

Slope Directional Line Strategy

Contributed by Administrator
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The Setup:

Only use Timeframes: DAILY Charts ONLY! (Please Don't use on a smaller Timeframe such as H4, H1, m30, m15,...etc)

Currencies: Any (but preferred is EUR/USD).

The Indicators are:

1. Bollinger Bands (Period 20, Deviation 2).
2. Bollinger Bands (Period 20, Deviation 1).
3. RSI (4).
5. Slope Directional Line (15).
6. Slope Direction Line (10).

But don't you worry; you just open the templates all the setup required will be ON.

The Good Thing with this system is, if the Market moves Sideways, Price will be moving from Upper to Lower Bands but if the Market is Trending, the Price usually just move only in the Lower Channel Bands (Between Deviation 1 & 2) in Downtrend Market or move only in the Upper Channel Bands (Between Deviation 1 & 2) in an Uptrend Market.

ENTRY

For the Trending Market:

BUY:

1. If Price enters the Upper Channel Band by piercing Deviation 1 Bands or if price already in the channel suddenly touches the Deviation 1 Bands of the Upper Channel.
2. RSI (4) is above Level 50 or if the Break of the Trendline in the price & Trendline in the RSI is confirmed.
3. Both Slope Directional Lines (10 & 15) change or still in the same Blue Color (both of them).

If all 3 Criteria has been fulfilled, the Next Opening Day we will open Buy Position. (Remember we just only enter the next day after the 3 Criteria has been completed!)

SELL: Reverse of the Buy SetUp. Both SDL (10 & 15) must be of the same color: Red.

Here's the Screenshot1 with the RSI(4) & Trendline:

```
Event.observe($('fullSizedImage'), 'load', function(event) {
pageTags.addTagListToImg('fullSizedImage', [
]);
});
```

plain graph

```
Event.observe($('fullSizedImage'), 'load', function(event) {  
pageTags.addTagListToImg('fullSizedImage', [  
]);  
});
```

ENTRY

For the Sideways Market:

BUY:

1. Price at the lower Band Channel suddenly Break the Lower Channel Deviation 1 & the next day if the opening price still above Lower Channel Bands Deviation 1, we can take LONG/BUY Position.
2. RSI (4) above 50 levels or there is a Break of both TrendLines - in Price & RSI.
3. Both Slope Directional Lines must change to the same Blue Color.

If all 3 Criteria are met, the next Opening Day we enter BUY position.

SELL: The reverse of Buy Setup. Both SDL (10 & 15) must change to the same Red Color.

Stop Loss: (there are 2 alternatives).

1. Put at the Swing Low (Buy) or Swing High (Sell).
2. Put at Previous Bill William Fractals & if the Fractal Moves, apply a trailing stop alongside it.

EXIT:

1. if The Price move in our favour 1 times the amount we risked, we cut 1/2 position, & for the other 1/2 we put the Stop Loss to Break Even & the next day we can trail the Stop by the 3 Day Lowest Low - 0.1% (For Uptrend) & 3 Day Highest High - 0.1% (for Downtrend)

pay attention to big news releases and avoid 30 minutes before and after big news releases. try to limit your loses and let your profit run

the key here is the "discipline" in trading forex.

Below are the Indicators & the Templates you can Download:

<http://rapidshare.com/files/167273836/www.forexopticalTemplate.com.zip>