



# ART<sup>®</sup> Software by TradersCoach.com<sup>®</sup>

Instruction Manual for MetaTrader 5 Users

## Introduction:

Welcome and thank you for purchasing the awesome ART<sup>®</sup> Trading Software for MetaTrader 5.

We use the ART<sup>®</sup> Trading Software for exact entries, exits and risk control. This instruction manual will explain how to install the ART<sup>®</sup> Trading Software and illustrate how to adjust the settings of the ART<sup>®</sup> Trading Software so that you can change colors, etc. In addition, interpretation and best use practices using the ART<sup>®</sup> Trading Software will be discussed.

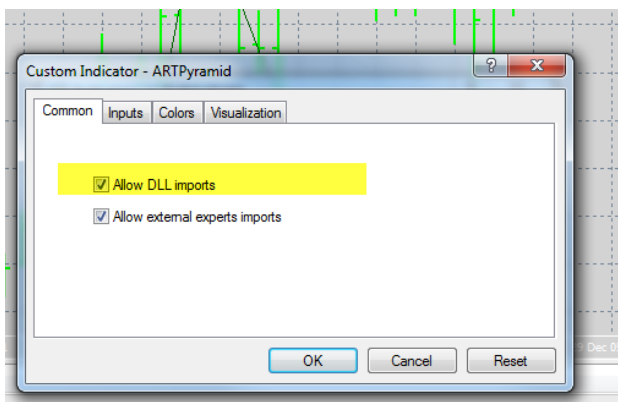
## Loading the ART® Trading Software Studies onto your MT5 Charts:

Now open a chart in MetaTrader 5, Open the “Navigator” window, then find and select “Custom Indicators”. You should see the three ART® Software Studies. [CLICK HERE](#) for full size diagram



- 1) Double click on each ART® Software Study. Each time it will open up the Custom Indicator window, be sure to check “Allow DLL imports, then click OK. This will load the ART Study onto your MT4 chart. Do this for all three ART® Studies.

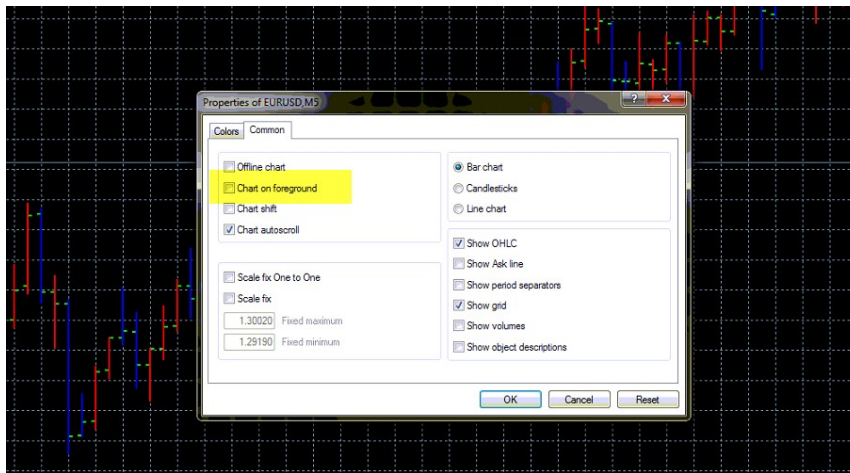
[CLICK HERE](#) for full size diagram



# Adjusting ART® Software Study Settings:

## “ARTClorBar” Settings:

Right click on your chart, select “Indicator List” Must check “Chart on foreground” for the ARTColorBars to appear, see diagram: [CLICK HERE](#) for full size diagram



Right click on your chart, select “indicators List” We recommend setting the ARTColorBar colors as follows: [CLICK HERE](#) for full size diagram



## “ARTPyramid” Input Settings:

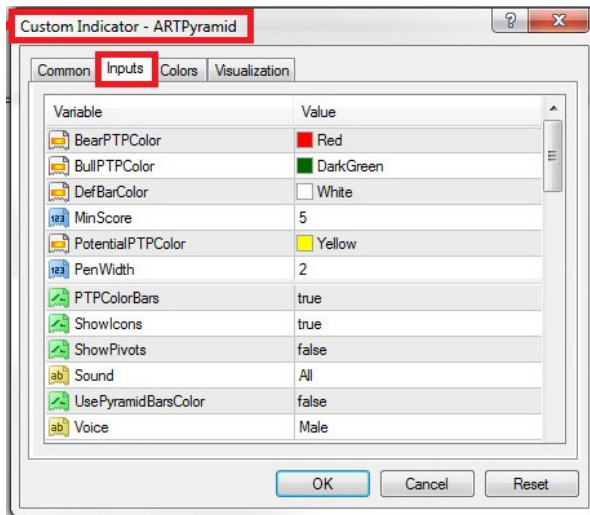
Right click on your chart, select “indicators List” “ARTPyramid” Input Settings.

[CLICK HERE](#) for full size diagram



## ARTPyramid “Input” Settings & Their Meanings:

[CLICK HERE](#) for full size diagram



- Colors the Bearish Pyramids**
- Colors the bullish Pyramids**
- Leave as White**
- Pyramid Formation - The higher the number, the more strick the analysis**
- Uncnformed Forming Pyramid Color**
- Width of the Pyramid Lines**
- Alternate Way In Which The Price Bars Are Colored After Confirmed Pyramid**
- Shows The Pyramid Icons**
- Shows Pyramid Formation Pivots**
- On/Off Switch For Pyramid Voice Signal Alerts**
- Alternate Way In Which The Price Bars Are Colored After Confirmed Pyramid**
- Designate Male/Female Pyramid Voice Signal Alert**

## “ARTReversal” Settings:

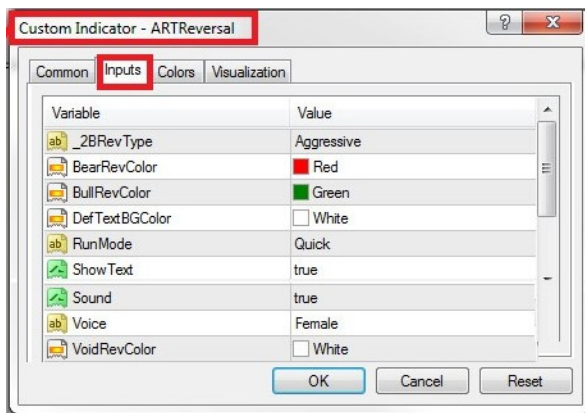
Right click on your chart, select “indicators on ....” “ARTReversal” Input Settings.

[CLICK HERE](#) for full size diagram



ARTReversal “Input” Settings & Their meanings:

[CLICK HERE](#) for full size diagram



**Aggressive/Conservative ART Reversal Analysis**

**Bearish Reversal Icon & Price Bar Color**

**Bullish Reversal Icon & Price Bar Color**

**1B & 2B Text Background Color**

**Quick/Long History Analysis - Day Traders use quick, Position Traders use long**

**true/false To Show 1B & 2B Text**

**true/false for ART Reversal Voice Trade Alerts**

**Designate Female/Male Voice Trade Alerts**

**Voided ART Reversal Signal Color**

## **ART® Trading Software Updates:**

ART® Trading Software updates will be announced at the TradersCoach.com® FORUM.

[CLICK HERE](#) to access this Forum, and register now as a member so you get notified upon any updates that become available. Registration is free.

ART® Trading Software updates will be available to download from the ART® Trading Software download page. Your order confirmation as the link along with your username and password to access the ART® Trading Software download page. Please keep and print a copy of your username and password for future reference.

## **Technical Support:**

If you need technical support, [CLICK HERE](#) and use the TradersCoach.com® FORUM to post any questions you may have. Also before posting your question, read posts from others for answers to your question. If you don't see an answer to your question, then go ahead and post your question and our technical support team will answer you quickly. The FORUM is the first and quickest way to get answers to your questions. If our technical support team needs to remote into your PC to assist you, we can do that but only after you have tried to get help via the TradersCoach.com® FORUM.

**Have fun and thank you for purchasing the  
ART® Trading Software!**

## **Disclaimer:**

U.S. Government Required Disclaimer - Commodity Futures Trading Commission. Futures and options trading has large potential rewards, but also large potential risk. You must be aware of the risks and be willing to accept them in order to invest in the futures and options markets. Don't trade with money you can't afford to lose. This is neither a solicitation nor an offer to buy or sell futures or options. No representation is being made that any account will or is likely to achieve profits or losses similar to those discussed on this website. The past performance of any trading system or methodology is not necessarily indicative of future results.

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# **The ART® Methodology**

While ART® will teach you how to trade the “Realities” of the market, another aspect of the “Applied Reality Trading ®” program lies in its flexibility so that you can tailor it in accordance with your beliefs and personality. This means that you can design your own ART® trading approach to be compatible with your trading beliefs. This can be a powerful force.

## **The Entire ART® Program Is Built Around Six Major Concepts:**

1. No one can predict the markets with any true consistency.
2. To be a successful trader you must trade the current market as it is happening and not rely on opinions, theories, or fantasies about what WILL happen.
3. The market will tell you exactly how to trade if you know how to listen to what it is saying.
4. Money management is essential. But more important is how to develop the most effective money management system for you.
5. Obtaining “The Trader’s Mindset” is a pre-requisite for trading any approach or system successful



6. **Successful trading requires aligning your personality with your trading approach.**

# **Money Management**

**It is important to realize that you must be aware of the risks in trading the financial markets and live in full awareness. Let your positive beliefs lead you to take the action necessary to succeed.**

**For traders to blindly enter the markets and trade simply because they are thinking positive thoughts is to ignore the full spectrum of what is possible. On the other hand, to live in the fear of only losing will cause you to trade the financial markets with fear, anxiety, negativity and aggression which are equally destructive. Instead, acknowledge both sides of the coin, the good and the bad. React to market activity with full-awareness and pay close attention to your risk control and you will create a positive reality with a feeling of abundance and good will.**

**By acknowledging the good and the bad (the reality) and by fine tuning your money management system you are on your way to greater prosperity.**

# **ART® Trading** **Concepts**

**You will see many charts illustrating the ART® trading concepts. As you study these charts, please keep in mind that these charts show the POTENTIAL in trading with the ART® Trading Software and not every trade will be a winner!**

**Even though the ART® Trading System can be used for quick “Scalps” or for “Counter-Trend” trades, you can make the most money in trading by following “Trends”. There are intra-day trends, intermediate trends, and there are long-term trends. The “Pyramid Trading Point ®” is used to identify trends in the ART® program. When using this indicator it is hard to miss a major trend!**

**Realize that trading is a zero-sum game. Meaning that for every winner there is a loser. Successful trading is “Survival Of The Fittest”! When you win, you are taking someone else’s money! Be prepared to deal with the psychological impact of this fact.**

**Traders must realize that they may incur many losses while attempting to catch a significant trend. Also realize that trend traders may incur draw-down periods after strong periods of performance. This is where knowing your style of trading and trading without a fearful mindset will give you the confidence to trade through periods of draw-down. Controlling your risk by calculating the proper “Trade Size” and using “Stops” is very important.**

Trend traders are followers of the market, not forecasters! Trend following trading systems apply rules to enter trends at significant times and exit trends at significant times. The ART® trading approach also has entry and

exit rules. Volatile markets that go up and down occur, and at times can create draw-down for the trend trader. The problem is not that this happens, because it will happen. It becomes a problem if it causes fear.

Remember, the trend is your friend, while fear is your enemy.

Trend traders are usually on the correct side of significant market moves. Big trends are usually what make trend traders profitable. Missing these trends make trend traders unprofitable. Significant trends usually occur after periods of volatility which causes the unprofitable trend traders to second guess taking trades because of the fear of being stuck in volatility again and incurring more losses. Missing the next big trend is disastrous!

Fear is generated by a variety of factors personal to each trader. If you feel fear, you must ask yourself why. Your answer will determine your weakness as a trader. Deny your weaknesses and your losses will create more fear which will again remind you of your weaknesses. Hence, the snowball effect.

When this occurs enough you will either work to overcome your weaknesses, quit trading, or go bust. You will close which ever is the path of least resistance.

**A trader's improperly managed fear can manifest losing trades even with a well tested and sound trading system or approach!**

# The ART® Trading Signals

## For The NinjaTrader Platform

### Bearish ART® “Reversal Bar”

"ART® Reversal" Bars represent significant changes in market behavior, where traders have decided to change market price direction. The reasons for this change of behavior could be triggered from countless sources, but it is important just to realize that a change did occur and that this change may indicate the beginning of a change in trend. Because ART® “Reversal Bars” have a strict rule base, when one does occur it also represents emotions such as fear and greed are in motion. These emotions are what give this signal such power.

♦ - Red Diamond Represents A Bearish ART® “Reversal Bar”

♦ - Gray Diamond Represents A Voided Bearish ART® “Reversal Bar”

The actual ART® Bearish “Reversal Bar” signal bar is marked with a red diamond symbol on the top of the price bar, and the trade is initiated when a price bar AFTER the signal bar goes one tick below the low price of the signal bar before going one tick above the high price of the signal bar.

Setting Basic Stops Using The Bearish ART® “Reversal Bar”: The initial stop-loss is always one tick above the signal bar's high price. Traders that

**“Scalp” the market using ART® “Reversals” also use “Stop And Reverse” techniques known as “SARS”. There are several other “Stop” techniques**

we teach in the ART® “Home-Study Course”, as well as, “Scaling” techniques that use “Stops” in various ways to help control and limit risk.

The red diamond turns to a gray color when an ART® Bearish “Two-Bar Reversal” pattern is voided. Voided bearish ART® “Reversals” occur when prices go above the signal bar before going below it. The trade signal is voided and the trader should not take the trade.

## **Bullish ART® “Reversal Bar”**

ART® “Reversal” Bars represent significant changes in market behavior, where traders have decided to change market price direction. The reasons for this change of behavior could be triggered from countless sources, but it is important just to realize that a change did occur and that this change may indicate the beginning of a change in trend. Because ART® “Reversal Bars” have a strict rule base, when one does occur it also represents emotions such as fear and greed are in motion. These emotions are what give this signal such power.

◆ - Green Diamond Represents A Bullish ART® “Reversal Bar”

◆ - Gray Diamond Represents A Voided Bullish ART® “Reversal Bar”

The actual ART® Bullish “Reversal Bar” signal bar is marked with a green diamond symbol under the price bar, and the trade is initiated when a price bar AFTER the signal bar goes one tick above the high price of the signal bar before going one tick below the high price of the signal bar.

**Setting Basic Stops Using The Bullish ART® “Reversal Bar”**: The initial stop-loss is always one tick below the signal bar's high price. Traders that “Scalp” the market using ART® “Reversals” also use “Stop And Reverse”

techniques known as “SARS”. There are several other “Stop” techniques we teach in the ART® “Home-Study Course”, as well as, “Scaling” techniques that use “Stops” in various ways to help control and limit risk.

The green diamond turns to a gray color when an ART® Bullish Reversal Pattern is voided. Voided Bullish Reversals occur when prices go below the signal bar before going above it. The trade signal is voided and the trader should not take the trade.

## **Bearish ART® “Two-Bar Reversal”**

ART® Two-Bar Reversal Patterns also represent significant changes in market behavior, where traders have decided to change market price direction. The reasons for this change of behavior could be triggered from countless sources, but it is important just to realize that a change did occur and that this change may indicate the beginning of a change in trend.

Because ART® “Two-Bar Reversal” patterns have a strict rule base, when one does occur it also represents emotions such as fear and greed are in motion. These emotions are what give this signal such power.

“ART® Two-Bar Reversal” Patterns occur often on intraday charts because the chart moves so fast, price reversals may span over two price bars.

**! - Red Square Represents A Bearish ART® “Two-Bar Reversal” Pattern**

! - Gray Square Represents A Voided Bearish ART® “Two-Bar Reversal” Pattern

The actual Bearish ART® “Two-Bar Reversal” Pattern signal bar is marked with a red square symbol above the signal bar, and the trade is initiated when a price bar **AFTER** the signal bar goes one tick below the low price of



the signal bar before going one tick above the high price of the first price bar of the pattern.

The red square turns to a gray color when an ART® Bearish “Two-Bar Reversal” pattern is voided. Voided Bearish ART® “Reversals” occur when prices go above the signal bar before going below it. The trade signal is voided and the trader should not take the trade.

A conservative Bearish ART® “Two-Bar Reversal” pattern labels the second price bar as the signal bar but the trade is not taken until prices go one tick below the FIRST PRICE BAR of the ART® “Two-Bar Reversal” pattern. The software defaults to this conservative choice. To be more aggressive, trade when prices go one tick below the SECOND price bar of the pattern.

**Setting Basic Stops Using The Bearish ART® “Two-Bar Reversal”:** The initial stop-loss is always one tick above the FIRST price bar's high of the two-bar pattern. Traders that “Scalp” the market using ART® “Reversals” also use “Stop And Reverse” techniques known as “SARS”. There are several other “Stop” techniques we teach in the ART® “Home-Study Course”, as well as, “Scaling” techniques that use “Stops” in various ways to help control and limit risk.

## **Bullish ART® “Two-Bar Reversal”**

ART® “Two-Bar Reversal” Patterns also represent significant changes in market behavior, where traders have decided to change market price direction. The reasons for this change of behavior could be triggered from countless sources, but it is important just to realize that a change did occur and that this change may indicate the beginning of a change in trend.

Because ART® “Two-Bar Reversal” patterns have a strict rule base, when one does occur it also represents emotions such as fear and greed are in motion. These emotions are what give this signal such power.

ART® “Two-Bar Reversal” patterns occur often on intraday charts because the chart moves so fast, price reversals may span over two price bars.

### **! - Green Square Represents A Bullish ART® “Two-Bar Reversal” Pattern**

! – Gray Square Represents A Voided Bullish ART® “Two-Bar Reversal” Pattern

The actual Bullish ART® “Two-Bar Reversal” Pattern signal bar is marked with a green square symbol on below the price signal bar, and the trade is initiated when a price bar **AFTER** the signal bar goes one tick above the high price of the signal bar before going one tick above the high price of the first price bar in the pattern.

The green square turns to a gray color when an ART® Bullish “Two-Bar Reversal” pattern is voided. Voided Bullish ART® “Reversals” occur when prices go below the signal bar before going above it. The trade signal is voided and the trader should not take the trade.

A conservative Bullish ART® “Two-Bar Reversal” pattern labels the second price bar as the signal bar but the trade is not taken until prices go one tick above the **FIRST PRICE BAR'S HIGH** of the ART® “Two-Bar Reversal” pattern. The software defaults to this conservative choice. To be more aggressive, trade when prices go one tick above the **SECOND** price bar of the pattern.

**Setting Basic Stops Using The Bullish ART® “Two-Bar Reversal”:** The initial stop-loss is always one tick below the **FIRST** price bar's low of the

two-bar pattern. Traders that “Scalp” the market using ART® “Reversals” also use “Stop And Reverse” techniques known as “SARS”. There are several other “Stop” techniques we teach in the ART® “Home-Study Course”, as well as, “Scaling” techniques that use “Stops” in various ways to help control and limit risk.

## **Bearish "Pyramid Trading Point®"**

The "Pyramid Trading Point®" represents significant changes in market behavior and structure. The reasons for this change of behavior could be triggered from countless sources, but it is important just to realize that a change did occur and that this change may indicate the beginning of a change in trend. Because the ART® "Pyramid Trading Point®" has a strict rule base, when one does occur it also represents emotions such as fear and greed are in motion. These emotions are what give this signal such power.

The apex or point of the Bearish "Pyramid Trading Point®" always point downward.

▼ - Red Triangle Represents A Bearish "Pyramid Trading Point®"

"P" - Represents A Dominate "Pyramid Trading Point®" = TREND DIRECTION

"MP" - Represents A MINOR "Pyramid Trading Point®"

▼ - Yellow Triangle Represents A Forming Or Potential Bearish "Pyramid Trading Point®"

**Setting Basic Stops Using The Bearish "Pyramid Trading Point®":** The Initial Stop-Loss is set at the "Base-Leg" of the “P” labeled "Pyramid Trading Point ®" so that if prices exceed the base leg by one-tick, the trade

is exited. “Trailing Stops” are set at the “Base-Legs” of new “P” "Pyramid Trading Points®" that form in the direction of the primary trend. There are several other “Stop” techniques we teach in the ART® Home-Study course, as well as, “Scaling” techniques that use “Stops” in various ways to help control and limit risk.

The software draws a forming or POTENTIAL "Pyramid Trading Point®" as YELLOW. It will not distinguish until the "Pyramid Trading Point®" is CONFIRMED whether it is a MINOR or a DOMINATE. You as the trader should always check based on the ART® methodology as to whether it will form as a Minor or Dominate "Pyramid Trading Point®" so you know whether you will take the trade or not.

## **Bullish “Pyramid Trading Point®”**

The "Pyramid Trading Point®" represents significant changes in market behavior and structure. The reasons for this change of behavior could be triggered from countless sources, but it is important just to realize that a change did occur and that this change may indicate the beginning of a change in trend. Because the ART® "Pyramid Trading Point®" has a strict rule base, when one does occur it also represents emotions such as fear and greed are in motion. These emotions are what give this signal such power.

The apex or point of the Bullish "Pyramid Trading Point®" always point upward.

▲ - Green Triangle Represents A Bearish "Pyramid Trading Point®"

"P" - Represents A Dominate "Pyramid Trading Point®" = TREND DIRECTION

"MP" - Represents A MINOR "Pyramid Trading Point®"

▲ - Yellow Triangle Represents A Forming Or Potential Bullish "Pyramid Trading Point®"

Setting Basic Stops Using The Bullish "Pyramid Trading Point®": The Initial Stop-Loss is set at the "Base-Leg" of the "P" labeled "Pyramid Trading Point®" so that if prices exceed the base leg by one-tick, the trade is exited. "Trailing Stops" are set at the "Base-Legs" of new "P" "Pyramid Trading Points®" that form in the direction of the primary trend. There are several other "Stop" techniques we teach in the ART® Home-Study course, as well as, "Scaling" techniques that use "Stops" in various ways to help control and limit risk.

The software draws a forming or POTENTIAL "Pyramid Trading Point®" as YELLOW. It will not distinguish until the "Pyramid Trading Point®" is CONFIRMED whether it is a MINOR or a DOMINATE. You as the trader should always check based on the ART® methodology as to whether it will form as a Minor or Dominate "Pyramid Trading Point®" so you know whether you will take the trade or not.

# **Unique Proprietary** **"Pyramid Trading Point®"** **Indicator**

Bennett McDowell developed the "Pyramid Trading Point®" which transforms the concept of trading "pivot points" and "fractals" to the next generation. Both the size and base of the "Pyramid Trading Point ®" have great meaning. This concept is not available on any other charting software program. In "APPLIED REALITY TRADING®" you will learn the rule base on how to spot the "Pyramid Trading Point®" on any market you trade and on any time frame you choose.

**Why "Pyramid Trading Points®" Are So Powerful!**

"Pyramid Trading Points®" are a unique non lagging trading indicator that does not distort market reality but instead helps us see market reality!

**"Pyramid Trading Points®" indicate:**

**Market Truths**

**Market Trend Direction**

**Long & Short Trade Entries**

**Helps reduce and sometimes avoid harmful "whip-saws"**

**Market Trend Trade Entry Points**

**Market Trend Exit Trade Points**

**Trend Exhaustion Levels**

**Strength of Market Trend Entry Trade Points**

**Corrections In Dominate Trends**

# Trend Trading

## Guidelines Using ART®

- Trade all “P” labeled “Pyramid Trading Points®”
- Consider any “MP” labeled “Pyramid Trading Point®” as a “Counter-Trend” trade
- The “P” labeled “Pyramid Trading Point®” indicates Primary trend direction
- NEVER exceed 2% risk on any given position and “add-on” to profitable positions ONLY
- Use The “Trade Size Calculator™” for each and every trade to help control your risk and determine your maximum allowable “Trade Size”
- All Minor “Pyramid Trading Points®” labeled “MP” and “ART® Reversal” Patterns with entries that are not in the direction of the Primary trend as indicated by the “P” labeled “Pyramid Trading Point®” are considered “Counter Trend” trades and should be used for “Scaling” Out of trend trades only



- If you want to “Scale” into trades or “add-on” to your current position, use additional “P” labeled “Pyramid Trading Points®” and/or “ART® Reversals” with entries in the direction of the trend when your money management allows. “ART® Reversals” on extremely high volume are significant
- “Paper-Trade” as outlined in the ART® Study Manual until you are profitable before trading with actual money

# **“Counter Trend” Trading**

## **Guidelines Using ART®**

- **“P” labeled “Pyramid Trading Point®” indicates trend direction**
- **All “MP” labeled “Pyramid Trading Point®” and “ART® Reversal” Patterns with entries that are not in the direction of the Primary trend as indicated by the “P” labeled “Pyramid Trading Point®” are considered “Counter Trend” trades**
- **NEVER exceed 2% risk on any given position and “add-on” to profitable positions ONLY**
- **Use The “Trade Size Calculator™” for each and every trade to help control your risk and determine your maximum allowable “Trade Size”**
- **Close your position when prices retrace 38% to 50% of the primary trend or when your trailing stop loss is triggered**
- **The best “Counter Trend” trades occur after four consecutive “P” labeled “Pyramid Trading Points®” have**

**been confirmed because the probabilities of catching a new significant trend are higher leading to a more profitable trade**

- **“ART® Reversals” on extremely high volume can be significant**
- **“ART® Reversals” occurring on elongated price bars can be significant**
- **“Paper Trade” as outlined in the ART® Study Manual until you are profitable before trading with actual money**

# **“Scalping” Trading**

## **Guidelines Using ART®**

- **Not to be confused with “Scaling”**
- **Trading between Bullish & Bearish or Bearish & Bullish  
“ART® Reversals”**
- **NEVER exceed 2% risk on any given position and “add-on”  
to profitable positions ONLY**
- **Use The “Trade Size Calculator™” for each and every trade  
to help control your risk and determine your maximum  
allowable “Trade Size”**
- **Many “Scalping” variations: Trading between the “ART®  
Reversals” using “Stop And Reverse” (SAR) orders and  
always being in the market and not caring about trend  
direction, “Scalping” in the direction of the trend, or  
“Scalping” against the trend**
- **“ART® Reversals” on extremely high volume can be  
significant**

- **“ART® Reversals” occurring on elongated price bars can be significant**
- **“Paper Trade” as outlined in the ART® Study Manual until you are profitable before trading with actual money**

**WWW.TRADING-SOFTWARE-COLLECTION.COM**  
**ANDREYBBRV@GMAIL.COM SKYPE: ANDREYBBRV**

# **Market Tips**

**“Market Tips” includes some information on popular markets for active traders. Besides volatility, active traders need to insure the markets they are trading have sufficient liquidity.**

**For a complete list of markets and their related symbols, see your data providers symbol list available on their software.**

## **The FOREX Market**

**The FOREX, or Foreign Exchange, market has recently become very popular since it is a 24 hour market with good liquidity. The FOREX market is the world’s largest financial market where one country’s currency is exchanged for that of another through what is called a “Floating Exchange- Rate” (prices change independently of other currencies and the value is determined by supply and demand) system.**

**The “ART® Charting Software” and methodology is designed to trade FOREX markets. Be sure to check your data subscription to insure you are registered to receive FOREX data.**

**The FOREX does not report volume and therefore you will not see volume on your charts. The “ART® Charting Software” is designed to identify “Pyramid Trading Points®” and “ART® Reversals” even when no volume is present.**

The FOREX does not have a central exchange. Instead, it is an electronic market within a network of banks run over a 24-hour period. Banks are constantly managing risk, performing customer currency exchanges, and hedging within the FOREX markets.

## **Here Are Some Good Reasons To Trade The FOREX:**

- 1) Continuous Liquidity
- 2) Low Dealing Costs (“pip” spreads)
- 3) 100:1 Leverage For Margin Trading
- 4) Open 24 Hours A Day From Sunday Night (5PM EST) To Friday Afternoon (4:30PM EST)
- 5) Trending Markets
- 6) No Separate Commissions
- 7) ART® Charting Software Indicates FOREX Trade Entries & Exits! In trading the "Realities" of the market we always stay with and follow the market we are trading

The FOREX market is usually traded in “Currency Pairs” meaning that every position involves the buying of one currency and the selling of another. The EUR/USD will go up in price if the EUR is stronger than the dollar. It will go down in price if the EUR is weaker than the dollar. “Parity” between “Currency Pairs” is 1.00 and in the case of the euro the EUR would equal the USD in price. Thus the FOREX value is like a spread between the “Currency Pairs”.

When you have a FOREX trading account and enter buy and sell orders on a specific “Currency Pair”, your broker automatically executes trades to create the “Currency pair” you are trading. Thus you only need to enter in



a buy or sell order of the “Currency Pair” you are trading. Your broker then buys and sells the currencies needed to create the “Currency pair” you want to trade.

While there are many “Currency pairs” you can trade, currency that trades against the U.S. dollar is the most popular and therefore most liquid and volatile which allows you as a trader to have a better opportunity to make a profit.

Here are the major U.S. dollar “Currency Pairs” and “PIP” Values. The currency listed first is called the “Base Currency”.

Australian Dollar: AUD/USD...\$10.00 per pip

British Pound: GBP/USD...\$6.80 per pip

Canadian Dollar: USD/CAD...\$7.20 per pip

Euro Dollar: EUR/USD...\$10.00 per pip

Japanese Yen: USD/JPY...\$10.00 per pip

Swiss Franc: USD/CHF...\$8.40 per pip

Currency as in the FOREX are traded on a “PIP” (Price Interest point) system. Like the “Tick” of a futures market, each FOREX market will have its own PIP value.

# **Specifications Of The Two Most Popular E-Mini Futures Contracts For Day Traders**

## **1) E-mini S&P 500:**

- Ticker Symbol: ES  
(Market symbols can vary depending on your data provider)
- Contract Months: H=March, M=June, U=Sept, Z=Dec
- Trading Hours: Virtually 24 Hours
- Contract Size: \$50 x E-mini S&P Futures Price
- Tick Size: .25 Futures Index Points = \$12.50
- Last Day of Trading: 8:30AM 3<sup>rd</sup> Friday of contract month
- Dollar Value Per Point: \$50

## **2) E-mini NASDAQ-100:**

- Ticker Symbol: NQ  
(Market symbols can vary depending on your data provider)
- Contract Months: H=March, M=June, U=Sept, Z=Dec
- Trading Hours: Virtually 24 Hours
- Contract Size: \$20 x E-mini NASDAQ Futures Price
- Tick Size: .50 Futures Index Points = \$10.00
- Last Day of Trading: 8:30AM 3<sup>rd</sup> Friday of contract month
- Dollar Value Per Point: \$20

# **Attention Option Traders**

If you trade Options, you will want to apply the ART® principles to the chart of the underlying asset, but you will be trading the Option of that underlying asset.

There are many ways to trade Options, but ART® focuses on buying deep “in-the-money” Call Options” to go LONG and buying deep “in-the-money” “Put Options” to go SHORT. Some traders like to SELL Options as well, but here we’ll work on how you can use ART® to TRADE Options.

The key in trading Options short-term is to be sure you are trading the most liquid “Contract Month” and choose a “Strike Price” that yields a DELTA as close to 1:1 as possible. A DELTA of 1:1 means that when the underlying asset changes price, the “Premium Price” of that Option also changes by the same amount.

To achieve this, you need to trade an Option that is “in-the-money” enough to obtain as close as possible to a 1:1 DELTA. This eliminates the “Time Value” of the Option so you can make an equal amount on the Option as the underlying asset when it changes price. Of course, don’t forget not only is the 1:1 DELTA important, but so is choosing the Option with sufficient liquidity as well, to achieve adequate fills quickly when entering and exiting short-term trades.

Trading Options in this fashion is acceptable and allows the trader to trade with more leverage than buying the underlying asset outright. In some cases, trading with Options can help you increase your “Trade Size” thus

allowing you to implement “Scaling” techniques which we will cover later in this “Study Manual.”

## **Conclusion**

Please realize that this is just an introduction to the “Applied Reality Trading Program®” and not the complete course. The complete “Applied Reality Trading Program®” Home-Study course is a detailed, intense trading program designed to develop your trading skills along the path to mastery levels using the ART® system.

The "Applied Reality Trading®" (ART®) Home-Study course teaches the complete methodology on how we suggest you trade using these signals. The power of the methodology is how you combine all the ART® signals which comprise YOUR trading system or approach.

## **Additional Free Training**

Also each Wednesday we do FREE LIVE TRADING webcasts using the ART® Trading Software. These webcasts are a great place to learn how to use the ART Trading Software on different markets and time frames in real-time. You can ask questions and increase your learning.

[CLICK HERE](#) to register for the next LIVE TRADING Webcast. We also record some of these live trading webcasts, [CLICK HERE](#) to view the recordings.

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