in slightly larger Lot sizes, than Lot sizes required to reach a breakeven condition. This additional offset allows to compensate for small losses, that are caused by spreads, slippages, swaps and commissions. The system is profitable as long there is sufficient level of FreeMargin to be able to open new trade positions. The overview below shows a theoretical recovery flow with corresponding Lot sizes and risk levels.
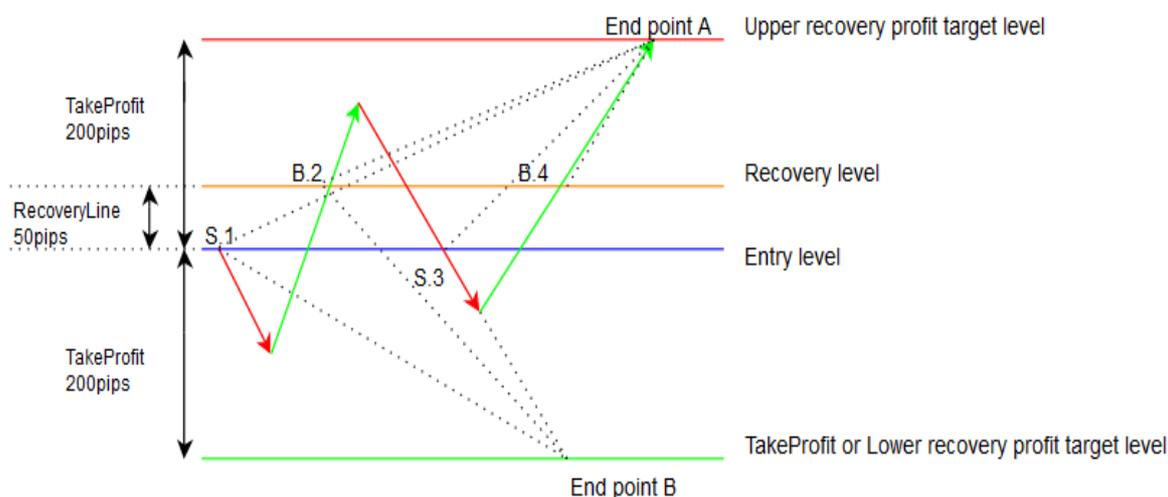
Illustration 3: "sell" position recovery example

Ideal recovery case, no rounding errors, spreads, slippages, etc..., PipProfitOffset=0

Trade status at the " End point A" :

S.1 = - 200pips * 0.100Lot = -$200
B.2 = +150pips * 0.133Lot =+$200
S.3 = - 200pips * 0.066Lot = -$132
B.4 = +150pips * 0.088Lot =+$132
Total = $0

Trade status at the " End point B" :

S.1 = +200pips * 0.100Lot =+$200
B.2 = - 250pips * 0.133Lot =- $332
S.3 = +200pips * 0.066Lot =+$132
Total = $0

Note: In both cases all trades would result in a breakeven condition.

Ideal recovery case, no rounding errors, spreads, slippages, etc..., PipProfitOffset=10

Trade result at the " End point A" :

S.1 = - 200pips * 0.100Lot = -$200
B.2 = +150pips * 0.143Lot =+$215
S.3 = - 200pips * 0.083Lot = -$166
B.4 = +150pips * 0.108Lot =+$162
Total =+$11

Trade result at the " End point B" :

S.1 = +200pips * 0.100Lot =+$200
B.2 = - 250pips * 0.143Lot =- $358
S.3 = +200pips * 0.108Lot =+$216
Total =+$58

In this case each of recovery trades is targeting the original TakeProfit level - 10pips, what results in slightly larger Lot sizes, but also in faster recovery with a larger profit! In most cases this offset setting is required to cover for round-off errors, spreads and slippages or swap/commissions losses.

Note: With ForceTakeProfit parameter set to e.g.: 5, all trades would be closed much sooner, limiting the total risk and still resulting in some small profit!

Opening trades:

New trades can be entered by drawing a trend line with "/" MT4 tool and renaming it to "gl" for a long trade and "gs" for a short trade. New trade will be opened when the price crosses trend line in desired direction. That's it!.

Ideal recovery Lots size calculation example:

Recovery flow example of a sell order @0.1 LotSize:

$TP := 200$	//TakeProfit level
$RL := 50$	//RecoveryLine: Recovery level from entry point
$TPR1 := TP - RL = 150$	//Resulting recovery profit for buy orders in bullish direction
$TPR2 := TP + RL = 250$	//Resulting recovery profit for buy orders in bearish direction
$PPO := 0$	//PipProfitOffset: optional offset for extra recovery profit

//Order numbers vs recovery LotSizes:

$L1 := 0.1$

$L2 := \dfrac{|L1 \cdot TP|}{TPR1 - PPO} = 0.133333$

$L3 := \dfrac{|L1 \cdot TP - L2 \cdot TPR2|}{TP - PPO} = 0.066667$

$L4 := \dfrac{|-L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP|}{TPR1 - PPO} = 0.088889$

$L5 := \dfrac{|L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2|}{TP - PPO} = 0.111111$

$L6 := \dfrac{|-L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP|}{TPR1 - PPO} = 0.148148$

$L7 := \dfrac{|L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2|}{TP - PPO} = 0.185185$

$L8 := \dfrac{|-L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 - L7 \cdot TP|}{TPR1 - PPO} = 0.246914$

$L9 := \dfrac{|L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2 + L7 \cdot TP - L8 \cdot TPR2|}{TP - PPO} = 0.308642$

$L10 := \dfrac{|-L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 - L7 \cdot TP + L8 \cdot TPR1 - L9 \cdot TP|}{TPR1 - PPO} = 0.411523$

//Recovery risk progression vs MaxTrades
//The numbers represent LotPips! Thus multiply by 1x Lot value e.g.: $10!
//Px= recovery level (breakeven)
//Rx= expected loss in case system is unable to open new positions

$P1 := L1 \cdot TP = 20$
$R1 := -L1 \cdot TP = -20$

$P2 := -L1 \cdot TP + L2 \cdot TPR1 = 0$
$R2 := L1 \cdot TP - L2 \cdot TPR2 = -13.333$

$P3 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP = 0$
$R3 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP = -13.333$

$P4 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 = 0$
$R4 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 = -22.222$

$P5 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP = 0$
$R5 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP = -22.222$

$P6 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 = 0$
$R6 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2 = -37.037$

$P7 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2 + L7 \cdot TP = 0$
$R7 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 - L7 \cdot TP = -37.037$

$P8 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 - L7 \cdot TP + L8 \cdot TPR1 = 0$
$R8 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2 + L7 \cdot TP - L8 \cdot TPR2 = -61.728$

$P9 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2 + L7 \cdot TP - L8 \cdot TPR2 + L9 \cdot TP = 0$
$R9 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 - L7 \cdot TP + L8 \cdot TPR1 - L9 \cdot TP = -61.728$

$P10 := -L1 \cdot TP + L2 \cdot TPR1 - L3 \cdot TP + L4 \cdot TPR1 - L5 \cdot TP + L6 \cdot TPR1 - L7 \cdot TP + L8 \cdot TPR1 - L9 \cdot TP + L10 \cdot TPR1 = 0$
$R10 := L1 \cdot TP - L2 \cdot TPR2 + L3 \cdot TP - L4 \cdot TPR2 + L5 \cdot TP - L6 \cdot TPR2 + L7 \cdot TP - L8 \cdot TPR2 + L9 \cdot TP - L10 \cdot TPR2 = -102.881$

4.1 EA parameters

#Parameter	Description
LicKey	Your personal license key. When set to "DEMO" EA will work only on a demo account.
MagicNr	Magic Number used to place new orders.
TakeProfit	TakeProfit level (in pips), it sets also the StopLoss level which is symmetrically mirrored to the entry point.
ForceTakeProfit	Take profit level during recovery period (in your account currency), all trades will be closed when equity reaches ForceTakeProfit level above the current balance level.
RecoveryLine	Distance from the entry point (in pips) at which EA initiates recovery mechanism. If set to 0 recovery mechanism is disabled!
PipProfitOffset	This parameter needs to be tuned according to local trading environment: spread, slippage etc. It makes sure every new trade is opened with slightly lower (virtual) TakeProfit target than real TakeProfit level that is set by the first trade. Doing so the new lot size will always be slightly larger than the required. Lot size to breakeven at TakeProfit or StopLoss target.
Lots	Lot size for the initial opening trade
BreakEvenPips	Break even level (in pips), when trade will reach this profit level the stop loss will be moved to entry point and trade will run until TakeProfit or StopLoss level is hit. Set to 0 to disable.
TrailingStep	Trailing stop loss setp (in pips) after breakeven level is reached. Set to 0 to disable.
MaxTrades	Maximum allowed number of trades during recovery periods.
Slippage	Slippage (in pips), it should stay high to allow closing orders without re-quotes
Debug	Debugging option flag, if set to true, additional trade information is printed, after tester will end. The EA writes a summary file into: ../tester/files/ directory.

If you have questions:

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